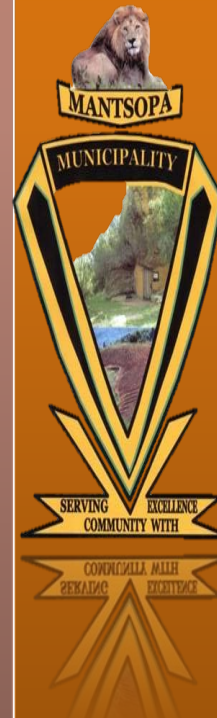


DRAFT IDP 2017-2022

MANTSOPA LOCAL MUNICIPALITY



2017/2022

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ABBREVIATIONS

Abbreviation	Description
ASGI SA	Accelerated Shared Growth Initiative of SA
CBD	Central Business District
CDW	Community Development Workers
DMP	Disaster Management Plan
EMP	Environmental Management Plan
EPWP	Expanded Public Works Programme
EXCO	Executive Committee
GDP	Gross Domestic Product
GIS	Geographic Information System
GRAP	Generally Recognized Accounting Practice
HIV	Human Immunodeficiency Virus
HR	Human Resources
HSP	Housing Sector Plan
ICT	Information Communication Technology
IDP	Integrated Development Plan
IPAP	Industrial Policy Action Plan

IRPTN	<i>Integrated Rapid Public Transport Network</i>
ISRDP	<i>Integrated Sustainable Rural Development Programme</i>
IT	<i>Information Technology</i>
KPA	<i>Key Performance Area</i>
KPI	<i>Key Performance Indicator</i>
LAP	<i>Local Area Plan</i>
LDTF	<i>Long Term Development Framework</i>
LED	<i>Local Economic Development</i>
LGSETA	<i>Local Government Sector Education Training Authority</i>
LG TAS	<i>Local Government Turn Around Strategy</i>
LUMS	<i>Land Use Management System</i>
M&E	<i>Monitoring and Evaluation</i>
MDG	<i>Millennium Development Goals</i>
MEC	<i>Member of Executive Council</i>
MFMA	<i>Municipal Finance Management Act</i>
MIG	<i>Municipal Infrastructure Grant</i>
MILE	<i>Municipal Institute of Learning</i>
MPRA	<i>Municipal Property Rates Act</i>
MSB	<i>Municipal Service Backlog</i>
MSFM	<i>Municipal Services Financial Model</i>
MTIEF	<i>Medium-Term Income and Expenditure Framework</i>
MTSF	<i>Medium-Term Strategy Framework</i>
NDP	<i>National Development Plan</i>
NEMA	<i>National Environmental Management Act No 107 of 1998</i>
NEPAD	<i>The African Union and New Partnership for Africa's Development</i>
NSDP	<i>National Spatial Development Perspective</i>
PAA	<i>Public Audit Act</i>
PAIA	<i>Promotion of Access to Information Act</i>
PGDS	<i>Provincial Growth Development Strategy</i>
PHC	<i>Primary Health Care</i>
PICC	<i>Presidential Infrastructure Coordinating Council</i>
PMS	<i>Performance Management System</i>
PMS	<i>Performance Management System</i>
PPP	<i>Public-private partnership</i>
PSDF	<i>Provincial Spatial Development Framework</i>
PSEDS	<i>Provincial Spatial Economic Development Strategy</i>

SCM	<i>Supply Chain Management</i>
SDF	<i>Spatial Development Framework</i>
SDBIP	<i>Service Delivery Budget Implementation Plan</i>
SPISYS	<i>Spatial Planning and Information Management System</i>
SFA	<i>Strategic Focus Area</i>
SLA	<i>Service Level Agreement</i>
SMME	<i>Small Medium and Micro Enterprises</i>
SOB	<i>State of Biodiversity</i>
The MSA	<i>Municipal Systems Act No 32 of 2000</i>
UDL	<i>Urban Development Line</i>
VIP	<i>Ventilated improved pit latrines</i>
WPLG	<i>White Paper Local Government</i>
WSA	<i>Water Service Authority</i>
WSDP	<i>Water Service Development Plan</i>

MAYOR'S FOREWORD

FOREWORD BY THE MAYOR, CLLR MAMSIE TSOENE

This is the first annual budget of the new administration whose term will be ending in 2021 and it will serve as a baby step towards the achievement of all commitments indicated in the 2016-2021 ANC Local Government Elections Manifesto.

The 2017/18 IDP & Budget will enable us to systematically implement the 2016 ANC Local Government Elections and the Government's Back to Basics programme, the focus of this term of Council shall focus on this important 5 pillars of our ANC Local Government Elections Manifesto..

1. Putting people first and engaging with communities;
2. Delivering basic services in a more efficient and effective manner;
3. Strengthening and improving on good governance and accountability;
4. Ensuring sound financial management, thereby improving on delivery on the mandate of municipalities;
5. Building municipal administrative capabilities by attracting a highly skilled and professional local government administration.

Our first 2017/18 IDP/Budget as the new administration coincide with the year of Comrade O.R Tambo, Comrade Oliver Reginald Tambo would have celebrated 100 years of age had he lived until 2017. The ANC National Executive Committee, Mass Democratic Movements and our Alliance components dedicated this year his centenary.

President Tambo served as president of our Movement from 1967 to 1991 and is regarded as the glue that held the many facets of the ANC together during the difficult years in exile.

Comrade OR united the Movement by listening and engaging with the concerns of comrades, by staying true to the core values of the ANC and through displaying great integrity and discipline in serving his people.

All cadres of the Movement must emulate the historic examples of President OR Tambo to influence our ongoing selfless service to the people.

We have a united and stable Council, EXCO & Section 79 Committees with the requisite capacity for oversight on the work of the administration, provide guidance and leadership at all times, more work must be done to ensure consistency and adherence to the committee meetings schedule.

There are Ward Committees in all 9 Wards, trained on relevant fields and able to discharge their mandates as required, guided by the ANC 2016 Local Government Manifesto and IDP & Budget Process Plan, we had various Mayoral Imbizos on the 2017/18 IDP & Budget, Public meetings and other stakeholder engagement sessions as part of public consultation sessions in pursuit of a better life for all.

The ANC led Free State Provincial Government under the leadership of Cde Ace Magashule has adopted a Provincial Government Programme on Radical Economic Transformation, this administration shall use all resources at our disposal to ensure the realization of this programme.

As part of job creation, during 2016/17 financial year we appointed 70 workers through Incentive EPWP, 100 workers through Environmental Programme and 1023 workers through CWP in partnership with FSCOGTA.

This number is expected to increase during the implementation of all our infrastructure projects for 2017/18 financial year and outer years.

In the pursuit of Radical Economic Transformation, we shall ensure that at least 60% of our capital projects are implemented by local entrepreneurs, we are duty bound to build and empower local SMME's and entrepreneurs. We have commenced with processes to ensure that Kgatelopele Brick making plant in Ladybrand is capacitated to manufacture paving blocks as part of our internal roads maintenance programme.

Honorable Speaker, during 2017/18 financial year we shall be in discussions with Directors of Senmark in Ladybrand to explore future investment and job creation for our people.

We are not going to be apologetic about giving our people land for residential, commercial and entertainment purposes as part of addressing the legacy of 1913 land dispossession by Apartheid and colonial governments.

During 2017/18 financial year, we shall be allocating about 417 ervens to beneficiaries in Mahlatswetsa and 200 in Dipelaneng.

We have instructed the administration to formalize residential erven (sites) in Ladybrand for allocation to beneficiaries, some erven (sites) will be sold to the highest bidders but the majority will be allocated to our landless people.

We are in discussions with Housing Development Agency regarding the land for residential purpose in Tweespruit.

Our yellow fleet and other vehicles and equipment are not in good condition to render basic services in a sustainable manner, it is within this context that we have requested the Free State Provincial Department of Police, Roads & Transport to consider procuring the yellow fleet on our behalf.

This will enable us to maintain our roads and stormwater, refuse and waste management and other basic services, our negotiations are at an advanced stage in this regard.

Our total debt as per age analysis of debtors is R321m, about R290, 8m of the debt is from the households, R14, 3m, is from organs of state and R15, 8m is from business, it is because of this reason and the need to finance service delivery that I will embark on an intensive Mayoral Operation Patala Campaign and all Councillors will be part of the campaign.

We have strengthened our Credit Control & Debt Collection strategy in order to recover outstanding debt and prevent future debt.

The total operating revenue is estimated at R 277, 1 million while total operating expenditure is estimated at R 270, 1 million inclusive of capital grants.

The 2017/18 IDP/Budget is reflecting a surplus of R7 millions of which R1, 9million has been earmarked for upgrading of electricity infrastructure, the remainder be directed to reduce the Eskom debt,

A payment plan of R11, 4 million towards the historical debt has been accepted by Eskom for 2017/18 financial year, we must adhere to this payment plan at all costs.

All Operating grants including grants in kind and subsidies constitute 42% of the 2017/18 Budget's total revenue.

We allocated an amount of R 90.8 million which represents an increase of 8, 4% for employee remuneration costs, attributed to an anticipated annual bargaining council increase.

Councillor's remuneration is allocated an amount of R 6.4 million, the provision for bad debts is allocated an amount of R 44,5 million which represents 33,8% of billed revenue, the bulk Eskom debt is currently R 98 million.

Repairs and maintenance is allocated an amount of R 5 million and roads and storm water constitutes a larger portion.

Electricity revenue constitutes 38% of all services charges revenue and as a result we have estimated it at R 40, 4 million, Water being the second largest revenue source totaling R38, 8 million; the third largest source of revenue is sanitation totaling R24, 7 million; Refuse is the fourth largest source of revenue totaling R17 million, property rates is the lowest with an estimated revenue of about 14,7million.

Operating Grants and transfers budgeted for in 2017/18 totals to R72, 4 million, The total grants allocated according to DoRA amount to R117, 5 million, these grants include grants in kind of R10, 8 million, inclusive of grants in kind, capital grants decreased from R56, 6 million in 2016/17 to R45 million in 2017/18, this will most certainly affect service delivery programmes during 2017/18 financial year.

The tariff for rates is anticipated to increase by an average of 7% of all properties that are above R 80,000 in terms of valuation roll.

The tariff for electricity is anticipated to increase an average of 6, 88% which is in line with the National Energy Regulator of South Africa (NERSA) guideline of 6, and 88 %.

The tariffs for Water, Sewerage, and Refuse are expected to increase by an average of 8% respectively. All the above increases are directly attributed to their relevant cost.

In order to assist poor household to pay for their services, we shall embark on indigent registration programme targeting at least 6000 households with a household income not exceeding an amount R 3300 per month.

The municipality shall continuously and strictly implement its debt collection policy to ensure that we maximize our collection to a target of 60% as envisaged by the provision of bad debts.

We are also exploring the possibility of installing prepaid water meters in all our households to ensure that we maximize our collection rate, installation of prepaid water meters will also assist in the preservation of the water resource as scarce commodity.

This 2017/18 IDP/Budget will attempt to systematically address our roads and stormwater, electricity, waste management, parks and cemeteries, economic development and all related challenges, our community will be at the center of its implementation.

I thank you.

MAMSIE TSOENE
MAYOR

MUNICIPAL MANAGER'S OVERVIEW

OVERVIEW BY THE MUNICIPAL MANAGER, MR SELBY SELEPE

As the Mayor has already indicated, the focus of this term of Council shall focus on this Important 5 pillars of the Government's Programme of Back to Basics...

1. Putting people first and engaging with communities;
2. Delivering basic services in a more efficient and effective manner;
3. Strengthening and improving on good governance and accountability;
4. Ensuring sound financial management, thereby improving on delivery on the mandate of municipalities.
5. Building municipal administrative capabilities by attracting a highly skilled and professional local government administration.

The municipality has a stable administration with the necessary competence to implement its IDP, Budget and other related tasks, as part of our comprehensive Skills Development and legislative requirement, Senior Management, middle management and other key staff members have been subjected to the competency assessment programme. The municipality, through the support of the Free State COGTA adopted the Back to Basics 2nd Phase Action Plan, with a specific focus on Local Government Back to Basics 10-Point Plan Priority Actions in May 2017 for implementation.

The Back To Basics Action Plan is consistent with our 2017/18 IDP, the progress report with challenges, interventions and support required shall be submitted to FS COGTA quarterly, in addition, a monthly statistical Back to Basics report is submitted to the DCOGTA (national) as prescribed.

Taking into account our obsolete water and sanitation infrastructure, we have appointed a professional engineering service provider to conduct a feasibility study, prepare a business plan and mobilize funding from the Department of Water & Sanitation and other sources of funding to address the following:

1. The inadequate supply of bulk services, particularly in areas experiencing low water pressure;
2. Address the already strained water resources, bulk water supply & associated reticulation;
3. Operation & maintenance on water and sanitation treatment plants; and
4. Water conservation and water demand management.

The municipality is in a relatively stable financial position, able to finance our infrastructure, honor all commitments despite serious challenges.

Chief amongst our challenges on financial viability and management includes the nonpayment of services by communities who can afford, including the non-payment of services by the Department of Public Works.

Payment Plan of ESKOM debt will also have an impact on service delivery, that's why we request all our consumers to service their accounts, those that are indigent must register in our records as indigents.

Our 2017/18 IDP/Budget is constituted by anticipated revenue to be collected and the expenditure to be incurred in order to advance service delivery to our people. There has been constraint from revenue collected by the municipality for the prior financial years due to the negative economic factors.

The municipality shall always strive for efficiency in all of its functions, we heeded to the call by the Minister of finance by implementing austerity measures envisaged by Circular 82, through implementation of austerity measures the municipality is anticipating save at least R 8 million from overtime and travel and subsistence expenditure.

In ensuring that our budget is realistic, practical and comply with legislative and regulatory prescripts, MFMA circular No. 51, 54, 66, 67, 78, 79, 85 and 86 were used as a guide during the 2017/18 IDP & Budget processes.

The total capital budget is mainly funded from government grants and subsidies, own income to contribute about R1, 9m, the total capital budget is estimated R 46, 9 million which is R11, 6 million lower than the previous financial year.

I'm confident that our Senior Management and workforce in general will direct their energy in implementing the 2017/18 IDP/Budget, I will also rely on the valuable guidance and leadership of the Mayor, Speaker, EXCO and Council.

In the implementation of this mammoth task during 2017/18 financial year, I will also be indebted to the support and guidance from the Free State Provincial Treasury and Free State COGTA.
Your contribution is always valued,

SELBY SELEPE
MUNICIPAL MANAGER

SECTION A: INTRODUCTION

Vision and Mission:

In order to achieve the vision, we have to start change processes immediately. This requires the development of a Mission Statement and the elucidation of the Strategic IDP Objectives.

To Communally Create Better Livelihoods and Build a Community of Mantsopa Defined by a Common Dream by 2030

In order to achieve the vision, we have to start change processes immediately. This requires the development of a **Mission** Statement and the elucidation of the Strategic IDP Objectives.

Transform Social and Economic Development Patterns through Integrated, Accessible, Equitable and Sustainable Service

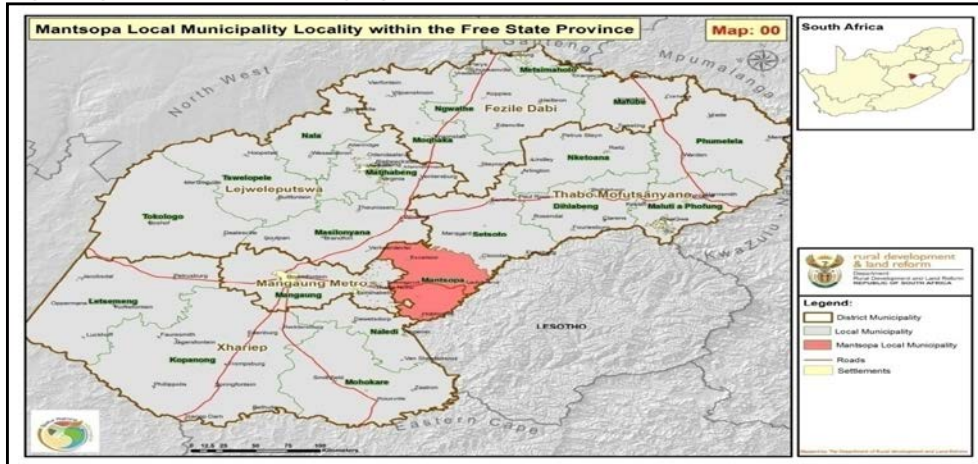
It further requires of municipalities to structure and manage its administration and budgeting and planning processes to give priority to the basic needs of the community and to promote the social and economic development of the community whilst participating in national and provincial development programmes.

The above mandate should therefore be captured in the IDP of the local municipality and therefore the stronger focus on local development programmes that address the needs of the community.

Commented [S1]: Rep Forum to review the Vision and Mission in line NDP Horizon

Brief overview of the Municipality

Map 1 : Map of the Location of the Municipality in the Provincial Context.



Who is Mantsopa?

Mantsopa Local Municipality was named after **Anna Mantsopa**, this is a clear testament to the fact that the municipality value the role played by women.

Commented [S2]: Mantsopa

Mantsopa Local Municipality was established on 5 December 2000 and comprises the previous areas of jurisdiction of Tweespruit Transitional Local Council, Ladybrand, Hobhouse, Excelsior, Thaba Patchoa and Maluti Transitional Rural Council.

It forms part of the Eastern Free State and falls within the Thabo Mofutsanyana District Municipal area. The municipality borders the Kingdom of Lesotho in the east, Mangaung Local Municipality to the west, and Masilonyana and Setsoto to the north. The languages spoken in Mantsopa are Sesotho, English and Afrikaans as dominant languages in the Province.

The economy of Mantsopa is largely on the commercial farming sector, which employs many of the community. The private businesses and public sector also employs a number of the community. Tourism also plays an attraction point within the Maluti Mountains and the official pronouncement of Lekhalong La Mantsopa as a national heritage side. Mantsopa therefore is the gateway to the Mountain Kingdom of Lesotho which attracts lot of tourists nationally and internationally

Table 1: Population distribution by languages most spoken

Languages	Gender		Total
	Male	Female	
Afrikaans	1 898	1 911	3 810
English	832	1 133	1965
IsiNdebele	-	-	-
IsiXhosa	110	41	152
IsiZulu	39	13	52
Sepedi	74	46	120
Sesotho	22 401	23 867	46 269
Setswana	40	32	72
Sign language	-	-	-
SiSwati	-	-	-
Tshivenda	-	-	-
Xitsonga	-	14	14
Khoi; nama and san languages	-	-	-
Other	142	34	175

Data sources: Stats SA, Census 2011 and Community Survey 2016

Table 4 above indicates the distribution of the population by language and gender. The most spoken language within the municipality is Sesotho followed by Afrikaans and English respectively. None of the population members uses sign language to communicate. The area is accessible via the N8 and R26 roads which transverse the area. A railway line that runs along these routes services the area.

The municipal area accommodates approximately 51 056 people and covers an area of 4 290 km². It incorporates five small towns, which accommodates collectively 70.9% of the total population of Mantsopa. These small towns serve the surrounding rural community. The five main towns situated in Mantsopa are Ladybrand Head Office, Hob House, Tweespruit, Thaba-Phatchoa and Excelsior.

Ladybrand is the most progressive of all towns and is the most eastern node in the municipal area. Ladybrand municipal area includes Manyatseng, Mauersnek and the surrounding municipal commonages that covered an area of 4 682 ha in size. The town accommodates 34% of the total population of Mantsopa.

Hobhouse is a smaller rural town that is located southwest of Ladybrand and east of the Leeuw River along the Lesotho border. Hobhouse is the most southern node in the municipal area. It is about 2 089 ha in extent which includes Dipelaneng and municipal commonages. The town accommodates 4.6% of the total population of Mantsopa.

Tweespruit is the most centrally located node along the N8 route between Bloemfontein and Ladybrand. It is about 1 534 ha in extent and included Borwa, Dawiesville and municipal commonages. The town accommodates 10.2% of the total population of Mantsopa.

Excelsior is located 40 km north of Tweespruit along the R709 and forms the northern boundary of Mantsopa. It is about 1 298 ha in extent of which 243 ha was designed as an urban area, the rest were rented out to commercial farmers while some land was utilized for grazing purposes. It includes Mahlatswetsa and municipal commonages. Excelsior accommodates 10.6% of the total population of Mantsopa.

Thaba Patchoa is located between Tweespruit and Hobhouse and is a small agricultural residence for 1100 families. It is about 3 864 ha in extent and consisted of the farms Thaba Patchoa 105, Segogoana's Valley 665 and Sweet Home 667.

The municipal area has been divided into 9 wards. These wards comprise the following areas:

- Ward 1:** Tweespruit, Borwa, Dawiesville, Thaba Patchoa and surrounding rural areas;
- Ward 2:** Hobhouse, Dipelaneng, and surrounding rural areas;
- Ward 3:** Vukazenzele; Masakeng; Mekokong; Part of Los My Cherrie and a small portion in town
- Ward 4:** Part of Los My Cherrie, Flamingo; Part of Lusaka
- Ward 5:** Mandela Park, Riverside, Masakeng, Thusanong, and Modderpoort
- Ward 6:** Lusaka, Thabong, New Platberg, and Homes 2000;
- Ward 7:** Ladybrand Town, Maursnek; Platberg
- Ward 8:** Excelsior, part of Mahlatswetsa and surrounding rural areas;
- Ward 9:** Mahlatswetsa.

Table 2: Number of Households per ward.

Number of Households per ward – Census 2011										Total for 2016
Ward 1	Ward 2	Ward 3	Ward 4	Ward 5	Ward 6	Ward 7	Ward 8	Ward 9	Total for 2011	
1 886	1 865	1 859	2 088	1 558	1 363	1 578	14 94	1 479	15 170	16 951

Source: Statistics South Africa - Census 2011 and community survey 2016

Note: information for 2016 is from the community survey 2016 which is only up to municipal level not ward level.

Table 3: Distribution of total population, number of households and household size

	Population	Households	Average Household Size
Census 2011	51056	15170	3.4
CS 2016	53526	16951	3.2

Data sources: Stats SA, Census 2011 and Community Survey 2016

Table 5 above indicates the total population, number of households as well as the average household size in Mantsopa local municipality between the years 2011 and 2016. Even though the total population as well as the number of households has increased, the average household size has slightly decreased from 3.4 to 3.2 where in essence it remained constant at 3 members per households when rounding off both household size figures.

The municipality undertook a rural survey in 2001 to get more information regarding the current level of service provision in the rural areas and the number of people residing on the farms. This survey indicated that an average of 2.8 households stay on those farms occupied by farmers and their workers. Where the farmer was not residing on the farm itself, 25% of all respondents indicated that an average of 2 families stayed on the farm.

Only 35 farms, representing 11.4% of the respondents, had nobody that resided on the farm. A survey at the Deeds Office indicated that there are a total of 1874 farms registered in Mantsopa. If these figures are used to predict the number of households staying in the rural areas, the following:

Table 4: Estimated number of Rural Households

Survey Result	Applied to total number of farms	No of Households
73% or 223 farmers resided on the farm	73% x 1874 farms = 1368	1368 x 2.8 = 3830
35 farms had nobody residing on it (11%)	11% x 1874 farms = 206	206 x 0 = 0
48 farmers did not stay on the farm they worked (16%)	16% x 1874 farms = 300	300 x 2.0 = 600
Total	1 874	4 430

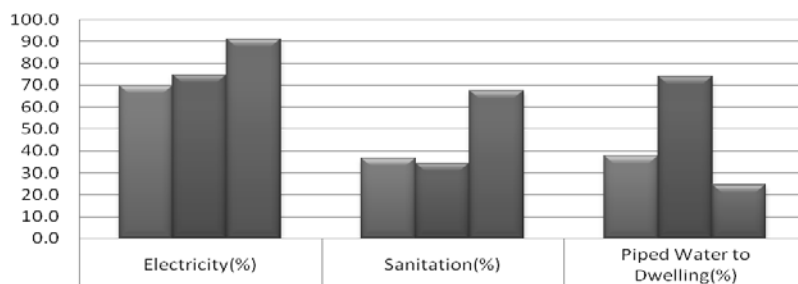
Source: Rural Survey (Mantsopa Local Municipality, 2011)

The rural survey conducted by the municipality also indicated that the average household size of the farm workers is 2.6 family members per household while the farmers has on average 2.1 family members. It is therefore estimated that 12 329 people are residing in the rural areas, using these average household sizes and multiplying it with the above estimated number of households.

This figure is less than the rural population estimates of 21 405 people, if a compounded growth rate of 1.7% per annum is applied to the census figure of 1996. However, it is known fact that many farmers have retrenched workers since 1996 and therefore the rural population should have decreased, thus concluding the findings made by the rural survey. The following conclusion can therefore be drawn from the above, namely that:

The estimated population of the rural survey is correct and therefore the rural population has decreased while there was an influx of people, through both migration and immigration into the urban areas. It is therefore estimated that the total number of households have increased from 11 715 to 15 057. Mantsopa Local Municipality has had some mixed outcomes in terms of Services Provision from 1996 to 2011 as showed in the table below. Access to piped water has had a serious decrease and needs to be addressed within this IDP.

MANTSOPA LOCAL MUNICIPALITY BASIC SERVICES COMPARISON (1996 - 2011)



	Electricity(%)	Sanitation(%)	Piped Water to Dwelling(%)
Basic Services - 1996	69.7	36.8	37.8
Basic Services - 2001	74.9	34.5	73.8
Basic Services - 2011	90.9	67.5	24.4

Municipality Powers and Functions

Section 156 of the Constitution assigns executive authority to municipalities in respect of, and the right to administer the local government matter listed in Part B of Schedule 4 and Part B of Schedule 5 and any other matter assigned to it by national or provincial government. This implies that certain functions have been assigned exclusive to local government. As local government comprises both district and local municipalities, it was necessary to differentiate between the functional competencies of district and local municipalities.

This division of functional competencies between district and local municipalities is governed by the Municipal Structures Act, as amended (2000). However, many district municipalities do not have the administrative capacity to execute their legislative powers and functions and therefore the MEC for Local Government and Housing authorized local municipalities to perform certain of the district municipal functions in terms of section 18 (1) of the Local Government Structures Amendment Act (2000).

The MEC's authorization in terms on Provincial Notice No 225 of 27 November 2002 was repealed on 10 April 2002 with the promulgation of Provincial Notice No 53 of 2002. According to the Provincial Notice No 53 of 2002, the following functions and powers have been authorized to Mantsopa Local Municipality.

Table 4: Municipal Powers and Functions.

<i>Air & Noise Pollution</i>		<i>Beaches and Amusement Facilities</i>		<i>Billboards & Display of Advertisements in Public Places</i>	✓
<i>Billboards & Display of Advertisements in Public Places</i>		<i>Building, Trading Regulations, Liquor & Public, Nuisance Control</i>		<i>Cemeteries, Funeral Parlours & Crematoria</i>	✓
<i>Child Care Facilities</i>		<i>Cleansing & Trade Areas</i>		<i>Electricity Reticulation</i>	
<i>Fencing and Fences</i>	✓	<i>Fire Fighting Services Licensing, Facilities for Accommodation, Care & Burial of Animals</i>	✓	<i>Local Tourism</i>	✓
<i>Local Amenities</i>		<i>Local Sport Facilities</i>		<i>Markets Stalls / Trade Areas</i>	
<i>Municipal Abattoirs</i>		<i>Municipal Planning</i>		<i>Municipal Public Transport</i>	
<i>Municipal Parks and Recreation</i>	✓	<i>Municipal Roads</i>	✓	<i>Pontoons, Ferries, Jetties, Piers & Harbours</i>	
<i>Storm Water Management</i>	✓	<i>Pounds</i>		<i>Public, Nuisance Control Fire Fighting Services</i>	
<i>Public Places</i>	✓	<i>Refuse Removal, Refuse Dumps & Solid Waste</i>	✓	<i>Street Trading</i>	
<i>Traffic and Parking</i>	✓	<i>Storm Water Management</i>			

Source: Mantsopa IDP (2016)

Section 229 of the Constitution allows municipalities to impose property rates and service charges. This obligation requires strict financial management and accountability to the public. The allocation of certain functional competencies to district municipalities has an impact on the administration of local municipalities. It was therefore

necessary to consider the new functional competencies of local government in the design of a new organizational structure illustrated on the previously.

Service Providers

The municipality provides services in the municipal area that relates only to their core competencies. Other service agencies are therefore responsible for service delivery outside the functional competency of the local municipality but within the spirit of Co-operative Governance and the Intergovernmental Relations Act. The following is a list of service providers active in the municipal area. The list is not comprehensive, but gives an overview of those services providers, which the community perceive to be active in the municipal area.

Table 5: Service Providers

Service Delivered	Ladybrand	Hobhouse	Tweespruit	Excelsior	Thaba Patchoa	Rural Areas
Water	Mantsopa Local Municipality				Farm Owner	
Sanitation	Mantsopa Local Municipality				Farm Owner	
Electricity	Ladybrand town: Centlec SOC Manyatseng: ESKOM Mauresnek & Platberg Centlec SOC	Hobhouse town ESKOM Dipelaneng: ESKOM	Tweespruit town: Centlec SOC Borwa: ESKOM Dawiesville: Centlec SOC	Excelsior town Centlec SOC Mahlatswetsa: ESKOM	Thaba Patchoa ESKOM	Farms & Rural ESKOM
Road Network	Mantsopa Local Municipality & Provincial Dept of Roads & Police					
Health Care	Department of Health & Thabo Mofutsanyana Municipality (Environmental Health)					
Safety and Security	South African Police Services					
Labour advice	Department of labour					
Environmental Conservation	Department of Tourism, Economic and Environmental Affairs, Municipality					
Tourism Promotion	Maloti tourist route, Thabo Mofutsanyana District Municipality, Free State Tourism Authority					
Housing subsidies	Department of Human Settlements				Farm owners for farm residents	
Agriculture advice	Department of Agriculture					
Welfare Service	Department of Social Development					

Source: Mantsopa IDP (2016/17)

Municipality Broad Geographic Context

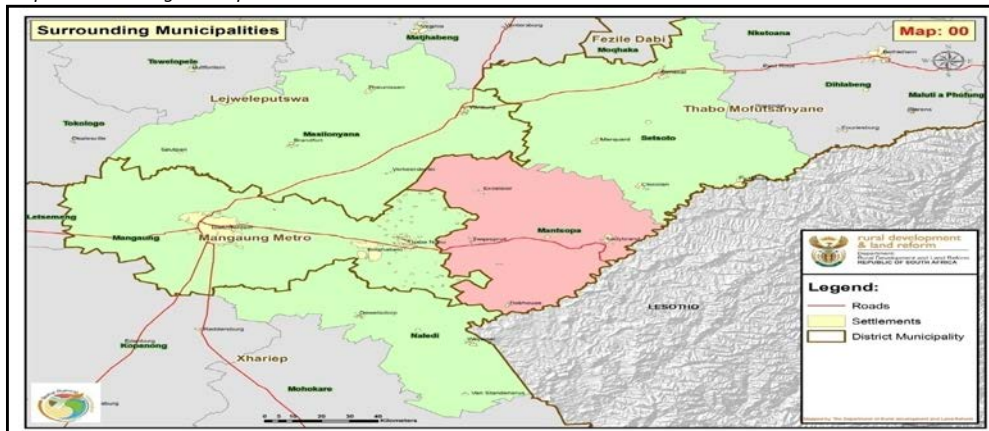
Mantsopa forms part of the central district municipal area, Thabo Mofutsanyana, within the Free State Province. The Free State is the third largest province in South Africa and covers 10.6% of the country's surface area while it accommodates only 5.3% of the total population of South Africa. (*Census Statistics 2011*).

Table 6: Municipal Context

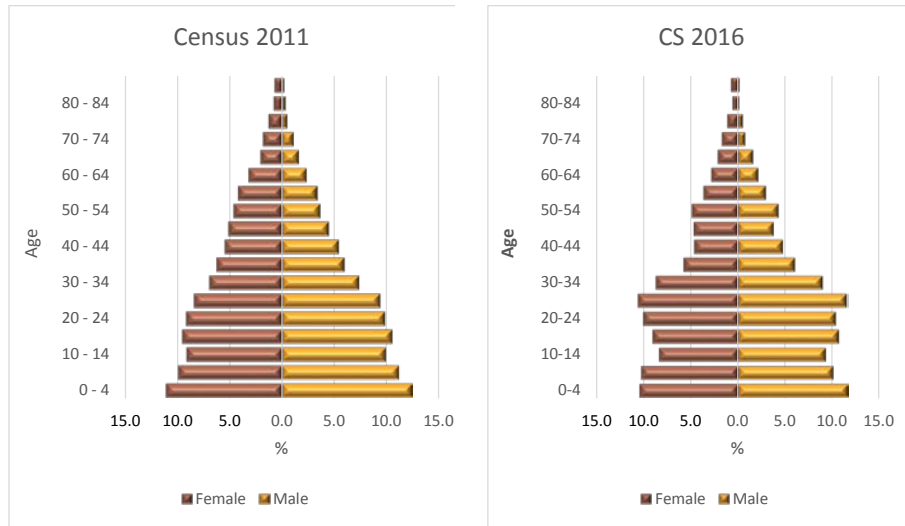
Geographic Area	Population size and Households			Bordering Towns
Mantsopa Local Municipality area of jurisdiction covers 4 290 km ² .	Population size			It borders the Kingdom of Lesotho in the east, Mangaung Local Municipality to the west and South, and Masilonyana and Setsoto to the north. It incorporates five small towns, which accommodate collectively 66, 5% of the total population of Mantsopa. These small towns serve the surrounding rural community.
	1996	2001	2011	
	50 085	55 339	51 056	
	Number of Households			
According to Statistics South Africa: Community Surveys 2016, there were a total number of 16 951 households within the area of jurisdiction of Mantsopa Local Municipality.				

Source: Census 2011 and community survey 2016

Map 2: Surrounding Municipalities.



These Figures shows Population structures – Census 2011 and Community Survey 2016



Data sources: Stats SA, Census 2011 and Community Survey 2016

Figure 3 and 4 above indicate population structures of Mantsopa local municipality in 2011 and 2016 respectively. This indicates that the municipality consists of young population than the old. Based on the age group 0 - 4 years, the figures suggest that there was consistency in terms of fertility within the municipality in the past five years. The figures suggest that females live longer than the male population within the municipality.

State of Development in Mantsopa Local Municipality

The December 5, 2000 Local Government Democratic Elections ushered in the era of developmental local government and politics. The incoming local councils were faced with challenges of deconstructing the decades long era of separate, unfair and racially based local government through cooperative government, all three levels of government implemented programmes and projects aimed at eradicating poverty and ensuring the socio-economic development of all South Africans.

Mantsopa Local Municipality inherited serious developmental challenges and eventually experienced new growth challenges caused by expansion of the municipality more especially Ladybrand. With the adoption of the sister IDP and subsequent reviews of the IDP over years, Mantsopa Local Municipality crafted a developmental trajectory aimed at integrating the development of the municipality and ensuring the provision of equitable, fair and sustainable services to all.

This chapter tries to sketch a broad overview of the current development situation within the municipal area and focuses on the demographic profile of the area, its human and social development status, the economic development situation, levels of infrastructure provisioning as well as land reform projects initiated in the area.

The chapter further explores the spatial relationship of the municipal area and the environmental assets it possesses as well as those environmental issues that needs attention. It also critically assesses the strengths, weaknesses, opportunities and threats of the municipal area in order to strategically place the area in terms of future development opportunities.

Opportunities offered by the Municipality

Ladybrand is situated on the R26 between Ficksburg and Hobhouse. It is also situated on the N8 linking Bloemfontein with Maseru in Lesotho. The former municipal area measures approximately 4 682 hectares and comprises Ladybrand, Manyatseng and Mauresnek. The remaining extent of the municipal area consists of land mainly used for agricultural purposes. Ladybrand is a service center to the predominantly agricultural orientated surrounding rural area, but also to Lesotho. It is the most progressive and largest of all the towns in the Mantsopa Local Municipal area. The town has a promising economy and many national companies occupy retail and industrial space.

Excelsior is located along the R703 between Tweespruit and Verkeerdevlei. It is also directly linked to Thaba 'Nchu and Winburg via untarred roads. The former town lands measures approximately 1 298 hectares and comprises the developed areas of Excelsior and Mahlatswetsa. The remaining extent of the municipal town lands consists of land mainly used for agricultural purposes and a large percentage of the land is leased to commercial farmers while other land is used for communal grazing purposes.

Excelsior serves as a service center in support of the predominant agricultural surrounding area. In recent years, however, it lost its agricultural service center function due largely to the liberalization of the agricultural marketing system and improved technology. Agricultural produce is now delivered wherever it is needed and the services of the town are bypassed. The commercial sector also lost some of its former importance as those who can afford it, prefer

to shop in other Central, such as Thaba 'Nchu and Bloemfontein. This has a negative impact on the local economy and work opportunities in this town.

Tweespruit is situated along the N8 between Bloemfontein and Ladybrand. There is also a direct link between Tweespruit and Excelsior along the R709. The former town lands measures approximately 1 534 hectares and comprises Tweespruit, Borwa and Dawiesville. The remaining extent of the municipal area consists of land mainly used for agricultural purposes.

These communal areas are leased to commercial farmers and also serve as grazing area for livestock kept by local farmers in Borwa and Dawiesville. Tweespruit serves as a service center in support of the predominant agricultural surrounding area. This area is one of the highest sunflower production regions in the Free State and in response a large silo complex has been developed in the town. In combination with the station, with its capacity for mass transport of agricultural produce, it forms a positive asset for the town.

Hobhouse is located along the R26 between Wepener and Ladybrand. It is also directly accessible from Tweespruit. The former town lands measures approximately 2 089 hectares and comprises Hobhouse and Dipelaneng. The remaining extent of the municipal area consists of land mainly used for agricultural purposes. Hobhouse serves as a service center in support of the predominant agricultural surrounding area.

Thaba Patchoa is located approximately 30 km from Tweespruit in a south -easterly direction. It is inaccessible from the major access routes in the region. It was a farming settlement particularly earmarked for the coloured community during the previous era with its separate development policy. The former municipal area measures approximately 3 864 hectares in extent.

It is somewhat 'hidden' when referring to spatial planning initiatives of the past, but 'secluded', when referring to its largely untapped tourism potential. On micro scale, the urban area is located between the Leeuw River dam in the east and Thaba Patchoa Mountain in the west. Agricultural activity prevails and the town lacks any other form of economic infrastructure, while social amenities are poorly developed. It provides no services to the surrounding area and the community utilizes Hobhouse as the service center.

Map 3 Road Networks.



Source: Department of Public Roads and Transport – 2011

What is the Integrated Development Plan?

Integrated development planning is a process through which the municipality prepares a strategic development plan which extends over a five-year period. The Integrated Development Plan (IDP) is the principal instrument which guides and informs all planning, development, management and implementation in the municipality. Each directorate is required to conclude a detailed annual service delivery and budget implementation plan that gives operational expression to the IDP.



which the municipality represents the driving force for making municipalities more strategic, inclusive, performance driven in character. The IDP is the principal instrument which guides and informs all planning, development, management and implementation in the making. Each directorate is required to conclude a detailed annual service delivery and budget implementation plan that gives operational expression to the IDP.

The Senior Management Team and Middle Management are accountable for the implementation of the IDP, and this is reflected in our integrated Performance Management System that links the IDP to the strategic framework, to the macro-scorecard, and from there to performance contracts for Section 57 Managers. The Municipality is required to consult with communities and other stakeholders on its performance, and Mantsopa Local Municipality had made increased efforts this year to involve residents, officials and politicians in providing feedback on the municipal performance.

Policy and Legislative Context

The Constitution of the Republic of South Africa outlines the kind of local government needed in the country. According to the Constitution (sections 152 and 153), local government is in charge of the development process in municipality, and notably is in charge of planning for the municipal area. The constitutional mandate is to relate management, budgeting and planning functions to its objectives and 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 Constitution also demands local government to improve intergovernmental coordination and cooperation to ensure integrated development across the community.

The White Paper on Local Government gives municipalities responsibility to “work with citizens and groups within the community to find sustainable ways to address their social, economic and material needs and improve the quality of their lives”.

The Municipal Systems Act (Act 32 of 2000) defines integrated development planning as one of the core functions of a municipality in the context of its developmental orientation. The plan should be strategic and inclusive in nature. The plan should link, integrate and coordinate other plans, while taking development proposals into account. It should be aligned with the municipality’s resources and capacity, while forming policy framework on which annual budgets are based. The Integrated Development Plan must be compatible with national and provincial development plans and planning requirements.

Role and Purpose of the IDP

The IDP is the single and inclusive strategic planning document for the municipal area. It therefore does not only inform the municipal management; it is also supposed to guide the activities of any agency from the other spheres of government, corporate service providers, NGOs and the private sector within the municipal area. The Mantsopa Local Municipality will therefore be accountable for the objectives related to their municipal mandate while other service providers and development agencies will be responsible for rendering appropriate services in terms of the non-core functions of the municipality.

The IDP is a statutory document once published for public comment and adopted by the Council. Section 35(1) of the Municipal Systems Act, No 32 of 2000, stipulates that the IDP binds the municipality in the exercise of its executive authority, except to the extent of any inconsistency between an IDP and national or provincial legislation, in which case such legislation prevails.

It furthermore binds all other persons to the extent that those parts of the IDP that impose duties or affect the rights of those persons have been passed as a by-law. According to Section 36 of the same act the municipality must give effect to the IDP and conduct its affairs in a manner that is consistent with the IDP. Section 35(2) stipulates that the Spatial Development Framework (SDF) contained in an IDP prevails over a plan as defined in section 1 of the Physical Planning Act, 1991. The SDF therefore guides future land use management in the area.

Policy Context and Planning Framework

Constitution of the Republic (1996)

The Constitution (1996) assigns the developmental mandate to local government. This implies that municipalities must strive to achieve the objects of local government within its financial and institutional capacity, namely:

- To promote democratic and accountable government for local communities.
- To ensure that provision of services to communities in a sustainable manner.
- To promote social and economic development.
- To promote a safe and healthy environment

To encourage the involvement of communities and community organizations in the matter of local government. The Constitution stipulates that all three spheres of governance are autonomous but interdependent. This therefore calls for closer collaboration between all these spheres of governance. Needless to mention, a number of national policies have a particular bearing on the provincial and local spheres of government. A few critical ones are highlighted below.

National Development Plan 2030

The South African Government, through the Presidency, has published a *National Development Plan*. The Plan aims to eliminate poverty and reduce inequality by 2030. The Plan has the target of developing people's capabilities to be to improve their lives through education and skills development, health care, better access to public transport, jobs, social protection, rising income, housing and basic services, and safety. More importantly for efficiency in local government the NDP proposes 8 targeted actions listed below:

1. Stabilise the political- administrative interface
2. Make public service and local government careers of choice
3. Develop technical and specialist professional skills
4. Strengthen delegation, accountability and oversight
5. Improve interdepartmental coordination
6. Take proactive approach in improving national, provincial and local government relations
7. Strengthen local government
8. Clarify the governance of SOE's

Cabinet and National Assembly adopted the National Development Plan 2030 as an overarching long term strategic plan for the country to create employment, eliminate poverty and reduce inequality by 2030 through uniting South Africans, unleashing the energies of its citizens, growing an inclusive economy, building capabilities, enhancing the capability of the state and leaders working together to solve complex problems, the NDP further defines a desired destination and identifies the role different sectors of society need to play in reaching that destination.

Free State Growth and Development Strategy (FSGDS)

The provincial government of Free State has developed a Free State Provincial Growth and Development Strategy (PGDS) Free State Vision 2030. The PGDS is the fundamental policy framework for the Free State Provincial Government. It is the embodiment of the broad strategic policy goals and objectives of the province in line with national policy objectives.

The Strategy addresses the key and most fundamental issues of development, spanning the social, economic and political environment. It constantly takes into account annual provincial priorities and sets broad targets in terms of provincial economic growth and development, service delivery and public service transformation. The Strategy has identified six priority areas of intervention in the province, namely;

1. Inclusive Economic growth and sustainable job creation;
2. Education innovation and skills development
3. Improved quality of life
4. Sustainable Rural Development
5. Efficient Administration and Good Governance
6. Building social cohesion

Medium Term Strategic Framework 2014 - 2019

This Medium Term Strategic Framework (MTSF) is Government's strategic plan for the 2014-2019 electoral term. It reflects the commitments made in the election manifesto of the governing party, including the commitment to implement the NDP. The MTSF sets out the actions Government will take and targets to be achieved. It also provides a framework for the other plans of national, provincial and local government.

The MTSF highlights Government's support for a competitive economy, creation of decent work opportunities and encouragement of investment. The introduction of a long-term plan brings greater coherence and continuity to the planning system and means that the MTSF now becomes a five year building block towards the achievement of the vision and goals of the country's long-term plan.

The 2014-2019 electoral mandates focus on the following priorities:

1. Radical economic transformation, rapid economic growth and job creation
2. Rural development, land and agrarian reform and food security
3. Ensuring access to adequate human settlements and quality basic services
4. Improving the quality of and expanding access to education and training
5. Ensuring quality health care and social security for all citizens
6. Fighting corruption and crime
7. Contributing to a better Africa and a better world
8. Social cohesion and nation building.

The Medium Term Strategic Framework 2014 – 2019 has two over-arching strategic themes;

Radical Economic Transformation

Government's programme of radical economic transformation is about placing the economy on a qualitatively different path that ensures more rapid, sustainable growth, higher investment, increased employment, reduced inequality and deracialisation of the economy. The NDP sets an annual growth target of above 5% by 2030 and emphasises measures to ensure that the benefits of growth are equitably shared.

The NDP further indicates that South Africa needs to increase its level of investment to at least 30% of GDP by 2030. This requires an economic environment that encourages business investment and rewards competitiveness, especially in sectors that can catalyse longer term growth and job creation

Improving Service Delivery.

In dealing with backlogs and the quality of services which is uneven, there is a dire need to commit to resolve these challenges in order to improve the quality and consistency of services, which requires improvements in the performance of the public service, municipalities and service providers.

Measures to improve the capacity and developmental commitment of the state should therefore receive high priority over this MTSF period. Building capacity of the state is a long-term task which requires immediate implementation. Key priorities aimed at improving the quality of service delivery include institutionalising long-term planning; forging a disciplined, people-centred and professional public service; empowering citizens to play a greater role in development; and building an ethical public service. It will also be important to improve the management of contracts in order to ensure effective relations with non-governmental and private sector service providers.

Over the MTSF period, national and provincial departments of local government will focus on improving the quality of targeted oversight and support available to municipalities. Local government is the most participatory sphere of government and measures should be put in place to ensure that communities are empowered to hold public representatives and officials accountable, including through strengthening existing forums of people's participation.

Particular attention will be given to the management of service delivery, human resource management and financial management at provincial level. Where national and provincial or local government have concurrent responsibilities, policy coordination, monitoring and support for service delivery will be strengthened and relations between spheres will be improved.

Corruption impedes service delivery, compromises development and undermines public confidence in the state. To strengthen the fight against corruption, Government will focus on limiting the scope for conflicts of interest by prohibiting public servants and public representatives from doing business with the state as well as ensuring transparency in public expenditure and contractual relations with the business sector.

Corruption is partly a symptom of a wider problem relating to weak management and operations systems, which create the space for corruption to occur, so improvement of operational management, and especially procurement systems, will be prioritised to play an important role in reducing the scope for corruption which is adversely affecting the poor.

Outcome 9: Responsive, accountable, effective and efficient developmental local government system

Drawing from the NDP chapter on a Capable and Developmental State, by 2030 SA will have a developmental state that is accountable, focused on citizen's priorities, and capable of delivering high-quality services consistently and sustainably through cooperative governance and participatory democracy. As depicted in the White Paper on Local Government, developmental local government is **"local government committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs and improve the quality of their lives"**.

In this scenario, local government is at the forefront of participatory democracy, involving citizens in meaningful deliberations regarding governance and development; is responsive to citizens' priorities, and enjoys high levels of trust and credibility amongst the public; whose employees are skilled, competent and committed to delivering quality services; is able to cost-effectively increase the quantity and quality of services and operates within a supportive and empowering intergovernmental system.

Municipalities operate in a complex environment and municipal performance is impacted at four levels: the individual, institutional, environmental and macro-socio-economic. The priority issues within each of the four levels that are negatively impacting on municipal performance are reflected in the table 7 below:

Institutional Capacity	Enabling Environment	Macro Context
<ul style="list-style-type: none"> • Weak political leadership • Technical skills gaps and lack of relevant competencies • High staff turnover and vacancy levels • Weak understanding of policies • Political deployments not always competent appointments • Lack of career progression • Poor attitudes & values of staff • Lack of professionalism & regulation thereof by professional bodies & government • Corruption at all levels with no consequences • Unclear administrative/political interface • Weak strategy – focus on compliance • Weak financial management and low budget spend • Weak council decisions, often contrary to technical advice • Organisational instability, including review of S 57 contracts linked to political term of office • Lack of oversight and accountability • Lack of legal compliance or regulatory support • Weak municipal systems 	<ul style="list-style-type: none"> • Lack of central co-ordination support, information and M&E • Financial viability of municipalities • Bulk infrastructure gaps • Lack of clarity re decentralisation of powers and functions and role of the districts • Role of DCOG unclear • Lack of planning alignment amongst the 3 spheres – IDP not taken seriously by other spheres • Local government financing system, including Equitable Share, needs to be reviewed • Unstable political environment • Inconsistent, incoherent and complex local government legislative environment • Lack of customised support to municipalities, and support focused on compliance 	<ul style="list-style-type: none"> • Huge pressures of poverty, unemployment and inequality • Huge service delivery backlogs • Weak public participation • Huge social issues, such as crime, drug abuse, gender-based violence • Weak revenue base of municipalities with low levels of affordability • Political dynamics, including coalitions resulting in inertia • Pressures of in-migration and urbanisation • Weak education system

Responding to the issues above will require a proactive approach to managing the intergovernmental system, in order to address specific weaknesses in collaboration and capacity support. National and provincial departments and entities impacting on local government will have to cooperate better and act with greater synergy in providing oversight and support to the local sphere. Moreover, provincial departments of local government will need to improve the way they monitor and support local government.

This outcome will be coordinated by the extended local government Minmec at political level and the local government Mintec at administrative level. Provincial departments of local government have a pivotal role to play in ensuring the success of the local government outcome. In particular it will be necessary for each province to contextualize the key actions and targets and establish the planning, management and administrative apparatus to ensure implementation, monitoring of delivery, and accurate reporting.

In reviewing its IDP, Mantsopa local municipality will pay necessary attention to these issues raised above, as a matter of principle and within the spirit and the epistle of the National Development Plan.

Sustainable Developmental Goals

Background on SDGs

Adopted by world leaders in September 2015 and implemented at the start of 2016, more than 150 countries have pledged to mobilize efforts to end all forms of poverty, fight inequalities, and tackle climate change, while ensuring that no one is left behind.

The SDGs build on the work of the Millennium Development Goals (MDGs) that were emphasized from 2000 to 2015. The new SDGs are unique in that they're broader in their scope of eradicating all forms of poverty by calling for action by all countries, rich and poor, to promote prosperity while protecting the planet. The following is the agreed upon goals:

The Sustainable Development Goals (SDGs):

17 Steps to a better world

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



Approach to the IDP Review Process

The process adopted for the compilation of an IDP needs to encourage consultation and participation of a wide spectrum of interested and affected parties. The approach should therefore allow residents, communities, stakeholders, service providers and specialists to make a contribution to the content of the plan. Secondly, the plan should be strategic, therefore focusing on addressing priority issues, ensuring that limited resources are used effectively and efficiently and that strategic choices are made. The approach to be followed should thus allow for this. Thirdly, the plan should be implementation orientated. This implies that the plan should be concrete and specific in terms of the outcomes and outputs to be achieved while it needs to take into consideration the inputs required to make it happen. There should therefore be a close link between planning and budgeting.

It was therefore necessary to adopt an approach that allowed for all of the above processes to culminate into the integrated planning process required for the compilation of the IDP. It was decided that the sustainable livelihoods approach is best suited for this purpose. This approach focuses on the “assets” people have, the “outcomes” they desire and the strategies they choose to achieve these outcomes. The process also reviews the influences that external institutions or vulnerabilities may have on these people’s lives.

Rationale of Integrated Development Planning

It is a strategic tool that will enable municipalities to eliminate the fragmented planning and implementation processes of the past and bring together the different initiatives and resources together in order to do more with the least resources and increase synergy. Spisys is creating a foundation to kick off the integrated planning process as this template provides a fixed and credible structure with automated data population of the report on an ad – hoc basis. This framework would ensure that the COGTA Simplified guidelines can be effectively implemented for the category B4 Municipalities.

Other Municipalities could also utilize this template with success as this framework has been compiled to fit a comprehensive IDP Process. The focus and priority must be the poor of the poorest; where the IDP's holistic nature forces us to be people-centered and environmentally sustainable.

IDP Process

The developmental role of municipalities cannot be is a mandate and challenge that municipalities must for.

The developmental role calls for municipalities to development and economic growth with the traditional know of provision of services such as water, refuse to those rural areas which do not have a luxury of such infrastructural backlogs.

Amid these challenges the critical role is to be able to the center of development without undermining their and wisdom. Public participation still remains the weakest link in our initiatives and once strengthened it is the link that will make our programmes sustainable.

The Integrated Development Planning (IDP) Process is a process through which the municipalities prepare strategic development plans for a five-year period. An IDP is one of the key tools for Local Government to cope with its new developmental role and seeks to arrive at decisions on issues such as municipal budgets, land management, promotion of local economic development and institutional transformation in a consultative, systematic and strategic manner.

According to the Local Government Municipal Systems Act No. 32 of 2000, all municipalities have to undertake a process to produce IDP's. As the IDP is a legislative requirement it has a legal status and it supersedes all other plans that guide development at local government level.

Section 23 of the Local Government Municipal Systems Act, No. 32 of 2000 determines that a municipality must undertake a development oriented planning in-order to ensure that it strives to achieve the objectives of local government and gives effect to its developmental duties as set out in the Constitution.

Section 25 of the Local Government Municipal Systems Act, No. 32 of 2000 stipulates that immediately after the start of its term, each municipal council must within a prescribed period; adopt a single, inclusive and strategic plan for the development of the municipality.

Section 25 of the Government Municipal Systems Act, No. 32 of 2000 further stipulates that the municipal must on annual basis, review the adopted integrated development plan until the new council come into power, which will then adopt its own integrated development plan.

Section 25 (3) (a) of the Government Municipal Systems Act, No. 32 of 2000 further determines that a newly elected municipal council may adopt the integrated development plan of its predecessor, but must also ensure that it complies with Section 29, which states that(1) The process followed by a municipality to draft its integrated development plan, including its consideration and adoption of the draft plan, must (b) through appropriate mechanisms, processes and procedures established in terms of Chapter 4, allow for the local community to be consulted on its development needs



over emphasized. It continuously strive

maximize social role that municipality removal and others due to the

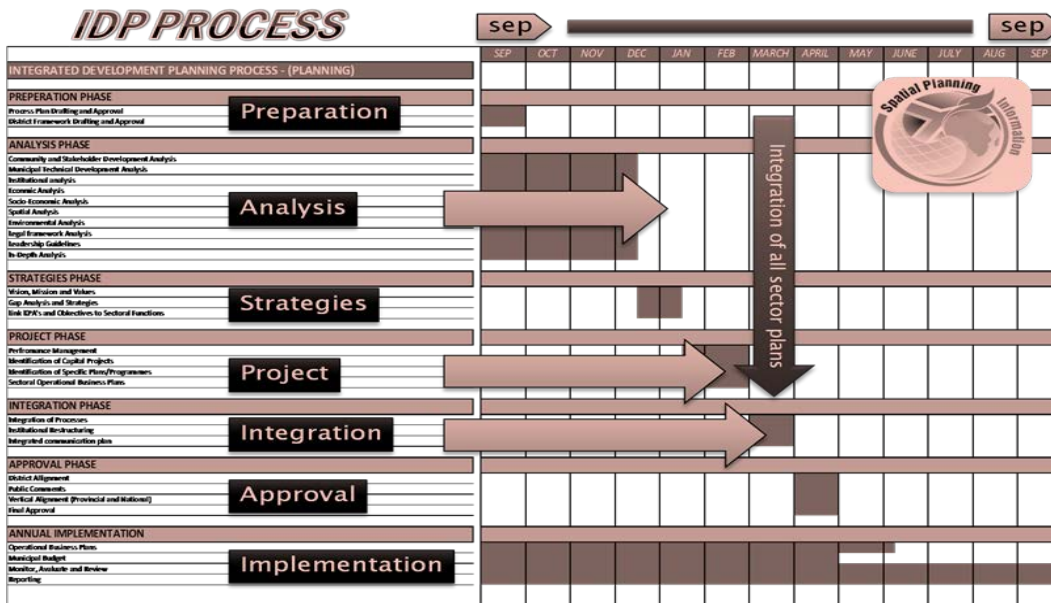
put communities at abilities, knowledge

and priorities; provide for the identification of all plans and planning requirements binding on the municipality in terms of provincial and national legislation; and(d) be consistent with any other matters that may be prescribed by regulation

Section 34 of the Local Municipal Systems Act No. 32 of 2000 and the Municipal Planning and Performance Management Regulations (2001), which stipulates that:

A Municipal Council must review its integrated development plan annually in accordance with an assessment of its performance measurements in terms of section 4 I; to the extent that changing circumstances so demand; and May amend its IDP in accordance with a prescribed process.

Figure 1: IDP Process Overview



IDP Review Process Plan

In order to ensure certain minimum quality standards of the IDP Review process, and proper co-ordination between and within spheres of government, municipalities need to prepare IDP review process plans. The preparation of a Process Plan, which is in essence the IDP Review Process set in writing, requires adoption by Council. This plan has to include the following:

- A programme specifying the time frames for the different planning steps;
- Appropriate mechanisms, processes and procedures for consultation and participation of local communities, organs of state, traditional authorities, and other role players in the IDP review process; and
- Cost estimates for the review process.

NB: IDP Steering Committee is chaired by the Mayor or her delegate or the committee chairperson and is composed of the Speaker and Chairperson of the IDP & Performance Committee, all Councilors, Municipal Manager and Management. The IDP Representative Forum members include all ward committee members, Community Development Workers, Sector Departments, - Thabo Mofutsanyana District Municipality, NGO'S, CBO, and Parastatals.

The above events were designed in line with the IDP methodology in terms of:

- The analysis information (including ward feedback reports) formed the basis of identifying the important development issues of Mantsopa Local Municipality
- Issues were transferred to priority tables to determine the most urgent / urgent and necessary to do
- Objectives are based on the clustering of priorities
- Each objective is supported by a number of measurements that clarifies / describes the nature of the objective
- In the interest of measurability, the measurements stipulates quantifiable baselines and targets for the next two years
- Strategies are formulated to operationalise the objectives and in turn projects are designed as the implementation component of the plan

The design of the process was influenced by the:

- Credible IDP Evaluation Framework
- 5 Year Local Government Strategic Framework
- MFMA - Treasury Regulations 13: SDBIP
- Alignment to the NDP and PGDS priorities

The influence of the above is visible in terms of the content of the IDP (analysis / objectives and project phase) as all elements are organized according to the 5 National Key Performance Areas:

1. Infrastructure and Basic Services
2. Socio-economic Development
3. Institutional Transformation
4. Good Governance and Public Participation
5. Financial viability and management

In addition, the project register incorporate ward specific outputs to support the formulation of the SDBIP, objectives are supported by baseline and targets for the purpose of PMS alignment and the checklist for the credible IDP was used during the integration phase to highlight gaps and omissions.

This document represents the strategic plan of the Municipality for the following 1 year. The content of the planning document does not represent an additional workload that should be funded over and above the current work of the municipality as the objectives and projects are aligned to the powers and functions of the municipality. It also does not only refer to capital projects but many of the projects reflect the on-going work of the municipality as it is intended.

Analysis Phase

The analysis phase concentrated on identifying and analyzing needs with the municipality. The goal of the phase was to form the foundation for further phases of the IDP.

Strategy Phase

The strategy section consisted of strategic reasoning and debate around the problems identified during the previous phase. The goals were to design objects and strategies that best addressed the problems and needs with the available resources of the municipality and support institutions. The vision and Mission of the municipality was reaffirmed through the IDP process and the Municipal Core Values were also reaffirmed during this phase.

Project Phase

The project phase consisted of the designing of projects in line with the strategies. This phase resulted in arrange of projects prioritized for three financial years. Some are funded others not.

Integration Phase

The integration phase has the goal of ensuring that the IDP priorities and projects are aligned with other existing sector plans of the municipality. The integrated plans and programmes were confirmed with all relevant sector department and stakeholders.

Approval Phase

The approval phase consisted of the preparation of the draft IDP document, obtaining final comments, inputs and tabling before the Mantsopa Local Municipality council for final approval and implementation.

Community and Stakeholder Priority Issues

The following list of priority issues were identified by communities and stakeholders and represent a general trend of service delivery needs in most of the wards that were consulted.

Table 8: Priority Issues.

#	Community and Stakeholders Priority Issues	Wards that Identified Issues
1	Water	Wards 8 and 9 (Excelsior) Ward 1 (Tweespruit) Ward 2 (Hobhouse) Wards 5 & 6 (Ladybrand- Thabong) All wards (Quality of the water)
2	Sanitation	Ward 1 (Tweespruit) Ward 2 (Hobhouse)
3	Roads and Storm Water	All wards
4	Electricity	All wards (Area Lighting) (Ward 5 & 6 Ext 9 & 10 New settlement)
5	Community Facilities Housing and Land	All wards
6	Housing and Land Community Facilities	All wards
7	Local Economic Development Waste Management	All wards
8	Waste Management	All wards (management of landfill sites)
9	Local Economic Development	All wards
10	Health	Shelters at the ambulance drop off zones at the clinics in all wards. Shortage of ambulances in Tweespruit, Excelsior, Hobhouse and Thaba Patchoa
11	Safety and security	Need for a Police Station at Manyatseng, 24 hours Police Station at Thaba Patchoa, Borwa, Mahlatswetsa and Dipelaneng
12	Social Welfare	Social Workers in all towns, SASSA & Home Affairs Offices in all towns
13	Environmental Management and Conservation	Maintenance and construction of Recreational parks in Borwa, Mahlatswetsa, Dipelaneng and Thaba Patchoa.

Distribution of Roles and Responsibilities



A Municipality should establish an IDP Representative Forum representative of all stakeholders and interested and New role players are continuously added to the list of IDP Process. The main roles and responsibilities allocated to players are set out below.

that is affected parties. stakeholders in the each of the role

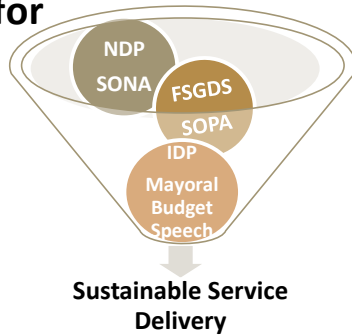
Table 9: Roles and responsibilities-Internal.

Role Player	Roles And Responsibilities
Council	Final decision making Approval of the reviewed IDP documentation Approve Budget for IDP Implementation
Ward Committee	Linking the IDP process with their constituencies Organising public participation Ensure input from grass roots level Support and Monitor IDP Implementation
Portfolio Committee (Economic Dev. and Planning)	Political over-sight of the IDP Process and recommendations to the Exco/Mayor Draft IDP documentation for Exco/Mayor
Mayor/ Executive Committee	Decide on the IDP Process Plan. Be responsible for the overall management, coordination and monitoring of the process and drafting of the IDP documentation, or delegate this function
Municipal Manager	Accountable for all IDP related administrative processes Implement the IDP as approved by Council. Monitor and account for implementation. Overall Management and co-ordination Carrying the administrative responsibility for development of the plan
IDP Manager (Delegated by Municipal Manager)	Day-to-day management of the process Responsible for (Draft)development of the plan Administrative support to portfolio committee
IDP Co-ordinator	Responsible to IDP Manager for day-to-day administration Data Capturing
IDP Steering Committee	Assist and support the Municipal Manager/IDP Manager and Representative Forum. Make relevant line function inputs into the various stages of the IDP Information "GAP" identification Oversee the alignment of the planning process internally with those of the local municipality areas. Consisting of the Managers and councillors, responsible for monitoring and development of the plan
IDP Representative Forum	Consisting of all stakeholders Responsible for monitoring development of the plan Debate contentious issues (Prioritization)

Table 10: Roles and responsibilities-External.

Role Player	Roles And Responsibilities
Mantsopa Local Municipality	Process Plan Adopt IDP Implement IDP Monitoring and Evaluation Process Monitoring of Process through IDP Manager
District Mayoral Forum	Political Support Coordinate District Based Priorities
Department Of Cooperative Governance And Traditional Affairs	Monitor alignment with sector departments and district Support and Guide IDP Process Comment on IDP Approval Support IDP Implementation
Office Of The Premier (PCF)	Ensure that departmental plans are in line with IDP of local municipality Ensure IDP is aligned with PGDS Monitor performance Investigate issues of non-performance and political support at provincial level
Sector Departments	Contribute knowledge and relevant information – Alignment/integration Adjust budgets according to local IDP priorities Contribute sector expertise and technical knowledge Provincial management systems and co-ordination

Mechanisms for Alignment



In line with Chapter 3, section 40 of the Constitution of the Republic 1996, spheres of government are distinct but inter-dependent and interrelated. Each of the spheres has a legislative authority to develop its own plans for development but will observe the inter-connection which prevails among spheres of government through promotion of inter-governmental relations and co-operative governance.

Chapter 5, section 24 (1) of Local Government Municipal Systems Act of 2000, provides that a planning undertaken by a municipality must be aligned with, and complement, the development plans and strategies of other affected municipalities and other organs of the state so as to give effect to the principles of co-operative government contained in section 41 of the Constitution.

National Linkages

Section 154 of the Constitution provides for a peremptory support and strengthening of the capacity of municipalities by both national and provincial governments to manage their own affairs, to exercise their powers and to perform their functions. The national sphere should therefore provide a framework and support for the preparation of the Sector Plans, and funding where required.

This will contribute to the creation of a normative framework and consistency between municipalities. The national sphere should also co-ordinate and prioritizes programmes and budgets between sectors and the national sphere in line with the framework and Simplified Guidelines.

Extensive consultation through established protocols between spheres of government must be explored to ensure inclusive planning and equitable distribution of resources to support and implement developmental plans. National departments of government and other organs of the state shall participate through all available processes during the IDP process of the municipality.

Provincial Level

As with the National Government, Provincial Government should prepare Sectoral Guidelines and funding for the preparation of these plans. The preparation of the Sector plans and programmes and district programmes also need to be coordinated and aligned.

Section 26 of Local Government Municipal Systems Act 2000, dictates that a municipal council's developmental strategies must be aligned with any national and provincial sectoral plans and other planning requirements. Provincial departments of government and other organs of the state in the province shall participate through all available processes during the IDP process of the municipality.

District Municipality

A district municipality and local municipalities within its area of jurisdiction must adopt a framework for integrated development planning, this framework must at least identify the plans and planning requirements binding in terms of national and provincial legislation on the district municipality and the local municipalities as well as identifying matters to be included in the integrated development plans of the district municipality and local municipalities that requires an alignment.

A District Municipality will through an agreed framework plan co-ordinate all planning activities during the review process. Through the IDP Manager, the District Municipality will also organize district level alignment meetings between all the municipalities and as well as between municipalities and service providers.

Local Municipalities

Local municipalities will participate in all district-level alignment events and specific alignment meetings, but will also attempt to draw individual service providers into the local planning processes. The local municipalities will also contribute strategies in addressing district-level issues during the alignment meetings as per agreed framework.

A local municipality must also draft its integrated development plan taking into cognizance the integrated development processes of, and proposals submitted to it by the district municipality. Municipality shall submit to both provincial government and district municipality an approved IDP process plan for support and participation.

Integrated Spatial Management System (SPISYS)

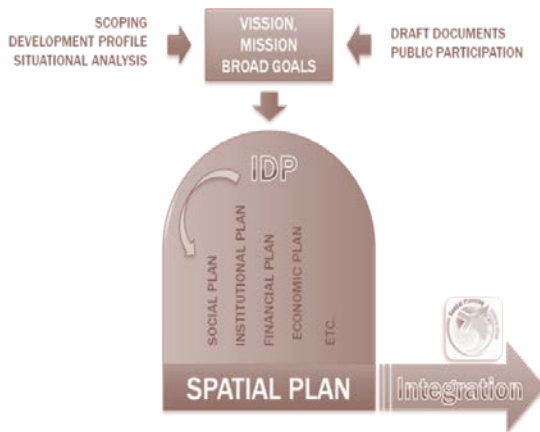
SPISYS will support both the district and the local municipality to ensure that proper alignment takes place through facilitation and guidance where required. The system has been developed to provide an Integrated sharing platform for information and spatial data required to do spatial planning in the Province and could be utilized to assist as a mechanism as follow:

- Spatial alignment of different Sector Plans to represent the location, uses and rights of all projects
- To identify suitable locations and preferred positions of new projects by following a scientific approach towards sustainable development
- Making informed decisions to guide political decision makers
- Ease of reference to all documents required in a single environment to guide decision making
- Having the latest data and information at your fingertips to assist decision makers with paving the way forward.

Core Components of the IDP Preparation

The 'core elements' of the IDP correspond to the core functions of municipalities as outlined in the Municipal Structures Act and other legislation, the Department of Provincial and Local Government's IDP Guide Pack III and VI, as well as critical elements that have arisen from the preparation of the IDP's over the past years.

Figure 2 Components of the IDP



The core components of the IDP process are grouped as follows:

- Status of the implementation process of the previous IDP (Full term performance report).
- Nine IDP Components as per the Municipal Structures Act (MSA):
- *the municipal council's vision for the long term development of the municipality with special emphasis on the municipality's most critical development and internal transformation needs;*
- *an assessment of the existing level of development in the municipality, which must include an identification of communities which do not have access to basic municipal services;*
- *the council's development priorities for its elected term, including its local economic development aims and its internal transformation needs;*
- *the council's development strategies which must be aligned with any national or provincial sectoral plans and planning requirements binding on the municipality in terms of legislation;*
- *spatial development framework which must include the provision of basic guidelines for a land use management system for the municipality;*
- *the council's operational strategies;*
- *applicable disaster management plans;*
- *a financial plan, which must include a budget projection for at least the next three years; and*
- *The key performance indicators and performance targets determined in terms of Section 41 of the Municipal Systems Act.*

SECTION B: LEGAL REQUIREMENTS

Background of the IDP

Integrated Development Planning is a central process that has **process** to ensure the residents of the municipal area are ultimately services that are provided by the municipality. The Integrated further seen as a consolidated process that provides a framework for development in a municipality. In this regard, all other municipal plans IDP and they must ultimately become annexures to the IDP.



become a **driving** the recipients of basic Development Plan is the planning of future must be aligned to the

The development of Municipal Integrated Development Plans is not meeting the requirements of the law, but Integrated Development plays a very crucial part in the development of the municipal area. It should be emphasized that municipalities must develop realistic and/or credible Integrated Development Plans, in order to meet the country's development objectives. According to COGTA, the following constitute the Credible IDP:

- **Consciousness** by a municipality of its constitutional and policy mandate for developmental local government.
- **Awareness** by a municipality of its **role and place** in the regional provincial and national context and economy
- **Awareness** by a municipality of its **own intrinsic characteristics and criteria for success.**
- **Comprehensive description** of the area – the environment and its spatial characteristics.
- A **clear strategy**, based on local developmental needs.
- **Insights into the trade-offs and commitments** that are being made with regard to economic choices, establishment of Sustainable Human Settlements, integrated service delivery etc.
- The **key deliverables** for the next 5 years.
- Clear **measurable budget and implementation plans** aligned to the Service Delivery and Budget Implementation Plan.
- A **monitoring system** (Organizational Performance Management Systems and Spisys).
- Determines **capacity of municipality.**
- Communication, **participatory and decision-making** mechanisms.
- The degree of **intergovernmental action and alignment** to government wide priorities.

Legal Overview for Integrated Development Planning

The transformation of Local Government in South Africa has brought about drastic changes in the nature, powers and functions of municipalities. This transformation has placed an emphasis on developmental role of the municipalities, and hence, developmental local government. The notion of developmental local government commits the municipalities to work with the communities in ensuring that they together find sustainable ways of improving the quality of lives of the communities.

Section 23 of the Local Government Municipal Systems Act No. 32 of 2000, which determines that all municipalities must undertake a development oriented planning, in order to ensure that they strive to achieve the objects of local government, further enhances the concept of developmental local government. It is through this development oriented planning that the developmental local government can be realized.

The development oriented planning that is referred to above, is the integrated development planning, which is a process through which the municipalities prepare strategic development plans which extends for a five-year period.

The ultimate product of this planning process is the Integrated Development Plan. An Integrated Development Plan (IDP) is the principal strategic planning instrument that guides and informs all planning, budgeting, management and decision-making processes in a Municipality.

According to the Local Government Municipal Systems Act No. 32 of 2000, all municipalities have to undertake a process to produce IDP's. As the IDP is a legislative requirement it has a legal status and it supersedes all other plans that guide development at local government level. Section 23 of the Local Government Municipal Systems Act, No. 32 of 2000 determines that a municipality must undertake a development oriented planning in-order to ensure that it strives to achieve the objectives of local government and gives effect to its developmental duties as set out in the Constitution.

Section 25 of the Local Government Municipal Systems Act, No. 32 of 2000 stipulates that immediately after the start of its term, each municipal council must within a prescribed period; adopt a single, inclusive and strategic plan for the development of the municipality. Section 25 of the Government Municipal Systems Act, No. 32 of 2000 further stipulates that the municipality must on annual basis, review the adopted integrated development plan until the new council come into power, which will then adopt its own integrated development plan.

Section 25 (3) (a) of the Government Municipal Systems Act, No. 32 of 2000 further determines that a newly elected municipal council may adopt the integrated development plan of its predecessor, but must also ensure that it complies with Section 29, which states that –

(The process followed by a municipality to draft its integrated development plan, must allow for the local community to be consulted on its development needs and priorities; · provide for the identification of all plans and planning requirements binding on the municipality in terms of provincial and national legislation; and, be consistent with any other matters that may be prescribed by regulation 9.)

The integrated development planning process necessitates the coming together of all relevant stakeholders, with an aim of:

- Identifying its key development priorities;
- Formulating a clear vision, mission and values;
- Formulating appropriate strategies;
- Developing the appropriate organizational structure and systems to realize the vision and mission; and
- Aligning resources with the development priorities

The Municipal Systems Act further compels the municipalities to draw up an Integrated Development Plan as a singular, inclusive and strategic development plan that is aligned with the strategic development plans of the surrounding municipalities and other spheres of government. In this regard, a Municipality shall endeavor to align its strategic development plan to that of the neighboring Municipalities surrounding a Municipality. A Municipal IDP shall by all means be made of the following components as required by Municipal Systems Act of 2000:

- A **vision** of the long term development of the municipality;
- An **assessment of the existing level of development** in the municipal area which must include an identification of the need for basic municipal services;
- The municipal **development priorities and objectives** for its elected term;
- The municipal **development strategies** which **must be aligned** with national and/or provincial sectoral plans and planning requirements;
- A **spatial development framework** which must include the provision of basic guidelines for a land use management system;

- The municipal **operational strategies**;
- A municipal **disaster management plan**;
- A municipal **financial plan**, which must include a budget projection for at least the next three years; and
- The key **performance indicators** and **performance targets**

The Municipal Planning and Performance Management Regulations of 2001, further set out the following requirements for the Integrated Development Plan:

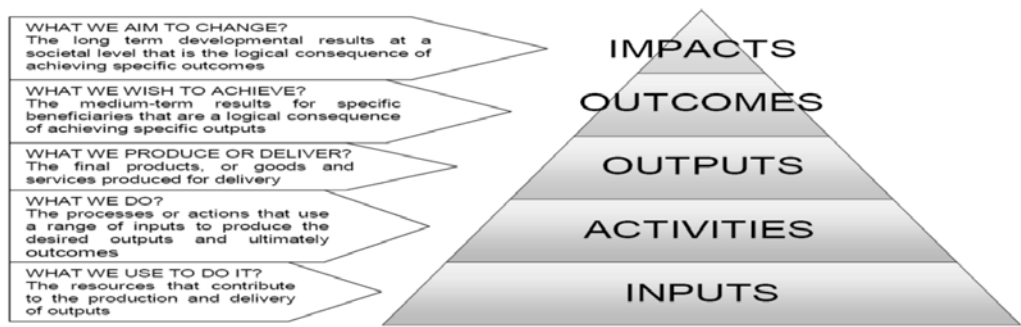
- An **institutional framework** for the implementation of the Integrated Development Plan and to address municipality's internal transformation
- **Investment opportunities** that should be clarified;
- **Development initiatives** including infrastructure, physical, social and institutional development; and
- **All known projects, plans and programmes** to be implemented within the municipality by any organ of state. Alignment Reports generated through Spisys are shown in the Spatial Development framework (SDF) section of this IDP.

The Municipal Finance Management Act (MFMA) of 2003 further provides for a total alignment between the municipal annual budget and the Integrated Development Plan. To ensure this, a Municipality should develop a single process to develop and review its annual budget and the integrated development plan.

The Municipal Finance Management Act (MFMA) of 2003 further provides for the development of the Service Delivery and Budget Implementation Plan (SDBIP), which is a detailed plan that gives direction as to how the service delivery and annual budget should be implemented. SDBIP includes monthly revenue and expenditure projections, quarterly service delivery targets as well as performance indicators.

Figure 3: Outcome Based Approach

The Outcomes-based approach can best be illustrated as follows :



National Development Plan 2030

The South African Government, through the Ministry of Planning in the Presidency, developed a National Development Plan 2030. Cabinet and National Assembly adopted the National Development Plan 2030 as an overarching long term strategic plan for the country to eliminate poverty and reduce inequality by 2030 through uniting South Africans,

unleashing the energies of its citizens, growing an inclusive economy, building capabilities, enhancing the capability of the state and leaders working together to solve complex problems, the NDP further defines a desired destination and identifies the role different sectors of society need to play in reaching that destination.

The National Development Plan 2030 implore to all spheres of government, organs of state, state owned companies, various socio-economic sectors and the broader society to strive for integration and alignment towards realization of a common national dream which in essence necessitate an alignment of all developmental plans at all levels of government with the National Development Plan.

The Plan has the target of developing people’s capabilities to be able to improve their lives through education and skills development, health care, better access to public transport, jobs, social protection, rising income, housing and basic services, and safety. It proposes to the following strategies to address the above goals:

- Creating jobs and improving livelihoods
- Expanding infrastructure
- Transition to a low-carbon economy
- Transforming urban and rural spaces
- Improving education and training
- Providing quality health care
- Fighting corruption and enhancing accountability
- Transforming society and uniting the nation



The National Development Plan 2030 further implore to all spheres of government, organs of state, state owned companies, various socio-economic sectors and the broader society to strive for integration and alignment towards realization of a common national dream. The IDP review process took into cognisance the adoption of the National Development Plan 2030 by both Cabinet and National Assembly, which necessitates an alignment of all developmental plans at all levels of government with the NDP.

Planning processes carried out by government departments, local government and other government entities will have a vital role to play in bringing the vision and proposals contained in the NDP to life. NDP proposals were incorporated into the existing activities of departments and broken down into the medium and short-term plans of government at national and provincial level hence it is important that also at municipal level alignment be found, because NDP provides the golden thread that brings coherence and consistency to these different developmental plans. The following are the drivers of the National Development Plan 2030 which the municipal IDP will be anchored upon:

Economy and Employment	Inclusive Rural Economy
Economic Infrastructure	Transition to Low-Carbon Economy
Human Settlements	Education Training and Innovation
Health Care for All	Social Protection
Building Safer Communities	Building a Capable State
Fighting Corruption and Enhancing Accountability	Transforming Society and Building the Country
South Africa in the Region and the World	

The Plan makes the following policy pronouncements and proposes performance targets that intersect with developmental mandates assigned to local government. Importantly, municipalities are also expected to respond to these developmental imperatives when reviewing their Integrated Development Plan annually.

- Youthful population presents opportunities to boost economic growth, employment and reduce poverty;

- Strengthen youth service programmes – community based programmes to offer young people life skills training, entrepreneurship training;
- Increase employment from 13 million in 2010 to 24 million in 2030;
- Ensure that skilled, technical, professional and managerial posts better reflect the country's racial, gender and disability makeup;
- Establish effective, safe and affordable public transport;
- Produce sufficient energy to support industry at competitive prices;
- Ensure that all South African have access to clean running water in their homes;
- Make high-speed broadband internet universally accessible at competitive prices;
- Ensure household food and nutrition security;
- Realise a developmental, capable and ethical state that treats citizens with dignity;
- Ensure that all people live safely, with an independent and fair criminal justice system;
- Broaden social cohesion and unity while addressing the inequities of the past;
- Public infrastructure investment focussing on transport, energy and water;
- Ensure environmental sustainability
- Professionalise the public service, strengthen accountability, improve co-ordination and prosecute corruption;
- Reduce the cost of living for low-income and working class households – (**cost of food, commuter transport and housing should be reduced**);
- Invest in new infrastructure in areas affecting the poor (**food value chain, public transport**);
- Prioritise infrastructure investment in – upgrading informal settlements, public transport, establishing municipal fibre optic network
- Ensure spatial transformation by 2030 – **increased urban densities, reliable public transport,**
- Protect the natural environment in all respects, leaving subsequent generations with a least an endowment of at least an equal value;
- Reduce greenhouse gas emissions and improve energy efficiency;
- Review the allocation of powers and functions (Schedules 4& 5 of the Constitution) – housing, water, sanitation, electricity and public transport
- Fight corruption at three fronts – deterrence, prevention and education.

Mantsopa Local Municipality shall take these national issues into account when planning and reviewing development plans and strategies for the next five years.



SECTION C: DEMOGRAPHIC PROFILE

Demographic Analysis of Mantsopa Local Municipality

Table 1: Demographic Analysis of Mantsopa Local Municipality

DEMOGRAPHIC INDICATORS	1996	2001	2011	2016
POPULATION SIZE				
Total Population	50 085	55 339	51 056	53 056
POPULATION DISTRIBUTION				
Formal Dwellings (%)	59%	68.40%	81.7%	83.7%
Rural Areas	21 405	12 329	15 057	-
POPULATION COMPOSITION				
% Young (0-14)	34.50%	35.90%	34.80%	-
% Working Age (15-64)	23.20%	26%	25.90%	-
% Elderly (65+)	5.20%	5.60%	5.40%	-
POPULATION GROUPS				
Black African	43 084	48 878	45 725	47 311
Coloured	2 233	2 472	2 006	1 760
White	4 345	3 761	3 366	4 010
Indian/Asian	183	227	296	444
HOUSEHOLDS AND SERVICES				
Average number of rooms			4	-
Average household size	11 577	13 773	15 170	16 951
Access to piped water (%)	37.80%	73.80%	24.40%	95.5%
Access to electricity ((%)	69.70%	74.90%	90.90%	91.0%
Access to Sanitation (%)	36.80%	34.50%	67.50%	87.7%
Tenure Status (%)			29.70%	-
EDUCATIONAL STATUS				
Attending Educational Institution			14 456	-
No schooling			2 541	-
Primary enrollment rate			15 724	-
Secondary enrollment rate			21 625	-
% completed matric			2.60%	-
% completed higher education			4.80%	-
EMPLOYMENT STATUS				
Unemployment rate (%)	30%	35.51%	29.20%	-
Employment rate (%)	70%	64.49%	23.10%	-
INCOME STATUS				
Average household income			R19601-38200	-
Indigent households (below R3000)			1 426	-

Population

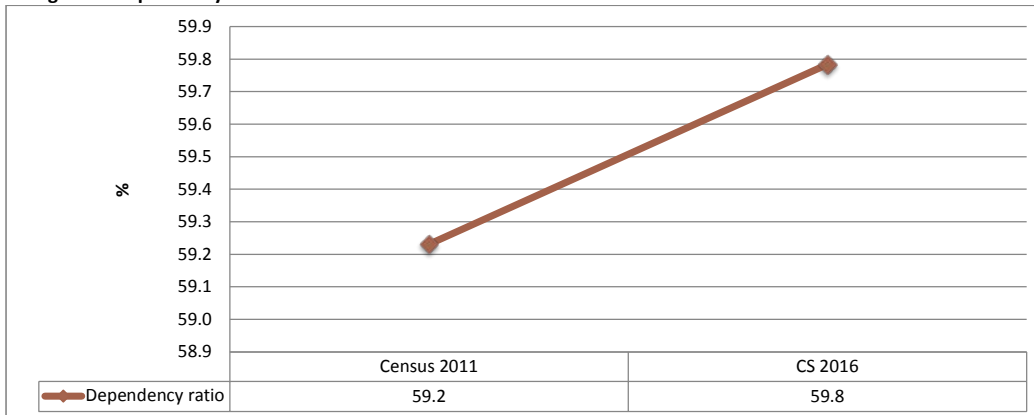
Table 2: Distribution of total population by functional age groups

	Age groups				Total	Dependency ratio
	0 - 14 (Children)	15 - 34 (Youth)	35 - 64 (Adult)	65 + (Elderly)		
Census 2011	16 216	18 146	13 918	2 776	51 056	59.2
CS 2016	16 048	21 301	12 198	3 979	53 525	59.8
Population intercensal growth (2011 - 2016)	-168	3155	-1720	1203	2 469	

Data source: Stats SA, Census 2011 and Community Survey 2016

Table 1 above indicates that the population of Mantsopa local municipality has increased between 2011 and 2016 with intercensal growth of 2469. In all age groups, the population has increased between the years except for children (0 – 14 years) which declined by intercensal growth of 168. The dependency ratio of Mantsopa local municipality has slightly increased from 59.2% in Census 2011 to 59.8% in 2016. Refer to figure 1 below as well.

Figure 1: Dependency ratio



Data source: Stats SA, Census 2011 and Community Survey 2016

Age Profile

According to census 1996, 34.5% of the total population was 19 years and younger and 70.0% of the total population was economic active (between 15 – 65 years). These figures could have changed due to migration and the impact of HIV/AIDS but it still gives a good overview of the age composition of the population. The table below gives a breakdown of the age profile per geographical area.

Table3: Age profile per ward.

#=there was no ward 9 before 2001. Ward 9 was only established after Census 2001

AGE DISTRIBUTION												
	1996				2001				2011			
	0-14	15-34	35-64	65+	0-14	15-34	35-64	65+	0-14	15-34	35-64	65+
Ward 1	1612	1785	1095	340	1350	1542	1140	324	1987	2142	1877	342
Ward 2	2235	1825	1331	377	2622	2136	1830	486	1823	2012	1653	335
Ward 3	2107	2415	1215	222	2469	2820	1707	309	1650	2198	1542	367
Ward 4	2004	1899	1795	323	1746	2001	1878	336	2505	2781	1831	325
Ward 5	1982	2563	1751	420	2886	3369	2319	576	1713	2048	1384	223
Ward 6	1415	1671	944	186	1581	1776	1131	180	1603	1859	1082	185
Ward 7	2555	1926	1577	278	2481	2556	2055	342	1460	1631	1796	370
Ward 8	3301	3627	1983	479	2859	3375	2328	537	1925	1734	1474	349
Ward 9	#	#	#	#	#	#	#	#	1550	1742	1278	269
Total	17 211	17 711	11 691	2 625	17 994	19 575	14 388	3 090	16 216	18 147	13 917	2 765

Source: Census Statistics (2011)

Gender Profile

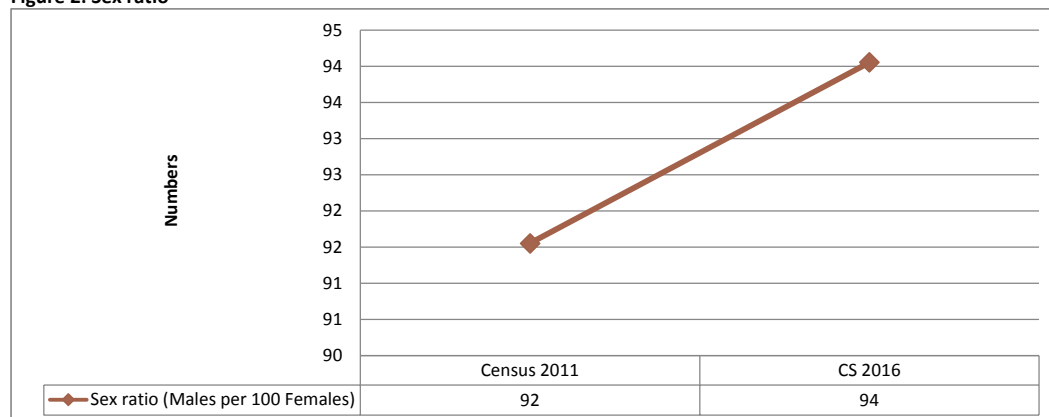
Table 4: Distribution of total population by gender

	Gender		Total	Sex ratio (Males per 100 Females)
	Male	Female		
Census 2011	24 402	26 654	51 056	92
CS 2016	25 943	27 583	53 525	94

Data source: Stats SA, Census 2011 and Community Survey 2016

Table 4 above indicates the distribution of total population in Mantsopa local municipality by gender as well the sex ratio for Census 2011 and CS 2016. The males population has increased from 24 402 in 2011 to 25 943 in 2016 and as for females, it has increased 26 654 in 2011 to 27 583 in 2016. In both 2011 and 2016, the number of males was found to be less than those of females as the sex ratios were 92 and 94 in both 2011 and 2016 respectively. See figure 2 below on sex ratio.

Figure 2: Sex ratio



Data source: Stats SA, Census 2011 and Community Survey 2016

Ethnic Profile

Table 4: Distribution of total population by population group and gender

Population group	Census 2011			CS 2016		
	Male	Female	Total	Male	Female	Total
Black African	21 413	23 713	45 125	22 937	24 374	47 311
Coloured	991	1 016	2 007	865	895	1 760
Indian or Asian	169	128	297	326	119	444
White	1 668	1 699	3 367	1 816	2 194	4 010
Other	162	98	260			
Total	24 402	26 654	51 056	25 943	27 583	53 525

Data sources: Stats SA, Census 2011 and Community Survey 2016

Table 3 above shows the distribution of municipal total population by population group and gender. The dominant population group was Black Africans with 88% for both Census 2011 and Community Survey 2016 followed by White with 7% and 8% respectively. Indian/Asian population contributed the least to the total municipal population for both Census 2011 and Community Survey 2016 0.6% and 0.8% respectively.

Human and Social Development

Human development index

It is extremely difficult to determine the level of human development of the municipal area due to a lack of accurate and recent information. The only information that is readily available is census data that does not reflect the human and social development status of a community.

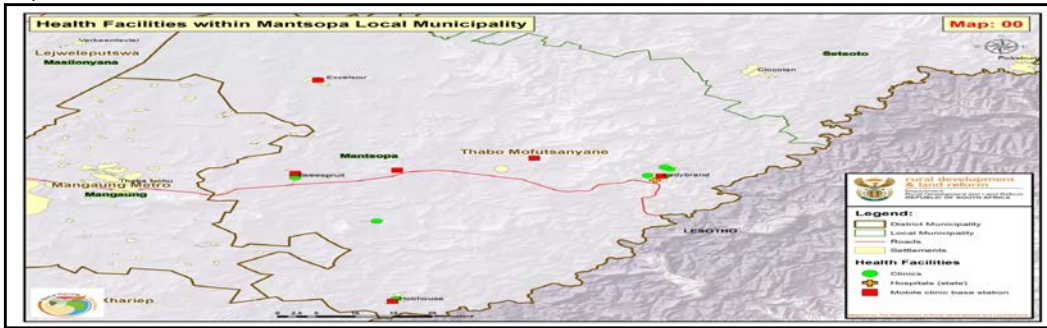
Health Status

General statistics on the health status of the community is limited. However, a good indication is obtained from the statistics provided by the Department of Health about the current health status of people living in Mantsopa.

1318 new diarrhoea cases were reported during 2014 in Mantsopa. The incidence rate is 104.6 per 1000 of the population (Free State Provincial Government (FSPG): Department of Health, 2014).

The Provincial Department of Health (2014) also revealed that 8 297 new STI cases were reported in 2014 which represents 70.6 incidences. A 145 TB case findings were reported in 2000 with an incidence rate of 8.3%, a Teenage pregnancies have decreased from 321 to 118 since 2000 (FSPG: Department of Health, 2011).

Map 1: Health Facilities.



Map 2: Schools in Mantsopa.

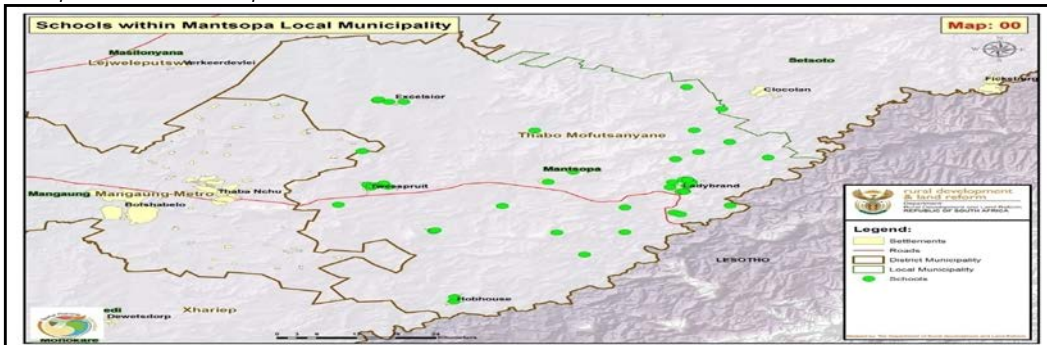


Table:5 Distribution of employed population in Mantsopa local municipality by age groups and type of sector per ward

Age group and ward	Type of sector		
	In the formal sector	In the informal sector	Private household
35 - 64 (Adults)			
Ward 1	580	105	69
Ward 2	345	154	146
Ward 3	453	86	233
Ward 4	520	185	79
Ward 5	414	78	168
Ward 6	209	80	69
Ward 7	735	206	185
Ward 8	442	88	71
Ward 9	291	105	106
Mantsopa	3 989	1 086	1 127
15 - 34 (Youth)			
Ward 1	520	74	31
Ward 2	300	97	102
Ward 3	495	126	218
Ward 4	480	188	43
Ward 5	356	103	64
Ward 6	255	107	36
Ward 7	444	169	119
Ward 8	299	61	26
Ward 9	296	108	73
Mantsopa	3 445	1 033	712
15 - 64 Years			
Ward 1	1 100	178	100
Ward 2	645	251	248
Ward 3	948	212	451
Ward 4	1 000	373	122
Ward 5	770	181	232
Ward 6	464	187	105
Ward 7	1 179	374	304
Ward 8	741	149	97
Ward 9	587	213	180
Mantsopa	7 434	2 119	1 839

Data source: Stats SA, Census 2011

Table 5 above indicates the distribution of employed population aged between 15 and 64 years in Mantsopa local municipality by type of sector per ward. The overall municipal employed people were found to be in formal sector with 7 434 employed people. The informal sector was found to be more than that of private households with 2 119 employed people.

Table 6: Distribution of employment status and unemployment rate by age groups per ward in Mantsopa local municipality

Age group and ward	Employment status			Unemployment rate
	Employed	Unemployed	Not economically active	
35 - 64 (Adults)				
Ward 1	761	214	902	21.9
Ward 2	666	104	882	13.5
Ward 3	804	193	544	19.4
Ward 4	870	305	657	26.0
Ward 5	664	161	559	19.5
Ward 6	389	179	515	31.5
Ward 7	1169	84	545	6.7
Ward 8	617	217	638	26.0
Ward 9	505	99	673	16.4
Mantsopa	6 447	1 556	5 915	19.4
15 - 34 (Youth)				
Ward 1	637	434	1071	40.5
Ward 2	507	166	1338	24.7
Ward 3	866	370	962	29.9
Ward 4	777	677	1326	46.6
Ward 5	527	385	1136	42.2
Ward 6	441	434	983	49.6
Ward 7	761	181	692	19.2
Ward 8	392	439	904	52.8
Ward 9	484	246	1012	33.7
Mantsopa	5 391	3 332	9 423	38.2
15 - 64 Years				
Ward 1	1 399	648	1 973	31.7
Ward 2	1 173	270	2 220	18.7
Ward 3	1 671	562	1 506	25.2
Ward 4	1 648	982	1 983	37.3
Ward 5	1 191	546	1 695	31.4
Ward 6	830	613	1498	42.5
Ward 7	1 929	265	1 237	12.1
Ward 8	1 009	657	1 542	39.4
Ward 9	989	344	1 685	25.8
Mantsopa	11 838	4 888	15 338	29.2

Data source: Stats SA, Census 2011

Table 6 above indicates the distribution of unemployment status as well as unemployment rate of population aged between 15 and 64 years in Mantsopa local municipality per ward in 2011. The overall municipal unemployment rate it was found to be 29.2%. The ward with the highest unemployment rate was Ward 6 with 42.5%.

Blue Drop and Green Drop Score

Water Services Authority Mantsopa Local Municipality			
Water Services Provider(s) Mantsopa LM , Bloem Water			
2014 Municipal Blue Drop Score	52.78%		
2012 Municipal Blue Drop Score	47.09%		
2011 Municipal Blue Drop Score	38.48%		
Performance Area	Excelsior	Hobhouse	Ladybrand
Water Services Provider(s)	Mantsopa LM , Bloem	Mantsopa LM	Mantsopa LM
Water Safety Planning (3.5%)	22.49	13.56	19.34
Treatment Process Management (8%)	7.16	7.16	5.56
DWQ Compliance (3.0%)	10.13	6.75	15.00
Management Accountability (10%)	5.30	2.70	2.70
Asset Management (14%)	10.05	8.19	8.89
Use Efficiency, Loss Management (3%)	0.00	0.00	0.00
Bonus Scores	3.37	2.63	2.55
Penalties	0.00	0.00	0.00
2014 BLUE DROP Score	58.48%	40.99%	54.03%
2012 Blue Drop Score	79.36%	39.78%	40.98%
2011 Blue Drop Score	48.25%	30.10%	48.08%
System Design Capacity (Ml/d)	1.4	1.6	10.8
Operational Capacity (% ito Design)	79%	38%	89%
Average daily Consumption (l/p/d)	74.0	228.3	279.1
Microbiological Compliance (%)	89.6%	80.0%	100.0%
Chemical Compliance (%)	98.7%	96.4%	91.8%
Blue Drop Risk Rating (2012)	81.2%	88.4%	81.2%
Blue Drop Risk Rating (2013)	60.6%	66.1%	55.4%
Blue Drop Risk Rating (2014)	48.1%	40.6%	40.3%
Water Services Authority Mantsopa Local Municipality			
Water Services Provider(s) Mantsopa LM			
(continued)			
Performance Area	Thaba Patchoa	Tweespruit	
Water Services Provider(s)	Mantsopa LM	Mantsopa LM	
Water Safety Planning (3.5%)	15.14	15.14	
Treatment Process Management (8%)	7.16	5.16	
DWQ Compliance (3.0%)	11.25	6.75	
Management Accountability (10%)	2.70	2.70	
Asset Management (14%)	8.19	7.56	
Use Efficiency, Loss Management (3%)	0.00	0.00	
Bonus Scores	2.63	2.63	
Penalties	0.00	1.49	
2014 BLUE DROP Score	47.06%	38.44%	
2012 Blue Drop Score	52.15%	41.28%	
2011 Blue Drop Score	41.61%	27.53%	
System Design Capacity (Ml/d)	0.6	1.4	

<i>Operational Capacity (% ito</i>	33%	50%
<i>Average daily Consumption</i>	125.0	119.0
<i>Microbiological Compliance</i>	94.6%	87.0%
<i>Chemical Compliance (%)</i>	96.6%	96.8%
Blue Drop Risk Rating (2012)	82.5%	88.6%
Blue Drop Risk Rating (2013)	91.1%	91.3%
Blue Drop Risk Rating (2014)	37.8%	48.1%



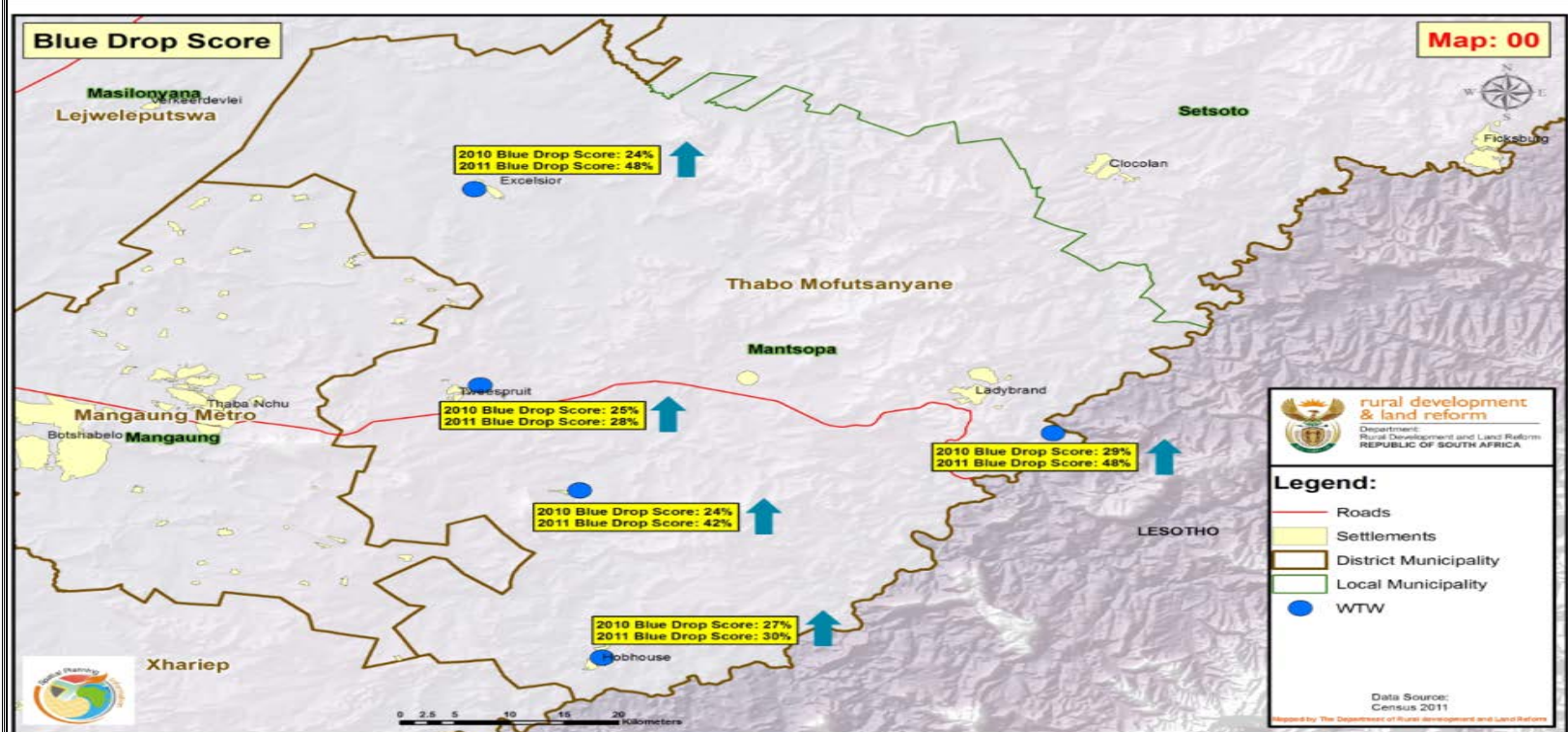
Chlorine dose pump balanced on sodium hypochlorite drums



Main holding tanks for flocculent at the Hobhouse WTW

According to Map below the Blue Drop Status van improved for all the towns in Mantsopa Local Municipality. A summary of the outcome is seen below the map.

Map 3: Blue Drop Score



Source: Free State DWA (2011 Water Sector Development Plan)

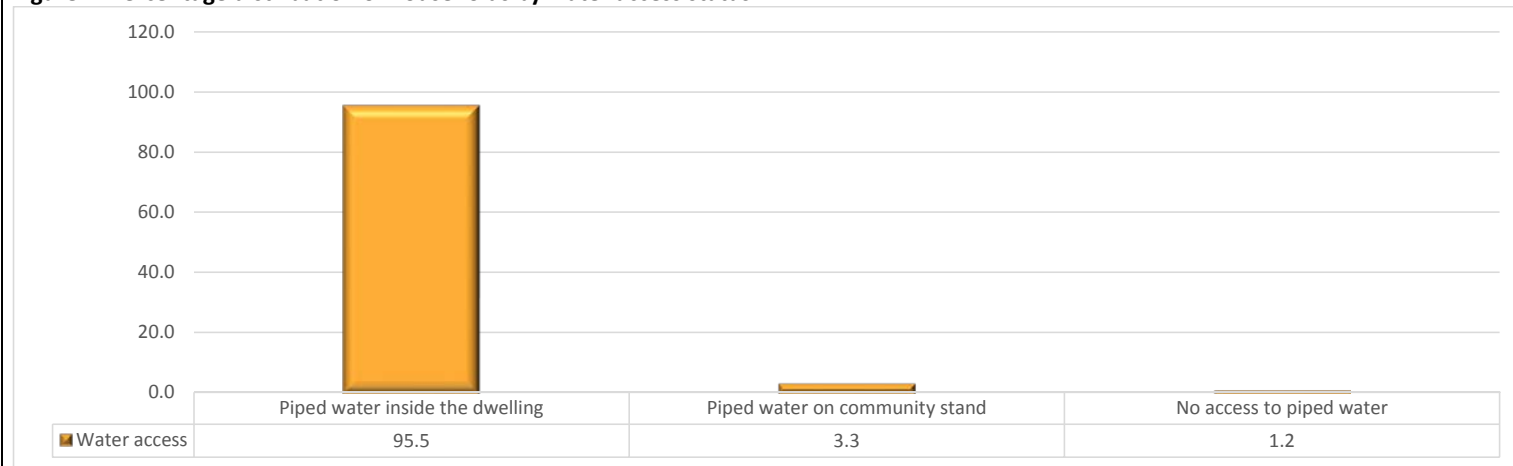
SECTION D: STATUS QUO ANALYSIS

Key Statistics – Census 2011

Total population	51,056
Young (0-14)	31,8%
Working Age (15-64)	62,8%
Elderly (65+)	5,4%
Dependency ratio	59,2
Sex ratio	91,6
Growth rate	-0,81% (2001-2011)
Population density	12 persons/km ²
Unemployment rate	29,2%
Youth unemployment rate	38,2%
No schooling aged 20+	5,7%
Higher education aged 20+	8,6%
Matric aged 20+	22,9%
Number of households	15,170
Number of Agricultural households	3,934
Average household size	3,3
Female headed households	43,2%
Formal dwellings	81,8%
Housing owned/paying off	56,2%
Flush toilet connected to sewerage	67,5%
Weekly refuse removal	78,2%
Piped water inside dwelling	33,2%
Electricity for lighting	91%

Water and Sanitation

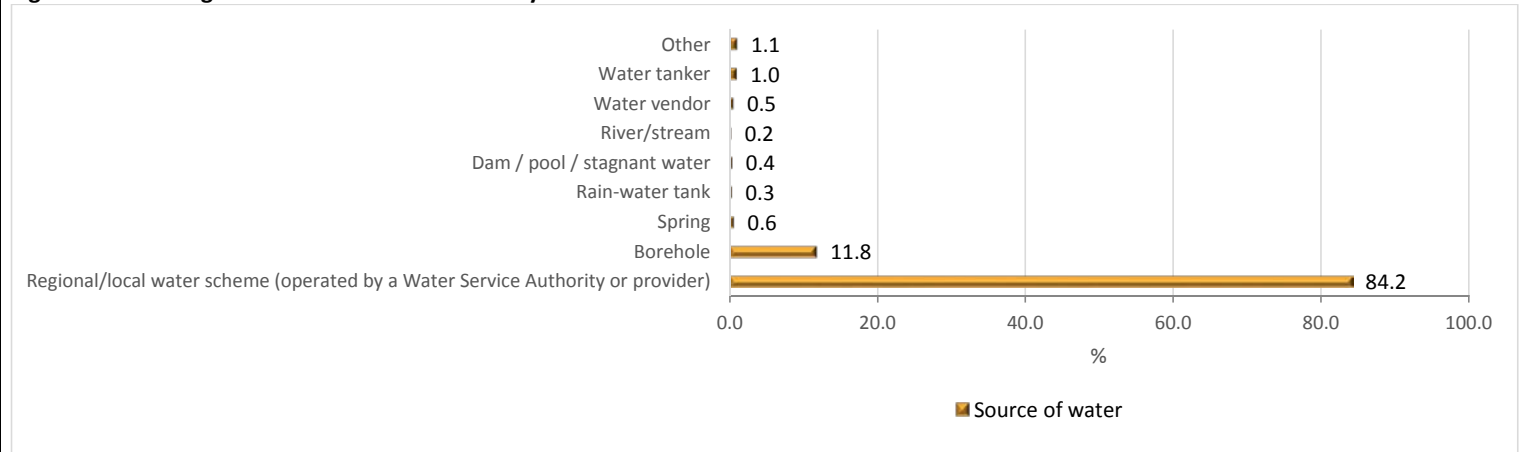
Figure 1: Percentage distribution of households by water access status



Data source: Stats SA, Census 2011

Figure 1 above indicates the percentage distribution of households in Mantsopa local municipality by water access status wherein 95.5% of households had access to piped water inside dwellings/yards whereas 1.2% of households had no access to piped water at all.

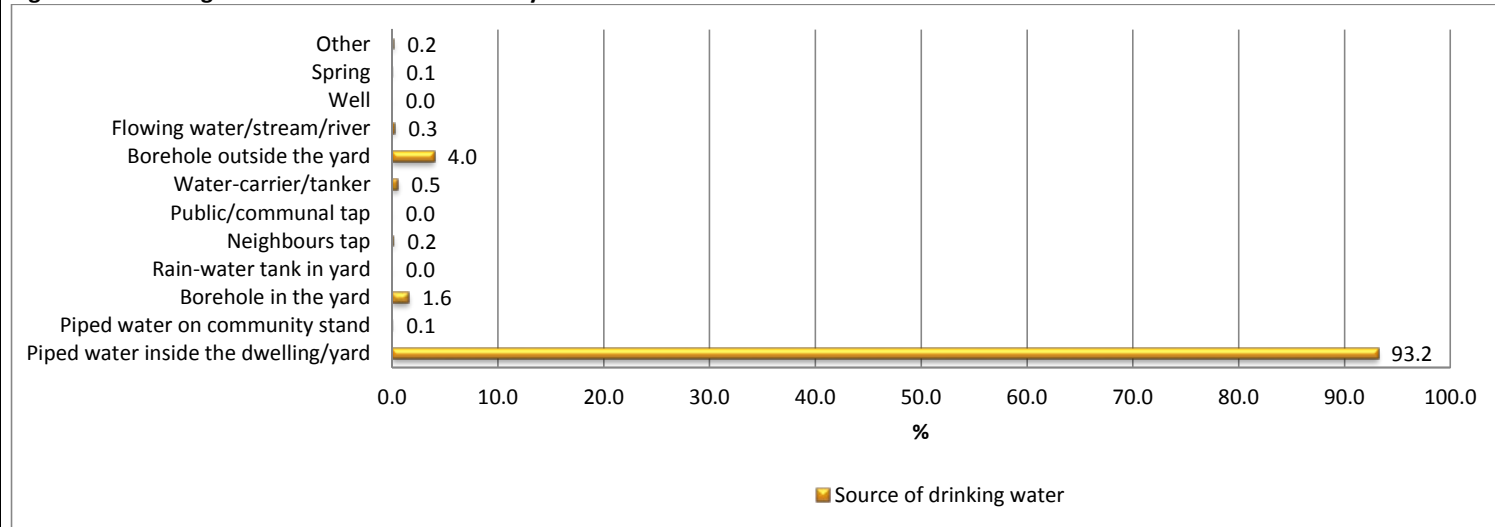
Figure 2: Percentage distribution of households by source of water



Data source: Stats SA, Census 2011

Figure 7 above indicates the source of water wherein households in Mantsopa local municipality get water from and 84.2% of households source their water from regional/local water scheme and 0.2% of households sources water from rivers/streams.

Figure 3: Percentage distribution of households by main source of water

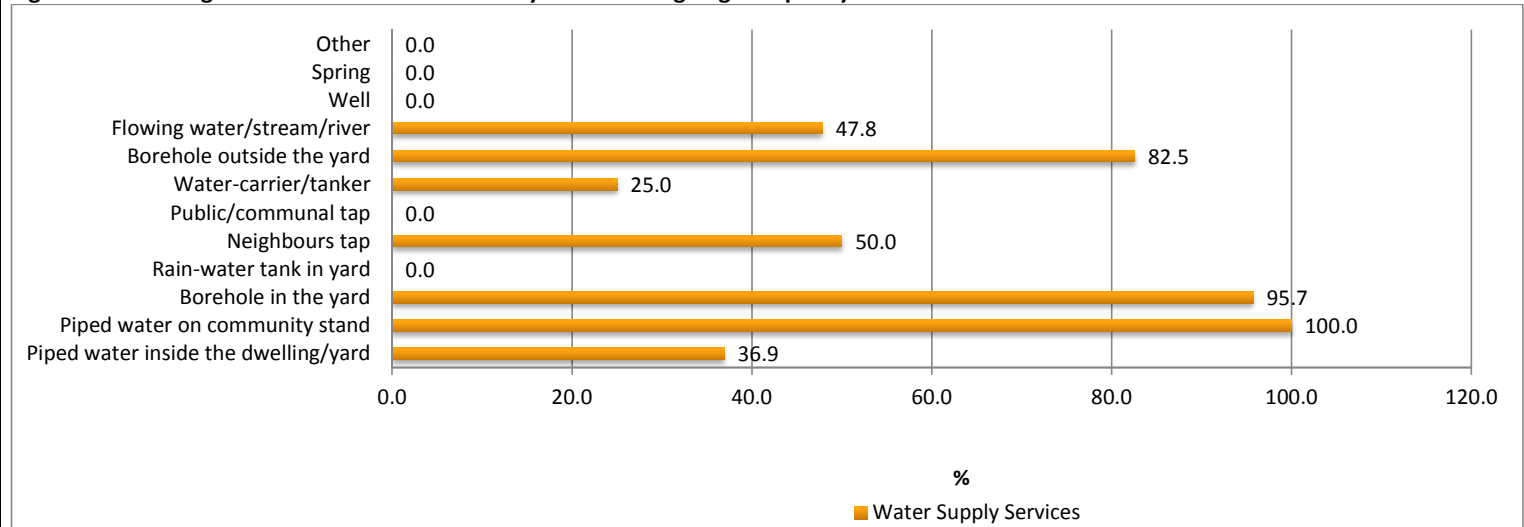


Data source: Stats SA, Community Survey 2016

Note: Source of water as well as water access was not derived the same for both Census 2011 and CS 2016

Figure 8 above indicates percentage distribution of households by main source of water wherein 93.2% of households in Mantsopa local municipality has access to piped water and 4.0% of household access water from boreholes outside the yard. None of households accesses water from wells, public/communal tap or rain-water tanks in yards.

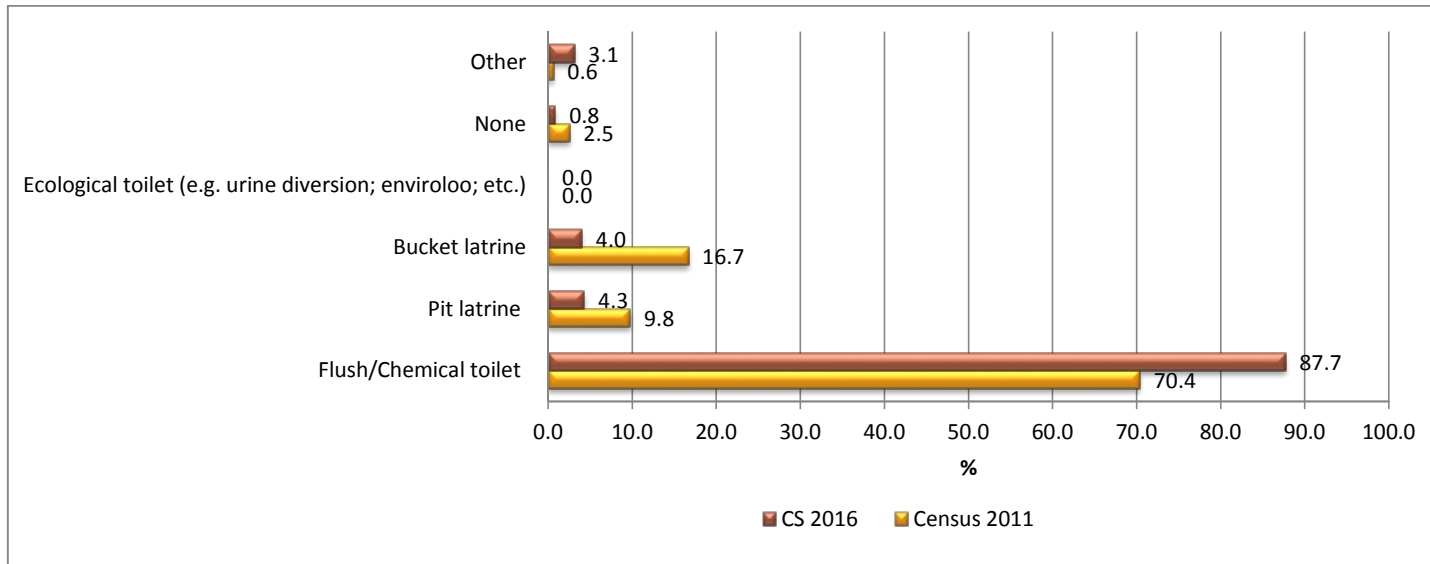
Figure 4: Percentage distribution of households by overall rating of good quality of water service



Data source: Stats SA, Community Survey 2016

Figure 13 above indicates percentage distribution of overall rating good quality of water service in Mantsopa local municipality by households. 36.9% of households with access to piped water inside a dwelling or yard have rated the municipality with good quality of water service whereas 82.5% of households who access water from boreholes outside the yard rated the municipality with good quality of water service.

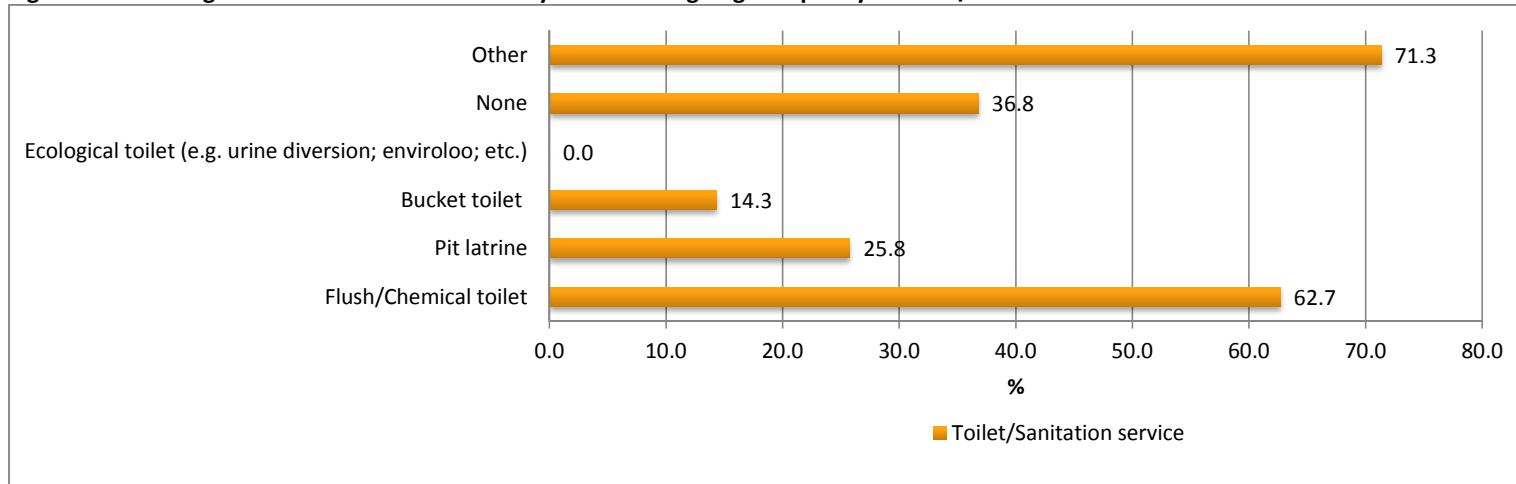
- **Figure 5: Percentage distribution of households with access to toilet facilities**



Data sources: Stats SA, Census 2011 and Community Survey 2016

Figure 5 above indicates percentage distribution of households in Mantsopa local municipality by type of toilet facility being utilized. From the figure above, households with flush/chemical toilet facilities has increased from 70.4% in 2011 to 87.7% in 2016. Households without any toilet facilities have decreased from 2.5% in 2011 to 0.8% in 2016.

Figure 6: Percentage distribution of households by overall rating of good quality of toilet/sanitation service



Data source: Stats SA, Community Survey 2016

Figure 6 indicates percentage distribution of households in Mantsopa local municipality by overall rating of good quality of toilet/sanitation service wherein 25.8% of households who uses pit latrine rated municipality for good quality of toilet/sanitation services and 36.8% of households without any toilet/sanitation services rated the municipality for good quality of toilet/sanitation services.

WATER SERVICES

1. Clean water

Mantsopa Local Municipality is participating in a Green Drop System in order to enhance compliance with a good environmental practices. What is being revealed by the audit results of 20.39% from the 0.00% of the 2009 outcome is that, municipality is improving with speed towards achieving Green Drop Certificate in future, however there seems to be challenges that need to be tackled through the Green Drop Committee that has been established.

Municipality has generally improved on drinking water quality. The trading of water quality is monitored through the whole process of production. (From treated reservoirs and point of views). Audited samples are monthly taken to the accredited laboratory. Department of Environmental Affairs also monitors municipality independently.

- 1.1. Municipality is also participating in Blue Drop System (BDS), which is a flagship programme that is used to check the performance of institution in managing the quality of water from the source, production reservoirs and end-user. BDS is an incentive base regulation and acknowledge Excellency in drinking water quality management.
- 1.2. Furthermore, Municipality has trained Plant Operators to various NQF levels in order to be more professional in their daily operations at waste and water treatment works.
- 1.3. More trainings on water quality management are to be offered for both municipal employees and targeted unemployed youths.

2. Water quality monitoring

- 2.1. Operational monitoring at the Plant (Raw water, Settling Tanks, Filtration and Final Water)
- 2.2. Compliance monitoring (Final Plant, Reservoirs, Network and Point of use / Tap water)
- 2.3. Monthly Audit (Testing by independent Laboratories and Sector Departments).

There has been an average percentage improvement of 14.30% on the quality of water supplied to the consumers from 2011 to 2014 as indicated by the latest Blue Drop results.

Poor workmanship, aged infrastructure, lack of raw bulk water supply and delays on Supply Chain Processes impacts negatively on the quality of water.

3. Households water access status

- 16 951 Households on urban areas spreading throughout the nine (9) Wards within the municipality have Tap water, however there is often an interruption to supply to high lying areas due to low water pressure.

The table 1 below illustrates access to basic level of service to Households

Tap water within the yard 16 951		>200m	<200m
Constant supply	Tankering due to low water pressure	Tankering (Formal erven)	Tankering (Informal erven)
		383	64 (depending on occupation)

4. Water access status to Public Amenities

- There are 137 Public Amenities within the municipality identified as Schools, Early Childhood Development Centres, Places of Safety, Police and Correctional Services, Health Care Centres and Recreational Facilities.
- Municipality is the Water Services Authority within its jurisdiction but not a Services Provider to some of these Facilities. They provide the service on their own.

The table 2 below illustrates access to basic level of service to Public Amenities per town.

Town	Type of Amenity		Within the premises	>200m	<200m
Ladybrand	Schools	16	16		
	Farm schools	5	5 x Service Providers	Boreholes	
	ECDs	12	12		
	Farm ECDs		x Service Providers	x Boreholes	x Boreholes
	Libraries	2	2		
	Places of Safety	3	3		
	Police Stations	4	4		
	Correctional Services	1	1		
	Hospital	1	1		
	Clinics	4	4		
	Sports Grounds	9	2	1	8
	Parks	6	3	1	2
Tweespruit	Schools	4	4		
	Farm schools	3	2 x Service Providers	1 x Boreholes	
	ECDs	6	6		
	Farm ECDs		x Service Provider	x Boreholes	x Boreholes
	Libraries	1	1		

	Places of Safety	1	1		
	Police Stations	1	1		
	Correctional Services	0	0		
	Hospital	0	0		
	Clinics	2	2		
	Sports Grounds	7	1		6
	Parks	5	1		4
Excelsior	Schools	3	3		
	Farm schools		x Service Providers	x Boreholes	
	ECDs	3	3		
	Farm ECDs		x Service Provider	x Boreholes	x Boreholes
	Libraries	2	2		
	Places of Safety	0			
	Police Stations	1	1		
	Correctional Services	0			
	Hospital	0			
	Clinics	1	1		
	Sports Grounds	4	1		3
	Parks	2			2

Hobhouse	Schools	2	2		
	Farm schools		x Service Providers	x Boreholes	
	ECDs	3	3		
	Farm ECDs		x Service Provider	x Boreholes	x Boreholes
	Libraries	1	1		
	Places of Safety	0			
	Police Stations	1	1		
	Correctional Services	0			
	Hospital	0			
	Clinics	1	1		
	Sports Grounds	5	1		4
	Parks	3	1		2
Thaba Phatchoa	Schools	1	1		
	Farm schools	1	1 x Boreholes		
	ECDs	1	1		
	Farm ECDs		x Service Provider	x Boreholes	x Boreholes
	Libraries	0			
	Places of Safety	0			

	Police Stations	0			
	Correctional Services	0			
	Hospital	0			
	Clinics	1	1		
	Sports Grounds	5	1		4
	Parks	3	1		2

5. Water Sources and Levels

Water quantity and source: table 3

NAME OF WATER SUPPLY SYSTEM	SOURCES OF WATER	RAW LEVEL
Ladybrand	Caledon River	40%
	Cathcart Dam	Medium flow
		100%
Tweespruit	Lovedale Dam	60%
	Boreholes	4%
Thaba Patchoa	Leeuwrivier river / Amenia Dam	40%
Excelsior	Dinana spruit	5%
	Balancing Dam	10%
	Boreholes	
	Bloemwater	Av. 13000Lt/month
Hobhouse	Leeurivier / Amenia	40%

Municipality has five water supplies system and different raw water sources for different water works. Currently the raw water status is as follows

The following Strategies are being implemented in order to conserve the limited resource as indicated by the quantities above:

- Water restrictions in line with ... Municipal By-law.
- Presidential War on Leaks Project.
- Daily repairs and maintenance.

More trainings on Water Conservation and Water Demand Management Program are to be offered for both municipal employees and targeted unemployed youths.

Continue awareness campaigns on Water Conservation and Water Demand Management.

6. Available resources and the current status or condition

➤ PERSONNEL

➤ VEHICLES AND EQUIPMENT: table 4

Town	Vehicle / Equipment	Condition	
Ladybrand	2 x Bakkies	1 x Satisfactory 1 x Bad	
	2 x Trash Pumps	Bad	
Tweespruit	1 x Bakkie	Very Bad	
	1 x Truck	Satisfactory	
	1 x Trash Pump	Bad	
Excelsior	1 x Truck	Satisfactory	
Hobhouse	1 x Bakkie	Very Bad	
Thaba Phatchoa	1 x Bakkie	Very Bad	

Vehicles for Tweespruit, Excelsior, Hobhouse and Thaba Phatchoa are used for all services and functions.

SANITATION

1. Final Effluent Quality

- 1.1. Municipality has generally improved on treated Effluent quality. Audited samples are taken monthly and submitted to the accredited Laboratory. Department of Environmental Affairs also monitors municipality independently.
- 1.2. Municipality is also participating in Green Drop Systems (GDS), which is a flagship programme that is used to check the performance of the Institution in managing the quality of treated sewer from the Waste Water treatment Works, Oxidation Ponds and Package Plants. GDS is an Incentive base regulation and acknowledge Excellency in treated effluent quality management.
- 1.3. Furthermore, the Department has trained Plant Operators to various NQF levels in order to be more professional in their daily operations at Waste and water treatment works.

2. Sewerage anility progress to date

- 2.1. Municipality has generally improved on treated Effluent quality. Audited samples are taken monthly and submitted to the accredited Laboratory. Department of Environmental Affairs also monitors municipality independently.
- 2.2 Municipality is also participating in Green Drop Systems (GDS), which is a flagship programme that is used to check the performance of the Institution in managing the quality of treated sewer from the Waste Water treatment Works, Oxidation Ponds and Package Plants. GDS is an Incentive base regulation and acknowledge Excellency in treated effluent quality management.
- 2.3. Furthermore, the Department has trained Plant Operators to various NQF levels in order to be more professional in their daily operations at Waste and water treatment works

More trainings on waste water quality management are to be offered for both municipal employees and targeted unemployed youths.

3. Final Effluent Quality

- 3.1. Operational monitoring at the Plant (Inlet Screen, Degrading, Aaerobic, Aeration, Anaerobic and Final Effluent).
- 3.2. Monthly Audit (Testing by independent Laboratories and Sector Departments).

There has been an average percentage improvement of ...% on the quality of effluent discharged from ... to ... as indicated by the latest Green Drop result.

- *Poor workmanship, aged infrastructure and delays on Supply Chain Processes impacts negatively on the quality of water.*

4. Households Sanitation access status

- 16 951 Households on urban areas spreading throughout the nine (9) Wards within the municipality have Toilet facilities on site.

The table below illustrates access to basic level of service to Households

Households	Type of Structure	Condition	Distance
16 951/	Brick and Fibre	Good	Within the yard
383 Formalized erven	Temporary	Bad	Within the yard
64 (subject to occupation) Informal Settlement		Very Bad	<200m

5. Types of Sanitation systems and Waste Water Facilities

There are five (5) waste water facilities within the municipality operating differently depending on the type of sanitation system per area and town.

Town	Area	Sanitation Type	Facility	Condition
Ladybrand	Town, Manyatseng, Mauersnek & Platberg	Full Waterborne	Waste Water Treatment Plant	Good
Tweespruit	Town and Dawiesville	Full Waterborne	Oxidation Ponds	Poor
	Dairy Village	Septic tanks		
	Boroa	Closed Circuit System	Package Plant	Good
Excelsior	Town	Septic tanks	Oxidation Ponds	Good
	Mahlatswetsa	Full Waterborne		
Hobhouse	Town	Septic tanks	Oxidation Ponds	Poor
	Dipelaneng	Closed Circuit System	Package Plant	Good
Thaba Phatchoa	Thaba Phatchoa	Full Waterborne	Oxidation Ponds	Poor

6. Sanitation service access status to Public Amenities

- There are 137 Public Amenities within the municipality identified as Schools, Early Childhood Development Centres, Places of Safety, Police and Correctional Services, Health Care Centres and Recreational Facilities.

- Municipality is sole Service Provider within her jurisdiction but does not provide the service to some of these Facilities. They provide the service on their own.

The table below illustrates access to basic level of service to Public Amenities per town.

Town	Type of Amenity		Within the premises	Basic Sanitation Type	Low Sanitation Type
Ladybrand	Schools	16	16	14 x Full Waterborne 2 x Closed Circuit	0
	Farm schools	5	5 x Service Providers	Septic Tanks	0
	ECDs	12	12	Full Waterborne	0
	Farm ECDs		x Service Providers	Septic and Pitlatrines	0
	Libraries	2	2	Full Waterborne	0
	Places of Safety	3	3	Full Waterborne	0
	Police Stations	4	4	Full Waterborne	0
	Correctional Services	1	1	Full Waterborne	0
	Hospital	1	1	Full Waterborne	0
	Clinics	4	4	Full Waterborne	0
	Sports Grounds	9	2	2 x Full Waterborne	No Services
	Parks	6	3	1 x Full Waterborne	No Services
	Tweespruit	Schools	4	4	3 x Full Waterborne 1 x Closed Circuit

	Farm schools	3	2 x Service Providers	Septic and Pitlatrines	0
	ECDs	6	6	4 x Full Waterborne	2 x Buckets
	Farm ECDs		x Service Provider	Septic and Pitlatrines	0
	Libraries	1	1	Full Waterborne	0
	Places of Safety	1	1	Closed Circuit	0
	Police Stations	1	1	Full Waterborne	0
	Correctional Services	0	0		
	Hospital	0	0		
	Clinics	2	2	1 x Full Waterborne 1 x Closed Circuit	0
	Sports Grounds	7	1	Full Waterborne	6 x No services
	Parks	5	1	Full Waterborne	4 x No services
Excelsior	Schools	3	3	Full Waterborne	0
	Farm schools		x Service Providers	Septic and Pitlatrines	0
	ECDs	3	3	Full Waterborne	0
	Farm ECDs		x Service Provider	x Boreholes	x Boreholes
	Libraries	2	2	Full Waterborne	0
	Places of Safety	0			
	Police Stations	1	1	Full Waterborne	0

	Correctional Services	0			
	Hospital	0			
	Clinics	1	1	Full Waterborne	0
	Sports Grounds	4	1	Full Waterborne	3 x No services
	Parks	2			2 x No services
Hobhouse	Schools	2	2	1 x Full Waterborne 1 x Closed Circuit	
	Farm schools		x Service Providers	Septic and Pitlatrines	0
	ECDs	3	3	3 x Closed Circuit	
	Farm ECDs		x Service Provider	Septic and Pitlatrines	0
	Libraries	1	1	Closed Circuit	
	Places of Safety	0			
	Police Stations	1	1	Full Waterborne	0
	Correctional Services	0			
	Hospital	0			
	Clinics	1	1	Septic Tank	0
	Sports Grounds	5	1		4 x No services
	Parks	3	1	Septic Tank	2 x No services

Thaba Phatcoa	Schools	1	1	Full Waterborne	
	Farm schools	1	1	Septic Tank	
	ECDs	1	1	Full Waterborne	
	Farm ECDs		x Service Provider	Septic and Pitlatrines	0
	Libraries	0			
	Places of Safety	0			
	Police Stations	0			
	Correctional Services	0			
	Hospital	0			
	Clinics	1	1	Full Waterborne	
	Sports Grounds	5			No services
	Parks	3	3		No services

7. Available resources and the current status or condition

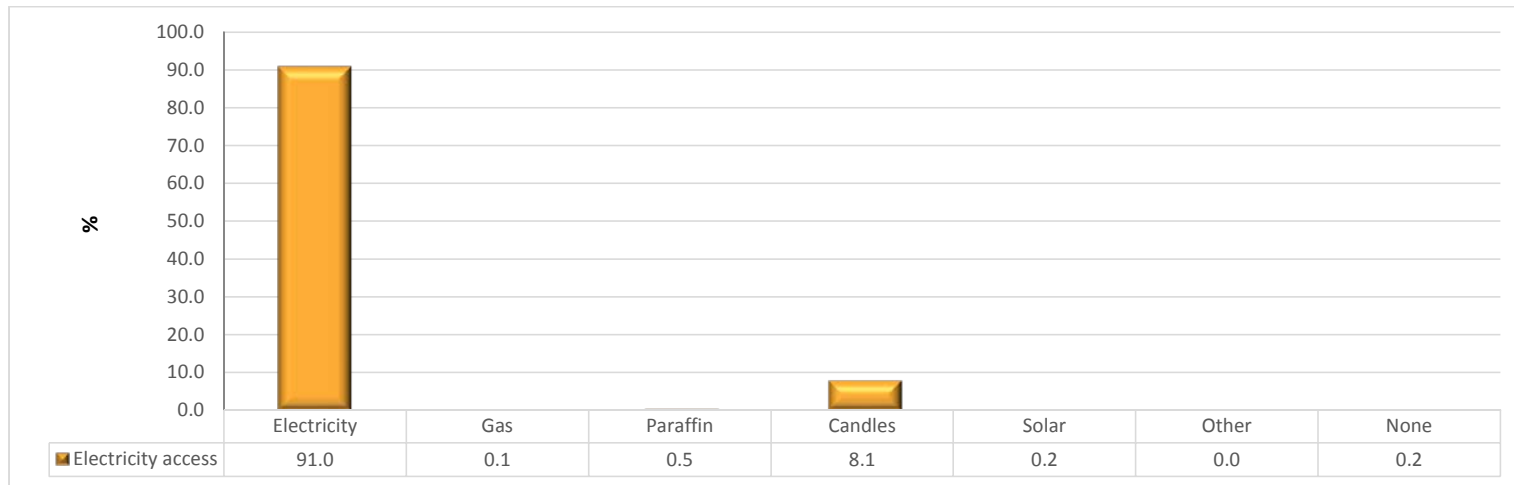
➤ PERSONNEL

➤ VEHICLES AND EQUIPMENT

Town	Vehicle / Equipment	Condition	
Ladybrand	2 x Bakkies	1 x Satisfactory 1 x Bad	
	1 x Sewerjet	Good	
Tweespruit	1 x Bakkie	Very Bad	
	1 x Tractor	Satisfactory	
Excelsior	1 x Honey Sucker Truck 1 x Tractor	Satisfactory	
Hobhouse	1 x Tractor and Trailer	Very Bad	
Thaba Phatchoa	1 x Tractor	Very Bad	

ELECTRICITY

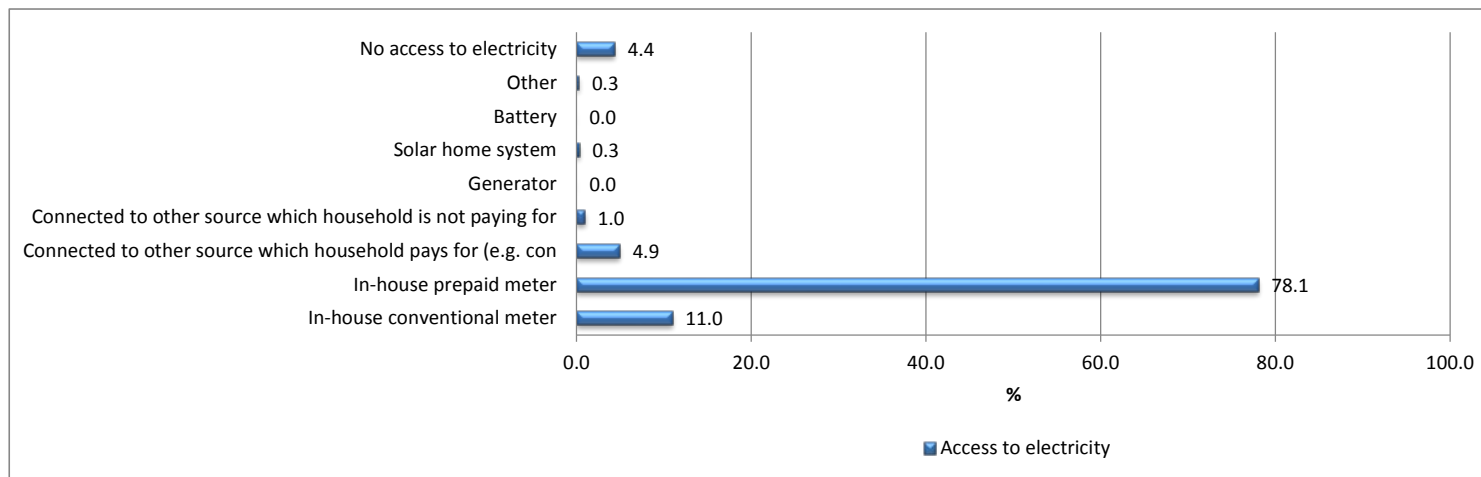
Figure 9: Percentage distribution of households with access to electricity



Data source: Stats SA, Census 2011

Figure 7 above indicates percentage distribution of households had access to electricity in Mantsopa local municipality in 2011 wherein 91.0% of households had access to electricity whereas only 0.2% of households had no access to electricity.

Figure 8: Percentage distribution of households with access to electricity



Data source: Community Survey 2016

Note: Access to electricity was not derived the same for both Census 2011 and CS 2016

Figure 10 above indicates the percentage distribution of households with access to electricity wherein 78.1% of households had access to electricity with in-house meter in Mantsopa local municipality whereas none of the households use batteries or generators

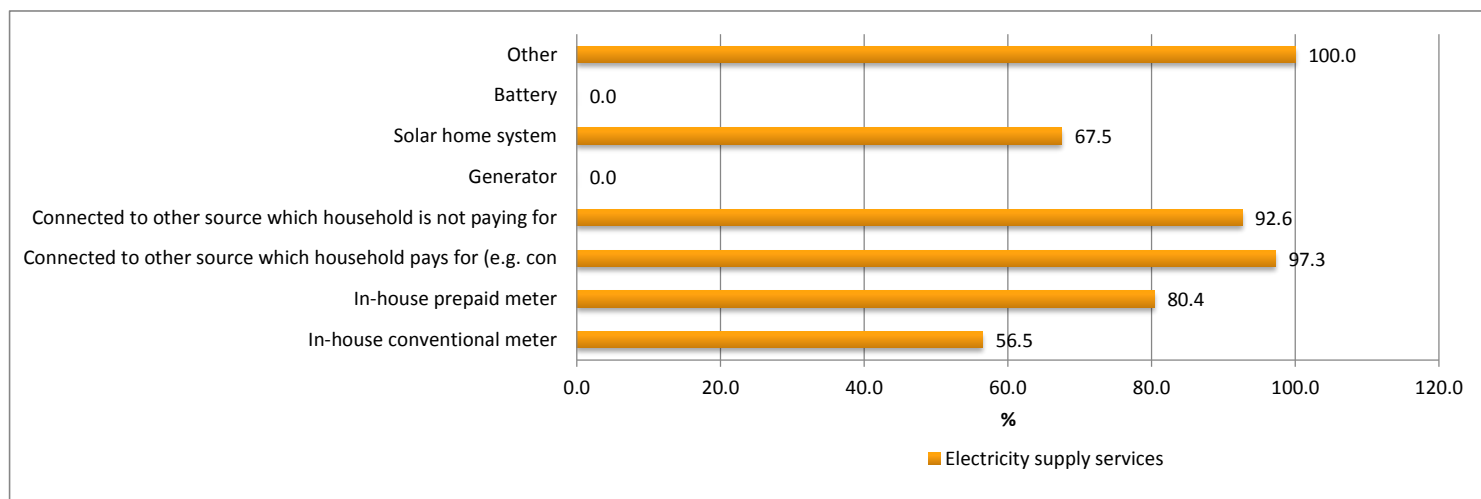


Figure 9: Percentage distribution of households by overall rating of good quality of electricity supply service

Data source: Stats SA, Community Survey 2016

Figure 14 indicates percentage distribution of households in Mantsopa local municipality by overall rating of good quality of electricity supply service wherein

ROADS AND STORMWATER

All Mantsopa areas have access to roads. The state and condition of roads throughout the municipality is one of the urgent service delivery needs that requires attention. Roads are accepted as a critical vehicle of promoting economic growth in both the CBDs and townships. The general observation on the pavement structure is that they were designed for a very low traffic volume. The growth in road freight and heavy vehicles are damaging the road infrastructure. These heavy vehicles are from the N8 and the R26 seeking overnight rest in the town (especially in Ladybrand). With the little income the municipality has, it is a challenge to keep up with the rapid deterioration of the roads. In order to address this challenge, the municipality appreciates the "Pavement Management System" developed by the district municipality through RRAMS programme.

The Gravel Road Management System is pending, up on completion, the municipality will have a complete road management system there by developing a comprehensive maintenance plan. Even though the MLM develops maintenance plan yearly, it is more of a reactive plan than the preferred proactive maintenance plan. The table 5 below shows the alignment of the NDP, FSGDS, MTSF and the municipality's objectives for roads and storm water.

Priority	NDP	FSGDS	MTSF	MLM Objective
Roads and storm water				

The roads in Mantsopa are as follows;

Town	Below Basic Level Graded (km)	Basic Level Gravel Streets (km)	Paved Streets (km)	Tarred Streets (km)	Total (km)
Ladybrand	42.7	53.0	0.9	26.2	122.8
Excelsior	4	23.1	0.0	5.5	32.6
Tweespruit	10.9	12.8	1.4	8.4	33.5
Hobhouse	8.8	26.8	0.0	4.1	39.7
Total	66.3	116.5	1.5	45.4	229.8
	28.9%	50.7%	0.7%	19.8%	100 %

Table 7: From the draft Roads and Storm Water Infrastructure Plan 2009

An updated structure, type and classification is pending the conclusion and subsequent approval/adoption of the Pavement Roads Management System and Gravel Roads Management System.

Rail

There is a railway lines through MLM, The first one is running from Mangaung through Tweespruit and Ladybrand to Lesotho. The second railway line runs from Ladybrand, through Modderpoort heading to Clocolan. However these railways are for goods trains linking said towns.

Airfield

There is only one landing strip in Ladybrand which is privately owned. It is currently tarred and is seldom used by light aircrafts.

Public transport

Taxis are predominate public transport for the people of Mantsopa LM. There are buses linking Ladybrand with Bloemfontein and the Eastern Free State. There is also a bus route from Cape Town through Ladybrand to Durban.



The Roads and Transport plans status

Table 8

Structures	Availability	Status
Integrated Transport Plan	Not Available	
Road Classification	Yes	Class: 3,4 and 5
Arterial Roads	Pending	Pending RRAMS
Access to social facilities	Yes	On the maintenance plan
Roads and Storm-water operation and maintenance plan (RSOMP)	Yes	RSOMP 2017/2017
Areas without access	Yes	RRAMS
Provision for non-motorist transport	Yes	Maintenance on the sidewalk
Plans to improve quality of roads	Yes	SDBIP and RRAMS

The Storm-water and drainage plans status: table 9

Structure	Availability	Status
Storm-water Maintenance plans	Yes	RSOMP 2017/2018
Approved service levels	Not applicable	
Projects to improve access	Yes	Project lists of Roads and Storm-water

KPA: PUBLIC PARTICIPATION AND GOOD GOVERNANCE

STRATEGIC OBJECTIVE:

Promote a culture of participatory, accountable and responsive governance

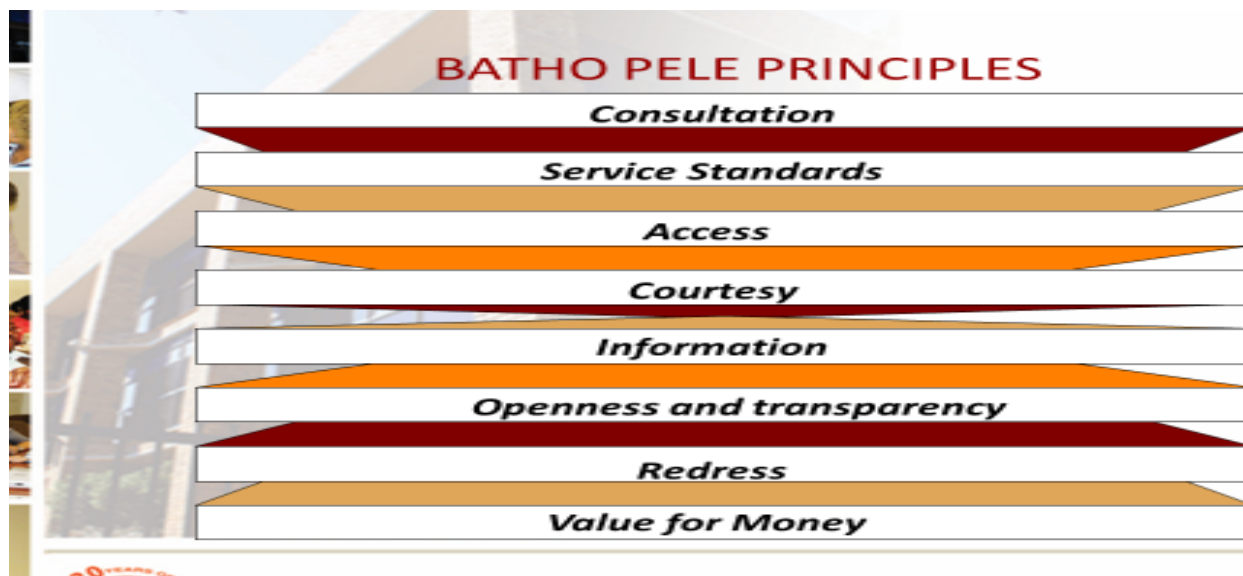
INTENDED OUTCOME:

People oriented decision making and administration

BATHO PELE APPROACH

What is Bathos Pele?

To promote this notion of "putting people first" and to provide a framework for the transformation of public service delivery, government introduced the concept of *Bathos Pele*, "people first" in 1997. This notion was expanded in the White Paper on transforming the public service, also known as the *Bathos Pele White Paper*, which provides a policy framework to ensure that *Bathos Pele* is woven into the very fabric of government.



OUTCOMES OF THE IDP REPRESENTATIVE FORUM

BASIC SERVICE DELIVERY

- Increase of reservoir for water storage and quality
- Road to the cemetery to be graveled at Hobhouse
- Re gravelling and paving of streets in all towns
- Speed humps at the main roads at Excelsior and Hobhouse
- Installation of high or medium mast lights in all areas especially in new areas
- Review of SLA between Centlec and the municipality
- Getting a licensing and stock piling of gravel to maintain streets in the municipality
- Increasing size and replace water pipes from asbestos to PVC.
- Street lights at sevendee laan
- Paving of Park Street as a priority at Thaba Patchoa
- Construction or upgrading of the main access road to Thaba Patchoa
- Sewer jet to be procured
- Project on war leaks to expedited
- Cleaning of catchment dams
- Carthcart dam system to be investigated as possibility at Thaba Patchoa
- Underground study to be conducted at Tweespruit
- Roads in all former town areas to be considered.
- Investigation of low water pressure in Thabong
- Eskom to be contacted for installation and lighting at the newly build RDP houses as there is possible illegal connections.

COMMUNITY SERVICES

- Provision of land for housing in all areas especially Tweespruit
- Fencing of cemeteries in all areas
- Upgrading or building of sports grounds in other areas excluding Ladybrand
- Numbering of grave sites
- Maintenance of the Dipelaneng, Thaba Patchoa, and excelsior
- Request for title deeds replacement of dilapidated two roomed houses in other areas except Tweespruit
- Security at all municipal properties
- Cleaning and maintaining of illegal dumping sites
- Identification of alternative land for cemeteries were applicable
- Enforcement of by-laws concerning roaming cattle
- Land to be identified for a taxi rank in town at Ladybrand
- Different human settlement strategies to be investigated e.g. housing complexes or flats
- Toilets and stand pipes at the cemeteries to be serviced
- Investigation on opening our own testing ground
- Meeting to be held with taxi association for consideration of commuting to be extend to routes include Lusaka & Thabong
- Refuse bins to be provided to households
- There should be a demarcated place in Platberg were refuse skips will be provided.
- A final decision to be made about the sites next to traffic department.
- Street names in all areas

CORPORATE SERVICE

- Replacement of deceased and retired municipal workers
- By laws for trucks that stop in town should be enforced
- Employment of EPWP workers or similar programs should be on a rotation system and not the same people to be used repeatedly.
- Utilization of learners who took part in municipal learner ships as a priority when it comes to employment.
- Youth Centre

PROJECTS FOR SECTOR DEPARTMENT

- Establishment of a TVET college
- Upgrading of Libraries in other towns
- Sassa offices to be returned to the location in Ladybrand
- Building of a Police Station in the Location
- Increasing a number of ambulances especially in Excelsior
- Opening of Asisi Clinic
- Patients Shelter in all Wards.
- Opening of testing ground in the Municipality
- Establishment of an MPCC at Manyatseng offices

Internal Audit Committee and Functions:

The following Section provides some background on the Mantsopa Local Municipal Government Structures and includes the following Sections:

- The Legal Background
- Status of the Internal Audit Function
- and the Scope of Work with regard to the Audit Functions of the Mantsopa Local Municipality

Table 9: Audit Committee Functions

Internal Audit Function:	Audit Committee
<p>Legal Background: In terms of section 165 (2) of MFMA, the internal audit unit of a municipality must:</p> <p>a) Prepare a risk based audit plan and an internal audit program for each financial year;</p> <p>b) Advise the accounting officer and report to the audit committee on the implementation of the internal audit plan and matters relating to:</p> <p>Internal audit Internal controls Accounting procedures and practices Risk and risk management Performance management Loss control and Compliance with this Act, the annual Division of Revenue Act and any other applicable legislation; and</p> <p>c) Perform such other duties as may be assigned to it by the accounting officer.</p>	<p>Legal Background: In terms of section 166(2) of MFMA, an audit committee is an independent advisory body which must advise the municipal council, the political office bearers, the accounting officer and management staff of the municipality on matters relating to:</p> <p>Internal financial control and internal audits; Risk management; Accounting policies; The adequacy, reliability and accuracy of financial reporting and information; Performance management; Effective management; Compliance with this Act, the annual Division of Revenue Act any other applicable legislation; Performance evaluation; Any other issues referred to it by the municipality;</p> <p>Review the annual financial statements to provide the council of the municipality with an authoritative and credible view of the financial position of the municipality, its efficiency and effectiveness and its overall level of compliance with this Act, the annual Division of Revenue Act and any other applicable legislation; Respond to the council on any issues raised by the Auditor General in the audit reports.</p>

Internal Audit Function:	Audit Committee
<p>Status:</p> <p>The Internal Audit Division has completed audits as set out in the division's coverage plan and reviewed operational plan. This report serves as a sum up of all the identified weaknesses during the financial year under review. The purpose of the Internal Audit Division, as set out in the Internal Audit Charter, is to provide an independent, objective assurance and consulting service and to also evaluate the effectiveness of risk management, internal control and governance processes in terms of an integrated audit approach and to provide advice and information to management and the Audit Committee in a cost effective manner.</p> <p>This report represents the results of the in depth review of controls made on the identified high risk activities</p> <p>The audits conducted covered the following:</p> <ul style="list-style-type: none"> Reviewing systems established by management to ensure compliance with those policies, plans, procedures, laws and regulations which could have a significant impact on operations and determining whether Mantsopa is in compliance. Reviewing means of safeguarding assets and appropriate, verifying existence of assets. Providing assurance that management process are adequate to identify and monitor significant risks. <ul style="list-style-type: none"> • Reviewing internal financial control/reliability of information. 	<p>Status:</p> <p>The audit committee was established on 07 June 2007 consisted of three members as required by the law.. Municipality appointed the current audit committee through normal recruitment processes on the 30th of January 2017 which consists of the following members:</p> <p>Chairperson: Mr MC Gwala Member: Miss V C Sikaundi Member: Miss S Lebeko</p> <p>Audit committee objectives</p> <p>The main objective of the audit committee is to advise the council, accounting officer and management staff on the effectiveness of internal controls, risk management, adequacy and reliability of financial statements and annual performance reports. Audit committee is committed to assist the council in performing its oversight responsibility.</p>

Internal Audit Function:	Audit Committee
Scope of Work: The following activities will audited and completed during the financial year under review: <ol style="list-style-type: none"> 1. Fleet Management 2. Overtime 3. Reconciliations (Bank, Creditor & Debtor Reconciliations) 4. Payments of salaries 5. Contracts/Tenders 6. Application of services 7. Attendance Registers 8. Budget Control 9. Expenditure 10. Personal Appointment 11. Leaves 12. Tariffs 13. DoRA & MFMA 14. Occupational Health & Safety 15. Information Technology 16. Assets Management 17. IDP 18. Receipts 19. Long Overdue Accounts 20. Performance Management System 21. Skills Development 22. Temporary Employees 23. Review of Annual Financial Statements 24. Valuation Roll & Inventories 25. Follow-up Audits, Year-end audit & AD HOC audits 26. Risk Management 27. Subsistence & Travelling 	Scope of work <ul style="list-style-type: none"> • To ensure that effective, efficient and transparent systems of financial and risk management and internal control are maintained by the Council, which contribute to the efficient and effective utilization of resources, safeguarding of assets and the accomplishments of established goals for operations or programs. • To promote the efficiency and effectiveness of accounting and management information systems. • To ensure that, in accordance with the Council's public accountability, that justifiable decisions pertaining to Municipal service rendering are taken • as indicated in policy statements, practices and the uncovering of malpractice. • To create a distinct and clear communications channel between the Council, management, external auditors and internal auditors. • To inform the Council regarding important problems which must be addressed concerning the preparation and discussion of the financial statements? • To monitor the effectiveness of the internal audit function. • To monitor management, internal audit and external audit with reference to the drafting of the financial statements. • To enhance the objectivity and credibility of reporting to stakeholders

MANTSOPA LOCAL MUNICIPALITY

MEETING DATES FOR STANDING COMMITTEES, EXCO AND COUNCIL FOR 2016

STANDING COMMITTEE MEETINGS

		JAN	FEB	MRCH	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	
Finance Committee	<u>Monday of month indicated (morning)</u>	Only short EXCO and Council meeting	6	6	3	8	5	3	7	4	2	6		
Governance Committee	<u>Monday of month as indicated (afternoon)</u>		6	6	3	8	5	3	7	4	2	6		
Infrastructure and urban planning	<u>Tuesday of month as indicated (afternoon)</u>		7	7	4	2	6	12	1	5	3	7		
Audit	<u>As determined by Chairperson from time to time</u>		<u>As determined by Chairperson from time to time</u>											
Community Service Committee	<u>Tuesday of month indicated (afternoon)</u>		7	7	4	2	6	12	1	5	3	7		

EXECUTIVE COMMITTEE (EXCO) MEETINGS

	JAN	FEB	MRCH	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Last TUESDAY of every second month in which there is no Council meeting		28		25		27		29		31		

	JAN	FEB	MRCH	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Closing date for items to be submitted to EXCO		9		8		7		9		4		

SPECIAL COUNCIL MEETINGS

The meetings will be scheduled as determined by the Speaker

COUNCIL MEETINGS

	JAN	FEB	MRCH	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Last TUESDAY of every second month in which there is no EXCO meeting	31		28		30		25		26		28	

	JAN	FEB	MRCH	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Closing date for items to be submitted to Council	10		7		9		4		5		10	

**MANTSOPA LOCAL MUNICIPALITY COUNCILLORS
(FS 196)**

SURNAME & INITIALS	CONTACT NO.	ADDRESS	ID NO	PARTY	SEAT TYPE	GENDER
TSOENE M E	078 366 0630	29A PRINSLOO STREET, LADYBRAND	670408 0287 08 0	ANC	PR	F
M J MODUKA	073 083 9278	71 MAHLATSWETSA, EXCELSIOR	740327 5374 08 9	ANC	PR	M
MOSES S J	083 346 6642	33A NUWE STREET, LADYBRAND	600428 5630 08 9	EFF	PR	M
NAKALEBE P N	071 858 1819	67 SHELILE STR, DIPELANENG, HOBHOUSE	790805 5742 08 1	ANC	WARD 2	M
MPAKATHE R T	071 792 6483	1528 KOMA VILLAGE, MAHLATSWETSA, EXCELSIOR	870719 5199 08 0	DA	PR	M
THAISI N J	083 860 0788 / 083 991 3290	2581 LUSAKA, MANYATSENG, LADYBRAND	780314 5545 08 3	ANC	WARD 4	M
MOLEFE D T	073 339 8518	M440 THUSANONG, LADYBRAND	801217 5563 08 6	ANC	WARD 5	M
TIGELI K I	078 309 9725	L3419 LUSAKA, LADYBRAND	740724 5418 08 2	ANC	WARD 6	M
GABA S Q G	078 658 8145	602 BOROA, TWEESPRUIT	850518 6069 08 4	ANC	WARD 1	M
L P MOLETSANE	084 3510 822 / 076 3162 188	1174 MAHLATSWETSA, EXCELSIOR	641203 5397 08 3	ANC	WARD 8	M
SEOE G M	074 938 6465	843 MAHLATSWETSA, EXCELSIOR	831220 6224 08 2	ANC	WARD 9	M
HALSE T	076 262 9790	14A KOLBE STREET, LADYBRAND	710401 0322 08 2	DA	WARD 7	F
HATTINGH D J	072 658 1262	19 STEYN STREET, EXCELSIOR	660326 5066 08 9	DA	PR	M
JACOBS Y J	082 543 5896	60 LONG STREET, THABA PATCHOA	700825 0115 08 2	ANC	PR	F
MEVA B E	062 2202 222	75 MEKOKONG, MANYATSENG	540220 0701 08 0	ANC	WARD 3	F

1. Finance Committee

Councillor P N Nakalebe – Chairperson
Councillor B E Meya
Councillor D Hattingh

2. Governance Committee

Councillor G M Seoe – Chairperson
Councillor S Q G Gaba
Councillor B A Maboza

3. Infrastructure and Urban Planning Committee

Councillor N J Thaisi – Chairperson
Councillor L P Moletsane
Councillor B M Sani

4. Community Services Committee

Councillor K I Tigeli – Chairperson
Councillor D T Molefe
Councillor R T Mpakathe

That the following Committees be established:

1. Petitions Committee

Councillor M J Moduka (Speaker) – Chairperson
Councillor L P Moletsane
Councillor B M Sani
The Councillor of the Ward where the petition originates.

2. Local Labour Forum

Councillor M P Nakalebe – Chairperson
Councillor N J Thaisi
Councillor B A Maboza
Councillor K I Tigeli

3. Rules Committee

Councillor M J Moduka (Speaker) – Chairperson
Councillor Y J Jacobs
Councillor B M Sani
Councillor R T Mpakathe
Councillor B A Maboza
Councillor L P Moletsane

Public Participation and Governance

Mantsopa Local Municipality have specific Strategies and Programmes that are implemented to Facilitate Public Participation, they are as follow:

Strategies that will promote effective governance and accountability	<ul style="list-style-type: none">• Ward committees can play an important role in municipal planning and performance management.• Communities/ municipality customers need to have a platform where they can ask questions about services and projects and there should be responses to their queries.• IDP includes provisions to make sure that communities are can give their ideas and suggestion.• The Performance Systems is another way of making sure representatives and officials at the local level perform duties as they are mandated to.• To empower community to plan for itself (through Community-based Participation) to help municipality to be responsive to the community (through Community-based planning).
Programmes and projects to be implemented to ensure effective public participation and accountability and transparency	<ul style="list-style-type: none">• Public participation is an important contributor for making sure that the government is accountable to its citizens. (accountability)regular report back meetings are important to make sure that the community is up to date on event s. (accountability)Conduct meetings at an accessible venue and in a language that people feel most comfortable participating in.• Ward committees can play an important role in municipal planning and performance management.• Encourage public participation in a form of public debates on the appropriate ways and means of solving problems.• Hold meetings with affected communities and stakeholders

KPA: INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

STRATEGIC OBJECTIVE:

Improve organizational cohesion and efficacy

INTENDED OUTCOME:

Organizational stability and elite performance

HUMAN RESOURCES PLAN

a. BACKGROUND AND LEGISLATIVE FRAMEWORK

In the context of Developmental Local Government, Municipalities are tasked with crucial responsibility of fulfilling the Constitutional mandate delegated to them. The staff component of the municipality is the vehicle of service delivery and responsible for compliance with statutory requirements, it is incumbent on municipalities to ensure that human resources capacity is developed to a level where it can perform its responsibilities in an economical, efficient, effective and accountable way.

In addition to legislation guiding Human Resources Management, amongst others the Labour Relations Act 66 of 1995; Basic Conditions of Employment Act 75 of 1997; Employment Equity Act 55 of 1998; Skills Development Act 97 of 1998; Skills Development Levies Act 9 of 1999; within the Local Government Environment specific obligations are placed on municipalities by means of the Municipal Systems Act 32 of 2000; concerning the alignment of its administration and specifically human resources management with its constitutional responsibilities.

The Human Resources related obligations placed on municipalities in terms of Section 51 of the Municipal Systems Act is to organise its administration to:

- Be responsive to the needs of the community;
- Facilitate a Culture of public service and accountability amongst staff;
- Be performance oriented and focus on the objectives of local government
- Align roles and responsibilities with priorities and objectives reflected in the Integrated Development Plan;
- Organise structures and administration in a flexible way to respond to changing priorities and circumstances;
- Perform functions through operationally effective and appropriate administrative units;
- Assign clear responsibilities;
- Maximise efficiency of communication and decision making;
- Delegate responsibility to the most effective level with the administration;
- Involve in management decisions as far as is practicable;
- Provide equitable, fair, open and non-discriminatory working environment.

This legislative mandate concerning Human Resources is endorsed by Section 67 of the Municipal Systems Act, stating under the heading Human Resources Development, that a municipality in accordance with the Employment Equity Act, must develop and adopt appropriate systems and procedures to ensure efficient, effective and transparent personnel administration.

b. HUMAN RESOURCES DEVELOPMENT

Training and development of the Mantsopa Municipality is focused on the enhancement of knowledge, skills, and behavioural competencies of employees and councillors to the appropriate levels required to deliver on and exceed organisational requirements, as embedded in the Organisational strategy / Integrated Development Plan and legislative prescripts.

The main purpose of training and development to date was to ensure that the organisation's staff have competencies necessary to meet performance and quality standards in their current jobs. Training and development interventions also focus on the development of individual employees' career and potential in order to meet their growth needs as well as the future human resource needs of the organisation. Due to financial constraints, the addressing of organisational needs had to take priority. For the 2014/2015 financial year an Organisational Needs Analysis was conducted. The cost associated with the implementation of training and development as contained in the Workplace Skills Plan on organisational training needs and the budgeted amount for training and development is R402 000.00

During the Employment Equity Survey, engagement with staff concerns linked to (a) lack of an internal training facilities; (b) unwarranted preferential treatment w.r.t training opportunities; (c) limited training opportunities; (d) non-essential training and transparency concerning processes surfaced. An additional constraint is that the training and development of the entire municipality is coordinated by one person, the Skills Development Facilitator without

any administrative support or technical support positions. A specific limitation from Good Governance point of view is that while it is undisputed that training and development is an investment on staff and not a cost, the return on investment is not always evident and measurable.

i. OBJECTIVES

The Local Labour Forum resolved that Skills Development processes, policies and procedure must be developed as a matter of urgency to clarify training implementation.

A comprehensive human resource development policy must be prepared and consulted with the stakeholders at the Training Committee and Local Labour Forum. The objectives of the policy will be consulted with all Councillors; management; trade unions and staff and be submitted for Council approval.

- In order to ensure the Return On investment, the municipality shall monitor the effectiveness of its skills development interventions through appropriate measurement and evaluation methods;
- Due to financial constraints the Training Committee support that all grants be successfully claimed against the skills development levy, will exclusively be utilized for purposes of training and development of staff or purpose closely linked to the training and development of staff.
- Mantsopa Municipality acknowledges the value of its own development and that of its employees in cooperating fully with LGSETA and shall ensure that it participate in all relevant grants and training opportunities.

EMPLOYMENT EQUITY AND DIVERSITY MANAGEMENT

As the designated employer in terms of the Employment Equity Act 55 of 1998, the Mantsopa Municipality is under legal obligation, in terms of Section 20(1) is obliged by the Act to draft an Employment Equity Plan, for a period between 1 and 5 years in duration, effective from 1 July 2015.

The Mantsopa Municipality's Employment Equity Plan for the period in question is informed by (i) the relevant stipulations in the Employment Equity Act; (ii) the strategic priorities of the municipality as captured in the Integrated Development Plan (IDP); (iii) the Code of Good Practice on Employment Equity Plan HIV/AIDS and employment, as well as employment of people with disabilities; and (iv) the previous Employment Equity Plan of the municipality as submitted to the Department of Labour; (v) the Employment Equity Progress Report for the reporting period ending 30 June and (vi) relevant benchmarks similar in nature and / or size to the municipality.

Mantsopa Municipality must prepare the municipality's Employment Equity Plan with the objectives to:

- Formulate and implement action steps, methodologies and strategies in pursuance of the objectives and principles of the Employment Equity Act;
- Promote equal opportunity and fair treatment in employment;
- Eradicate unfair discrimination and harassment, albeit on listed grounds such as race; gender; marital status; family responsibility; ethnic or social origin; colour; sexual orientation; age; disability; religion; HIV status; conscience; belief; political opinion; culture; language and birth; or any ground that is systematic or indirectly discriminatory, must be eliminated;
- Pursue the equitable representation of designated groups in all occupational categories and levels in the workforce;
- Implement affirmative Action measures; and
- Actively support an organisational culture and climate based on diversity, equality, mutual respect and dignity for all.

OCCUPATIONAL HEALTH AND SAFETY

The Occupational Health and Safety function is primarily focused on:

- (i) Creating and maintaining a safe working environment and
- (ii) Preventing workplace accidents. A major obstacle in achieving these objectives was the dormant departmental safety committee and the lack of awareness and capacity amongst members of staff to fulfil the responsibilities of Safety Representatives

The major objectives:

- The reactivation of dormant safety committee and functionality;
- The training of relevant employees in First Aid;
- Developing Traffic official in Hazmat;
- The vaccination of relevant employees, at risk due to the nature of their jobs, against Hepatitis B;
- Training on workshop safety;
- Hazardous incidents Risk Assessment training;
- Facilitating and conducting regular safety inspections. The number of Injuries on Duty (IOD'S)

EMPLOYEE WELLNESS

Employee Wellness, is based on the premise that “People who are well work well”. In this context Employee Wellness entails all strategies, action plans and methods used to promote physical; emotional; and mental health of employees. Substance abuse especially Alcohol Abuse must be addressed with the municipality by means of raising awareness; identifying peer counsellors and external referrals. Managers and supervisors should be trained on the management of substance abuse in the workplace. A Drug and Alcohol Support Group should be initiated to provide further assistance to staff members experiencing drug and alcohol abuse.

In certain instances employees are experiencing distress as a result of emotional, psychological or social problems. Where these occurrences of distress have a direct impact on work performance or result from work related incidents, and in the event of severe cases are referred for professional expertise or psychological intervention. According to payroll analysis conducted the financial status of the municipal employees indicated that most of our income earning employees are under administration and have garnisheeing orders instituted as part of their salary deductions. A Lifeskills Capacity Building program must be initiated, to teach our employees the do's and don'ts of Credit and Lending as well as Financial Planning / Budgeting.

RECRUITMENT AND SELECTION

The recruitment and selection process is primarily aimed at sourcing staff with the necessary competencies, thus enabling the organisation to deliver on its strategic and operational priorities.

The assumption of the community is that staff appointments are being tainted by nepotism, political influence, based in favour of specific racial groups and secrecy. Whether this is real or mere perception, the Employment Equity committee / forum should consider these factors as they will adversely impact on the credibility of the appointment processes. In addition, staff appointments were generally concluded following a general traditional interview whilst research and human resources best practices confirm that traditional interviews to be amongst the poorer predictors of job success.

- The draft Recruitment and Selection Policy awaiting the consultative processes with management, trade unions, and Local Labour Forum, Council and then submitted for Council approval.

Organisational Structure

The organizational structure of the municipality including all vacancies in one way or the other does not meet the institutional needs, and is heavy for the municipality in terms of the number of employees and the salary bill, which exceeds the stipulated threshold. The number of vacancies does not inspire confidence in the current employees, it creates the perception of being understaffed and overloaded with work. Thus an organizational work study needs to be conducted to clear this.

Furthermore, the organizational structure as it stands currently is not congruent to the IDP and therefore does not assist the municipality in terms of responding to service delivery needs in an effective and efficient manner. As such it must be reviewed to ensure that it is consistent with the provisions of Section 51 of the Municipal Systems Act and the principles contained in the Human Resource Strategy; to give effect to the Municipality's Integrated Development Plan and strategic objectives; and in accordance with appropriate and universal principles of organizational design. The current municipal structure is as follows:

Figure 4: Approved Organisational Structure

MICRO STRUCTURE

IT FORMS PART OF ANNEXURES

Vacancy Rate

The municipality strives to fill vacant positions within three months once they are vacant. The process might be a little longer due to unforeseen circumstances. In terms of recruitment the municipality advertises vacant positions both internally and externally with the criteria being consistent in both cases. Generally the media that targets previously disadvantaged groups assume priority in terms of advertisements. The retention of skilled and experienced workers is an arduous task, which needs planning, time, financial resources and physical resources.

There is high vacancy rate experienced in the technical department due to attrition, death, etc. It is of course still a challenge for the municipality to attract scarce resource and skilled personnel due to the size and geographical area of the municipality. The current vacancy rate of the municipality is 2.8%.

According to the Municipal Staff Establishment Rate there are 328 Existing Posts and 390 Proposed Post with a Difference of 59 Post, thus a vacancy rate of 0,18%.

MUNICIPAL PERSONNEL

EMPLOYEE TOTALS, VACANCIES AND TURNOVER

DESCRIPTION	EMPLOYEES					
	2014/15	2015/16	Approved Posts No	Employees No.	Vacancies No.	Vacancy Rate
	Employees No.	No of Employees				
MM's office	20	16	22	16	6	0.27
Finance Department	40	36	52	35	17	0.33
Corporate Services	24	23	27	23	4	0.15
Community Service	100	95	144	89	55	0.38
Technical Services	119	143	155	87	68	0.44
TOTALS	303	313	400	281	119	0.30

Employee and approved positions are as at 31 June 2016 as per the approved organogram

VACANCY RATE

VACANCY RATE			
DESIGNATIONS	Total Approved Posts No.	Vacancies (Total time that vacancies exist using fulltime equivalents) No.	Vacancies (as a proportion of total posts) %
Municipal manager	1	0	100%
CFO	1	0	100%
Other S56 Managers (excluding Finance Posts)	3	0	100%
Senior Management: Level 1-3 (excluding Finance)	11	6	54%
Senior management : Level 1-3 (Finance Posts)	5	2	40%
Highly skilled supervision: Level 4-5 (excluding 'finance posts)	30	4	6.6%
Highly skilled supervision (Finance post) Level 4-5	6	3	50%
Highly skilled production (level 6-8)	31	1	3.00%
Skilled production (level 9-11)	35	10	28%
Production (level 12-14)	57	17	30%
Production (Level 15-16)	220	76	34%

TURNOVER RATE

Details	Total appointments	Total terminations	Turnover rate
2013/2014	39	23	
2014/2015	4	12	
2015/2016	5	6	
2016/2017	0	0	

- Divide the number of employees who left the organisation within a year by the total number of employees who are within the system at the beginning of the year.

PRIOR YEAR AUDIT ACTION PLAN (2015/16)

Although we have received three consecutive Disclaimers from the Auditor-General since the commencement of the current term of office, there was a significant improvement in 2014/15 when we received a qualified audit opinion from the Auditor-General. The improvement was mainly influenced by the weekly Clean Audit Steering Committee meetings chaired by the Municipal Manager, attended by the Provincial Treasury & FSCOGTA officials amongst others, the Weekly Management meetings and the regular interaction between the Municipal Manager, Mayor and Speaker. We are hopeful that at the end of the current financial year (2015/16) there will be a movement from Qualified to Unqualified audit opinion.

MANAGEMENT ACTION PLAN ON THE OUTCOME OF THE AUDIT REPORT ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION OF MANTSOPA LOCAL MUNICIPALITY FOR THE YEAR ENDED 30 JUNE 2015

Page number in Management Report.	Audit Report Comment and/or Management Report no	Intervention to correct/Recommendation of AG	Action	Target date for implementation of corrective steps	Status of actions executed	Responsible Manager	Responsible Officer
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Cash and cash equivalents

Commitments

Employee costs

Planning

Unauthorised, Irregular, Fruitless & Wasteful expenditure

Distribution losses

Procurement and contract management

Accumulated Surplus/(Deficit)

Immovable assets

Investments

Movable assets

Operating expenditure

Payables

Predetermined objectives

Receivables

472	<p>Planning: Long term receivable: Recovery of long term debtors (EX.4)</p> <p>Finding:</p> <p>The municipality has a long term receivable from Ladybrand Sports Club. No evidence could be obtained to confirm that the sports club is making monthly payments to service the loan account as per loan agreement.</p> <p>Management has not implemented the municipal debt collection policy.</p> <p>Possible non recovery of accounts receivable and negative impact on municipal cash flows</p>	<p>The chief financial officer should ensure that the municipal debt collection policy is implemented.</p> <p>(please see the attached as evidence).</p>	<p>Management is not in agreement with the finding.</p> <p>As per the loan agreement, Ladybrand Sports Club must make monthly payments to service the loan account, failing which will result in interest being charged monthly on the outstanding amount.</p> <p>The municipality has been charging interest monthly for non-payment there was a payment made towards the loan account of R 23 705.50 on the 24.06.2015.</p> <p>System changed already on 06 May 2015 to correct the allocation to take the loan instalment as first priority.</p> <p>Sebata system set up that all payments will firstly allocated to the outstanding loan balance,</p>	<p>System changed already on 06 May 2015 to correct the allocation to take the loan instalment as first priority.</p>	<p>Done</p>	<p>Manager: BTO/Revenue</p>	<p>CFO</p>
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			and thereafter to other services to ensure that the loan payments will be up to date.				
Revenue							
Cash							
60	<p>HR Compliance - Performance evaluation not done (Ex.202) (EX.202)</p> <p>Finding: there was no evidence that the municipality performed the individual performance evaluation of the Municipal manager or other senior managers for the 2014/2015 financial year. The performance evaluation submitted was for the 2013/2014 review cycle and also was not signed as proof of completion during the applicable year under review.</p> <p>Performance management system has not been implemented in the 2014/2015 financial year.</p> <p>Non-compliance of the Municipal Systems Act.</p>	<p>The municipal council should ensure that the performance management system is implemented across all staff and the individual performance evaluation is performed for financial year under review as require by the Municipal Systems Act so as hold employees accountable for their assigned duties.</p>	<p>The PMS Policy is in review and is to be sent to council for approval</p>			<p>Manager: Human Resources</p>	<p>Direct Corpor Service</p>
62	<p>Planning: Risk assessment: No fraud risk assessment performed (EX.14).</p> <p>Finding: no evidence could be obtained to confirm that; a fraud risk assessment was conducted during the year.</p> <p>Inadequate oversight over governance and risk management processes</p>	<p>The municipal manager should implement risk management procedures designed to address the risk of fraud.</p>				<p>Risk Manager</p>	<p>Municip Mana</p>

	If fraud risk is not assessed regularly, management is not able to design appropriate and effective internal controls to prevent the occurrence of or mitigate the impact of such fraud occurring.						
64	<p>Planning: Risk assessment: Risk identification processes not adequate (EX.23)</p> <p>Finding: The following risks were not considered during the risk assessment processes:</p> <ul style="list-style-type: none"> risks resulting from heavy reliance on consultants or other related parties to perform critical entity operations identified; and risks posed by disruption of information systems processing and the extent to which backup systems are available and can be implemented. <p>Processes and procedures applied for risk identification were not adequate</p> <p>The municipality is not able to design and implement effective internal controls to address or mitigate the impact of such risk if they are not identified and evaluated</p>					Risk Manager	Municipal Management
66	Planning - Composition of the audit committee (CoAF 3/2015) (EX.13)	The head of risk management should develop, design and implement effective risk identification processes to address current and future risks identification gaps	The head of risk management should develop, design and implement effective risk identification processes to address	The municipality is in the process of appointing other audit	01/03/2016	On-going	Management Internal

	<p>Finding: The following risks were not considered during the risk assessment processes:</p> <ul style="list-style-type: none"> risks resulting from heavy reliance on consultants or other related parties to perform critical entity operations identified; and risks posed by disruption of information systems processing and the extent to which backup systems are available and can be implemented. <p>Processes and procedures applied for risk identification were not adequate</p> <p>The municipality is not able to design and implement effective internal controls to address or mitigate the impact of such risk if they are not identified and evaluated.</p>		current and future risks identification gaps.	committee member.			
68	<p>Distribution losses-Misstatement (EX.211)</p> <p>Finding:</p> <p>A comparison of the amounts as disclosed in the financial statements for the comparative years was performed and it was noted that the 2014 amount brought forward to the following year in the current year's financial statements does not agree to that as reflected in the prior year financial statements.</p>	<p>The chief financial officer should implement appropriate record keeping controls to ensure that distribution losses are calculated based on correct records.</p>				PWC	CFO

	<p>This arose due to the fact that the posting of distribution losses from prior year and the calculation thereof was not properly reviewed.</p> <p>This will result in the misstatement of distribution losses</p>						
70	<p>Distribution losses- Incorrect units disclosed (EX.212)</p> <p>Finding:</p> <p>The calculation of distribution losses submitted for audit was not appropriately reviewed and differences followed up.</p> <p>Distribution losses for water and electricity are misstated by an unknown amount.</p>	<p>The chief financial officer should ensure that accurate and complete records of water and electricity sourced and used.</p>				PWC	CFO
72	<p>Procurement: SCM 25/14/15 - Irregular awarding of contract (EX.17)</p> <p>Finding: The following was identified in relation to contract SCM 25/14/15 to Double Ring for R9 775 485,36: Note</p> <p>1. Functionality was stated to be evaluation criteria on the advert and there is no indication of its use on the bidding file.</p>	<p>The chief financial officer should design and implement controls to ensure that SCM policy is fully implemented and that such policy is compliant with SCM regulations.</p>	<p>The chief financial officer should design and implement controls to ensure that SCM policy is fully implemented and that such policy is compliant with SCM regulations</p>			SCM	CFO

	<p>2. On the advertisement it is stated that an 80/20 scoring will be used to evaluate the contract but the amount of the contract exceeded R1 000 000.</p> <p>On the scoring a 90/10 was used as the amount is more than R1 million.</p> <p>3. When the bidding box was opened three suppliers were responsive (Double Ring Trading, TR Construction and Modiri Tsohle Trading JV) and there are no reasons why the other two were disqualified and not scored.</p> <p>4. The advert specified a CIDB grading of 6CEPE and the award was given to a supplier who is a 2GB.</p> <p>5. It was found that Modiri Tsohle Trading JV and TR Construction scores would have been higher but the tender was awarded to Double ring trading 356 (Pty) (Ltd) with no deviation from the municipal manager.</p> <p>6. The BBBEE points are not awarded to the appointed supplier even though a BBBEE certificate is attached and it is a level 3 entitled to 8 points.</p> <p>7. There are no joint venture registration documents attached to the file.</p>						
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	<p>Municipal SCM policy was not correctly applied during the awarding of the contract.</p> <p>Irregular expenditure of R9 775 485,36 has been incurred.</p>						
76	<p>Procurement: SCM 08/14/15 - No indication of advert under CIDB as it is second phase (EX.103)</p> <p>Finding: No evidence was obtained that the advert was placed on the CIDB website as this project is a Phase 2.</p>	<p>The municipal manager should implement supply chain management controls designed to ensure compliance with procurement regulations.</p>	<p>The municipal manager should implement supply chain management controls designed to ensure compliance with procurement regulations</p>	28 February 2016		Mr. KD Pharoë (SCM Manager)	Mr M
77	<p>Procurement: SCM30/13/14 - Irregular awarding (EX.104)</p> <p>Finding:</p> <ol style="list-style-type: none"> 1. Functionality was not used as evaluation criteria even though the advert stipulated that it will be used as evaluation criteria. 2. The bid opening date (16/05/2014) is before the closing date (13/06/2014) stipulated in the advert. 3. There is no risk assessment done as the supplier is in a lower grade (Grade 	<p>The municipal manager should implement supply chain management controls designed to ensure compliance with procurement regulations.</p>	<p>a) Management is not in agreement with the finding, Bid Evaluation Committee considered not to evaluates this bid on the pre-qualification and functionality as indicated to ensure consistency on the evaluation of the bids, Bid Evaluation considered all relevant legislations, regulations and acts such as Municipal SCM Policy, Guide for Accounting Officers. Guide for Accounting Officers states clearly that pre-qualification or functionality is usually necessary for large or complex works, or in any other circumstances in which high costs of preparing bids could discourage competition, such as custom designed equipment, industrial plant</p>	<p>The municipal manager should implement supply chain management controls designed to ensure compliance with procurement regulations</p>	28 February 2016	Mr. KD Pharoë (Supply Chain Manager)	Mr KD (CFO)

	<p>4) than the one stipulated in the advert (Grade 5).</p> <p>4. No reasons were supplied for the disqualification of other suppliers except that price is too high and too low, whereas this was not part of the evaluation criteria stipulated on the advert.</p> <p>Inadequate oversight over supply chain management processes</p> <p>Irregular expenditure of R5 901 954,50 was incurred.</p>		<p>and build, or management contracting. Find attached a Guide for Accounting Officers of Municipalities and Municipalities and Minutes of the Evaluation Committee Meeting.</p> <p>b) Management is not in agreement with the finding, the closing of the advert is 16 May 2014 and opening bid register date is 16 May 2014 and including date on the bid document is 16 May 2014. Find attached advert and bid opening register.</p> <p>c) Management is not in agreement with the finding, the CIDB grading of Ntsu Trading is 4CE PE (Potentially Emerging Enterprise) and by virtue of that the bidder is on level 5. The advert indicated that Municipality requires 4 CE PE or 5 CE and higher. Find attached Circular of CIDB (Refer to page (g) on the circular, Potentially Emerging Enterprise).</p> <p>d) Management is not in agreement with the finding, the advert stated clearly, "In order to protect its interest Mantsopa Local Municipality reserves the right not accept the lowest or any bid". The project value of the bid was R6200 000.00, the bid price of Umvezi Contractors was R4, 874 340.64 and bid price of Magwa Construction was R4, 845 995.22 and their prices were above 20%. According to Section 18.1 of the General Contract, it only allows 15% of price variation of the contract cost and therefore their price was not realistic. Find attached General Condition of Contract.</p>				
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80

Procurement: No confirmation that quotations were requested for procurement (EX.140)

Finding: there was no indication of verbal quotations received as only the winning supplier quotation is attached. Also there is no approval of the quotation by a delegated official.

The SCM manager should ensure that the prescribed quotations are invited for all procurement and or deviations approved by the accounting officer and reasons thereof indicated

28 February 2016

Mr. KD Pharoë (Supply Chain Manager)

Mr KD (CFO)

82

Procurement: Evaluation not done according to PPPFA (EX.141)

Finding: 1. No evidence that three quotations were requested

2. There was no decision to accept a winning quotation

3. There was no declaration of interest by the winning supplier

Noncompliance with SCM regulation and SCM policy.

The chief financial officer should ensure SCM regulations are implemented for all procurement made and deviations approved and reasons for such deviations indicated.

A file/register has already been started for all declarations by suppliers.

28 February 2016 On-going

Supply Chain Manager

CFO

85

Procurement: Possible splitting of quotations (EX.142)

Finding: The following is noted in respect of procurement processes,

1. A possibility exists that the following transactions could have been procured

The chief financial officer should ensure compliance with SCM regulations during procurement. Deviations must be approved by the municipal manager and reasons thereof indicated.

The chief financial officer will ensure SCM regulations are implemented for all procurement made and deviations approved and reasons for such deviations indicated.

28 February 2016

Mr. KD Pharoë (Supply Chain Manager)

Mr KD (CFO)

	from one supplier. procurement of Sudflock for water treatment. The transactions could have been deliberately split to avoid competitive bidding.						
90	Procurement: Suppliers in service of the state: No declaration (EX.143) (EX.143) Finding: the following suppliers did not declare their interest and they are employed by the state:	The chief financial officer should implement controls to ensure to compel prospective suppliers to disclose whether they are in employment of the state or related to people employed by the state				SCM	CFO
92	Procurement: Employees did not declare their interest (Ex.147) (EX.147) Finding: Contrary to the above requirement, the following employees did not declare business interest. The following employees in business with other suppliers did not declare interest: Management has not implemented procedures to compel staff to disclose business interest Noncompliance with the MSA and SCM regulations issued in terms the MFMA.	The chief financial officer (default head of SCM) must implement processes designed to ensure compliance with SCM rules and regulations	The chief financial officer (default head of SCM) must implement processes designed to ensure compliance with SCM rules and regulations	28 February 2016		Mr. KD Pharoee (Supply Chain Manager)	Mr KD (CFO)

94

Procurement: Contract management - consultants (182) (EX.182) Finding:

Lack of monitoring of the contract by the management of the municipality.

The purpose of engagement might not be achieved in all respects.

The municipal manager should ensure that service level agreements with consultants clearly defines deliverables as follows

(a) Clearly defined deliverables in form of tasks and responsibilities that must be performed within defined timelines

(b) Clear monitoring mechanisms and sanction for non-adherence to timelines

(c) Clear defined responsibility to to transfer of skills to municipal staff and how such transfers will be monitored and evaluated

(a)Clearly defined deliverables in form of tasks and responsibilities that must be performed within defined timelines
(b) Clear monitoring mechanisms and sanction for non-adherence to timelines
(c) Clear defined responsibility to transfer of skills to municipal staff and how such transfers will be monitored and evaluated

28 February 2016

Mr. KD Pharoee (Supply Chain Manager)

Mr KD (CFO)

97

PPE: Overstatement of land (CoAF 2/2015) (EX.26) Finding:

The fixed asset register includes land that has been disposed for housing. Although the title has not formerly transferred to the residents, the service potential in respect of the land is no longer vested in the municipality but to the resident. The municipality does not have rights to service potential or future economic benefits from the land and thus no longer deemed to be an asset.

The chief financial officer should review the register for land for the following;

(a) Land disposed for housing across the municipality should be removed from the register

(b) Land should be disposed at fair value

Management agrees with the finding that the fixed asset register includes land that has been disposed for housing.

Management is busy taking out the land that has been disposed for housing from the asset register and once the process has been finalized the Financial Statements will be adjusted accordingly and supporting documentation (Journals)

Asset Manager

CFO

	<p>The municipality has not formally transferred the title deeds for land used for housing to the residents</p> <p>Limitation on valuation (overstatement of land) amounting to R66 202 690</p>		<p>will be provided to external auditors.</p> <p>Management is busy taking out the land that has been disposed for housing from the asset register and once the process has been finalized the Financial Statements will be adjusted accordingly and supporting documentation (Journals) will be provided to external auditors.</p>				
99	<p>PPE: Building could not be traced to the asset register-completeness (EX.97)</p> <p>Finding:</p> <p>For the completeness testing, these assets could not be traced to the building asset register. For example Tweespruit Museum, etc.</p>	<p>The chief financial officer should investigate the matter and update the asset register for buildings.</p>	<p>The assets listed above were included in the FAR submitted to the Auditor on the 31 October 2015.</p> <p>Discussed with, and identified on the FAR, to the satisfaction of the Auditor subsequent to the communication. Not all the assets were included in assets register . Therefor the misstatement is not resolved.</p>			Asset Manager	CFO
102	<p>PPE - Current Additions - Existence could not confirmed (Ex.220) (EX.220)</p> <p>Finding:</p> <p>Contrary to the above , following assets do not be identified for existence;</p> <p>The above error represents a 14% error of the sample selected for current year addition. When this error is</p>	<p>subsequently evaluated;</p> <p>1. Electricity (EL-LB-EL06-F36-A530-C1345 and EL-LB-EL06-F36-A530-C1345) management agrees with the finding , 2.1 Sanitation (SAN-HH033-C174 , SAN-HH136-C212 and SAN-HH140-C216) , the asset register satisfactorily tested , the matter is resolved .</p>	<p>The pipes in question for Project MIG/FS0468/S/07/07 are not duplicated.</p> <p>The Greywater System has 2 pipes that run in parallel. One to remove the waste water and one to return the “greywater” for use back in the system.</p> <p>The pipe lengths have been checked in GIS (GIS</p>			Asset Manager	CFO

	<p>extrapolated over the total population of current addition amounting to R66 422 085, an extrapolated error of R9 270 547.71 is projected.</p> <p>Inadequate quality control reviews over the compilation of the fixed asset register</p> <p>Current year addition are overstated in the fixed asset register and the financial statements by R9 270 547.71</p> <p>And depreciation is overstated</p>	<p>2.2 Sanitation (SAN-HH056-C255) , asset register was adjusted with the correct Latitude and Longitude , the asset could be confirmed that it exist , matter is resolved was the misstatement is not resolved and will be accordingly reported the management letter .</p> <p>The project error to be taken to the summary of uncorrected misstatement is R1 025 497.27</p>	<p>Measure) and the differences noted. Attached is a map with the pipes in question. (HH Sanitation WG27.pdf)</p> <p>The coordinate for SAN-HH056-C255 has been incorrectly displayed on the FAR as well as the length.</p> <p>Management will ensure that the correct Latitude and Longitude is recorded in the FAR.</p>				
106	<p>PPE: infrastructure: Impact of incorrect impairment assessment on NBV (EX.223)</p> <p>Finding:</p> <p>a) The carrying amounts of the following assets have been negatively impacted by incorrect assessment of impairment loss even though their useful life has not been adjusted not their recoverable amount determined and disclosed.</p>	<p>The chief financial officer should implement controls over the assessment of impairment for assets and related accounting for impairment loss so as to comply with the requirements of SA standard of GRAP 26</p>				Asset Manager	CFO

	<p>Incorrect application of GRAP 26 as impairment was calculated on non-qualifying assets without determining recoverable amount and or adjustment to remaining useful life</p> <p>The carrying amount (NBV) for infrastructure assets is understated by R78 510 109</p>						
120	<p>PPE: Additions: Impact of correct impairment assessment on NBV (EX.225)</p> <p>Finding:</p> <p>(a) The carrying amounts of the following assets acquired in the current year have been negatively impacted by incorrect assessment of impairment loss even though their useful life has not been adjusted not their recoverable amount determined and disclosed.</p> <p>Incorrect application of GRAP 26 as impairment was calculated on non-qualifying assets without determining recoverable amount and or adjustment to remaining useful life</p> <p>The carrying amount (NBV) for additions to assets is understated by R21 564 687</p> <p>(b)</p>	<p>The chief financial officer should implement controls over the assessment of impairment for assets and related accounting for impairment loss so as to comply with the requirements of SA standard of GRAP 26</p>				Asset Manager	CFO

131

Expenditure: Repairs and maintenance
- Payment not made within 30 days of invoice date as per the legislative requirements (EX.41)

Finding:

In carrying out the audit, it was noted that certain transactions were not paid within 30 days as required by applicable legislature. The invoice received by WSSA for the ad hoc support and maintenance was signed stating that there are no funds available. The service level agreement with WSSA further stipulates that interest will be charged at prime overdraft rate plus 2% 30 days from the invoice date for all overdue payments.

The following transactions are affected:

Lack of monitoring controls and review processes over the invoices received for payment.

(a) Non-compliance to the relevant laws and regulations.

(b) Possible fruitless and wasteful expenditure regarding interest paid

Financial and performance management should ensure compliance with applicable laws and regulations to avoid being subjected to fines and penalties that may result to fruitless and wasteful expenditure.

Management agrees with the finding; however the Municipality encountered some cash flow constraints which led to some creditors being paid beyond 30 days. There's no remittance/payment advice submitted for no.6, 7, 8 & 9 as these invoices are not yet paid.

Municipality encountered some cash flow constraints which led to some creditors being paid beyond 30 days, however the controls for revenue collection should be strengthened in order for the municipality to collect more income so that the creditors can be paid on time.

Ongoing

Accountant:
Expenditure

CFO

	due to accounts not being settled within the relevant time frame.						
133	<p>Expenditure Bulk purchases: accounts not settled within 30days (CoAF 17/2015) (EX.60)</p> <p>Finding:</p> <p>The following accounts were not settled within 30 days as they were outstanding at year end (30 June 2015).</p> <p>The municipality does not appropriately budget for its operational expenditure and thus runs into cash flow problems</p> <p>Noncompliance with MFMA</p> <p>The municipality is unable to meet its financial obligations on time this incurring interest on overdue accounts.</p> <p>This constitutes fruitless and wasteful expenditure that could have been avoided.</p>	<p>The chief financial officer should draw up and implement a realistic budget that is backed up by a reliable cash flow projection</p>	<p>Management agrees with the audit finding, the transactions were not paid within 30 days due to the fact that the municipality had cash flow constraints.</p> <p>However, management has also noted that there is a problem with the dates as indicated on the finding:</p> <p>The transactions were not paid within 30 days due to the fact that the municipality had cash flow constraints.</p> <p>The controls for revenue enhancement and debt collection should be strengthened in order for the municipality to collect what it has invoiced and encourage customers to pay their debts.</p>			Accountant: Expenditure	CFO

136

Expenditure General Expense- Payment not made within 30 days as per legislative requirements (CoAF 27/2015) (EX.72)

Finding:

the following invoices were not paid within 30 days from invoice date:

Management has cash flow problems arising from non-collection of revenue billed and unrealistic budgeting process

Noncompliance with applicable legislative requirements

Possible penalties and interest charges on overdue accounts which may be classified as fruitless and wasteful expenditure.

The chief financial officer should prepare a realistic budget based on realistic cash flows

The municipal manager should implement appropriate debt collection processes.

Management agrees with the audit finding, the transactions were not paid within 30 days due to the fact that the municipality had cash flow constraints.

Accountant:
Expenditure

CFO

138

Payables: Retentions - Insufficient supporting documentation submitted (Ex.38) (EX.38)

Finding: The retention register does not contain adequate details to enable the audit of movement in retentions

Management should provide a detailed schedule of the movements in retentions to support the amounts included in the retention register.

Register to be reconciled with the GL on a monthly basis.

Register in place
On-going

SCM

CFO

	<p>- Limitation of scope with regard to the audit of retentions included in payables.</p> <p>Movements in the combined retentions balance could not be audited.</p>						
140	<p>PDO: WASTE REMOVAL: Reported Objectives, KPIs & Targets not consistent with planned objectives, indicators and targets: (EX.12) (EX.12)</p> <p>Finding:</p> <p>(a) The following inconsistencies are identified between the planned indicators as per the IDP, the SDBIP and the annual performance report.</p> <p>(b) The following reported objectives were not consistent with planned objectives as per SDBIP:</p> <p>The annual performance report was not evaluated for consistency with SDBIP and the IDP.</p> <p>The planned indicators as included in the SDBIP were not evaluated for measurability (not well defined) prior the approval of the SDBIP</p> <p>Key performance indicators are not well defined to enable</p>	<p>The municipal manager should ensure that the annual performance report is evaluated for consistency with planned performance as per SDBIP</p> <p>The municipal manager should provide training to senior manager involved in the formulation of key performance indicators</p> <p>The municipal Mayor should evaluate all the key performance indicators and related targets as included in the SDBIP and ensure they are measurable before approval thereof</p>	<p>Management noted that the Waste Removal section of the Environmental Management was included in the Technical Services Departmental SDBIP 2014/15 but was never submitted to the consolidated organisational SDBIP 2014/15.</p> <p>Management further noted that progress on the Waste Management's planned indicators and targets were reported in 2014/15 Quarterly Performance Assessment Reports, Mid-Year Budget & Performance Assessment Report and the Draft Annual Reports for the year ending 30 June 2015.</p> <p>Whilst the Management agrees with the finding, it disagrees with the alleged cause, impact and internal control deficiency in the light of the above-mentioned factors.</p>	Feb 2016	Waste Removal Objectives, targets & KPI's included in the adjusted 2015/16 SDBIP & IDP	Manager: Refuse Removal	Direct Techn

	<p>performance/service delivery to be measurable</p> <p>The municipality is unable to measure its performance against planned and budgeted for service delivery objectives reported performance is not consistent with planned performance - Management response noted and since management did not plan for waste management in the SDBIP, the finding will remain and will be communicated on in the management and audit reports.</p>						
144	<p>PDO: ELECTRICITY: Reported performance objectives, indicators and targets do not agree with planned objectives, indicators. (EX.106)</p> <p>Finding:</p> <ul style="list-style-type: none"> (a) The following discrepancies are identified between the objectives, indicators and/or targets in the IDP and/or SDBIP with those in the annual report: See Management Report (b) The following reported objectives were not consistent with planned objectives as per SDBIP: (c) The annual performance report was not evaluated for consistency with SDBIP and the IDP. <p>The planned indicators as included in the SDBIP were not evaluated for measurability (not well</p>	<p>The municipal manager should ensure that the annual performance report is evaluated for consistency with planned performance as per SDBIP</p> <p>The municipal manager should provide training to senior manager involved in the formulation of key performance indicators</p> <p>The municipal Mayor should evaluate all the key performance indicators and related targets as included in the SDBIP and ensure they are measurable before approval thereof</p>		Feb 2016	Adjusted 2015/16 SDBIP & IDP, addressing the accuracy & measurability of KPIs approved by Council	Manager: Electricity Services	Direct Techn

	<p>defined) prior the approval of the SDBIP</p> <p>Key performance indicators are not well defined to enable performance/service delivery to be measurable</p> <p>The municipality is unable to measure its performance against planned and budgeted for service delivery objectives reported performance is not consistent with planned performance</p>						
150	<p>PDO: WATER: Reported performance indicators and targets not consistent with planned indicators and targets: (EX.123)</p> <p>Finding:</p> <p>Contrary to the above provisions, the following inconsistencies are identified between reported performance and planned performance as per the SDBIP and/or IDP for water:</p> <p>See management Report</p>	<p>The annual performance report was not evaluated for consistency with SDBIP and the IDP.</p> <p>Reported performance is not consistent with planned performance</p>		Feb 2016	Adjusted 2015/16 SDBIP & IDP, addressing the accuracy & measurability of KPIs approved by Council	Manager: Water Services	Direct Techn
153	<p>PDO: ROADS & STORM WATER: Reported performance objectives,</p>	<p>The municipal manager should provide training to senior manager</p>		Feb 2016	Adjusted 2015/16 SDBIP & IDP, addressing the	Manager: Roads and Storm water	Direct Techn

	<p>indicators and targets do not agree with planned objectives, indicator (EX.134)</p> <p>Finding:</p> <p>(a) The following discrepancies are identified between the objective, indicators and/or targets in the IDP and/or SDBIP with those in the annual report:</p> <p>(b) The following discrepancies are identified between the objective in the IDP and/or SDBIP with those in the annual report:</p> <p>The annual performance report was not evaluated for consistency with SDBIP and the IDP.</p> <p>The planned indicators as included in the SDBIP were not evaluated for measurability (not well defined) prior the approval of the SDBIP</p> <p>Key performance indicators are not well defined to enable performance/service delivery to be measurable</p> <p>The municipality is unable to measure its performance against planned and budgeted for service delivery objectives reported performance is not consistent with planned performance</p>	<p>involved in the formulation of key performance indicators</p> <p>The municipal Mayor should evaluate all the key performance indicators and related targets as included in the SDBIP and ensure they are measurable before approval thereof</p>			<p>accuracy & measurability of KPIs approved by Council</p>	
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159	<p>PDO: SANITATION: Key performance indicator not well defined: (EX.138)</p> <p>Finding:</p>			Feb 2016	Adjusted 2015/16 SDBIP & IDP, addressing the accuracy & measurability of KPIs approved by Council	Manager: Sanitation Services	Direct Techn
162	<p>PDO: Sanitation: Reported Objectives, KPIs and targets not consistent with planned Objectives, KPIs and targets(Ex.156) (EX.156)</p> <p>Finding:</p>			Feb 2016	Adjusted 2015/16 SDBIP & IDP, addressing the accuracy & measurability of KPIs approved by Council	Manager: Sanitation Services	Direct Techn
169	<p>PDO: WASTE MANAGEMENT: Indicators and target not measurable (Ex.169) (EX.169)</p> <p>Finding:</p>			Feb 2016	Adjusted 2015/16 SDBIP & IDP, addressing the accuracy & measurability of KPIs approved by Council	Manager: Waste Management Services	Direct Comm Service
171	<p>PDO: ROADS & STORMWATER: Indicators not measurable (Ex.170) (EX.170)</p> <p>Finding:</p>			Feb 2016	Adjusted 2015/16 SDBIP & IDP, addressing the accuracy & measurability of KPIs approved by Council	Manager: Roads and storm water Services	Direct Techn
173	<p>PDO: ELECTRICITY: Indicators not well defined and consequently not measurable (Ex.171) (EX.171)</p> <p>Finding:</p>			Feb 2016	Adjusted 2015/16 SDBIP & IDP, addressing the accuracy & measurability of KPIs approved by Council	Manager: Electricity Services	Direct Techn
175	<p>PDO: WATER: Reported performance not reliable (176) (EX.176)</p>			Feb 2016	Adjusted 2015/16 SDBIP & IDP, addressing the accuracy & measurability of	Manager: Water Services	Direct Techn

	Finding:				KPIs approved by Council		
177	PDO: ELECTRICITY: Reported performance not reliable (192) (EX.192) Finding:			Feb 2016	Adjusted 2015/16 SDBIP & IDP, addressing the accuracy & measurability of KPIs approved by Council	Manager: Electricity Services	Direct Techn
181	PDO: SANITATION: Reported performance not reliable (194) (EX.194) Finding:			Feb 2016	Adjusted 2015/16 SDBIP & IDP, addressing the accuracy & measurability of KPIs approved by Council	Manager: Sanitation Services	Direct Techn
184	PDO: Completeness of reported PI: Indigents support: (Ex.201) (EX.201) Finding:			Feb 2016	Adjusted 2015/16 SDBIP & IDP, addressing the accuracy & measurability of KPIs approved by Council	Manager: Revenue	CFO
186	PDO: Water: Reported performance targets not consistent with planned targets (Ex.215) (EX.215) Finding:			Feb 2016	Adjusted 2015/16 SDBIP & IDP, addressing the accuracy & measurability of KPIs approved by Council	Manager: Water Services	Direct Techn
189	Receivables - Deficiencies on debt impairment calculation (CoAF 29/2015) (EX.19) Finding:					PWC	CFO
204	Receivables- Prepaid electricity sales (Ex.93). (EX.93) Finding:	Recommendation The chief financial officer should ensure that the investment policy is amended, updated and approved to comply with the municipal	(a) Management disagree with the audit finding, journal no: 10012477 was submitted along with those listed below: (b) Narrations - The SEBATA System process/configuration	N/A		Manager: BTO	CFO

	<p>Finding: Section 62 of the MFMA General financial management functions;</p> <p>(1) The accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure;</p> <ol style="list-style-type: none"> 1. (a) that the resources of the municipality are used effectively, efficiently and economically; 2. (b) that full and proper records of the financial affairs of the municipality are kept in accordance with any prescribed norms and standards; 3. (c) that the municipality has and maintains effective, efficient and transparent systems— <ul style="list-style-type: none"> (i) of financial and risk management and internal control; and (ii) of internal audit operating in accordance with any prescribed norms and standards; <p>The following inconsistencies are noted between the GL of Mantsopa and accounting records submitted by Centlec</p> <p>Transactions reconciled at Centlec are not reconciled and recorded accurately.</p>	<p>investment regulations issued in terms of the MFMA.</p>	<p>constitute the basis for all Journals.</p> <p>Input VAT (VAT on Creditors Invoices) is debited on initial transaction and once payment is done Input VAT on Creditors Invoices is credited and Input VAT on Invoices paid is debited.</p> <p>Output VAT (VAT on Debtors Invoices) is credited on the initial transaction and once payment is received Output VAT on Debtors Invoices is debited and Output VAT payable is credited.</p> <p>Reason for Journals:</p> <p>VAT Receivable (Creditors Invoices paid), VAT Payable (Debtors receipted) and VAT on Capital Investment are all consolidated to a VAT Suspense account indicating either monies owed to SARS or to be received from SARS.</p>				
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	<p>Centlec receivable is misstated in the books of Mantsopa.</p> <p>Internal control deficiency</p> <p>Financial and performance management. Management did not implement the controls over the daily and monthly processing and reconciling of transactions.</p>						
207	<p>Receivables - Debtors with credit balances caused by write off (CoAF 29/2015) (EX.111)</p> <p>Finding : Accounts have credit balances as a result of debt written off.</p>	<p>Journal will be processed to correct AFS.</p>	<p>No action as Journals have already been passed before finalisation of Audit</p>	<p>Resolved during audit</p>		<p>Manager: Revenue</p>	<p>CFO</p>
209	<p>Receivables: Deficiencies on the age analysis (EX.112)</p> <p>Finding : Differences between debtors balance as per age analysis and balances as per Sebata system.</p>	<p>Age analysis report is dependent on the date and time that the report is requested, as well as choices made by the report requestor. Possible transactions processed on the system after the age analysis was drawn.</p>	<p>Ensure age analysis is done at year end when last accounts (fiches) have been processed and immediately there-after an Age analysis report (PF ??) to be processed. Investigate which reports needs to be prepared???</p>	<p>31 January2016 and every month end there after testing.</p>		<p>Accountant: Income Manager: Revenue</p>	<p>CFO</p>
214	<p>Receivables: Calculation of impairment for debtors (Ex.126) (EX.126)</p> <p>Finding: 1. Credit Policy does not indicate the number of days to be considered as long outstanding.</p> <p>2. Council does not distinguish between category of debtors when impairment is calculated, as well as the collection history or other specific</p>	<p>Finding: 1 Although the Credit Policy does not indicate the impairment, Council has taken a Resolution on the basis for impairment.</p> <p>Finding 2. As per the management comment in Ex. 126, the AG has made the wrong assumption of category of users: The system differentiate between different user tariffs, namely Business, Residential, Schools, etc. and then between category of users as Companies, government, individuals, CC's, trusts, etc. Trusts for example can be a residential or a business tariff. Individuals can be a business or a residential tariff, depending on the usage.</p> <p>Finding 3. Impairment has not been done according to zoning</p>				<p>PWC</p>	<p>CFO</p>

	<p>information relevant to different service debtors.</p> <p>3. Impairment recalculation has been based on zoning classification and does not agree with the zoning as per Sebata (Valuation Roll).</p>	<p>classification as the municipality does not charge as per zoning, but usage.</p>					
221	<p>Receivables: Rates: Changes in property ownership not reflected on SEBATA system (Ex.136) (EX.136)</p> <p>Finding : Valuation roll on system is not updated with changes in ownership.</p> <p>Debtor's accounts on the system do not reflect the correct account holders which may hamper recoverability of amount owed.</p>		<p>The Sebata System is updated as information becomes available of ownership changes from the Deeds.</p>			<p>Manager: Revenue</p>	<p>CFO</p>
224	<p>Receivables: Existence of the debtors not confirmed (Ex.152) (EX.152)</p> <p>Finding:</p> <p>The existence of the following debtors could NOT be confirmed due to the following;</p> <p>(a) There were no payments made by the account holder during the 2014/2015 and 2015/2016 financial years.</p>		<p>The existence of the following debtors could NOT be confirmed due to the following;</p> <p>(a) There were no payments made by the account holder during the 2014/2015 and 2015/2016 financial years.</p> <p>(b) There were no written contractual payment arrangements between the</p>			<p>Manager: Revenue</p>	<p>CFO</p>

	<p>(b) There were no written contractual payment arrangements between the municipality and account holder.</p> <p>(c) There was no signed documentation indicating the details of the account holder</p> <p>4) It is also noted that debtor balances used for debt impairment calculation included accounts with negative balances caused by incorrect debt write off by the municipality. The correct balance due at year end and related ageing is negatively impacted by the write off. Refer to the finding raised EX.111</p> <p>(5) The debtor impairment calculation is also not reliable based on differences between the age analysis and account balances as per SABATA financial system EX.112</p> <p>Based on the above, we are unable to re-perform debt impairment recalculation amounting to R175 056 330 and related current year adjustment of R72 279 634 (2014:R48 773 392)</p> <ul style="list-style-type: none"> The standard temperate applied for impairment calculation was not adapted to the situational needs of the municipality 		<p>municipality and account holder.</p> <p>(c) There was no signed documentation indicating the details of the account holder</p>				
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	<ul style="list-style-type: none"> Incorrect accounting for receivables by the municipality <p>This will result in limitation on the impairment recalculation amount of R175 056 330.00</p>						
231	<p>Revenue: Rates: Incorrect calculation of property rates (Ex.33).</p> <p>Finding:</p> <p>The following calculation differences were noted for property rates revenue: See list:</p> <p>Property rates revenue is reviewed for accuracy monthly</p> <p>Property rates revenue is overstated by R3 397 880</p>	<p>The chief financial officer should review billing of property monthly</p>	<p>Management is not in agreement with the finding except the second line. The valuation for this erf was already corrected on the system today by Mr. le Roux and the adjustments will be given through to the income division to be done in the new financial year, as Consbill for 2015 is closed off at 30 June 2015.</p> <p>In the calculations done by the AG the exempted amount of R75 000 were not deducted from residential and farm valuations. The differences of cents are as a result that the Sebata system is set up to round all amounts to the nearest 5 cent. Attached please find a spreadsheet with the correct calculations as well as remarks for each difference.</p>			<p>Manager: Revenue</p>	<p>CFO</p>
242	<p>Revenue: Service charges: Water meters not read for the whole year (EX.35)</p> <p>Finding:</p>	<p>The chief financial officer should ensure that water meters are regularly read.</p>	<p>More data capturers have been employed in order to improve supervision of meters read.</p>		<p>Meters of Platberg have been read and being in the process of captured.</p>	<p>Manager: Revenue</p>	<p>CFO</p>

	<p>Revenue recognised for the following accounts is based on interim (estimates) as no meter readings were done during the whole year. It could thus not be determined if the water charges were in proportion to the use by consumers.</p> <p>The extrapolated error is R968 904.38</p> <p>Management did not perform meter readings during the year</p> <p>The reasonability of the estimates billed to consumers could not be assessed in the absence of a reasonable basis to be used as a benchmark. The extrapolated error is R968 904.38</p>						
245	<p>Revenue: Service charges: Incorrect billing for water (EX.52)</p> <p>Finding:</p> <p>Revenue recognised during for the year 2014/2015 includes the following meter readings that appear to be incorrect:</p>	<p>The chief financial officer should ensure that water meter readings are reviewed for factual correctness by generating and reviewing exception reports so that errors can be timely corrected.</p> <p>For (1) and (2) Management comments, the corrections made will be audited. (3) Management</p>				<p>Manager: Revenue</p>	<p>CFO</p>

	<p>The extrapolated amount = R15 037 131.80</p> <ul style="list-style-type: none"> • Meter reading are not reviewed for factual accuracy before being captured on the system for billing. • Monthly exception reports for abnormal billing were not generated and reviewed for accuracy <p>Revenue recognised for these accounts is overstated by an extrapolated amount = R15 037 131.80</p>	<p>comments noted, the information will be verified.</p> <p>Refer to journal #96 for reversal of overbilling. The reversal however, could not be audited as the basis of the new billing was not submitted for audit.</p> <p>In addition the whole population has not been adjusted for overbilling as only a selected of revenue transactions was selected. The matter will be reported</p>					
248	<p>Revenue: Free service charges for indigents and own consumption (EX.53)</p> <p>Finding:</p> <p>(1) The following is noted in respect of free basic services for indigents;</p> <p>(a) Approved indigents are billed monthly for free basic services provided. Amounts billed is thus recognised as revenue for the month.</p> <p>(b) According to the indigent register provided by management, there are about 2587 indigent accounts before</p>	<p>The chief financial officer should review the accounting treatment for revenue from indigents and own consumption</p>	<p>Management response</p> <ol style="list-style-type: none"> 1. Revenue: Free service charges for indigents and own consumption. a-c) 2. Management agrees with the audit finding and will ensure that the relevant General Ledger and Annual Financial Statements are adjusted accordingly by decreasing the revenue with the subsidy amount. 			<p>Manager: Revenue</p>	<p>CFO</p>

	<p>subsidy allocation and write off amounting to R34 6599 63</p> <p>(c) The municipality allocated subsidies to indigent account amounting to R6 571 538 (municipal workings) which were credited to indigents accounts for the year 2014/15</p> <p>(2) The municipality also recognises revenue for own basic charges. The extent of own consumption of basic services included in revenue is not quantified until a schedule of municipal accounts for the year is obtained.</p> <p>Incorrect accounting for basic services for indigents and municipal own consumption.</p>		<p>2) Management agrees with the audit finding and will ensure that the relevant General Ledger and Annual Financial Statements are adjusted accordingly (Refer to the attached supporting documentation)</p>				
250	<p>Revenue: Sewerage: Property not on valuation roll- applicable tariff could not be determined (EX.61)</p> <p>Finding:</p> <p>Sections 75 (1) of the Municipal Systems Act states that there should be by laws to enforce the tariff policy.</p> <p>The accuracy of tariffs applied to levy for sewerage could not be confirmed as</p>	<p>The extrapolated error = R5 333 873.14</p> <p>The valuation roll has not been reviewed for accuracy and completeness.</p> <p>Incorrect tariff may lead to misstatement of revenue in respect of sewerage.</p>	<p>The chief financial officer should ensure that the valuation is regularly updated with approved property changes and related zoning</p> <p>Management response</p> <p>1. Revenue: Sewerage: Property not on valuation</p>			<p>Manager: Revenue</p>	<p>CFO</p>

	<p>the following properties could not be traced to the valuation roll:</p>		<p>roll – applicable tariff could not be determined</p> <p>Management is in agreement with the finding on the following properties as they are not on the valuation roll.</p>				
253	<p>Revenue: Refuse - The use of the property could not be determined (EX.62)</p> <p>Finding:</p>	<p>The accuracy of tariffs applied to levy for refuse could not be confirmed as the following properties could not be traced to the valuation roll</p>	<p>The chief financial officer should ensure that the valuation roll is regularly updated with approved changes in property valuation and related zoning</p>			<p>Manager: Revenue</p>	<p>CFO</p>
256	<p>Revenue: Incorrect tariffs used in billing for sewerage (EX.63)</p> <p>Finding:</p> <p>There following differences were identified when recalculating the tariffs used: Note</p> <p>Extrapolated error: R1 579 758.64 (OVERSTATEMENT)</p>	<p>The chief financial officer should reconcile the approved manual valuation roll to that captured on the financial system and ensure that differences are corrected. The financial system should be regularly updated to reflect approved changes in the property valuation and zoning.</p> <p>Management comments noted, however a schedule of properties submitted without any evidence of approval thereof does not confirm</p>	<p>3. Incorrect tariffs used in billing for sewerage</p> <p>Management is not in agreement with the finding.</p> <p>In terms of section 74(1) and (2) of the Local Government: Municipal Systems Act, 2000 (Act no. 32 of 2000), a municipality is obliged to adopt and implement a tariff policy on the levying of fees for municipal services,</p>			<p>Manager: Revenue</p>	<p>CFO</p>

	<p>The tariffs used for billing does not agree to the council approved tariffs for related zoning</p> <p>Property zoning as per valuation roll does not agree to property zoning captured on the SABATA system due to incorrect capturing of the valuation roll on the financial system and lack of regular system updates to reflect approved changes in property zoning and valuation</p> <p>This will result in incorrect levying of sewerage revenue</p>	<p>that the zoning of such property has changed to reflect current billing tariffs. The basis for billing is thus subjectively applied which impacts revenue. Matter to be reported as limitation of scope.</p>	<p>including water, ensuring that consumers pay for services in proportion to their use of that service and that the tariff reflects the costs reasonably associated with the rendering of service, including capital, operating maintenance, administration and replacement costs.</p>				
259	<p>Revenue: -Incorrect tariffs used in billing for refuse (EX.64)</p> <p>Finding:</p> <p>The following differences were identified when recalculating revenue from refuse:</p> <p>Extrapolated error = R2 605 059.75 9OVERSTATEMENT</p> <p>The tariffs used for billing does not agree to the council approved tariffs for related zoning</p>	<p>The chief financial officer should reconcile the approved manual valuation roll to that captured on the financial system and ensure that differences are corrected. The financial system should be regularly updated to reflect approved changes in the property valuation and zoning as limitation of scope</p>	<p>Management is not in agreement with the finding.</p> <p>In terms of section 74(1) and (2) of the Local Government: Municipal Systems Act, 2000 (Act no. 32 of 2000), a municipality is obliged to adopt and implement a tariff policy on the levying of fees for municipal services, including water, ensuring that consumers pay for services in proportion to</p>			<p>Manager: Revenue</p>	<p>CFO</p>

	<p>Property zoning as per valuation roll does not agree to property zoning captured on the SABATA system due to incorrect capturing of the valuation roll on the financial system and lack of regular system updates to reflect approved changes in property zoning and valuation</p> <p>This will result in incorrect billing of refuse revenue</p>		<p>their use of that service and that the tariff reflects the costs reasonably associated with the rendering of service, including capital, operating maintenance, administration and replacement costs.</p> <p>Even though the category on the valuation roll shows residential, the municipality is obliged to charge based on the use of the service (see the attached tariff policy part.6).</p> <p>The valuation roll is not used as a basis for levying services like refuse and sewerage, it's a basis only when levying for property rates and taxes.</p> <p>The municipality has also designed a list of properties that are charged on a different category (according to usage) as on the valuation roll (see attached annexure A & B).</p>				
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<p>262</p>	<p>Revenue: Electricity deficiencies in monthly readings (EX.65)</p> <p>Finding:</p> <p>The following monthly readings were not correctly captured on the system based on the inconsistencies noted in the sequence of meter readings:</p> <p>The following units were incorrectly calculated:</p> <p>The extrapolated error = R2 356 671.87</p> <ul style="list-style-type: none"> • Meter reading are not reviewed for factual accuracy before being captured on the system for billing. • Monthly exception reports for abnormal billing were not generated and reviewed for accuracy <p>Revenue recognised for these accounts is misstated</p>	<p>The chief financial officer should ensure that meter readings are reviewed for factual correctness by generating and reviewing exception reports so that errors can be timely corrected</p>	<p>Management is in agreement with the finding of the Auditor General</p>			<p>Manager: Revenue</p>	<p>CFO</p>
<p>275</p>	<p>Revenue: Rates: Private Property registered as Municipal Property.(Ex.108) (EX.108)</p> <p>Finding:</p> <p>The following properties registered under Mantsopa Local Municipality are not municipal properties.</p>	<p>The chief financial officer should perform regular updates of the valuation roll to reflect current property transfers</p>	<p>Management disagree with audit finding; please refer to the attached spread sheet and supporting documentation.</p>			<p>Manager: Revenue</p>	<p>CFO</p>

278	<p>Revenue - Interest levied at incorrect rate and balance (Ex.125)</p> <p>Finding:</p> <p>(ii. Refer the approved interest rate policy</p> <p>(iii) The estimated impact of the interest differential is calculated as follows;</p> <p>(a) Interest is levied on accounts outstanding at year end. The following deficiencies have been reported in respect of management of debtors</p> <p>(i) Incorrect billing: Refer to finding EX.35 (CoAF No.10/2015)</p> <p>(ii) Incorrect debt writes off: EX.52: (CoAF No.10/2015)</p> <p>(b) (i) Interest on the outstanding is calculated using the uncorrected interest rate policy;</p>	<p>The chief financial officer should ensure that interest is levied in terms of approved policy and appropriately calculated.</p> <p>Management comments did not address the fact that interest is levied at incorrect debtor accounts as per findings issued in respect of consumer services</p>	<p>Management disagree with the audit finding. The correct interest rate has been used on all outstanding debtors. Please refer to the attached calculations.</p>			<p>Manager: Revenue</p>	<p>CFO</p>

281

Receivables: Deficiencies on indigents
(CoAF 29/2015) (EX.127)

Finding:

- (1) The following customers were incorrectly given the indigents subsidy and management realised that at the end of the financial year. Management only reversed the write off given but did not reverse the subsidy that was given:
- (2) The following customers were given the indigent subsidy and were classified as indigents on the SEBATA system but could not be traced to the indigent register and their indigent's application forms could not be obtained:
Extrapolation = R8 313 575.23
- (3) The following employee of the municipality who was earning more than R1 800 was included in the indigent register:

Management should thoroughly check the changes made on the system to ensure that the changes are supported by appropriate documents.

The following customers are classified as indigents on the system and can be traced to the

Manager:
Revenue

CFO

	indigent register (see column with no. on the indigent register), attached are the indigent application forms.						
290	<p>Revenue: Water - Differences in tariffs used (Ex.159) (EX.159)</p> <p>Finding:</p> <p>The following differences were identified in between the amount billed for water and recalculated amount using the approved tariffs:</p> <p>Tariffs applied for billing do not agree to zoning tariffs approved per valuation roll</p> <p>Revenue from water is overstated by R1 565 833</p>	<p>The chief financial officer should ensure that billing for service charges is done using council approved tariffs. Changes in property zoning as approved by council and management must be updated on the valuation roll</p>	<p>Management is not in agreement with the audit finding. We have investigated the differences and it was noted that the auditor made a mistake with the recalculations of water tariffs. <i>Please refer to the attached spread sheet.</i></p> <p>Management has only recalculated September 2014 to indicate that the tariffs have been calculated correctly by the municipality.</p>			Manager: Revenue	CFO
304	<p>PDO: ROADS AND STORM WATER: Reported performance not reliable (168) (EX.168)</p> <p>Finding:</p>			Feb 2016	Adjusted 2015/16 SDBIP & IDP, addressing the accuracy & measurability of KPIs approved by Council	Manager: Roads and storm water Services	Direct Techn
304	<p>Revenue: Service charges: Meters could not be traced to the financial system (Ex.162) Finding: (a) The following meters could not be traced to</p>	<p>The chief financial officer should ensure that all consumers are billed for service charges.</p>	<p>Management is in agreement with the finding regarding the following meters that could not be</p>			Manager: Revenue	CFO

	<p>the financial system (SABATA) to confirm billing for service charges</p> <p>The following sites identified had no meters therefore they were not billed for the services provided.</p>		<p>traced to the financial system.</p>				
309	<p>Revenue: Property rates: No manual reconciliation between manual valuation roll and SABATA (Ex.173)</p> <p>Finding:</p> <p>Contrary to the above requirement, it was identified that a manual reconciliation between the rate-able valuation as per the valuation rolls and the rates and taxes raised through the municipal system was not performed during the year.</p> <p>The cause of the above is that the municipality does not have the effective internal controls to ensure that the reconciliations are performed.</p> <p>The impact of the above is that the rates and taxes of the municipality are overstated by R4 566 536</p>	<p>The chief financial officer should ensure that a manual reconciliation between the rate-able valuation as per the valuation rolls and the rates and taxes raised through the municipal system should be performed by the municipality</p>				<p>Manager: Revenue</p>	<p>CFO</p>

310	<p>Revenue: Electricity - Differences in tariffs used (Ex.180)</p> <p>Finding:</p> <p>The following differences were identified between the amount charged and the recalculation using the approved tariffs:</p> <p>Management did not review the calculations done by the system to confirm accuracy</p> <p>This will result in the overstatement of revenue by a projected error of R3 678 985.45</p>	<p>The chief financial officer should implement quality controls over billing systems to ensure valid and accurate accounts</p>	<p>In terms of section 74(1) and (2) of the Local Government: Municipal Systems Act, 2000 (Act no. 32 of 2000), a municipality is obliged to adopt and implement a tariff policy on the levying of fees for municipal services, including water, ensuring that consumers pay for services in proportion to their use of that service and that the tariff reflects the costs reasonably associated with the rendering of service, including capital, operating maintenance, administration and replacement costs.</p> <p>Management is in disagreement with the finding. See the following calculations for July and August 2014 done and explanations provided by Management as similar oversights apply in respect of other months raised in the Communication. Please refer to the attached spreadsheet</p>			Manager: Revenue	CFO
327	<p>Revenue - Unbilled revenue: Interims used to calculate the provision for unbilled revenue (Ex.193)</p>	<p>The chief financial officer should ensure that provisions for unbilled revenue is based on valid and accurate information.</p>	<p>Management disagree with the audit finding based on the following:</p>			Manager: Revenue	CFO

	<p>Finding:)</p> <p>For the calculation of the Unbilled revenue interims were used for the following books which resulted in having zero on total days billed and June consumption days. This is distorts the whole calculation as the books that have interims effectivly are not provided for.</p>		<p><u>BASIS OF IMPAIRMENT</u></p> <p><u>CALCULATION</u></p> <p>The impairment calculation is done on <u>forward-looking</u> basis and therefore use the number of days that the financial asset is <u>still expected to be outstanding</u> based on the information available at year-end. A combination of key indicators is use to determine a list of debtors that are most likely to be impaired.</p> <p>- Debtor type: Residential, Business, Indigent, Government, etc.</p> <p>The following matrix is use to determine a list of debtors most likely to be impaired A report from the system should supply suitable information regarding the following</p> <p>- Ageing of each debtor</p> <p>- Active / inactive account</p>				
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			<p>- Tenants' / owners' account</p> <p><i>Check scoring explained in management's response.</i></p> <p>After the scoring of the debtors a report is compile classifying the debtors into the following criteria.</p>				
332	<p>Cash and cash equivalents: Bank reconciliation not performed timeously (Ex.178) (EX.178)</p> <p>Finding: the following month's bank reconciliations were inspected and it was noted the bank reconciliations were not performed timeously after each month end to ensure accuracy and completeness of the accounting records.</p> <p>Management controls in place are not timely implemented.</p>	<p>Management disagrees with the audit finding. The whole bank reconciliations are performed on a monthly basis. The reason for the late review is when the municipality still needs clarity on certain amounts which forms part of the month that is reconciled. However the FNB account is currently done on monthly basis.</p>	<p>Bank Recon to be performed monthly and signed off by supervisor</p>	<p>Monthly Basis</p>	<p>7 Months reconciliations done and signed off</p>	<p>Manager: Budget and Reporting – Feedback by Internal Audit</p>	<p>CFO</p>
334	<p>Planning: Commitment register not reviewed (EX.1)</p> <p>Finding: No evidence could be obtained to confirm that the Chief financial officer reviewed the commitment register for completeness and accuracy</p> <p>The signed commitments register was not submitted for audit</p> <p>The review and approval of the commitment register by the chief financial officer was not confirmed.</p>	<p>The chief financial officer should review and approve commitments register before the amounts therein are used to compile financial statement. Confirmation of such reviews should be submitted to the AGSA for audit.</p>	<p>The chief financial officer should review and approve commitments register before the amounts therein are used to compile financial statement. Confirmation of such reviews should be submitted to the AGSA for audit</p>	<p>28 February 2016</p>		<p>Mr KD Pharo (Supply Chain Manager)</p>	<p>Mr. K (CFO)</p>
336	<p>Employee costs: Leave: Supporting evidence for leave taken not submitted (Ex.154) (EX.154)</p>	<p>The head of corporate services should implement appropriate filing and approval processes to ensure</p>	<p>Leave files to be checked against attendance register and reports there of submitted for evaluation to</p>			<p>Manager: Human Resources</p>	<p>Direct Corporate Services</p>

	<p>Finding: 1. (1)the following employee took special leave to attended his father's funeral but no death certificate was attached to the leave form for special leave .</p> <p>(2)No evidence (leave application forms) could be obtained regarding unpaid leave for the following employees.</p> <p>Management did not ensure that documentation supporting the application for special leave are appropriately filed and safeguarded</p>	<p>that documentation is available to support taken approved.</p>	<p>the Director Corporate Services.</p>				
<p>338</p>	<p>Employee cost: Leave: Non-compliance to Collective Service Agreement (Ex.158) (EX.158)</p> <p>Finding: (1)The following employees were granted annual leave days of less than 24 days.</p> <p>(2)The following employee did not take a minimum of 16 days within the leave cycle.</p> <p>Management did not ensure that collective service agreement is implemented across all staff</p> <p>Non-compliance with provisions of collective agreements.</p>	<p>The head of corporate services should implement controls designed to ensure that all staff are given the requisite leave days as per collective agreement.</p>	<p>Leave files are to be checked against attendance registers and reports thereof submitted to the Director Corporate services for evaluation and approval</p>			<p>Manager: Human Resources</p>	<p>Direct Corpo Servic</p>

341	<p>Employee Costs - SDL payments not submitted on time (Ex.164) (EX.164) Finding: Contrary to the requirements above, the following skills development levy (SDL) payments was not paid before the 7th of the following month:</p> <p>Late payments made to SARS will result in penalties and interest that must be paid and will have to be classified as fruitless and wasteful.</p>	<p>The municipality is facing cash flow problems due to poor collection of debtors and poor cash flow management.</p> <p>It is recommended to management that:</p> <ul style="list-style-type: none"> • EMP201 forms should be reviewed by a person independent from the one capturing the data. • These forms should be submitted and paid to SARS before the seventh of the month following the declaration. 	<p>The controls are in place but due to cash flow constraints at times payments are not made within 30 days.</p>	Ongoing	<p>Payroll clerk</p> <p>Accountant</p> <p>Expenditure</p>	CFO	CFO
343	<p>Employee costs: Overtime pay-outs not in accordance with Municipal Overtime Policy (Ex.166) - CoAF No. 60/2015 (EX.166)</p> <p>Finding: Contrary to the above, the following employees were paid for in monetary value for the overtime executed on weekend days and/or public holidays:</p> <p>(Also indicated the percentage of overtime payment to the employees' salary. Thus, where the monthly compensation for overtime constitutes more than 30 per cent of the employee's monthly salary.)</p> <p>The municipal has not implemented its overtime policy.</p> <p>Non-compliance with municipal overtime policy</p> <p>The municipality is facing cash flow problems thus paying additional</p>	<p>The head of corporate services should ensure implement the municipal overtime policy or apply for council for amendments.</p>	<p>Implementation of the Collective agreement with regard to overtime worked to be implemented – Challenges are faced with Technical Department where employees work more hours than stipulated in the Collective agreement</p>			<p>Manager: Human Resources/Accountant Expenditure</p>	CFO/Corporate Services

	overtime could worsen the cash flow crisis.						
349	<p>Employee Costs: Internal Control Deficiency identified (PC15 report) (Ex.172) (EX.172) Finding: No evidence could be obtained that the master file amendment report (PC15 - Audit Report on Payroll Changes) is reviewed and followed up by a senior independent official.</p> <p>This is due to a weak internal control environment in the Payroll section of the municipality and also a lack of understanding of the PC 15 report (not user friendly for Mantsopa employees).</p>	<p>Management should ensure that sound controls exist to mitigate the risk of material misstatement of employee related cost by implementing the following controls:</p> <ol style="list-style-type: none"> 1. The master file amendment report (PC15 - Audit Report on Payroll Changes) is reviewed and followed up by a senior independent official; 2. Sufficient training is provided to the appropriate personnel to ensure their understanding of the PC 15 report. 	<p>Users of the Payroll system to be trained on using the system. Understanding and using the internal controls provided by the system. We are in contact with Sebata FMS regarding the training on interpreting the PC15 report.</p>			Accountant: Expenditure	CFO
351	<p>Employee costs-Prior year exception on presentation and disclosure (Ex.175) (EX.175) Finding: No detailed remuneration disclosures were made relating to councillor remuneration for the following persons:</p> <ul style="list-style-type: none"> - Mayor - Speaker - Exco members - Chief whip <p>Management did not ensure that prior year matters were corrected and resolved</p> <p>The comparative amounts in respect of employee costs are misstated.</p>	<p>The chief financial officer should ensure that comparative amounts are corrected.</p>	<p>In preparation of AFS, to be insured that comparative figures are correct.</p>			PWC	CFO
353	<p>Planning: Control environment - employee background checks not performed (EX.10)</p>	<p>The director of corporate service should ensure that the municipal recruitment and selection policy implemented.</p>	<p>All new recruits will be checked in accordance with the recruitment policy.</p>			Manager: Human Resources	Director Corporate Services

	Finding: Contrary to the Municipality Recruitment and selection policy, no evidence was obtained to confirm that background checks for the following official were performed before appointment.						
355	<p>Planning_ Effectiveness of the audit committee not evaluated by council (EX.15)</p> <p>Finding: During the review of council minutes, the following was noted;</p> <p>(a) No evidence is obtained to confirm that the municipal council reviewed the effectiveness of the audit committee during the year</p> <p>(b) No evidence is obtained to confirm that the audit committee tabled reports on governance and risk management in the municipal council and or such reports were discussed by councillors</p> <p>Lack of appropriate skills, training and capacity by municipal council to evaluate the effectiveness of audit committee.</p> <p>The municipal council is unable to determine if the audit committee is effectively discharging its responsibilities.</p>	The municipal council should obtain the requisite skills and training to ensure adequate oversight over the activities of the audit committee.	Letter to be written to Provincial Treasury to assist the municipal councillors on how to evaluate the effectiveness of the audit committee.	30/06/2016	On-going	Manager: Internal Audit	Municipal Council Manager

358

Planning: Control environment - No individual performance appraisal for employees. (EX.20) same as for Ex.202

Finding: There was no evidence that the municipality performed the individual performance appraisals of other levels of the employees beside the section 56 managers.

The same issue was reported in the 2013/14 management report.

Performance management system has been implemented to section 56 managers but not extended to cover all municipal employees.

Performance management system has not been fully implemented as the performance of senior management depends on the performance of staff within their span of control

Non-performance by staff and reasons thereof is not timely identified and corrective actions taken

Span of accountability is limited to senior management but not extended to all municipal staff

The accounting officer, should ensure that the performance management system is implement and the individual performance appraisal is performed for other levels of municipal staff. The municipality should implement systems to ensure that employees are held accountable for their duties and consequence management is enforced.

(EX.20) same as for Ex.202

Refer to discussions in meeting held!!!

Manager: Human Resources

Direct
Corpo
Servic

	Consequence management for poor performance cannot be implemented without performance assessment						
360	<p>Planning: Control environment - Job description for new employee not timely signed (EX.21)</p> <p>Finding: The job description of the following employee was signed long after the appointment date. The head of human resource management has not designed, communicated and implemented internal control procedures for the appointment of new staff</p> <p>Employee responsibilities are not clearly defined to the employee on the date of appointment to enable continuous performance monitoring and evaluation.</p>	The head of human resource management should design, communicate, implement and continuously monitor standard processes and procedures for the appointment of new staff.	New entrants job description are to be signed upon appointment by all new recruits.			Manager: Human Resources	Direct Corpo Servic
362	<p>Planning: Control environment - No HR plan in place (EX.22)</p> <p>Finding: No evidence could be obtained to confirm that the municipality has developed an HR plan which</p>	The head of human resource management should design and develop a human resource plan to address current and future human resource requirements.	The HR plan is being developed and should serve in the LLF in March 2016, and there after submitted to committee and finally to council with all policies for approval			Manager: Human Resources	Direct Corpo Servic

	<p>addresses current and future human resource requirements</p> <p>The head of human resource management has not designed and developed the plan</p> <p>The municipality is unable to determine current and future human resource requirements based on service delivery vision</p>						
364	<p>Planning: Monitoring - Short comings with regard to action plans (EX.24)</p> <p>Finding: Contrary to the above, the following shortcomings were identified on the action plans to address internal audit findings and external auditors' findings;</p> <p>1. It was determined that management does not in all instances act on all recommendations of internal audit.</p> <p>2. The action plan to address the external audit findings does not indicated the root cause and status / progress of the findings .</p> <p>Management did not evaluate and consider all findings from internal</p>	<p>Management and oversight committees should monitor implementation of internal audit recommendations and hold managers that did not act on these recommendations accountable.</p> <p>The action plan should indicate the root cause in order to address the finding appropriately. It should also indicate the status/ progress of implementation for monitor purposes.</p>	<p>Action plan to form part of departmental meeting to check on progress made and respond to audit team weekly</p>			<p>Managers on all levels in all departments</p> <p>Internal Auditor to oversee execution</p>	<p>Municipal Management and a Director</p>

	<p>audit, the recommendations are also not in all instances followed up.</p> <p>The impact of the above is that deficiencies in internal controls that are not addressed may result in misstatements that could lead to unfavourable audit outcomes.</p>						
366	<p>Unauthorised, Irregular, Fruitless & Wasteful expenditure not communicated to the MEC and the Auditor-General (Ex.189) (EX.189)</p> <p>Finding: No evidence that the accounting officer informed the MEC for local government and Auditor-General about any instances of irregular, unauthorised and fruitless and wasteful expenditure could not be obtained.</p> <p>The municipal manager did not ensure that the required communication is done.</p> <p>Non-compliance with the MFMA.</p>	<p>The municipal officer should implement controls designed to ensure compliance with prescribed legislation.</p>	<p>Communication Letter has been written to MEC of Local Government and Auditor-General.</p>	30/06/2016	On-going	Manager: Internal Audit	Municipal Manager

<p>368</p>	<p>Procurement: Quotations register for potential suppliers is not in place (EX.49)</p> <p>Finding: , the quotation register for the potential suppliers with their quoted prices is not in place.</p> <p>SCM Management did not comply with the SCM Regulation</p> <p>A record of quotations obtained during procurement process is not maintained as proof of compliance with SCM regulations</p>	<p>The head of SCM should ensure that a quotation register for recording potential suppliers and their quoted prices should be maintained.</p>	<p>The head of SCM should ensure that a quotation register for recording potential suppliers and their quoted prices should be maintained</p>	<p>31 March 2016</p>			<p>CFO</p>
<p>369</p>	<p>Procurement: SCM Policy not catering for the declaration of interest (EX.51)</p> <p>Finding:</p> <p>The SCM policy does not cater for the following:</p> <ol style="list-style-type: none"> 1. that declarations of interests, in terms of SCM regulation 46(2)(d)&(e) 2. that all declarations by the accounting officer must be made to the mayor of the municipality or the board of directors of the municipal entity who must ensure that such declarations are recorded in the register; and 	<p>The head of supply chain management should review and update the SCM policy to ensure compliance with SCM and related regulations.</p>	<p>The head of supply chain management should review and update the SCM policy to ensure compliance with SCM and related regulations</p>	<p>31 May 2016</p>		<p>Mr. KD Pharoë (SCM Manager)</p>	<p>Mr M</p>

	<p>3. that appropriate action is taken against any official or other role player who commits a breach of the code of ethical standards</p> <p>Municipal supply chain management policy does not comply with supply chain management regulation issued by National Treasury.</p> <p>The supply chain management policy does not facilitate compliance by the municipality with SCM regulation.</p>						
371	<p>Accumulated Surplus: Differences between AFS and TB/GL (EX.228)</p> <p>Finding:</p> <p>The following differences were identified between the amount on the annual financial statements and the amount on the Trial Balance</p> <p>The following differences were identified between the note and journals.</p> <p>The annual financial statements were not appropriately reviewed by the management</p>	<p>The chief financial officer should ensure that the prior year adjustments are properly reviewed and prior year figures are correctly adjusted.</p>	<p>Management could not agree with the finding The total amount according to the final AFS correspond 100% with the amount in the final general ledger. Differences that may have occurred, was rectified during the audit period. Management will ensure that the amounts are correct in the general ledger, and the AFS will be reviewed in future to ensure that the general ledger and the AFS figures correspond.</p>	31 July 2016		CFO/Manager BTO / PWC	CFO

	This will result in the misstatement of Accumulated surplus.						
373	<p>PPE - FAR for immovable: Shortcomings on asset registers (EX.107)</p> <p>Finding:</p> <p>Contrary to the above act and policy , the following shortcomings were identified in the assets register</p> <p>a) the following information were not included in the assets registers; b) In the following assets registers , not all the assets were linked to a location (street address or latitude and longitude were not indicated), Inadequate quality control reviews over the compilation of fixed asset register</p> <p>The asset register does not include information prescribed and required for financial reporting on property, plant and equipment.</p>	The Chief financial officer should ensure that the asset registers contains the prescribed information that is required to support financial reporting on property plant and equipment	<p>The Land Register will be revised to include the information as indicated above.</p> <p>The Movable FAR will be revised to include the information requested above.</p> <p>The FAR is being reviewed and updated on an on-going basis for identification and other information, which may have been omitted or unavailable, and the final 2015 register will include most of the details noted by the auditor above.</p> <p>It should be noted that location information for certain assets / components are available on drawings at this stage e.g. Water. These drawings can be used to identify the</p>			Asset Manager	CFO

			<p>location of assets existing on the FAR at present.</p> <p>Municipality will ensure that this location information will be included in the FAR in future.</p>				
377	<p>TGM 18:Infrastructure assets: General report findings (Ex.224) (EX.224)</p> <p>Finding:</p> <p>Contrary to the above provisions, the following findings are identified during the testing of water, sanitation and roads infrastructure:</p> <p><u>WATER</u></p> <p>1. The municipality does not have an approved policy in place that addresses routine maintenance of water infrastructure.</p> <p>2. Conditional assessments were not done on water infrastructure to inform the routine water infrastructure maintenance plan and budget.</p>	<p>Management should ensure that the administration of water, sanitation and roads infrastructure projects is effective and reviewed.</p>	<p>Policy to be put in place and adopted by Council.</p>	7 March 2016		Asset Manager/ Technical Department	MM

3. The municipality has not achieved blue drop status for water quality.

4. The municipality did not spend budgeted maintenance budget in full

SANITATION

1. The municipality has not achieved green drop status for waste water management.

2. Sanitation projects in progress in 2014-15 do not address the cause of the sanitation backlog.

3. 1 of 1 sanitation infrastructure projects has exceeded their planned completion date.

ROADS AND STORMWATER

1. The municipality does not have an approved policy in place for the planning, management and reporting of roads infrastructure.

2. The selected roads infrastructure renewal projects have exceeded the planned completion date on average by 155 days to date.

Management did not ensure the effective administration of their water,

	<p>sanitation and roads infrastructure projects.</p> <p>Possible overspending on projects and lack of service delivery to the community.</p>						
381	<p>Investment policy does not comply with the asset management (EX.133) (EX.133)</p> <p>Finding:</p> <p>The investment policy has not been aligned to the requirements of the MFMA</p> <p>This will result in the non-compliance with the MFMA 13(2) Municipal investment regulations 3(1)(a) and 3(2) (GNR.308 of 01 April 2005)</p>	<p>The chief financial officer should ensure that the investment policy is amended, updated and approved to comply with the municipal investment regulations issued in terms of the MFMA</p>	<p>Management agrees with the following:</p> <p>A new and updated policy will be approved by Council in March 2016.</p> <p>Investing in Capital assets separately from Grants – from surplus revenue.</p>	31 March 2016		Asset Manager/ Budget Manager and other managers	CFO
384	<p>PPE: Movable assets: Duplication of asset numbers (EX.27)</p> <p>Finding: When reviewing performing a high level review of the movable asset register, identified that there are duplicate asset numbers. Inadequate controls over the allocation of unique asset number to individual assets.</p>	<p>The chief financial officer should design, communicate and implement controls to ensure that unique asset identification numbers are allocated only once.</p> <p>The fixed asset register should be reviewed by the chief financial officer to ensure that unique asset identification numbers are not duplicated.</p> <p>We acknowledge the finding – the barcode scanner cannot read worn or damaged barcodes, therefore the last barcode scanned would be duplicated.</p>	<p>Re-barcoding of all worn or damaged barcodes. Process already performed and new barcodes were given to the duplicated assets. List of new barcodes available at Asset Division.</p> <p>On-going process.</p>	Resolved during audit process. On-going process.		Asset Manager	CFO
386	<p>PPE: Movable assets: FAR not complete (EX.67)</p>	<p>The chief financial officer should investigate the assets not included in</p>				Asset Manager	CFO

	<p>Finding:</p> <p>During the testing for completeness of assets, the following assets physically identified could not be traced to the fixed asset register.</p> <p>All assets have not been recorded in the fixed asset register.</p> <p>Quarterly asset count is not effective as they did not account for all municipal assets</p> <p>The fixed assets register for movable assets is not complete and is understated by projected error amounting R362 342.18</p>	<p>the asset register and ensure that all assets have been recorded</p>					
388	<p>PPE: Movable assets: Incorrect asset description (EX.73)</p> <p>Finding:</p> <p>The following assets were incorrectly described in the asset register.</p> <p>The fixed assets has not been reviewed and compared to quarterly asset count reports</p> <p>The incorrect description will lead to incorrect classification of the assets</p>	<p>The chief financial officer should investigate the matter and make corrections where necessary.</p>	<p>The descriptions will be changed.</p>			Asset Manager	CFO

	and incorrect depreciation rate calculations.						
390	<p>PPE: Movable assets: Prior year assets not verified not resolved (EX.84)</p> <p>Finding:</p> <p>The following assets not physically verified in the prior year still could not be traced to the current year other fixed asset register for movable assets. Quarterly assets counts are not used to update the asset register.</p> <p>Quarterly surpluses and shortages report as per asset count are not investigated and used to update the asset register</p> <p>The asset register for movable assets is not complete.</p>	<p>The chief financial officer should ensure that quarterly reports on shortages and surpluses are investigated and fixed asset register updated accordingly</p>				Asset Manager	CFO
392	<p>PPE: Movable assets: Remaining useful life for movable assets not included in FAR (EX.95)</p> <p>Finding:</p> <p>The fixed assets register does not include a column for the remaining useful life. The fixed asset does not include all the requisite information deemed important</p>	<p>The chief financial officer should ensure that the FAR includes all the information prescribed and or required for financial reporting.</p> <p>The fixed asset does not include all the requisite information deemed important</p> <p>The asset register does not include all the prescribed information</p>	<p>Management is in agreement with the finding.</p> <p>Management has taken note of the finding and had adjusted the FAR to include the remaining useful life of assets.</p>			Asset Manager	CFO

	The asset register does not include all the prescribed information.						
394	<p>PPE: Movable assets: Assets in poor working order and or scrapped assets not removed from FAR (EX.110)</p> <p>Finding:</p> <ol style="list-style-type: none"> 1. Differences in asset description per listing of assets not in working order and same asset in the FAR. 2. The following assets are listed as not in working condition but have not been removed from the FAR 3. The assets below were indicated as scrapped in the FAR but were not written off: 4. The head of asset management did not implement municipal asset management policy. 5. The fixed asset register for movable assets may include assets without any service potential or from which the municipality does not expect future economic benefits. 	The chief financial officer should design and implement controls to ensure that the FAR is regularly reviewed for accuracy and completeness and old and obsolete assets are disposed and removed.				Asset Manager	CFO
401	<p>Expenditure: Repairs and maintenance - No purchase order submitted (CoAF 12/2015) (EX.32)</p> <p>Finding:</p> <p>It could not be confirmed if the following transaction was approved as no purchase order was submitted</p>	The chief financial officer should design and implement effective controls to ensure that recorded transactions are supported by sufficient documentation to provide an audit trail of the requisition and approval of the expense	WSSA Management submitted the appointment letter for WSSA. Matter resolved. <i>Network & Computing (Pty)Ltd- Resolved</i>			Asset Manager	CFO

	<p>and the invoice was not signed to confirm receipt of goods/services and approval of expenditure. Cognisance is however noted that the municipality has a service level agreement with WSSA to perform ad hoc support and maintenance services but such services should be requested. There is no evidence that the services provided were requested by the municipality.</p> <p>Management did not exercise proper and effective controls to ensure and confirm that the sufficient documentation is maintained to support expenditure transactions.</p> <p>The municipality may be invoiced for expenses that were not authorised.</p> <p>The municipality may be invoiced for services not requested (as per the purchase order).</p>		<p>Management submitted the service level agreement. Inspected the SLA and confirmed that the invoices relating to this SLA will not be accompanied by purchase orders as it stipulates that services will be provided weekly between 8am and 5pm, and that remote maintenance and support will be provided via email or telephone. Matter resolved.</p>				
403	<p>Expenditure: Repairs and maintenance - Quotations from at least 3 different suppliers were not obtained (EX.39)</p> <p>Finding:</p> <p>The following transactions were not processed in compliance with procurement regulations as the required number of quotations or</p>	<p>The head of supply chain should implement municipal procurement policy and ensure that the policy complies with the prescripts of procurement laws and regulations</p>				SCM	CFO

	<p>approval for deviation were not obtained.</p> <p>The head of supply chain management unit did not implement the municipal procurement policy</p> <p>Non-compliance with laws and regulations applicable to municipal procurement processes</p>						
406	<p>Expenditure: Repairs and maintenance</p> <p>- Quantity on the invoice does not agree to the purchase order and goods received voucher (EX.40)</p> <p>Finding:</p> <p>(1) In carrying out the audit, it was noted that the purchase order, quotation and invoice had different quantities recorded. The purchase order was for 2 quantities, one for R3 993.99 (as seen below) and another for R11 756.01 (recorded in a different sub-vote in the general ledger) whereas the quotation and the invoice was for 3 quantities of R 5 250 (excl. VAT) each.</p> <p>The following accounts refer;</p> <p>(2) Procedure to verify supplier details, quantities, etc could not be performed for the transactions below as there was</p>	<p>(1) There should be controls in place to ensure that invoices being processed agree to purchase orders and quotations.</p> <p>(2) Management should ensure that sufficient and usable supporting documentation is kept.</p>	<p>Management is not in agreement with the finding, as the quantities as per requisition, quotation and invoice are still the same (three machine to be repaired). Please refer to the attached supporting documentation</p> <p>Management response is acknowledged.</p> <p>Management should however note that a requisition does not constitute a purchase order. The purchase order should thus agree to the invoice and quotation, which is not the case. Management should ensure that the details, (description, quantity and amount) on the purchase order, requisition, invoice and quotation correspond.</p> <p>Management should however note that a requisition does not</p>			SCM	CFO

	<p>no purchase order and/or quotation supporting the invoice.</p> <p>(1) Where the quantity supplied per the invoice differs to the purchase order, management did not ensure that the quantities supplied along with the cost agree to the purchase order.</p> <p>(2) Management did not exercise proper and effective controls to ensure and confirm that supporting documentation is kept.</p> <p>The municipality may receive quantities that they did not order.</p>		<p>constitute a purchase order. The purchase order should thus agree to the invoice and quotation, which is not the case. Management should ensure that the details, (description, quantity and amount) on the purchase order, requisition, invoice and quotation correspond.</p>				
408	<p>Expenditure: Repairs and maintenance - Purchase order and quotation amount differ from the invoiced amount (EX.42)</p> <p>Finding:</p> <p>In carrying out the audit, it was noted that the invoiced amount was more than the amount quoted by the supplier (per the quotation) and the purchase order. No supporting documentation was provided to notify of the price increase.</p> <p>Management did not ensure that where there are price changes that sufficient supporting documentation</p>	<p>Where there is a long delay from when quotation is received and purchase order prepared, the municipality should request from the supplier a new quotation or a letter of notification of price increases that should be authorised by management.</p>	<p>Management disagree with the finding, the invoice amount as indicated on the exception is unknown by management but the invoice amount as submitted by management to Auditor General was amounting to R49 218.80.</p> <p>However the variance was noted between the quotation and the invoice amount due to the fact that the travelling and labour costs were not included on the quotation. Refer to the attached supporting documentation – quotation, tax invoice and payment advice)</p>			SCM	CFO

	<p>and authorisation of the increase is available.</p> <p>The municipality may be invoiced for amounts that exceed budget per vote which may result to unauthorised expenditures.</p>						
410	<p>Expenditure: Repairs and maintenance - Invoice for which payable is raised was not authorised (EX.43)</p> <p>Finding:</p> <p>In carrying out the audit to test the cut off of repairs and maintenance, it was noted that a journal was passed to account for expenditure without the relevant supporting documentation, i.e. (purchase order, goods received voucher) and consequently raised a creditor provision on 30 June 2015.</p> <p>Note</p> <p>A journal was passed at year end to raise the expense and creditor (SEBATA) for services rendered. Although the municipality has a service level agreement with SEBATA, the</p>	<p>The chief financial officer should ensure that supporting documentation is available to support expenditure recognition</p>	<p>Management agrees with the finding, however this was an isolated case for the sample tested where the invoice is not signed, invoices are normally signed as proof that the service has been rendered and/or goods have been received in good order.</p>			SCM	CFO

	<p>invoice was not signed by a delegated official to confirm that the municipality was invoiced for services actually rendered.</p> <p>Management did not exercise proper and effective controls to ensure that sufficient supporting documentation is available and is authorised to ensure that payables are not raised for services that were not rendered.</p> <p>The municipality could incur financial losses.</p>						
412	<p>Transfers and subsidies: VAT included in indigent support -Eskom supplies (EX.74)</p> <p>Finding: Incorrect recording of transactions in the general ledger.</p> <p>Grants and subsidies paid as disclosed in note 36 to the annual financial statements is overstated with an amount of R93 177,73 and VAT control account understated with the amount.</p> <p>Indigent support electricity (Eskom supplies) as disclosed in note 36 to the annual financial statements is overstated with an amount of R93 177,73 as the expense was recorded in</p>	<p>The chief financial officer should implement adequate controls over the processing of daily transactions and periodic reconciliations. Auditor's conclusion</p> <p>Refer to journal C.1.20 adjusting Eskom indigent support for VAT included therein. The journal was audited for validity and classification and no exception noted</p>	<p>The VAT portion was rectified with Journal No. 0012689. Attached find Journal and supporting documentation.</p> <p>Eskom indigent support for VAT included therein. The journal was audited for validity and classification and no exception noted.</p>	N/A	N/A	Accountant: Expenditure	CFO

	the general ledger inclusive of VAT as indicated below:						
415	<p>Expenditure: Repairs and maintenance - Journals - Invoices not authorised (49/2015) (EX.80)</p> <p>Finding: In carrying out the audit, invoices that were provided as supporting documentation were not signed to acknowledge receipt of goods or services,(nor was there a goods receipts voucher submitted) for which a payable was raised at year end.</p> <p>Management does not appear to exercise proper and effective controls to ensure that sufficient supporting documentation is available and is authorised to ensure that payables are not raised for services that were not rendered.</p> <p>1. The municipality may be invoiced for unauthorised expenditure.</p> <p>The municipality may be invoiced for incorrect goods/services.</p> <p>Management did not in all instances implement controls over daily and monthly processing and reconciling of transactions.</p>	<p>Management should ensure that invoices are signed/stamped to confirm that the municipality acknowledges the expense</p>	<p>Management will strengthen this control to ensure that all the invoices are signed to acknowledge receipt of goods or services</p>	Ongoing	<p>Creditors Clerks Accountant Expenditure</p>	CFO	CFO

417	<p>Expenditure General expenditure- cut off- Insufficient supporting documentation (EX.83)</p> <p>Finding:</p> <p>Insufficient supporting documentation was provided for the following items:</p> <p>Documentation supporting transactions processed by journals are not appropriately filed and safeguarded</p> <p>Limitation of scope on recognition of expenditure amounting to R 144 239.54</p>	<p>The CFO should obtain the documentation supporting journals passed and submit them for audit.</p> <p>Refer to subsequent tab of the linked working paper for testing of documentation received from management</p> <p>Only difference noted was on journal number 10012585 as on recalculation of amount as per supporting documentation a difference of R 3 683.48</p> <p>Extrapolated difference of (R120 023.45) and this will be aggregated with other uncorrected misstatements. Matter will be included in management report.</p>	<p>All supporting documentation and supporting journals are filed and kept in a safe place. A register is also kept to record the movements of journals. Journals were submitted for audit purpose.</p> <p>Management acknowledged the audit finding; however please find the attached supporting documentation.</p>			Accountant: Expenditure	CFO
420	<p>Transfers and subsidies: Indigent support Eskom supplies - Insufficient supporting documentation (CoAF 21/2015) (EX.94)</p> <p>Finding:</p> <p>The Eskom indigent register submitted could not be compared to the monthly Eskom billing as no list of indigents billed was attached to the monthly invoices.</p>	<p>The chief financial officer should design and implement adequate controls to ensure that sufficient documentations are available to support recorded transactions.</p> <p>Management response noted. However, no list of indigents billed was attached to the monthly Eskom invoices. The occurrence and accuracy of the transactions could</p>	<p>Management acknowledged the audit finding, however please find the attached supporting documentation (List of indigents billed).</p>			Accountant: Expenditure	CFO

	<p>The cause is Eskom invoices that are not reviewed for validity and accuracy by the Municipality.</p> <p>Free basic electricity billed for the year to the amount of R996,804 as per the annual financial statements could not be confirmed due to the limitation of supporting documentation not submitted.</p>	<p>not be confirmed and the matter will be reported in the management report.</p>					
422	<p>Expenditure General Expenditure: Journals - Insufficient supporting documentation (CoAF 26/2015) (EX.128)</p> <p>Finding:</p> <p>Contrary to the above, insufficient supporting documentation was submitted with the following journals:</p> <p>Transactions and supporting information are not filed appropriately</p> <p>Non-compliance with section 74 of the MFMA</p> <p>Limitation of scope with regard to the audit of general expenditure</p>	<p>Management should ensure that sufficient supporting documentation is provided as evidence of the validity and accuracy of the journal.</p>	<p>10011703: Attached please find supporting documentation as evidence and validity of the journal submitted for audit.</p>			<p>Accountant: Expenditure</p>	<p>CFO</p>

	<p>Inefficiencies in the audit process due to delays in getting the required information.</p> <p>Possible projected misstatement of general expenditure by R7 802 220,58</p>						
425	<p>Expenditure General Expenditure- Invoices not signed or stamped to confirm receipt of services/goods (CoAF 31/2015) (EX.129)</p> <p>Finding: Contrary to the above, the following invoices were not signed, nor was there a goods received voucher to confirm receipt of goods/service. Management did not exercised proper and effective controls to ensure that invoices are authorised or stamped to confirm receipt or acknowledgement of the expense.</p>	<p>Some documentation has been provided to AG and the matter resolved.</p>	<p>Management will ensure that all invoices been checked and signed with applicable date stamps attached to documentation.</p> <p>The municipality is unable to verify Eskom electricity readings due to the fact that the municipality does not have access to the Eskom meter.</p>	<p>On-going process</p>		<p>Supply Chain Clerks and Expenditure division to check before payments made</p>	<p>CFO</p>
427	<p>Payables - Suspense account not cleared at year-end (EX.87)</p> <p>Finding:</p> <p>Contrary to the above provision, the following suspense accounts were not cleared at year end:</p> <p>The chief financial officer did not ensure that all transactions have been</p>	<p>The chief financial officer should ensure that suspense accounts is timely cleared</p>	<p>Management disagrees with the audit finding. This suspense account has been considerably reduced from the previous year. Please take note it is not possible for the municipality to clear the vote on year end because customers deposit money into the bank</p>			<p>Manager: Revenue</p>	<p>CFO</p>

	<p>followed up and allocated to their correct accounts</p> <p>Over and understatement of the accounts to which the transactions should have been posted.</p>		<p>account without references.</p> <p>Management is in agreement with the finding.</p> <p>Though the unknown deposits suspense account is not totally cleared, however, management is, on a regular basis clearing the deposits where possible, where the amount is not cleared, is as a result of an unknown referencing that could not be mapped to the consumers 'account number.</p> <p>Attached is the unknown deposits vote which shows all the deposits that were cleared during the financial year. The CB numbers represent all the cleared ones.</p>				
429	<p>VAT payable: Information not presented for audit purposes and no narrations were provided for journals (EX.144)</p> <p>Finding:</p> <ol style="list-style-type: none"> 1) The following journal was not being provided for audit purposes. 2) No narrations were provided for the following journals. 3) Poor record keeping by the municipality. 4) Limitation of the scope of the audit. 	<p>Management should provide the requested information for audit purposes.</p>	<ol style="list-style-type: none"> 1. (a) Management disagree with the audit finding, journal no: 10012477 was submitted along with those listed below: 2. (b) Narrations <p>The SEBATA System process/configuration constitute the basis for all Journals</p>			<p>Manager: Budget and Reporting</p>	<p>CFO</p>

	<p>5) Inability to determine that journals are appropriately recorded.</p>		<p>Input VAT (VAT on Creditors Invoices) is debited on initial transaction and once payment is done Input VAT on Creditors Invoices is credited and Input VAT on Invoices paid is debited.</p> <p>Output VAT (VAT on Debtors Invoices) is credited on the initial transaction and once payment is received Output VAT on Debtors Invoices is debited and Output VAT payable is credited.</p>				
434	<p>Payable: Leave accrual differences (Ex149) (EX.149)</p> <p>Finding:</p> <p>Contrary to the above during recalculation of leave accrual the following differences in leave accrual were identified:</p> <p>Extrapolated error =R 561 123.67</p> <p>Management did not ensure that leave is accurately recorded</p>	<p>The head of corporate services should implement controls to ensure that leave is accurately recorded</p>	<p>The leave allocation has to be recorded accurately and employee files to be checked weekly – report to the effect must be submitted monthly for evaluation</p>			<p>Manager: Human Resources</p>	<p>Director of Corporate Services</p>

	This resulted in understatement of leave accrual by projected error of R561 123.67.						
438	<p>PDOs: Prescribed KPIs not included in the SDBIP: Consistency of development objectives: (EX.7)</p> <p>Finding:</p> <p>Management did not review the SDBIP for compliance with prescribed key performance indicators</p> <p>The municipal SDBIP is not compliant with the requirements of Municipal Systems Act 2000.</p>	<p>The municipal manager should implement a training plan for senior managers in the formulation of key performance indicators</p>	<p>The management disagree with the finding on the ground that the Generally Prescribed KPI's are incorporated and contextualised within the Five Key Performance Areas of the 2014/15 SDBIP , page 19- 71 of the 2014/15 SDBIP as well as Chapter 3 and 4 of the Draft Annual Report for the period ending 30 June 2015 are points of reference.</p>	Feb 2016	Adjusted 2015/16 SDBIP & IDP, taking into account G-P KPIs approved by Council	Performance Manager	Municipal Manager
441	<p>PDOs: Mid-year performance assessment: Not submitted to treasuries by 25 January (Ex.9) (EX.9)</p> <p>Finding:</p>	<p>Management noted that the Mid-Year Budget & Performance Assessment Report was submitted to the Mayor on the 23th January 2015 as prescribed , to the FSCOGTA on the 09 February 2015 and Provincial Treasury on the 12 March 2015 including the 2014/15 Adjustment , therefore agrees with the finding and will implement the recommendations to prevent recurrence. However, it must be noted that Section 72 of the MFAM states that the Accounting Officer must assess the performance of the municipality by the 25th of</p>	<p>The municipal manager should design and implement controls to ensure timely performance reporting.</p>	27 January 2016	S72 & 52 MFMA report submitted to the Mayor, PT & NT on 25/01/2016, was tabled in Council on 26/01/2016	Manager: BTO/ Performance Manager	CFO/ Municipal Manager

		<p>January each year, and only after that it must be adopt by Council and then it can be sent off to the different stakeholders.</p> <p>The 2015/16 mid-year report was sent to the Municipal Manager and for the council agenda on the 22nd of January 2016. The Council will sit only on 26 January 2015 and will be sent to all relevant stakeholders after adoption by Council.</p>					
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443	<p>PDO: IDP: Noncompliance (EX.11)</p> <p>Finding:</p> <p>(1) IDP Not submitted to COGTA within 10 days of adoption</p> <p>(2) The budget included in the SDBIP is for the 2013/2014 financial year and not the 2014/2015 financial period</p> <p>(3) It cannot be determined whether the notice and summary mentioned under paragraph (25) (4) Municipal Systems Act were made public within 14 days of the adoption of its integrated development plan since the newspaper article which is presented for audit is not dated.</p>	<p>The municipal manager should design and implement controls to ensure timely performance planning and reporting</p>			<p>2015/16 Budget included in the 2015/16 SDBIP as per the A-G's recommendations</p>	<p>Manager: BTO/ Performance Manager</p>	<p>CFO/ Mana</p>
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	<p>Oversight processes over performance planning and reporting are not adequate</p> <p>Non-compliance of the Municipal Systems Act and the Municipal Finance Act.</p>						
446	<p>PDO: SDBIP not submitted within the prescribed timelines (EX.114)</p> <p>Finding:</p> <p>Contrary to the above provisions, the SDBIP was submitted to Treasury 15 days after approval.</p> <p>Inadequate oversight over compliance with prescribed timelines</p> <p>Non-compliance with legislation</p>	<p>The municipal manager should ensure that prescribed timelines are adhered to</p>	<p>Management response noted and since management agrees with the finding, it will be maintained and will be communicated on in the management report.</p>	Feb 2016	<p>2015/16 SDBIP was submitted to FSCOGTA within the prescribed timeframe, management will endeavour to ensure that the same is also submitted to FSPT</p>	Manager: BTO	CFO
447	<p>PDO: Limitation of scope (EX.145)</p> <p>Finding:</p>			Feb 2016	<p>Adjusted 2015/16 SDBIP & IDP, addressing the accuracy & measurability of KPIs approved by Council</p>	Manager: Sanitation Services	Direct Techn
449	<p>PDO: Targets not achieved (Ex.146) (EX.146)</p> <p>Finding:</p>			Feb 2016	<p>Adjusted 2015/16 SDBIP & IDP, addressing the accuracy & measurability of KPIs approved by Council</p>	Manager: Sanitation Services	Direct Techn

454	<p>PDO: ELECTRICITY: Targets not achieved (Ex.183) (EX.183)</p> <p>Finding:</p>						
456	<p>PDO: WASTE MANAGEMENT: Reported performance not reliable (191) (EX.191)</p> <p>Finding:</p>			Feb 2016	Adjusted 2015/16 SDBIP & IDP, addressing the accuracy & measurability of KPIs approved by Council	Manager: Waste Management Services	Direct Techn
458	<p>Revenue: Valuation roll and financial system not updated with property transfers (EX.30)</p> <p>Finding:</p> <p>The following discrepancies between the valuation roll and title deeds registry were noted in respect of property ownership. The following property owners as reflected in the valuation could not be traced to the title deeds registry.</p> <p>The municipal valuation roll has not been updated to reflect property transfers as per title deeds registry</p> <p>Municipal accounts are sent to the incorrect debtor (address) which complicates the recovery of such accounts</p>	<p>The chief financial officer should ensure that the financial system and the valuation roll are updated to reflect changes in changes in property ownership.</p> <p>Certain changes might have been made in the valuation roll based on the ownership of the property owners however the soft copy valuation roll we received does not agree to the changes made and therefore we disagree with the response. Management should ensure that the necessary changes in the valuation roll are done on a yearly basis with regards to the system so as the auditors can understand those changes and agree to them when necessary. It is also not even clear if certain changes based on the values of property were agreed upon with the valuer's of property as there is no indications whatsoever on the agreements.</p>	<p>1.</p> <p>(a) Management is not in agreement with the finding.</p> <p>The owners in terms of the valuation roll was compared by the Auditor General against the municipal original valuation roll which was implemented July 2013 (prior to all the registration dates referred to in column 5), because it's the original valuation, the changes made afterwards to the original valuation roll will reflect on the current</p>			Manager: Revenue	CFO

			<p>systematic valuation roll as and when the system is updated with the changes.</p> <p>Attached please find the Deeds search and the owners in terms of SEBATA system.</p> <p>2. (b) Management is not in agreement with the finding.</p>				
461	<p>Revenue: Rates: Incorrect format for the valuation roll (EX.31)</p> <p>Finding:</p> <p>the municipal valuation roll was not created in two parts A and B</p> <p>Inadequate oversight over the preparation and approval of valuation roll</p> <p>The valuation roll does not comply with the requirement of section 23 of the Municipal Property Rates Act no.6 of 2004</p>	<p>The municipal manager should ensure that the valuation is compliant with the requirement of legislation.</p> <p>1. Revenue – Property Rates: Incorrect format for the valuation roll.</p> <p>Management is not in agreement with the finding.</p> <p>Disagree with management’s response because though the Municipality might have a good valuation roll in the system, it is required that they also have a well-constructed valuation roll on their hardcopies.</p>	<p>The municipal valuation roll does comply with the requirements of sec.23 of the Municipal Property Rates Act: No.6 of 2004 as it reflects Part A and B.</p> <p>On the Sebata Financial System, under the Consolidated Billing Module, the Auditor General can just follow the following steps as to confirm the Part A & B of the valuation roll.</p> <p>Process</p> <p>2. Financial</p>			Manager: Revenue	CFO

			<p>3. Valuation roll</p> <p>4. Type of roll - General valuation roll (A)</p> <p>1. - Rebate valuation roll (B)</p> <p>2. The PF03 report can then be run with the setup parameters chosen to reflect Part A & B of the valuation roll.</p>				
465	<p>PDO: Reliability of audit evidence: Reliability of PI: Indigents support: Ex.177) (EX.177)</p> <p>Finding:</p> <ol style="list-style-type: none"> 1. The following households in Thaba Patswa and Ladybrand have discrepancies with their indigent status: 2. The COGTA system for customer complains doesn't include the time for completion of the call 3. Management did not review the indigent listing. 4. The COGTA system is not designed to provide sufficient information. 5. Reported performance is misstated. 	<p>The head of performance monitoring and evaluation should ensure that reported performance is verified to supported information.</p> <p>The incompleteness of indigents in Platberg will remain and will be communicated on in the management report.</p> <p>(b) Management response noted but since the indicators related to consumer complaints are specific to the time lapse of attendance of calls and this cannot be confirmed by inspection of the system and in the complaint register presented for audit. The finding will remain and will be communicated on in the management report.</p>	<p>(b) Management does not agree with the finding in that the FS COGTA customer complaints, adequate as is in our view, it is complemented by our manual customer complaints register.</p>	Feb 2016	Adjusted 2015/16 SDBIP & IDP, addressing the accuracy & measurability of KPIs approved by Council	Manager: Revenue	CFO

470	<p>Planning: Revenue and receivables cycle: Testing of controls in billing (EX.3) – Finding: 1. Consumer was not levied for reconnection fee-</p> <p>Finding: 2.The estimated levy for a consumer has not been based on the past, minimum charge.</p>	<ol style="list-style-type: none"> 1. Consumers are not levied against the service account, but have to pay the reconnection fee before service is reconnected. The person has paid a portion before disconnection took place. 2. The meter was broken and therefore has been indicated as such – therefore correctly not interims charged, but the basic levy. 	<ol style="list-style-type: none"> 1. Policy and procedures to be followed. 2. Normal policy and procedures to be followed. 	With immediate effect.	Done	Manager: Revenue	CFO
474	<p>Planning: Revenue: Internal controls: sale of graves (EX.8)</p> <p>Finding:</p> <p>, No confirmation could be obtained to confirm that the grave register for Ladybrand is reviewed</p> <p>The chief financial officer has not implemented review controls over the processing of revenue transactions from the sale of graves.</p> <p>Possible incorrect processing of revenue transactions.</p>	<p>The chief financial officer should implement review and approval controls over processing of revenue transactions</p>				Manager: Revenue	CFO

KPA: LOCAL ECONOMIC DEVELOPMENT

STRATEGIC OBJECTIVE:

Create an environment that promotes local economic development

INTENDED OUTCOME:

Improved local trade and investment turnover and creation of decent employment

Local Economic Development

The purpose of local economic development is to build up the economic capacity of a local municipality to improve its economic future and the quality of life for all. It is a process by which public, business and non-governmental sector partners work collectively to create better conditions for economic growth and employment generation. In Mantsopa opportunities exist for communities to collaborate with each other to help all their economies grow, this can be achieved by supporting strategic infrastructure, environmental improvements and economically friendly regulations that demonstrate a broad intention for local economic development.

Local conditions determine the relative advantage of a municipal area and its ability to attract and retain investment. Low and medium capacity municipalities with small towns and their surrounding rural areas can develop local economic opportunities at a national or international level by building on their local economic strengths, hence it is important that a Local Economic Development Strategy, which is inclusive of critical focal points such as Trade and Investment promotion, Manufacturing, Industrialization and SMME development is developed for Mantsopa Local Municipality. Institutional capacity assessment and building is also an important component of the LED Strategy, so a dedicated effort should be given to build this capacity.

THE PEOPLE SHALL SHARE IN THE WEALTH OF OUR ECONOMY

LOCAL ECONOMIC DEVELOPMENT & TOURISM

In realising the above-mentioned thrust of our Freedom Charter, operationalised in the Integrated Development Plan as a Key Performance Area, the municipality established a fully fleshed division within the Office of the Municipal Manager, dealing with Local Economic Development, Tourism and Rural Development.

It is through the work of the division that we were able to develop and implement the Local Economic Development Strategy, which was reviewed annually. As part of the IDP processes, the strategy included rural development, tourism, and SMMEs as part of its key thrusts through which key interventions can be effected in creating employment and fighting poverty. In addition to employment opportunities created through the Expanded Public Works Programme, CWP and other environmental related projects, we supported our small business stakeholders through the following sustainable projects in which we facilitated the sourcing of funding and other support.

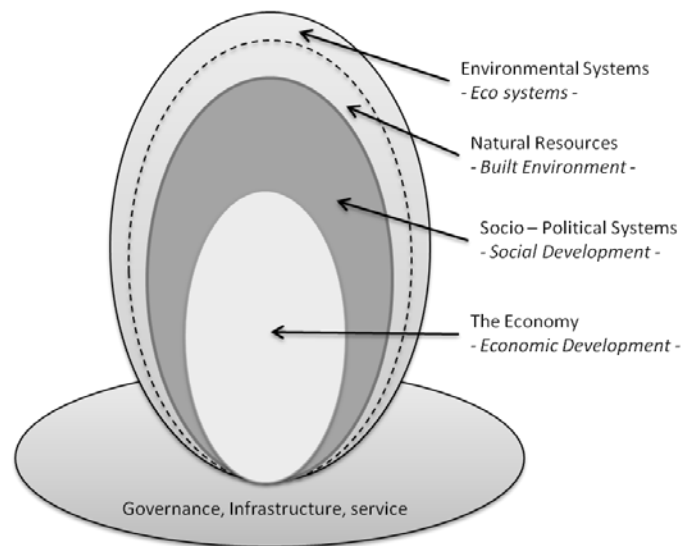
NAME OF PROJECT	LOCATION OF PROJECT	YEAR FUNDED AND PRESENT STATUS
Farm Fort Project	Assisi(Marseilles)	The project was funded in 2010 by MTN Foundation and FDC. The project is a milk production and have more than 20 milk cattle. The project has a supplier who comes to collect milk from but the only problem is the small milk tank that they are using as in summer they cannot store milk in the tank and the milk gets sour. The project is still in operation till now and has employed 2 males and all the sisters at Assisi are responsible for the project the males are only helping with milking and storage of the milk: 2 males and 3 females and all are not Youth
Kgatelopele Brick and Paving	Ladybrand (Manyatseng)	This project has been established since 2001 but struggled to get funding up until 2010 when the Municipality interfered and brings in one paving project to manufacture its paving from the start of the project and the project started running again and till to date the project is still in operation and employed 2 females and 5 males: 2 young females and 2 young males.
Mantsopa Mother's Agricultural Primary Co-op	Ladybrand (Manyatseng)	This project started its operations in 2008 under the good care of the Municipality in 2010 the Municipality made it easy for the project to get funding for a vehicle (bakkie). This one of the agricultural projects doing very well in Mantsopa Municipality. The project has employed 2 males and 2 females and it has a market for its vegetables around Mantsopa Local Municipality: 1 female and 1 Youth
Mokhothu's piggery farming	Hobhouse	In 2010 we suffered to get the project registered but ultimately it was registered and the project started so small with 5 pigs but now the project has grown so big that the owner is fencing around the site and also employed 3 males and 1 female: 1 young male.
Bataung Upholstery	Ladybrand	This project was funded in 2009 as an upholstery project also repairing shoes and up to this stage the project is doing well and have a full support from the Council. The project employs 3 males and 1 Youth people all males
Ipopeng Clothing Manufacturers	Ladybrand	This project was funded in 2009 to buy big sewing machines and up to now the project is doing well and also have a full support of the Council and the project is employing 3 females now 2 females and 1 Youth.
Diana Hair Salon	Ladybrand	This is a project that the Council gave its support in 2012 and allocated a building for the project to start its operations and to date the project is still operational and employs 2 females: All are Youth
Alida's Kitcheen	Ladybrand	This project was funded in 2009 and the Council gave a full support to the project and allocated a building for this project, the project is one of its kind of catering and up to so far the project is doing well and employs 2 females: 1 Youth
Seshweshwe Dress making	Ladybrand	This is part of Diana Hair Salon which was established in 2014 and the project is still struggling for support of its material but still doing fine as it is still operational and employs 1 female who is Youth: sewing: No Youth
Charcoal Project	Excelsior	The Charcoal project was funded by MTN foundation in 2010 and the project was doing so well but also managed to purchase a 10ton truck selling its charcoal around Mantsopa Local Municipality. In January 2014 the people of Excelsior went and still the electric cable that was used to get water for other things so the project collapsed and up to so far we are still looking for the money to have the project started and doing its manufacturing again. By then the project employed 4 females and 1 male: 1 Youth female
Women's Cooperative	Tweespruit	This project was funded by the department of Agriculture in 2010 and the Municipality allocated a building free to this project, Since the beginning of this project the market was very poor and the project beneficiaries were selling chicken meat at a low rate around Tweespruit, the project is still in operation but still doing very little as their income. The project employs 3 females and 1 male: 1 female
Lesedi Woodwork Project	Excelsior	The project was also funded by MTN foundation in 2010 but the Chairperson of the project did not work well with the funding until FDC and MTN Foundation collects the material that was bought by the chairperson. The Chairperson of this project did not want to have any advises from anybody and the people who were working with her just left her with the project until by 2013 the project collapsed but still there is machinery that was bought by the Municipality In 2008/2009 lying in the building and the project and nothing is happening till to date:
Mamotse Kitchen	Tweespruit	This is a catering project in Tweespruit and has employed 4 females and 3 males: The for females are Youth and the 3 males are also Youth
Planet 2000	Ladybrand	This is a general dealer project mainly doing the catering and has employed 1 female and 1 male: both are not Youth

Pabala Training	Ladybrand	This is a catering project in Ladybrand and has employed 2 females and 1 is Youth.
Ka Pitseng	Ladybrand	This is also a catering project in Ladybrand and is employing 2 females and 1 male: 1 male is Youth
Lere la THuso	Hobhouse	This is a catering project in Hobhouse and employs 3 females and all are not Youth

SECTION E: DEVELOPMENT STRATEGIES

Development Strategies

Figure1: Strategy Model.



The way in which five sustainable development themes are pursued is briefly outlined below.

a) Economic development

The structure of the local economy is described in the Situational Analysis. In order to move the economy and the associated institutions in the much needed development direction the following strategies are to be proposed to ensure sustainable development in the Municipality:

- Identify strategic economic initiatives per Sector
- Grow / stabilize the economic sectors
- Identification and implementation of keystone projects,
- Development of human resources,
- Provision of a system of business support,
- Development of poverty eradication strategies,
- Improvement of the regulatory environment and service delivery,

- create an effective developmental partnership between government and civil society to limit and reverse the spread of HIV&AIDS and TB

c) Sustainable environmental utilization

The sustainable use of the environment is divided up in two components namely:

- Spatial development as manifested in settlement patterns of the region's inhabitants and;
- Sustainable use of the natural environment

d) Spatial development

- The towns and villages in Municipalities are characterized by development that is spatially fragmented mostly associated with previous apartheid policies.
- Over the last number of year's rapid growth in the lower socio-economic settlements occurred within built-up areas and on the fringes of settlements which caused unmanaged urbanization.
- The low density patterns of lower socio-economic settlements result in high cost of service provision which resulted in urban sprawl.
- Decisions on spatial developments are often taken by a range of different authorities and full cognizance of its combined effect gives rise to unfavorable environmental and serviceability impacts, planning is not done in a coordination manner.
- Depletion of valuable natural resources and agricultural land. The consequence of abovementioned spatial development has an impact on the sustainable use of the natural environment

e) Infrastructure and service delivery

To ensure that a Municipality can cope with its future demand for infrastructure and service provision an integrated infrastructure development plan is needed to especially focus of the following key areas:

i. Strategic focus

- In order to ensure that infrastructure plans are not wish lists, public meetings should be arranged in the Municipality in order to agree on attainable objectives.
- Infrastructure planning should be guided by three principles namely to;
 - eliminate the backlogs of the past
 - Maintaining existing infrastructure
 - Plan and design new infrastructure timorously in order to satisfv future demand in a cost

- Solid waste
- Housing

Housing should be seen as one of the areas of service provision that needs special attention because of the urgent need. The strategies need to be aligned with national and provincial policy documents. Housing plans should be reflected in the spatial development framework for a Municipality which supports the integrated development of previously disadvantaged communities. The framework should be aligned with the economic development Plan of the Municipality. The strategies for housing projects of the municipality focus on the destitute and the homeless residents. Alternative housing types for all groups should also receive attention. The GAP housing market that caters for the middle income groups needs to be explored. The Municipality should further investigate mixed housing and land use patterns in order to facilitate integration in line with the Spatial Development framework and national and provincial policies.

The provision of energy to local government users is a very important service where local authorities mainly act as a conduit for the national provider. It is one of the long term objectives of a Municipality to become less dependent on external sources of energy. Alternative sustainable renewable energy sources should be investigated as a way to decrease this dependence and also at the same time create employment opportunities that can result from renewable energy projects. As part of the economic development plans, outlined above, the viability of solar, wind and solid waste energy plants should be assessed.

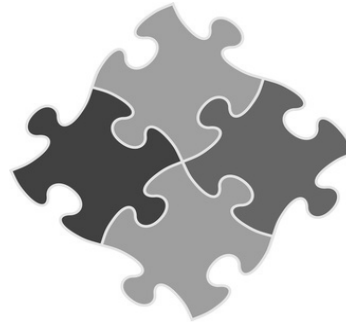
f) Good governance

Good governance is the cornerstone of the wellbeing of a community. Representatives should be elected by the community and must adhere, amongst others, to the following principles:

- Be accountable to their constituencies
- Ensure that the wishes of the community are communicated
- Ensure that the agreed upon priorities are executed
- Must communicate with the constituencies
- Create the channels of communication
- As governing body the Council must oversee that services are provided in a cost effective way by insisting on an appropriate performance evaluation system
- Monitor the execution of operational and capital plans
- Monitor capacity to execute projects and insist on a capacity building strategy
- Ensure that policies are in place to ensure ethical behavior of municipal officials and councilors
- Ensure policies to prevent corruption

Strategic Focus Areas

In order to ensure integrated and sustainable development within the municipal area, a Municipality should formulate several strategic focus areas. In undertaking the strategy formulation process the Municipality should move towards an outcomes based approach.



These strategies cover the entire spectrum of development needs and opportunities in the Municipality. The integration of the strategies and the budgets are also being pursued during this planning cycle, which seeks to guide the development of the area over the next five years. Each strategy should have a number of programmes and related projects attached to it, which on completion translates into the achievement of the strategic goal.

The situational analysis above has made all attempts to paint picture of the current realities of the Municipality, and therefore these outcome-based strategies are meant to address the problems identified under the situational analysis phase.

The following constitute the broad strategic areas for the Municipality. These broad strategic focus areas will further be broken down into programmes and projects. They are:

a) Improve service delivery

Improving the level of service delivery is one of the critical challenges that require serious attention. A proper strategy and programme must be developed in order for the Municipality to address this challenge. This challenge will be addressed together with the challenge on ensuring strict credit control.

b) Improve relationships

It is a legal imperative for the municipality to act in a developmental way, and to provide an enabling environment for all its stakeholders to engage in a meaningful partnership with the

d) Good Governance and administration

The Municipality wants to be an institution that continuously improves its government, by ensuring good governance and an institution that has best administration practices.

e) Economic Development

The maximize the existing Economic Sectors within the Municipality and to further investigate other business and invest opportunities that will further enhance the major economic Sectors of the Municipality, this will unlock much needed employment opportunities.

f) People Development

The Municipality strives to be a place in which there is an advancement of community development, personal growth and social mobility so that at the end of the day challenges pertaining to poverty and vulnerability, inequality and social exclusion are addressed.

g) Integrated Sustainable Human Settlements

The Municipality needs to work on integrated sustainable human settlements, by ensuring that the Spatial Development frameworks do accommodate existing housing needs for all income levels and creating development incentives that will attract development within the Municipality

h) Provide infrastructure and basic services

The municipal area is characterized by areas where major service backlogs exist. This is in comparison with areas where the full range of services exists. This makes it important for the Municipality to forge good working relationships with sector departments and all stakeholders so that they will be able to contribute in as far as the provision of basic services to poor communities. Municipalities further need to ensure that developers are also responsible for service contributions to support the basic service delivery backlog programmes. This will ensure that while the up market development is going on, the poor communities are also getting something on the other hand.

i) Environment

j) Spatial form and urban management

A spatial form that embraces the principles of integration, efficiency and sustainability, and realizes tangible increases in accessibility, amenity, opportunities and quality of life for all communities and citizens of the Municipality.

k) Safe and secure environment

If the area is to meet its vision, the issues of crime, traffic-related offences, fire and emergency services, disaster management and prevention and households subject to flood risks need to be addressed. A place where life, property and lifestyles are safe and secure, so that residents and business can live and operate free of crime, threats to public safety, personal emergencies and disasters.

l) Financial sustainability:

The Municipality should strive to ensure that it is able to finance affordable and equitable delivery and development, and that maintains financial stability and sustainability through prudent expenditure, sound financial systems and a range of revenue and funding sources.

m) Ensure strict credit control

Each Municipality has to deal with huge unemployment and poverty. With this scenario it becomes critical for council to realise what the affordability levels for payment of services are and then to adopt appropriate credit control policies.

n) Manage the health environment and the HIV/Aids pandemic

Many Municipalities are faced with the major challenge of responding to the issue of HIV/AIDS and AIDS-related issues, such as Aids-orphans. To this regard, Council has to identify and introduce projects that are aimed at providing care for AIDS orphans.

Mantsopa Development Strategies

- To provide democratic and accountable government for local communities
- To ensure the provision of services to communities in a sustainable manner
- To promote a safe and healthy environment
- To promote social and economic development
- To encourage the involvement of communities and community organizations in the matters of local government.



In line with its developmental mandate, Mantsopa Local Municipality understands its service delivery objectives as set out in the developmental strategies.

Therefore, the developmental strategies as espoused in this IDP, are directly linked to a specific developmental needs and objectives which must be measured in the organizational Performance Management System (PMS), and give effect to Service Delivery and Budget Implementation Plan (SDBIP) targets/ goals.

Mantsopa Issues for Consideration linked to the KPA's

Table1: Mantsopa Local Municipality Issues for Consideration

ISSUES FOR CONSIDERATION BY THE MAYOR AND COUNCILLORS.	ISSUES FOR CONSIDERSTION BY SECTOR DEPARTMENT.	ISSUES FOR CONSIDERATION BY MANTSOPA LOCAL MUNICIPALITY AND THABO MOFUTSANYANA DISTRICT MUNICIPALITY.
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**KPA : BASIC SERVICE DELIVERY.
Health.**

<ul style="list-style-type: none"> • Inadequate staff in all local clinics and Ladybrand provincial hospital. • Transportation of patient to and from the Provincial Hospital in Bloemfontein – the patient not be responsible for the bill. • Full time ambulance service in all towns of Mantsopa Local Municipality. • Unethical behaviour, which against Batho-Pele principles in local clinics worse case reported in Hobhouse clinic. 	<ul style="list-style-type: none"> • Completion of phase 2 of new Ladybrand hospital. 	
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SAFETY AND SECURITY

<ul style="list-style-type: none"> • Poor response by the police. • Mobile police station in Tweespruit and Excelsior. • Resuscitating Local Policing Forum. 	<ul style="list-style-type: none"> • Construction of police station in Manyatseng. 	<ul style="list-style-type: none"> • Engage with senior management team of the department on planning stage.
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BASIC SERVICES

	Roads	Roads
<ul style="list-style-type: none"> • R10 advance payment before accessing free basic electricity. • Re-opening of Juventon farm road. • Purchasing of land for oxidation ponds in Tweespruit. 	<ul style="list-style-type: none"> • Licensing borrow pits in Mantsopa for Maintenance of access roads. • Construction of Thaba Patchoa Public Road. • Construction of Thaba Nchu to Excelsior public road. 	<ul style="list-style-type: none"> • Paving of access roads in Mantsopa. • Construction of stormwater channels in Mantsopa. • Grading and Gravelling of internal streets. • Upgrading of access road from Boroa to Tweespruit. • Construction of Access Bridge in all areas of Mantsopa.

Water	Water
<ul style="list-style-type: none"> • Fund implementation of water quality monitoring. • Fund bulk water supply for Excelsior and Tweespruit. • Fund implementation of Bulk water supply for Hobhouse including commissioning of existing bore holes. 	<ul style="list-style-type: none"> • Drilling of bore holes. • Increase raw water supply. • Pump station in Platberg.
Sanitation	Sanitation
<ul style="list-style-type: none"> • Purchasing of Land for development of Oxidation ponds in Tweespruit. • Additional funding for completion of phase 3 bucket eradication projects in Hobhouse and Tweespruit. 	<ul style="list-style-type: none"> • Increase the capacity of all reported sewer lines. • Bucket Eradication in Hobhouse. • Bucket Eradication in Tweespruit.
Electricity	Electricity
<ul style="list-style-type: none"> • Electrification of new developments. 	<ul style="list-style-type: none"> • Installation of high mast in all towns of Mantsopa. • Upgrading of streetlights in Mauersnek – Voortrekker Street. • High mast lights in Ladybrand. • Substation for Electricity. • Transformer for electricity in all towns of Mantsopa.
Public Facilities	Public Facilities
<ul style="list-style-type: none"> • Construction of Ladybrand boarder post Taxi Rank. 	<ul style="list-style-type: none"> • Cleaning of all public spaces. • Development of Parks for recreation.

<ul style="list-style-type: none"> • Relocation of Piggery farm in Tweespruit. • Expired food at the local shops. 	<ul style="list-style-type: none"> • Support the Municipal EHP office on health issues. 	<ul style="list-style-type: none"> • Review the service level agreement for implementation of Environmental Health Services. • Cleanest Town Completion.
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HUMAN SETTLEMENTS

<ul style="list-style-type: none"> • Incomplete RDP houses in Mantsopa. • Waiting list for pensioners in Manyatseng old age centre. • Conversion of old age centre to municipal flats. 	<ul style="list-style-type: none"> • Funding for surveying and pegging of new township establishment. • Increase housing allocation to Mantsopa. 	<ul style="list-style-type: none"> • Review the Housing Sector Plan. • Update the living waiting list for subsidies and ervens.
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SPORTS ARTS AND CULTURE

<ul style="list-style-type: none"> • Support for local soccer teams. • Establishment of new sports committee in Ladybrand. • Promotion of arts and craft. • Promotion of new sporting codes. 	<ul style="list-style-type: none"> • Fund upgrading of sports facilities in areas of Mantsopa. • Construction of Library in Dipelaneng. • Construction of Library in Boroa. 	<ul style="list-style-type: none"> • Upgrading of sports facilities in Ladybrand and Manyatseng. • Upgrading of access road to Ladybrand sports ground. • Establishment of arts and craft centre. • Fencing of existing sports facilities in Boroa. • Construction of Multi Purpose Community Centre in Boroa. • Construction of Sports and rehabilitation centre in Boroa. • Establishment of arts and craft centre.
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DISASTER MANAGEMENT		
<ul style="list-style-type: none"> • Use of volunteers on disaster occurrences. 	<ul style="list-style-type: none"> • Coordinate establishment of Disaster Management Centre in Mantsopa. • Fund purchasing of disaster equipment. 	<ul style="list-style-type: none"> • Review of Disaster Management Plan. • Establish Disaster Management Centre in Mantsopa. • Fund purchase of Disaster Equipment.
KPA: LOCAL ECONOMIC DEVELOPMENT		
<p>Strategic Objective: Create an environment that promotes the development of the local economy and facilitates job creation.</p> <p>Intended Outcome: Improved municipal economic viability.</p>		
<ul style="list-style-type: none"> • Recover equipment donated by SANGALA. 	<ul style="list-style-type: none"> • Fund LED initiatives projects for Mantsopa. 	<ul style="list-style-type: none"> • Budget for LED projects and programmes.
KPA: FINANCIAL VIABILITY		
<p>Strategic Objective: To improve overall financial management in the municipality by developing and implementing appropriate financial management policies, procedures and systems.</p> <p>Intended Outcome: Improved financial management and accountability.</p>		
<ul style="list-style-type: none"> • Lead the budget and IDP review process in terms of section 53 of the Local Government: Municipal Financial Management Act no 56 of 2003. • Engage the communities on the importance of paying their services 	<ul style="list-style-type: none"> • Support the municipality with the new budget format. • Support the municipality with GRAP compliance. • Support the municipality with compilation of annual financial statements. • Support the municipality with section 71 and 72 	<ul style="list-style-type: none"> • Preparation of annual financial statements. • Preparation of annual budget. • Preparation of section 71 and 72 reports. • Responding to audit queries

Intended Outcome: Improved Organisational stability and sustainability.

<ul style="list-style-type: none"> • Support management on IDP implementation initiatives. 	<ul style="list-style-type: none"> • Support the municipality of policy development. • Support the municipality on by-law formulation and proclamation process. • Support the municipality on organisational design. • Support the municipality on conduction of work-study. • Support the municipality to improve the IDP rating from medium to high. • Support the municipality to improve its section 46 report in terms of the MSA. • Support the municipality to improve its section 121 of the MFMA. • Implementation of PMS. 	<ul style="list-style-type: none"> • Review of municipal policies. • Development of by-laws. • Conduct organisational design. • Conduct work-study. • Improve the quality of the IDP. • Prepare section 46 report. • Prepare section 121 report. • Implement PMS.
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KPA: PUBLIC PARTICIPATION AND GOOD GOVERNANCE
Strategic Objective: Promote a culture of participatory and good governance.
Intended Outcome: Entrenched culture of accountability and clean governance.

<ul style="list-style-type: none"> • Ensure public participation structures are functional e.g. ward committees. • Ensure that CDW's are effective. • Ensure that ward public meetings are convened. • Ensure that Local Imbizos are convened. • Ensure participation of all councilors in IDP and Budget process. 	<ul style="list-style-type: none"> • Train Mantsopa ward committee. • Enter into a service level agreement with Mantsopa on the use of CDW's. • Support the municipality during local Imbizos. 	<ul style="list-style-type: none"> • Train Mantsopa ward committees. • Cooperate with CDW's. • Help with coordination of public meeting and Imbizos.
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MANTSOPA LOCAL MUNICIPALITY'S IDP PROJECTS

Table2: IDP Projects for the Municipality

Table.2: Summary of Mantsopa Local Municipal Strategies

BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT				
STRATEGIES	IDP NO.	PROGRAMMES/PROJECTS DESCRIPTION	2017/2022	PROGRESS TO DATE
WATER AND SANITATION				
<ul style="list-style-type: none"> • Increase bulk water supply • Establish new operational laboratories. • Implement WCWDM • Commissioning of boreholes. • Increase bulk water supply. • Increase security, need to be house with bricks • Replace old infrastructure. 	WT 01	Replacement of asbestos from Genoa to Ladybrand	R20 000 000	Not yet funded
	WT 02	Installation of telemetries, Pressure Valves, and Bulk & Zonal Meters.	R3 500 000	Not yet funded
	WT 04	Installation of Fire hydrants	R200 000	Not yet funded
	WT 05	Water testing equipment	R150 000	To be incorporated in exiting water projects
	WT 06	Water tanker	R300 000	Not yet funded
	WT 07	Replacement of asbestos pipes in Ladybrand	R20 000 000	Not yet funded
	WT 08	Construction of boreholes	R3 000 000	Not yet funded
	WT 09	Refurbishment of Manyatseng Pressure House	R500 000	Not yet funded
	WT 10	Refurbishment of old high pressure pump station (Manyatseng)	R200 000	Not yet funded
	WT 11	Hobhouse: Upgrading of raw water weir	R1 000 000	Not yet funded
	WT 12	Hobhouse: Groundwater source verification and borehole development	R200 000	Not yet funded

WT 17	Thaba-Patchoa: Upgrading of raw pipeline and pump station	R500 000	Not yet funded
WT 18	Thaba-Patchoa: Upgrading of the Water Treatment Works	R2 000 000	Not yet funded
WT 19	Thaba-Patchoa: Refurbishment of the reservoirs	R200 000	Not yet funded
WT 20	Thaba-Patchoa: Installation of scours, bulk meters and valves	R200 000	Not yet funded
WT 21	Thaba-Patchoa: Installation of scours, bulk meter and valves	R300 000	Not yet funded
WT 22	Thaba-Patchoa: Development of boreholes	R3 000 000	Not yet funded
WT 23	Thaba-Patchoa: Construction of offices, testing room and ablution facilities Water Treatment Works	R150 000	Not yet funded
WT 24	Tweespruit: Construction of boreholes	R9 000 000	Implementation stage – RBIG
WT 25	Tweespruit: Upgrading of raw pipeline from Lovedale dam to Kopano WTW	R11 000 000	Procurement stage – RBIG
WT 26	Tweespruit: Upgrading of pump station	R1 000 000	Not yet funded
WT 27	Tweespruit: Construction of offices and ablution facilities	R100 000	Not yet funded
WT 28	Tweespruit: Upgrading of Package plant(Water Treatment)	R200 000	Not yet funded
WT29	Excelsior: Construction of boreholes	R9 000 000	Implementation stage – RBIG
WT 30	Excelsior: Upgrading of two new raw water pipeline one to the plant and the other to the balancing dam. Including the pump station	R12 000 000	Procurement stage – RBIG
WT 31	Excelsior: Upgrading of the package plant(Water Treatment)	R30 000 000	Designs are available. Not yet funded
WT 32	Excelsior: Refurbishment of town high pressure pump station	R150 000	Procurement stage – RBIG
WT 33	Excelsior: Construction of offices, testing room and ablution	R100 000	Not yet funded

	SAN 01	Tweespruit/Boroa: Sewer reticulation and treatment works for 1353 sites (bucket eradication)	R2 000 000	All the phases are complete. The commissioning is required. Funded by MIG
	SAN 02	Hobhouse: Sewer reticulation and treatment works for 1282 sites (bucket eradication)	R2 000 000	All the phases are complete. The commissioning is required. Funded by MIG
	SAN 03	Upgrading of Manyatseng WWTW	R10 000 000	Procurement stage – DWS
	SAN 04	Upgrading of Platberg sewer pump station	R1 500 000	Not yet funded
	SAN 05	Refurbishment of Carthcartdrift dam pump station	R300 000	Not yet funded
	SAN 06	Upgrading of Thaba-Patchoa Oxidation ponds and including fencing	R27 164 774.50	Contractor: HS B 01/2015/2016
	SAN 07	Thaba-Patchoa: Purchasing of testing equipment	R200 000	Not yet funded
	SAN 08	Purchasing of a Sewer Jet	R9 000	Still to be purchased this financial year

ROADS AND STORM WATER

<ul style="list-style-type: none"> • Identify and apply for licensing with relevant department. • Renting from government garage and budget for own resources. • Upgrade and rehabilitate. • Build/construct roads. • Submit application to MIG for upgrading of roads in the municipality. • Maintain roads to standards to avoid unnecessary claims. Upgrade and increase capacity. • Encourage integrated planning and enforcement of bylaws. • Apply for funding to rehabilitated damaged infrastructure due to floods. Implement storm water master plan and compliance to disaster management plan. • Erecting and review naming of streets in line 	RSW 01	Developments of compliant borrow pits in Mantsopa X 4	R0	Not yet funded
	RSW 02	Gravelling of identified roads in all towns of municipality	R0	Implemented with operational budget. On-going process.
	RSW 03	Purchase Excavator	R3 000 000	The municipality has resorted to hiring as the need arises.
	RSW 04	Purchase a vibrating smooth wheeled roller	R800 000	The municipality has resorted to hiring as the need arises.
	RSW 05	Boroa: Construction of 1.2km Paved road	R11 000 000	The project is on implementation
	RSW 06	Platberg: Paving of street and storm water channels	R12 000 000	The procurement processes have begun
	RSW 07	Repair of storm water channels in Mantsopa	R5 000 000	Some storm water channels to be implemented through roads projects
	RSW 08	Dipelaneng: Paving of internal streets and storm water channels	R20 000 000	2017/2018
	RSW 09	Mahlatswestsa: Paving of internal streets and storm water channels	R8 000 000	2018/2019
	RSW 10	Manyatseng: Paving of internal	R8 000 000	2018/2019

<ul style="list-style-type: none"> • Upgrading of Thaba Patchoa to Tweespruit road. • Create a functional unit responsible for road and storm water. 	RSW 15	Rehabilitating roads in Hobhouse Town	R3 000 000	Not yet funded
	RSW 16	Construction by paving of access road to Manyatseng cement reservoir and the Graveyard	R8 000 000	Not yet funded

ELECTRICITY

<ul style="list-style-type: none"> • +Secure the municipal premises and conduct awareness campaigns. • Equitable distribution of high mast/medium and street lights. • Purchasing of electricity truck mounted with SABS approved cherry picker and possible relocation of electricity material (storage). • Review of SLA with Centlec and Eskom. • Replacement or upgrading of all identified aging infrastructure (status quo report available). • Secure premises against vandalism and encourage integrated repair and maintenance of infrastructure. • Training of existing personnel. • Appointment of additional and qualified personnel. • Encourage integrated repair and maintenance of infrastructure. • Secure municipal properties. E.g. fencing and physical patrols (IGR). • Provision of household electricity connections. • Routine inspections, awareness campaigns and law enforcement. • Encourage integrated planning and execution. • Engage with service providers i.e. Eskom and Centlec. 	ELEC 01	Upgrading of electricity infrastructure at Arthur Pitso Stadium	-	Funded by MIG, the project is to be part of the planned upgrade for the next financial years
	ELEC 02	Procurement of electricity truck mounted with cherry picker	R1 200 000	To be procured this financial year.
	ELEC 02	Installation of street lights from both entrances to Ladybrand	R1 500 000	2016/2017
	ELEC 03	Installation of High Mast Lights in Mantsopa Towns	R11 845 443.57	2018/2019

WASTE MANAGEMENT

<ul style="list-style-type: none"> • Identification of suitable land • Rental of additional equipment from 	WM 01	4 x Tractors and trailers	R1 200 000	To be procured later this financial year.
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<ul style="list-style-type: none"> Engage and register waste pickers Relocation of Indalo-Yethu project management to relevant unit to prepare for proper exit Ensure strict implementation of NEMA Installation of weigh bridges at the entrance of all landfill sites Conduct audits on capacity of landfill sites Conduct awareness campaigns and ensure strict implementation of NEMA Conduct awareness campaigns and involve relevant provincial sector departments Establish clear terms of reference and communication channels 	WM 06	Construction of recyclable waste transfer stations in Tweespruit, Hobhouse and Excelsior	R3 200 000	Not yet funded
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SPORTS, RECREATION, ARTS AND CULTURE

	SRAC 01	Manyatseng: Upgrading Arthur Pitso Stadium Phase 3	R3 900 000	Funding through MIG
	SRAC 02	Dipelaneng: Rehabilitation Sports ground	R3 000 000	Not yet funded
	SRAC 03	Boroa: Rehabilitation Sports ground	R2 300 000	2018/2019 Through MIG
	SRAC 04	Mahlatswetsa: Rehabilitation Sports ground	R3000 000	Not yet funded
	SRAC 05	Tweespruit: Construction of new park with playing equipment	R6 000 000	Not yet funded
	SRAC 06	Thaba-Patchoa: Construction of new park with playing equipment	R6 000 000	Not yet funded
	SRAC 07	Excelsior: Construction of new park with playing equipment	R6 000 000	Not yet funded
	SRAC 08	Hobhouse: Construction of new park with playing equipment	R6 000 000	Not yet funded

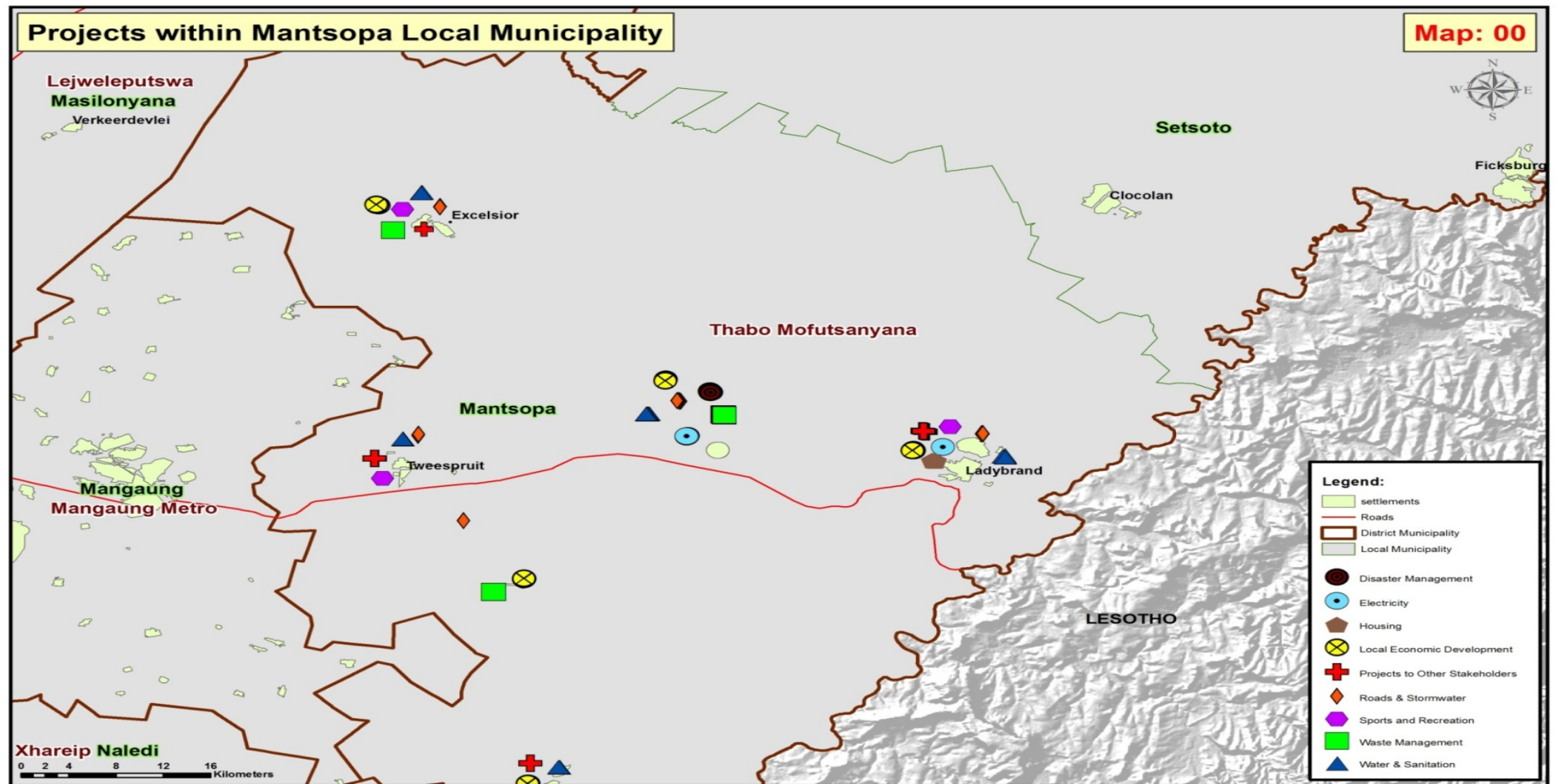
GOOD GOVERNANCE

	MP 01	Upgrading of Manyatseng Offices	R 2 000 000	Funding is not yet secured
	MP 03	Security for Municipal Properties	R 2 000 000	Finalising the organogram prior to implementation of this process.
	MP 04	Printing of the IDP Document		
	MP 05	Review of Sector Plans		

	SP 03	sanitary pads at farms (Caring for		
	SP 04	Women's' day celebration		
	SP 05	Lunch with the boy child		
	SP 06	Mayoral Games		

Map1: IDP Projects in Mantsopa Local Municipality

Refer to the legend at the bottom left of the map. The legend indicates a project marked by a symbol.



Mantsopa Local Municipality MIG Projects

Table 3: IDP/MIG Projects for the Municipality
MIG Funded Projects

MIG Reference Nr	Project Name	EPWP Y/N	Project Value	MIG Value	Status (Not Registered, Registered, Design & Tender, Construction, Retention, Completed)	Planned date: Project to Start	Planned date: Project to be Completed	Planned Expenditure for 2017/2018	Planned Expenditure for 2018/2019	Planned Expenditure for 2019/2020	Category	Ward
	PMU	-	953 050.00	953 050.00				1 017 900,00	1 065 500,00		PMU	All
MIG/FS1041/R,ST/15/17	Borwa: Construction of paved road and storm water channel 1.2km	Y	13 275 327.00	13 275 327,00	Retention	12-Aug-15	30-Nov-16	4 153 682.30	35 000		R,ST	1
MIG/FS1070/F/15/16	Boroa: Erection of 755 metres of concrete palisade fence at the graveyard	Y	714 491,00	714 491,00	Registered	01-Nov-17	30-May-18	0.00	-		F	1
MIG/FS1071/F/15/16	Excelsior: Erection of 730 metres of concrete palisade fence at the graveyard	Y	693 705,00	693 705,00	Registered	01-Nov-17	30-Nov-18	592 827.70	100 877.30		F	8,9
MIG/FS1097/R,ST/16/17	Platberg: Construction of 0.6km paved road and storm water	Y	7 518 804,00	7 518 804,00	Registered	20-Feb-17	31-Sep-17	1 473 180.83	-		R,ST	7
MIG/FS1143/CF/17/18	Manyatseng: Upgrading of recreational and sports facilities at Arthur Pitso stadium (Phase 3)	N	3 900 031.00	3 900 031.00	Registered	14-May-12	29-Sep-18	3 900 031.00	-		SP	3
MIG/FSR,ST/17/19	Dipelaneng: Construction of 2km paved ring road and storm water in Maclasseng and Graveyard	Y	20 152 782.00	20 152 782.00	Registered	20-Feb-17	30-Nov-18	13 339 060.47	5 287 809.34		R,ST	2
	Installation of 25 High Mast Lights in Excelsior, Hobhouse, Ladybrand & Tweespruit	N	11 845 443.57	11 845 443.57	Not Registered	01-Aug-17	28-Feb-19	-	11 845 443.57		R,ST	ALL
	Tweespruit: Rehabilitation of Sports Field	N	2 295 878.79	2 295 878.79	Not Registered	01-Nov-17	28-Feb-19	-	2 295 878.79		F	2
	Total		139 996 579,68	136 778 440,04				20 358 000,00	21 310 000,00			

RBIG Funded Projects

RBIG Reference Nr	Project Name	EPWP Y/N	Project Value	RBIG Value	Status (Not Registered, Registered, Design & Tender, Construction, Retention, Completed)	Planned date: Project to Start	Planned date: Project to be Completed	Planned Expenditure for 2017/2018	Planned Expenditure for 2018/2019	Planned Expenditure for 2019/2020	Category	Ward
RBIG/FS196/W/01/16/18	Tweespruit: Installation and Construction of boreholes and associated pipelines		11 000 000	11 000 000	Construction	25-Oct-16	30-Jun-17	4 241 294			W	1 & 9
RBIG/FS196/W/02/16/18	Excelsior: Upgrading of new raw water pipelines to the plant and to the balancing dam. Including the pump station		14 936 239	14 936 239	Construction	25-Oct-16	30-Jun-17	10 758 706			W	8 & 9
	Total		25 936 239	25 936 239				15 000 000	20 000 000	30 000 000		

Project from sector departments

Town	Department	Project name	Amount
Excelsior	Agriculture	Infrastructure development, water supply, electricity, finances and access road & hydroponic tunnels agriculture	R9,8 m
Tweespruit	Agriculture	Unicom High School farming project	R4 m
Excelsior	Bloemwater	Booster pump station on the Excelsior pipeline	R6m
Ladybrand	Eskom	Ladybrand municipality, Manyatseng Feeder Bay	R2,4m
Tweespruit & Driedorp	Eskom	Tweespruit Driedorp	R26 ,5m
Ladybrand	Human Settlement	Transport Center	R20m
Ladybrand	Public Roads & Transport	Transport Center	R20m
Ladybrand	Public Roads & Transport	Testing Center	R2m
Excelsior	Public Works	Testing Station Revitalization	R5m
Tweespruit	Public Works	Testing Station Revitalization	R7m
Borwa	CoGTA	Construction of paved roads and storm water channel 1.2km	R3,5m
Dipelaneng	CoGTA	Construction of 2 km paved ring road and storm water in Dipelaneng	R13m
Excelsior	CoGTA	Erection of 730 meters of concrete palisade fence at the	R593 000

EPWP Funded Projects

RIBG Reference Nr	Project Name	EPWP Y/N	Project Value	EPWP Value	Status (Not Registered, Registered, Design & Tender, Construction, Retention, Completed)	Planned date: Project to Start	Planned date: Project to be Completed	Planned Expenditure for 2017/2018	Planned Expenditure for 2018/2019	Planned Expenditure for 2019/2020	Category	Ward
EPWP/FS196 /INF/01/17/18	Roads & Storm-water Maintenance		R 213 000	R 213 000	Planning	01-Jul-17	30-Jun-17	R 213 000	-	-	INF	All
EPWP/FS196 /SOC/02/17/18	Security Guarding to All Mantsopa Facilities		R 410 000	R 410 000	Planning	01-Jul-17	30-Jun-17	R 410 000	-	-	SOC	All
EPWP/FS196 /SOC/03/17/18	Data Capturing		R 57 000	R 57 000	Planning	01-Jul-17	30-Jun-17	R 57 000	-	-	SOC	All
EPWP/FS196 /SOC/05/17/18	Verification of Indigent Register		R 110 000	R 110 000	Planning	01-Jul-17	30-Jun-17	R 110 000	-	-	SOC	All
EPWP/FS196 /ENV/06/17/18	Cleaning Services		R 210 000	R 210 000	Planning	01-Jul-17	30-Jun-17	R 210 000	-	-	ENV	All
	Total		R 1 000 000	R 1 000 000				R 1 000 000				

SECTION H: DEVELOPMENT FRAMEWORKS

KPA: SPATIAL DEVELOPMENT FRAMEWORK

Spatial Development Framework

a) Spatial Development Framework Vision

The spatial development framework will contribute to the balanced physical development of the municipality by establishing a spatial development structure, guiding the management of future development, accommodating development pressures and additional investment, maintaining and further developing the economic potential of the municipality while protecting and integrating the natural environment of the area.

b) Legislative Framework

Section 26 of the Municipal Systems Act (no 32 of 2000) state one the key components of the IDP is a “Spatial Development Framework which must include the provision of basic guidelines for a land use management system for the municipality”.

c) Objectives of the spatial development framework

The following are the objectives for the Municipal Spatial Development Framework (SDF) and Land Use Management System (LUMS):

- To provide strategic guidance for the future, physical/spatial development of the Municipal area
- Ensuring that the envisaged physical/spatial development reflects the social, economic, environmental development issues identified in the IDP, i.e. while the SDF and LUMS provides primarily guidance for the existing and future physical / spatial development of the municipality, such development can only be considered appropriate if it adequately addresses the social, economic, environmental, institutional issues identified in the IDP.
- To create a management tool for the future development, i.e. providing a municipal-wide comprehensive town planning scheme which reflects the various existing development conditions and which provides development management for the first steps of realizing the SDF.
- To establish a development structure, i.e. identifying basic structuring elements which provide development guidance, certainty, growth opportunities and flexibility,

- To create a sense of place, i.e. building on the specific opportunities of each location and encouraging the creation of unique environments,
- To cluster development and establish a centre strategy, i.e. discouraging development sprawl, encouraging the clustering of compatible development and establishing a hierarchy of service nodes,
- To identify access routes as investment lines, i.e. utilizing levels of accessibility as guidance for the location of development components,

To recognize natural resources as primary assets, i.e. positively integrating natural elements in the creation of a human and sustainable environment

d) Alignment to Provincial and District Plan

Alignment to Provincial, District Development Plans and National Policy Priorities

The table below compares the development goals for Province, District and Mantsopa Local Municipality. Evidence of alignment with the goals and indicators for Thabo Mofutsanyana District, the Provincial Government and National Government is therefore summarized as follow:

Table 1: Development Goals

Mantsopa Local Municipality	Thabo Mufutsnyana District Municipality	PGDS	Back to basics 10 point plan
To provide sustainable infrastructure and services	Infrastructure and service	Education, innovation and skills development	<ol style="list-style-type: none"> 1. Ensuring Positive Community Experiences. 2. Municipalities Consistently Receiving Disclaimer Audit Opinions. 3. Revenue Enhancement Programme. 4. Appointment of Senior Managers In Municipalities. 5. Services and Infrastructure. 6. Implementation of Forensic Reports. 7. Metropolitan B2B Programme. 8. Strengthening Roles of District Municipalities. 9. Spatial Regional Integration Zones / Spatial Contracts. 10. Strengthen Capacity and Role
To stimulate sustainable economic development and tourism	Economic development and job creation	Inclusive economic growth and sustainable job creation	
To sustain financial management excellence	Financial viability	Sustainable rural development	
To improve human resource management excellence (Institutional transformation)	Social development	Improve quality of life	
To improve good governance trough effective leadership	Good governance and community participation	Good governance	

The outcomes of most programmes that the Department would implement and contributes towards the economic growth and job creation, social upliftment of the poor with Mantsopa area of jurisdiction, safety and security as well as a well-managed administration in the spirit of corporative governance and ensuring sustainability of services. A programmatic partnership across spheres of government is critical in dealing with developmental challenges that affect the state.

e) Alignment with the National Spatial Development Perspective (NSDP)

The vision of the NSDP states that “South Africa will become a nation in which investment in infrastructure and development programmes support government’s growth and development objectives

- i. By focus economic growth and empowerment creation in areas where this is most effective and sustainable;
- ii. Supporting restructuring where feasible to ensure greater competitive
- iii. Fostering development on the basis of local potential

Ensuring that development institutions are able to provide basic services across the country

BACK TO BASICS APPROACH

The Context for the Back to Basics Concept and Approach

- Building capacity of local municipalities in its area to perform their functions and exercise their powers, where such capacity is lacking;
- Promoting equitable distribution of resources between local municipalities in its area to ensure appropriate levels of municipal service within the area
- **Developmental local government** remains the visionary foundation for the continuing reconstruction and development of our country. The Local Government White Paper developed a vision of local government as a key component of the developmental state.
- In pursuit of that vision, basic services, social services, and civil and political rights, including participatory governance, have been progressively extended to more citizens than ever before.
- *It is recognized however, that despite our delivery achievements, much still needs to be done to improve the performance of local government.*

The Five Pillars of the Back to Basics Campaign are:

1. Putting people and their concerns first;
2. Supporting the delivery of municipal services to the right quality and standard;
3. Promoting good governance, transparency and accountability;
4. Ensuring sound financial management and accounting; and
5. Building institutional resilience and administrative capability.

Elements of B2B phase ii

- Work smarter and innovatively to increase impact
- Focus on 20% of actions that will deliver 80% of impact
- Make better use of available legal and other levers
- Engage in more interventionist monitoring and accountability, e.g. Municipal visits, spot checks of SCM processes, implementation of forensic reports recommendations, site visits of MIG funded projects
- Increase 154 support Packages and 139 interventions
- Establish programmes to address generic systemic problems – e.g. weaknesses in human resource management, supply chain management, infrastructure procurement and financial management
- Mobilise multi-departmental teams to tackle dysfunctional municipalities (mobilise national and provincial resources)
- Strengthen community participation and local government accountability to citizens through innovative platforms (e.g. social media, community radio)
- Strengthen communication about local government, use examples of best practice to promote change, and create a more positive narrative which recognises the problems but commits everyone to working together to address them

f) Alignment with Provincial Growth and Development Strategy

The Provincial Growth Development Strategy is a framework that indicates areas where economic opportunities exist; it also outlines the development priorities of the province. Some of the main objectives of the PGDS are to:

- Serve as the overarching framework for development in the province
- Guide the provincial government as well as other spheres, sectors and role players from civil society which can contribute to development in the province.
- Set a long term vision and direction for development in the province.
- Guide the district and metro areas' development agenda.

Map2: Excelsior SDF Proposal



SDF MAP 2015/2035
Mankweng Local Municipality
Excelsior/Mahlatswetsa

LEGEND

LAND USES

- Urban Edge
- Distance < 10 years
- Distance 10-20 years
- Existing Industrial
- Industrial < 10 years
- Industrial > 10 years
- Education
- Community Facility (School/Health)
- Recreation
- Open Space
- Public Open Space
- Commercial
- Residential Medium Density
- Open
- Park/Forestry

COMMUNITY SERVICES

- Water Works
- Water Reservoir
- Sanitation Plants
- Landfill Site
- 500 m Landfill site buffer
- 500 m Sanitation 0m-5m
- Existing/Planned
- Future Development

ROADS AND STREETS

- 1st National Roads
- Main Road
- Collector Roads
- Local Roads

GEOGRAPHICAL FEATURES

- 20m Contour
- Water Stream
- Water Bodies

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Map 3: Hobhouse SDF Proposals



SDF MAP: 2015/2019
 (Wardsburg Canal Municipality)
Hobhouse/Opalton

LEGEND

LAND USE

- 1-10' Buffer Edge
- Business (1-10 years)
- Business (10-20 years)
- Existing Business
- Industrial (1-10 years)
- Industrial (10-20 years)
- Existing Industrial
- Manufacturing
- Community Facility (Substation)
- Municipal
- Government
- Environmental Area
- Public Open Space
- Community
- Residential Medium Density
- Residential Single-Family
- Open Space
- Other

COMMUNITY SERVICES

- Water Tower
- Water Reservoir
- Sanitary Works
- Sanitary Line
- Water Treatment Plant
- Water Treatment Plant Buffer
- Future Construction
- Building Construction

ROADS AND STREETS

- Main Road
- Collector Street
- Local Street
- Other Street

GEOGRAPHICAL FEATURES

- Water Tower
- Water Reservoir
- Water Treatment Plant
- Water Treatment Plant Buffer
- Water Treatment Plant
- Water Treatment Plant Buffer

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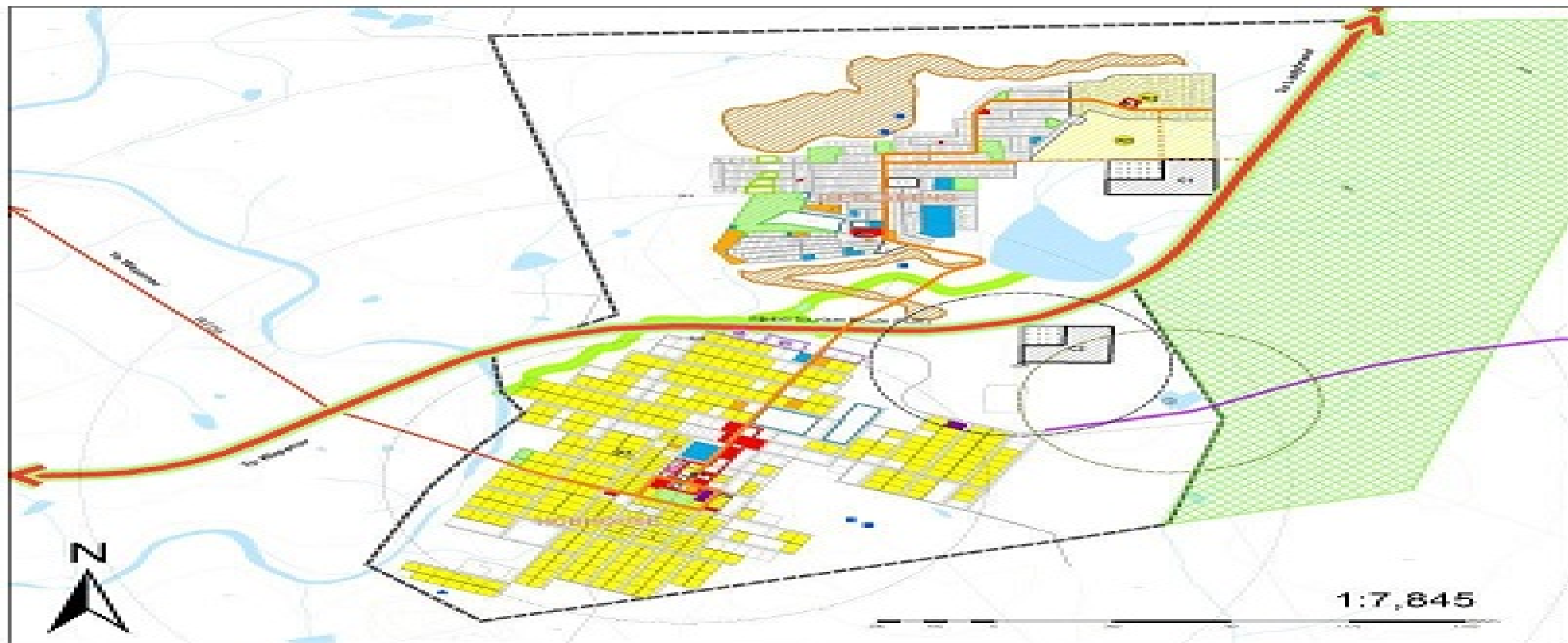
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Map 4: Tweespruit SDF Proposal.



SDF MAP: 2015/2016
 Hlabisa Local Municipality
Hobhouse/Diplaneng

LEGEND

LAND USES

- Urban Edge
- Business (1-5 years)
- Business (6-20 years)
- Existing Business
- Industrial (1-5 years)
- Existing Industrial
- Residential
- Community Facility (Childcare)
- Municipal
- Commercial
- Environmental Area
- Public Open Space
- Community
- Residential Extension
- Urban Residential Extension
- Urban
- Farm Pasture

COMMUNITY SERVICES

- Public Open Space
- Water Treatment
- Sewerage Works
- Landfill Site
- Storm Sewerage Works Buffer
- Water Landfill Site Buffer
- Future Development
- Existing Development

ROADS AND STREETS

- Main Trunk Road (M20)
- Regional Road
- Farm Road
- Collector Street
- Local Street

GEOGRAPHICAL FEATURES

- Water Stream
- Oil in Contour
- Deep Slopes
- Water Bodies
- Wetland Area

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DISCLAIMER:
 This map is a planning tool and should not be used for legal purposes. It is subject to change without notice.

Map 5: Thaba Patchoa SDF Proposal



SDF- Map 2016/2018
 Mankgale Local Municipality
Thaba Patchoa

LEGEND

LAND USES

- Urban Edge
- Business (1-5 years)
- Business (6-20 years)
- Existing Business
- Education
- Community Facility (Institutional)
- Municipal
- Government
- Public Open Space
- Commonage
- Residential Extension
- Green
- Pasture

COMMUNITY SERVICES

- Water Point
- Water Reservoir
- Storage Tanks
- Landfill Site
- 100m Buffer Zone Point Buffer
- 500m Buffer Zone Site Buffer
- Power Conduits
- Existing Conduits

ROADS AND STREETS

- Farm Road
- Collector Streets

GEOGRAPHICAL FEATURES

- Water Stream
- Wetland
- Water Bodies

APPROVED BY

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Environmental Management Framework

An effective Environmental Management function will positively promote a sustainable balance between environmental, social and economic development in Schedule 4 and 5 of the Constitution, additionally Section 24 of the South African Constitution states that "everyone has the right:

- "to an environment that is not harmful to their health or well-being; and
- "to have the environment protected, for the benefit of present and future generations, through reasonable legislative and other measures that
 - "prevent pollution and ecological degradation;
 - "promote conservation; and
 - "secure ecologically sustainable development and use of natural resources while promoting justifiable economic and social development."

It is quite key for the Municipality to show ability for the management of Nature Reserves and Open Spaces for Biodiversity importance; Progressive development and implementation of a corporate Environmental Management System to reduce the carbon footprint of the Municipality through environmental friendly initiatives such as energy efficiency projects the Municipality has implemented in the past three financial years; Evaluate all developments (development proposals, town planning applications, building plans and infrastructure projects) for environmental sustainability and properly engage with stakeholders concerning the state of the environment and to advise the Municipal Council and Municipal officials on Environmental matters.

NEMA provides that there shall be "environmental justice" in order to pursue correct measures that will ensure that environmental impacts shall not be distributed in such a manner as to unfairly discriminate against any person, particularly vulnerable and disadvantaged persons.

a) Environmental Management Tools:

Municipalities use the adopted environmental management tools as a way of supporting the precautionary principle approach which serves as a guide to prevent the occurrence of environmental degradation within municipal area of jurisdiction. The Precautionary Principle approach has many advantages since it encompasses the belief that the developers together with society should seek to avoid environmental damage by careful planning and stopping potentially harmful activities and promote sustainability of Municipal resources. Environmental awareness programmes need to be extended to all areas within the municipality. Notwithstanding the fact that the general public is becoming increasingly aware of the environmental issues such as global warming, sustainable development activities, renewable energy, greenhouse effects, water and air pollution, only a few are knowledgeable on what to do in preventing environmental degradation. During these programmes, the following tools will be used:

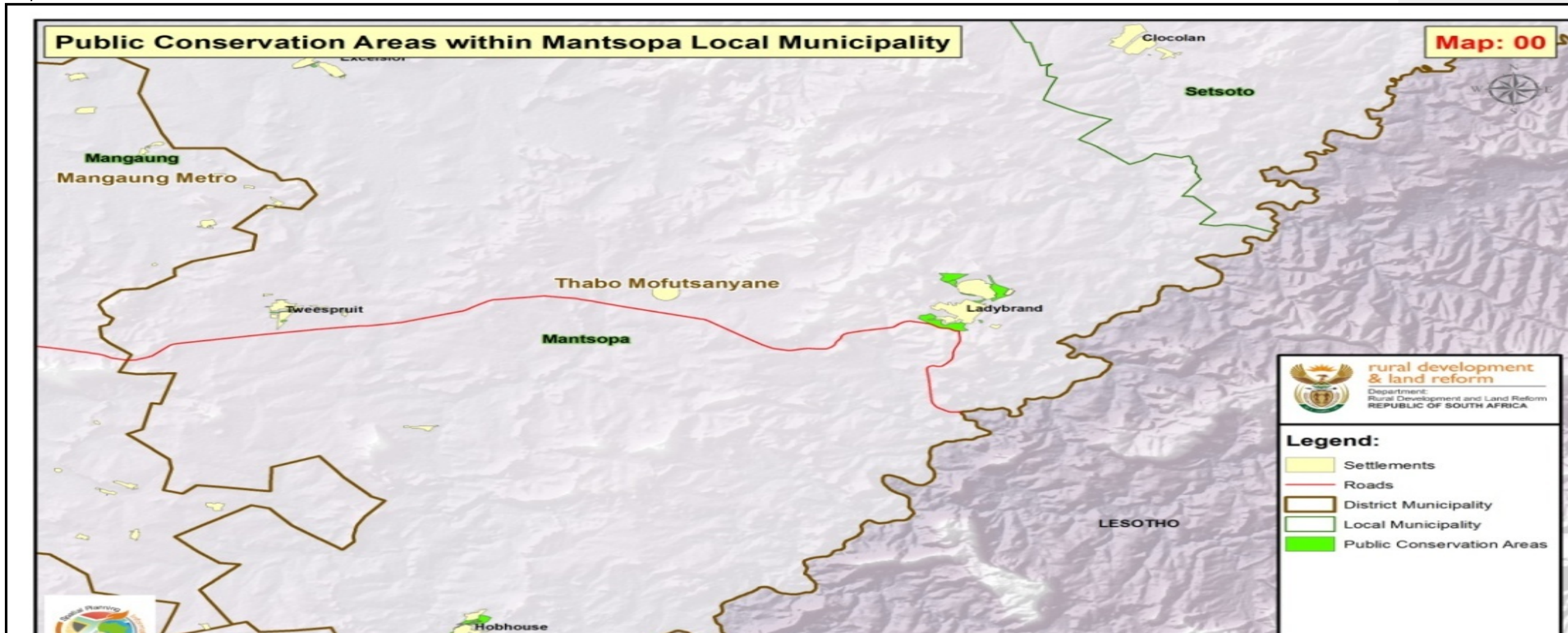
- Water Act;
- Provincial Biodiversity Act;
- Strategic Environmental Assessment; Environmental
- Management Plan Municipal Open Space Systems

b) Involvement of Environmental NGO/NPOs

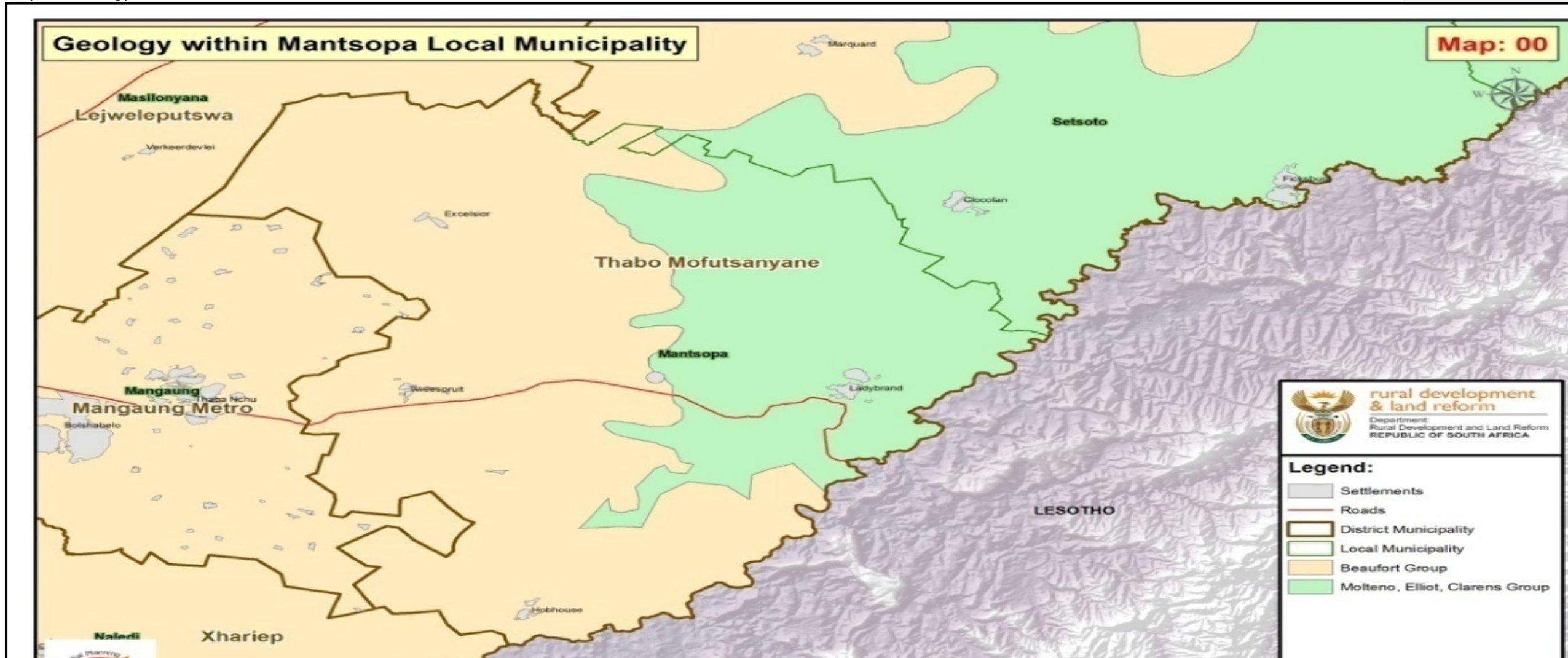
Municipalities should have a good working relationship with the local environmental NGOs and their input in the strategic planning of the municipal development programmes should always be taken into consideration. Caring for the environment is a joint venture within the municipality which includes local communities and all relevant stakeholders. Issues of global climate change are taken very seriously and NGOs are playing a crucial role in ensuring that the municipality adhered to environmental sustainability principles as are outlined by the NEMA regulations.

Natural environment Analysis

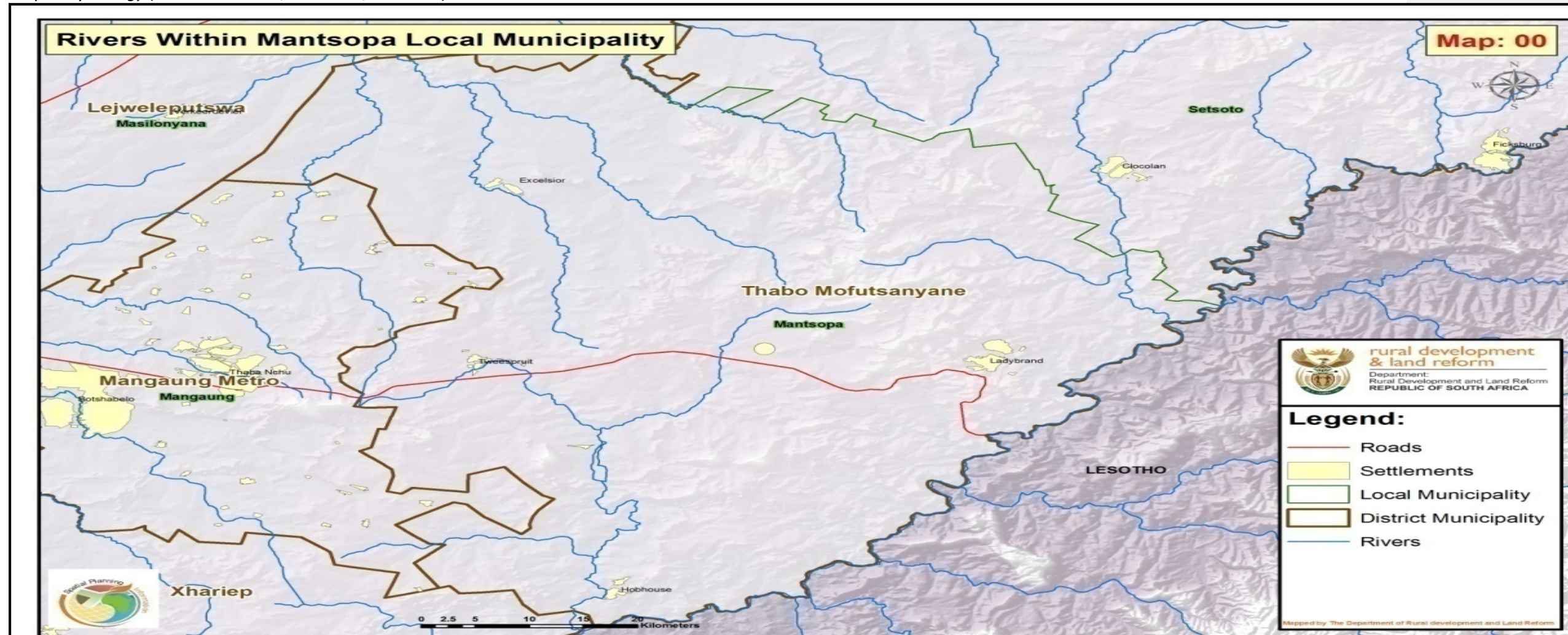
Map 6: Conservation Areas.



Map 7: Geology.

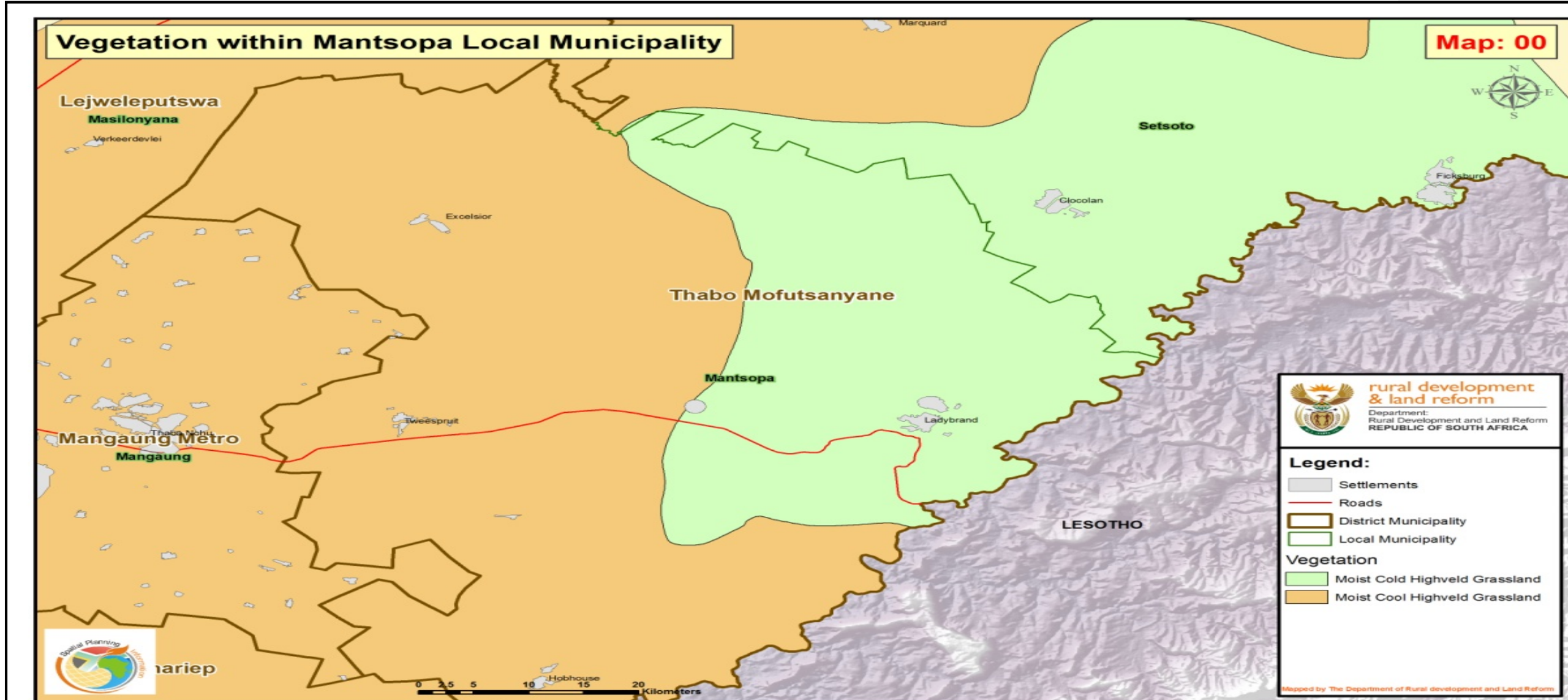


Map 8: Hydrology (Rivers and Dams, Wetlands, Estuaries).





Map 9: Vegetation.



c) Waste Management Hierarchy

The Municipality has completed the development of its Integrated Waste Management Plan and waste related legislative development and reform process. This is in line with Section 11 of Waste Act 59 Of 2008, the Integrated Pollution and Waste Management Policy and the National Waste Management Strategy. This Waste Management Plan sets out a number of objectives which needs to be achieved by a municipality. These include: waste management collection services; recycling; provision of quality, affordable and sustainable waste management collection services; environmentally sound management of special waste streams such as hazardous waste, construction waste etc.; waste treatment and disposal capacity; education and awareness; and effective waste information management systems.

The Integrated Waste Management Plan takes into account the relevant national and provincial government policies, legislation and strategies. The foundation of the Waste Management Plan is based on the principles of Integrated Waste Management and Waste Hierarchy Approach.

A municipality should subscribe to the Waste Management Hierarchy of the National Waste Management Strategy as a method of minimizing the environmental impacts due to waste that end up in the landfill sites. The Integrated Waste Management Plan aligns the waste management services that are provided in the Municipality with the National Waste Management Services and will contribute to the implementation of the national and provincial strategies to minimize waste at local level.

An Integrated Waste Management Plan conceptualizes the first attempt at setting out the strategy for future waste management and planning for the municipality. It encourages a major shift away from traditional waste management principles into more integrated waste management principles. Sustainable waste management is the key driver of this plan with the emphasis on waste avoidance, waste reduction, re-use, recycling, treatment and safe disposal. Therefore, the municipality recognizes that it has a responsibility to abide by the statutes, policies and guidelines that are introduced by the National and Provincial Departments. In strengthening environmental sustainability through Sustainable Waste Management, a municipality should develop a greening policy for the municipality which is based on the sustainable development principles.

d) Strategies and Priorities for Integrated Waste Management

The Municipality's Integrated Waste Management Plan sets the objectives and targets that will have to be achieved within a specific time frame. The main objective of the Waste Management Plan is to ensure that waste is managed in an environmentally sound and integrated manner so as to prevent harm to the health of the people and the environment. The Municipality has identified three core strategies that will assist in achieving integrated waste management:

- Waste Avoidance and Minimization Strategy
- Reduction and Resources Recovery Strategy
- Management of Residual waste Strategy

i. **Waste Avoidance and Minimization Strategy**

The waste avoidance and minimization strategy is aiming at the avoidance of waste through the adoption of eco-efficiency and waste avoidance measures. It is the most cost effective method of waste management intervention and it is best implemented at point source. The most important thing about waste avoidance is that it conserves natural resources, reduces the amount of waste requiring disposal to landfills, thereby increasing the airspace.

ii. **Waste Reduction and Resource Recovery Strategy**

The resource recovery strategy is aiming at reducing the volume of waste to be disposed while maximizing the economic value of resources during its life cycle through re-use, recycling and reprocessing, and energy recovery in preference to disposal. The need to pursue resource recovery is driven by a combination of additional economic and environmental factors such as:

- the need to conserve finite resources
- the need to reduce energy consumption
- the need to reduce reliance to on the landfill
- The reality of increasing waste disposal costs.

iii. **Management of Residual Waste Strategy**

Irrespective of how efficient the municipal can be, there will always be a portion of waste stream that cannot be practically or economically avoided or recovered. This will result in residual waste that ends up in the landfill site. Residual waste has to be managed in an environmental sound manner. Information management systems (like Spisys) , sustainable collection services, capacity, education and awareness programmes, robust treatment and disposal systems have to be in place to handle residual waste in a responsible manner with the objective of protecting human health and the environment.

e) **Climate Change**

I. **Environmentally sensitive areas**

The focus should be on sensitive, vulnerable, highly dynamic or stressed ecosystems, such as coastal shores, estuaries, wetlands, and similar systems require specific

strengthen sustainability in the Integrated Development Planning of municipalities. Municipalities must develop a Strategic Environmental Assessment which seeks to ensure that the unprecedented pressure placed by the development in the municipality does not compromise the state of natural goods.

II. Environmentally Sustainable Development

In accordance to NEMA sustainable development can be defined as the integration of social, economic and environmental factors into planning, implementation and decision-making of the Municipality so as to ensure that development serves present and future generations. The Municipality should align its development strategy to National Environmental Management Act (NEMA) that requires consideration of all relevant factors including:

- "that the disturbance of ecosystems and loss of biological diversity are avoided, or, where they cannot be altogether avoided, are minimised and remedied;
- "that pollution and degradation of the environment are avoided, or, where they cannot be altogether avoided, are minimised and remedied;
- "that the disturbance of landscapes and sites that constitute the nation's cultural heritage is avoided, or where it cannot be altogether avoided, is minimised and remedied;
- "that waste is avoided, or where it cannot be altogether avoided, minimised and re-used or recycled where possible and otherwise disposed of in a responsible manner;
- "that the use and exploitation of non-renewable natural resources is responsible and equitable, and takes into account the consequences of the depletion of the resource;
- "that the development, use and exploitation of renewable resources and the ecosystems of which they are part do not exceed the level beyond which their integrity is jeopardised;
- "that a risk-averse and cautious approach is applied, which takes into account the limits of current knowledge about the consequences of decisions and actions; and
- "that negative impacts on the environment and on people's environmental rights be anticipated and prevented, and where they cannot be altogether prevented, are minimised and remedied."

Integrated Human Settlements

a) Introduction

The Municipality regards the right to housing as a very important aspect as it is enshrined in Section 26 of the Constitution, 1996, of the Republic of South Africa, which states that “everyone has the right to have access to adequate housing and that the state must take reasonable legislative and other measures, within viable resources, to achieve the progressive realization of the right”

The Municipality has not only noted the abovementioned clause of the Constitution of the Republic of South Africa, but it has line with Section 9(1)(f) of the Housing Act, 1997, which states that “every municipality must, as part of the municipality’s process of integrated development planning, take reasonable and necessary steps within the framework of national and provincial housing legislation and policy to initiate, plan, coordinate, facilitate, promote and enable appropriate housing development in its area of jurisdiction.”

In line with the Housing Act, the Municipality has developed the Integrated Human Settlement Plan, which seeks to address housing backlogs.

Although the Municipality has continued to provide housing opportunities to the people, it must be mentioned that the number of people who qualify for housing subsidy, is growing on daily basis, especially because the masses of the people continue to migrate to the area in search of employment opportunities.

There has been a slow progress in terms of the provision of housing to the people and this can be attributed to the lack of land for housing as well as lack of financial Resources to buy land for building houses.

The Integrated Human Settlements Plan, recognizes the fact that the Municipality cannot on its own, provide housing and related infrastructure if does not work closely with relevant departments. In the spirit of intergovernmental relations and line with *Intergovernmental Relations Act*, the Municipality is working closely with the *Department of Human Settlements* as well as the *Department of Agriculture and Rural Department*; to solicit land for housing development.

Middle income housing is one area that has been neglected for so long. Many developers have promised to address it only to find that their houses were out of reach for the middle income group. The Municipality will continue to play an enabling environment with aim of addressing the middle income housing backlog.

HUMAN SETTLEMENTS & PROTECTION SERVICES

IDP PROJECTS: MTEF: 2016/2019

HUMAN SETTLEMENTS

PROJECT NO	PROJECT NAME	LOCATION (WARD)	YEAR	FUNDER	AMOUNT
HS 001	Transfer Planning & surveying of Wellesvlei FArm(12,0005ha) at Tweespruit	Ward 1	2016/2017	DOHS	
HS 002	Acquisition of portion of farm Tweespruit 90	Ward 1	2018/2019	DOHS	
HS 003	Subdivision & rezoning of erf 2697 into 74 residential erven	Ward 4	2016/2017	MLM	100 000
HS 004	Planning & surveying of land ± 80ha across R26 route	Ward 5	2018/2019	DOHS	902 000
HS 005	Township establishment at Platberg extension ± 120 erven	Ward 7	2016/2017	DOHS	300 000
HS 006	Planning & surveying of land ± 70ha around airstrip	Ward 7	2018/2019	DOHS	860 000
HS 008	Rectification of incorrect erven numbering/amendment of title deeds	Wards 8 and 2	2016/2017	MLM	200 000

TRAFFIC

PROJECT NO	PROJECT NAME	LOCATION (WARD)	YEAR	FUNDER	AMOUNT
TR 002	Procurement of fire arms x 4	Mantsopa	2016/2017	MLM	100 000
TR 003	AARTO software Installation	Mantsopa	2016/2017	MLM	100 000

DISASTER MANAGEMENT

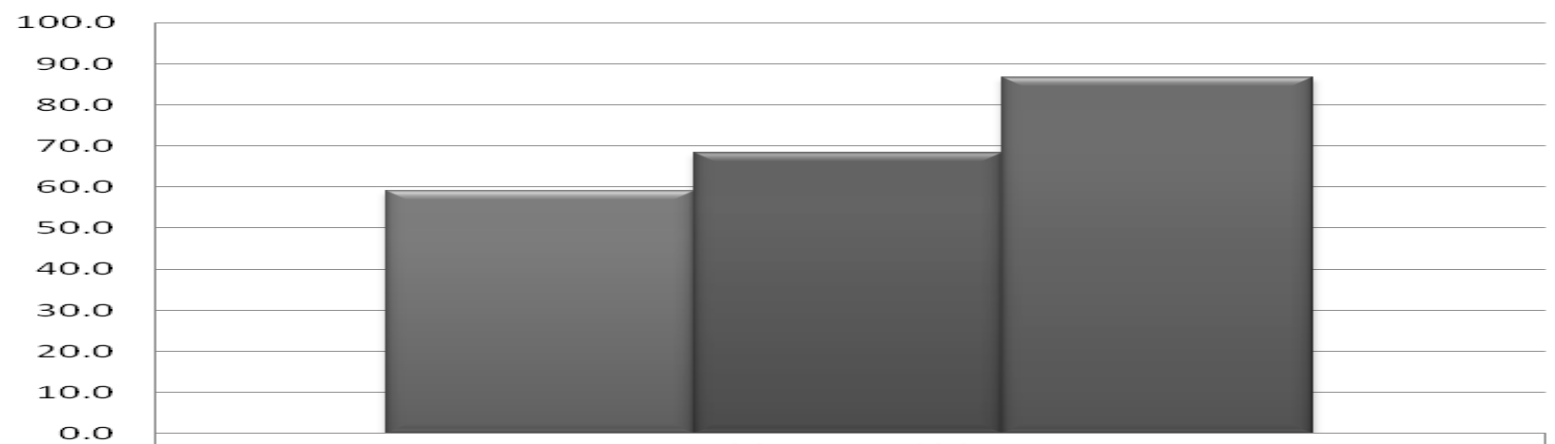
PROJECT NO	PROJECT NAME	LOCATION (WARD)	YEAR	FUNDER	AMOUNT
DM 001	Establishment of control room	Ward 7	2016/2017	MLM	250 000
DM 002	Purchases of movable shacks/tents	Mantsopa	2017/2018	MLM	150 000
DM 003	Purchase of Fire Truck	Wards 7 & 8	2017/2018	TMDM	R3,5m

CURRENT PROJECTS HUMAN SETTLEMENTS

PROJECT NAME	LOCATION (WARD)	YEAR	PROGRESS
Installation of Bulk Infrastructure 200 erven	Ward 2	2015/2016	Nearing completion
Installation of bulk infrastructure 383 erven	Wards 4 & 6	2014/2015	Projects has stalled
Installation of bulk infrastructure 417 erven	Ward 9	2016/2017	Project not yet started (contractor not on site)
Planning & surveying of 560 erven next to Mauersnek & Traffic department	Ward 7	2015/2016	Layout Plan submitted to Surveyor-General for approval-Approved
Formalisation of Township establishment 306 erven	Ward 4 & 6	2015/2016	Finalized- Erven allocated

Figure 5: Access to Formal Housing.

MANTSOPA LOCAL MUNICIPALITY FORMAL DWELLINGS COMPARISON (1996 - 2011)



	Mantsopa LM
■ Formal Dwellings(%) 1996	59.0
■ Formal Dwellings(%) 2001	68.4
■ Formal Dwellings(%) 2011	86.6

SECTION J: FINANCIAL PLAN**1. PURPOSE:**

- 1.1 The purpose of this document is to outline the comprehensive Multi-year Financial Plan that will ensure long-term financial sustainability for the Municipality.
- 1.2 A Multi-year Financial Plan is essential to ensure that the Municipality continues to implement its mandate effectively without impairing its capital base. It will also enable the Municipality to move towards self-sufficiency in meeting the growing demands of Service Delivery.

2. BACKGROUND:

- 2.1 A Financial Plan is prepared for a period of at least three years, however it is preferred that it should be for over a period of five or more years.
- 2.2 A Multi-Year financial Plan is prepared to ensure financial sustainability, paying attention to the Municipality's infrastructure requirements.
- 2.3 It is also an important component of the Municipality's Integrated Development Plan.
- 2.4 A prudent Multi-Year Financial Plan identifies and prioritizes expected needs based on the Municipality's Five-Year Integrated Development Plan and details estimated amounts of funding various sources.
- 2.5 The Multi-Year Financial Plan will also ensure that the Municipality has greater financial health and sustainability, making it easier to collaborate on projects with other levels of Government and various public and private stakeholders. This will further enhance the ability of the Municipality to have access to more financing, funding and grants.

3. FINANCIAL STRATEGY FRAMEWORK:

- 3.1 Mantsopa Municipality is a developing and growing Municipality striving for service delivery excellence. Therefore many challenges are faced with regards to Financial Planning and are ever changing due to the dynamic setting of Local Government.
- 3.2 The priority for the Municipality, from the financial perspective is to ensure viability and sustainability of the Municipality. The Multi-Year Financial Plan and related strategies will therefore need to address a number of key areas in order to achieve this priority. These strategies are detailed below:

3.2.1 Revenue Enhancement Strategy:

- a) To seek alternative sources of funding;

- b) Expand Income base through implementation of a new Valuation Roll;
- c) The ability of the Community to pay for services;
- d) Identification and pursuance of Government Grants;
- e) Tightening Credit Control measures and Debt Collection Targets;
- f) Improve customer relations and promote a culture of payment;
- g) Realistic Revenue estimates;
- h) The impact of inflation, the Municipal cost index and other cost increases; and
- i) The creation of an environment which enhances growth, development and Service Delivery.

3.2.2 Asset Management Strategy:

- a) The implementation of a GRAP compliant Asset Management System;
- b) Adequate Budget provision for Asset Maintenance over their economic lifespan;
- c) Maintenance of assets;
- d) Maintain a system of Internal control of assets to safeguard assets; and
- e) Ensure all assets owned and/or controlled except specific exclusions are covered by insurance.

3.2.3 Financial Management Strategies:

- a) To maintain an effective system of Expenditure control including procedures for the approval, authorization, withdrawal and payment of funds.
- b) Implement controls, procedures, policies and by-laws to regulate fair, just and transparent transaction;
- c) Training and development of Financial staff to comply with prescribed minimum competency level
- d) Implement GRAP standards as gazette by National Treasury; and Prepare Annual Financial Statements timorously and review performance and achievements for past financial years.

3.2.4 Operational Financing Strategies:

- a) Effective Cash Flow Management to ensure continuous, sufficient and sustainable cash position;
- b) Enhance budgetary controls and financial reporting;
- c) Direct available Financial resources towards meeting the projects as identified in the IDP, and
- d) To improve Supply Chain Management processes in line with regulations.

3.2.5 Capital Funding Strategies:

- a) Ensure service delivery needs are in line with Multi-year Financial Plan;
- b) Careful consideration / prioritization on utilizing resources in line with the IDP;

- c) Analyze feasibility and impact on operating budget before capital projects are approved;
- d) Determine affordable limits for borrowing;
- e) Source external funding in accordance with affordability.
- f) Improve capital budget spending; and
- g) Maximizing of infrastructural development through the utilization of all available resource.

3.2.6 **Cost-Effective Strategy:**

- a) Invest surplus cash not immediately required at the best available rates;
- b) Restrict capital and operating expenditure increases in relation to the inflation rate taking into consideration the macro economic growth limit guideline and Municipal cost increases.
- c) To remain as far as possible within the following selected key budget assumptions-
- d) Debt impairment calculated according to GRAP standards
- e) Overall cost escalation to be linked to the average inflation rates
- f) Tariff increase to be in line with inflation plus Municipal growth except when regulated;
- g) Maintenance of assets of at least 9% of total operating expenditure

3.2.7 **Measurable Performance Objectives for Revenue:**

- a) To achieve the Debtors to revenue ratio below 50%
- b) To achieve a Debtors payment rate of 80% and above
- c) To ensure that the Debtors return remain under 90 days; and

3.3 **Financial Management Policies:**

The purpose of Financial Policies is to provide a sound environment to manage the financial affairs of the Municipality. The following are key budget related policies:

- 3.3.1 **Tariff Policy:** the Policy prescribes the procedures for calculating tariffs. This policy is required in terms of Section 74 of the Local Government Municipal System Act, Act 32 of 2000;
- 3.3.2 **Rates Policy:** a Policy required by the Municipal Property Rates Act, Act 6 of 2004. This Policy provides the framework for the determination of rates;
- 3.3.3 **Indigent Management support Policy:** to provide access to and regulate free basic

services to all indigents;

Indigents are those households who are unable to access or pay for basic services due to a number of socio-economic factors.

Indigents must gain access to the Municipal Services infrastructure including water supply, sanitation, refuse removal, electricity and alternative energy where no electricity is available.

The Municipality needs to ensure that the services provided to indigent households are always maintained and available. The indigent subsidy must be targeted to the poor.

- 3.3.6 **Accounting Policy:** The policy describes the basis of presentation of the Annual Financial Statements in accordance with the Generally Recognized Accounting Practices and Accounting Standards.
- 3.3.7 **Supply Chain Management Policy:** this Policy is developed in terms of Section 1 of the Municipal Finance Management Act, Act 56 of 2003. The principles of this Policy is to give effect to a fair, equitable, transparent, competitive and cost effective system for the procuring of goods and services, disposing of goods and selecting of contractors in the provision of Municipal Services.
- 3.3.8 **Subsistence and Travel Policy:** this Policy regulates the reimbursement of travelling and subsistence costs to officials and Councilors attending official business.
- 3.3.9 **Credit Control and Debt Collection Policy:** this Policy provides for Credit and Debt Collection Procedures and mechanisms to ensure that all consumers pay for the services that are supplied.
- 3.3.10 **Cash Management and Investment Policy:** this Policy was compiled in accordance with the Municipal Invest Regulation R308 and ensures that cash resources are managed in the most efficient and effective manner possible.

3.3.11 **Information Technology Policy**

Aim of this policy is:

The primary objective of ICT unit:

To provide ICT infrastructure and ICT business system solutions that will assist Mantsopa Local Municipality to deliver sustainable services that are operationally efficient and cost effective, to all stakeholders and community

To achieve the above primary objective the following secondary objective shall be followed

To establish a culture of mutual understanding between the ICT unit and the lines of business within Mantsopa Local Municipality on how ICT can add value to ensure cost effective and sustainable service delivery of Mantsopa Local Municipality

To establish principle of co-management and effective communications between ICT,

lines of business and external service providers in building ICT solutions that will enable cost effective and sustainable service delivery

To identify specific challenges in our current ICT environment and what measures should be deployed to improve ICT services and systems of Mantsopa Local Municipality

4. FINANCIAL MANAGEMENT SYSTEMS

4.1.1. The municipality will be migrating to an mSCOA compliant financial system procured from

SEBATA as from the 1st of July 2017. The system will be integrated system comprising of the following modules:

- Billing
- Payroll
- General ledger system
- Human resource function
- Budget
- Supply Chain Management
- Asset Management
- Performance Management
- Electronic Data Management

4.1.2 Only officials with designated passwords will have access to the SEBATA financial system. For the purpose of monitoring access control and effective internal controls there will be a system administrator appointed and will be responsible for the system management.

4.1.3 Capacity building programs in line with the municipality work-skill plan and mSCOA compliance are in place to further enhance the ability of concerned personnel to be able to work effectively and efficiently from on the system.

5. REVENUE FRAMEWORK:

5.1 In order to serve the Community and to render the services needed, revenue generation is fundamental to financial sustainability of every Municipality.

5.2 The reality is that we are faced with developmental backlogs and poverty, challenging our Revenue generation capacity. The requests always exceed the available funds. This becomes more obvious when compiling the Municipality's Annual Budget.

5.3 Municipalities must table a balanced and more credible Budget, based on realistic estimation of revenue that are consistent with their budgetary resources and collection experience

5.4 The Revenue strategy is a function of key components such as:

5.4.1 Growth in town and economic development

- 5.4.2 Revenue enhancement
- 5.4.3 Achievement of above 80% annualized collection rate for consumer revenue;
- 5.4.4 National Treasury guidelines;
- 5.4.5 Electricity tariff increase within National Electrification Regulator of South Africa (NERSA) approval;
- 5.4.6 Determining tariff escalation rate by establishing / calculating revenue requirement; and
- 5.4.7 Ensuring ability to extent new services and recovering of costs thereof.
- 5.5 The South African economy is slowly recovering from the economic downturn and will still take some time for Municipal revenues to increase through Local economic growth.
- 5.6 Consequently cash flows are expected to remain under pressure for the 2017/2018 financial year and a conservative approach is followed to project expected revenues and cash receipts.
- 5.7 The following table is a summary of the projected operating revenue for the Municipality over the Medium Term:

Description	2017/18 Medium Term Revenue & Expenditure Framework		
	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand			
Revenue By Source			
Property rates	14,714	15,553	16,424
Service charges - electricity revenue	40,413	42,717	45,109
Service charges - water revenue	34,872	36,860	38,924
Service charges - sanitation revenue	24,751	26,162	27,627
Service charges - refuse revenue	17,057	18,030	19,039
Service charges - other	-	-	-
Rental of facilities and equipment	1,070	1,131	1,194
Interest earned - external investments	400	423	446
Interest earned - outstanding debtors	25,000	26,425	27,905
Dividends received	20	21	22
Fines, penalties and forfeits	1,006	1,063	1,123
Licences and permits	-	-	-
Agency services	-	-	-
Transfers and subsidies	72,472	78,160	83,610
Other revenue	875	925	976
Gains on disposal of PPE	-	-	-
Total Revenue (excluding capital transfers and contributions)	232,650	247,469	262,400

- 5.8 In line with the formats prescribed by the Municipal Budget and Reporting Regulations,

capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

5.9 Electricity is the largest revenue source totaling to R 40 413 237 with water being the second largest revenue source totaling R 34 872 337. The third largest source is Sewerage which also totals to R 24 751 200.

6. GRANT FUNDING:

6.1 The Division of Revenue Act contains allocations from National and Provincial, which allocations are recognized as Government Grants and factored as follows under the Medium Term:

Description	2017/18 Medium Term Revenue & Expenditure Framework		
	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand			
RECEIPTS:			
<u>Operating Transfers and Grants</u>			
National Government:	72,472	78,160	83,610
Local Government Equitable Share	68,314	74,700	79,840
EPWP Incentive	1,000	–	–
Finance Management	2,145	2,400	2,660
MIG	1,013	1,060	1,110
Total Operating Transfers and Grants	72,472	78,160	83,610
<u>Capital Transfers and Grants</u>			
National Government:	45,064	64,338	57,086
Municipal Infrastructure Grant (MIG)	19,239	20,138	21,086
Regional Bulk Infrastructure	16,000	40,000	31,000
INEP	9,825	4,200	5,000
Total Capital Transfers and Grants	45,064	64,338	57,086
TOTAL RECEIPTS OF TRANSFERS & GRANTS	117,536	142,498	140,696

6.2 Government grants forecasted for the 2017/2018 Financial Year reflect an decrease of 20.5%% from the 2016/2017 Financial Year.

6.3 The Equitable Share allocation to the local sphere of Government is an important supplement to existing Municipal Revenue and takes account of the fiscal capacity, fiscal efficiency, developmental needs, extent of poverty and backlogs in Municipalities.

6.3.1 It is an unconditional grant and allocations are contained in the Division of Revenue

Act (DoRA)

6.3.2 The structure and components of the formula are summarized as follows:

$$\text{LGES} = \text{BS} + (\text{I} + \text{NTS}) \times \text{RA} \pm \text{C}$$

- Where:

- LGES is the local government equitable share
- BS is the basic services component
- I is the institutional component
- NTS is the non-trading services component
- RA is the revenue adjustment factor
- C is the correction and stabilization factor
- LGES =
 - Basic Services (Allocation for every poor household in the country to enable municipalities to fund the cost of free basic services) + Institutional and Non-Trading Services Made up of three parts:
 - Institutional funding + Funding for Non-Trading Services + Revenue Adjustment factor (Ensures more funds go to the municipalities with less own revenue capacity)

6.6 It should be noted that the basic component support is only for poor households earning less than R 3000.00 per month and it also distinguishes between poor households provided with services and those provided with lesser or no services.

6.7 A Municipality should prioritize its budget towards poor households and national priorities such as free basic services and the expanded public works programs.

7. **TARIFF SETTING:**

7.1 Mantsopa Municipality derives its revenue from the provision of services such as electricity, water, sanitation and refuse removal. A considerable portion of the Revenue is also derived from property rates and grants by National Governments as well as other minor charges such as traffic fines.

7.2 As in the past, increase cost primarily driven by the Consumer Price Index (CPIX), dictates an increase in the tariffs charged to the consumers and the ratepayers. It therefore follows that all the tariffs will have to be increased by a percentage in line with the forecasted CPIX estimated at 6.4% for the 2017/2018 Financial Year and 5.7 % for the 2018/2019 year and 5.6% for the 2019/2020 year (Municipal Budget Circular No 86 for the 2017/18 MTREF).

7.3 It is realized that the ability of the community to pay for services rendered is also under tremendous pressure and that the economic outlook for the near future require everybody to make sacrifices.

7.4 The additional revenue that will be generated through increased tariffs has to ensure continued service delivery.

7.5 The latest figures released by STATS SA indicated contractions in several spheres of the

economy and this confirms that the disposable income of households remain under a lot of strain.

- 7.6 By drastically increasing tariffs on essential commodities, more strain will be added for the already cash stripped resident households.
- 7.7 The outcome of the proposed increase in tariffs for the 2017/2018 on the different categories is as follows:

	2015/2016	2016/2017	2017/2018	
	TARIFF	TARIFF	TARIFF	
CEMETERIES				
Grave: single	R 850.00	R 920.00	R 1,010.00	
Administration Fee	R 250.00	R 270.00	R 300.00	11.11%
Digging Fee	R 400.00	R 440.00	R 480.00	9.09%
Closing Fee	R 200.00	R 210.00	R 230.00	9.52%
Double	R 1,100.00	R 1,190.00	R 1,310.00	
Administration Fee	R 500.00	R 540.00	R 600.00	11.11%
Digging Fee	R 400.00	R 440.00	R 480.00	9.09%
Closing Fee	R 200.00	R 210.00	R 230.00	9.52%
Nine feet grave	R 1,150.00	R 1,245.00	R 1,365.00	
Administration Fee	R 250.00	R 270.00	R 300.00	11.11%
Digging Fee	R 600.00	R 660.00	R 720.00	9.09%
Closing Fee	R 300.00	R 315.00	R 345.00	9.52%

	2015/2016	2016/2017	2017/2018	
	TARIFF	TARIFF	TARIFF	
PROPERTIES				
RENT (Free use only on decision by the Municipal Manager)				
LADYBRAND/TWEESPRUIT/DAWIESVILLE/BORWA				
Town hall				
Main hall	R 1,000.00	R 1,300.00	R 1,500.00	15.38%
Deposit for Mantsopa Residents	R 1,400.00	R 2,000.00	R 2,200.00	10.00%
Deposit for non- Mantsopa Residents	R 2,800.00	R 3,000.00	R 3,000.00	0.00%
Community hall - Ladybrand				
Side hall (included in main hall and won't be let separately)				
Main hall	R 1,000.00	R 1,300.00	R 1,500.00	15.38%
Deposit for Mantsopa Residents	R 1,400.00	R 2,000.00	R 2,200.00	10.00%
Deposit for non- Mantsopa Residents	R 2,800.00	R 3,000.00	R 3,000.00	0.00%
MANYATSENG/EXCELSIOR/MAHLATSWETSA/HOBHOUSE/DIPELANENG/THABA PATCHHOA				
Community hall	R 1,000.00	R 1,200.00	R 1,300.00	8.33%
Deposit for Mantsopa Residents	R 1,400.00	R 2,000.00	R 2,200.00	10.00%
Deposit for non- Mantsopa Residents	R 2,800.00	R 3,000.00	R 3,000.00	0.00%
HOBHOUSE/DIPELANENG				
Old Hall	R 150.00	R 150.00	R 150.00	0.00%
Deposit for Mantsopa Residents	R 150.00	R 150.00	R 150.00	0.00%
Deposit for non- Mantsopa Residents	R 300.00	R 300.00	R 300.00	0.00%
GENERAL				
Personnel Housing Conditions				
Current Occupiers	As per contract			
New Occupiers				
Church Street	No subsidy	R 3,500.00	R 3,750.00	R 4,000.00 6.67%
Loop Street	No subsidy	R 3,500.00	R 3,750.00	R 4,000.00 6.67%
Beeton street	No subsidy	R 3,000.00	R 3,200.00	R 3,400.00 6.25%
Casa Mia	Subsidised	R 3,000.00	R 3,200.00	R 3,400.00 6.25%
Kolbe Str 1 Bedroom	Subsidised	R 1,000.00	R 1,100.00	R 1,175.00 6.82%
Beeton flats bachelor	Subsidised	R 850.00	R 900.00	R 950.00 5.56%
Beeton flats 1 bedroom		R 1,000.00	R 1,100.00	R 1,175.00 6.82%
Tweespruit flats	Subsidised	R 650.00	R 700.00	R 750.00 7.14%
Deposit's for damages equal to the monthly rental amount				
Private residents				
Indigents Kolbe and Beeton flats	6% of total income			
Deposit's for damages equal to the monthly rental amount				
Kiosks next to Library	R 20.00	R 50.00	R 100.00	100.00%
Application fee for corner signs (identilite and non-identilite)	R 200.00	R 200.00	R 200.00	
Corner signs identilite rent per year	R 250.00	R 1,200.00	R 3,000.00	150.00%
Corner signs non-identilite per year	R 1,200.00	R 1,200.00	R 1,300.00	8.33%
Advertisements, posters, lamp posts etc. 30 days Dep: R1000	R 350.00	R 400.00	R 450.00	12.50%
Motor shades Personnel	R 35.00	R 37.50	R 40.00	6.67%
Caravan Park Hobhouse and other (per night)	R 80.00	R 80.00	R 80.00	0.00%
Raasgat in Ladybrand	R 300.00	R 350.00	R 400.00	14.29%

		2014/2015 TARIFF	2015/2016 TARIFF	2016/2017 TARIFF
CONSUMER DEPOSITS (Water and Electricity)				
Households Conventional meters (Excluding Flat		1300.00	R 1,500	R 1,600
Households Prepaid meters		650.00	R 750	R 800
Flats Conventional and prepaid meters		650.00	R 750	R 800
Business		1650.00	R 2,000	R 2,200
Bulk users			R 100,000	R 100,000
Government		0.00	R 0	R 0
SEWERAGE DISPOSAL				
Not metered per month		R 6,500.00	R 7,000.00	R 7,500.00
SEWERAGE NETWORK				
Households		R 142.00	R 155.00	R 165.00
Departmental		R 217.00	R 247.00	R 265.00
Old age home		R 233.00	R 247.00	R 265.00
Schools, hostels, Clinics		R 233.00	R 247.00	R 265.00
Business, Industrial, Guest Houses		R 233.00	R 247.00	R 265.00
Connections(where applicable)		R 1,800.00	R 2,000.00	R 3,500.00
REFUSE REMOVAL (per month)				
Households		R 74.00	R 85.00	R 100.00
Business, Industrial, Guest Houses		R 296.00	R 320.00	R 350.00
Schools and hostels, Clinics		R 296.00	R 320.00	R 350.00
Departmental		R 296.00	R 320.00	R 350.00
Refuse (self loading)		R 160.00	R 200.00	R 220.00
Refuse (municipality loading)		R 640.00	R 800.00	R 850.00
Mass containers	First	R 593.00	R 628.55	R 800.00
	Second	R 752.00	R 797.00	R 800.00
	Third	R 930.00	R 986.00	R 800.00
	Outside town	R 19.00	R 30.00	R 30.00

		2014/2015 TARIFF	2015/2016 TARIFF	2016/2017 TARIFF
ELECTRICITY				
Sales per kWh				
Households Tariff Structure (min 50kWh) (Conventional and pre-paid)				
0-50kWh	Block 1	R 0.740	R 0.790	R 0.860
51-350kWh	Block 2	R 0.880	R 0.950	R 1.030
351-600kWh	Block 3	R 1.197	R 1.350	R 1.460
600 and above	Block 4	R 1.428	R 1.610	R 1.750
Business conventional and pre paid (min 200kWh)				
Schools, Hostels, Sports clubs, Guest houses		R 1.503	R 1.600	R 1.720
Temporary users		R 1.503	R 1.600	R 1.720
Unbuild even : Basic		R 82.100	R 90.000	R 95.000
Plus Usage unbuild even		R 1.503	R 1.600	R 1.720
Departmental		R 1.503	R 1.600	R 1.720
Bulk users (MIN 50kva Kva		R 102.500	R 115.000	R 115.000
Plus Units use Kwh		R 0.585	R 0.660	R 0.710
Conversion conventional connections to pre-paid or Pre-paid to Conventional metering				
Single phase	Cost of meter, plus	R 785.00	R 900.00	R 900.00
Three phase	Cost of meter, plus	R 7,000.00	R 8,000.00	R 8,000.00
New Connections				
Single phase		R 3,700.00	R 3,950.00	R 4,200.00
Three phase		R 8,150.00	R 8,700.00	R 9,100.00
Other levies				
Reconnection fee after non-payment		R 365.00	R 390.00	R 400.00
Reminder Letters for cut off, etc		R 95.00	R 150.00	R 150.00
Test of meters		R 650.00	R 750.00	R 800.00
Private work per Hour		R 650.00	R 750.00	R 800.00
(Plus material cost)				
Tampered meters				
Replacement Single phase meter		R 3,700.00	R 3,950.00	R 4,200.00
Replacement Three phase meter		R 8,150.00	R 8,700.00	R 9,100.00
Plus				
Instalment fee		R 1,100.00	R 1,200.00	R 1,300.00
Plus				
Tampering fee (fine) single phase and three phase		R 1,100.00	R 1,200.00	R 1,200.00

	2015/2016 TARIFF	2016/2017 TARIFF	2017/2018 TARIFF	
CONSUMER DEPOSITS (Water and Electricity)				
Households Conventional meters (Excluding Flats)	R 1,500	R 1,600	R 1,800	12.50%
Households Prepaid meters	R 750	R 800	R 900	12.50%
Flats Conventional and prepaid meters	R 750	R 800	R 900	12.50%
Business	R 2,000	R 2,200	R 2,500	13.64%
Bulk users	R 100,000	R 100,000	R 100,000	
Government	R -	R -	R -	
SEWERAGE DISPOSAL				
Not metered per month	R 7,000.00	R 7,500.00	R 8,000.00	6.67%
SEWERAGE NETWORK				
Households	R 155.00	R 165.00	R 170.00	3.03%
Departmental	R 247.00	R 265.00	R 0.00	0.00%
Old age home	R 247.00	R 265.00	R 300.00	13.21%
Schools, hostels, Clinics	R 247.00	R 265.00	R 300.00	13.21%
Business, Industrial, Guest Houses	R 247.00	R 265.00	R 300.00	13.21%
Connections(where applicable)	R 2,000.00	R 3,500.00	R 3,500.00	0.00%
REFUSE REMOVAL (per month)				
Households	R 85.00	R 100.00	R 110.00	10.00%
Business, Industrial, Guest Houses	R 320.00	R 350.00	R 380.00	8.57%
Schools and hostels, Clinics	R 320.00	R 350.00	R 380.00	8.57%
Departmental	R 320.00	R 350.00	R 0.00	0.00%
Refuse (self loading)	R 200.00	R 220.00	R 250.00	13.64%
Refuse (municipality loading)	R 800.00	R 850.00	R 950.00	11.76%
Mass containers				
First	R 628.55	R 800.00	R 900.00	12.50%
Second	R 797.00	R 800.00	R 900.00	12.50%
Third	R 986.00	R 800.00	R 900.00	12.50%
Outside tc per km	R 30.00	R 30.00	R 32.00	6.67%
ADMINISTRATIVE SERVICES				
Subdivision or Consolidation or Rezoning or consent use	R 800.00	R 1,000.00	R 1,100.00	10.00%
Health Compliance Certificates (Dairies, Business Licence)	R 1,600.00	R 1,700.00	R 1,800.00	5.88%
Clearance certificate	R 200.00	R 220.00	R 250.00	13.64%
Valuation certificate	R 200.00	R 220.00	R 250.00	13.64%
Letters/Reminders	R 150.00	R 150.00	R 170.00	13.33%
Valuation and other lists	R 1,000.00	R 1,200.00	R 1,350.00	12.50%
Objection and appeal costs on valuations	R 225.00	R 230.00	R 250.00	8.70%
Interest on arrear accounts (No interest on government accounts)	11.50%	11.50%	11.50%	
Criteria for identifying indigents (Total household income not more than)	R 2,300.00	R 3,000.00	R 3,200.00	6.67%
ROADS				
Graders				
per hour WITH FUEL	R 1,010.00	R 1,100.00	R 1,100.00	0.00%
per hour WITHOUT FUEL	R 800.00	R 850.00	R 850.00	0.00%
Front end loader				
per hour WITH FUEL	R 1,010.00	R 1,100.00	R 1,100.00	0.00%
Trucks				
per km	R 30.00	R 35.00	R 35.00	0.00%
Compactor Roller				
per hour WITH FUEL	R 600.00	R 650.00	R 650.00	0.00%

		2015/2016	2016/2017	2017/2018	
		TARIFF	TARIFF	TARIFF	
ELECTRICITY					
Sales per kWh					
Households Tariff Structure (min 50kWh) (Conventional)					
0-50kWh	Block 1	R 0.790	R 0.860	R 0.900	4.65%
51-350kWh	Block 2	R 0.950	R 1.030	R 1.100	6.80%
351-600kWh	Block 3	R 1.350	R 1.460	R 1.500	2.74%
600 and above	Block 4	R 1.610	R 1.750	R 1.800	2.86%
Basic Charge		NEW!!!			R 55.00
Households Tariff Structure (min 50kWh) (Pre-paid)					
0-50kWh	Block 1	R 0.790	R 0.860	R 0.900	4.65%
51-350kWh	Block 2	R 0.950	R 1.030	R 1.200	16.50%
351-600kWh	Block 3	R 1.350	R 1.460	R 1.600	9.59%
600 and above	Block 4	R 1.610	R 1.750	R 1.800	2.86%
Business conventional and pre paid (min 200kWh)		R 1.600	R 1.720	R 1.800	4.65%
Schools, Hostels, Sports clubs, Guest houses		R 1.600	R 1.720	R 1.800	4.65%
Temporary users		R 1.600	R 1.720	R 1.800	4.65%
Unbuild even : Basic		R 90.000	R 95.000	R 95.000	0.00%
Plus Usage unbuild even		R 1.600	R 1.720	R 1.800	4.65%
Departmental		R 1.600	R 1.720	R 0.000	
Bulk users (MIN 50kva)	Kva	R 115.000	R 115.000	R 115.000	0.00%
Plus Units use	Kwh	R 0.660	R 0.710	R 0.750	5.63%
Conversion conventional connections to pre-paid or Pre-paid to Conventional metering					
Single phase	Cost of mtr Cost of meter VAT inc =R2000,00	R 900.00	R 900.00	R 960.00	6.67%
Three phase	Cost of mtr Cost of meter VAT inc =R8000,00	R 8,000.00	R 8,000.00	R 960.00	-88.00%
New Connections					
Single phase - minimum	Cost of mtr Cost of meter VAT inc =R2000,00	R 3,950.00	R 4,200.00	R 4,400.00	4.76%
Three phase - minimum	Cost of mtr Cost of meter VAT inc =R8000,00	R 8,700.00	R 9,100.00	R 9,500.00	4.40%
Cost can be recalculated as the actual cost of the installation can vary.					
Other levies					
Reconnection fee after non-payment		R 390.00	R 400.00	R 420.00	5.00%
Test of meters		R 750.00	R 800.00	R 850.00	6.25%
Private work per Hour (Plus material cost)		R 750.00	R 800.00	R 850.00	6.25%
Tampered meters					
Replacement Single phase meter		R 3,950.00	R 4,200.00	R 4,400.00	4.76%
Replacement Three phase meter		R 8,700.00	R 9,100.00	R 9,500.00	4.40%
Plus					
Instalment fee		R 1,200.00	R 1,300.00	R 1,400.00	7.69%
Plus					
Tampering fee (fine) single phase and three phase		R 1,200.00	R 1,200.00	R 1,300.00	8.33%

		2015/2016	2016/2017	2017/2018	
		TARIFF	TARIFF	TARIFF	
WATER					
Households Basic Charge		R 105.00	R 115.00	R 120.00	4.35%
Household usage (MIN 6kl)		R 5.50	R 5.90	R 6.30	6.78%
7 - 20		R 6.30	R 6.70	R 7.00	4.48%
21 - 40		R 7.70	R 8.10	R 8.50	4.94%
41 >		R 9.20	R 9.40	R 9.80	4.26%
Business Basic charge		R 55.00	R 55.00	R 60.00	9.09%
Business usage (MIN 10kl)		R 6.85	R 7.40	R 7.90	6.76%
Unbuild even Plus usage		R 105.00	R 115.00	R 120.00	4.35%
Plus Usage Unbuilt even		R 6.85	R 7.30	R 7.50	2.74%
Bulk use (MIN 100kl)		R 6.15	R 6.70	R 7.20	7.46%
Departmental		R 6.15	R 6.70		
Sport clubs		R 6.15	R 6.70	R 7.20	7.46%
New Connections					
Connections normal meter		R 2,000.00	R 2,200.00	R 2,300.00	4.55%
Connections bulk meter		R 25,000.00	R 30,000.00	R 32,000.00	6.67%
Other tariffs					
Tankers per tanker +	R 9.80 kl	R 600.00	R 650.00	R 670.00	3.08%
per km		R 35.00	R 35.00	R 35.00	0.00%
Swimming pool per call		R 1,000.00	R 1,100.00	R 1,200.00	9.09%
Use @	R 9.80 kl				
Call out - town premises/ HOUR		R 900.00	R 950.00	R 980.00	3.16%
Test of meters		R 750.00	R 800.00	R 850.00	6.25%
Private work per Hour		R 750.00	R 800.00	R 850.00	6.25%
(Plus material cost)					
Tampered meters					
Replacement of meter		R 2,000.00	R 2,200.00	R 2,300.00	4.55%
Plus					
Instalment fee		R 1,200.00	R 1,300.00	R 1,400.00	7.69%
Plus					
Tampering fee (fine)		R 1,200.00	R 1,300.00	R 1,400.00	7.69%

		2015/2016	2016/2017	2017/2018	
		TARIFF	TARIFF	TARIFF	
RATES AND TAXES					
Households					
Improved value		0.005225	0.005600	0.006000	7.14%
Building clauses		0.005225	0.005600	0.006000	7.14%
	% of business tariff	50.00%	50.00%	50.00%	
Business					
Improved value	All business properties	0.010450	0.011200	0.012000	7.14%
Industrial					
		0.010450	0.011200	0.012000	7.14%
Government					
		0.010450	0.011200	0.012000	7.14%
Farm land					
	Farms discounted tariff	0.000933	0.001000	0.001100	10.00%
	% of household tariff	18%	18%	18%	
<i>First R80 000 on all residential and farm properties exempted</i>					

- 7.8 From the household perspective, how much more will be paid in rand is of more interest than the % increase in the various tariffs and rates.
- 7.9 The implementation of the Credit Control and Debt Collection Policy, particularly with regards to the strengthening and capacitating the revenue division will aid in ensuring that the Municipality increases its current collection rate. It is however envisaged that with the pressure on tariff increases to fund the Medium Term Budget, the payment rate will become under pressure and special attention will have to be paid on managing all revenue and cash streams especially debtors.
- 7.10 The Equitable Share allocation is mainly used to provide free basic services to approximately **4000** Indigents although the target for 2017/2018 is **7500** which is approximately 50% of Mantsopa Households. The proposed Indigent support provided for as per approved tariffs is as follows:

Description	Budget Year	Budget Year	Budget Year
	2017/18	+1 2018/19	+2 2019/20
Rand/cent			
Monthly Account for Household - 'Indigent' Household receiving free basic services			
Rates and services charges:			
Property rates	-	-	-
Electricity: Basic levy	55.00	58	61
Electricity: Consumption	45.00	48	50
Water: Basic levy	120.00	127	134
Water: Consumption	37.80	40	42
Sanitation	110.00	116	123
Refuse removal	170.00	180	190
Other	-	-	-
sub-total	537.80	568.45	600.29
VAT on Services	75.29	80	84
Total small household bill:	613.09	648.04	684.33
% increase/-decrease	-	5.7%	5.6%

8. EXPENDITURE FRAMEWORK:

- 8.1 Some of the salient features and best practice methodologies relating to expenditure include the following:
- 8.1.1 Infrastructure repairs and maintenance is a priority
 - 8.1.2 Balanced budget constraint (Expenditure cannot exceed Revenue)
 - 8.1.3 Operational gains and efficiencies resulting in additional funding capacity on the Capital Program as well as redirection of funding to other critical areas, and
 - 8.1.4 Strict principle of no project plan (business plan) no budget allocation (funding allocation)

- 8.2 The following table is a summary of the total projected expenditure for the Municipality over the Medium Term period and aligned to the IDP.

Description	2017/18 Medium Term Revenue & Expenditure Framework		
	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand			
Expenditure By Type			
Employee related costs	81,684	86,340	91,175
Remuneration of councillors	6,055	6,400	6,759
Debt impairment	44,528	47,066	49,701
Depreciation & asset impairment	5,032	5,319	5,617
Finance charges	–	–	–
Bulk purchases	40,533	42,843	45,242
Other materials	5,038	5,325	5,623
Contracted services	12,461	13,171	13,908
Transfers and subsidies	–	–	–
Other expenditure	27,806	29,391	31,037
Loss on disposal of PPE	–	–	–
Total Expenditure	223,136	235,854	249,062
Surplus/(Deficit)	9,514	11,614	13,338
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	34,239	40,138	51,086
Transfers and subsidies - capital (in-kind - all)	10,825	24,200	6,000
Surplus/(Deficit) after capital transfers & contributions	54,579	75,952	70,424
Taxation	–	–	–
Surplus/(Deficit) after taxation	54,579	75,952	70,424
Attributable to minorities	–	–	–
Surplus/(Deficit) attributable to municipality	54,579	75,952	70,424
Share of surplus/ (deficit) of associate	–	–	–
Surplus/(Deficit) for the year	54,579	75,952	70,424

- 8.3 In terms of the projected operating budget of R 223,135,631.00 for the 2017/2018 Financial Year, indicative Salary increases have been included and represents 39.32% of the total Operating Expenditure forecast.
- 8.4 The cost associated with the remuneration of Councilors is determined and informed directly by way of the Remuneration of Public Office Bearers Act 1998 (Act No 20 of 1998)
- 8.5 The provision of debt impairment was determined based on an annual collection rate of 60% and the Debt Write-off Policy of the municipality. While this expenditure is considered to be a non-cash flow item, it informed the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues. This provision of 40% equals an amount of R 44 528 000 in rand value.
- 8.6 Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total

R5 032 166 for the 2017/18.

- 8.7 Aligned to the priority being given to preserving and maintaining the municipality's current infrastructure, the 2017/18 budget and MTREF provide for extensive growth in the area of asset maintenance, as informed by the asset renewal strategy and repairs and maintenance plan of the municipality. In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services.

Other materials comprise of amongst others the purchase of materials for maintenance, cleaning materials and chemicals. In line with the municipality's repairs and maintenance plan this group of expenditure has been prioritized to ensure sustainability of the municipality's infrastructure. The appropriation against this group of expenditure has been budgeted an amount of R5 037 600.

- 8.8 Bulk purchases are directly informed by the purchase of electricity from Eskom and water from Bloem Water. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. The expenditures include distribution losses. Eskom has a debt of over 80million that the municipality need to pay, however due to a lower collection rate it makes it impossible to meet the financial obligations that the municipality has.

9. **CAPITAL REQUIREMENTS:**

9. The following table indicates the projected Medium Term Capital requirements per department.

Vote Description R thousand	2017/18 Medium Term Revenue & Expenditure Framework		
	Budget Year	Budget Year	Budget Year
	2017/18	+1 2018/19	+2 2019/20
Capital Expenditure - Functional			
<i>Community and public safety</i>	593	-	-
Community and social services	593	-	-
<i>Economic and environmental services</i>	18,647	20,138	21,086
Planning and development	-	-	-
Road transport	18,647	20,138	21,086
Environmental protection	-	-	-
<i>Trading services</i>	27,725	44,200	36,000
Energy sources	11,725	4,200	5,000
Water management	16,000	40,000	31,000
Total Capital Expenditure - Functional	46,964	64,338	57,086

These figures are based on the projects identified through the IDP project phase and reflect estimated amounts based on the availability of funding

- 9.1 The table above illustrate the capital expenditure of the municipality. The expenditure is outlined per vote structure of the municipality. Mantsopa is a grant depended

municipality when it comes to financing its own capital expenditure, we are highly dependent on grants and this is due to the poor collection rate that the municipality is facing.

- 9.2 It is imperative that Capital Budgets are prioritized to reflect consistent efforts to address backlogs in basic services and the refurbishment and expanding of existing infrastructure.
- 9.3 Cognizance should also be given that National Government has prioritized the supply and quality of drinking water and failures in the management of waste water through the blue drop and green drop performance ratings.
- 9.4 Measures have to therefore be taken over the Medium Term Revenue and Expenditure Framework to implement these strategies to ensure that existing waters supply and waste water comply with these requirements.
- 9.5 It is important to realize that these figures are only indicative of the different services and may vary as priorities change.
- 9.6 From the above it is clear that for the next three years many challenges lie ahead to appropriate Capital Expenditure towards available sources of funding and to obtain alternative funding sources to address the needs as identified in the IDP.

The project source of funding over the Medium Term have been carefully considered and can be summarized as follows:

10. SOURCE OF FUNDING:

10.1 The capital grants received decline by R 22 428 600 from R 56 668 000 to R 34 239 400. However there are two additional grants in-kind to the R 34 239 400, R 1 000 000 for bulk water supply as well as R 9 825 000 that will be given to Eskom for electrification as per the DoRA. Inclusive of the grants in-kind the total for the Capital grants totals to R 45 064 400 as indicated in the capital budget.

Vote Description	2017/18 Medium Term Revenue & Expenditure Framework		
	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand			
Funded by:			
National Government	45,064	64,338	57,086
Provincial Government	-	-	-
District Municipality	-	-	-
Other transfers and grants	-	-	-
Transfers recognised - capital	45,064	64,338	57,086
Public contributions & donations	-	-	-
Borrowing	-	-	-
Internally generated funds	1,900	-	-
Total Capital Funding	46,964	64,338	57,086

11. CONCLUSION

- 11.1 The continued improvement and development of an effective financial planning process aids the actualization of fulfilling its facilitating role to capacitate the community to build a prosperous future for all
- 11.2 The Financial planning imperatives contribute to ensuring that the Municipality remains financially viable and that municipal services are provided economically to all communities
- 11.3 The Multi-year Financial Plan contains realistic and credible revenue and expenditure forecasts which should provide a sound basis for improved financial management and institutional development as well as service delivery improvements and implementation.
- 11.4 The strategy towards cash backing will certainly ensure the sustainability of the Municipality over the medium-to long-term.

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SECTION H PERFORMANCE MANAGEMENT

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END		

Mayors Foreword

A properly formulated SDBIP ensures that appropriate information is circulated internally and externally for purposes of monitoring the execution of the budget, performance and achievement of the strategic objectives set by council. SDBIP enables the Municipal Manager to monitor the performance of senior managers, the Mayor to monitor the performance of the Municipal Manager, and for the community to monitor the performance of the municipality.

This enables, in turn, the Mayor and the Municipal Manager to be pro-active and take remedial steps in the event of poor performance. The SDBIP aims to ensure that managers are problem-solvers, who routinely look out for unanticipated problems and resolve them as soon as possible.

The SDBIP should, therefore, determine (and be consistent with) the performance agreements between the Mayor and the Municipal Manager and that of the Municipal Manager and managers directly accountable to the Municipal Manager, hence determined at the start of every financial year and approved by the Mayor.

It is the output and goals made public in the SDBIP that will be used to measure performance on a quarterly basis during the financial year. It must be noted that such in-year monitoring is meant to be a light form of monitoring. The council should reserve its oversight role over performance at the end of the financial year, when the mayor tables the annual report of the municipality. The in-year monitoring is designed to pick up major problems only, and aimed at ensuring that the Mayor and Municipal Manager are taking corrective steps when any unanticipated problems arise.

The SDBIP serves a critical role to focus both the administration and council on outputs by providing clarity of service delivery expectations, expenditure and revenue requirements, service delivery targets and performance indicators. The Municipal Manager is encouraged to develop the SDBIP concept further so that it is meaningful and useful to managers.

Whilst the budget sets yearly service delivery and budget targets (revenue and expenditure per vote), it is imperative that in-year mechanisms are able to measure performance and progress on a continuous basis. Hence, the end-of-year targets must be based on quarterly and monthly targets, and the Municipal Manager must ensure that the budget is built around quarterly and monthly information.

Being a start-of-year planning and target tool, the SDBIP gives meaning to both in-year reporting in terms of section 71 (monthly reporting), section 72 (mid-year report) and Section 121 (end-of-year annual reports).

The SDBIP is essentially the management and implementation tool which sets in-year information, such as quarterly service delivery and monthly budget targets, and links each service delivery to the budget of the municipality, thus providing credible management information and a detailed plan for how the municipality will provide such services and the inputs and financial resources to be used.

The 2016/17 SDBIP indicates the responsibilities and outputs for each of the Senior Managers (Directors) in the top management team, the inputs to be used, and the time deadlines for each output.

The 2016/17 SDBIP will, therefore, determine the performance agreements of the Municipal Manager and Managers directly accountable to the Municipal Manager, including the outputs and deadlines for which they will be held accountable. This SDBIP should also provide all expenditure information (for capital projects and services) per municipal ward, so that each output can be broken down per ward, where this is possible, to support Ward Councillors in Service Delivery information.

It is in the light of the above-mentioned factors that I, **Cllr Mamsie Tsoene**, as the Mayor, hereby approve the 2016/17 Service Delivery & Budget Implementation Plan (SDBIP) in terms of **Section 53 (1) (c) (ii) of the Local Government: Municipal Finance Management Act, 56 of 2003**.

.....
Cllr Mamsie Tsoene
Mayor

.....
Date

Mantsopa Local Municipality
Free State Province

2. Introduction

The purpose of this document is to present the Service Delivery and Budget Implementation Plan (SDBIP) of Mantsopa Local Municipality for the 2016/17 financial year. The development, implementation and monitoring of a SDBIP is a requirement of the Municipal Finance Management Act No. 56 of 2003 (MFMA).

The SDBIP is a detailed one year plan of the municipality that gives effect to the Integrated Development Plan (IDP) and the budget of the municipality. The SDBIP is a management plan for implementing the IDP through the approved budget. It is an expression of the objectives of municipality, in quantifiable outcomes that will be implemented for the financial year. It includes the service delivery targets for each quarter and facilitates oversight over financial and nonfinancial performance of the municipality.

The SDBIP 2016/17 will not only ensure appropriate monitoring in the execution of the municipal budget and processes involved in the allocations of budgets to achieve key strategic priorities as set by the municipal IDP, but will also serve as the kernel of annual performance contracts for senior management and provide a foundation for the overall annual and quarterly organization performance for the 2016/17 financial year.

The SDBIP also assists the council and the community in their respective oversight responsibilities since it serves as an implementation and monitoring tool.

- **Part 1: SDBIP Overview**

Legislative Framework

Section 1 of the MFMA defines the SDBIP as a detailed plan approved by the mayor of a municipality in terms of section 53(1) (c) (ii) for implementing the municipality's delivery of services and its annual budget and which must indicate:

- a) Projections for each month of:-
 - i. Revenue to be collected, by source; and
 - ii. Operational and capital expenditure by, vote
- b) Service delivery targets and performance indicators for each quarter; and
- c) Any other matters that may be prescribed, and includes any revisions of such plan by the mayor in terms of section 54(1) (c).

The MFMA requires that municipalities develop SDBIP as a strategic financial management tool to ensure that budgetary decisions that are adopted by municipalities for the financial year are aligned with their IDP strategy. In terms of Section 53 (1) (c) (ii) of the MFMA, the SDBIP must be approved by the Mayor of a municipality within 28 days of the approval of the budget.

Components of the SDBIP

- Monthly Projections of Revenue to be Collected for each Source
- Monthly Projections of Expenditure and Revenue for each Vote
- Quarterly projections of Service Delivery Targets and Performance Indicators for each Vote
- Detailed Capital Budget Broken Down by Ward over 3 Years

Monthly Projections of Revenue to be collected for each Source

The failure to collect its revenue as budgeted will severely impact on the municipal ability to provide services to the community. The Municipality, therefore, has to institute measures to achieve its monthly revenue targets for each source. These measures will enable the municipality to assess its cash flow on a monthly basis with a view to undertaking contingency plans should there be a cash flow shortage or alternatively invest surplus cash. Furthermore, the effectiveness of credit control policies and procedures can be monitored with appropriate action taken if considered necessary.

Monthly Projections of Expenditure and Revenue for each Vote

The monthly projection of revenue and expenditure per vote relate to the cash paid and reconciles with the cash flow statement adopted with the budget. The focus under this component is a monthly projection per vote in addition to projections by source. When reviewing budget projections against actual, it is useful to consider revenue and expenditure per vote in order to gain a more complete picture of budget projections against actuals.

Quarterly Projections of Service Delivery Targets and Performance Indicators for each Vote

This component of the SDBIP requires non-financial measurable performance objectives in the form of service delivery targets and other indicators of performance. The focus is on outputs rather than inputs. Service delivery targets relate to the level and standard of service being provided to the community and include the addressing of backlogs in basic services. The approach encouraged by National Treasury's MFMA Circular No. 13 is the utilization of scorecards to monitor service delivery, which Mantsopa Local Municipality has adopted.

GENERAL KEY PERFORMANCE INDICATORS AS PRESCRIBED IN TERMS OF THE LOCAL GOVERNMENT: MUNICIPAL PLANNING AND PERFORMANCE MANAGEMENT REGULATIONS, 2001

In formulating the key performance indicators in the IDP, Budget & SDBIP for the period ending 30 June 2017, the municipality was guided by the General Key Performance Indicators as prescribed in terms of the above-mentioned regulations. These General Key Performance Indicators were incorporated in the performance information to provide proper context and implementation as follows:

KPA: Good Governance & Public Participation

KPA: Local Economic Development

KPA: Financial Viability and Management

KPA: Transformation and Institutional Development

KPA: Basic Services- Community Development and Social Cohesion

All General Key Performance Indicators, as prescribed in terms of Section 43 of the Act, are listed below for ease of reference:

- (a) The percentage of households with access to basic level of water, sanitation, electricity and solid waste removal;
- (b) the percentage of households earning less than R3300 per month with access to free basic services;
- (c) the percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan;
- (d) the number of jobs created through municipality's local economic development initiatives including capital reports;
- (e) the number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan;
- (f) the percentage of a municipality's budget actually spend on implementing its workplace skills plan; and
- (g)
- (h) financial viability as expected by the following ratios:

$$(i) A = \frac{B - C}{D}$$

Where –

“A” represents debt coverage

“B” represents total revenue received

“C” represents operating grants

“D” represents debts service payments (i.e. interest + redemption)

$$(ii) A = \frac{B}{C}$$

Where –

“A” represents outstanding services debtors to revenue

“B” represents total outstanding service debtors

“C” represents annual revenue actually received for services;

$$(iii) A = \frac{B+C}{D}$$

“A” represents cost average

“B” represents all available cash at a particular time

“C” represents investments

“D” represents monthly fixed operating expenditure

Municipal Score Card Perspective

MUNICIPAL SCORE CARD PERSPECTIVE	KPAs	IDP PRIORITY ISSUES
Service Delivery Perspective	Basic Service Delivery and Infrastructure Investment	<ul style="list-style-type: none"> ▪ Water ▪ Sanitation ▪ Electricity ▪ Roads and Storm water ▪ Waste Management
Municipal Development Perspective	Local Economic Development	<ul style="list-style-type: none"> ▪ Local Economic Development & Rural Development ▪ Tourism ▪ SMME Development
	Community Development and Social Cohesion	<ul style="list-style-type: none"> ▪ Community Facilities ▪ Housing and Land ▪ Safety and security ▪ Environmental Management and Conservation ▪ Education ▪ Health ▪ Social Welfare
Institutional Development Perspective	Municipal transformation and institutional development	<ul style="list-style-type: none"> ▪ Human Resources ▪ Administration ▪ Legal Service and Contract Management ▪ Skills Development: <ul style="list-style-type: none"> ○ Training & Education ○ Learnership ▪ ITC (Information Technology)
Financial Management Perspective	Financial viability and financial Management	<ul style="list-style-type: none"> ▪ Revenue ▪ Expenditure ▪ Asset and Liability Management ▪ SCM ▪ Financial Management Reforms ▪ MFMA Compliance
Governance Perspective	Good governance and community Participation	<ul style="list-style-type: none"> ▪ Governance ▪ Performance Management and Monitoring ▪ Ward Committees ▪ Communications and Intergovernmental Relations

Detailed Capital Budget over Three Years

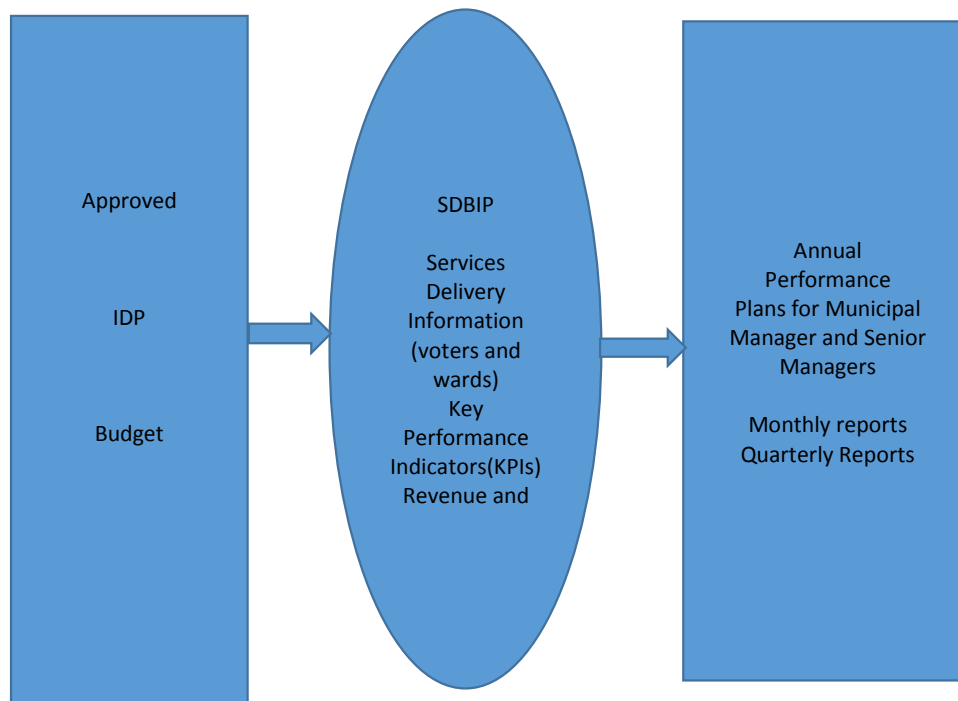
Information detailing infrastructural projects containing project description and anticipated capital costs over the three year period. A summary of capital projects per the IDP plan is available on Council's website: www.mantsopa.fs.gov.za.

The procurement process is an important component to ensure effective and timely infrastructure / capital service delivery

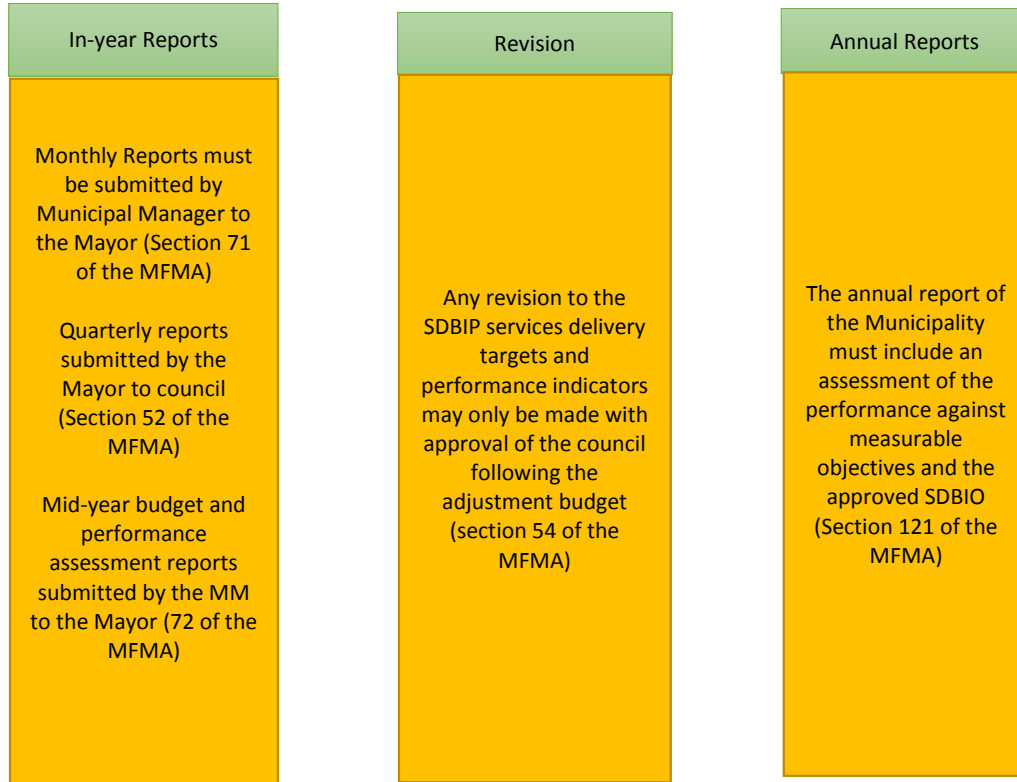
Strategic Direction and Planning Cycle

A seamless process between the Long Term Development Framework (LTDF), IDP, SDBIP, Performance Management System (PMS) and Annual Report would create an enabling environment for the municipality to achieve its deliverables

The Service Delivery and Budget Implementation Plan Concept



SDBIP Monitoring, Reporting and Revision



4. Financial Information

FS196 Mantsope - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	1									
Revenue – Functional										
<i>Governance and administration</i>		-	-	-	-	-	-	77 913	83 511	89 261
Executive and council		-	-	-	-	-	-	20 452	21 618	22 828
Finance and administration		-	-	-	-	-	-	55 904	60 247	64 694
Internal audit		-	-	-	-	-	-	1 557	1 646	1 738
<i>Community and public safety</i>		-	-	-	-	-	-	11 418	12 069	12 745
Community and social services		-	-	-	-	-	-	2 068	2 186	2 309
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	6 785	7 172	7 573
Housing		-	-	-	-	-	-	2 565	2 711	2 863
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	-	-	-	-	-	22 022	24 508	26 841
Planning and development		-	-	-	-	-	-	2 375	2 500	2 631
Road transport		-	-	-	-	-	-	19 647	22 008	24 211
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	166 361	191 718	190 639
Energy sources		-	-	-	-	-	-	52 592	49 965	53 613
Water management		-	-	-	-	-	-	58 507	83 341	75 342
Waste water management		-	-	-	-	-	-	32 911	34 787	36 735
Waste management		-	-	-	-	-	-	22 351	23 625	24 948
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue – Functional	2	-	-	-	-	-	-	277 714	311 807	319 486
Expenditure – Functional										
<i>Governance and administration</i>	-	-	-	-	-	-	-	76 421	80 777	85 300
Executive and council		-	-	-	-	-	-	20 452	21 618	22 828
Finance and administration		-	-	-	-	-	-	54 411	57 513	60 733
Internal audit		-	-	-	-	-	-	1 557	1 646	1 738
<i>Community and public safety</i>		-	-	-	-	-	-	17 142	18 120	19 134
Community and social services		-	-	-	-	-	-	2 682	2 834	2 993

Sport and recreation		-	-	-	-	-	-	5 111	5 402	5 705
Public safety		-	-	-	-	-	-	6 785	7 172	7 573
Housing		-	-	-	-	-	-	2 565	2 711	2 863
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	-	-	-	-	-	9 925	10 491	11 078
Planning and development		-	-	-	-	-	-	2 846	3 008	3 176
Road transport		-	-	-	-	-	-	7 079	7 483	7 902
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	119 452	126 260	133 331
Energy sources		-	-	-	-	-	-	47 073	49 756	52 542
Water management		-	-	-	-	-	-	32 115	33 946	35 847
Waste water management		-	-	-	-	-	-	20 943	22 136	23 376
Waste management		-	-	-	-	-	-	19 321	20 422	21 566
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	-	-	-	-	-	-	222 940	235 647	248 844
Surplus/(Deficit) for the year		-	-	-	-	-	-	54 775	76 159	70 642

FS196 Mantsopa - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand										
Revenue by Vote	1									
Vote 1 - MUNICIPAL MANAGER		-	-	-	-	-	-	10 058	10 632	11 227
Vote 2 - COUNCIL		-	-	-	-	-	-	13 314	14 073	14 861
Vote 3 - FINANCIAL SERVICES		-	-	-	-	-	-	55 904	60 247	64 694
Vote 4 - CORPORATE SERVICES		-	-	-	-	-	-	0	0	0
Vote 5 - COMMUNITY SERVICES		-	-	-	-	-	-	9 350	9 883	10 436
Vote 6 - TECHNICAL SERVICES		-	-	-	-	-	-	189 089	216 972	218 268
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	-	-	-	-	-	-	277 714	311 807	319 486
Expenditure by Vote to be appropriated	1									
Vote 1 - MUNICIPAL MANAGER		-	-	-	-	-	-	10 058	10 632	11 227
Vote 2 - COUNCIL		-	-	-	-	-	-	13 314	14 073	14 861
Vote 3 - FINANCIAL SERVICES		-	-	-	-	-	-	45 753	48 361	51 069
Vote 4 - CORPORATE SERVICES		-	-	-	-	-	-	8 658	9 152	9 664
Vote 5 - COMMUNITY SERVICES		-	-	-	-	-	-	14 461	15 285	16 141
Vote 6 - TECHNICAL SERVICES		-	-	-	-	-	-	130 696	138 145	145 881
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-

Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	-	-	-	-	-	-	222 940	235 647	248 844
Surplus/(Deficit) for the year	2	-	-	-	-	-	-	54 775	76 159	70 642

FS196 Mantsope - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Revenue by Vote	1									
Vote 1 - MUNICIPAL MANAGER		-	-	-	-	-	-	10 058	10 632	11 227
1.1 - Office of the Municipal Manager		-	-	-	-	-	-	4 741	5 012	5 292
1.2 - Internal Audit		-	-	-	-	-	-	1 557	1 646	1 738
1.3 - Integrated Development Plan		-	-	-	-	-	-	1 294	1 367	1 444
1.4 - Performance Management		-	-	-	-	-	-	1 103	1 166	1 231
1.5 - Local economic development		-	-	-	-	-	-	1 363	1 440	1 521
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Vote 2 - COUNCIL		-	-	-	-	-	-	13 314	14 073	14 861
2.1 - Mayor's Office		-	-	-	-	-	-	4 133	4 368	4 613
2.2 - Speaker's Office		-	-	-	-	-	-	3 210	3 393	3 583
2.3 - Council		-	-	-	-	-	-	5 971	6 312	6 665
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Vote 3 - FINANCIAL SERVICES		-	-	-	-	-	-	55 904	60 247	64 694

3.1 - Financial Services	-	-	-	-	-	-	41 189	44 695	48 270
3.2 - Rates and Tax	-	-	-	-	-	-	14 714	15 553	16 424
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Vote 4 - CORPORATE SERVICES	-	-	-	-	-	-	0	0	0
4.1 - Administration Services	-	-	-	-	-	-	0	0	0
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Vote 5 - COMMUNITY SERVICES	-	-	-	-	-	-	9 350	9 883	10 436
5.1 - Community Services Director's office	-	-	-	-	-	-	-	-	-
5.2 - Parks and recreation	-	-	-	-	-	-	-	-	-
5.3 - Libraries	-	-	-	-	-	-	-	-	-
5.4 - Fire Department	-	-	-	-	-	-	3 839	4 058	4 286
5.5 - Traffic Department	-	-	-	-	-	-	2 946	3 113	3 288
5.6 - Housing	-	-	-	-	-	-	2 565	2 711	2 863
5.7 - Environmental Services	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Vote 6 - TECHNICAL SERVICES	-	-	-	-	-	-	189 089	216 972	218 268
6.1 - Cemeteries	-	-	-	-	-	-	709	749	791
6.2 - Properties	-	-	-	-	-	-	1 360	1 437	1 518
6.3 - Project Management Unit	-	-	-	-	-	-	1 013	1 060	1 110
6.4 - Roads and Streets	-	-	-	-	-	-	19 647	22 008	24 211
6.5 - Electricity	-	-	-	-	-	-	52 592	49 965	53 613
6.6 - Water	-	-	-	-	-	-	58 507	83 341	75 342

6.7 - Sewerage		-	-	-	-	-	-	32 911	34 787	36 735
6.8 - Refuse Removal		-	-	-	-	-	-	22 351	23 625	24 948
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	-	-	-	-	-	-	277 714	311 807	319 486
Expenditure by Vote	1									
Vote 1 - MUNICIPAL MANAGER		-	-	-	-	-	-	10 058	10 632	11 227
1.1 - Office of the Municipal Manager		-	-	-	-	-	-	4 741	5 012	5 292
1.2 - Internal Audit		-	-	-	-	-	-	1 557	1 646	1 738
1.3 - Integrated Development Plan		-	-	-	-	-	-	1 294	1 367	1 444
1.4 - Performance Management		-	-	-	-	-	-	1 103	1 166	1 231
1.5 - Local economic development		-	-	-	-	-	-	1 363	1 440	1 521
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Vote 2 - COUNCIL		-	-	-	-	-	-	13 314	14 073	14 861
2.1 - Mayor's Office		-	-	-	-	-	-	4 133	4 368	4 613
2.2 - Speaker's Office		-	-	-	-	-	-	3 210	3 393	3 583
2.3 - Council		-	-	-	-	-	-	5 971	6 312	6 665
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Vote 3 - FINANCIAL SERVICES		-	-	-	-	-	-	45 753	48 361	51 069
3.1 - Financial Services		-	-	-	-	-	-	45 753	48 361	51 069
3.2 - Rates and Tax		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-

		-	-	-	-	-	-	-	-
Vote 4 - CORPORATE SERVICES		-	-	-	-	-	8 658	9 152	9 664
4.1 - Administration Services		-	-	-	-	-	8 658	9 152	9 664
		-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
Vote 5 - COMMUNITY SERVICES		-	-	-	-	-	14 461	15 285	16 141
5.1 - Community Services Director's office		-	-	-	-	-	-	-	-
5.2 - Parks and recreation		-	-	-	-	-	5 111	5 402	5 705
5.3 - Libraries		-	-	-	-	-	-	-	-
5.4 - Fire Department		-	-	-	-	-	3 839	4 058	4 286
5.5 - Traffic Department		-	-	-	-	-	2 946	3 113	3 288
5.6 - Housing		-	-	-	-	-	2 565	2 711	2 863
5.7 - Environmental Services		-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
Vote 6 - TECHNICAL SERVICES		-	-	-	-	-	130 696	138 145	145 881
6.1 - Cemeteries		-	-	-	-	-	-	-	-
6.2 - Properties		-	-	-	-	-	2 682	2 834	2 993
6.3 - Project Management Unit		-	-	-	-	-	1 483	1 568	1 655
6.4 - Roads and Streets		-	-	-	-	-	7 079	7 483	7 902
6.5 - Electricity		-	-	-	-	-	47 073	49 756	52 542
6.6 - Water		-	-	-	-	-	32 115	33 946	35 847
6.7 - Sewerage		-	-	-	-	-	20 943	22 136	23 376
6.8 - Refuse Removal		-	-	-	-	-	19 321	20 422	21 566
		-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	-	-	-	-	-	222 940	235 647	248 844
Surplus/(Deficit) for the year	2	-	-	-	-	-	54 775	76 159	70 642

FS196 Mantsope - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure, to be appropriated	2										
Vote 1 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-	-
Vote 2 - COUNCIL		-	-	-	-	-	-	-	-	-	-
Vote 3 - FINANCIAL SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 4 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 5 - COMMUNITY SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 6 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated	2										
Vote 1 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-	-
Vote 2 - COUNCIL		-	-	-	-	-	-	-	-	-	-
Vote 3 - FINANCIAL SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 4 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-

Vote 5 - COMMUNITY SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 6 - TECHNICAL SERVICES		-	-	-	-	-	-	46 964	64 338	57 086	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		-	-	-	-	-	-	46 964	64 338	57 086	
Total Capital Expenditure - Vote		-	-	-	-	-	-	46 964	64 338	57 086	
Capital Expenditure - Functional											
Governance and administration		-	-	-	-	-	-	-	-	-	-
Executive and council		-	-	-	-	-	-	-	-	-	-
Finance and administration		-	-	-	-	-	-	-	-	-	-
Internal audit		-	-	-	-	-	-	-	-	-	-
Community and public safety		-	-	-	-	-	-	593	-	-	-
Community and social services		-	-	-	-	-	-	593	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		-	-	-	-	-	-	18 897	20 138	21 086	-
Planning and development		-	-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	18 897	20 138	21 086	-
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	27 475	44 200	36 000	-
Energy sources		-	-	-	-	-	-	10 475	4 200	5 000	-
Water management		-	-	-	-	-	-	16 500	40 000	31 000	-
Waste water management		-	-	-	-	-	-	500	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	-	-	-	-	-	-	46 964	64 338	57 086	
Funded by:											

National Government		-	-	-	-	-	-	-	45 064	64 338	57 086
Provincial Government		-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	-	-	-	-	-	-	-	45 064	64 338	57 086
Public contributions & donations	5	-	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		-	-	-	-	-	-	-	1 900	-	-
Total Capital Funding	7	-	-	-	-	-	-	-	46 964	64 338	57 086

FS196 Mantsopa - Table A6 Budgeted Financial Position

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
ASSETS											
Current assets											
Cash		-	-	-	-	-	-	-	100	106	112
Call investment deposits	1	-	-	-	-	-	-	-	100	106	112
Consumer debtors	1	-	-	-	-	-	-	-	114 220	120 731	127 492
Other debtors		-	-	-	-	-	-	-	5 000	5 285	5 581
Current portion of long-term receivables		-	-	-	-	-	-	-	6	6	7
Inventory	2	-	-	-	-	-	-	-	-	-	-
Total current assets		-	-	-	-	-	-	-	119 426	126 234	133 303
Non current assets											
Long-term receivables		-	-	-	-	-	-	-	200	211	223
Investments		-	-	-	-	-	-	-	1 462	1 546	1 632
Investment property		-	-	-	-	-	-	-	62 573	66 140	69 844
Investment in Associate		-	-	-	-	-	-	-	-	-	-
Property, plant and equipment	3	-	-	-	-	-	-	-	1 068 768	1 129 539	1 182 922
Agricultural		-	-	-	-	-	-	-	-	-	-
Biological		-	-	-	-	-	-	-	-	-	-
Intangible		-	-	-	-	-	-	-	-	-	-
Other non-current assets		-	-	-	-	-	-	-	-	-	-
Total non current assets		-	-	-	-	-	-	-	1 133 004	1 197 437	1 254 621
TOTAL ASSETS		-	-	-	-	-	-	-	1 252 430	1 323 670	1 387 924

LIABILITIES											
Current liabilities	-										
Bank overdraft	1	-	-	-	-	-	-	-	-	-	-
Borrowing	4	-	-	-	-	-	-	-	940	994	1 050
Consumer deposits		-	-	-	-	-	-	-	1 689	1 785	1 885
Trade and other payables	4	-	-	-	-	-	-	-	71 663	75 748	79 990
Provisions		-	-	-	-	-	-	-	-	-	-
Total current liabilities		-	-	-	-	-	-	-	74 292	78 527	82 925
Non current liabilities											
Borrowing		-	-	-	-	-	-	-	5 805	6 136	6 479
Provisions		-	-	-	-	-	-	-	1 431	1 512	1 597
Total non current liabilities		-	-	-	-	-	-	-	7 236	7 648	8 077
TOTAL LIABILITIES		-	-	-	-	-	-	-	81 528	86 175	91 001
NET ASSETS	5	-	-	-	-	-	-	-	1 170 902	1 237 495	1 296 923
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		-	-	-	-	-	-	-	1 170 902	1 237 495	1 296 923
Reserves	4	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	5	-	-	-	-	-	-	-	1 170 902	1 237 495	1 296 923

FS196 Mantsope - Table A10 Basic service delivery measurement

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Household service targets	1									
<u>Water:</u>										
Piped water inside dwelling		-	-	-	-	-	-	-	-	-
Piped water inside yard (but not in dwelling)		-	-	-	-	-	-	15 100	15 100	15 100
Using public tap (at least min.service level)	2	-	-	-	-	-	-	-	-	-
Other water supply (at least min.service level)	4	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	15 100	15 100	15 100
Using public tap (< min.service level)	3	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	4	-	-	-	-	-	-	-	-	-
No water supply		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	15 100	15 100	15 100
<u>Sanitation/sewerage:</u>										
Flush toilet (connected to sewerage)		-	-	-	-	-	-	15 100	15 100	15 100
Flush toilet (with septic tank)		-	-	-	-	-	-	-	-	-
Chemical toilet		-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)		-	-	-	-	-	-	-	-	-
Other toilet provisions (> min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	15 100	15 100	15 100
Bucket toilet		-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	15 100	15 100	15 100
<u>Energy:</u>										
Electricity (at least min.service level)		-	-	-	-	-	-	13 300	13 300	13 300
Electricity - prepaid (min.service level)		-	-	-	-	-	-	1 800	1 800	1 800

	<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	15 100	15 100	15 100
Electricity (< min.service level)			-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)			-	-	-	-	-	-	-	-
Other energy sources			-	-	-	-	-	-	-	-
	<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-
Total number of households		5	-	-	-	-	-	15 100	15 100	15 100
<u>Refuse:</u>										
Removed at least once a week	<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	15 100	15 100	15 100
Removed less frequently than once a week			-	-	-	-	-	-	-	-
Using communal refuse dump			-	-	-	-	-	-	-	-
Using own refuse dump			-	-	-	-	-	-	-	-
Other rubbish disposal			-	-	-	-	-	-	-	-
No rubbish disposal			-	-	-	-	-	-	-	-
	<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-
Total number of households		5	-	-	-	-	-	15 100	15 100	15 100
<u>Households receiving Free Basic Service</u>		7								
Water (6 kilolitres per household per month)			-	-	-	-	-	-	-	-
Sanitation (free minimum level service)			-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per household per month)			-	-	-	-	-	-	-	-
Refuse (removed at least once a week)			-	-	-	-	-	-	-	-
<u>Cost of Free Basic Services provided - Formal Settlements (R'000)</u>		8								
Water (6 kilolitres per indigent household per month)			-	-	-	-	-	5 760	6 088	6 429
Sanitation (free sanitation service to indigent households)			-	-	-	-	-	8 160	8 625	9 108
Electricity/other energy (50kwh per indigent household per month)			-	-	-	-	-	54	57	60
Refuse (removed once a week for indigent households)			-	-	-	-	-	5 280	5 581	5 893
<u>Cost of Free Basic Services provided - Informal Formal Settlements (R'000)</u>			-	-	-	-	-	-	-	-
Total cost of FBS provided			-	-	-	-	-	19 254	20 351	21 491
<u>Highest level of free service provided per household</u>										
Property rates (R value threshold)			-	-	-	-	-	1 250 000	1 250 000	1 250 000
Water (kilolitres per household per month)			-	-	-	-	-	40	40	40
Sanitation (kilolitres per household per month)			-	-	-	-	-	-	-	-
Sanitation (Rand per household per month)			-	-	-	-	-	194	0	0
Electricity (kwh per household per month)			-	-	-	-	-	900	1	1
Refuse (average litres per week)			-	-	-	-	-	125	0	0

Revenue cost of subsidised services provided (R'000)	9									
Property rates (tariff adjustment) (impermissable values per section 17 of MPRA)		-	-	-	-	-	-	80	80	80
Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)		-	-	-	-	-	-	-	-	-
Water (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates								-	-	-
Housing - top structure subsidies	6							-	-	-
Other								-	-	-
Total revenue cost of subsidised services provided		-	-	-	-	-	-	80	80	80

MUNICIPAL PERFORMANCE PLANS

DIVISION: IDP		INTEGRATED DEVELOPMENT PLAN 2016/17											
KPA	Good Governance and Public Participation												
DEPARTMENT	Municipal Manager												
DIVISION	Integrated Planning												
VOTES													
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	SUB-PROJECT	WEIGHT	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS ON REVIEW	ANNUAL PERFORMANCE TARGET 2017/18				POE REF NO/PAGE
									Q1	Q2	Q3	Q4	
Good governance	Ensured that sound governance processes are development and maintained	IDP 2016/17	1	Annual review of approved 5 year IDP conducted in terms of MSA and MFMA	Approved process plan IDP Assessment Consultation meeting Representative Forum Advertising the IDP		Submission to Council Submission to Cogta					1	
		Council strategic plan	Previous Strategic plan (2016/17)	Coordination of Council strategic plan in April 2018	Prepare Agenda Coordinate bookings Coordinate invites Conduct Strategic Plan session		Agenda Invitation letters Attendance register	1					
		Sector Plans	6	Facilitation of sectorial	Coordinate sectorial plans		Proof of coordination		1				

				development plans and its incorporation in the IDP process	Liaise with service providers		Attendance registers						
		Steering committee	2	Prepare Agenda invitations	Prepare Agenda Invitations		Minutes Attendance		1		1		

DIVISION: ORGANISATIONAL PERFORMANCE MANAGEMENT

INTEGRATED DEVELOPMENT PLAN 2017/18														
GOOD GOVERNANCE & PUBLIC PARTICIPATION														
OFFICE OF THE MUNICIPAL MANAGER														
ORGANISATIONAL PERFORMANCE MANAGEMENT														
VOTES											ANNUAL PERFORMANCE TARGET 2017/18			POE REF NO/PAGE
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	SUB-PROJECT	WEIGHT	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS ON REVIEW	Q1	Q2	Q3	Q4		
Ensure that sound governance processes are developed and maintained	Ensured that sound governance processes are developed and maintained	1 (2016/17 SDBIP)	1 (2017/18 Annual SDBIP approved within 28 days after the approval of the IDP and budget)	2017/18 Annual SDBIP approved by the Mayor within 28 days of the approval of the 2017/18 IDP & Budget	Revise the SDBIP template for completion by Directors/Managers Develop a program for Departmental SDBIP Engagement Session Consolidate the institutional 2016/17 SDBIP and submission to MM, Mayor, FS COGTA, FS PT		2017/18 SDBIP approved by the Mayor within the prescribed period Letter sent to the Mayor Minutes of Council		1					
Ensured that sound governance processes are developed and maintained	Ensured that sound governance processes are developed	(5) 2017/18 Signed Performance Agreements	Facilitate the Signed Performance Agreements of Section	Signed 2017/18 Performance Agreements of Section 57A and Section 56, and submission to	Prepare the draft Performance Agreements for Directors & MM		Approved Performance Agreements Proof of submission Minutes of Council		1					

	and maintained		57A and Section 56, and submission to COGTA and Treasury	COGTA and Treasury	Submit the final Performance Agreements to FS COGTA & FS PT Prepare the draft Performance Agreements for Level 01-03 Managers Incorporate inputs and submit the final Performance Agreements for Level 01 to 03 Managers to the MM								
Ensured that sound governance processes are developed and maintained	Ensured that sound governance processes are developed and maintained	2 (2015/16 Annual Report)	2 (MSA and MFMA compliant Annual Report tabled in Council by 31 January 2018)	MSA and MFMA compliant Annual Report tabled in Council by 31 January 2018.	Prepare the draft 2016/17 Annual Report and submit to Council for tabling & AG audit by 31 August 2017 Incorporate inputs and submit the final draft to Council by 31 January 2018 for Oversight Committee consideration Incorporate inputs of the Oversight Committee and submit the final AR not later than 31 March 2018 to Council and to FSCOGTA after approval	Proof of submission (COGTA) Council minutes Oversight Committee minutes		1		1			
Ensured that sound governance processes are	Ensured that sound governance processes are	20 (Quarterly reports)	20 (Submit institutional Quarterly Performance	5 Prepare and submit institutional Quarterly Performance	Consolidate Departmental Quarterly Performance	Proof of submission (evidence from depts) Council minutes		5	5	5	5		

developed and maintained	developed and maintained		e Assessment Reports to Council)	Assessment Reports to Council	Assessment Reports Submit to MM, Council & Audit Committee Facilitate the Individual Performance Evaluation of Directors, MM, Level 01-03	Acknowledgement from MM & Internal Auditor Performance Evaluation reports						
Ensured that sound governance processes are developed and maintained	Ensured that sound governance processes are developed and maintained	Back to Basics reports	12 (Submit Monthly Back to Basics report to National COGTA) & 4 (Quarterly Back To Basics reports to FS COGTA & Council	Monthly & Quarterly Back To Basics reports submitted to National COGTA, FS COGTA & Council	Prepare monthly National Back to Basics statistics Consolidate the departmental quarterly performance on the Back to Basics Action Plan for submission to FS COGTA	Proof of submission	3 1	3 1	3 1	3 1		
Ensured that sound governance processes are developed and maintained	Ensured that sound governance processes are developed and maintained	Management & Departmental Meetings	12 Convene monthly Senior Management meetings 4 Convene quarterly departmental meetings	12 Convene monthly Senior Management meetings 4 Convene quarterly departmental meetings	Draft a schedule for monthly Management & departmental meetings	Minutes & Attendance Registers	3 1	3 1	3 1	3 1		

DIVISION: INTERNAL AUDIT														
INTEGRATED DEVELOPMENT PLAN 2017/18														
GOOD GOVERNANCE AND PUBLIC PARTICIPATION														
OFFICE OF THE MUNICIPAL MANAGER														
INTERNAL AUDITING														
VOTES										ANNUAL PERFORMANCE TARGET 2017/18				POE REF NO/PAGE
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	SUB-PROJECT	WEIGHT	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS ON REVIEW	Q1	Q2	Q3	Q4		
ensure that sound governance processes are developed and maintained	ensured that sound governance processes are developed and maintained	1 (2016/17 approved annual internal audit plan)	1 (2017/18 approved annual internal audit plan)	Review annual internal audit plan for 2017/18 financial year.	annual internal audit plan approved by Audit Committee		Agenda Minutes of the Audit Committee Meeting 2017/18 approved annual internal audit plan.		1					
Ensured that sound governance processes are developed and maintained	Ensured that sound governance processes are developed and maintained	4 (2016/17 internal audit reports)	4 (2017/18 internal audit reports)	Implementation of 2017/18 annual internal audit plan.	Quarterly audits to implement internal audit plan		Agendas Minutes of the Audit Committee Meetings Attendance Registers		1	1	1	1		
Ensured that sound governance processes are developed and maintained	Ensured that sound governance processes are developed and maintained	1 (2016/17 approved three-year rolling coverage plan)	1 (2017/18 approved three-year rolling coverage plan)	Review the three-year rolling coverage plan for 2017/18 financial year	Three-year rolling coverage plan approved by Audit Committee		Agenda Minutes of the Audit Committee Meeting 2017/18 approved three-year rolling coverage plan.		1					

Ensured that sound governance processes are developed and maintained	Ensured that sound governance processes are developed and maintained	4 (2016/17 number of audit committee meetings held per annum)	4 (2017/18 number of audit committee meetings held per annum)	Number of audit committee meetings held per annum.	Discussion of internal audit reports with Audit Committee Members	Invitations Agendas Attendance Registers Minutes of the Audit Committee Meetings		1	1	1	1	
Ensured that sound governance processes are developed and maintained	Ensured that sound governance processes are developed and maintained	1 (2016/17 approved internal audit charter)	1 (2017/18 approved internal audit charter)	Review Internal Audit Charter for 2017/18 financial year	Internal audit charter approved by Audit Committee	Invitation Agenda Minutes of the Audit Committee Meeting 2017/18 approved internal audit charter.		1				
Ensured that sound governance processes are developed and maintained	Ensured that sound governance processes are developed and maintained	1 (2016/17 approved internal audit strategy and procedural manual)	1 (2017/18 approved internal audit strategy and procedural manual)	Review Internal Audit Strategy and Procedural manual for 2017/18 financial year	Internal Audit Strategy and Procedural manual approved by Audit Committee	Invitation Agenda Minutes of the Audit Committee Meeting 2017/18 approved internal audit strategy and procedural manual.		1				
Ensured that sound governance processes are developed and maintained	Ensured that sound governance processes are developed and maintained	1 (2016/17 approved Audit Committee Charter)	1 (2017/18 approved Audit Committee Charter)	Review Audit Committee Charter for 2017/18 financial year	Audit Committee Charter approved by Council.	Invitation Minutes of the Council 2017/18 approved audit committee charter.		1				
Ensured that sound governance processes are developed and maintained	Ensured that sound governance processes are developed and maintained	4 (2016/17 number of audit committee report tabled)	4 (2017/18 number of audit committee report tabled)	Number of Audit Committee Reports Completed	Audit Committee Reports tabled to council.	Invitation Minutes of the Council Audit Committee Reports		1	1	1	1	

DIVISION: RISK MANAGEMENT

INTEGRATED DEVELOPMENT PLAN 2017/18													
KPA	GOOD GOVERNANCE AND PUBLIC PARTICIPATION												
DEPARTMENT	Municipal Manager												
DIVISION	Risk Management												
VOTES											ANNUAL PERFORMANCE TARGET 2017/18		POE REF NO/PAGE
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	WEIGHT	SUB-PROJECT	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS ON REVIEW	Q1	Q2	Q3	Q4	
ensure that sound governance processes are developed and maintained	To ensure that sound governance processes are developed and maintained and the municipality has an integrated risk Management system	2 (Risk Management Committee Meetings held)	4 (2017/18 number of audit committee meetings held per annum)	One Risk Management Committee Meeting held per quarter		Discuss a Risk Management Report with the Risk Management Committee	Minutes of the Risk Management Committee Meeting, Attendance Register of the Risk Management Committee Meeting, Agenda		1	1	1	1	
Ensured that sound governance processes are developed and maintained	To ensure that sound governance processes are developed and maintained and the municipality has an integrated risk Management system	1 (Approved Risk Management Policy)	1	Review of the Risk Management Policy for the 2017/18 financial year.		Table the Risk Management Policy to the Risk Management Committee. Take the Risk Management Policy to Council for noting	Reviewed Risk Management Strategy, Minutes of the Risk Management Committee, Council minutes		1				

Ensured that sound governance processes are developed and maintained	To ensure that sound governance processes are developed and maintained and the municipality has an integrated risk Management system	1 (Approved Risk Management Strategy)	1	Review of the Risk Management Strategy for the 2017/18 financial year.		Table the Risk Management Strategy to the Risk Management Committee. Take the Risk Management Strategy to Council for noting	Reviewed Risk Management Strategy, Minutes of the Risk Management Committee, Council minutes		1				
		1 (Approved Risk Management Implementation Plan)	1	Approval of the Risk Management Implementation Plan by the Risk Management Committee for the 2017/18 financial year		Table the Risk Management Implementation plan to the Risk Management Committee for review and approval	Approved Risk Management Implementation plan, Minutes of the Risk Management Committee		1				
		1 (Approved Fraud Prevention Plan and Strategy)	1	Review of the Fraud Prevention by the Risk Management Committee and Council		Table the Fraud Plan and Strategy to the Risk Management Committee. Take the Fraud Prevention Plan to Council for noting	Reviewed Fraud Prevention Plan and strategy, Minutes of the Risk Management Committee, Council minutes		1				
		1 (Conduct Institution Wide Risk Assessment)	1	Conducting of the Institution Wide Risk Assessment		Conduct Institution Wide Risk Assessment	Invitation Attendance register for the Risk Assessment, Risk Assessment Report				1		
		1 (Approved Risk Register)	1	Approval of the Risk Register for 2017/18 financial year		Conduct an Institution Wide Risk Assessment, Compile a Risk Register, Table the Risk Register to the Risk Management Committee	Approved Risk Register, Minutes of the Risk Management Committee				1		
		0	4 (Update Risk Register once a quarter)	Updating Risk Register on a quarterly basis		Update the Risk Register with information from various departments	Updated Risk Register, Proof of update by the Risk Champion and Risk Management Officer		1	1	1	1	

		4 (number of Risk Management Committee report tabled)	4 (number of Risk Management Committee report tabled)	Number of Risk Management Committee Reports Completed		Risk Management Committee Reports tabled to council.	Invitation Minutes of the Council Risk Management Committee Reports		1	1	1	1	
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DIVISION: ICT

INTEGRATED DEVELOPMENT PLAN 2017/18													
KPA		TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT											
DEPARTMENT		Municipal Manager											
DIVISION		Information and Communication Technology											
VOTES													
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	SUB-PROJECT	WEIGHT	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS ON REVIEW	ANNUAL PERFORMANCE TARGET 2017/18				POE REF NO/PAGE
									Q 1	Q 2	Q 3	Q 4	
IT Good Governance and Public Participation	Integrated Information Technology Systems	(1) Draft IT Steering Committee Terms of Reference	(4) ICT Steering Committee Meetings	Develop risk register that is quarterly reviewed and updated	IT risk control framework and risk register and proof.		-ICT Steering committee Agenda and Minutes		1	1	1	1	
		Terms of Reference of ICT Steering Committee is submitted for management review	(1)Annual Report on the review of ICT Steering committee Terms of Reference	ICT Steering Committee Meeting for review and approval of Terms of Reference for ICT Steering committee	IT Steering Committee Terms of Reference with all minutes of meetings held for the 2015-16 financial period		Approved terms of reference of ICT Steering Committee			1			
		(3)ICT Service Providers must gain access by authenticating	(12)Quarterly report for Security log Access showing the details of the	To monitor the municipal Service Provider in accordance to their SLA	Quarterly Reports as a Proof that IT service providers		Security Log access that show the logon detail of the service Provider	SQL server is already Installed in the server to monitor the logon	3	3	3	3	

		to municipal server	service provider		are monitored							
		(1)Draft ICT Security Policy	Approved ICT Security Policy Management	ICT Security Policy is submitted for management review.	The minutes and agenda showing that ICT Security Policy was review by IT Steering Committee	Approved ICT Security Policy and Procedures					1	
		Trial SCCM	(12)Monthly Computer generated report showing that all patches Deployed by System Configuration Centre Manager	Implemented System Centre Configuration Manager to deploy patches on the workstations on monthly basis.	Patch management procedures and process Logs	System Configuration Manager is deployed on the server as six month trial version		3	3	3	3	
		Draft IT Disaster Recovery Plan	Approved IT Disaster recovery plan and Backup register	Quarterly Test Report showing the timeframes to resume IT Service in case of disaster	IT Disaster recovery plan and Backup procedures	IT disaster recovery plan and Backup procedures is submitted to the management for review		1	1	1	1	
		Connection to municipal Towns Network Infrastructure and Network Diagram	(6)Complete Network connectivity to the municipal remote offices and Towns	(1)Quarterly computer generated Log file showing that remote municipal offices and towns can be access	Acquiring new Base Station Unit and upgrading current Access points and negotiating with SENTECH for access to their transmission tower to Connect	Approved quarterly reports showing the data traffic and access log to the remote municipal offices and towns					1	
		Draft Server Room Register	(1)Upgraded Server Room to	Physical Access and Environmental Controls	Approved policy or procedures	Develop server room access policy and procedure and electronic server room registers					1	

			meet the required server standards		System generated server room access logs and server room visitors register										
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LED AND TOURISM SDBIP: 2017/2018

KPA		LED AND TOURISM													
DEPARTMENT		MUNICIPAL MANAGER													
DIVISION		LED AND TOURISM													
VOTES										ANNUAL PERFORMANCE TARGET 2017/2018				POE REF NO/PAGE	
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	SUB-PROJECT	WEIGHT	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS ON REVIEW	Q1	Q2	Q3	Q4			
FACILITATE DECENT EMPLOYMENT THROUGH INCLUSIVE ECONOMIC GROWTH BY STIMULATING THE GROWTH OF SMME'S TO CONTRIBUTE TOWARDS THE REDUCTION OF UNEMPLOYMENT AND POVERTY	Review LED Strategy	2015/2016 LED Strategy	1	Approved 2017/18 LED strategy by Council not later than September 2017	IDP Review Roadshows Consultation		Minutes of the IE committee meeting Attendance Register					1			
	Number of employment opportunities created through the EPWP	157	300	300 jobs created through EPWP	People employed through EPWP		Contracts signed by employees					300			
	Number of employment opportunities created through CWP	127	300	300 jobs created through CWP	People employed through CWP		Contracts signed by employees					300			
	Contribution towards the sustainability of SEDA offices	0	1	The operation of SEDA offices	Operation of SEDA offices		Service Level agreement with the Municipality Attendance Register	1							

	Number of LED projects supported by the Municipality in conjunction with SEDA offices	8	8 projects per quarter	Identify LED projects to be supported by the Municipality and SEDA	Support offered by SEDA and the Municipality to our SMME's		Attendance Register		8	8	8	8	
	Number of Cooperatives revamped/established	3	3	3 new cooperatives established	Newly Registered Cooperatives		Minutes of meetings held			1	1	1	
							Copy of registration certificate						

DEPARTMENT: OFFICE OF THE CHIEF FINANCIAL OFFICER
KPA: FINANCIAL VIABILITY & MANAGEMENT

Service Delivery and Budget Implementation Plan 2017/18													
KPA:		Financial Viability and Management											
Department		Financial Services (Expenditure Division)											
Votes:													
Operational Budget		Performance Targets											
Capital Budget		Annual Target 2017/18											
IDP Objective	Indented outcome	Baseline	Annual Target	Key Performance Indicator	Sub Project	WEIGHT	Unit of measure/Performance measure	Progress on review	Target Q 1	Target Q 2	Target Q 3	Target Q 4	POE Ref No/Pag e
To ensure full compliance with MFMA and GRAP with regard to financial management and reporting	Improved financial management and accountability.	30% Payments within 30 days	60% creditors Payment within 30 days of receipt of invoice	Monthly list of payments and reconciliations	Payment of creditors within 30 days of receipt of invoice	20%	Monthly – Creditors account reconciliation, monthly list of payments and creditors age analysis (Keep a register as proof)		40 %	45 %	50 %	60 %	
	Improved financial management and accountability.	12 reports compiled for all suspense accounts reconciled and cleared	12 reports compiled for all suspense accounts reconciled and cleared	Monthly list and report on suspense accounts	Monthly clearing of all suspense accounts		Monthly – Reports compiled each month (Keep a register as proof)		3 reports	3 reports	3 reports	3 reports	

Service Delivery and Budget Implementation Plan 2017/18													
KPA:		Financial Viability and Management											
Department		Financial Services (Expenditure Division)											
Votes:													
Operational Budget												Performance Targets	
Capital Budget												Annual Target 2017/18	
IDP Objective	Indented outcome	Baseline	Annual Target	Key Performance Indicator	Sub Project	WEIGHT	Unit of measure/Performance measure	Progress on review	Target Q 1	Target Q 2	Target Q 3	Target Q 4	POE Ref No/Pag e
	Improved financial management and accountability.	12 reports on all Filing of Payment vouchers	12 monthly reconciliation reports	Monthly creditors reconciliation	Agree balance of Creditors control account to the Creditors ledger accounts		Monthly – Creditors reconciliation each month (Keep a register as proof)		3 reports	3 reports	3 reports	3 reports	
	Improved financial management and accountability.	12 reports on all Filing of Payment vouchers	12 reports on all Filing of Payment vouchers	Monthly reports on filing of Payment vouchers	Monthly summary of all Filing of Payment vouchers		Monthly – list of payments made and reports compiled each month (Keep a register as proof)		3 reports	3 reports	3 reports	3 reports	
To ensure full compliance with MFMA and GRAP with regard to financial management and reporting	Improved financial management and accountability.	Submit before the 10 th working day	12 reports compiled and tabled at the Section 32 committee and Council	Monthly register on fruitless and wasteful expenditure	Register for fruitless and wasteful expenditure incurred		Monthly – Monthly register, minutes of Section 32 committee and resolutions of Council (Keep a register as proof)		3 reports	3 reports	3 reports	3 reports	
	Improved financial management and accountability.	Salaries on 25 th each month and Wages 2 nd each month	12 monthly Salaries and Wages Certification reports	Salaries and Wages Certification report	Payments of Salaries and Wages		Monthly – Salaries and Wages Certification report and proof of payments (Keep a register as proof)		3 reports	3 reports	3 reports	3 reports	
	Improved financial management and accountability.	Submit before the 10 th working day	12 monthly reconciliation reports	Monthly payroll reconciliation	Payroll Reconciliation - Including Journals		Monthly – Payroll reconciliation each month (Keep a register as proof)		3 reports	3 reports	3 reports	3 reports	

Service Delivery and Budget Implementation Plan 2017/18													
KPA:		Financial Viability and Management											
Department		Financial Services (Expenditure Division)											
Votes:													
Operational Budget												Performance Targets	
Capital Budget												Annual Target 2017/18	
IDP Objective	Indented outcome	Baseline	Annual Target	Key Performance Indicator	Sub Project	WEIGHT	Unit of measure/Performance measure	Progress on review	Target Q 1	Target Q 2	Target Q 3	Target Q 4	POE Ref No/Pag e
	Improved financial management and accountability.	Submit before the 10 th working day	12 monthly reports	Monthly reports	Monthly submission of section 66 report		Monthly – Payroll reports each month (Keep a register as proof)		3 reports	3 reports	3 reports	3 reports	
	Improved financial management and accountability.	IRP5 reconciliation	Compilation of IRP5 reconciliation	Compilation of IRP5 reconciliation	Compilation and submission of IRP5 reconciliation		Bi-Annually -Submission of IRP5 reconciliations to SARS by 31 October and 31 May (Submission report as proof)		N/A	31 October 2015– Bi annual IRP5s	28 February 2016– Final IRP5s	N/A	
To ensure full compliance with MFMA and GRAP with regard to financial management and reporting	Improved financial management and accountability	EMP 201 Forms	EMP 201 Forms	EMP 201 Forms	Submission of Declaration of employees tax EMP201 forms to SARS		Monthly - EMP 201 Forms completed and submitted not later than the 7 th each month (Keep a register as proof)		3 reports	3 reports	3 reports	3 reports	
	Improved financial management and accountability	Review and Submission of policy 1 Reviewed	Review policy	Policy review	Review and adoption of the Travelling and Subsistence policy		Annually (Policy reviewed and tabled before council for adoption by 31 May) (Council resolution as proof)		N/A	N/A	N/A	31/05 /2016	

Service Delivery and Budget Implementation Plan 2017/18													
KPA:		Financial Viability and Management											
Department		Financial Services (Expenditure Division)											
Votes:													
Operational Budget												Performance Targets	
Capital Budget												Annual Target 2017/18	
IDP Objective	Indented outcome	Baseline	Annual Target	Key Performance Indicator	Sub Project	WEIGHT	Unit of measure/Performance measure	Progress on review	Target Q 1	Target Q 2	Target Q 3	Target Q 4	POE Ref No/Page
	Improved financial management and accountability	Answering of all audit queries 5 days	Response timeously to both internal and external audit queries for Expenditure and Payroll Units	Response timeously to both internal and external audit queries for Expenditure and Payroll Units	Timeous response to Audit queries Coordinate approval of responses		Ongoing - Answering of queries within 3 working days after receiving query with relation to Expenditure and Payroll Units (IA report/ AG) (Register with query nr, query date and date of answer as proof)		5 working days	5 working days	5 working days	5 working days	
	Improved financial management and accountability	Compilation and Implementation of audit action plan	12 reports monthly on implementation and progress of audit action plan	Year-end procedures	Audit action plan implementation Audit File		Monthly - Report monthly on implementation and progress of audit action plan (Report as proof)		N/A	N/A	Ongoing	N/A	

Division: Supply Chain Management

Integrated Development Plan 2017/18													
KPA:		Financial Viability and Management											
Department		Financial Services											
Votes:													
Operational Budget												Performance Targets	
Capital Budget												Annual Target 2017/18	
IDP Objective	Indented outcome	Baseline	Annual Target	Key Performance Indicator	Sub Project	WEIGHT	Unit measure/Performance measure	Progress on review	Target Q 1	Target Q 2	Target Q 3	Target Q 4	POE Ref No/Page
To implement an effective and efficient system of supply chain management and expenditure	Improved financial management and accountability.	Answering of all audit queries	Response timeously to both internal and external audit queries on supply chain management processes.	Response timeously to both internal and external audit queries on supply chain management processes.	Timeous response to Audit queries Coordinate approval of responses	20%	Ongoing - Answering of queries within 5 working days after receiving query with relation to supply chain		5 days	5 days	5 days	5 days	
	Improved financial management and accountability	Update Supplier Database on regular basis	Advertise annually for invitation of suppliers database on the newspaper and the website of the Municipality	Advertise Update data base and, Report on new entries	Ensure updating of supplier database on regular basis.		Ensure compliance of SCM 14 (b) policy		1	On-going	On-going	On-going	
	Improved financial management and accountability	SCM procurement plan compiled and approved.	Compile an annual procurement plan	Approved SCM procurement plan	Approved SCM procurement plan		The signature of the MM and date of the approval procurement plan					30 June 2016	
	Improved financial management and accountability.	Compilation of accurate and complete irregular expenditure and deviation	12 reports/registers of irregular expenditure and deviation	Irregular expenditure and SCM section 36 deviation	Irregular Expenditure and Deviation Register		Quarterly council resolutions for irregular expenditure and deviation		3 reports	3 reports	3 reports	12 reports	

Integrated Development Plan 2017/18													
KPA:		Financial Viability and Management											
Department		Financial Services											
Votes:													
Operational Budget												Performance Targets	
Capital Budget												Annual Target 2017/18	
IDP Objective	Indented outcome	Baseline	Annual Target	Key Performance Indicator	Sub Project	WEIGHT	Unit measure/Performance measure	Progress on review	Target Q 1	Target Q 2	Target Q 3	Target Q 4	POE Ref No/Page
		register in conjunction with Expenditure Division											
	Improved financial management and accountability.	Appointment of bids and tenders within 90 days	Tenders and Bids evaluation must be completed within 90 days	Tenders and Bids evaluation must be completed within 90 days	Appointment of bids and tenders within 90 days		Evaluation Reports must be submitted and list of bids register		90 days	90 days	90 days	90 days	
	Improved financial management and accountability	Updated tender register on the website of the Municipality	Updated tender register on the website of the Municipality	Updated tender register on the website of the Municipality	Updated tender register on the website of the Municipality		Updated tender register on the website of the Municipality		Monthly	Monthly	Monthly	Monthly	
	Improved financial management and accountability	Compilation of complete and updated commitment register	Maintained and update commitment register	Maintained and update commitment register	Maintained and update commitment register		Maintained and update commitment register		On going	On going	On going	On going	
	Improved financial management and accountability	Reconciliations:	12 Reconciliation of Travel Card and Orders	Commitments order and travelling reconciliations	Commitments order and travelling reconciliations		Reconciliations		3 reports	3 reports	3 reports	3 reports	

Integrated Development Plan 2017/18													
KPA:		Financial Viability and Management											
Department		Financial Services											
Votes:													
Operational Budget												Performance Targets	
Capital Budget												Annual Target 2017/18	
IDP Objective	Indented outcome	Baseline	Annual Target	Key Performance Indicator	Sub Project	WEIGHT	Unit measure/Performance measure	Progress on review	Target Q 1	Target Q 2	Target Q 3	Target Q 4	POE Ref No/Page
	Improved financial management and accountability.	SCM policy review	Annual review	SCM policy review	SCM policy review		SCM policy review		Not Applicable	Not Applicable	Not Applicable	31/05/2015	
	Improved financial management and accountability	Capturing of contracts awarded above R100,000.00 to National Treasury.	12 Reports	Capturing of contracts awarded above R100,000.00 to National Treasury on monthly basis before 10 th	Capturing of contracts awarded above R100,000.00 to National Treasury.		Capturing of contracts awarded above R100,000.00 to National Treasury		3 reports	3 reports	3 reports	3 reports	

Division: Income

Service Delivery and Budget Implementation Plan 2017/18													
KPA:		Financial Viability and Management											
Department		Financial Services (Income)											
Votes:													
Operational Budget Capital Budget									Performance Targets Annual Target 2017/18				
IDP Objective	Indented outcome	Baseline	Annual Target	Key Performance Indicator	Sub Project	WEIGHT	Unit of measure/Performance measure	Progress on review	Target Q 1	Target Q 2	Target Q 3	Target Q 4	POE Ref No/Page
To ensure full compliance with MFMA and GRAP with regard to financial management and reporting	Improved financial management and accountability.	End of month	All 43 books to be read and submitted by the 25 th of each month	Meter reading books	Submission by the 25 of each month	20%	Signed meter reading books with the date when received		129 signed meter reading books	129 signed meter reading books	129 signed meter reading books	129 signed meter reading books	
									3 Monthly exception reports	3 Monthly exception reports	3 Monthly exception reports	3 Monthly exception reports	
	Improved financial management and accountability.	Calculation and sending of accounts	Accounts to be calculated at month end and sent on a monthly basis	Monthly accounts	Calculation date and sending of accounts			Accounts dated month end and proof of accounts distributed.		Calculation at month end and sending of accounts	Calculation at month end and sending of accounts	Calculation at month end and sending of accounts	Calculation at month end and sending of accounts
Improved financial management and accountability.	Monthly cut-off list to be prepared	Monthly compilation of the cut-off list	Cut-off list	Monthly compilation of the cut-off list		Increased collection rate		3 cut-off lists according to the policy	3 cut-off lists according to the policy	3 cut-off lists according to the policy	3 cut-off lists according to the policy		

Service Delivery and Budget Implementation Plan 2017/18													
KPA:		Financial Viability and Management											
Department		Financial Services (Income)											
Votes:													
Operational Budget Capital Budget									Performance Targets Annual Target 2017/18				
IDP Objective	Indented outcome	Baseline	Annual Target	Key Performance Indicator	Sub Project	WEIGHT	Unit of measure/Performance measure	Progress on review	Target Q 1	Target Q 2	Target Q 3	Target Q 4	POE Ref No/Page
	Improved financial management and accountability.	Maximising monthly revenue	70% of current account to be collected	Maximising monthly revenue	Report on collected accounts compared to outstanding's		Collection rate		70% Collection	70% Collection	70% Collection	70% Collection	
To ensure full compliance with MFMA and GRAP with regard to financial management and reporting	Improved financial management and accountability.	Response timeously to both internal and external audit queries on Income Division	Timeous response to audit queries (3 working days IA report/ AG)	Response timeously to both internal and external audit queries on Income Division	Timeous response to Audit queries Coordinate approval of responses (3 working days, IA report /AG)		Management Report and Internal Audit Report		Response within 3 working days	Response within 3 working days	Response within 3 working days	Response within 3 working days	
	Improved financial management and accountability.	Consumer queries	Comments /Query register	Consumer queries and/or comments	Register for consumer queries/Comments		Updated register		Updated register 100% resolved in ten working days	Updated register	Updated register	Updated register	
	Improved financial management and accountability.	Monthly Reconciliations	Reconciliations to be performed monthly	Monthly Reconciliations	-Debtors Reconciliations -Consumer deposits Reconciliation -Clearing of suspense votes		Signed, Reviewed and filed Reconciliations		3 reports	3 reports	3 reports	3 reports	

Service Delivery and Budget Implementation Plan 2017/18													
KPA:		Financial Viability and Management											
Department		Financial Services (Income)											
Votes:													
Operational Budget Capital Budget									Performance Targets Annual Target 2017/18				
IDP Objective	Indented outcome	Baseline	Annual Target	Key Performance Indicator	Sub Project	WEIGHT	Unit of measure/Performance measure	Progress on review	Target Q 1	Target Q 2	Target Q 3	Target Q 4	POE Ref No/Page
	Improved financial management and accountability.	12 reports	12 reports	Monthly Councillors' reports	-Debtors payment per ward and category -Report on Councillors' accounts		Submission of reports to form part of Councillors' Agenda		3 reports	3 reports	3 reports	3 reports	
	Improved financial management and accountability.	Indigent Register	2300 +36registered indigents	Updated Indigent register	Updated indigent register		Filed updated indigent register		700 Registrations	300 Registrations	300Registrations	1000 Registrations	
To ensure full compliance with MFMA and GRAP with regard to financial management and reporting	Improved financial management and accountability	Review of Policies	The review and adoption of the indigent, and credit control and debt collection policy	Review of policies	The review and adoption of the indigent, and credit control and debt collection policy		Adopted indigent, and credit control and debt collection policies					31.05.2016	

Division: Budget Office

Integrated Development Plan 2017/18														
Financial Viability and Management														
Budget Office														
Performance Targets														
Annual Target 2017/18														
IDP Objective	Indented outcome	Baseline	Annual Target	Key Performance Indicator	Sub Project	WEIGHT	Unit of measure/Performance measure	Progress on review	Target Q 1	Target Q 2	Target Q 3	Target Q 4	POE Ref No/Page	
To ensure full compliance with MFMA and GRAP with regard to financial management and reporting	Improved financial management and accountability.	Submit before the 10 th working day after month end	Section 71 reports on time	Section 71 reports	Monthly and Quarterly submissions of section 71 reports to National and Provincial Treasury as well as to the office of the Mayor	20%	1. Monthly (submissions before the 10 th working day of the next month). 2. Quarterly (submissions before the last day of the month following the end of the quarter) (Keep a register as proof)		3 sets of Reports (1 per month) 1 set of reports not later than 31/10/2015	3 sets of Reports (1 per month) 1 set of reports not later than 31/01/2016	3 sets of Reports (1 per month) 1 set of reports not later than 30/04/2016	3 sets of Reports (1 per month) 1 set of reports not later than 31/07/2016		
	Improved financial management and accountability.	Submit before the 10 th working day	Departmental / Vote Income and Expenditure Reports on time to all directors	Departmental / Vote Income and Expenditure Reports	Monthly submission of expenditure reports per vote to departments			Monthly (Not later than the 10 th day after month-end) (Keep a register as proof)	3 Reports (1 report per month)	3 Reports (1 report per month)	3 Reports (1 report per month)	3 Reports (1 report per month)		
	Improved financial management and accountability.	Timelines to be approved by council	Budget Timelines	Budget Timeliness	Budget Timeliness		Budget Timeliness must be compiled and tabled before Council		Annually (Compiled and tabled before Council by 31 August) (Attached council resolution as proof)	Timelines to be approved by 31/08/2016	N/A	N/A	N/A	

Integrated Development Plan 2017/18													
KPA:		Financial Viability and Management											
Division		Budget Office											
Votes:													
Operational Budget												Performance Targets	
Capital Budget												Annual Target 2017/18	
IDP Objective	Indented outcome	Baseline	Annual Target	Key Performance Indicator	Sub Project	WEIGHT	Unit of measure/Performance measure	Progress on review	Target Q 1	Target Q 2	Target Q 3	Target Q 4	POE Ref No/Page
	Improved financial management and accountability.	Submit to council not later as 25 January	Section 72 report	Section 72 report	Submission of section 72 Mid-year and performance assessment report		Annually (Mid-year report to be tabled before council by 25 January) (Council resolution as proof)		N/A	N/A	Mid-year report tabled before council by 25/01/2016	N/A	
	Improved financial management and accountability.	Adjustment budget approved by not later than 28 February by council	Adjustment budget in line MFMA and Budget regulation	Adjustment budget in line MFMA and Budget regulation	Compilation, submission, and adoption of adjustment budget		Annually (Compiled and tabled before council by 28 February) (Council resolution as proof)		N/A	N/A	Adjustment budget tabled and adopted by 28/02/2016	N/A	
	Improved financial management and accountability.	Draft budget table before council 31 March	Draft budget	Draft budget	Compilation, submission, and adoption of draft budget		Annually 1. Discussions with departments by not later than 15 March (Minutes of discussions) 2. Compiled and tabled by 31 March (Council resolution as proof)		N/A N/A	N/A N/A	Discussions to be finished by 15/03/2016 Draft budget tabled before council by 31/03/2016	N/A N/A	
	Improved financial management and accountability.	Application to Nersa by end of April	NERSA application	NERSA application	Submission Electricity of tariff application to NERSA		Annually (Lodge application to NERSA by 30 April) (Letter as proof)		N/A	N/A	Application sent to NERSA by 30/04/2016	N/A	

Integrated Development Plan 2017/18													
KPA:		Financial Viability and Management											
Division		Budget Office											
Votes:													
Operational Budget												Performance Targets	
Capital Budget												Annual Target 2017/18	
IDP Objective	Indented outcome	Baseline	Annual Target	Key Performance Indicator	Sub Project	WEIGHT	Unit of measure/Performance measure	Progress on review	Target Q 1	Target Q 2	Target Q 3	Target Q 4	POE Ref No/Page
	Improved financial management and accountability.	Table final draft budget to council by 31 May	Adoption of the draft budget	Adoption of the draft budget	Adoption of the draft budget by 31 May		Annually 1. Discussions with departments by not later than 30 April and neighbouring municipalities (Minutes of discussions) 2. Compiled and tabled by 31 May (Council resolution as proof)		N/A	N/A	N/A	Final discussions by 30/04/2016 Final budget tabled and approved by 31/05/2016	
	Improved financial management and accountability.	Finalising AFS	Compilation of AFS	Compilation of AFS	Compilation and submission of GRAP Compliant AFS		Annually (Compilation of AFS completed and submitted to AG by 31 August) (Submission letter as proof)		AFS submitted to AG by 31/08/2016	N/A	N/A	N/A	
	Improved financial management and accountability.	Submit VAT 201 forms by the 25 th of each month for the previous month	VAT 201 Forms	VAT 201 Forms	Submission of VAT 201 Forms to SARS		Monthly (1. VAT 201 Forms completed and submitted each month by not later than the 25 th 2. VAT Reconciliation to be done by the 25 th of each month) (Keep a register as proof)		3 Reports (1 Report per month)	3 Reports (1 Report per month)	3 Reports (1 Report per month)	3 Reports (1 Report per month)	
	Improved financial management and accountability.	Reconcile registers monthly	Loans, Investment, and Funds Registers	Loans, Investment, and Funds Registers	Updating of Loans, Investment, and Funds Registers		Quarterly (Registers to be updated by the last day of the month following the end of the quarter) (Registers as proof)		Updated by 31/10/2015	Updated by 31/01/2016	Updated by 31/04/2016	Updated by 31/07/2016	

Integrated Development Plan 2017/18													
KPA:		Financial Viability and Management											
Division		Budget Office											
Votes:													
Operational Budget												Performance Targets	
Capital Budget												Annual Target 2017/18	
IDP Objective	Indented outcome	Baseline	Annual Target	Key Performance Indicator	Sub Project	WEIGHT	Unit of measure/Performance measure	Progress on review	Target Q 1	Target Q 2	Target Q 3	Target Q 4	POE Ref No/Page
To implement an effective and efficient system of the budget division	Improved financial management and accountability	Submit all budget related policies together with budget. Review all policies	Policies	Policies	Review and adoption of the following policies: Budget Policy Investment Policy Tariff policy Rates policy		Annually (Policies to be reviewed and tabled before council by 31 March 2016 and final adoption by 31 May) (Council resolution as proof)		N/A	N/A	Tabling of reviewed policies by 31/03/2016	Adoption of reviewed policies by 31/05/2016	
	Improved financial management and accountability	Answering of all audit queries	Response timeously to both internal and external audit queries on Budget and Treasury Office	Response timeously to both internal and external audit queries on Budget and Treasury Office	Timeous response to Audit queries Coordinate approval of responses		Continuously (Answering of queries within 5 working days after receiving query with relation to budget office up to a maximum of 3 queries per day (IA report/ AG)) (Register with query nr, query date an date of answer as proof)		On-going	On-going	On-going	On-going	
	Improved financial management and accountability	Implement audit action plan	Year-end procedures	Year-end procedures	Audit action plan implementation Audit File		Implementation by the end of January 2016 Progress on audit action plan is a continuous process		Progress on-going	Progress on-going	Implementation 31/01/2016 Progress on-going	Progress on-going	

Department: Financial Services
Division : Asset and Fleet Management

		PLANNED PERFORMANCE 2017/18					ANNUAL TARGET 2017/18						
IDP/SDB IP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KPI	SUB-PROJECT	WEIGHT	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS AS AT 31 DEC 2015	Q1	Q2	Q3	Q4	POE REF PAGE
To implement an effective and efficient system of Asset and Fleet division	Improved financial management and accountability		100%	Response timeously to both internal and external audit queries on Assets	Timeous response to Audit queries Coordinate approval of responses		3 working days(IA report/ AG)	100% All Audit Queries issued by AGSA were responded to timeously	3 working days	3 working days	3 working days	3 working days	
	Improved financial management and accountability			Inventory register	Inventory register update monthly		Updated room reports placed in all offices and buildings	100%	3 monthly reports	3 monthly reports	3 monthly reports	3 monthly reports	
	Improved financial management and accountability			Inventory Count	Conduct an inventory count		Periodical Inventory count and/ or key control matrix	0%	1 report of inventory count/ or key control matrix	1 report of inventory count/ or key control matrix	1 report of inventory count/ or key control matrix	1 report of inventory count/ or key control matrix	
	Improved financial management and accountability			Asset Register	Updating an asset register on a Quarterly basis (Additions Register)		Updated additions register on quarterly base and asset register annually	75%	1	1	1	1	
	Improved financial management and			Reconciliations	Reconciliation of the Asset register		Quarterly reconciliation register	75%	1	1	1	1	

	accountability				against the GL on a quarterly basis								
	Improved financial management and accountability			Monthly fleet expenditure report	Compilation Monthly fleet expenditure report		Monthly fleet expenditure report	75%	3 fleet exp reports	3 fleet exp reports	3 fleet exp reports	3 fleet exp reports	
	Improved financial management and accountability			Obsolete, Slow Moving and Disposal Register	Compile Obsolete, Slow Moving and Disposal Register Annually		Compile obsolete, slow moving and disposal register annually	50%	Only applicable at the 4 th Quarter	Only applicable at the 4 th Quarter	Only applicable at the 4 th Quarter	Obsolete, Slow Moving and Disposal Register compiled	

DEPARTMENT: CORPORATE SERVICES

INTEGRATED DEVELOPMENT PLAN 2017/18													
KPA		Institutional Development and Transformation											
DEPARTMENT		Corporate Services											
DIVISION		Human Resources											
VOTES									ANNUAL PERFORMANCE TARGET 2017/18				POE REF NO/PAGE
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	SUB-PROJECT	WEIGHT	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS ON REVIEW	Q1	Q2	Q3	Q4	
To provide sufficient and skilled human capital in order to enable all departments to function optimally in order to	Improved organizational stability and sustainability.	Number of funded vacancies as per organogram	Fill all positions that become vacant during the year within 90 days of the position being created	Targeted and qualified individuals recruited in line with the critical posts identified within 90 days of the vacancy being vacant	Appointment of Staff prioritised for appointment in terms of the presented vacancy rate and the appointment	20%	Submit a monthly report of all vacant positions Advertise all vacant positions and fill them within 90 days of being vacant Create a report on a monthly basis of all appointments		90 days of the vacancy being vacant	90 days of the vacancy being vacant	90 days of the vacancy being vacant	90 days of the vacancy being vacant	

enhance service delivery and institutional capacity.			and/or vacated	and/or created	nt of other staff as and when required								
To provide sufficient and skilled human capital in order to enable all departments to function optimally in order to enhance service delivery and institutional capacity	Improved organizational stability and sustainability	2016/17 organogram structure approved	Organisational Structure reviewed and approved on a yearly basis	Organisational structure reviewed and approved annually	Identification of gaps in all departments Review Structure addressing the identified gaps Compilation of Monthly 1. Vacancy list 2. Vacancy requisition 3. Job specifications 3. Job descriptions	Organogram submitted to council for approval annually						Submission of organogram to council	
		HR manual to include new LRA changes	Human resource policies reviewed annually	Review all policies identified for a specific year and submit to council for approval	Identify policies that needs to be reviewed and submit to different committees for consideration and finally to council for approval	Identified policies reviewed and approved by council						Human resource management review	
		Number of signed job description	Job description compiled	All Job Descriptions	Ensure that new incumbent'	Job descriptions kept on file		Finalise signing of job	Finalise signing of job	Finalise signing of job		All job descripti	(job evaluation

		to be confirmed after road show	and distributed for all employees		s Job descriptions are in their files and that they are signed as required				descriptions	descriptions	descriptions	on must be signed	processes may intervene and course limitation s)
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DIVISION: SKILLS DEVELOPMENT

INTEGRATED DEVELOPMENT PLAN 2017/18													
KPA		Institutional Development and Transformation											
DEPARTMENT Corporate Services													
DIVISION		Skills development											
VOTES									2017/18 ANNUAL PERFORMANCE TARGET				POE REF NO/PAGE
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	SUB-PROJECT	WEIGHT	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS ON REVIEW	Q1	Q2	Q3	Q4	
To Provide sufficient and skilled human capital in order to enable all departments to function optimally in order to	Improved organisational stability and sustainability		All identified programs as per WSP should be undertaken	Employees trained as per the approved annual Workplace Skills Plan	Implementing LGSETA recommended programmes	15%	Monthly reports on progress of the implementation of programs		Action plan as per approval of council 2017/18	3 Sets of monthly reports	3 sets of monthly reports	Submit WSD to LGSETA	A

enhance service delivery and institutional capacity													
	Skills audit conducted for Employees and Councillors		Conduct Skills audit for all Councillors and Employees Annually	Skills audit conducted for all Councillors and Employees	Conduct skills audit		A yearly report produced identifying skills gap and recommendations	Capture all employee information on COGTA skills audit online system Capture 120 employees	Capture 120 employees	Capture 130 employees			
Induction			Collect information on a monthly basis					One induction per quarter					
	Compliant EE Report and Plan submitted to the Dept. of Labour on time.	EE plan backlog due to none compliance	Submit the EE report to the Dept. of Labour manually on 1 Oct or electronically on 15 January every year	Compliant EE Report and Plan submitted to the Dept. of Labour on time.	Develop an EE plan		Acknowledgement of receipt of the completed EE Report received from the Department of Labour	Invite labour department to conduct training	Develop and approve plan	Submit EE plan to council			

DIVISION: EMPLOYEE WELLNESS

INTEGRATED DEVELOPMENT PLAN 2017/18													
KPA													
DEPARTMENT													
DIVISION Employee wellness													
VOTES									2017/18 ANNUAL PERFORMANCE TARGET				POE REF NO/PAGE
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	SUB- PROJECT	WEIGHT	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS ON REVIEW	Q1	Q2	Q3	Q4	
To ensure healthy working environment	Enhance health and safety at work		A once off biological assessment undertaken annually of areas associated with hazardous risks.	Risk assessment to be done for all areas within the Municipality and a report be submitted to the Municipal Manager for implementation of recommendations	Submit a request to undertake the study	10%	Finalised Assessment Report produced for implementation of recommendations		Submission for approval	Advertise for service provider and make appointments	Implement plan	Report to council and implement recommendations	
		Protective clothing is made available to employee	Provision of protective clothing to employees. (PPE).	Procure and provide employees with PPE's Bi-Annually	Procure protective clothing and prioritize outside towns		Number of employees provided with PPE.		Procurements	Handing out of clothing	Procurements	Handing out of clothing	
		Require proper implementation	Number of Municipal departments/ sections inspected quarterly in line with OHASA	Ensured that Health and Safety reps are identified and trained by End of September 2014 in order for them to inspect all departments	Conduct inspection and submit incident reports monthly		4 Inspections Reports submitted annually		Training of new committee members	Implementation of health and safety measures	Implementation of health and safety measures	Implementation of health and safety measures	
			Quarterly reports on COIDA	Ensure compliance with COIDA by reporting all incidences in the Municipality	Report on the payment of COIDA		Injury on Duty reports created and submitted for approval		1 Facilitate payment of COIDA	1	1	1	
	To ensure a working environment that	Implementation of employee wellness	4 Quarterly Reports submitted on	Conduct an employee wellness day to raise awareness	Refer employees to the Doctor for		Enforce attendance of employees wellness day		1	1 Employee wellness day	1	1	

	enables good staff morale.	programme	Employees wellness		assessment yearly		None attendance should have consequences			(awareness day)			
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DIVISION: LABOUR RELATIONS

INTEGRATED DEVELOPMENT PLAN 2017/18													
KPA													
DEPARTMENT													
DIVISION													
Disputes and Grievances													
VOTES								2017/18 ANNUAL PERFORMANCE TARGET					POE REF NO/PAGE
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	SUB- PROJECT	WEIGHT	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS ON REVIEW	Q1	Q2	Q3	Q4	
To facilitate stable relations at work place	Improved organisational stability and sustainability	Currently addressing two(2) disciplinary actions	Address all disputes and grievance within 90 days of receipt of such	Disputes and grievances handled in terms of the SALGBC collective agreement within 90 days.	Appoint prosecutors and presiding officers to resolve the matter within 90 days of receipt	20%	Report of all disputes and resolutions reached produced and submitted for approval		Dependent on disputes	Dependent on disputes	Dependent on disputes	Dependent on disputes	
To provide efficient and effective legal Services.	Improved work relations and maintain a stable work place			By-Laws developed and approved as per priority functional area as identified annually	Bylaws to be taken for public participation		Identified By-laws being taken through Public Participation and approved by council		Public participation	Public participation	Send for promulgation		

DIVISION: MANAGEMENT & COUNCIL

INTEGRATED DEVELOPMENT PLAN 2017/18													
KPA													
DEPARTMENT													
DIVISION													
Council													
VOTES								ANNUAL PERFORMANCE TARGET 2017/18					POE REF NO/PAGE
IDP OBJECTIVE		BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	SUB- PROJECT	WEIGHT	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS ON REVIEW	Q1	Q2	Q3	Q4	

To provide efficient and effective council administrative support services	4 Ordinary Council meetings held as at 30 June 2018	4 Ordinary Council meetings being held	Hold 4 Ordinary Council meetings annually	Prepare agenda and minutes	15%	Minutes of meetings and attendance register		Prepare agenda and minutes	Prepare agenda and minutes	Prepare agenda and minutes	Prepare agenda and minutes	
		Council, EXCO and Committee agendas delivered as per standard rules (Council – 48 hours, budget – 96 hours and EXCO & Committees - 48 hours).	100% of meeting agendas delivered on time as prescribed	Prepare agenda and minutes		Schedule of EXCO, Council & Standing Committee meetings Agenda, minutes & attendance registers Proof of delivery note		1	1	1	1	
		quarterly reports to Council on the tracking of council resolutions (submitted at the end of each quarter - Sept, Dec, Mar & Apr	Follow up Monthly on Resolutions taken by Council	Follow up on resolutions Consolidation of feedback		4 Quarterly council resolutions tracking management via email/memo		1	1	1	1	
To ensure that sound governance processes are developed and maintained		Develop annual organizational year planner.		Prepare year plan and take to council for approval		Submit a schedule to council stipulating the dates for all committees, EXCO and Council for approval						

DIVISION: ADMINISTRATION

INTEGRATED DEVELOPMENT PLAN 2017/18													
KPA	Administration												
DEPARTMENT	Administration												
DIVISION	Administration												
VOTES	Administration												
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	SUB-PROJECT	WEIGHT	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS ON REVIEW	ANNUAL PERFORMANCE TARGET 2017/18				POE REF NO/PAGE
									Q1	Q2	Q3	Q4	
	Protection of municipal information	All employees who have signed confidentiality agreement.	All current employees to sign confidentiality agreement by 31 Dec 2016 and new ones prior commencement of duty	Number of employees who have signed confidentiality agreement.	All new employees sign confidentiality clause prior to starting work Current employees to sign by 31 December 2016	5%	Report of all employees who have signed the confidentiality and Conduct of Employees as per Schedule 2 of the Municipal Systems		Continuou s for new employees	All current employee s			Check signed confidentiality clauses per employee employed

DIVISION: MANAGEMENT

INTEGRATED DEVELOPMENT PLAN 2017/18													
KPA	Financial Accountability and Management												
DEPARTMENT	Corporate Services												
DIVISION	Management: Corporate services												
VOTES	Management: Corporate services												
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	SUB- PROJECT	WEIGHT	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS ON REVIEW	ANNUAL PERFORMANCE TARGET 2017/18				POE REF NO/PAGE
									Q1	Q2	Q3	Q4	
To implement an effective and efficient system of supply chain management and expenditure	Effective Expenditure Management			Effective management of payroll information sent to Finance for payment.	Create reports on all changes made to personnel. Generate reports on all payroll and do quality checks	5%	Monthly reports of submissions to Finance department for payroll payments						

	Clean Audit Outcome	2016/17 Annual Report	4 Quarterly reports deficiencies raised by AG addressed	Handle and rectify all issues raised by the Auditor General's report of 2016/17 Financial Year	Handle and rectify all issues raised by the auditor general's report. One per quarterly.		Quarterly reports produced and submitted for approval		1	1	1	1		
	Clean Audit Outcome	2016/17 Annual Report	Respond to Audit Exceptions within the maximum of 7 working days	Quality and timeously response to audit queries both from internal and external auditor within 5 working days for 5 queries 7 working days for more queries	Quality Respond to queries timeously		Report on submitted responses to auditors			7 maximum working days	7 maximum working days	7 maximum working days		

DIVISION: REGISTRY

KPA		INTEGRATED DEVELOPMENT PLAN 2017/18												
DEPARTMENT		Governance												
DIVISION		Corporate Services												
VOTES		Administration: Registry												
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	SUB-PROJECT	WEIGHT	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS ON REVIEW	Q1	Q2	Q3	Q4	POE REF NO/PAGE	
To implement an efficient registry system to ensure smooth running of administration	Smooth running of administration	Quarterly reports submitted	Ongoing	Effective decimation of all mail within two day of receipt	Statistics of day to day delivery of mail	10%	Generate Reports on all mail received and sent quarterly		Reports	Reports	Reports	Reports		
	Smooth running of administration			All correspondence received filed in an accessible manner	Daily filing New files are open once 1. The old file is full or 2. A		Generate Reports on all mail received and sent quarterly		Reports	Reports	Reports	Reports		

					new matter has risen								
	Smooth running of administration			Number of new files opened			Generate Reports on all mail received and sent quarterly		Reports	Reports	Reports	Reports	
	Smooth running of administration	0	4	Registry office to comply with archive regulations and standards	Adopt and implement archive regulations and standards		Report on compliance to regulations by creating a report on a quarterly basis		Reports	Reports	Reports	Reports	
	Smooth running of administration	0	1	A Records Management Policy to be drawn up and approved by Council	Submit to council for approval		Policy developed and submitted to council for approval			Submit council			
	Smooth running of administration	0	1	Procedure Manual submitted to council for approval	A Procedure Manual to be drawn up		Approved Procedure Manual			Submit to council			

DIRECTORATE: COMMUNITY SERVICES

DIVISION: IDP		INTEGRATED DEVELOPMENT PLAN 2017/18												
KPA														
DEPARTMENT	COMMUNITY SERVICES													
DIVISION	HOUSING													
VOTES														
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	SUB- PROJECT	WEIGHT	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS ON REVIEW	ANNUAL PERFORMANCE TARGET 2017/18				POE REF NO/PAGE	
									Q1	Q2	Q3	Q4		
Housing To facilitate access to sustainable human settlements and improved quality of household opportunities and services.	Establishment of housing needs , Addressing of housing challenges	1	1	Housing Chapter updated and submitted to Council for approval	Review the plan	20%	Housing chapter reviewed and adopted					1		
	Eradication of informal houses	As per provincial allocation	As per provincial allocation	Identify beneficiaries and submit their subsidy applications to the Provincial Human Settlement department	1. Identify beneficiaries 2. Complete application forms 3. Submit forms & List to Province		1. Copies of application forms kept 2. Status report of approvals obtained.					100%		
	Security of tenure to all communities	12 ha	12 ha of land identified	12 ha of land identifies for human settlement in Tweespruit.	Appointment of Town planner through SCM office		Correspondence for appointment of Town Planner kept.		12 ha					
	Reduction of housing backlog	1100	1100	1100 of erven allocated to beneficiaries per town: Hobhouse (200) , Manyatseng (500) and Mahlatswetsa(417)	1. Identify beneficiaries 2. Allocation erven numbers 3. Submit lists to Council for approval.		Approved lists kept			200	900			

DIVISION: TRAFFIC

INTEGRATED DEVELOPMENT PLAN 2017/18														
KPA														
DEPARTMENT	COMMUNITY SERVICES													
DIVISION	TRAFFIC													
VOTES												ANNUAL PERFORMANCE TARGET 2017/18		POE REF NO/PAGE
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	SUB- PROJECT	WEIGHT	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS ON REVIEW	Q1	Q2	Q3	Q4		
Traffic To support safety and security awareness in communities and the "fight against crime" campaign in partnership with SAPS and other Key stakeholders.	Road safety instilled amongst learners & other road users	4	4	04 public transport forum meetings were held	1.Send out invitation to meetings 2. Keep attendance register		Copies of minutes kept		1	1	1	1		
	Compliance with the NRTA # of check points and Road blocks to ensure roadworthiness of vehicles	3	2	02 road traffic safety programmes implemented in schools ("Child in traffic")	1.Guide and monitor scholar patrol 2. Enforce law when necessary		Attendance and pictures kept		2	2	2	2		
	Compliance with the NRTA Reduction in road traffic offences		3km road marked	3km roads marked	3 of kms of road marked		Maintenance report			1	1	1		
	Compliance with the NRTA		120	120 check points and road blocks conducted	Check points & Road blocks reports									

DIVISION: DISASTER MANAGEMENT														
INTEGRATED DEVELOPMENT PLAN 2017/18														
KPA														
DEPARTMENT	COMMUNITY SERVICES													
DIVISION	DISASTER MANAGEMENT													
VOTES											ANNUAL PERFORMANCE TARGET 2017/18		POE REF NO/PAGE	
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	SUB- PROJECT	WEIGHT	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS ON REVIEW	Q1	Q2	Q3	Q4		
DISASTER MANAGEMENT To make use of the disaster management centre according to disaster management Act	To make use of the disaster management centre according to disaster management Act	4	4	04 meetings held with National, Provincial departments and District as well as NGO's to ensure their involvement in Disaster Management in Mantsopa.	Draw an annual programme in consultation with the district	15%	Minutes and reports regarding meetings with stakeholders		1	1	1	1		
	To ensure increased awareness by supporting and co-resourcing awareness programmes to increase preparedness of all communities	4	4	04 awareness sessions held with all disaster management disciplines.	Make an appointment with stakeholders room		Awareness sessions reports		1	1	1	1		
		1	1	Annual review of the Disaster Management Plan	Annual review process in line with the IDP Process plan		Reviewed Disaster Management Plan			1				
		60	60	60 fire safety inspections done	Make appointment with the stakeholders		Report on fire inspections		20	20		20		

DIVISION: PROPERTIES

INTEGRATED DEVELOPMENT PLAN 2017/18													
KPA													
DEPARTMENT													
COMMUNITY SERVICES													
DIVISION													
PROPERTIES													
VOTES													
											ANNUAL PERFORMANCE TARGET 2017/18		POE REF NO/PAGE
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	SUB- PROJECT	WEIGHT	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS ON REVIEW	Q1	Q2	Q3	Q4	
PROPERTIES To ensure that all properties of Council such as municipal offices, flats and stores are properly maintained.	To ensure that all properties of Council such as municipal offices, flats and stores are properly maintained.	Number of municipal offices cleaned.	10 municipal offices	Daily cleaning of 10 municipal office space	Cleaning materials		Weekly report on cleaning and inspections		10	10	10	10	
		Number of community halls cleaned	9 community halls	Daily cleaning of 09 community halls	Cleaning materials				9	9	9	9	

DIVISION: PARKS, CEMETERIES AND RECREATION

INTEGRATED DEVELOPMENT PLAN 2017/18													
KPA													
DEPARTMENT	COMMUNITY SERVICES												
DIVISION	PARKS, CEMETERIES AND RECREATION												
VOTES											ANNUAL PERFORMANCE TARGET 2017/18		POE REF NO/PAGE
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	SUB- PROJECT	WEIGHT	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS ON REVIEW	Q1	Q2	Q3	Q4	
PARKS AND CEMETRIES	Communities in Mantsopa Local Municipality have access to proper cemeteries with enough capacity to cater for the next 20 years.	Number of cemeteries with sufficient burial space to cater for the next 20 years.	2	02 Burial spaces procured / obtained for Manyatseng and Borwa cemeteries	Measuring of the remaining land within cemeteries		Manyatseng and Borwa cemeteries formalised.		0	0	1	0	
		Number of cemeteries well cleaned	10 cemeteries	Weekly maintenance of 10 cemeteries	Monthly maintenance reports		Maintenance of cemeteries		10	10	10	10	
	To ensure that all parks, recreational facilities of Council such as community halls, sports ground and parks are properly maintained.	Number of municipal sports grounds and parks cleaned	12	Weekly cleaning of 06 sports grounds and 06 recreational parks	Cleaning material		Cleaning and maintenance reports		12	12	12	12	

DEPARTMENT: TECHNICAL SERVICES

INTEGRATED DEVELOPMENT PLAN 2017/18												
KPA	WATER											
DEPARTMENT	TECHNICAL SERVICES											
DIVISION	WATER SERVICES											
VOTES								ANNUAL PERFORMANCE TARGET 2017/18				POE REF NO /PAGE
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	SUB- PROJECT	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS ON REVIEW	Q1	Q2	Q3	Q4	Appendix: A
To ensure that all households on formal erven have access to potable water connections.	Water is constantly supplied to all Households	15 170	15 170	Continuously Provide 15 170 households with access to basic water supply within RDP standards	Operation & maintenance of infrastructure, training of plumbers, Refurbishment of Manyatseng Pressure House	15 170 households provided with access to basic water supply within RDP standards		15 170	15 170	15 170	15 170	A 1 (a, b & c) Monthly consumer accounts Operation and maintenance manual
To ensure that clean drinking water is provided to households without standpipes.	Water is provided to new erven at Manyatseng ext. 9.	383 erven	Occupied erven of 383.	Provide 383 households with potable water supply using Communal Water tankers to occupied erven of 383 without standpipes at Manyatseng ext. 9.	Communal water tankers placed at strategic areas as alternative means of providing water to Households.	Occupied erven of 383 without standpipes.		Occupied erven of 383 without standpipes	Occupied erven of 383 without standpipes	Occupied erven of 383 without standpipes	Occupied erven of 383 without standpipes	A 2 Supply of water to 383 of occupied erven at Manyatseng ext. 9 through alternative means.
eight farming	Water is provided whenever there is an interruption to supply other areas		Thabong, Portion of (Manyatseng, portion of Mahlatswetsa) & eight farming areas.	Continuously Provide additional water through jojo tanks and other methods in Thabong, about 700 households in Mahlatswetsa & about 118 households in	Supply of water using JoJo Tanks and/other methods	Thabong: 118 households in 08 farming areas, 700 households in Mahlatswetsa		Thabong, Portion of (Manyatseng, Mauersnek, Platberg, Mahlatswetsa) & eight farming areas.	Thabong, Portion of (Manyatseng, Mahlatswetsa) & eight farming areas.	Thabong, Portion of (Manyatseng, Mahlatswetsa) & eight farming areas.	Thabong, portion of (Manyatseng, Mahlatswetsa) & eight farming areas.	A 2 2.a-b: Water supply program with units provided, copy of vehicle Logbook and acknowledgment

INTEGRATED DEVELOPMENT PLAN 2017/18												
KPA	WATER											
DEPARTMENT	TECHNICAL SERVICES											
DIVISION	WATER SERVICES											
VOTES								ANNUAL PERFORMANCE TARGET 2017/18				POE REF NO /PAGE
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	SUB-PROJECT	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS ON REVIEW	Q1	Q2	Q3	Q4	Appendix: A
				eight farming areas								
	Documented information on alternative water sources available	2	1	Conduct a Hydrological study to explore possible additional water source.	Hydrological study to be conducted	1 report of a Hydrological study		Project plan	Design and Tender	Appointment of Service Provider and Project implementation	Monitoring and Completion report	A 4 Copy of a completed Hydrological study.
	Water loss reduced	47,09	40%	Reduce water loss in distribution by 40%	Installation of Bulk meter, Valves, night Flow meters Leak repairs All towns: Water Conservation Water Demand Management (WCWDM)	40% Reduction compliance All towns					40% compliance Implementation and Completion Report	A 5 (a, b & c) Water balance report and figure confirmed by Finance Department and Daily work done on maintenance and copy of submitted Business Plan.

INTEGRATED DEVELOPMENT PLAN 2017/18												
KPA	SANITATION											
DEPARTMENT	TECHNICAL SERVICES											
DIVISION	WATER SERVICES											
VOTES								ANNUAL PERFORMANCE TARGET 2017/18				POE REF NO /PAGE
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	SUB-PROJECT	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS ON REVIEW	Q1	Q2	Q3	Q4	Appendix : B
To ensure that all households on formal erven have access to basic level of sanitation services.	Sanitation service is constantly provided to all Households	15 553	15 553	Continuously provide 15 553 households with access to basic sanitation services.	Operation maintenance of infrastructure Training of plumbers Completion report of Boroa snaglist and signed off by Municipal Manager	15 553 households with access to basic sanitation services.		15 553	15 553	15 553	15 553	B 1 1(1)&(2) Water Services Report and Monthly consumer accounts
Effluent is treated and discharged in compliance with Relevant Acts ie Waste Water discharged, Environmental Waste Act	Percentage compliance with green -drop water quality accreditation system.	31, 58%	90% compliance	Achieve 90% compliance with green drop waste water quality accreditation system	Achievement of Green drop certificate	90% compliance		Process control, Maintenance: 10% Monitoring: 15%	Quality submission: 5% Effluent quality compliance: 30%	Quality risk management: 15% Local Regulations: 5%	Treatment capacity 5% Asset management: 15%	B 2 B(1)&(b) Copies of tests conducted during operation at Waste Water Treatment Works and monthly Effluent sampling results from Laboratory.

DEPARTMENT OF TECHNICAL SERVICES CONTINUES...

INTEGRATED DEVELOPMENT PLAN 2017/18												
KPA	ELECTRICITY											
DEPARTMENT	TECHNICAL SERVICES											
DIVISION	ELECTRICITY											
VOTES								ANNUAL PERFORMANCE TARGET 2017/18				POE REF NO/PAGE
IDP OBJECTIVE	INTENDED OUTCOME	BASE LINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	SUB- PROJECT	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS ON REVIEW	Q1	Q2	Q3	Q4	Appendix : C
To ensure that all households connected to electricity on formal erven have access to electricity services.		1993	1993	Continuously provide 1993 Households on formalised erven with access to electricity services.	Operation and maintenance of infrastructure	15 170 Total households with access to electricity service		15 170	15 170	15 170	15 170	C 1 a & b Municipal consumer accounts and consumer satisfaction through public participation and/or reports by ESKOM
		1993 Municipality (centlec)				1993 municipality (Centlec) supplied households		1993	1993	1993	1993	
		13 177 ESKOM				Supply of electricity by ESKOM		13 177	13 177	13 177	13 177	
To provide the reliable, and sufficient electricity supply	Reviewed and approved SLAs in compliance with Electricity Regulations	1 SLA	1 SLA	Annually Review SLA with CENTLEC to regulate electricity provision to 1993 households.	Reviewed SLA approved by council	1 SLA				SLA with CENTLEC considered and approved by council.		C 5 Copy of SLA with CENTLEC approved by council.
To minimise interruptions to electricity supply to users	Strengthening of electricity infrastructure	41 substations and 29 pole & ground transformers	Annual Maintenance of 5 substations	Maintain at least 5 substations annually	Routine and unplanned maintenance of infrastructure	Unit of infrastructure maintained according to maintenance plan and as need arises.		100% of planned and reported incident	100% of planned and reported incident	100% of planned and reported incident	100% of planned and reported incident	C 6 Maintenance work done.

	Strengthening of electricity infrastructure	100% of Electricity Infrastructure	Upgrading of main-substation	Install MV cable from main substation to Dan Pienaar Substation	Routine and unplanned upgrading of infrastructure.	Unit of infrastructure upgraded as planned and according to the need.		100% of planned and reported incidents	100% of planned and reported incident	100% of planned and reported incident	100% of planned and reported incident	C 7 Upgrading report
Percentage reduction in electricity distribution Losses.	Electricity	1993 electricity meters	Inspect 1993 electricity meters	Annual inspection of 1993 electricity meters	Energy saving measures awareness, monitoring of meter tempering and cut-offs.	15% Compliance			100	996	996	C 9 8(a)&(b) Copies of broken meters and Cut-off list
To ensure provision of sufficient area lighting to the community of Mantsopa.	2013 Street lights + 150 solar street lights, 17 Medium Mast and 5 High Mast= 2185	2185	Maintain 2185 street lights in accordance with maintenance program	Annually Maintain 2185 street lights	Maintain existing Streetlights.	2185 in accordance with maintenance program		546	547	546	546	C 10 (a)&(b) Copy of Streetlights maintenance program and report

INTEGRATED DEVELOPMENT PLAN 2017/18														
KPA	REFUSE COLLECTION, ENVIRONMENTAL AND WASTE MANAGEMENT													
DEPARTMENT	TECHNICAL SERVICES													
DIVISION	REFUSE COLLECTION, ENVIRONMENTAL AND WASTE MANAGEMENT													
VOTES											ANNUAL PERFORMANCE TARGET 2017/18			POE REF NO/P A GE
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMAN CE INDICATOR	SUB- PROJECT	WIEGHT	UNIT OF MEASURE/PERFOR MANCE MEASURE	PROGRE SS ON REVIEW	Q1	Q2	Q3	Q4		
To provide Refuse collection services to all Households	Refuse removal/ collection services to all households.	15 170	15 170	Weekly Collection of refuse in all 15 170 households.	Skips removal, collection route plan	15%	Refuse collected weekly in all 15 170		100%	100%	100%	100%	1.	
Domestic Waste Collection and Open Space Clearing	Collection of waste at identified areas, illegal dumping sites and Open Spaces cleared.	35	35	Weekly Clearing of 35 illegal dumping sites	Waste separation at source, Environ training, recording dumping sites hot spots.		35 illegal dumping sites cleared weekly		100% Refuse collection and cleaning of all identified illegal dumping sites	100% Refuse collection and cleaning of all identified illegal dumping sites	100% Refuse collection and cleaning of all identified illegal dumping sites	100% Refuse collection and cleaning of all identified illegal dumping sites	2.	
Integrated Environmental Management and Planning	Development of Integrated Waste Management Plan (IWMPs)	Plan exists	Annual Review of the current Integrated Waste Management Plan	Annually review the Integrated Waste Management Plan	Updates IDP		Council approved Integrated Waste Management Plan	Review of the document has begun.	0	0	0	1	6.	
	Integrated Environmental Management Plan – To inform effective planning.	Plan exists	Annual review of the current Integrated Environmental Management Plan	Annually review the Integrated Environmental Plan	Updates IDP		Council approved Integrated Waste Management Plan		0	0	0	1	7.	

Enforcement of legislation	Compliance guidelines regarding waste management as per NEMA.	2 waste related bylaws compiled (Waste management and collection bylaws).	2 waste related bylaws promulgated	Promulgate Waste management & waste collection bylaws	Waste disposal bylaws		Council approved By-laws on Waste Management & Waste Collection		0	0	2	0	8.
Waste Minimisation	Quantification of diverted waste from landfill site.	Amount of waste recycled.	15 000 kg of recyclable waste diverted from the landfill site	Divert 15 000 kg of recyclable waste from the landfill site to the Buy-back centre	Recycling initiatives, formalise recyclers.		Amounts of recycled materials recorded.		Initial quarterly figure	10 percent increase from quarter one	5 percent increase from quarter two	5 percent increase from quarter three	10.

DEPARTMENT OF TECHNICAL SERVICES CONTINUES...

INTEGRATED DEVELOPMENT PLAN 2017/18													
ROADS AND STORMWATER – 236,7km													
KPA	TECHNICAL												
DEPARTMENT	INFRASTRUCTURE PROJECTS, ENGINEERING SERVICES , ROADS AND STORMWATER MAINTENANCE												
DIVISION	INFRASTRUCTURE PROJECTS, ENGINEERING SERVICES , ROADS AND STORMWATER MAINTENANCE												
VOTES									ANNUAL PERFORMANCE TARGET 2017/18				POE REF NO / PAGE
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	SUB- PROJECT	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS ON REVIEW	Q1	Q2	Q3	Q4	D	
To improve the standard of roads and storm water drainages in the municipality	Gravelled dirt roads/streets	66,3km	1km	1km of dirt roads/streets at Platberg gravelled	Construction of 1km of Dirt roads/ streets to gravel surface	1km		Procure/Secure Gravel Pits	Mining and delivery of gravel	1km – Progress and completion report	1,5km – Progress and completion report		
To maintain the existing roads infrastructure.	Kilometres of tarred roads/streets maintained	45,4km	4km	Patching of potholes on 4km damaged tarred roads/streets in all towns	Patching of potholes on 5km damaged tarred roads/streets in all towns	4km of tarred streets/roads maintained		Progress reports on 1km	Progress reports on 1km	Progress reports on 1km	Progress reports on 1km	D 2 Maintenance report	

INTEGRATED DEVELOPMENT PLAN 2017/18												
ROADS AND STORMWATER – 236,7km												
KPA	TECHNICAL											
DEPARTMENT	TECHNICAL											
DIVISION	INFRASTRUCTURE PROJECTS, ENGINEERING SERVICES, ROADS AND STORMWATER MAINTENANCE											
VOTES								ANNUAL PERFORMANCE TARGET 2017/18				POE REF NO / PAGE
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANC E INDICATOR	SUB- PROJECT	UNIT OF MEASURE/PERFOR MANCE MEASURE	PROGRESS ON REVIEW	Q1	Q2	Q3	Q4	D
Kilometres of gravel roads maintained	53km	2km	2km	Re-gravel 2km of streets/roads in Ladybrand/Manyatseng	Re-gravelling of streets/roads	2km of roads/streets re-gravelled		Procure/Secure Gravel Pits	Mining and delivery of gravel	1km Progress Report	1km Progress Report	D 3 Maintenance report
			2km	Reshaping (Grading) of 2km of streets in Ladybrand and Manyatseng	Shaping (Grading) of streets/roads	2km of streets reshaped (graded)				2km		Maintenance report
	23,1km	1km	1km	Re-gravel of 1km of streets/roads in Excelsior/Mahlatswetsa	Re-gravelling streets/roads	1km of streets/roads re-gravelled		Procure/Secure Gravel Pits	0km	1km Progress Report 0km		D 4 Maintenance report
		1km	1km	Reshaping (Grading) of 1km of streets in Excelsior and Mahlatswetsa	Shaping (Grading) of streets/roads	1km of streets/roads reshaped (graded)					1km Progress Report	
	12,8km	1km	1km	Re-gravel of 1km of streets/roads in Tweespruit, Boroa and Dawiesville	Re-gravel streets/roads in	1km of streets/roads re-gravelled		Procure/Secure Gravel Pits	1km – Progress Report			D 5 Maintenance report
		1km	1km	Shaping (Grading) of 1km of streets/roads in Tweespruit, Boroa & Dawiesville	Shaping (Grading) of streets/roads	1km of streets/roads reshaped (graded)			1km – Progress Report			

INTEGRATED DEVELOPMENT PLAN 2017/18												
KPA	ROADS AND STORMWATER – 236,7km											
DEPARTMENT	TECHNICAL											
DIVISION	INFRASTRUCTURE PROJECTS, ENGINEERING SERVICES, ROADS AND STORMWATER MAINTENANCE											
VOTES								ANNUAL PERFORMANCE TARGET 2017/18				POE REF NO / PAGE
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	SUB- PROJECT	UNIT OF MEASURE/PERFOR MANCE MEASURE	PROGRESS ON REVIEW	Q1	Q2	Q3	Q4	D
		26km	1km	Re-gravel 1km of streets/roads in Hobhouse and Dipelaneng	Re-gravelling and shaping of streets/roads	1km of streets/roads re-gravelled			1km – Progress Report		0km	D 6 Maintenance report
			1km	Reshaping (Grading) 1km of streets/roads in Hobhouse and Dipelaneng	Reshaping (Grading) streets and roads in Hobhouse and Dipelaneng	1km of streets/roads reshaped (graded)				1km – Progress Report		D 7 Maintenance report
		6,9km	0,1km	Reshaping (Grading) 0,1km of streets/ Roads in Thaba-Phatcoa	Reshaping of streets and roads	0,1km of streets/roads reshaped (graded)			0,1km – Progress Report	0,5km Progress Report	0km	D 8
To maintain Stormwater channels.	Proper management of Stormwater channels	11,2km	5km	Maintain 5km of Stormwater channels	Maintenance of Stormwater channels	5km of storm water channels maintained			2,5km	2,5km		D 9 Maintenance report
To construct new stormwater channels.	New stormwater channels constructed	0km	1,6km	Construct 1,6km new stormwater	Construction of new stormwater channels	1,6km new storm water channels constructed		Appointment of a contractor and Site establishment	Recruitment of labour Progress report	Progress report	1km completed, remaining 0,6km to be completed in 2017/18	D 10 Progress reports
Measures in place for maintenance standards of roads and Stormwater	Maintenance plan reviewed	1	1	Annually review the current Roads & storm water maintenance plan	Review Roads and Stormwater maintenance plan as part of IDP processes.	Roads and Stormwater maintenance plan reviewed and approved by Council		Initial stage-Sector Plans review	Sector Plans review process	Draft Sector Plan completed	1 Approved by council	D 12 (a & b)

PMU CONTINUES...

INTEGRATED DEVELOPMENT PLAN 2017/18												
KPA	PROJECT MANAGEMENT											
DEPARTMENT	TECHNICAL SERVICES											
DIVISION	INFRASTRUCTURE PROJECTS, ENGINEERING SERVICES, ROADS AND STORMWATER MAINTENANCE											
VOTES								ANNUAL PERFORMANCE TARGET 2017/18				POE REF NO /PAGE
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANC E INDICATOR	SUB- PROJECT	UNIT OF MEASURE/PERFOR MANCE MEASURE	PROGRESS ON REVIEW	Q1	Q2	Q3	Q4	E
To ensure that all Municipal Capital Projects are properly Administered and Managed	Effective and efficient implementation of Municipal Capital Projects	All Projects identified through IDP	100% of registered and approved Capital Projects	Monitor the performance of external service providers involved in all Municipal Capital Projects monthly	Implementation of Projects in line with each specific Plan.	PMU monthly reports		Progress report 50% complete	Progress report 75% complete	100% complete		E 1 SCM report
	Increase Bulk water supply to new Mantsopa Local Hospital	2,522m connect or pipeline	100% project completion	2,522m Connector pipeline from reservoir to hospital completed.	2,522m Connector pipeline from reservoir to hospital completed	Completed Projects worth R8'000 000		Progress report 100%				E 2 Progress report
		2	Install a pipeline & build a pumpstation	Increase Bulk Water Supply in Mantsopa by installing a pipeline from Linana river to the pumpstation	Mantsopa-Tweespruit, Excelsior, Bulk Water Supply	Projects worth R15'000 000 implemented		Identification of Projects scope	Identified Projects to be submitted to council for approval	Contractor appointed	Progress report 30% complete	E 4 Progress report
		Water and Sewer Reticulation Project for new beneficiaries.	417 erven	417 erven provided with water and sewer connections	Water and Sewer Reticulation Project	Completed Project at Mahlatswetsa		Completion report 100%				E 6 Progress report

		Upgrading of electricity supply	Mains sub-station to Dan Pienaar	Install electrical cable from the main station to Dan Pienaar sub station	Install electrical cable from the main station to Dan Pienaar sub station	2,4km of electrical cable installed		Progress report 15%	Progress report 50%	Progress report 100%		E 9 Letter of confirmation
To improve the standard of roads and storm water drainages in the municipality	Kilometres of street paved.	0km	0,6km	0,6km Paving of road	0,6 km of paved road in Platberg	0,6 km road paved		Appointment of consultant	Design and appointment of contractor	Progress report 15% complete	Progress report 50%	E 10 Copy of recommendation
To ensure that all Municipal Capital Projects are properly Administered and Managed	# of fenced cemeteries	2	2	Fencing of 0,73km of cemetery fencing in Excelsior	Fencing of 0,73km of cemetery fencing in Excelsior	Excelsior cemetery fenced		Appointment of Supplier	Progress report 15% complete	Progress report 60% complete	Progress report 100% complete	
				Fencing of 0,75 of Borwa cemery	Fencing of 0,75 of Borwa cemery	Borwa cemetery fenced		Appointment of Supplier	Progress report 15% complete	Progress report 60% complete	Progress report 100% complete	
	Kilometres of streets paved	2,2km	1,2km	1,2km of paved street	1,2km	1,2km of paved street		Progress report 50% complete	Progress report 75% complete	Progress report 90% complete	Progress report 100%	E 11 Progress report