

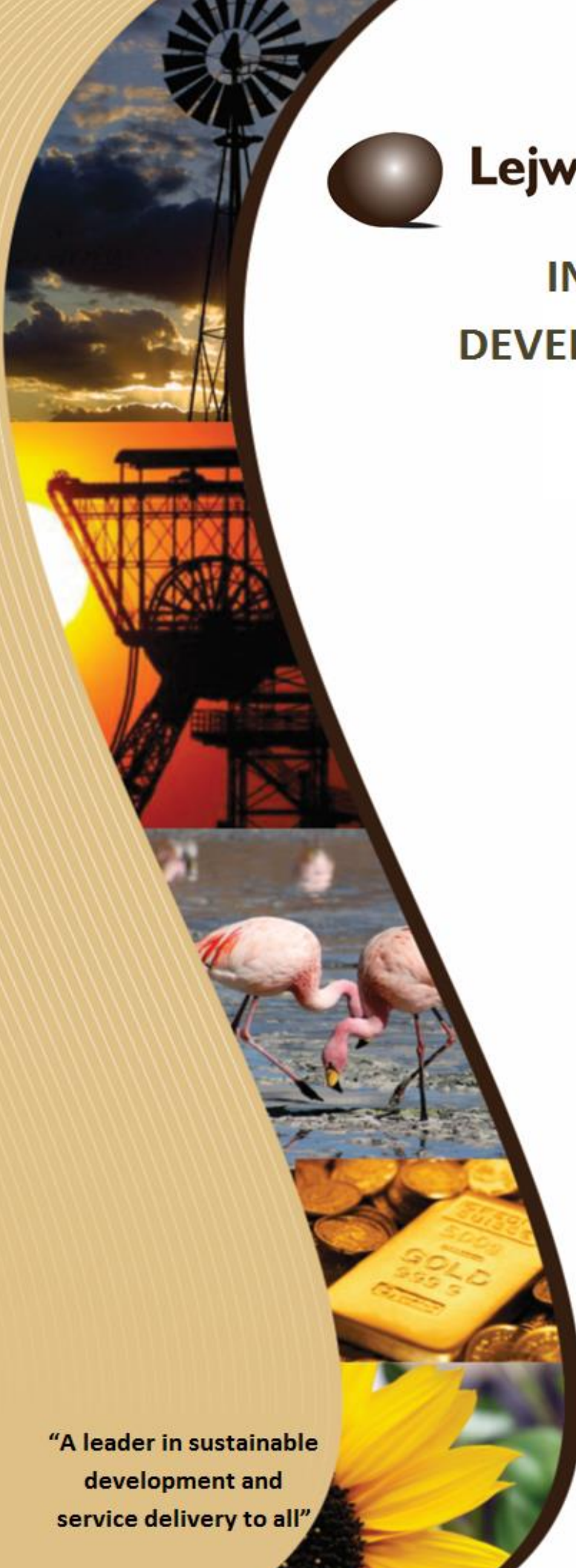


**Lejweleputswa**  
DISTRICT MUNICIPALITY

# INTEGRATED DEVELOPMENT PLAN

2017-2022

**“A leader in sustainable  
development and  
service delivery to all”**



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## EXECUTIVE MAYOR'S FOREWORD

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

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

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

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

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

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

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

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

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

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

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

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

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

Good Governance and Public Participation

Municipal Transformation and Organizational Development

Basic Infrastructure and Service Delivery

Local Economic Development

Municipal Financial Viability and Management

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

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

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

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

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

EXECUTIVE MAYOR

CLLR SEBENZILE NGANGELIZWE

## **SECTION: A**

### **EXECUTIVE SUMMARY**

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

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

- Masilonyana
- Tokologo
- Tswelopele
- Matjhabeng
- Nala

#### **Masilonyana Local Municipality**

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

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

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

### **Tokologo Local Municipality**

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

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

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

### **Tswelopele Local Municipality**

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

### **Matjhabeng Local Municipality**

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

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

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

### Nala Local Municipality

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



Map 1 - Lejweleputswa District

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

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

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

### Governance issues

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

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



AUDIT COMMITTEE MEMBERS		
1	CHAIRPERSON	MR N.S. MAROTA
2	MEMBER	ADV. L.S. KHONKHE
3	MEMBER	MR L.J. MAKORO
4	MEMBER	MR. N.L. MASOKA
5	MEMBER	MR. T.A. MOTSOIKHA

Other structures of council are the audit committee which has five members sourced externally for a period of three financial years (**see above table**).The municipal public accounts committee is chaired by Cllr Ntombizodwa Veronica Ntakumbana, established in a council meeting of the 27<sup>th</sup> October 2016, appointed for a term which corresponds to the term of sitting council (**see the table below**)

#### Municipal Public Accounts Committee

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

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

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

The municipality also has four (4) section 80 committees established as portfolio committees and they are Finance & IDP portfolio committee, Corporate Services portfolio committee, LED & Planning portfolio and Environmental and Disaster Management portfolio committee. All these committees are politically headed by their respective Members of the Mayoral Committee (MMCs) to carry out their duties by ensuring all items that go to the Lejweleputswa council have served before their portfolio's, Mayoral Committee and eventually reach the council.

### **Training Committee**

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

### **Local Labour Forum**

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

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

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

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

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

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

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

#### **LDA Board Members**

CHAIRPERSON	: MR. S.S. MTAKATI
DEPUTY CHAIRPERSON	: L.R. MUTSI
MEMBER	: MS M.M.E. NTHONGOA
MEMBER	: MS M. MOSALA
MEMBER	: MR A.Z. NDLALA

#### **Institutional arrangement issues**

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

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

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

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

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

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

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

# **VISION**

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

## **MISSION STATEMENT**

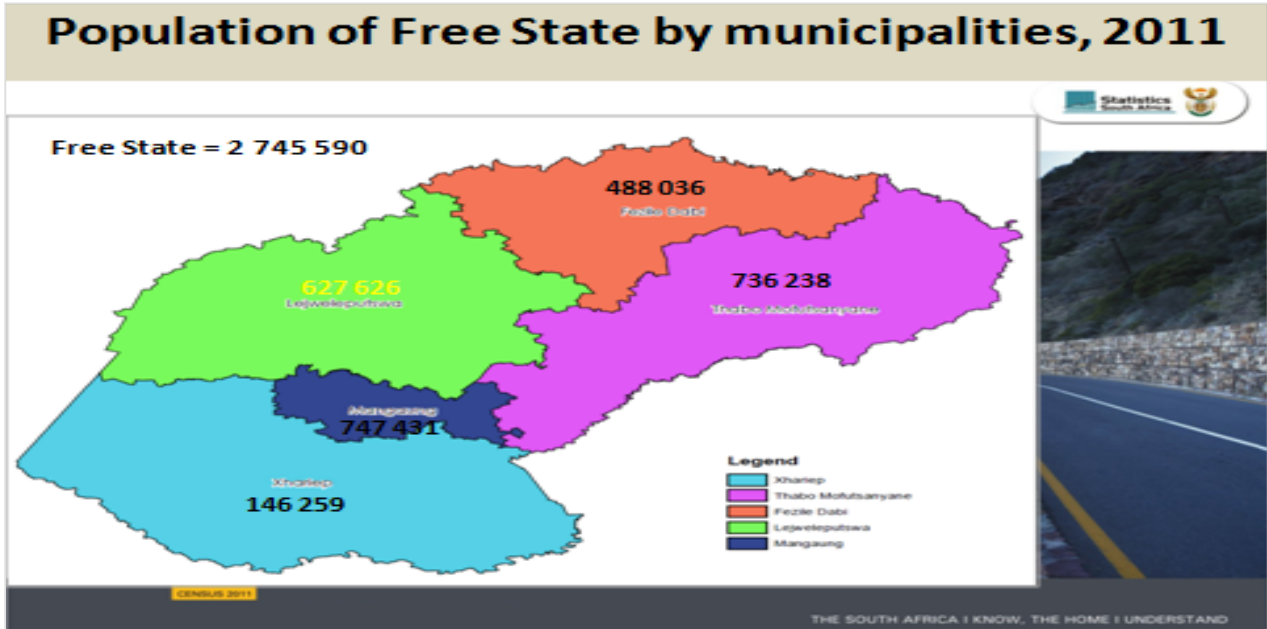
**THE LDM STRIVES TO ACHIEVE ITS VISION THROUGH**

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

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

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

## Demographic Profile

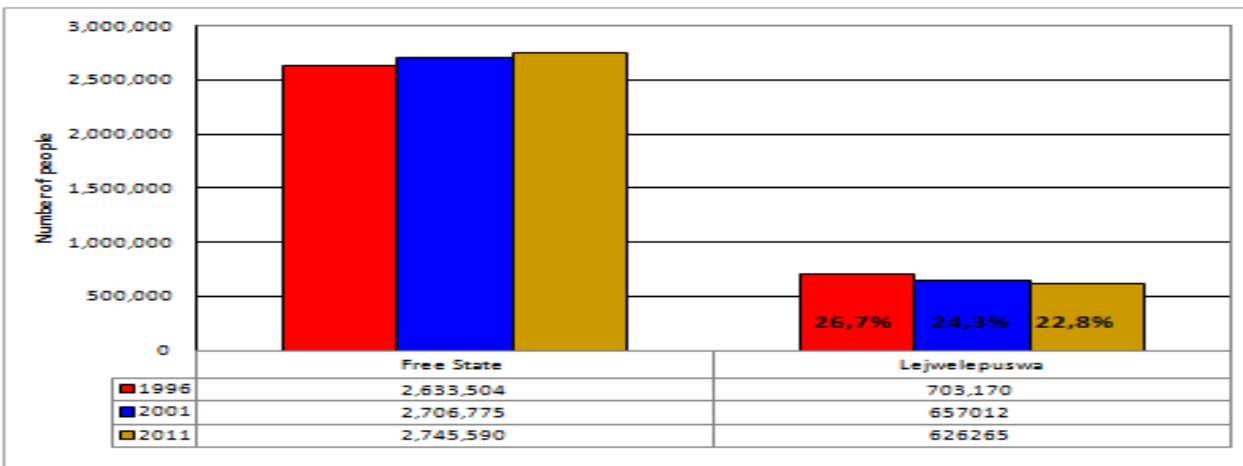


DEMOGRAPHICS			CS
Population	2001	2011	2016
South Africa	44819777	51770561	
Free State	2706771	2745590	2 834 714
DC18: Lejweleputswa	657012	627626	649964
FS181: Maseru	64409	63334	66084
FS182: Tokologo	32455	28986	29149
FS183: Tswelopele	53714	47625	47373
FS184: Maseru	408170	406461	428843
FS185: Nala	98264	81220	78515

Statssa: Census 2011

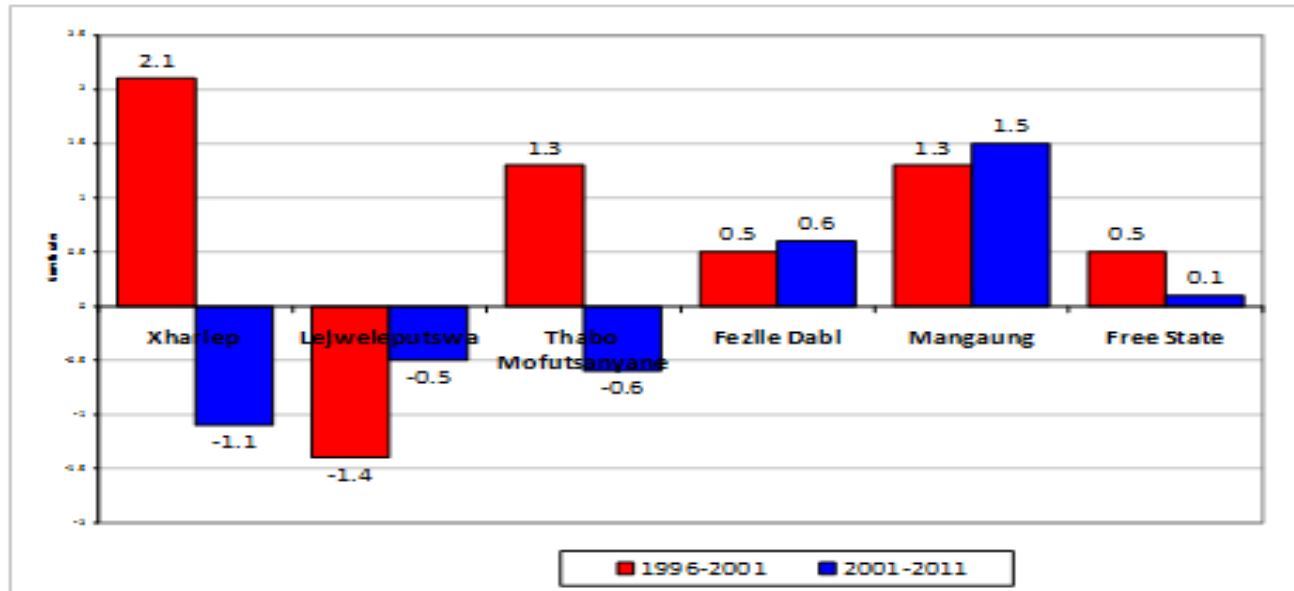
The table above indicates that the population of the district has decreased from figures of 2001 to 627 626 in 2011. The decrease is much more pronounced over a ten year period in municipalities such as Nala, Tswelopele and Tokologo Local Municipalities respectively with Nala being the hardest hit

## Population sizes of Free State and Lejweleputswa, 1996–2011



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

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

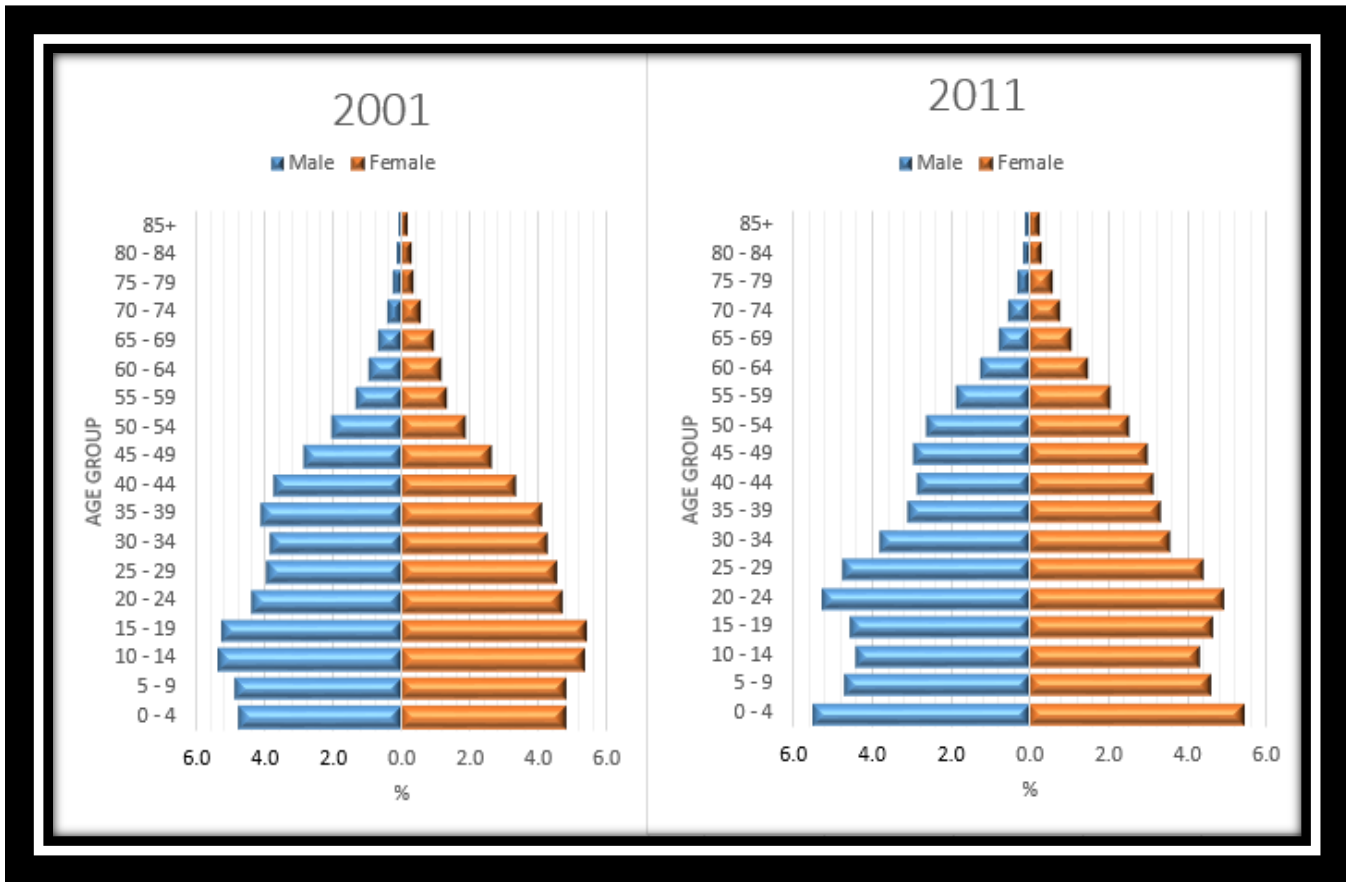


The table above illustrate population growth rates of Free State by municipalities over a period of 15 years in terms of which municipalities had a positive growth and those that experienced negative growth. The Lejweleputswa District has been experiencing a negative population growth between 1996 and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



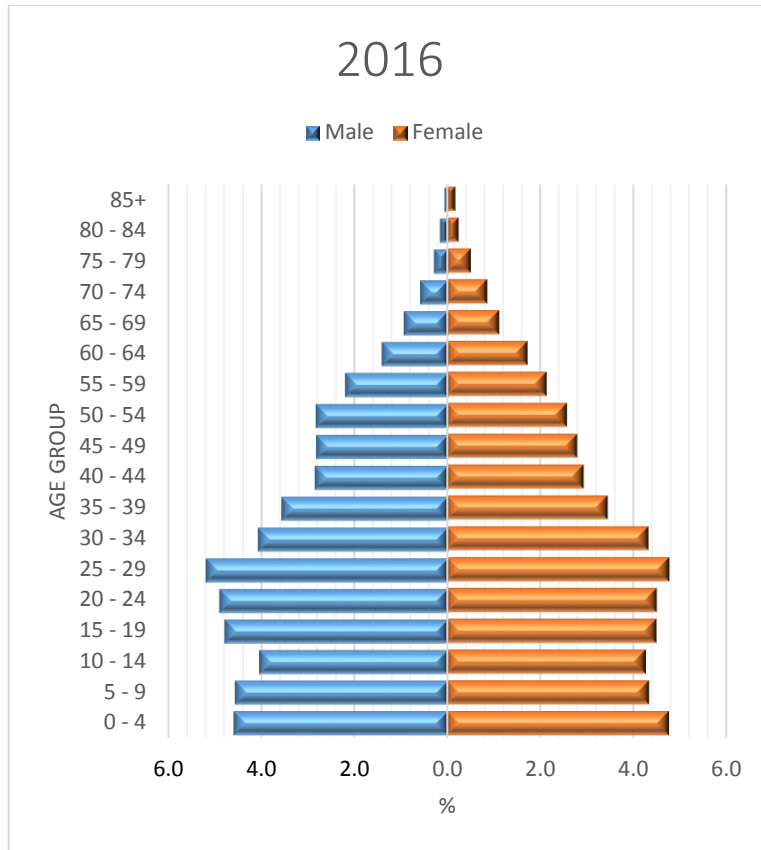
### 3.1.2. Population Distribution

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



Statssa: Census, 2011

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



CS 2016

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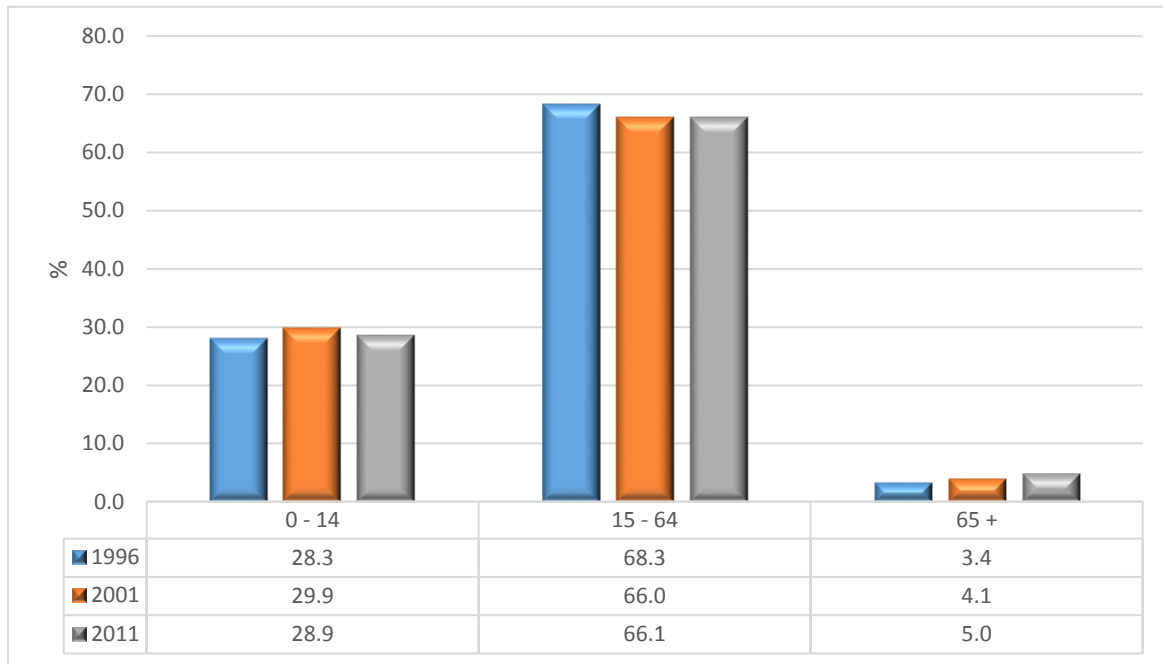
## Population distribution by province of birth, Free State Municipalities, 2011

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

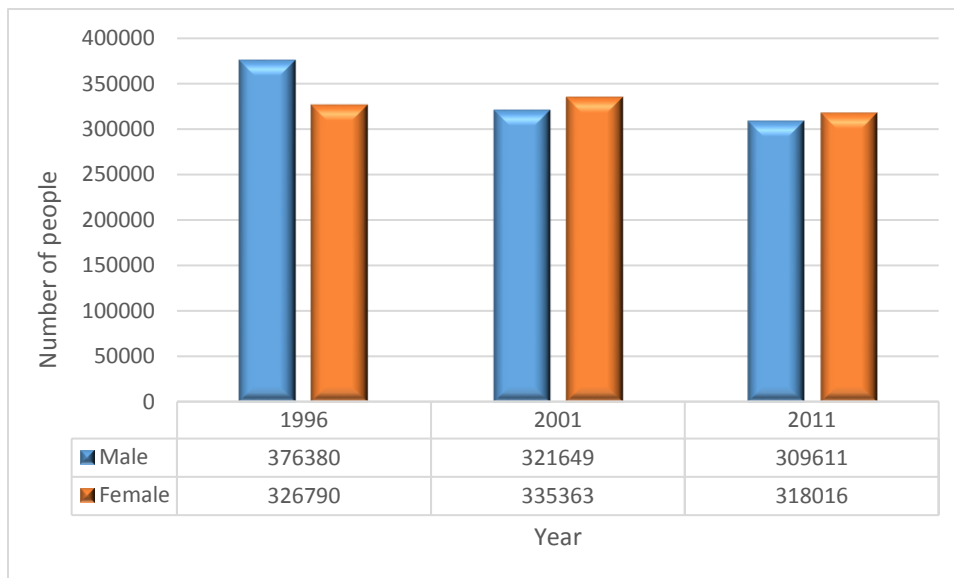
Statssa: Census, 2011

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

**POPULATION COMPOSITION**



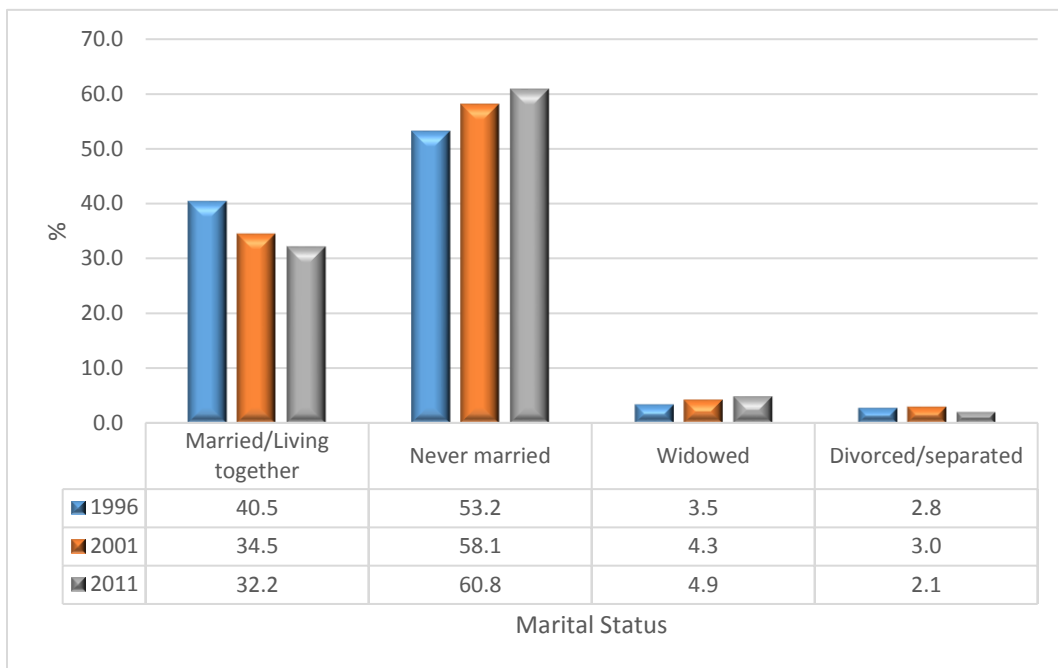
Statssa: Census, 2011



Statssa: Census, 2011

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

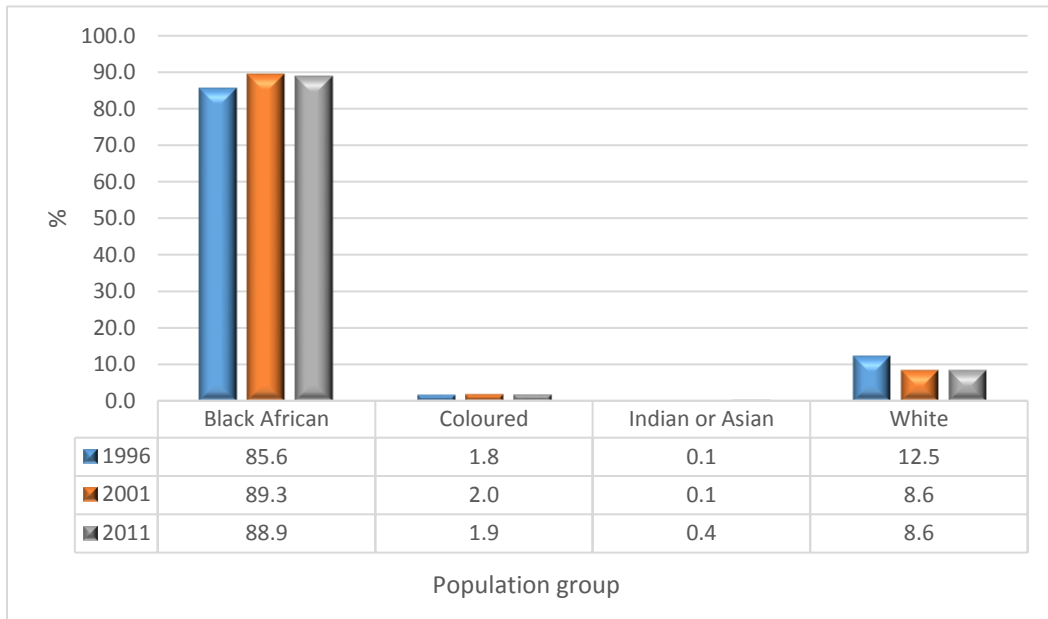
**PERCENTAGE DISTRIBUTION OF LEJWELEPUTSWA POPULATION BY MARITAL STATUS, 1996-2011**



Statssa: Census, 2011

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

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

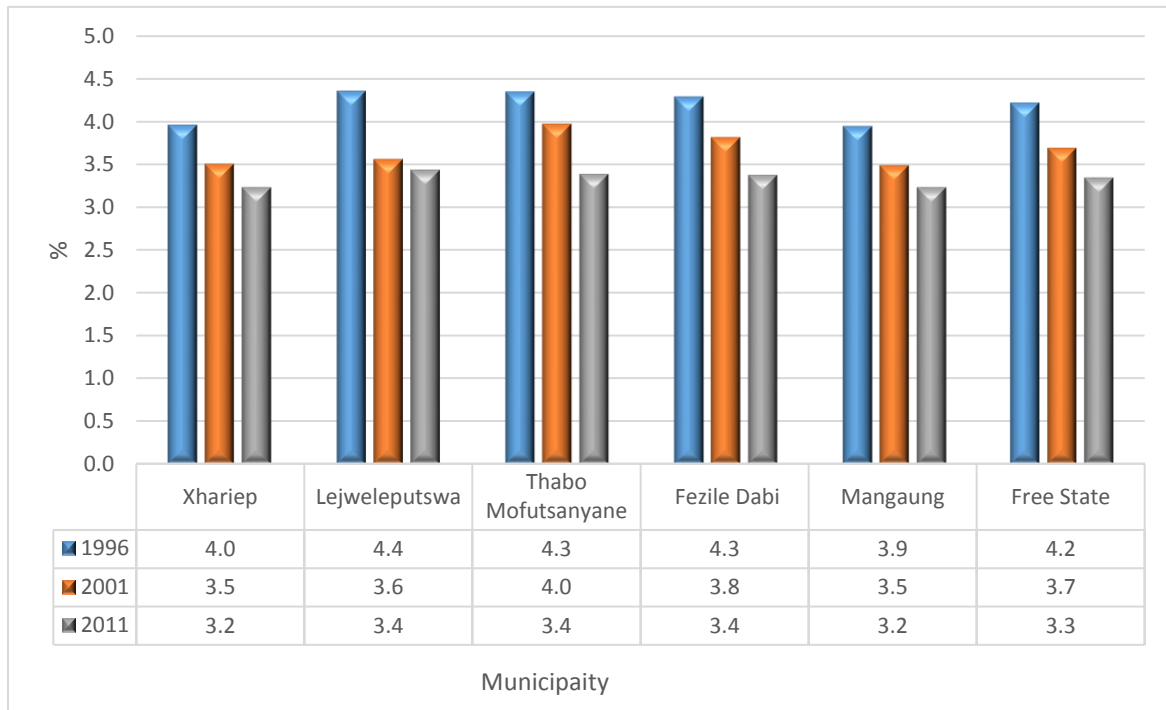


Statssa: Census, 2011

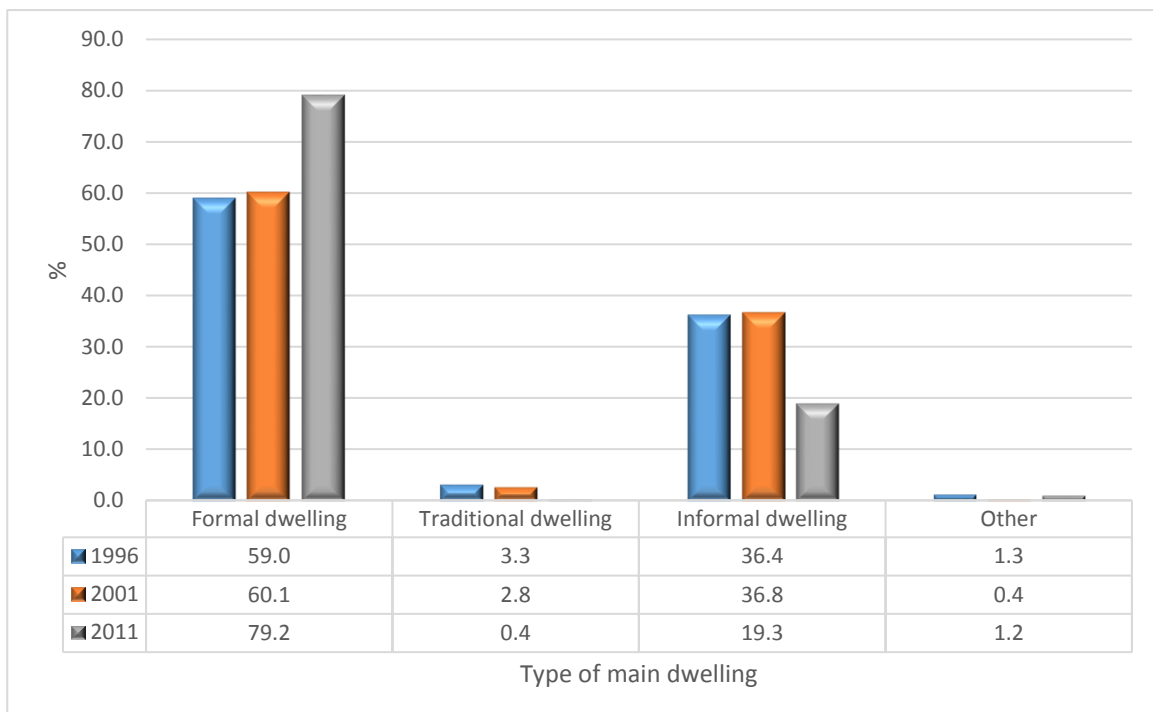
The majority of the population in the Lejweleputswa District has always been black African for the 15 year period with a small difference over the period ranging from 82.2% in 1996 to 77.0% in 2011, followed by white population group with 22, 0% in 1996 to 20, 2% in 2011 and the third being coloured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

## Household and services

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



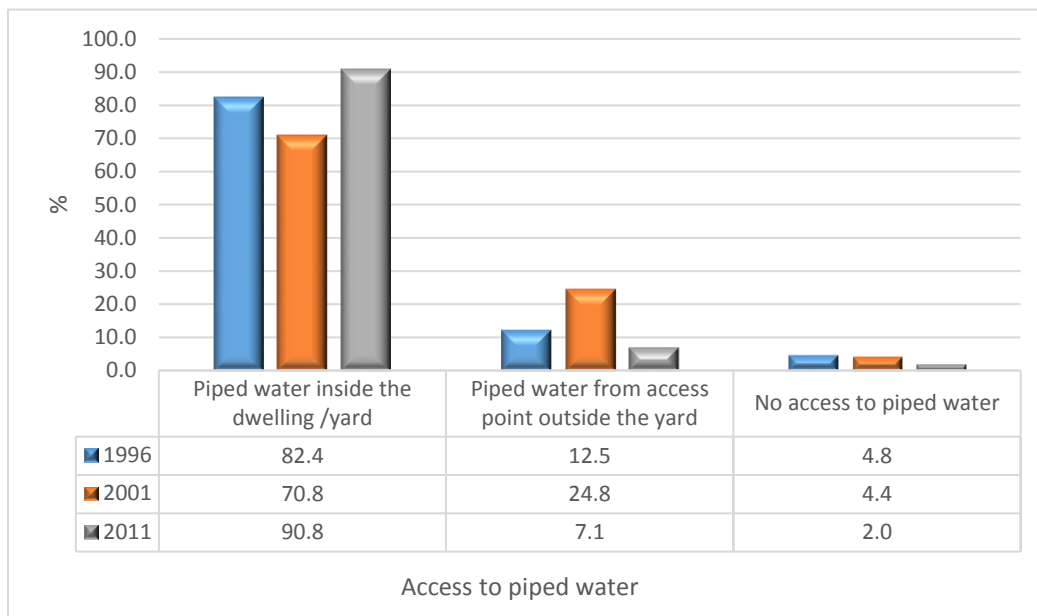
### PERCENTAGE DISTRIBUTION OF HOUSEHOLDS BY TYPE OF MAIN DWELLING, LEJWELEPUTSWA, 1996-2011



Statssa: Census

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

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



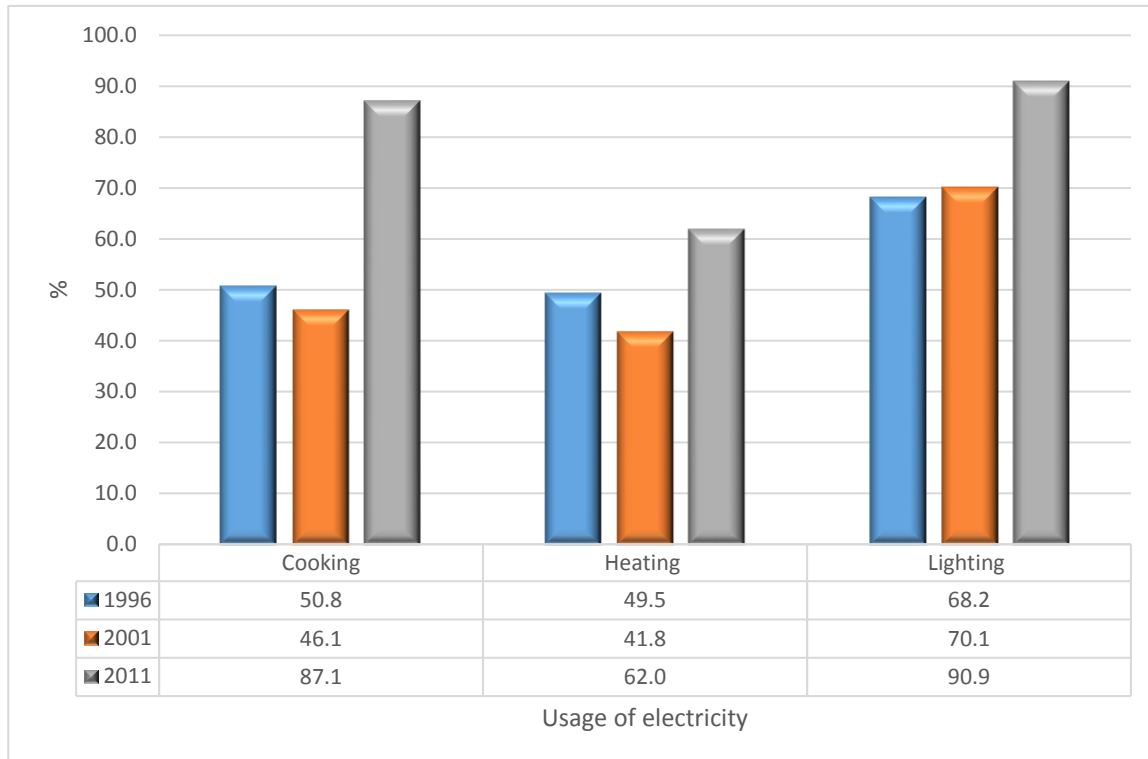
Statssa: Census, 2011

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



Province, District and Local Municipality	Main source of water for drinking													Total
	Piped (tap) water inside the dwelling/house	Piped (tap) water inside yard	Piped water on community stand	Bore hole in the yard	Rainwater tank in yard	Neighbours tap	Public/communal tap	Water-carrier/tanker	Bore hole outside the yard	Flowing water/stream/river	Well	Spring	Other	
<b>Free State</b>	<b>357926</b>	<b>499067</b>	<b>25768</b>	<b>8098</b>	<b>694</b>	<b>13142</b>	<b>14680</b>	<b>11226</b>	<b>8548</b>	<b>1124</b>	<b>411</b>	<b>1108</b>	<b>4848</b>	<b>946638</b>
<b>DC18: Lejweleputswa</b>	<b>94736</b>	<b>107755</b>	<b>3354</b>	<b>2012</b>	<b>149</b>	<b>3021</b>	<b>2949</b>	<b>374</b>	<b>2119</b>	<b>129</b>	<b>-</b>	<b>83</b>	<b>2332</b>	<b>219014</b>
FS181: Masionyana	5730	15246	63	224	-	264	66	75	270	-	-	-	863	22802
FS182: Tokologo	788	7364	12	538	17	306	343	31	432	-	-	-	-	9831
FS183: Tswelopele	1716	10685	121	326	30	165	36	230	204	95	-	-	96	13705
FS184: Matjhabeng	79509	60157	2450	678	102	2188	2003	38	574	34	-	15	1274	149021
FS185: Nala	6992	14303	708	246	-	98	502	-	639	-	-	68	98	23653

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

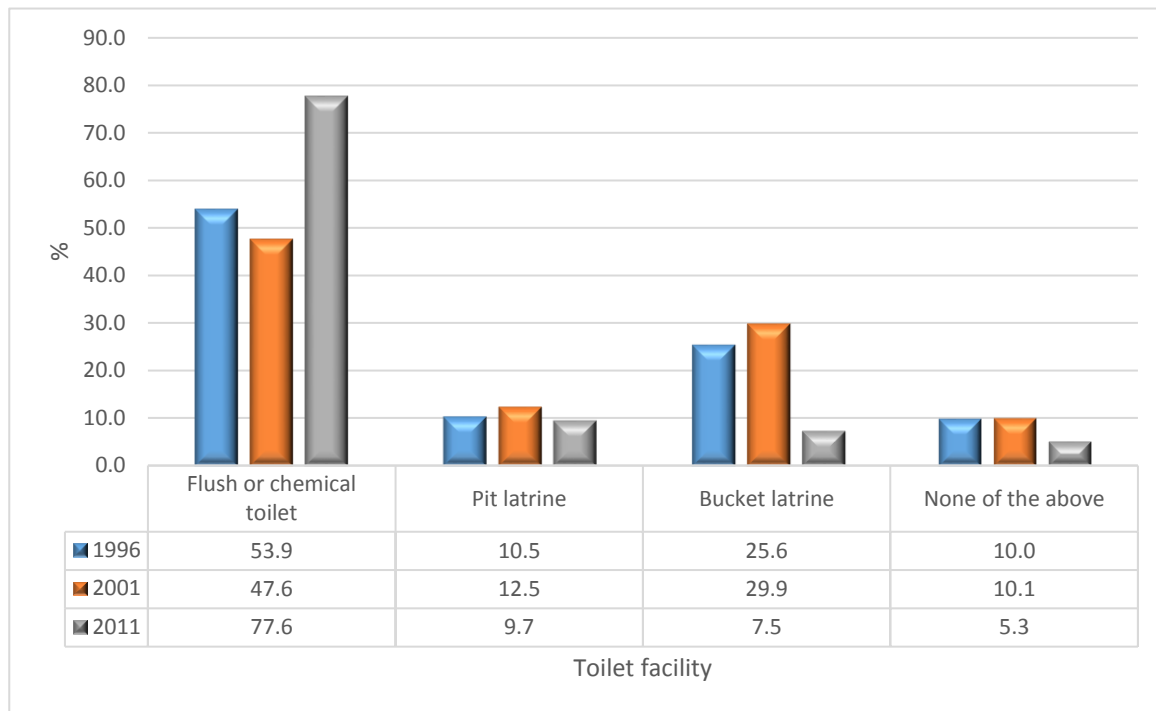


Statssa: Census, 2011

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

Province, District and Local municipality	Household access to electricity									
	In-house conventional meter	In-house prepaid meter	Connected to other source which household pays for (e.g. con	Connected to other source which household is not paying for	Generator	Solar home system	Battery	Other	No access to electricity	Total
<b>Free State</b>	<b>108973</b>	<b>761009</b>	<b>17676</b>	<b>2466</b>	<b>209</b>	<b>992</b>	<b>179</b>	<b>4786</b>	<b>50349</b>	<b>946638</b>
<b>DC18: Lejweleputswa</b>	<b>34255</b>	<b>167983</b>	<b>4449</b>	<b>623</b>	<b>30</b>	<b>156</b>	<b>106</b>	<b>1285</b>	<b>10126</b>	<b>219014</b>
FS181: Masilonyana	2803	17890	477	87	-	-	26	134	1385	22802
FS182: Tokologo	1533	7342	203	75	-	39	-	79	561	9831
FS183: Tswelopele	1147	10864	923	118	-	-	-	33	621	13705
FS184: Matjhabeng	25575	114481	2421	235	30	87	80	388	5726	149021
FS185: Nala	3198	17407	425	109	-	30	-	652	1833	23653

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

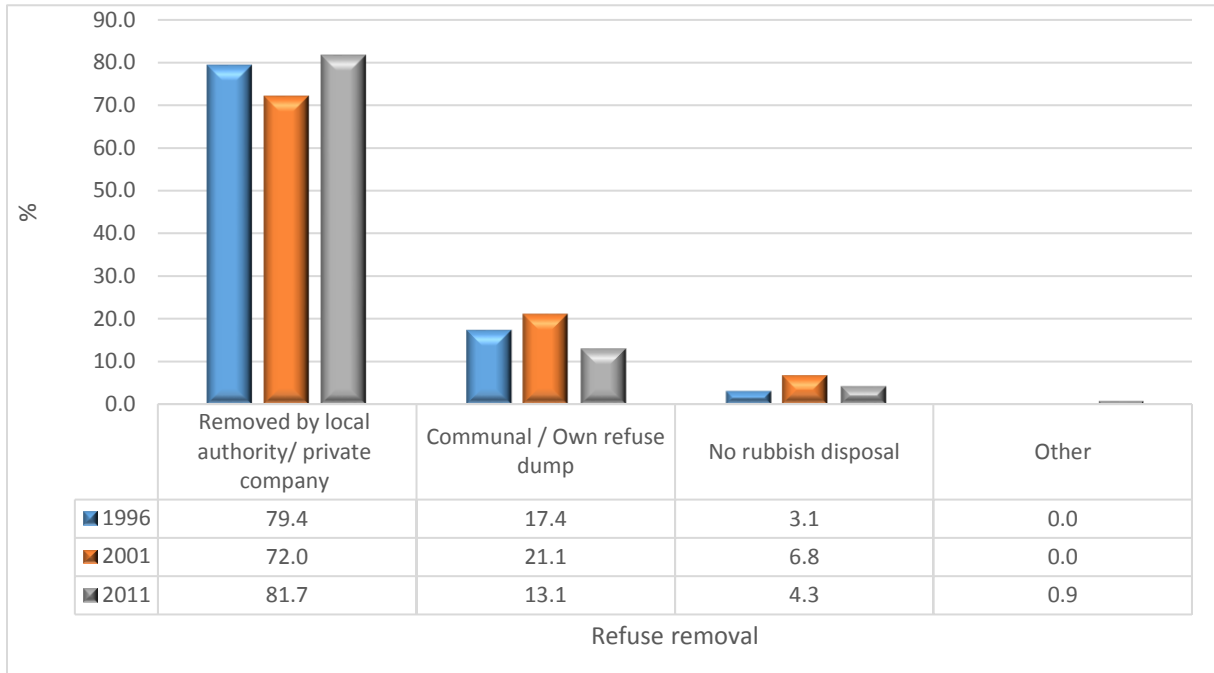


Statssa: Census, 2011

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

Province, District and Local Municipality	Main type of toilet facility used										
	Flush toilet connected to a public sewerage system	Flush toilet connected to a septic tank or conservancy tank	Chemical toilet	Pit latrine/toilet with ventilation pipe	Pit latrine/toilet without ventilation pipe	Ecological toilet (e.g. urine diversion; eco; etc.)	Bucket toilet (collected by municipality)	Bucket toilet (emptied by household)	Other	None	Total
<b>Free State</b>	<b>663809</b>	<b>19526</b>	<b>19662</b>	<b>64462</b>	<b>105588</b>	<b>1602</b>	<b>24131</b>	<b>13650</b>	<b>18526</b>	<b>15684</b>	<b>946638</b>
<b>DC18: Lejweleputswa</b>	<b>179008</b>	<b>2010</b>	<b>472</b>	<b>5141</b>	<b>15166</b>	<b>142</b>	<b>4817</b>	<b>3322</b>	<b>4711</b>	<b>4225</b>	<b>219014</b>
FS181: Masilonyana	19279	180	186	183	496	41	1262	363	194	618	22802
FS182: Tokologo	2685	873	37	4159	741	-	752	36	139	409	9831
FS183: Tswelopele	10692	388	57	252	1163	64	-	68	133	888	13705
FS184: Matjhabeng	126135	383	191	413	10712	20	2420	2720	4141	1886	149021
FS185: Nala	20217	185	-	134	2054	17	383	135	104	426	23653

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

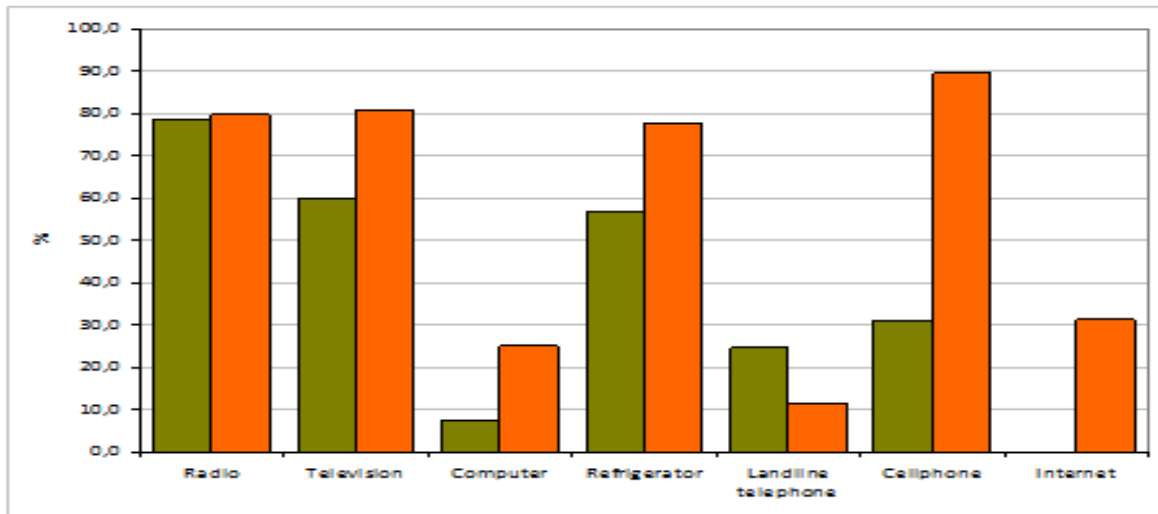


Statssa: Census, 2011

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

Statistics South Africa									
Community Survey 2016									
Table 1									
Geography hierarchy 2011 by Refuse removal for Household weight									
Province, District and Municipality	Refuse removal								
	Removed by local authority/private company/community members at least once a week	Removed by local authority/private company/community members less often than once a week	Communal refuse dump	Communal container/central collection point	Own refuse dump	Dump or leave rubbish anywhere (no rubbish disposal)	Other	Total	
Free State	659477	36019	33928	7242	165624	37494	6854	946638	
DC18: Lejweleputswa	158249	16795	8445	1592	25984	6894	1055	219014	
FS181: Masilonyana	15229	2552	431	-	4149	289	152	22802	
FS182: Tokologo	3651	1165	762	-	4109	100	44	9831	
FS183: Tswelopele	11559	103	123	-	1184	695	41	13705	
FS184: Matjhabeng	108414	12049	7021	1577	13797	5414	749	149021	
FS185: Nala	19396	925	108	15	2745	395	70	23653	

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



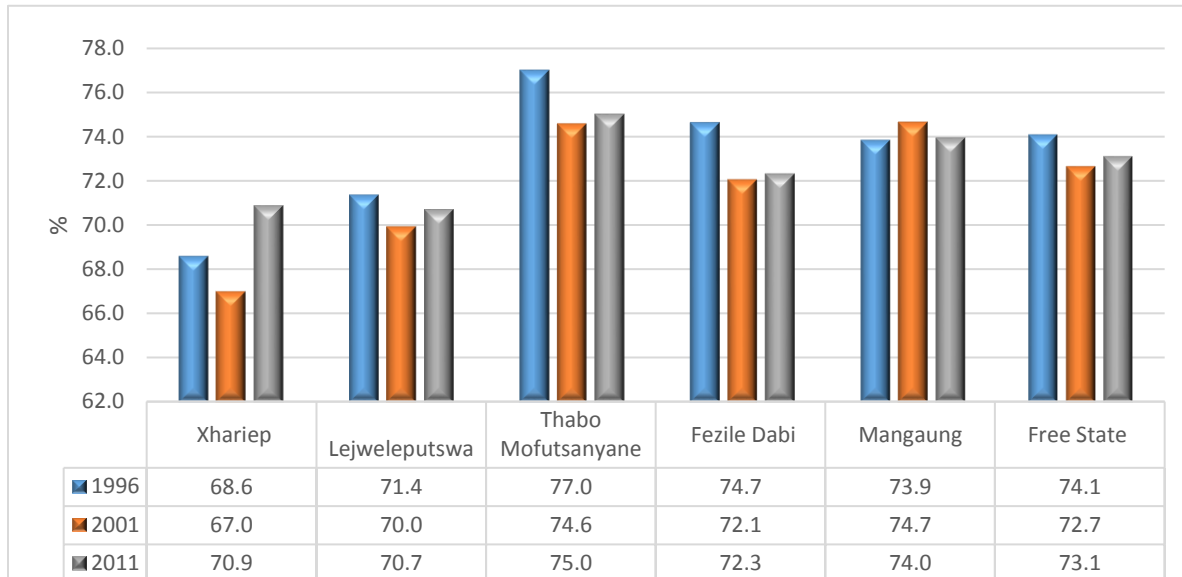
Statssa: Census, 2011

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



## Educational status

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

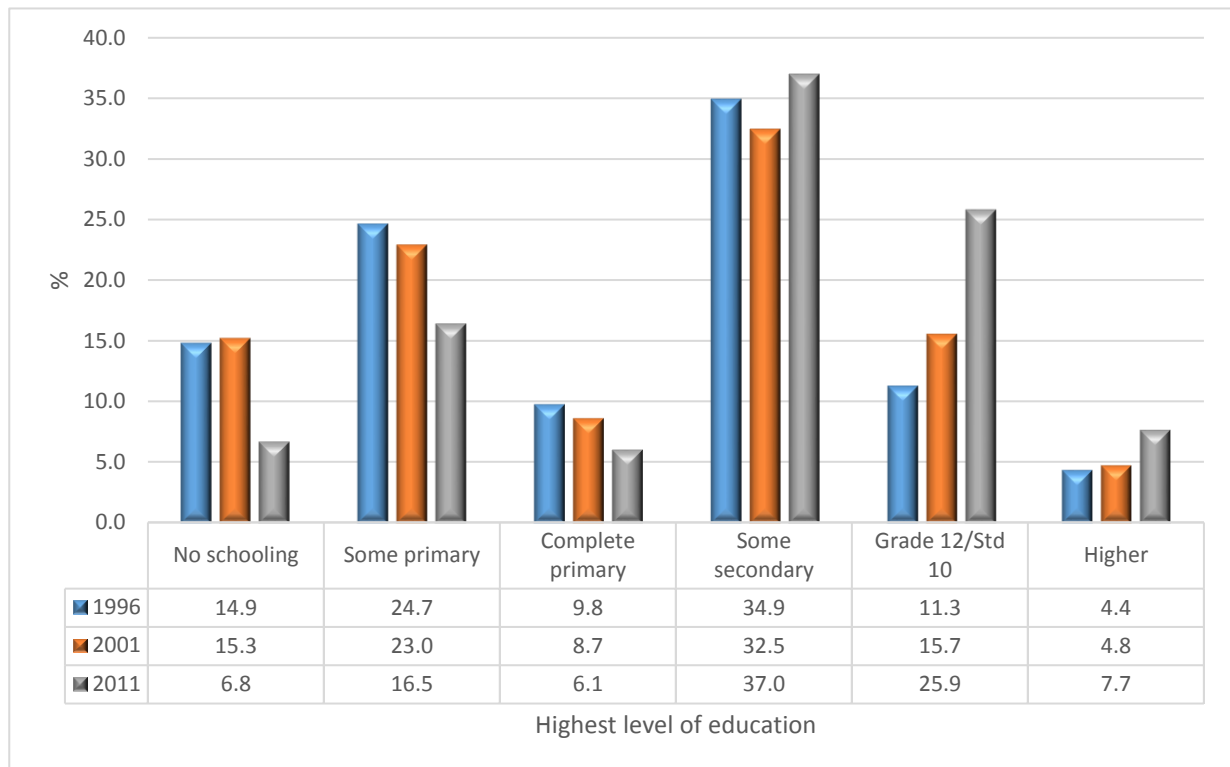


Statssa: Census, 2011

Geography	School Attendance		
	Yes	No	Do not know
<b>Free State</b>	<b>859361</b>	<b>1699444</b>	<b>2402</b>
<b>DC18: Lejweleputswa</b>	<b>182607</b>	<b>406237</b>	<b>319</b>
FS181: Masilonyana	17756	41943	24
FS182: Tokologo	7491	18576	-
FS183: Tswelopele	14439	27793	44
FS184: Matjhabeng	117252	273512	224
FS185: Nala	25669	44413	27

Source: CS 2016

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

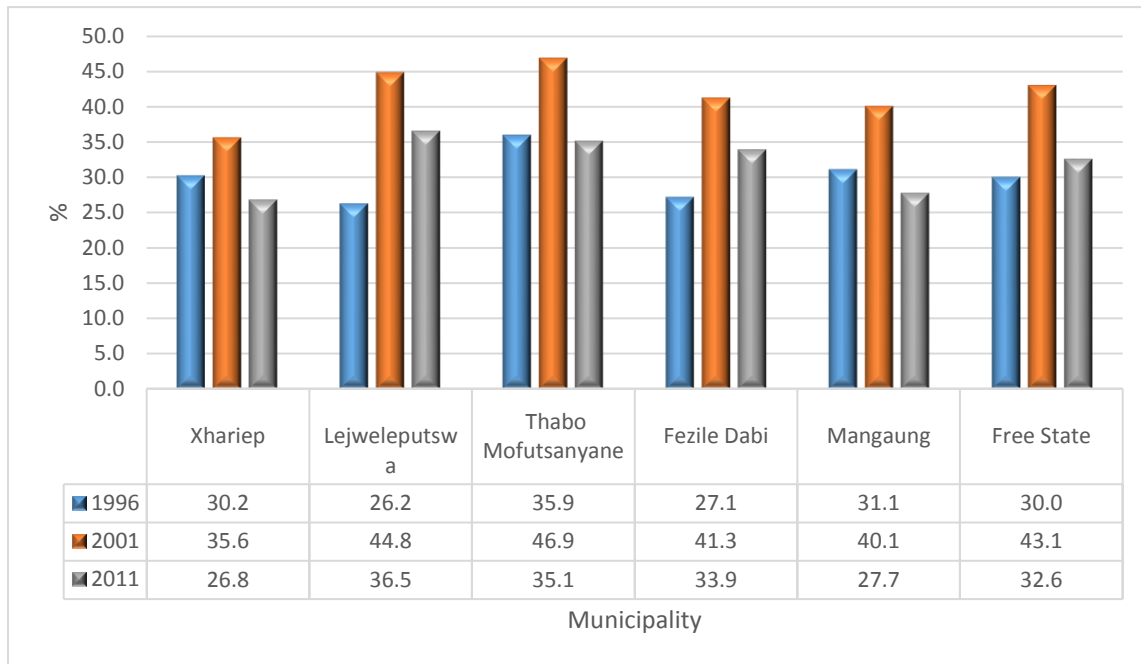


Statssa: Census, 2011

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

## Employment status

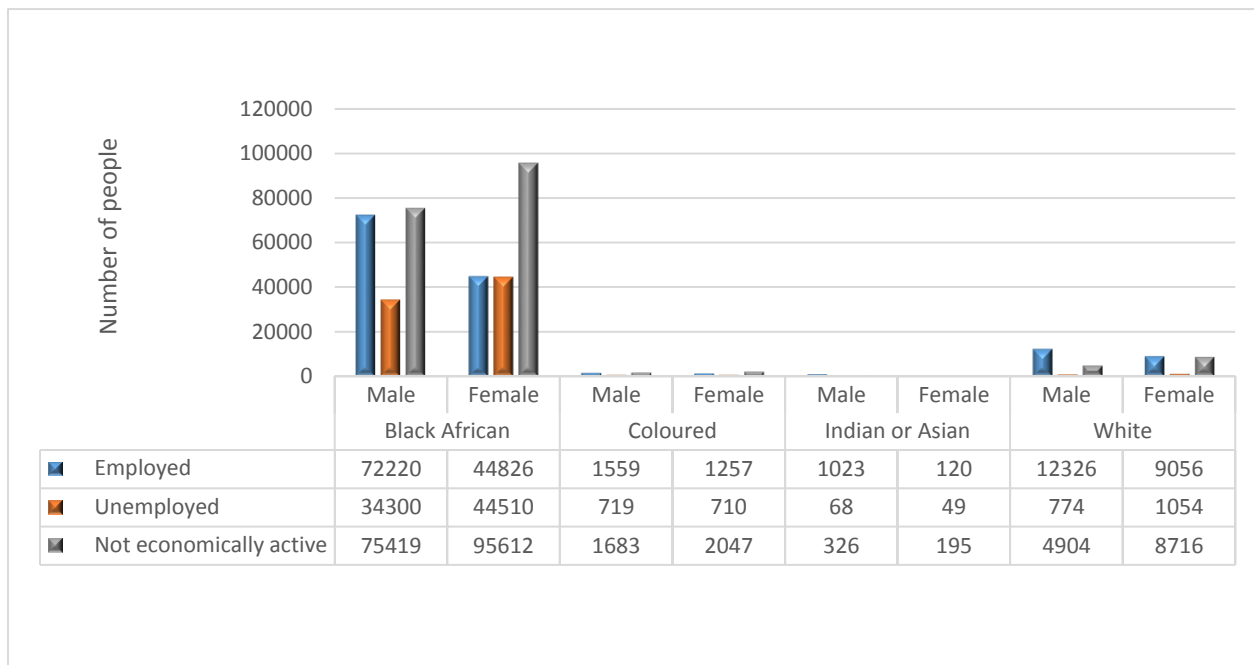
### UNEMPLOYMENT RATES (OFFICIAL DEFINITION) OF FREE STATE MUNICIPALITIES, 1996-2011



Statssa: Census, 2011

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

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



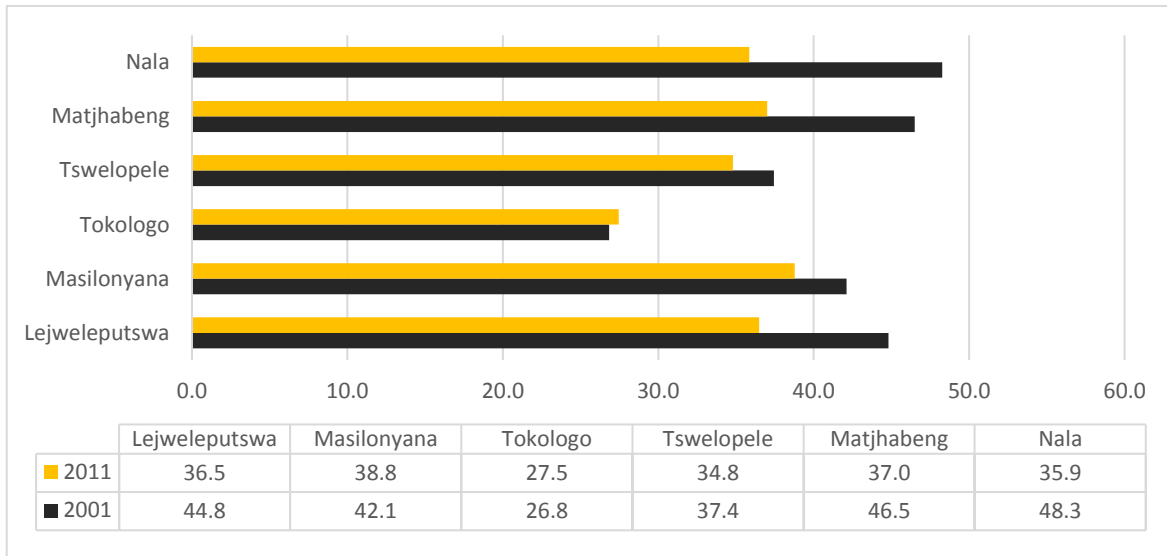
Statssa: Census, 2011

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

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

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

**LEJWELEPUTSWA YOUTH UNEMPLOYMENT RATE**

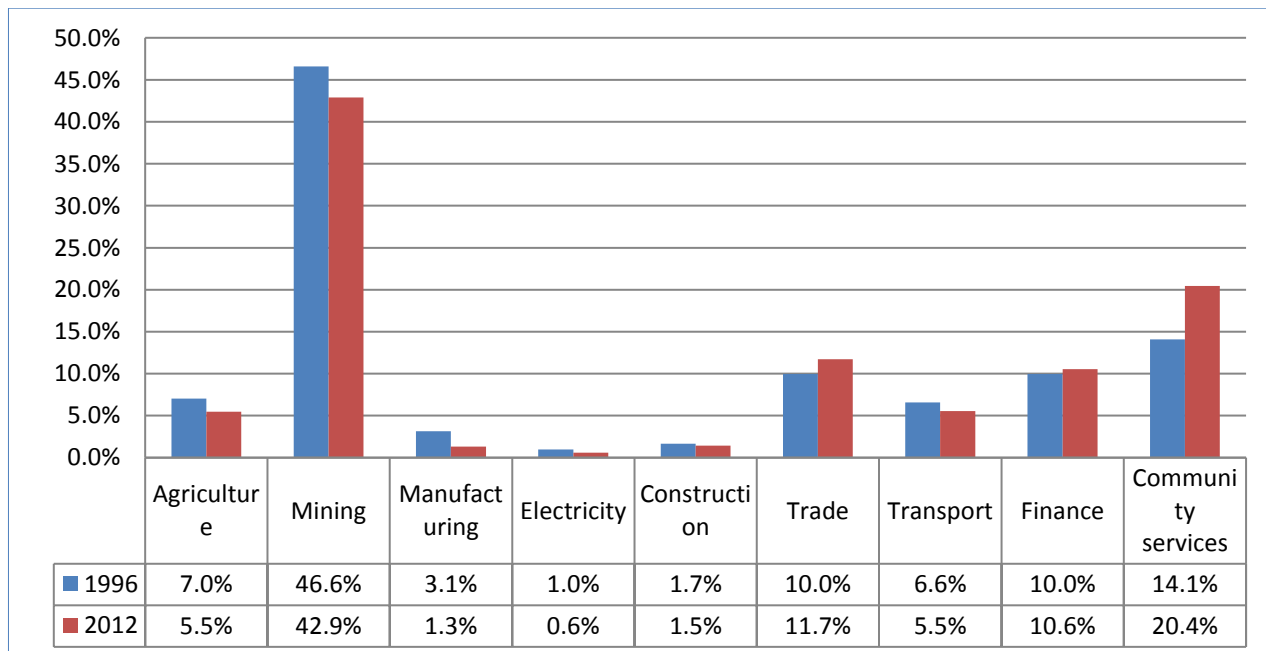


Statssa: Census, 2011

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

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

**GDP CONTRIBUTION BY INDUSTRY**



Source: Global Insight, Regional explorer, 2013

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

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

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

Source: IHS Global Insight Regional eXplorer, 2015

The 2014 sectoral composition of Lejweleputswa as revealed by figure 4.5 points to the dominance of a few sectors in the economy of the District. According to table 3.1, the mining sector is the dominant sector with 46.5 percent of the economic activities of the district, followed by community services sector at 14.2 percent and then trade at 11 percent. The smaller municipalities of Nala, Tswelopele and Tokologo are the municipalities without mining as the dominant sector, instead Tswelopele has agriculture as the dominant sector at 36.9 percent in 2014. Nala had government services as the dominant sector with 24 percent in 2014, whilst Tokologo had agriculture as the dominant sector with 24.6 percent in 2014. In recent years the contribution of mining in Lejweleputswa's economy has been declining due to a number of reasons and recently the effect of lower world commodity prices has fueled the decline of the sector. The share of the primary sector in Lejweleputswa's GVA has also been on a decline, indicating a shift away from the primary sector to the tertiary sector. The community services sector is growing strongly in all of Lejweleputswa's municipalities and is also forecasted to grow further.

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

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

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

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

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



LEGISLATIVE REQUIREMENTS

**ADOPTED**  
**IDP AND BUDGET PROCESS PLAN**

2017-2018

## LEJWELEPUTSWA DISTRICT MUNICIPALITY

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

## 1. Legislative background

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

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

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

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

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

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

## 2. Institutional arrangements

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

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

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

## 3. Roles and responsibilities

### 3.1. Mayoral Committee

<b>Names</b>	<b>Designation</b>
<b>Cllr. SEBENZILE NGANGELIZWE</b>	<b>District Executive Mayor</b>
<b>Cllr. J.S. MABITLA</b>	<b>Finance (Budget and Treasury)</b>
<b>Cllr. M.H. NTSEBENG</b>	<b>Municipal Infrastructure</b>
<b>Cllr. M.S. SEHLOHO</b>	<b>Economic, Small Business and Rural Development (Agriculture and Tourism)</b>
<b>Cllr M.J. MELI</b>	<b>IDP,PMS, Policy Development and Monitoring</b>
<b>Cllr. M.M.T MATLABE</b>	<b>Corporate Services (HR and Legal)</b>
<b>Cllr. M.J. PEREKO</b>	<b>Community Services</b>
<b>Cllr. M.L. TLHONE</b>	<b>Municipal Health Services, Disaster Management and Fire Fighting</b>

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

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

Names	Designation
Me. P.M.E. Kaota	District Municipal Manager
Mr. P.K. Pitso	Chief Financial Officer
Mr. M.J. Mahlanyane	Executive Manager: Corporate Services
<b>VACANT</b>	Executive Manager: LED, Tourism, Agriculture, SMME's , Youth & Sports
<b>VACANT</b>	Executive Manager: Social Services
Mr. Ntsiki Mtirara	Chief of Staff
Mr. E.T. Ntsuba	Manager: Speaker's Office
Mr. A. Bester	Internal Auditor
Mr. D. Maselwa	Manager : PMS
Mr. K. Mqeke	Communications & IGR Manager
Miss. N.L. Gqoli	Manager: Budget & Treasury
Mr. M.W. Segalo	Manager: ICT
Mr. C. Petersen	Manager: HR & Legal Services
Miss. B. Malapane	Skills Development Manager
Mr. T.L. Skele	Manager : LED
Me. K.V. Njobe	Manager: Tourism
Mr. S.A. Musapelo	Manager : IDP
Mrs. N.M. Maboea	IDP Coordinator
Mr. M.D Matolo	IDP Officer

Mr. D.E. Kirsten	Manager: Environmental Health Services
Mr. S. Nzume	Manager: Disaster Management
Mr. P.P Nhlapho	CEO: LDA
Mr. Sidney Mokoena	Manager: Security
Mr. T.N. Matsunyane	Manager: Admin

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

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

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

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

The Steering Committee will be responsible for the establishment of the **IDP Representative Forum**

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

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

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

- Chairperson : Political Head of the institution
- Secretariat : The IDP Steering Committee secretariat

- Members : Members of the Mayoral Committee
- Ward Committee chairpersons
- Heads of Departments/ Senior Officials
- Stakeholder representatives of organized groups
- Resource persons/organizations
- Community Representatives (e.g. Transport Forum

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

To represent the interests of their constituents in the IDP process;

Provide an organizational mechanism for discussion, negotiation and decision- making between the stakeholders and the municipality;

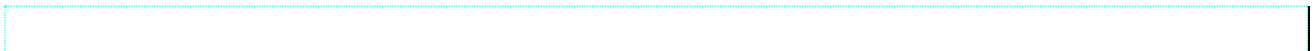
Ensure there is adequate communication and consensus on priority issues among all the stakeholder representatives; and

Monitor the performance of the planning and implementation of the IDP and its process

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

The code of conduct will at least include the following:

- Meeting schedule (Frequency and attendance)





## 4. Planning and public participation processes

### Annual IDP Review planning Process

#### 1. PHASE 1: ANALYSIS

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

#### 2. PHASE 2: STRATEGIES

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

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

#### 3. PHASE 3: PROJECTS

Municipality wide Projects/Programs identified from:  
Internal departments especially the ones that are of short- to medium term and requiring further budgetary requirements;  
Stakeholder inputs (departmental, community priorities)

#### 4. PHASE 4: INTEGRATION

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

#### 5. PHASE 5: APPROVAL

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

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



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

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

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

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







# **SPATIAL ECONOMY AND DEVELOPMENT RATIONALE**

## **LEJWELEPUTSWA ECONOMIC VISION**

### **13.1 SPC C- AGRICULTURAL AREAS**

The Free State is considered the bread-basket of South Africa supplying a significant portion of the agricultural produce. Maize is the main product of Lejweleputswa and the region is also known as the maize capital of South Africa although the municipality is diverse in farming activities. The agriculture industry is important for a number of reasons namely, food security, employment opportunities, the economy, and provides a good foundation for rural development and it is therefore important to protect agricultural land from being transformed into urban related areas SPC D. An advantage of this industry is the snowball effect it creates by way of agro-processing and tourism but those will be discussed in detail in the other sections. Irrigation schemes play an important role in agriculture as they prove to yield more compared to crops harvested on dry land. The Free State is mostly characterised by subsistence and large scale commercial farming.

The following SPC C- Agricultural Areas Sub Categories are present in Lejweleputswa (refer to map SPC C)

#### **(a) SPC C. a Extensive Agricultural Areas**

Description: Agricultural areas covered with natural vegetation, used for extensive agricultural enterprises, e.g. indigenous plant harvesting, extensive stock-farming, game-farming, eco-tourism.

- Extensive agriculture is practiced throughout the entire district municipality, mainly in the form of stock-farming. This includes beef cattle, sheep, and pigs.
- Game farming is most present in Tokologo LM

(b) SPC C. b Intensive Agricultural Areas

Description: Agricultural areas used for intensive agricultural practices, e.g. crop cultivation, citrus, lucerne, dates, vineyards, intensive stock farming on pastures.

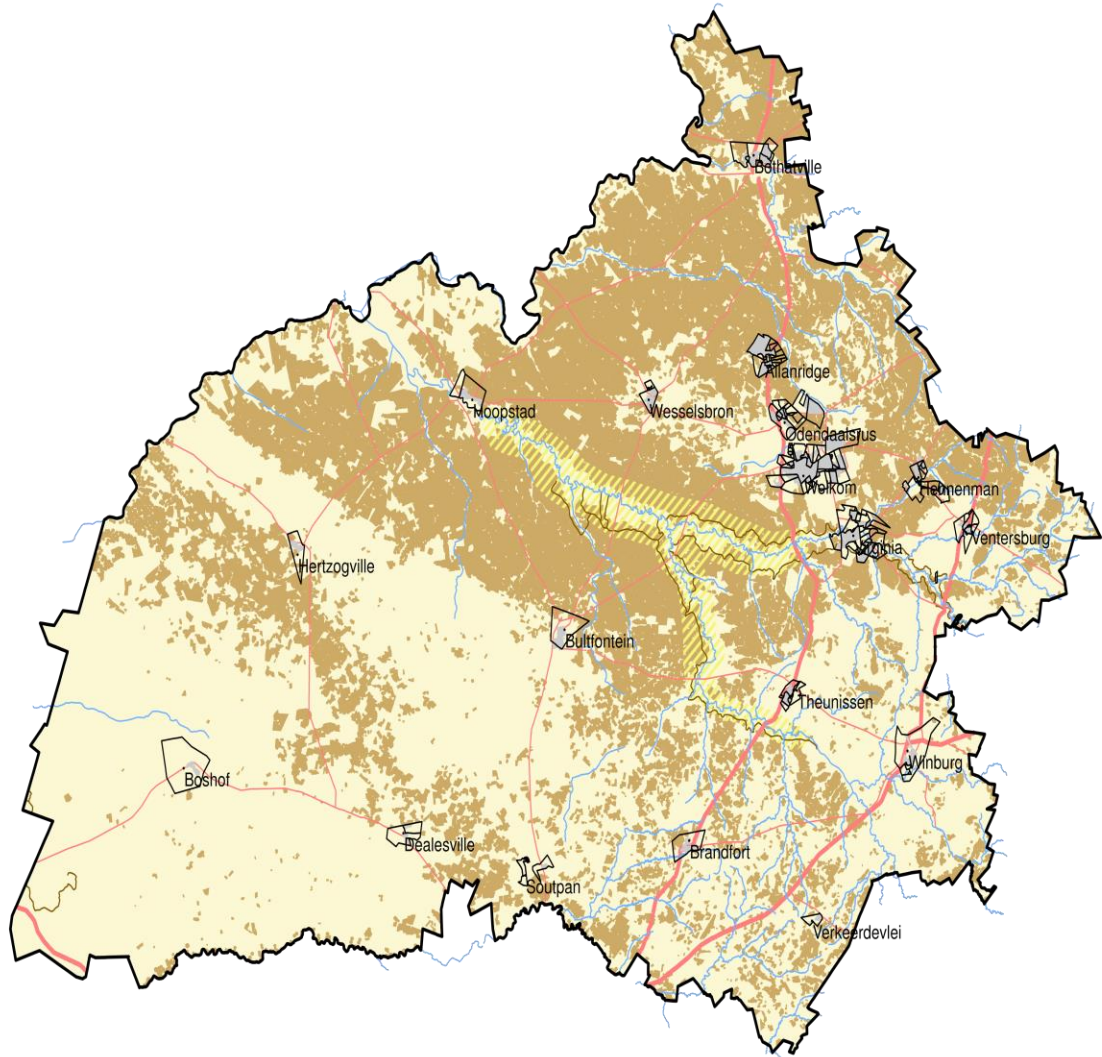
- Intensive agriculture is also practiced throughout the municipality and is more predominant compared to extensive agriculture. This category primarily produces crop production including maize, grain, wheat, potatoes, soya beans, cabbage, ground nuts, carrots, ground nuts, lucerne, sunflower, and pumpkins.

(c) SPC C strategies:

(i) Link with the Free State Growth and Development Strategy (2012)

Pillar 1: Inclusive economic growth and sustainable job creation

- Driver 1: Diversify and expand agricultural development and food security
  - Expand and diversify sustainable agriculture production and food security
  - Accelerate post settlement support programmes for emerging farmers.
  - Strengthen agricultural research, knowledge and skills
  - Improve and maintain agro-logistics
  - Establish and fast track value adding agro-processing



**Legend**

- Townlands
- Town Allotment
- Rivers
- National Roads
- Primary Roads
- R 30 Road
- Irrigation Canals
- Irrigation Scheme
- Intensive Agriculture C.b
- Extensive Agriculture C.a



**Lejweleputswa  
District Municipality  
SPC C MAP**

- Strengthen rural security of farm communities
- Extend social service delivery to farm-worker communities

#### CURRENT STATUS AND TARGETS BY THE FSGDS FOR THE PROVINCE

INDICATOR	CURRENT STATUS	FIVE YEAR PLAN 2015	TEN YEAR PLAN 2020	FIFTEEN YEAR PLAN 2025	TWENTY YEAR PLAN 2030
GV A Growth per five year	-0.1% PER Annum over 15 years.	1%	3%	4%	5%
Employment Agriculture	88395	100 000	120 000	130 000	140 000

#### (ii) Link with the Free State Provincial Spatial Development Framework (2014)

- Encourage bona fide game farms to combine their landholdings to create extensive SPC B areas that would support biodiversity conservation in a meaningful manner.
- Consider the rezoning of low-potential agricultural land as a mechanism to promote sustainable economic development.
- Encourage local processing of farm products and the provision of local farm services to enhance the rural economy, increase the viability of extensive agricultural production and reduce rural poverty.
- Promote diversification and controlled experimenting as it relates to alternative practices and enterprises
- Facilitate sustainable use of irrigation water in irrigation schemes
- As part of the provincial rural development function, support the following projects in the Lejweleputswa District Municipality:
  - Agro-processing (i.e. peanut butter, tannery and abattoirs).
  - Livestock production, including improving quality of livestock, piggery, poultry hub (i.e. Bothaville, Welkom, Soutpan, Winburg, Allanridge and Wesselsbron, small stock (sheep) and fish projects

## 13.2 SPC E-INDUSTRIAL AREAS

Economic development opportunities are the key determinant of the settlement pattern and also the distribution pattern of industrial areas in the district. Economic development typically responds to the availability of *environmental capital* (e.g. water, suitable agricultural soil, mining resources, etc.) and *infrastructural capital* (e.g. roads, electricity, bulk engineering services, etc.).

The following SPC E-Industrial Areas Sub Categories are present in Lejweleputswa (refer to map SPC E)

### (a) SPC E. a Agricultural Industry

Description:

Agriculture-related industrial development, e.g. silos, wine cellars, packing facilities excluding abattoirs.

- Eendag Mill located in Bothaville is used for maize and groundnuts. There are other mills situated in Bothaville and Wesselsbron which are used for maize.

### (b) SPC E. d Heavy Industry

Description:

Areas designated for robust industrial activities, e.g. chemical works, brewery, processing of hides, abattoirs, stone crushing, crematoriums.

- Bothaville Biofuel Plant

### (c) SPC E. e Extractive Industry

Description:

Settlements and infrastructure associated with multiple consumptive resource extraction, e.g. mining.

- Gold mining is dominant in Matjhabeng. Two considerable gold reserves with an estimated 20 year life span still exist in some parts of Matjhabeng and Nala Local Municipalities.
- There is significant potential for mining of low grade coal in Matjhabeng and Nala.
- There is some lower value mining potential in salt in the municipalities of Matjhabeng, Masilonyana, Tswelopele, and Tokologo.
- There are also gypsum fields in Tokologo.
- Diamond Kimberlite outcrops are located in the vicinity of Boshof and Theunissen.

(d) SPC E strategies:

(i) Link with the Free State Growth and Development Strategy

(2012)

Pillar 1: Inclusive economic growth and sustainable job creation

- Driver 2: Minimize the impact of the declining mining sector and ensure that existing mining potential is harnessed.
  - Support the life of existing mines and create new mining opportunities
  - Develop a post mining economy for mining areas
  - Ensure rehabilitation of mining areas

CURRENT STATUS AND TARGETS BY THE FSGDS FOR THE PROVINCE

INDICATOR	CURRENT STATUS	FIVE YEAR PLAN 2015	TEN YEAR PLAN 2020	FIFTEEN YEAR PLAN 2025	TWENTY YEAR PLAN 2030
GV A Growth per five	-1.85% PER Annum over 15 years.	-1%	0%	0%	0%
Employment Mining	33863	28 000	25 000	25 000	25 000

- Driver 3: Expand and diversify manufacturing opportunities
  - Invest in key manufacturing subsectors
  - Ensure an enabling environment for manufacturing

CURRENT STATUS AND TARGETS BY THE FSGDS FOR THE PROVINCE

INDICATOR	CURRENT STATUS	FIVE YEAR PLAN 2015	TEN YEAR PLAN 2020	FIFTEEN YEAR PLAN 2025	TWENTY YEAR PLAN 2030
GV A Growth per five year	4.2% PER Annum over 15 years.	4.5%	5%	6%	7%
Employment in	37 000	45 000	70 000	85 000	120 000
Employment in Food and Beverage subsector	8258	9 000	11 000	13 000	15 000

(ii) Link with the Free State Provincial Spatial Development Framework (2014)

- Develop the required industrial amenities and infrastructure along the defined transport routes.

- Institute the *Industry Strategy* proposed by the National Transport Master Plan 2050 (2009). A key proposal under this strategy is the area in the proximity of the Bloemhof Dam for a possible power station.
- Require as a mandatory requirement, a detailed climate-neutrality strategy for large-scale industries.
- Actively promote 'clustering' of activities
- Revitalize existing but less successful subsectors such as textile, food and beverages etc. through access to market, skills and finance.
- Promote the expansion of the solar energy projects at Dealesville into as solar energy hub.
- Link the newly constructed bio-fuel plants in Matjhabeng to the National Refined Products Pipeline network.

### 13.3 SURFACE INFRASTRUCTURE-SPC F

This category consists of the different kind of roads, railways, truck stops, power lines, telecommunication infrastructure, dams, reservoirs, canals, sewerage plants, refuse areas, science and technology structures see map SPC F. All these infrastructures play a central role in the production and distribution of products, general operations of enterprises and organisations, as well as providing basic services to communities.

The following SPC F Surface Infrastructure Areas Sub Categories are present in Lejweleputswa (refer to map SPC F)

#### (a) SPC F.a National Roads

Description:

National roads proclaimed in terms of the National Roads Act 7 of 1998.

- The N1 route passes Ventersburg and Winburg
- The N5 links Winburg and Thabo Mofutsanyana
- The N8 intersects Lejweleputswa in the southern area of Tokologo LM

#### (b) SPC F.b Main Roads

Description:

Provincial and regional roads proclaimed in terms of the Roads Ordinance 19 of 1976.

- The R30 links Lejweleputswa with North West and Mangaung

#### (c) SPC F.f Railway Lines



Description:

Railway lines and associated infrastructure

- Railway lines are present in the Matjhabeng region

(d) SPC F.g Power lines

Description:

Power lines and associated sub-stations and infrastructure

- High voltage power lines are running from the Northern Cape and intersecting Matjhabeng

(e) SPC F.i Renewable Energy Structures

Description:

Any wind turbine or solar voltaic apparatus, or grouping thereof, which captures and converts wind or solar radiation into energy for commercial gain irrespective of whether it

feeds onto an electricity grid or not. It includes any appurtenant<sup>1</sup> structure or any test facility for energy generation.

- Dealesville Solar Plant

(f) SPC F.j Dams and Reservoirs

Description:

Major dams and reservoirs

- The Bloemhof dam is located towards the western side of the district
- The Alemanskraal dam is located towards the eastern side of the district
- The Sandveld dam is important for the supply of the irrigation scheme

(g) SPC F.k Canals

Description:

Constructed permanent waterways, e.g. irrigation canals, storm water trenches

- Irrigation canals towards the centre of the district, feeding from the Vet and Sand River.
- There is an irrigation canal south of Boshof, feeding from the Vaalhartz irrigation scheme of the Northern Cape.
- Bulk water pipelines

(h) SPC F.n Pipelines

Description  
: Pipelines

- Refined Products Pipeline to Welkom (Final Draft Provincial Spatial Development Framework 2014)

(i) SPC F Strategies:

(i) Link with the Free State Growth and Development Strategy (2012)

Pillar 1: Inclusive economic growth and sustainable job creation

- Driver 4: Capitalise on transport and distribution opportunities
- Capitalise on the centrality of the province with regard to freight and distribution
- Develop and maintain an efficient road, rail and public transport network

CURRENT STATUS AND TARGETS BY THE FSGDS FOR THE PROVINCE

INDICATOR	CURRENT STATUS	FIVE YEAR PLAN 2015	TEN YEAR PLAN 2020	FIFTEEN YEAR PLAN 2025	TWENTY YEAR PLAN 2030
GV A Growth per five year cycle	4.2% PER Annum over 15 years.	4.5%	5%	6%	7%
Employment in Transport	37 000	45 000	70 000	85 000	120 000
Road Quality	1731 KM POOR OR VERY POOR	1400KM	1 000 KM	800KM	500 KM

(ii) Link with the Free State Provincial Spatial Development Framework (2014)

- Ensure compliance with the Land Transport Framework.
- Redevelop or sell unused transport infrastructures, including redundant stations and sidings.
- Define public transport corridors based on passenger volumes.
- Upgrade rest stops along primary roads to cater for trucks and other motor vehicles and consider mandatory guidelines regarding the use of high fuel consumption vehicles.
- Institute overload control measures in order to protect the asset value of existing road infrastructure on the R 30 Transport corridor
- Implement the Free State Railway Projects proposed by the National Transport Master Plan 2050 (2009) in Matjabeng
- Develop regional airports at major tourism destinations and key development nodes.

## 13.4 TOURISM

Lejweleputswa's tourism is mainly dominated by business tourism and nature-based tourism. This is followed by a range of historical and cultural tourism products. Another of Lejweleputswa's tourism advantages relates to the district municipality's central location in South Africa. The municipality is well integrated with the rest of South Africa through its road and rail networks and serves as a popular tourist stopover destination. Tourism is considered to be sustainable as a result of the continuous demand and consumption of the product without diminishing natural resources. Other advantages include entrepreneurial opportunities and immediate employment. Tourists need to be offered attractions of a significant calibre to stimulate the industry.

To achieve the true potential of the tourism sector a tourism typology and strategy which uses the comparative economic advantages of the province, and which is efficiently managed and integrated with the other key economic sectors should be used. The ideal type of tourism should create entrepreneurial opportunities for the previously neglected groups, should be kind to the environment, and should contribute towards bringing economic empowerment, prosperity and enjoyment for the people of the province.

According to the FSPSDF tourism types are to be categorized broadly in terms of a consumptive/non-consumptive continuum ranging from the 'least modified' (natural) to the 'most modified' (cultural) (Refer to Composite map)

### (a) NATURE TOURISM

Description:

Nature-related experiences in semi-wilderness or extensive natural areas.

- The Sandveld Nature Reserve, situated around the Bloemhof Dam, and the banks of the Vaal and Vet rivers offers the opportunity to develop resorts as a result of its potential to attract many tourists to the municipality.
- Willem Pretorius Nature Reserve is located ideally for tourism attraction, near the N1 route on the eastern side of the district municipality. The nature reserve surrounds the Allemanskraal Dam which boasts a variety of birdlife
- Soetdoring Nature Reserve is located near the Krugersdrift dam which forms the western boundary of the dam. The nature reserve is situated along the R700 route and transverses the southern boundary of the district.

- The Vaal river flows in the western boundary of the district and offers potential for resort like development

(b) SPECIAL INTEREST TOURISM

Description:

Opportunities to use or study aspects that are unique to the Free State.

- Mining tourism forms part of this category and is found in Odendalsrus, Welkom and Virginia

(c) AGRI-TOURISM

Description:

Opportunities to experience and/or study agri-related lifestyles and land-uses unique to the Free State.

- Bothaville hosts the Nampo agricultural festival every year which attract more than 60 000 people to the municipality.

(d) CULTURE TOURISM

Description:

Opportunities to experiencing and/or study local culture and traditions.

- The 80's festival is hosted in Welkom annually
- The Phakisa festival is hosted on the 31st of December in Welkom annually

(e) Tourism Strategies

(i) Link with the Free State Growth and Development Strategy (2012)

Pillar 1: Inclusive economic growth and sustainable job creation

- Driver 5: Harness and increase tourism potential and opportunities
  - Implement a government support programme for tourism development and growth
  - Improve tourism marketing
  - Expand tourism products and product range

- Increase and build human capacity for tourism development and service excellence

CURRENT STATUS AND TARGETS BY THE FSGDS FOR THE PROVINCE

Indicator	current status	five year plan 2015	ten year plan 2020	fifteen year 2025	plan twenty year
GV A Growth per five year cycle	- 1% Per Annum		3%	5%	7%
Employment in	6500	7000	12000	15000	18000

(ii) Link with the Free State Provincial Spatial Development Framework (2014)

- Establish a competent tourism management institution which would, in collaboration with the provincial tourism authority, manage tourism in accordance with the principles of institutional integration, integrated planning, and cooperative governance.
- Prepare a tourism strategy, such as the Karoo Tourism Strategy
- Encourage tourism-related development in the designated tourism regions and adjacent to national parks and nature reserves.
- Develop the required infrastructure
- Develop large-scale and multi-purpose tourist destinations with tourism, potential, with specific reference to the larger dams.
- Develop a large-scale and multi-purpose sports complex at Matjhabeng, Welkom, to serve as a supplementary provincial sports venue.

#### **14. LEJWELEPUTSWA AREAS OF ECONOMIC POTENTIAL AND HUMAN DEVELOPMENT NEEDS**

The Final Draft Free State Provincial Spatial Development Framework 2014 supports the NDP strategic priority which states that new large-scale infrastructure should be prioritised in settlements with high economic growth potential. Therefore, as a general principle, fixed investment should be directed towards urban settlements that exhibit high economic growth potential in the first instance and high human need in the second.

Settlements with low human need and low economic growth potential would have a lower fixed investment priority.

It is important to stress that the NDP and the PSDF do not in any way rule out investment in small settlements per se. What matters is whether an area has the potential to grow economically in a sustainable manner, create jobs and alleviate poverty. If a small town, or a currently impoverished area, has such potential there is nothing that precludes investment.

Human development programmes and basic needs programmes are to be delivered where required in terms of the legislation and policy for the provision of basic services. Settlements with high levels of human need are to be prioritised for state funding as it relates to the delivery of human resource development and minimum basic services.

In intersecting of high economic potential with high human needs may be the ideal locality for fixed investment.

Objectives and policy of the FSSDF in this regards are the following:

- Providing a rationale for decisions regarding the location, scale and nature of urban and rural development.
- Guiding prospective private sector investors as it relates to where to focus large-scale monetary investment and infrastructure development
- Assisting national and provincial government departments in allocating their budgets
- Prioritising government spending and public investment to the best benefit of province as a whole.
- Guiding funding and investment in large-scale infrastructural development in accordance empirically-based criteria with due cognisance of the two SPLUM A principles of efficiency and justice

The key objective of the PSDF is thus to serve as a reliable first-cut premise for prioritising and directing state funding and private investment in the province.

The investment curve in large-scale development in industrial amenities and bulk infrastructure is determined by the comparative economic advantages of the various regions of the province vested in the availability of critical resources (e.g. minerals, energy, agricultural produce, etc.) This trend has largely determined the economic potential and human development needs of the different local municipalities and towns for the Lejweleputswa district.



Table 14.1 and Table14.2 below respectively categorise the municipalities and settlements in accordance with the criteria of development potential and human development needs. Likewise the attached maps classify municipalities and settlements as follows:

- 'High' and 'Very High': The difference between 'high' and 'very high' status lies in the diversity and intensity of the settlement dynamics. The meaning of 'high' on the development potential scale and on the human needs scale, respectively, should be interpreted in a reciprocal manner. From a growth potential perspective, settlements in this category show on-going growth on the positive side of the provincial average and they have a proven track record as 'growth engines'. Such settlements show the potential to grow at a significant rate in line with the capacity of their resources. From a human needs perspective, settlements in this category have a significant need for support in the form basic services and associated infrastructure.
- 'Medium': Consistent and moderate growth prevails in settlements in this category and certain sectors of the economy show signs of growth, or have the potential for growth.
- 'Very Low' and 'Low':The difference between 'low' and 'very low' is a degree variation. From a growth potential perspective, settlements in this category possess limited economic and human resources, and lack the potential to stimulate the urban economy to a meaningful extent. From a human needs perspective, settlements in this category are relatively well served with basic services and associated infrastructure.

Table 14.1: Lejweleputswa Local Municipality Economic Potential and Human Development Needs Classes

Local Municipality	Economic Potential Class	Local Municipality	Urban Growth Potential Class	Local Municipality	Human Development Needs Class
Nala	Very High	Matjhabeng	Very High	Matjhabeng	Medium
Matjhabeng	High	Nala	High	Tokologo	Medium
Tswelopele	Medium	Tswelopele	Medium	Nala	Medium
Masilonyane	Medium	Tokologo	Medium	Tswelopele	Medium
Tokologo	Medium	Masilonyane	Low	Masilonyana	Medium

Table 14.2: Lejweleputswa Settlement Economic Potential and Human Development Needs Classes

Town	Economic Potential Class	Town	Urban Growth Potential Class	Town	Human Development Needs Class
Welkom	Very High	Welkom	Very High	Welkom	Very High
Allanridge	High	Bothaville	High	Ventersburg	Medium
Bothaville	High	Wesselsbron	Medium	Odendalsrus	Medium
Wesselsbron	High	Bultfontein	Medium	Bothaville	Medium
Bultfontein	Medium	Virginia	Medium	Dealesville	Medium
Virginia	Medium	Allanridge	Medium	Virginia	Medium
Brandfort	Medium	Odendalsrus	Medium	Bultfontein	Medium
Soutpan	Medium	Henneman	Medium	Verkeerdevlei	Medium
Henneman	Medium	Hertzogville	Medium	Hertzogville	Medium
Hertzogville	Medium	Boshof	Medium	Theunissen	Medium
Boshof	Medium	Brandfort	Medium	Boshof	Medium
Hoopstad	Medium	Dealesville	Medium	Wesselsbron	Medium
Odendalsrus	Medium	Theunissen	Medium	Henneman	Medium
Theunissen	Medium	Verkeerdevlei	Medium	Winburg	Medium
Dealesville	Medium	Soutpan	Medium	Hoopstad	Medium
Verkeerdevlei	Medium	Hoopstad	Medium	Allanridge	Low
Winburg	Medium	Winburg	Low	Brandfort	Low
Ventersburg	Very Low	Ventersburg	Low	Soutpan	Low

The above classification of Lejweleputswa local municipalities and towns must be interpreted as follows:

- The profiles indicate what type of development and investment are required and how the municipal budget should be allocated to eradicate backlogs or weaknesses.
- Municipalities are to use the town profiles as a guideline for determining future development initiatives. In this process individual towns and municipalities may need further investigation and interpretation to unpack the profiles in greater detail to expose specific local situations. In this regard, the profiles thus serve as an empirical premise for a detailed diagnoses and preparation of a development strategy for each municipality.
- The status of settlements may change over time. It is therefore important that the status as indicated be verified and updated as new information becomes available.
- This exercise should highlight the strong and weak points for future economic and social development in the subject municipalities and settlements. Each municipality would benefit from a detailed analysis of their town profiles. Through this analysis all role players would be able to determine what they can do to improve the economic status of their towns. Such detailed analysis has to be undertaken as part of the revision of the SDF of a municipality.

From the above section thus follows that Welkom, Bothaville, and Wesselsbron have been indicated as Economic Nodes on the Composite Lejweleputswa SDF map, based on the correlation of Very High and Medium Human Development Needs with Very High and High Economic Potential ratings for the respective towns.

## 15. COMPOSITE LEJWELEPUTSWA SDF MAP

Composite Lejweleputswa SDF map was constructed by layering of the spatial plans that have been articulated for the various SPCs.

The spatial plans for the six SPCs that collectively constitute the Composite Spatial Plan are listed below.

The relevant spatial plans are:

- Spatial plan for SPC A and SPC B, i.e. core and buffer nature areas that are essential for
- environmental integrity and human well-being.
- Spatial plan for SPC C, i.e. agricultural land which constitutes the resource base for the agricultural sector.
- Spatial plan for SPC D, i.e. urban areas.
- Spatial plan for SPC E, i.e. industrial areas.
- Spatial plan for SPC F, i.e. bulk services, main access routes, and infrastructure required to sustain the economic sectors.
- Spatial plan for tourism as a key economic sector.

The attached Composite Lejweleputswa SDF map formed the basis for the overlaying of the conceptual proposals, i.e. regions, corridors, nodes.

Below follows conceptual proposals as reflected in the attached Composite Lejweleputswa SDF map relevant in the district.

### 15.1 Centres

Centres represent a classification of localities according to specific and specialized services of regional or provincial importance. Different types of centres were distinguished:

(a) Administrative centre

- Welkom

(b) Educational centre

- Welkom

Welkom intends the establishment of a Centre of Excellence to serve as a training facility for emerging farmers from all over the Free State, as well as the

establishment of a Training and Support Centre for various training needs of the community on NQF levels and through learnerships.

(c) Service centres

Those urban nodes, which have not been identified as economic nodes or specialized type of economic nodes (manufacturing, mining, tourism, agricultural), will continue to exist as services centres to their surroundings.

These towns should be developed with social services in support of those areas where growth will be experience. It is therefore proposed that attention should be paid to education, health and

social infrastructure in these services centres so that the quality of life of people staying there can be improved, and necessary skills be obtained.

## 15.2 Nodes

These are localities where development (facilities, services and economic opportunities) tends to concentrate. Different types of nodes were distinguished:

(a) Economic Nodes

Economic nodes are localities where economic growth will be promoted. A variety of activities will tend to cluster in and around these nodes. The nodes offer development potential and it needs to be stimulated in order to concentrate growth. The potential for growth is informed by the strengths and opportunities presented by each node. These nodes should therefore be developed in order to draw investment to regions.

It is therefore sensible to focus capital investment to favour those nodes where development will more likely be sustained in future. This implies that both public and private initiatives in areas identified as economic nodes should be supported. This will have the effect that a greater need for new residential sites, housing and infrastructure will arise in these areas, thus requiring the allocation of grants for capital investment projects to favour these localities more than those with limited growth potential. Also refer to section 14 LEJWELEPUTSWA AREAS OF ECONOMIC POTENTIAL AND HUMAN DEVELOPMENT NEEDS.

- Welkom

In spite of the decline in the gold mining industry of the Welkom area, it will maintain its economic importance for the region. Mining is no longer seen as the dominant and only growth sector for the region. The town serves as main service centre within the district, providing specialised services such as a hospital, institutions, regional government representation, regional banking institutions, specialised commercial and industries. Various incentives, such as Goldfields Tourism route, upgrading of the R30/R34 route, Jewellery Hub, rail network upgrading, reestablishment of Phakisa as the home of Africa's MotoGP, and training centres (Centre of Excellence, Training and Support Centre), can stimulate economic growth.

- Wesselsbron

Wesselsbron is one of two towns found in Nala local municipality. The municipality forms part of the region known as the bread and basket of South Africa due to its high agricultural produce. Huge silo complexes are found around Wesselsbron which offer economic spin-offs in terms of agricultural tourism. The town also offers services to the surrounding rural areas.

- Bothaville

Bothaville is the administrative town of Nala local municipality and as a result provides many services for the local municipality. It is characterized by a sturdy agricultural income, supplemented by income generated from agro-processing industries such as mills and abattoirs. The town also hosts the N AMPO agricultural festival which further adds value to the economy. Furthermore Bothaville, is situated along the R 30 primary corridor which results in economic benefits for the town.

(b) Specialized Economic Nodes:

(i) Manufacturing Nodes

- High Value Differentiated Goods

- Welkom has an above-average potential for high value differentiated goods (fuel, rubber, plastics, electronics), but the scale of its contribution is marginal compared to that of Sasolburg and Bloemfontein (PGDS Review, 2006).

- Labour Intensive Mass Produced Goods

- In manufacturing (apart from fuels and electronics) Sasolburg is again the leading contributor by far with 36.6% of the provincial GV A, followed by Bloemfontein, Welkom, Bethlehem, Viljoenskroon, Botshabelo, Kroonstad, Phutaditjhaba, and Harrismith, which (together with Sasolburg), contribute almost 80% of the provincial GV A in this sub-sector. Any further manufacturing developments should preferably be targeted at these places to enhance linkages and contribute to a positive agglomeration effect (FSGDS Final Draft, 2013).

(ii) Mining Nodes (Labour intensive mass produced goods)

- Within the province, the largest gold-mining complex is the Free State Consolidated Goldfields, with a mining area of 32 918 ha. The province has twelve gold mines, operating mainly in Matjhabeng, from the towns of Welkom, Virginia and Odendaalsrus. Roughly 30% of the country's gold is obtained from this region. Matjhabeng is followed by Masilonyana as the municipality with above average gold production (FSPSDF Final Draft, 2013).

(iii) Agricultural Nodes

- In agriculture, the local municipalities with the highest agricultural GVA per area in Lejweleputswa are, Tswelopele and Nala (Global Insight, 2012). Bultfontein and Bothaville are the respective administrative towns for the two local municipalities which should render most of the services for the local municipalities. All towns for the said two municipal areas are indicated as agricultural nodes.

(iv) Tourism Nodes

Tourism nodes offer leisure and tourism products to the consumer. Tourism nodes will attract tourists to a town or region due to its unique features, historic value, special character or surroundings.

Tourism development potential of these nodes needs to be enhanced in order to improve its attractiveness to tourists visiting these areas. Particular attention should be paid to the marketing of these nodes to tourists and therefore it should be included in the tourism strategy of the regions. Many of these nodes incorporate environmental sensitive areas and thus a cautious approach should be followed not to impact negatively on the environment. Valuable agricultural land should preferably be preserved for agricultural productivity.

Careful consideration should be given to advertising and building design when new developments are established in towns earmarked as tourism nodes, as this can negatively impact on the marketability of such towns as tourist destinations. The existing ambiance of these towns should therefore be enhanced with sensitive development.

- Areas surrounding regional dams are well suited for tourism. Development in these areas should be sensitive towards these natural features.
- Welkom and Virginia (predominantly events, entertainment and mining tourism) are identified as important Tourism Nodes within the Lejweleputswa District. Odendaalsrus is considered a Tourism Node predominantly based on events at Pakisa racetrack and mining tourism.
- Nature Reserves and Conservancies are localities protected by legislation for its environmental quality. The Sandveld Nature Reserve, Erfenis Dam Nature Reserve, Soetdoring Nature Reserve, and Willem Pretorius Nature Reserve as well as a few conservancies are located in the Lejweleputswa District and indicated as tourism nodes.
- The marshes (wetlands) within the rural hinterland around Wesselsbron in Lejweleputswa District are environmentally sensitive and should be preserved.
- The Bloemhof dam located on the western boundary of the district is identified as a large scale and multipurpose tourist destinations. (Final Draft Provincial Spatial Development Framework 2014)
- A large scale and multipurpose sports complex has been identified around Welkom and Odendaalsrus. (Final Draft Provincial Spatial Development Framework 2014)

(v) Bio-fuel Nodes

- Bothaville is indicated as an ideal locality for bio-fuel production.

(vi) Industrial Development Region (IDZ) nodes

These type of nodes focus on the manufacturing industry and therefore encourage industrial development within the node.

Presently no IDZ node has been identified in the Final Draft Provincial Spatial Development Framework 2014 for the Lejweleputswa District.



(vii) Land Reform nodes

These are concentrated human settlements at a low scale, which are mostly agricultural orientated and most of the economic opportunities lie in the utilization of the natural resource base.

Land is utilised for communal grazing or other agricultural activities by the community and also supports subsistence farming activities.

The idea is also not to create dispersed residential settlements throughout the district. concentration of human settlement may only be allowed at locations other than urban areas

when sustainable economic opportunities and social services can be integrated with the newly planned settlement.

Preference should be given to self-employment opportunities like small-scale farming or agro-processing within and around the settlement.

Specific land reform property data would not be released by the Department of Rural Development.

(viii) Rural Nodes

The potential of rural nodes is derived from the rural economic opportunities that are generated by the location and "attracting force" of the agri-processing industry. It is assumed that these agri-processing facilities could generate economic activity because of the movement of people who regularly visit these facilities.

This gathering of people and potentially services such as shops and government functions that could be obtained there over time, could be formalised, depending on the need and viability, into rural nodes.

These nodes should purely deal with farm worker housing and related services and only where there is a proven need. Initially, these nodes, even if they do not have housing at them, can be supported through period markets.

- Currently there are eight nodes conceptualised by respective local sdfs for the district, whereby seven of them are situated in Nala and the remaining one is located in Tokologo. All nodes are located

on strategic roads in order to enhance their respective functionalities and economic wellbeing.

### 15.3 Hubs

These are localities with concentrated development (facilities, services and economic opportunities) of such importance and with a sphere of influence of provincial extent. Specialization of services or products can take place. The larger the influence sphere of a node, the more intense the development associated with the node and the greater the density and area that the node will occupy. The following specialization hub has been identified in terms of the products being offered:

(a) Jewellery Hub

- Virginia

(b) Solar Energy Hub

- The solar energy projects at Dealesville and Boshof should be promoted to expand into a solar energy hub for the southwestern part of the district. The said towns are also indicated as solar energy nodes on the district sdf map.

A suitable area for a solar and carbon credit area is situated south of Lejweleputswa and continues further into Xhariep. The primary purpose of this strategy is to use the space and natural abundance of sunshine associated with the Free State Province and to capitalise on the carbon credit

opportunities to be unlocked by means of planting (Final Draft Free State Provincial Spatial Development Framework 2014).

#### 15.4 Tourism Corridors

Tourism corridors are scenic routes linking tourist destinations. These routes will therefore support development focusing on the hospitality and tourism industry along it. Tourism signage to promote the tourism destinations along routes should get priority.

- The Goldfields Tourism Corridor has been identified along roads in the central area of Lejweleputswa (Final Draft Provincial Spatial Development Framework 2014)

#### 15.5 Transport Corridors

Transport corridors are routes of high mobility (movement) that establish a linking between areas of significance, with an optimal travel time. The potential is provided for development to locate itself in relation to these movement routes.

##### (a) Provincial Transport Corridors

- The N1 road traversing the eastern part of the district.
- The N5 road linking Winburg (on the N1) with Harrismith via Bethlehem.
- The N8 road transverses the Lejweleputswa on the south western boundary of the district. It is also identified as a Trans-National Development Corridor with Lesotho.
- The R30 road through Lejweleputswa District constitutes a major transport axis, linking Bloemfontein with Klerksdorp in the North West Province. Welkom and Bothaville are located along this route. A well-established road network and the north-south railway (Brandfort/ Theunissen/ Virginia/ Hennenman) occur along this axis. This route carries large volumes of heavy vehicular traffic as a result of service delivery to the mines and associated economic activities in the area.
- The R34 road constitutes a major transport axis, linking Welkom with Kroonstad.

##### (b) District Transport Corridors

Certain primary and secondary roads in Lejweleputswa district have been prioritized in the respective local sdfs. These roads should be upgraded and maintained to the best of state as they are significant in the economic well-being of the district. These

roads have the purpose of promoting and enhancing rural nodes as well as offering support to key agro-industries such as silo complexes. Roads identified are as follows:

- The R719 between Bultfontein and Odendaalsrus via Wesselsbron
- R59 between Bothaville and Hoopstad
- The R34 between Hoopstad and Welkom via Wesselsbron
- R505 between Wesselsbron and R59 route
- R504 leading to Leeudoringstad North West from Bothaville
- R727 and R76 from Bothaville to Kroonstad
- R 700 between Bultfontein and Bloemhof via Hoopstad
- R700 leading to Bloemfontein from Bultfontein via Soutpan
- R703 and R64 between Boshof and Brandfort
- R708 between Hertzogville and Christiana
- R59 between Hertzogville and Dealseville
- R64 between Boshof and Kimberly
- Existing road between Hertzogville and Boshof

(c) Railway Transport Corridors regeneration of the railway network can establish viable transport corridors, which can promote economic activity at specific locations along these movement routes.

15.6 Development Corridors Development corridors are characterized by higher order ribbon-like development along routes that can be classified as transport (movement) corridors. These corridors promote economic activity at specific locations along these movement routes. It thus not necessarily implies that development will be continuous for the full length of the corridor. It is foreseen that the presence of economic activity along these routes will require special attention in terms of the planning of ingress and exits to and from commercial activities in order not to interfere with the mobility of the corridor itself.

Economic development should thus be promoted along development corridors, but care should be taken not to

impact negatively on the mobility of the corridor. The N8 road transverses Lejweleputswa district on the south western boundary of the district. It is also identified as a Trans-National Development Corridor with Lesotho on the Final Draft Provincial Spatial Development Framework 2014.

### 15.7 Regions

Regions are areas with common identifying characteristics and usually have a homogeneous land use associated with it. It comprises medium to large sections of the spatial environment and may include land uses associated with agricultural or human settlement developments. Different kinds of regions were distinguished:

#### (a) Environmental Region

II SPC A and B areas in the Lejweleputswa district form a consolidated environmental region on the district sdf. Refer to section 11 LEJWELEPUTSW A ENVIRONMENTAL VISION.

#### (b) Tourism Region

Tourism regions are areas that have a high environmental quality or cultural/historic heritage and are characterized by tourist destinations. Supporting infrastructure like arts and crafts stalls, bed and breakfasts, restaurants, etc. should be developed at strategic localities within these regions.

- The Tourism Region in Lejweleputswa has been located northwest of Hoopstad on the Vaal River, Bloemhof Dam and Sandveld Nature Reserve.

Potential exists in the tourism industry regarding weekend tourist destinations.

Subsequent exploitation of the tourism potential in the rural areas, including guesthouses on farms, will increase the existing employment rate.

#### (c) Commercial Agriculture Region

Commercial agriculture regions are the larger agricultural land units that accommodate a diversity of agricultural production for the commercial market. These areas usually surround the urban nodes.

The potential of the land depends on the soil quality and the availability of water. It is recognized that all

currently cultivated and grazing land be protected from urban development and that future residential extension should be guided by in-depth analysis that takes into account soil potential, carrying capacity, type of agriculture, availability of water, etc.

Smaller subdivision of agricultural land and change of land use will thus be considered on an individual basis and after proper analysis of the present situation and future impact of the proposed development have been done in consultation with the relevant authorities. Subdivision of farmland will only be approved if proven sustainable. Agro-processing plants may develop on farms, but only if proven sustainable. Alternative land use practices in particularly different types of products and farming methods should get attention in future.

The agricultural sector of the Lejweleputswa District contributes largely to its GGP, which emphasizes the agricultural significance of this district. The latter also results in agricultural orientated industries.

The farmers that contribute to the agricultural sector of the district currently exclusively act as crop producers and stockbreeders. Future agricultural growth can primarily be created by value-added supplementary agricultural practices. In this regard, small scale processing industries, abattoirs, etc. are considered to add value to the agricultural products before marketing.

More intensive farming activities like feeding paddocks, chicken farming, maize mills and tunnels for vegetable cultivation have the potential to provide additional employment opportunities.

Small-scale farming is relatively latent and potential exists to provide agricultural smallholdings in irrigation areas and adjacent to urban areas.

#### (d) Expanded Irrigation Region

Irrigation regions are areas with smaller commercial agricultural units with normally a higher production yield per hectare. These units incorporate irrigation schemes and are concentrated along watercourses and dams.

- Irrigation schemes of the Vet and Sand River in Lejweleputswa District have the potential to be extended.
- The Vaal River and Vaal River pose development opportunities in the form of intensive agriculture

#### (e) Mining Region

- Diamond Kimberlite outcrops are located in the vicinity of Boshof and Theunissen.
  - Gold mining is dominant in Matjhabeng. Two considerable gold reserves with an estimated 20 year life span still exist in some parts of Matjhabeng and Nala Local Municipalities.
  - There is significant potential for mining of low grade coal in Matjhabeng and Nala.
  - Other mineral deposits as per Economic Vision section SPC E
- (f) Small Scale Agricultural Schemes Region The Final Draft Free State

Provincial Spatial Development Framework 2014 proposed small scale agricultural schemes on the major dams of the Lejweleputswa district.

## ECONOMIC PROFILE OF THE DISTRICT



Source: Local government hand book, 2015.

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



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

## **1. Introduction**

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

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

## **2. Demographic profile**

Lejweleputswa District had a total population of 630 912 in 2014, broken down into 318 662 males and 312 249 females. The District contributed 22.6 percent to the Free State's population in 2014, down from 23.24 percent in 2005. Most of the inhabitants are Africans, constituting 88.73 percent of the total population, followed by Whites

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

(8.86 percent) and then Coloureds (1.9 percent), with a very small Indian community of 0.45 percent. There are more males (51.0 percent) in Lejweleputswa than females (49.0 percent).

Figure 4.1: Lejweleputswa District population pyramid

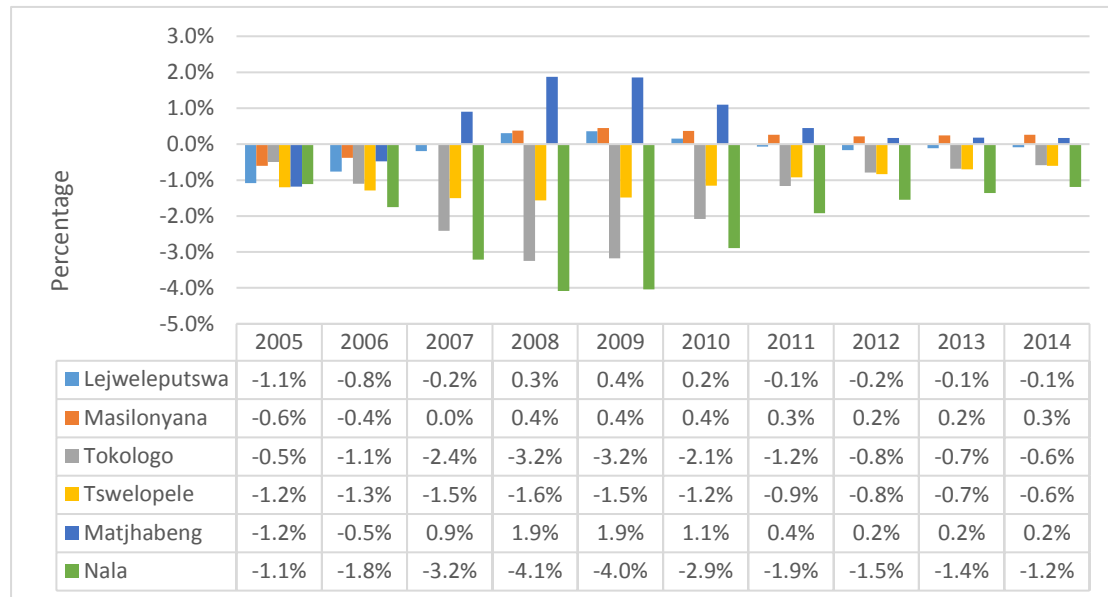


Source: IHS Global Insight Regional eXplorer, 2015

According to figure 4.1 above, the population pyramid of Lejweleputswa, for the years 2005 and 2014 has a broad base, indicating a large portion of children and the youth below 25 years of age. In 2005 Lejweleputswa District had a relatively large proportion

of middle aged inhabitants, both the males and the females above 15 years of age and below 30 years of age, compared to the year 2014 which has a relatively sliding scale of both males and females in the same age cohort of 15 years and 30 years. The reflection of the relatively large proportion of the middle aged population in the District in 2005 coincided with a relatively strong mining sector, specifically in Matjhabeng. Whilst a smaller middle age group in 2014 indicates migration away from the District in general terms, probably to other mining related towns in search of better living conditions like platinum sector in the North West, which has a similar kind of operational structures like the gold sector, and therefore uses similar kinds of labour skills. The migration patterns of Lejweleputswa, especially in its smaller municipalities, is as a result of better employment opportunities by the working age groups. From figure 4.1, it is evident that in 2014 women were living longer than men, almost doubling them. In the age group 75+ there are 4 367 males against 8 623 females. This is reflective of a better life expectancy for women than for men, although for both men and women life expectancy has improved between 2005 and 2014.

Figure 4.2: Population growth rates in Lejweleputswa by local municipalities



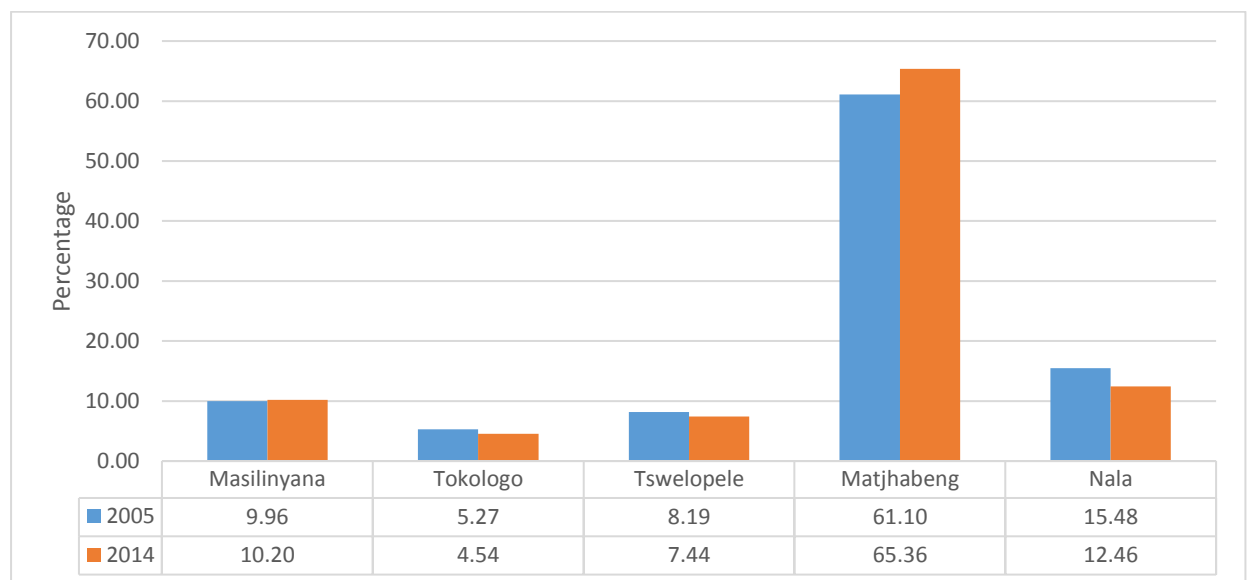
Source: IHS Global Insight Regional Explorer, 2015

Figure 4.2, indicates that the growth rate in Lejweleputswa’s population had been negative for the large part of the review period (2005 – 2014) with the exception of 2008 (0.3%), 2009 (0.4%) and 2010 (0.2%), where it showed some positive recovery.

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

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

Figure 4.3: Population Distribution in Lejweleputswa District as a percentage



Source: IHS Global Insight Regional eXplorer, 2015

Matjhabeng had the highest share of Lejweleputswa’s population at 65.36 percent in 2014 according to figure 4.3, which is up from 61.10 percent in 2005, followed by Nala with 12.46 percent and Masilonyana with 10.20 percent all in 2014. The total District’s share of the population in the province has declined from 23.24% percent in 2005 to 22.49 percent in 2014, which is a 0.75 percentage point decline. The decline in

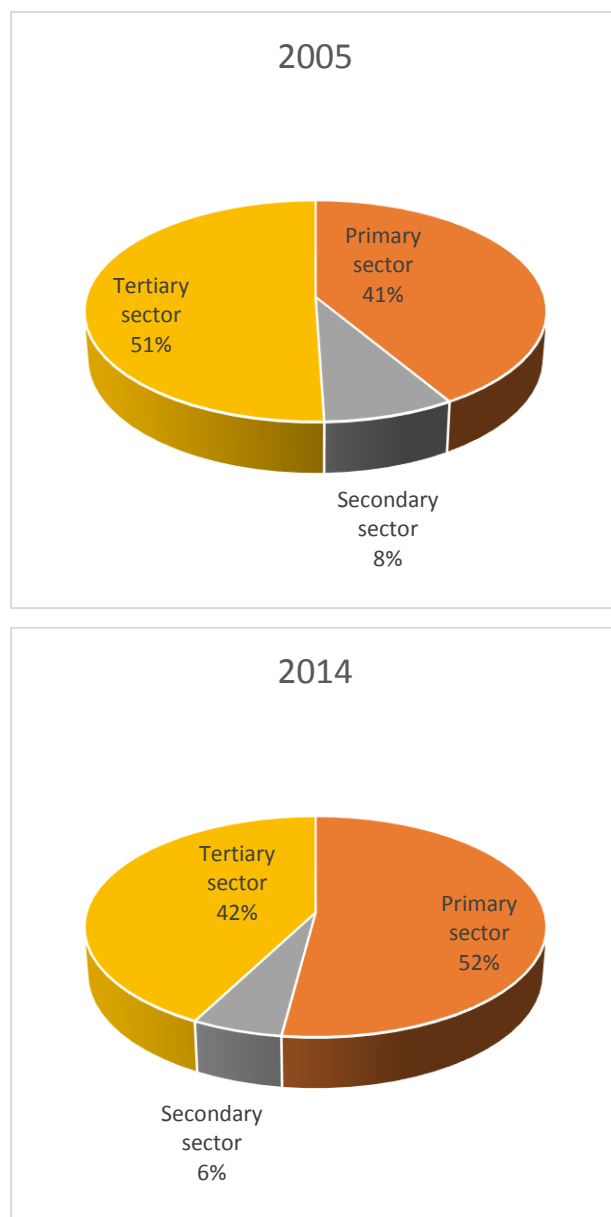
Lejweleputswa's share of the population was driven more by smaller municipalities because Matjhabeng increased slightly between 2005 and 2014, as a result of mainly outward migration from the smaller municipalities.

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

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

## Economic Structure

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



Source: IHS Global Insight Regional eXplorer, 2015

The composition of the District's economy is dominated by the primary sector at 52 percent in 2014 as shown by figure 4.4, up from 41 percent in 2005. The tertiary sector contributed 42 percent to the District's economy in 2014, decreasing by 9 percentage points from 51 percent in 2005. The secondary sector's share declined from 8 percent in 2005 to 6 percent in 2014, further indicating the difficulties that the sector is facing.

Very little value adding is taking place in the region by using the vast primary products the District has in abundance.

### Sectoral composition of the economy

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

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

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

*Source: IHS Global Insight Regional Explorer, 2015*

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



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

### Tress Index

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

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



Source: IHS Global Insight Regional eXplorer, 2015

Lejweleputswa’s economy has been leaning more to a less diversified economy due to its increase closer to 1 of its Tress Index over a ten year period as illustrated by figure

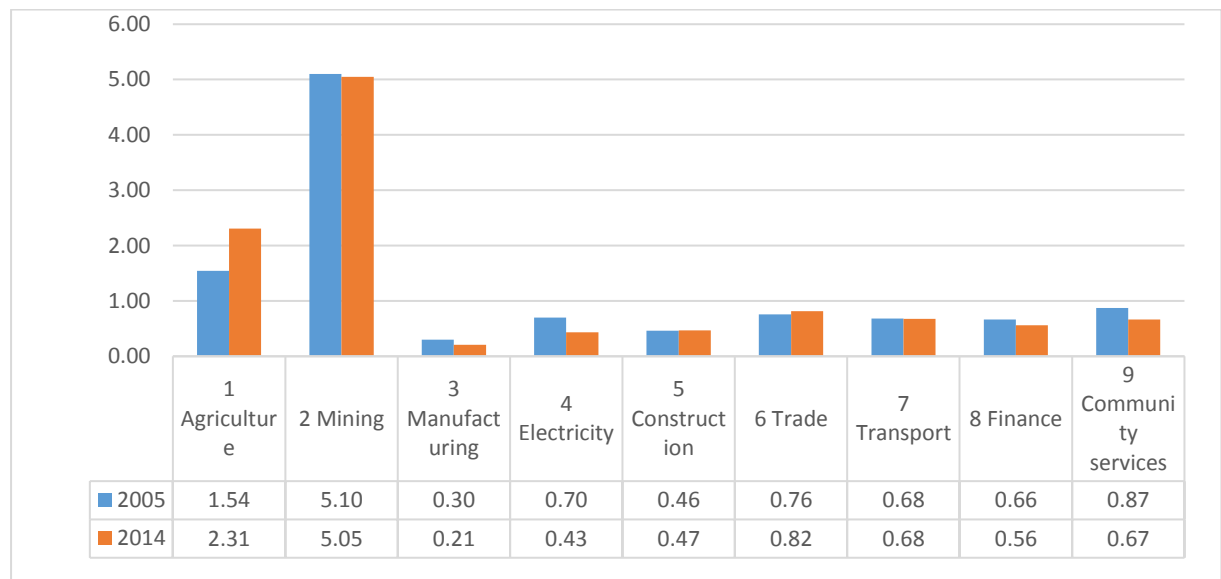
4.5. Even though Lejweleputswa’s Tress Index has improved in 2014 (56.93 percent) as compared to (55.01 percent) 2005, the worst years of its less diversification were 2013 (61.32 percent) and 2012 (60.66percent). This simply indicates fewer industries dominating the region’s economy, thus the vulnerability of the region’s economy to outside shocks becomes very easily.

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

**Location Quotient**

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

Figure 4.6: Lejweleputswa’s Location Quotient



Source: IHS Global Insight Regional eXplorer, 2015

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

### **Economic Performance**

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

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

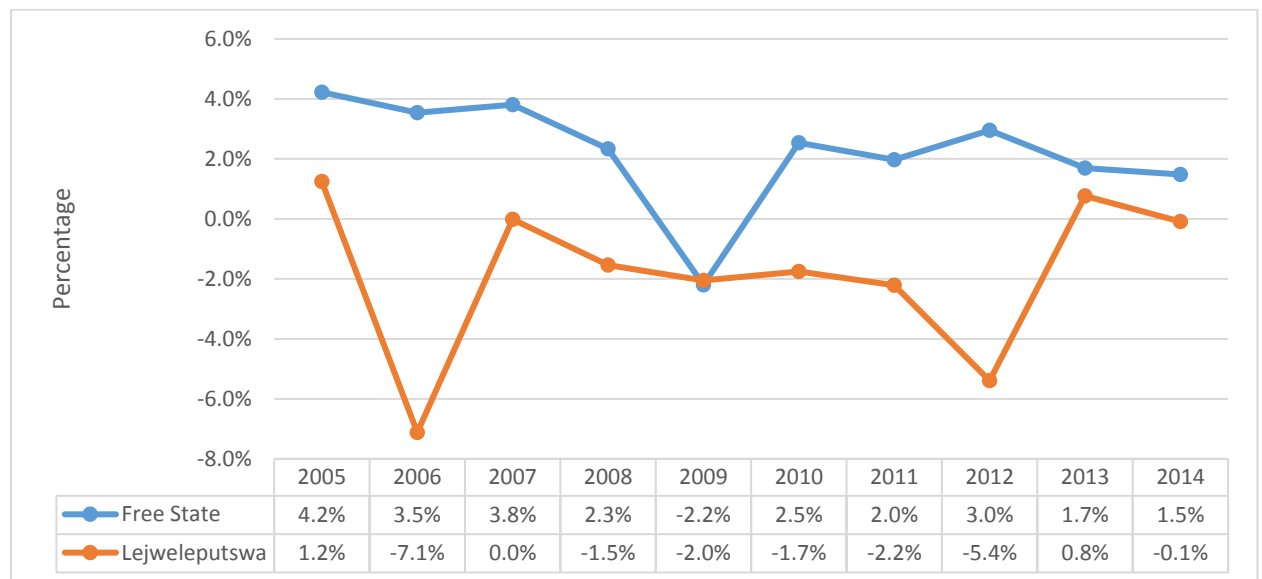
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
1 Agriculture	0.1%	-0.4%	0.0%	0.9%	-0.1%	0.0%	0.5%	0.1%	0.0%	0.2%
2 Mining	0.8%	3.8%	0.7%	3.0%	2.0%	0.9%	1.3%	2.2%	1.9%	-0.3%
3 Manufacturing	-0.2%	0.4%	0.1%	0.2%	0.2%	0.0%	0.4%	0.5%	0.1%	-0.1%
4 Electricity	0.0%	0.2%	0.0%	0.0%	0.0%	0.1%	0.1%	0.1%	0.0%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

Source: IHS Global Insight Regional eXplorer, 2015

The contribution of mining, which is the dominant sector, in Lejweleputswa district’s economic growth has been on a declining trajectory in the review period of 2005 to 2014 according to table 4.1. Table 4.2 above illustrates that although mining has been on a downward trend, 2010 saw a 0.9 percentage point increase in its GVA-R, together with a 1.9 percentage point increase in 2013. Part of the 2013 growth in the mining sector was due to a favourable world commodity prices, which has recently been not very favourable according to the recent world statistics on commodity prices. On average total industries in Lejweleputswa are declining with the 2012 as the worst year with -4.8 percent decrease in total for all the industries. The contribution of community services sector’ growth has declined from 0.2 percent in 2005 to 0.1 percent in 2014, indicating a general decline in the activities of the sector. The decline of community services sector could be as a result of recent policy shift to “austerity measures” of trying to reduce government wage bill. The GDP growth in Lejweleputswa is also hovering in recession for most of the review period except for 2013, with a 0.8 percent recovery.

**Gross Domestic Product**

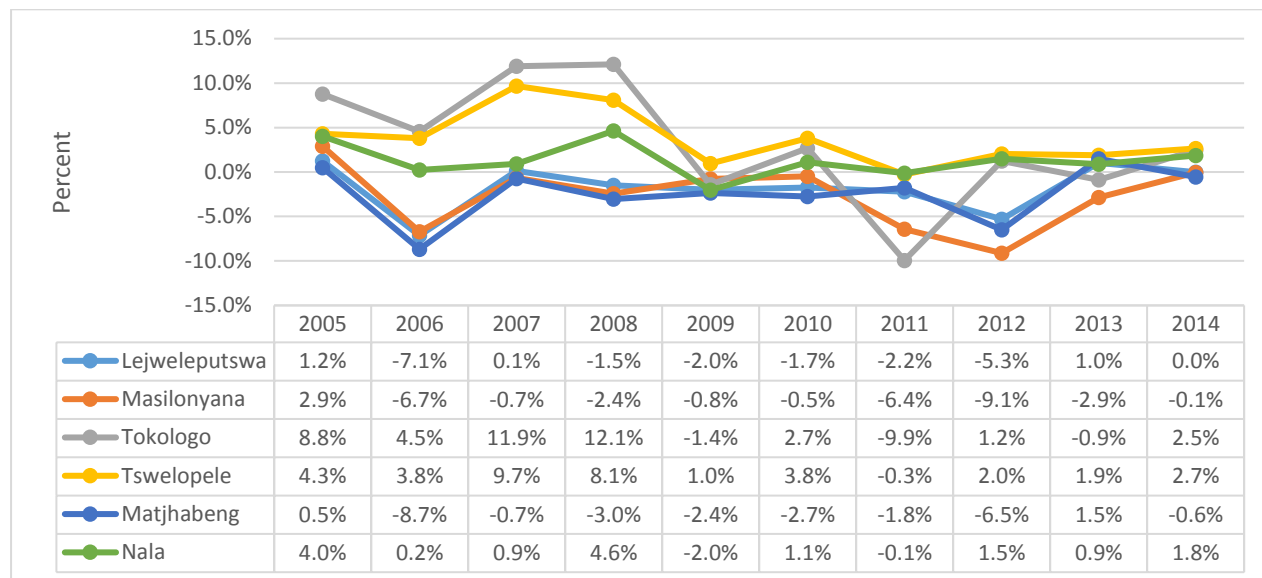
Figure 4.7: GDP-R of Free State and Lejweleputswa District Municipality



Source: IHS Global Insight Regional eXplorer, 2015

Figure 4.7 shows that the GDP-R of Lejweleputswa has been on a continuous negative territory for most of the period under review, except for 2005 with 1.2 percent and 2013 where it recovered by 0.8% percentage points on the back of a strong mining sector which was also positive in 2013 by 1.9 percent. However, it declined further again in 2014 to -0.1 percent, and it is also expected to decline further in 2015 on the back of low worldwide commodity prices. The negative growth rate experienced in most years in the District is affecting the District negatively and is one of the factors pushing people away from the District, leading to what can be termed economic migrants. The sustainability of the District's economy is in jeopardy because of a continued negative growth rate in the District driven by a declining mining sector and a shrinking agricultural sector. However, the provincial growth rate has always been positive except for the 2009 recession, where it was below that of the District by -2.2 percentage points. The best growth for the province post the recession was in 2012, with a growth rate of 3 percent, which was also the worst growth rate year for Lejweleputswa at -5.4 percent. The recession in Lejweleputswa in 2012 was driven by the mining sector with -2.2 percent and the community services sector with -0.8 percent and other tertiary sectors relying on the mining sector. The 2014 slump is also as a result of low commodity prices affecting the mining sector and a general decrease in total industries of -4.8 percent.

Figure 4.8: GDP-R of Lejweleputswa and its municipalities



Source: IHS Global Insight Regional eXplorer, 2015

According to figure 4.8, the District’s GDP-R follows that of Matjhabeng to a large extent as compared to the rest of the municipalities. Lejweleputswa’s average growth rate for the period 2005 to 2014 was -1.8 percent, which is a sign for a shrinking economy. The worst average growth rate for the District’s local municipalities in the review period was experienced in Masilonyana with a -2.7 percent average growth rate followed by Matjhabeng with a -2.4 percent between 2005 and 2014. In 2008, Tokologo had the highest growth rate of 12.1 percent, which declined during the 2009 recession to -1.4 and further in 2011 to -9.9 percent making it the worst performing local municipality in Lejweleputswa in 2011. This kind of performance can only happen if there are few participants in the economy of the municipality who have a significant share of the economy. However the average growth rate for Tokologo municipality is 3.2 percent in the review period. Tswelopele has shown the highest average growth rate in the district with a 3.7 percent, followed by Nala with an average growth rate of 1.3 percent in the same period.

### GDP-R per capita.

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

Figure 4.9: GDP-R Per Capita of Lejweleputswa



Source: IHS Global Insight Regional Explorer, 2015

Figure 4.9 above shows the relative performance of the Free State's real GDP-R per capita against that of Lejweleputswa from 2005 to 2014. The real GDP-R per capita of the Free State is on the rise indicating an increase in the standard of living of the people of the province. It increased from R48 881 in 2005 to R56 853 in 2014, which is an average increase of 16.3 percent between 2005 and 2014. On the other hand the GDP-R of Lejweleputswa decreased by 17.5 percent between 2005 and 2014 i.e. from R54 235 in 2005 to R44 709 in 2014. This indicates a declining standard of living of the people of Lejweleputswa. A decline in the average standard of living in one of the regions of the province should be a course for concern for the government and policy makers.



### Sectoral analysis and forecast.

Sectoral forecasts are used to help governments and policy makers to determine their strategies over a longer period using historical data to predict future developments in major variables or sectors of interests.

Table 4.3: GVA-R. Forecasted Contribution to total economic growth of Lejweleputswa (Constant 2010 prices)

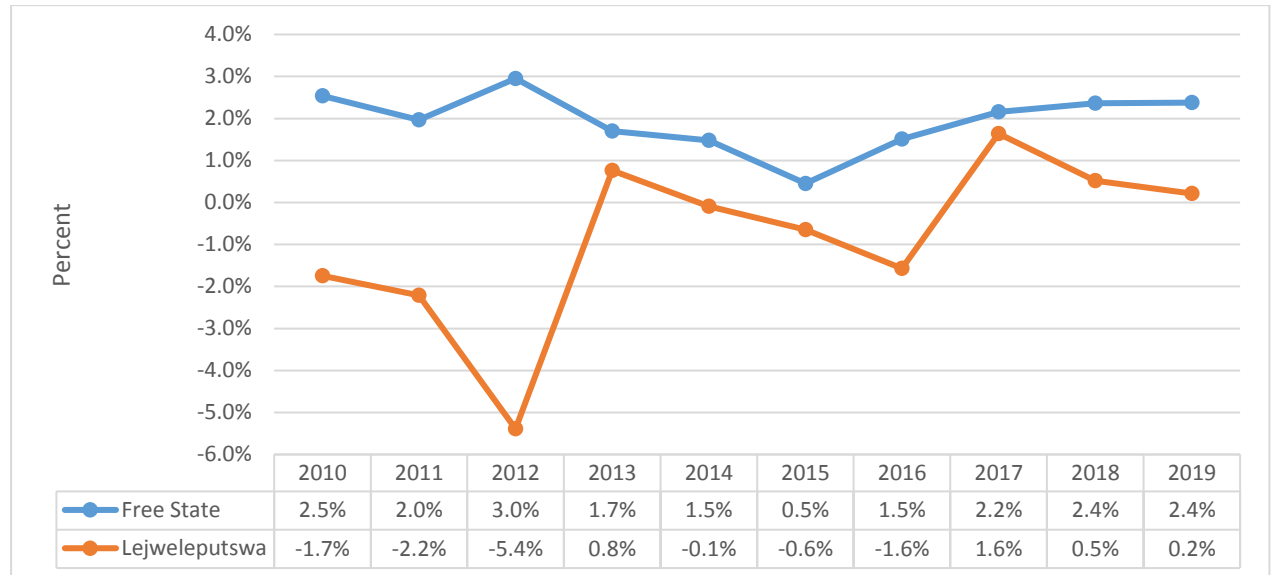
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
1 Agriculture	0.0 %	- 0.5 %	- 0.1 %	0.0 %	0.2 %	- 0.3 %	0.1 %	0.1 %	0.1 %	0.1 %
2 Mining	0.9 %	- 1.3 %	- 2.2 %	- 1.9 %	- 0.3 %	- 0.1 %	- 1.4 %	- 1.1 %	- 0.3 %	- 0.8 %
3 Manufacturing	0.0 %	- 0.4 %	- 0.5 %	- 0.1 %	- 0.1 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
4 Electricity	0.1 %	- 0.1 %	- 0.1 %	- 0.0 %	- 0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
5 Construction	0.2 %	- 0.1 %	- 0.1 %	- 0.0 %	- 0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
6 Trade	0.6 %	- 0.2 %	- 0.2 %	- 0.4 %	- 0.0 %	- 0.2 %	0.0 %	0.1 %	0.3 %	0.3 %
7 Transport	0.3 %	- 0.2 %	- 0.4 %	- 0.2 %	- 0.0 %	0.0 %	0.0 %	0.1 %	0.1 %	0.2 %
8 Finance	0.5 %	- 0.1 %	- 0.4 %	- 0.2 %	- 0.0 %	0.0 %	0.0 %	0.0 %	0.1 %	0.1 %
9 Community services	0.6 %	- 0.4 %	- 0.8 %	- 0.2 %	- 0.1 %	0.0 %	0.0 %	0.1 %	0.2 %	0.3 %
Total Industries	1.3 %	- 3.2 %	- 4.8 %	- 0.8 %	- 0.0 %	- 0.7 %	- 1.3 %	- 1.6 %	- 0.6 %	- 0.3 %
Taxes less Subsidies on products	0.4 %	- 1.0 %	- 0.6 %	- 0.0 %	- 0.1 %	0.1 %	0.3 %	0.0 %	0.0 %	0.0 %
Total (Gross Domestic Product - GDP)	1.7 %	- 2.2 %	- 5.4 %	- 0.8 %	- 0.1 %	- 0.6 %	- 1.6 %	- 1.6 %	- 0.5 %	- 0.2 %

*Source: IHS Global Insight Regional eXplorer, 2015*

Table 4.3 shows the outlook of total contribution to Lejweleputswa's economy's economic growth per sector, from 2010 to 2019, almost a ten year period. The most important sector in Lejweleputswa's economy, i.e. mining is expected to decline further in the outlook period from contributing 0.9 percent to the District's economic growth in 2010 to -0.8 percent in 2019. The decline can also be explained by a natural process in the development of any economy, where as the economy modernize the importance of primary sector slow down and that of the tertiary sector increases, this phenomenon is also called structural change to the economy. Furthermore the decline can be explained by a normal process where most of the mines or mine shafts are reaching the end of their life span. Agriculture in Lejweleputswa is only expected to stabilize around 0.1 percent contribution in the outlook period from 2016 to 2019. The tertiary sector (i.e., the trade industry and community service) is expected to grow positively in the outlook from -0.6 percent contribution in 2010 to 0.3 percent for both in 2019 respectively. However, what is worrying is the slow improvement or slow growth in the secondary and the tertiary sector to counter the dominance of the mining sector in the District. The total outlook for the GDP is also expected to be negative in the forecasted period, as a result of a strong pulling effect of the dominant sector. The resultant negative growth is at the back of lower world commodity prices also forecasted to be very much subdued in the outlook.

## Gross domestic Product at Regional level.

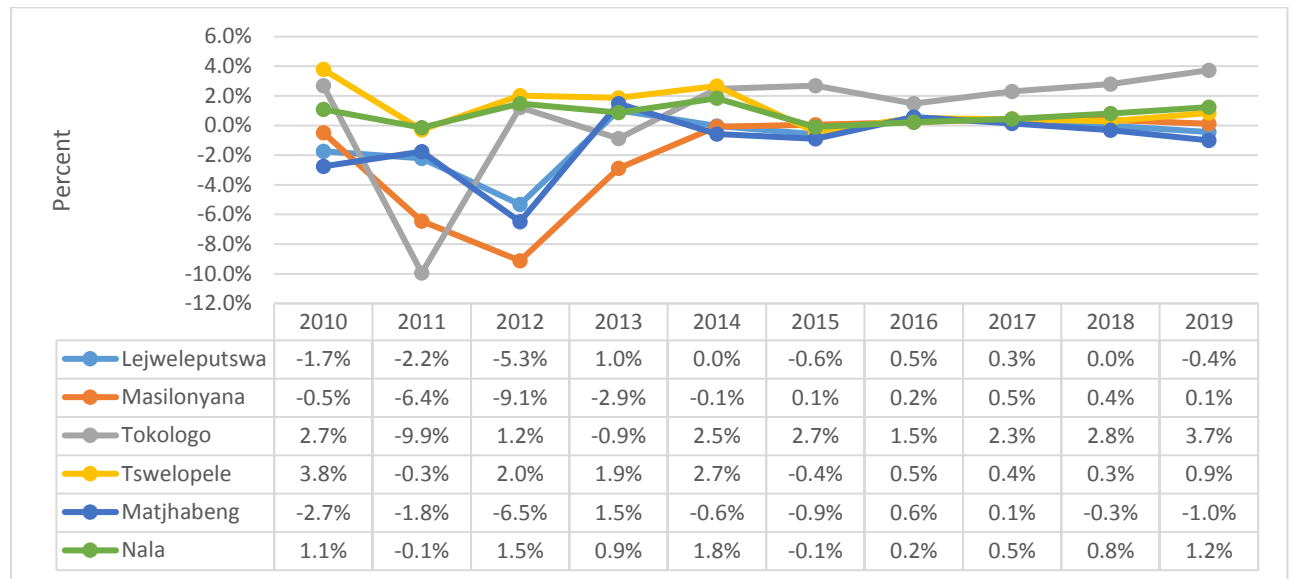
Figure 4.10: GDP-R growth Forecast for Lejweleputswa



Source: IHS Global Insight Regional eXplorer, 2015

Figure 4.10 shows that the average growth rate of the Free State is expected to be 1.9 percent between 2010 and 2019, which is the forecasted period. Lejweleputswa is expected to grow sluggishly with projected average of -0.9 percent over the forecasted period. The growth rate of Lejweleputswa is forecasted to be below that of the province for the entire forecast period and that has a dampening effect on the growth rate of the provincial economy. The result is that Lejweleputswa's economy is dominated by the mining sector which is estimated to contract in the forecasted period. However, this dependence on the mining sector reflects the inability or the slowness of the District economy to diversify to the tertiary sector as the economy modernizes, thus reflecting a structural change or the deficiency thereof. The second dominant sector is agriculture and is also not growing as expected due to in general the consequences of global warming, and it shows that the district economy is more exposed to external shocks.

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



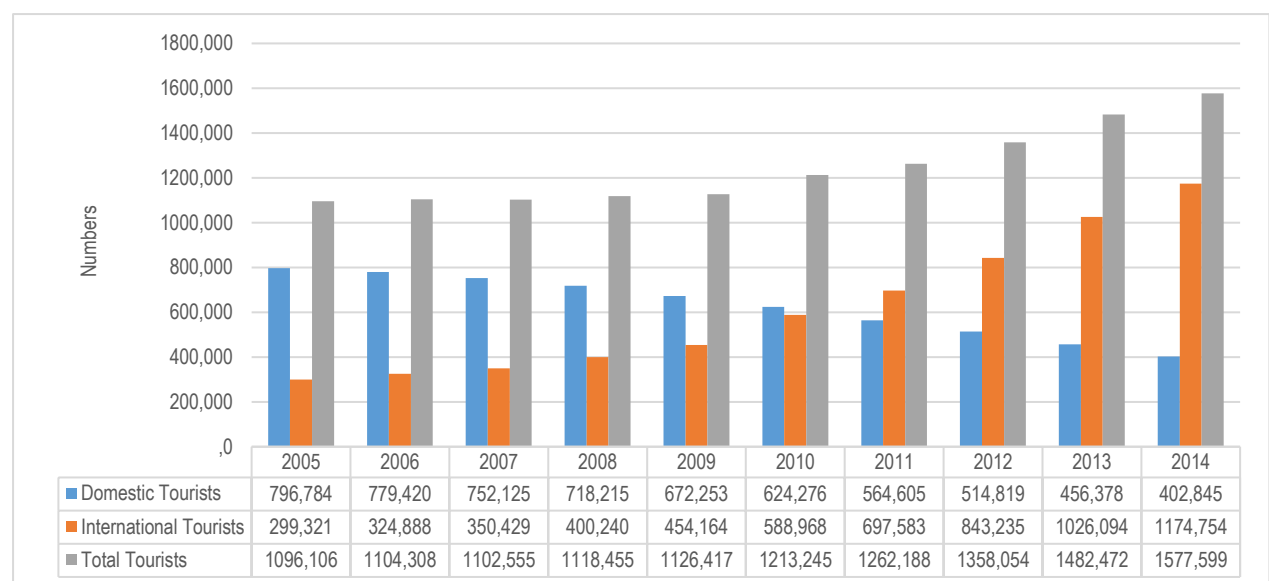
Source: IHS Global Insight Regional eXplorer, 2015

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

#### 4. Tourism sector

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

Figure 4.12: Bed nights by origin of tourist

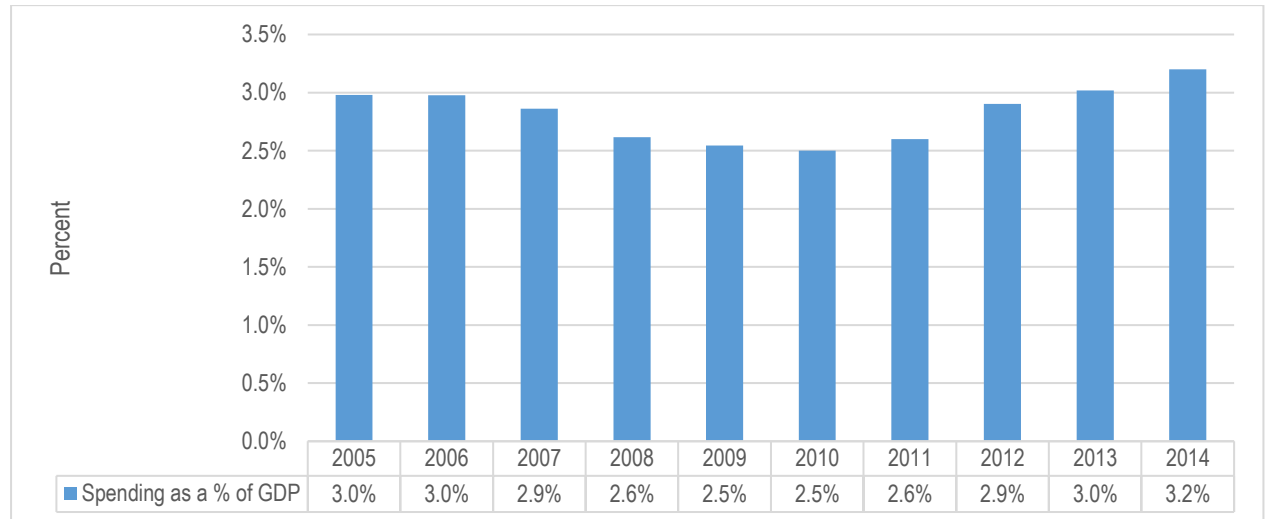


Source: IHS Global Insight Regional eXplorer, 2015

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

total number of tourists increased from 1,096106 million bed nights in 2005 to 1,577599 million bed nights in 2014 and a growth rate of 43 percentage points between 2005 and 2014.

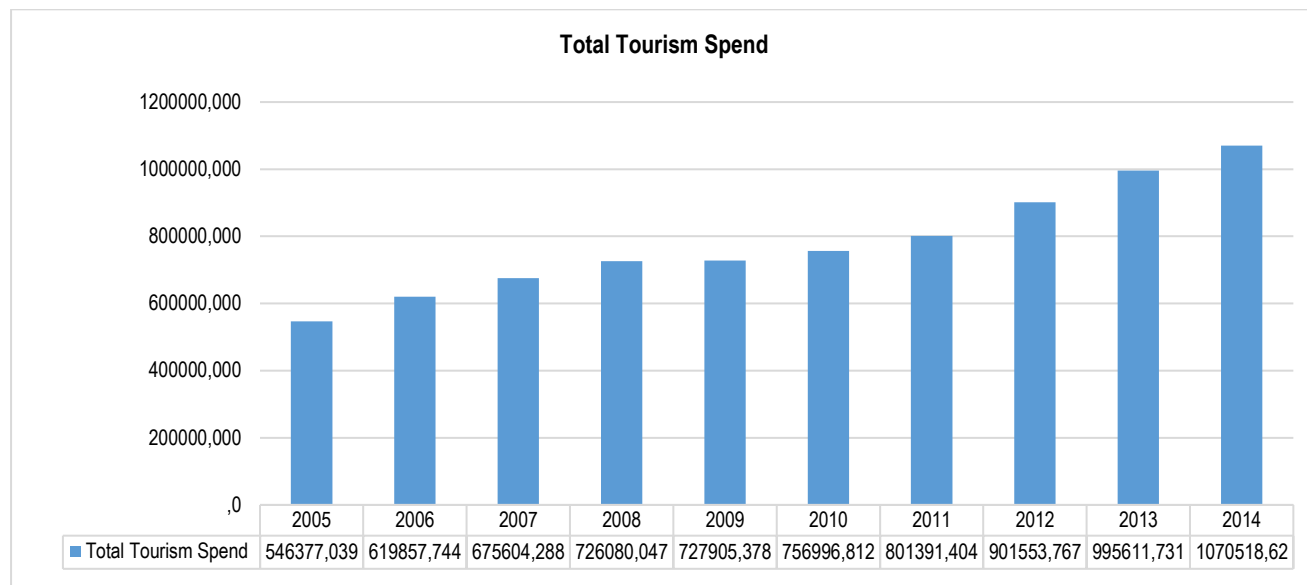
Figure 4.13: Total tourism spending as a percentage of GDP (constant prices 2010)



Source: IHS Global Insight Regional eXplorer, 2015

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

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



Source: IHS Global Insight Regional eXplorer, 2015

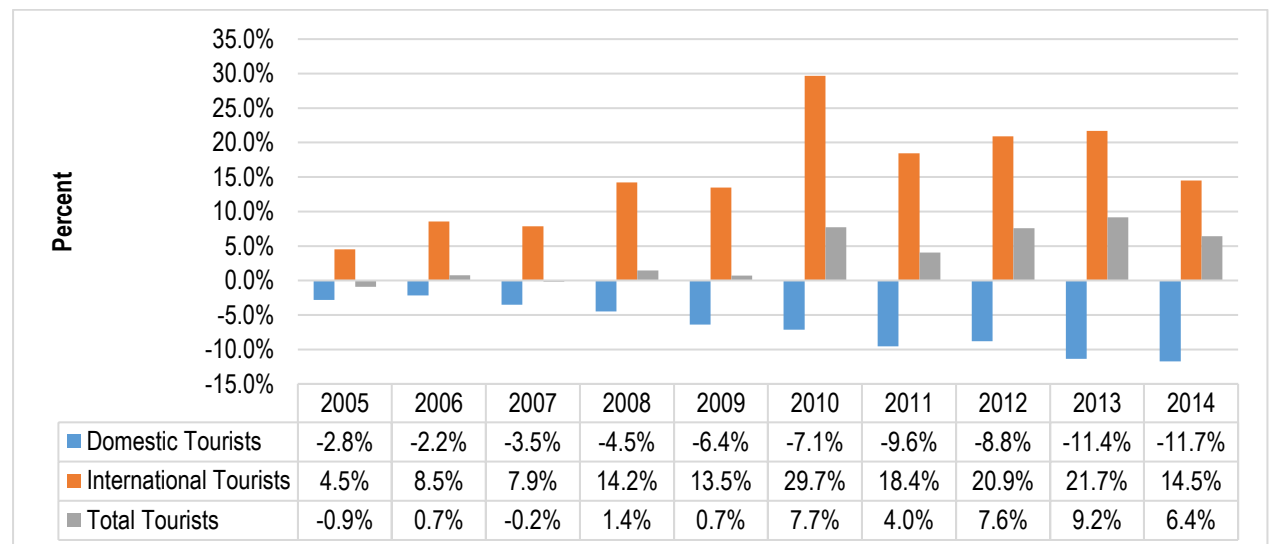
Tourism has many economic benefits which includes the generation of foreign exchange, the creation of new employment especially to those with less skills, stimulation of trade, income and entrepreneurship in the service industry and greater tax revenue to mention some of the few benefits. According to figure 4.14, total tourism spending has generally been increasing from R546 million to R1, 070 million in current prices. Which shows that the spending by tourists at current prices is increasing and the benefits of tourists in the local economy have a multiplier effect.

### Growth in tourism

Tourism is one of the major growing industries internationally and countries are doing everything to promote their own countries. Figure 4.15 illustrates that Domestic tourists are declining to a certain extent between 2005 and 2011, which means that they are not growing positively. However what is more promising is the growth of international tourists especially after the 2010 soccer world cup, and they have grown from 13.5 percent in 2009 to 14.5 percent in 2014, an average of 15.4 percentage points between 2005 and 2014 . What is also significant in the tourism industry, which the whole country can benefit from is the rise in China’s middle class, which is a huge

potential for our country in relation to good ties the country has with China as a trading partner. South Africa and the province in particular can use the friendship with China in the BRICS Countries to lure them to our country and that can be a great boost in the local tourism industry.

Figure 4.15: Growth in tourism



Source: IHS Global Insight Regional eXplorer, 2015

## 5. Labour market

### Employment in Lejweleputswa

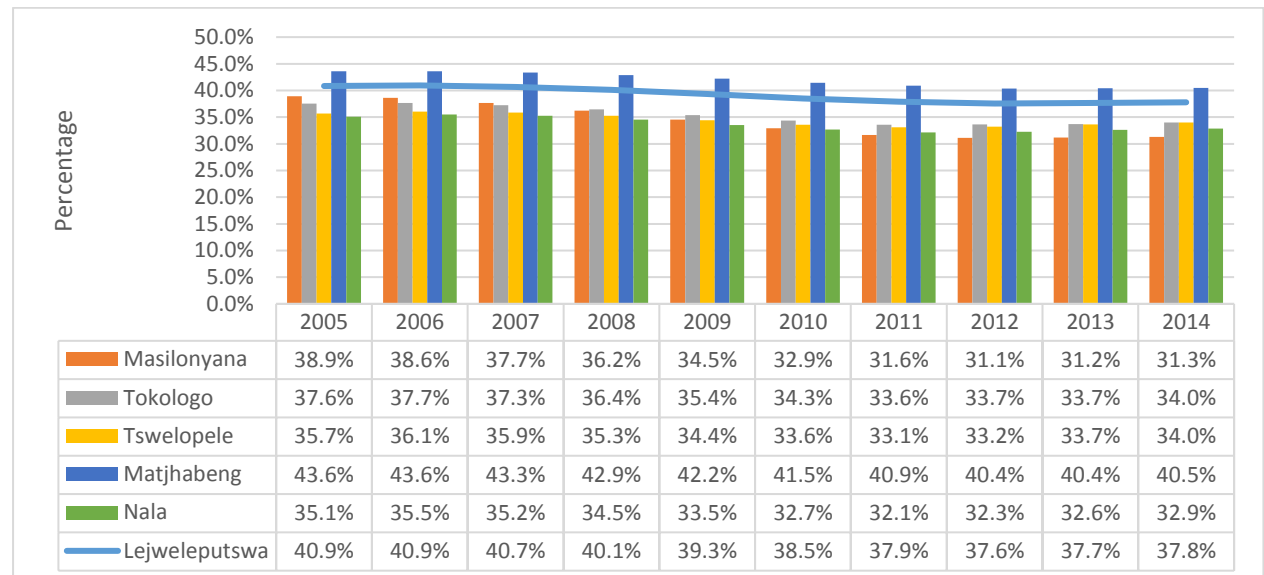
Economically active population comprises all persons between the ages of 15 and 64 years of age that are either employed or actively seeking employment (StatsSA, 2015)

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



and Masilonyana have an average economically active populations of 35.4 percent and 34.4 percent respectively. A lower economically active population can also indicate a higher dependency ratio.

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



Source: IHS Global Insight Regional Explorer, 2015

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

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

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

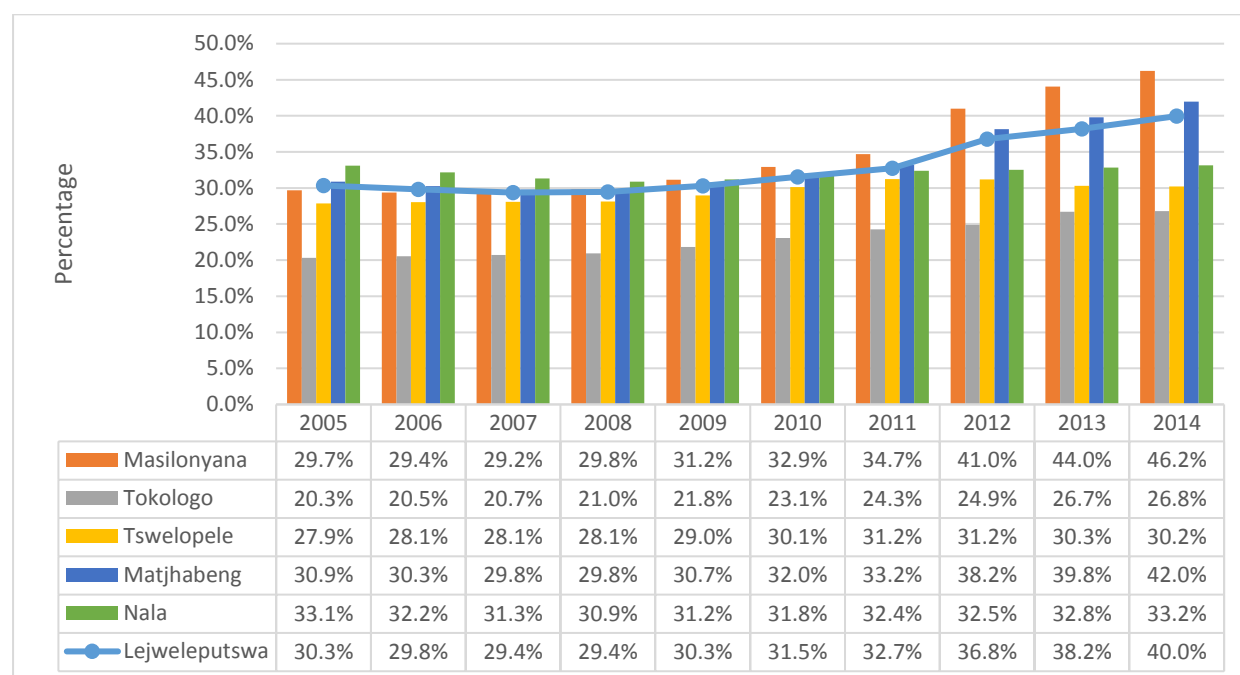
Source: IHS Global Insight Regional Explorer, 2015

#### Unemployment rate in Lejweleputswa

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

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

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

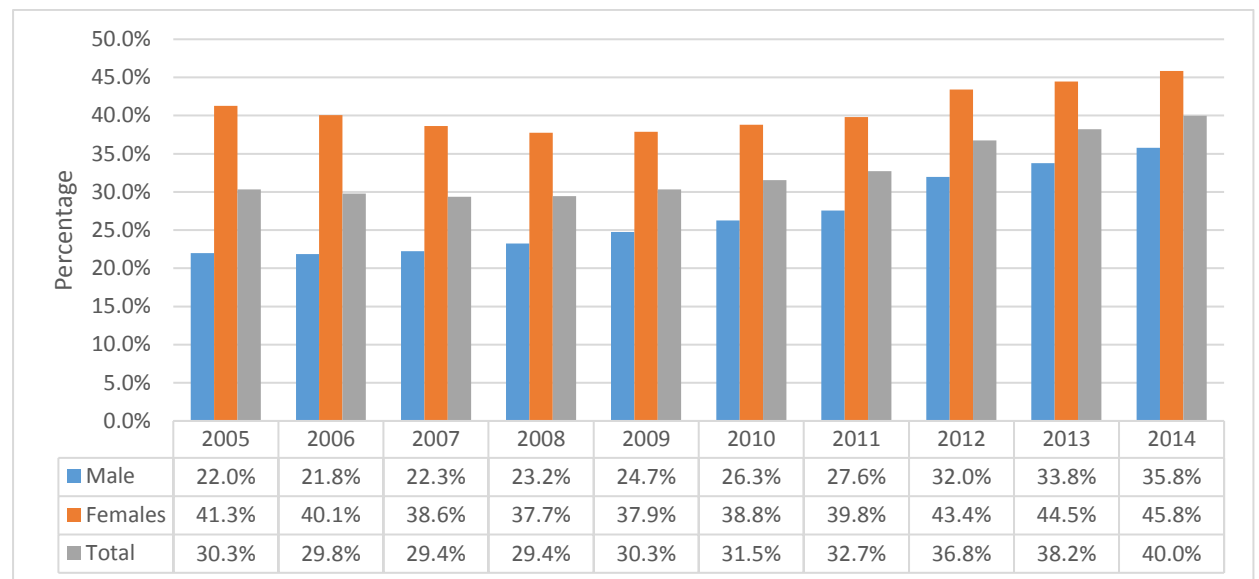


Source: IHS Global Insight Regional eXplorer, 2015

### Male and Female unemployment rate

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

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



Source: IHS Global Insight Regional eXplorer, 2015

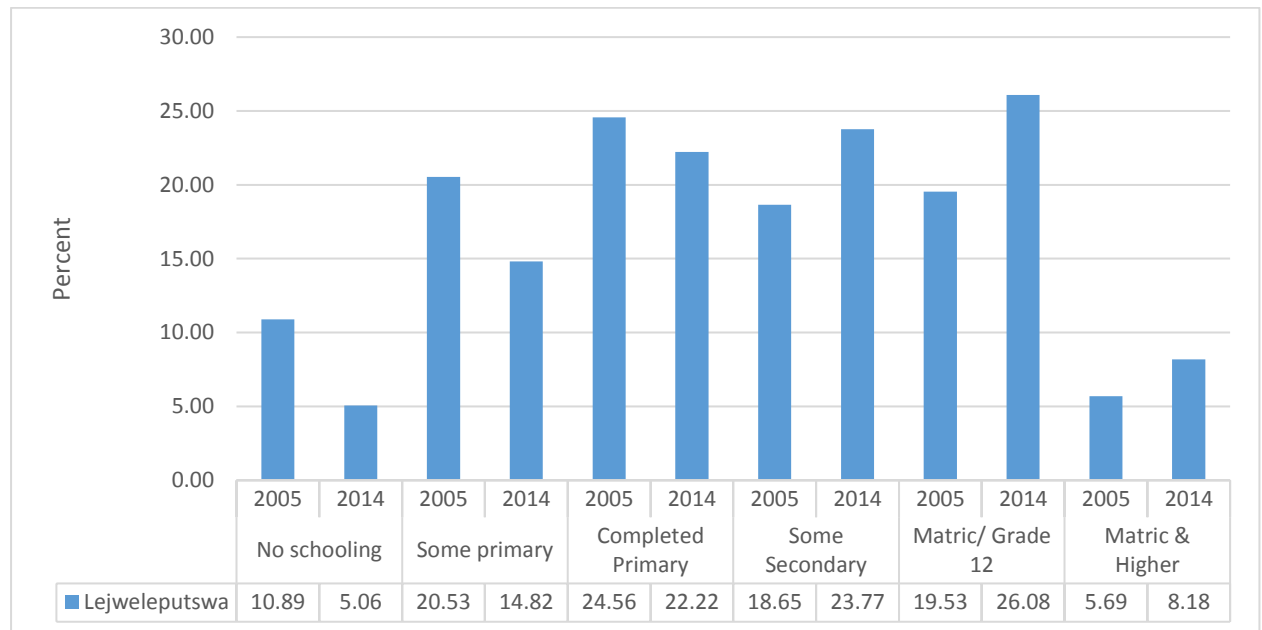
Figure 4.18 depicts a normal historical picture, where unemployment rate for men is lower than that of their female counter parts. The unemployment rate for females has fallen slightly during the 2008/09 recession to 37.7 percent from 41.3 percent in 2005. However after 2009 the female unemployment increased again to 35.8 percent in 2014. The result could signal that females are easily discouraged during times of recession and after the recession they join the labour market again by seeking employment. Unemployment rate for men has remained lower than that of the their female counter part for much of the period under review, starting from 22.0 percent in 2005 increasing to 35.8 percent in 2014. Generally unemployment rate in Lejweleputswa has increased from 30.3 percent in 2005 to 40 percent in 2014, indicating an average growth of 5.6 percentage points for men and an average growth of 1.24 percentage points for females. The average growth simply indicates that unemployment among males is increasing at a faster pace than for females.

## 6. Education profile

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

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

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



Source: IHS Global Insight Regional eXplorer, 2015

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

## **7. Conclusion.**

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

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

## **STATUS QUO ASSESSMENT**

### **WASTE MANAGEMENT**

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

### **ROADS**

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

## **PUBLIC PARTICIPATION**

### **GOVERNANCE STRUCTURES**

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

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

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

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

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

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

<b>Audit Committee Members</b>
CHAIRPERSON : MR LJ MAKORO
MEMBER : ADV. LS KHONKHE

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

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

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

## **WARD COMMITTEES**

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

## **COUNCIL COMMITTEES**

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

## **SUPPLY CHAIN COMMITTEES**

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



## **MANAGEMENT AND OPERATIONAL SYSTEMS**

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

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

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

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

### **3. COMMUNICATION STRATEGY**

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

### **4. PUBLIC PARTICIPATION**

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

## **INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION**

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

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

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

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

### **AVAILABILITY OF SKILLED STAFF**

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

### **ORGANISATIONAL STRUCTURE**

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

### **VACANCY RATE**

Only two senior positions are vacant

### **SKILLS DEVELOPMENT PLAN**

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

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

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

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

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

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

## **FINANCIAL VIABILITY**

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

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

**SCM POLICY- STAFFING**

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

**PAYMENT OF CREDITORS**

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

**AUDITOR- GENERAL FINDINGS**

**FINANCIAL MANAGEMENT SYSTEMS**

**LOCAL ECONOMIC DEVELOPMENT**

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

**Intended Outcomes:**

Improved municipality economic viability

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

**UNEMPLOYMENT RATE**

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

**2011 Census**

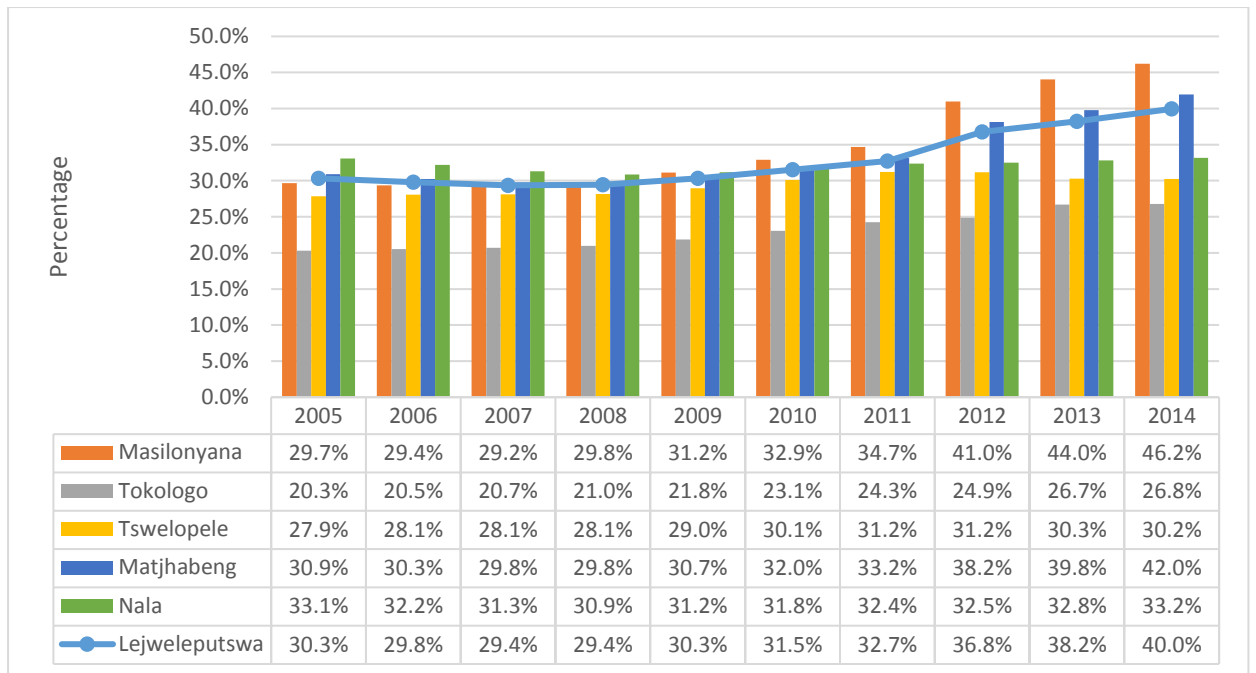
## **DISAGREGATE IN TERMS OF GENDER, AGE**

### **Unemployment rate in Lejweleputswa**

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

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

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

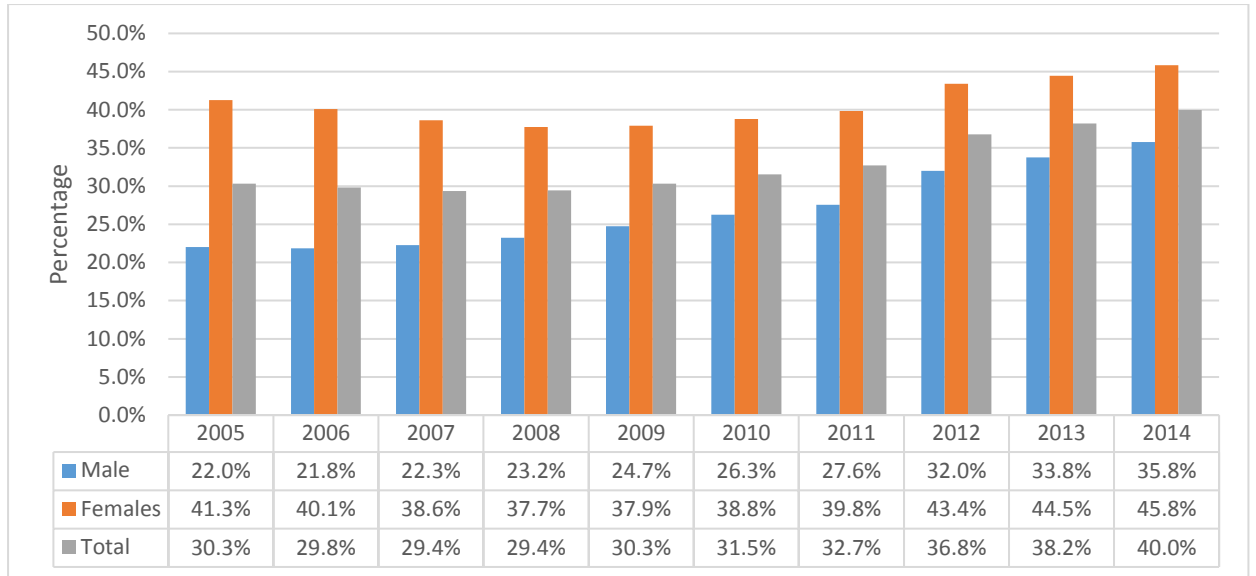


Source: IHS Global Insight Regional Explorer, 2015

### Male and Female unemployment rate

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

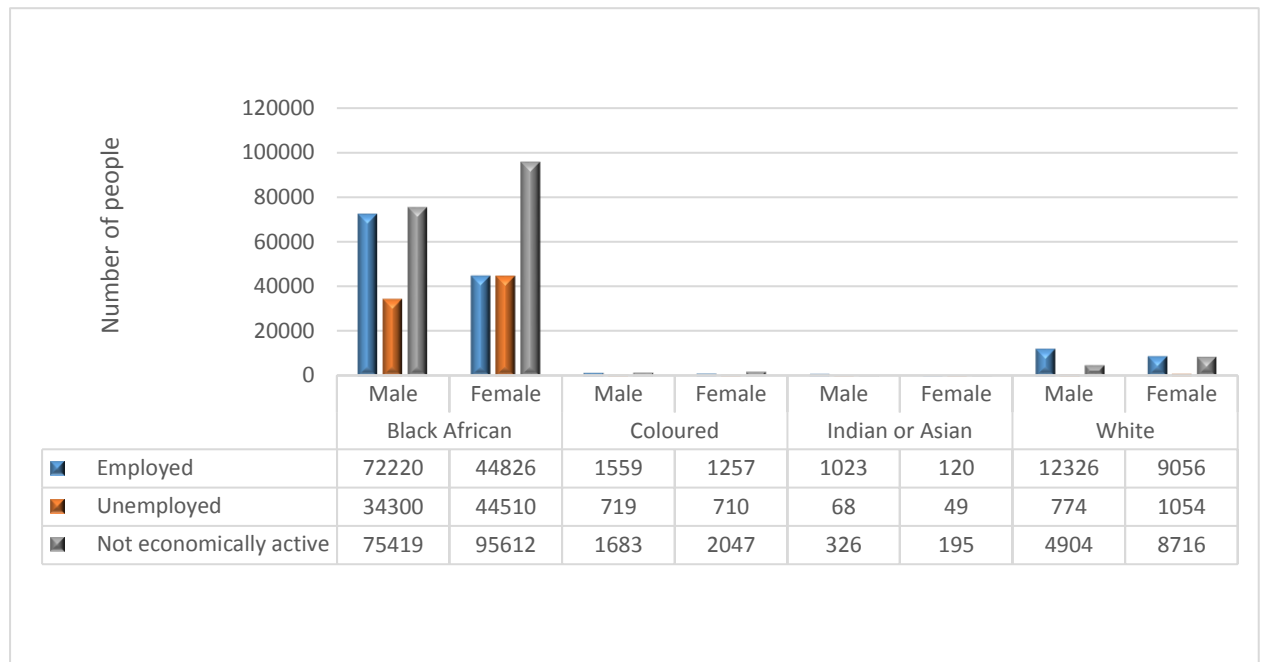
Figure 4.18: Male and Female Unemployment rate in Lejweleputswa (Official definition %)



Source: IHS Global Insight Regional Explorer, 2015

Figure 4.18 depicts a normal historical picture, where unemployment rate for men is lower than that of their female counter parts. The unemployment rate for females has fallen slightly during the 2008/09 recession to 37.7 percent from 41.3 percent in 2005. However after 2009 the female unemployment increased again to 35.8 percent in 2014. The result could signal that females are easily discouraged during times of recession and after the recession they join the labour market again by seeking employment. Unemployment rate for men has remained lower than that of the their female counter part for much of the period under review, starting from 22.0 percent in 2005 increasing to 35.8 percent in 2014. Generally unemployment rate in Lejweleputswa has increased from 30.3 percent in 2005 to 40 percent in 2014, indicating an average growth of 5.6 percentage points for men and an average growth of 1.24 percentage points for females. The average growth simply indicates that unemployment among males is increasing at a faster pace than for females.

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



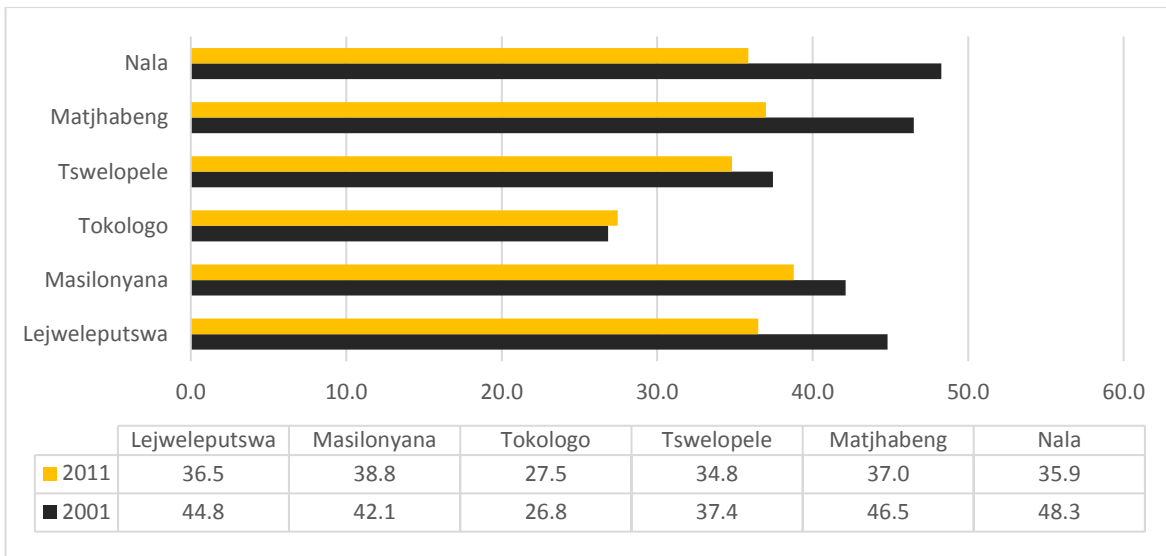
Statssa: Census, 2011

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

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

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

**Lejweleputswa Youth Unemployment rate**



Statssa: Census, 2011

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

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

## Economic Performance

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

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

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

Source: IHS Global Insight Regional Explorer, 2015

The contribution of mining, which is the dominant sector, in Lejweleputswa district's economic growth has been on a declining trajectory in the review period of 2005 to 2014 according to table 4.1. Table 4.2 above illustrates that although mining has been on a downward trend, 2010 saw a 0.9 percentage point increase in its GVA-R, together with a 1.9 percentage point increase in 2013. Part of the 2013 growth in the mining



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



## OBJECTIVES, STRATEGIES AND PROJECTS

Key Performance Area 1: Municipal Transformation and Organisational Development												
ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Target					
							5 Year Target	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
1.1	Local Labour Forum	To ensure functional LLF in order to promote sound labour relations in the workplace	Ensure compliance with Collective Agreements, Basic Conditions of Employment Act, Labour Relations and & institutional policies pertaining to labour relations.	Convene 20 quarterly LLF meetings by 30 June 2022 for the promotion of sound labour relations in the workplace.	Number of LFF meetings convened towards the promotion of sound labour relations in the workplace by 30 June 2022.	LLF meetings	Convene 20 quarterly LLF meetings by 30 June 2022 for the promotion of sound labour relations in the workplace.	Convene 4 quarterly LLF meetings by 30 June 2018 for the promotion of sound labour relations in the workplace.	Convene 4 quarterly LLF meetings by 30 June 2019 for the promotion of sound labour relations in the workplace.	Convene 4 quarterly LLF meetings by 30 June 2020 for the promotion of sound labour relations in the workplace.	Convene 4 quarterly LLF meetings by 30 June 2021 for the promotion of sound labour relations in the workplace.	Convene 4 quarterly LLF meetings by 30 June 2022 for the promotion of sound labour relations in the workplace.
1.2	Skills Development	Support indigent students with bursaries to register and attend tertiary institutions in pursuit of post matric qualifications	Allocate bursaries to deserving students in the district	Provided bursary opportunities to 50 deserving students in the district by 31 January 2022.	Number of deserving students provided with bursary opportunities by 31 January 2022.	Student Bursaries	Provided bursary opportunities to 50 deserving students in the district by 31 January 2022.	Provided bursary opportunities to 10 deserving students in the district by 31 January 2018.	Provided bursary opportunities to 10 deserving students in the district by 31 January 2019.	Provided bursary opportunities to 10 deserving students in the district by 31 January 2020.	Provided bursary opportunities to 10 deserving students in the district by 31 January 2021.	Provided bursary opportunities to 10 deserving students in the district by 31 January 2022.
1.3	Skills Development	To give experiential training to students at tertiary institutions to complete their qualifications.	Enrol students within the district for experiential training.	Register 50 students within the district for experiential training by 31 January 2022	Number of student's successfully enrolled for experiential training by 30 June 2022.	Experiential training	Register 50 students within the district for experiential training by 31 January 2022	Register 10 students within the district for experiential training by 31 January 2018	Register 10 students within the district for experiential training by 31 January 2019	Register 10 students within the district for experiential training by 31 January 2020	Register 10 students within the district for experiential training by 31 January 2021	Register 10 students within the district for experiential training by 31 January 2022

**Key Performance Area 1: Municipal Transformation and Organisational Development**

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Target					
							5 Year Target	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
1.4	Workplace Skills Plan (WSP)	To upgrade the skills of the staff members	Enrol employees of the municipality with accredited institutions of higher learning to improve their skills in a form of short courses	Prepare & submit Workplace Skills Plan (WSP), Annual Training Report (ATR), and Professional, Vocational, Technical & Academic Learning (PIVOTAL) Report for 2018/19 to 2022/23 financial years to LGSETA by 30 April 2022.	Date of submission WSP, ATR and PIVOTAL Report for 2018/19 to 2022/23 financial year to LGSETA by 30 April 2022.	Short Courses for the employees of the municipality (WSP)	Prepare & submit Workplace Skills Plan (WSP), Annual Training Report (ATR), and Professional, Vocational, Technical & Academic Learning (PIVOTAL) Report for 2018/19, to 2022/23 financial years to LGSETA by 30 April 2022.	Prepare & submit Workplace Skills Plan (WSP), Annual Training Report (ATR), and Professional, Vocational, Technical & Academic Learning (PIVOTAL) Report for 2018/19 financial year to LGSETA by 30 April 2018.	Prepare & submit Workplace Skills Plan (WSP), Annual Training Report (ATR), and Professional, Vocational, Technical & Academic Learning (PIVOTAL) Report for 2019/20 financial year to LGSETA by 30 April 2019.	Prepare & submit Workplace Skills Plan (WSP), Annual Training Report (ATR), and Professional, Vocational, Technical & Academic Learning (PIVOTAL) Report for 2020/21, financial year to LGSETA by 30 April 2020.	Prepare & submit Workplace Skills Plan (WSP), Annual Training Report (ATR), and Professional, Vocational, Technical & Academic Learning (PIVOTAL) Report for 2021/22 financial year to LGSETA by 30 April 2021.	Prepare & submit Workplace Skills Plan (WSP), Annual Training Report (ATR), and Professional, Vocational, Technical & Academic Learning (PIVOTAL) Report for 2022/23 financial year to LGSETA by 30 April 2022.
1.5				Ensure submission of 60 WSP monthly monitoring and implementation reports to LGSETA within 7 days after the end of each month during 2017/18, 2018/19, 2019/20, 2020/21 and 2021/22 financial years.	Number of monthly WSP monitoring and implementation reports submitted to LGSETA within 7 days after the end of each month during 2017/18 to 2021/22 financial years	Short Courses for the employees of the municipality (WSP)	Ensure submission of 60 WSP monthly monitoring and implementation reports to LGSETA within 7 days after the end of each month during 2017/18 to 2021/22 financial years.	Ensure submission of 12 WSP monthly monitoring and implementation reports to LGSETA within 7 days after the end of each month during 2017/18 financial year.	Ensure submission of 12 WSP monthly monitoring and implementation reports to LGSETA within 7 days after the end of each month during 2018/19 financial year.	Ensure submission of 12 WSP monthly monitoring and implementation reports to LGSETA within 7 days after the end of each month during 2019/20 financial year.	Ensure submission of 12 WSP monthly monitoring and implementation reports to LGSETA within 7 days after the end of each month during 2020/21 financial year.	Ensure submission of 12 WSP monthly monitoring and implementation reports to LGSETA within 7 days after the end of each month during 2021/22 financial year.
1.6		Support staff members to further their qualifications.	Provide financial assistance to deserving staff members of the LDM to further their studies	Provide financial assistance to at least 25 employees in a form of internal bursary to deserving employees of the LDM by 31 March 2022.	Number of LDM employees provided with internal bursaries to further their studies.	Financial assistance for furthering educational studies.	Provide financial assistance to at least 25 employees in a form of internal bursary to deserving employees of the LDM by 31 March 2022.	Provide financial assistance to at least 5 employees in a form of internal bursary to deserving employees of the LDM by 31 March 2018.	Provide financial assistance to at least 5 employees in a form of internal bursary to deserving employees of the LDM by 31 March 2019.	Provide financial assistance to at least 5 employees in a form of internal bursary to deserving employees of the LDM by 31 March 2020.	Provide financial assistance to at least 5 employees in a form of internal bursary to deserving employees of the LDM by 31 March 2021.	Provide financial assistance to at least 5 employees in a form of internal bursary to deserving employees of the LDM by 31 March 2022.

**Key Performance Area 1: Municipal Transformation and Organisational Development**

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Target					
							5 Year Target	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
1.7	Councillor Capacity Building	To upgrade the skills of councillors	Enrol LDM councillors with accredited institutions of higher learning for short courses to improve their skills.	Enrol 25 LDM councillors with accredited institutions of higher learning for a short course by 30 June 2022.	Number of LDM councillors enrolled with accredited institutions of higher learning for short courses by 30 June 2022.	Councillor training programme	Enrol LDM 25 councillors with accredited institutions of higher learning for a short course by 30 June 2022.	Enrol 5 LDM councillors with accredited institutions of higher learning for a short course by 30 June 2018.	Enrol 5 LDM councillors with accredited institutions of higher learning for a short course by 30 June 2019.	Enrol 5 LDM councillors with accredited institutions of higher learning for a short course by 30 June 2020.	Enrol 5 LDM councillors with accredited institutions of higher learning for a short course by 30 June 2021.	Enrol 5 LDM councillors with accredited institutions of higher learning for a short course by 30 June 2022.
1.8	Employee Wellness Programme	Conduct employee wellness programmes	Facilitate employee's wellness programmes for the LDM.	Prepare an annual employee-wellness programme for 2017/18, 2018/19, 2019/20, 2020/21 and 2021/22 financial years by 1 July 2022, prepare and present 20 quarterly reports in relation thereto to senior management meeting by 30 June 2022.	An annual employee-wellness programme and number of quarterly report in relation thereto prepared and presented to senior management meeting by 30 June 2022.	Employee wellness	Prepare an annual employee-wellness programme for 2017/18, 2018/19, 2019/20, 2020/21 and 2021/22 financial years by 1 July 2022, prepare and present 20 quarterly reports in relation thereto to senior management meeting by 30 June 2022.	Prepare an annual employee-wellness programme for 2017/18 financial year by 1 July 2018, prepare and present 4 quarterly reports in relation thereto to senior management meeting by 30 June 2018.	Prepare an annual employee-wellness programme for 2018/19 financial year by 1 July 2019, prepare and present 4 quarterly reports in relation thereto to senior management meeting by 30 June 2019.	Prepare an annual employee-wellness programme for 2019/20 financial year by 1 July 2020, prepare and present 4 quarterly reports in relation thereto to senior management meeting by 30 June 2020.	Prepare an annual employee-wellness programme for 2020/21 financial year by 1 July 2021, prepare and present 4 quarterly reports in relation thereto to senior management meeting by 30 June 2021.	Prepare an annual employee-wellness programme for 2021/22 financial years by 1 July 2022, prepare and present 4 quarterly reports in relation thereto to senior management meeting by 30 June 2022.
1.9	Employment Equity	To ensure that the municipality achieves reasonable progress towards employment equity in the workplace, develop and submit Employment Equity report to the Department of Labour	Develop a Five Year Employment Equity Plan for LDM and submit Employment Equity reports to the Department of Labour.	Develop and review 1 Five Year Employment Equity Plan for the LDM by 30 June 2022 and submit 20 quarterly reports to the Department of Labour by 30 June 2022.	Date of submission for the Five Year Employment Equity Plan for the LDM and Number of quarterly employment equity reports submitted to the Department of Labour by 30 June 2022.	Employment Equity Report	Develop and review 1 Five Year Employment Equity Plan for the LDM by 30 June 2022 and submit 20 quarterly reports to the Department of Labour by 30 June 2022.	Develop and implement 1 Five Year Employment Equity Plan for the LDM by 30 June 2018 and submit 4 quarterly reports to the Department of Labour by 30 June 2018.	Review and implement 1 Five Year Employment Equity Plan for the LDM by 30 June 2019 and submit 4 quarterly reports to the Department of Labour by 30 June 2020.	Review and implement 1 Five Year Employment Equity Plan for the LDM by 30 June 2020 and submit 4 quarterly reports to the Department of Labour by 30 June 2021.	Review and implement 1 Five Year Employment Equity Plan for the LDM by 30 June 2021 and submit 4 quarterly reports to the Department of Labour by 30 June 2022.	Review and implement 1 Five Year Employment Equity Plan for the LDM by 30 June 2022 and submit 4 quarterly reports to the Department of Labour by 30 June 2022.

**Key Performance Area 1: Municipal Transformation and Organisational Development**

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Target					
							5 Year Target	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
1.10	Security Management	Create an environment to improve safety of public members, councillors, staff and assets including Disaster Management Centre	Prepare consolidated security access reports of all municipal entrances and develop security management plan for the LDM	Prepare 60 monthly security assessment and / or incidents reports regarding potential security threats to the municipality, employees, information and other interest of the municipality and develop Security Management Plan for the LDM by 30 June 2022.	Number of monthly security assessment and / or incidents reports regarding potential security threats to the municipality, employees, information and other interest of the municipality and Develop Security Management Plan for the LDM by 30 June 2022.	Security Management	Prepare 60 monthly security assessment and / or incidents reports regarding potential security threats to the municipality, employees, information and other interest of the municipality and develop Security Management Plan for the LDM by 30 June 2022.	12 security assessment and / or incidents reports regarding potential security threats to the municipality, employees, information and other interest of the municipality by 30 June 2018.	4 quarterly security assessment and / or incidents reports regarding potential security threats to the municipality, employees, information and other interest of the municipality by 30 June 2019.	4 quarterly security assessment and / or incidents reports regarding potential security threats to the municipality, employees, information and other interest of the municipality by 30 June 2020.	4 quarterly security assessment and / or incidents reports regarding potential security threats to the municipality, employees, information and other interest of the municipality by 30 June 2021.	4 quarterly security assessment and / or incidents reports regarding potential security threats to the municipality, employees, information and other interest of the municipality by 30 June 2022.
1.11	Policy Development	Policy Development	Development of 5 new municipal policies	Prepare 5 Human Resource related policies reviewed, updated and approved by Council by 30 June 2022.	Number of Human Resource related policies reviewed, updated and approved by Council by 30 June 2022.	New municipal policies	Prepare 5 Human Resource related policies reviewed, updated and approved by Council by 30 June 2022.	Prepare 1 Human Resource related policies reviewed, updated and approved by Council by 30 June 2018.	Prepare 1 Human Resource related policies reviewed, updated and approved by Council by 30 June 2019.	Prepare 1 Human Resource related policies reviewed, updated and approved by Council by 30 June 2020.	Prepare 1 Human Resource related policies reviewed, updated and approved by Council by 30 June 2021.	Prepare 1 Human Resource related policies reviewed, updated and approved by Council by 30 June 2022.
1.12		Review of existing Delegation of Powers	Review existing delegation of powers for the LDM	Review and implement existing delegation of powers of the LDM by 20 June 2018.	Number of existing delegation of powers of the LDM reviewed and implemented by 30 June 2018	Reviewed Delegation of Powers	Review and implement existing delegation of powers of the LDM by 20 June 2018.	Review and implement existing delegation of powers of the LDM by 20 June 2018.	N/A	N/A	N/A	N/A

**Key Performance Area 1: Municipal Transformation and Organisational Development**

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Target					
							5 Year Target	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
1.13		Review of existing Standard Rules and Orders	Review existing Standard Rules and Orders of the LDM	Review and implement existing Standard Rules and Orders of the LDM by 30 June 2018	Number of existing Standard Rules and Orders of the LDM reviewed and implemented by 30 June 2018	Reviewed Standard Rules and Orders	Review and implement existing Standard Rules and Orders of the LDM by 30 June 2018	Review and implement existing Standard Rules and Orders of the LDM by 30 June 2018	N/A	N/A	N/A	N/A
1.14	Internal audit	Facilitate achievement of a clean audit of the municipality and its entity	Conduct quarterly internal audits to ensure improvement of service delivery.	20 quarterly Internal Audit Reports and related Management Action Plans with specific focus on Risk Management, Internal Controls, and Performance Management by 30 June 2022.	Number of quarterly Internal Audit Reports and related Management Action Plans with specific focus on Risk Management, Internal Controls, and Performance Management by 30 June 2022.	Internal audit	20 quarterly Internal Audit Reports (i.e. one report per quarter) and related Management Action Plans with specific focus on Risk Management, Internal Controls, and Performance Management by 30 June 2022.	4 quarterly Internal Audit Reports (i.e. one report per quarter) and related Management Action Plans with specific focus on Risk Management, Internal Controls, and Performance Management by 30 June 2018.	4 quarterly Internal Audit Reports (i.e. one report per quarter) and related Management Action Plans with specific focus on Risk Management, Internal Controls, and Performance Management by 30 June 2019.	4 quarterly Internal Audit Reports (i.e. one report per quarter) and related Management Action Plans with specific focus on Risk Management, Internal Controls, and Performance Management by 30 June 2020.	4 quarterly Internal Audit Reports (i.e. one report per quarter) and related Management Action Plans with specific focus on Risk Management, Internal Controls, and Performance Management by 30 June 2021.	4 quarterly Internal Audit Reports (i.e. one report per quarter) and related Management Action Plans with specific focus on Risk Management, Internal Controls, and Performance Management by 30 June 2022.

**Key Performance Area 1: Municipal Transformation and Organisational Development**

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Target					
							5 Year Target	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
1.15		Improve administrative and financial capability of the municipality.	Establish and implement good governance practices in line with Treasury Regulations to ensure proper risk management, adequate internal controls for improved financial management, and improved overall organisational performance.	100% of Post Audit Action Plan matters for 2016/17 to 2020/21 relating to leadership, predetermined objectives and other matters addressed by 30 June 2022.	% of Post Audit Action Plan matters for 2016/17 to and 2020/21 relating to leadership, predetermined objectives and other matters addressed by 30 June 2022.		100% of Post Audit Action Plan matters for 2016/17 to 2020/21 relating to leadership, predetermined objectives and other matters addressed by 30 June 2022.	100% of Post Audit Action Plan matters for 2016/17 relating to leadership, predetermined objectives and other matters addressed by 30 June 2018.	100% of Post Audit Action Plan matters for 2017/18 relating to leadership, predetermined objectives and other matters addressed by 30 June 2019.	100% of Post Audit Action Plan matters for 2018/19 relating to leadership, predetermined objectives and other matters addressed by 30 June 2020.	100% of Post Audit Action Plan matters for 2019/20 relating to leadership, predetermined objectives and other matters addressed by 30 June 2021.	100% of Post Audit Action Plan matters for 2020/21 relating to leadership, predetermined objectives and other matters addressed by 30 June 2022.



Key Performance Area 2: Basic Service Delivery and Infrastructure Development												
ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Target					
							5 Year Target	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
2.1.	Infrastructure Development	To provide sporting infrastructure for the community of Matjhabeng/Infrastructure Development	Build a multi-purpose stadium in Welkom	100% completion of building a multi-purpose stadium in Welkom by 30 June 2018	% of multi-purpose stadium completed in Welkom by 30 June 2018	Multi-purpose Stadium	100% completion of building a multi-purpose stadium in Welkom by 30 June 2018	100% completion of building a multi-purpose stadium in Welkom by 30 June 2018	N/A	N/A	N/A	N/A
2.2		To provide airport infrastructure for the community of Matjhabeng/Infrastructure Development	Upgrade Welkom Airport	100% completion of upgrading Welkom Airport by 30 June 2018	% upgrading of Welkom Airport completed by 30 June 2018	Welkom Airport	100% completion of upgrading Welkom Airport by 30 June 2018	100% completion of upgrading Welkom Airport by 30 June 2018	N/A	N/A	N/A	N/A
2.3		To provide road infrastructure for the community of the LDM	Upgrading and maintenance of roads	100% implementation of roads related projects executed by 30 June 2022.	% of implemented roads related projects by 30 June 2022.	Road maintenance	Execute implementation of roads related projects by 30 June 2022.	Execute implementation of roads related projects by 30 June 2018.	Execute implementation of roads related projects by 30 June 2019.	Execute implementation of roads related projects by 30 June 2020.	Execute implementation of roads related projects by 30 June 2021.	Execute implementation of roads related projects by 30 June 2022.
2.4.	Municipal health services	To provide Municipal Health Services effectively & equitably in the District.	Ensure equitable allocation and distribution of Municipal Health Services resources across the district so as to ensure fair and equitable health services within the district.	20 quarterly Water Quality reports indicating the status of water in various towns across the 5 local municipalities in the district by 30 June 2022.	Number of quarterly Water Quality reports indicating the status of water in various towns across the 5 local municipalities in the district by 30 June 2022.	Water quality monitoring	20 quarterly Water Quality reports indicating the status of water in various towns across the 5 local municipalities in the district by 30 June 2022.	4 quarterly Water Quality reports indicating the status of water in various towns across the 5 local municipalities in the district by 30 June 2018.	4 quarterly Water Quality reports indicating the status of water in various towns across the 5 local municipalities in the district by 30 June 2019.	4 quarterly Water Quality reports indicating the status of water in various towns across the 5 local municipalities in the district by 30 June 2020.	4 quarterly Water Quality reports indicating the status of water in various towns across the 5 local municipalities in the district by 30 June 2021.	4 quarterly Water Quality reports indicating the status of water in various towns across the 5 local municipalities in the district by 30 June 2022.

Key Performance Area 2: Basic Service Delivery and Infrastructure Development												
ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Target					
							5 Year Target	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
2.5				20 quarterly reports indicating number of food selling outlets complying with relevant legislation by 30 June 2022	Number of quarterly reports indicating the status of food selling outlets in compliance with relevant legislation by 30 June 2022.	Food quality monitoring	20 quarterly reports indicating number of food selling outlets complying with relevant legislation by 30 June 2022	4 quarterly reports indicating number of food selling outlets complying with relevant legislation by 30 June 2018	4 quarterly reports indicating number of food selling outlets complying with relevant legislation by 30 June 2019	4 quarterly reports indicating number of food selling outlets complying with relevant legislation by 30 June 2020	4 quarterly reports indicating number of food selling outlets complying with relevant legislation by 30 June 2021	4 quarterly reports indicating number of food selling outlets complying with relevant legislation by 30 June 2022
2.6				20 quarterly reports indicating the status of food samples taken in various towns across the 5 Local Municipalities in the district by 30 June 2022	Number of quarterly reports indicating the status of samples taken in various towns across the 5 Local Municipalities in the district by 30 June 2022	Food sampling	20 quarterly reports indicating the status of food samples taken in various towns across the 5 Local Municipalities in the district by 30 June 2022	4 quarterly reports indicating the status of food samples taken in various towns across the 5 Local Municipalities in the district by 30 June 2018	4 quarterly reports indicating the status of food samples taken in various towns across the 5 Local Municipalities in the district by 30 June 2019	4 quarterly reports indicating the status of food samples taken in various towns across the 5 Local Municipalities in the district by 30 June 2020	4 quarterly reports indicating the status of food samples taken in various towns across the 5 Local Municipalities in the district by 30 June 2021	4 quarterly reports indicating the status of food samples taken in various towns across the 5 Local Municipalities in the district by 30 June 2022
2.7				20 Quarterly reports indicating awareness campaigns conducted in respect of Municipal Health Services across 5 Local Municipalities in the district by 30 June 2022.	Number of awareness campaigns conducted in respect of Municipal Health Services across 5 Local Municipalities in the district by 30 June 2022.	Environmental health awareness campaign	20 Quarterly reports indicating awareness campaigns conducted in respect of Municipal Health Services across 5 Local Municipalities in the district by 30 June 2022.	4 Quarterly reports indicating awareness campaigns conducted in respect of Municipal Health Services across 5 Local Municipalities in the district by 30 June 2018.	4 Quarterly reports indicating awareness campaigns conducted in respect of Municipal Health Services across 5 Local Municipalities in the district by 30 June 2019.	4 Quarterly reports indicating awareness campaigns conducted in respect of Municipal Health Services across 5 Local Municipalities in the district by 30 June 2020.	4 Quarterly reports indicating awareness campaigns conducted in respect of Municipal Health Services across 5 Local Municipalities in the district by 30 June 2021.	4 Quarterly reports indicating awareness campaigns conducted in respect of Municipal Health Services across 5 Local Municipalities in the district by 30 June 2022.

Key Performance Area 2: Basic Service Delivery and Infrastructure Development												
ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Target					
							5 Year Target	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
2.8	Environmental Management Service	To provide Municipal Environmental Services effectively & equitably in the District.	Ensure equitable allocation and distribution of Air Quality Management resources across the district so as to ensure fair and equitable air quality management services within the district.	20 quarterly Air Quality Management reports indicating services rendered in various towns across the 5 local municipalities in the district by 30 June 2022.	Number of quarterly Air Quality Management reports indicating services rendered in various towns across the 5 local municipalities in the district by 30 June 2022.	Licenses issued and audited	20 quarterly Air Quality Management reports indicating services rendered in various towns across the 5 local municipalities in the district by 30 June 2022.	4 quarterly Air Quality Management reports indicating services rendered in various towns across the 5 local municipalities in the district by 30 June 2018.	4 quarterly Air Quality Management reports indicating services rendered in various towns across the 5 local municipalities in the district by 30 June 2019.	4 quarterly Air Quality Management reports indicating services rendered in various towns across the 5 local municipalities in the district by 30 June 2020.	4 quarterly Air Quality Management reports indicating services rendered in various towns across the 5 local municipalities in the district by 30 June 2021.	4 quarterly Air Quality Management reports indicating services rendered in various towns across the 5 local municipalities in the district by 30 June 2022.
2.9				20 quarterly environmental services reports with specific focus on waste management activities performed in various areas across the 5 local municipalities in the district by 30 June 2022.	Number of quarterly environmental reports with specific focus on waste management activities performed in various areas across the 5 local municipalities in the district by 30 June 2022.	Waste management monitoring	20 quarterly environmental services reports with specific focus on waste management activities performed in various areas across the 5 local municipalities in the district by 30 June 2022.	4 quarterly environmental services reports with specific focus on waste management activities performed in various areas across the 5 local municipalities in the district by 30 June 2018.	4 quarterly environmental services reports with specific focus on waste management activities performed in various areas across the 5 local municipalities in the district by 30 June 2019.	4 quarterly environmental services reports with specific focus on waste management activities performed in various areas across the 5 local municipalities in the district by 30 June 2020.	4 quarterly environmental services reports with specific focus on waste management activities performed in various areas across the 5 local municipalities in the district by 30 June 2021.	4 quarterly environmental services reports with specific focus on waste management activities performed in various areas across the 5 local municipalities in the district by 30 June 2022.

Key Performance Area 2: Basic Service Delivery and Infrastructure Development												
ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Target					
							5 Year Target	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
2.10				20 quarterly reports on waste management awareness campaigns conducted in various areas across the 5 local municipalities in the district by 30 June 2022	Number of quarterly reports on waste management awareness campaigns conducted in various areas across the 5 local municipalities in the district by 30 June 2022.	Waste management campaigns	20 quarterly reports on waste management awareness campaigns conducted in various areas across the 5 local municipalities in the district by 30 June 2022	4 quarterly reports on waste management awareness campaigns conducted in various areas across the 5 local municipalities in the district by 30 June 2018	4 quarterly reports on waste management awareness campaigns conducted in various areas across the 5 local municipalities in the district by 30 June 2019	4 quarterly reports on waste management awareness campaigns conducted in various areas across the 5 local municipalities in the district by 30 June 2022	4 quarterly reports on waste management awareness campaigns conducted in various areas across the 5 local municipalities in the district by 30 June 2021	4 quarterly reports on waste management awareness campaigns conducted in various areas across the 5 local municipalities in the district by 30 June 2022
2.11	Disaster Management	To ensure effective & efficient disaster management services in the district.	Ensure equitable allocation and distribution of Disaster Management resources across the district so as to ensure fair and equitable provision of services within the district.	20 quarterly Disaster Management reports indicating services rendered in various towns across the 5 local municipalities in the district by 30 June 2022.	Number of quarterly Disaster Management reports indicating services rendered in various towns across the 5 local municipalities in the district by 30 June 2022.	Waste management campaigns	20 quarterly Disaster Management reports indicating services rendered in various towns across the 5 local municipalities in the district by 30 June 2022.	4 quarterly Disaster Management reports indicating services rendered in various towns across the 5 local municipalities in the district by 30 June 2018.	4 quarterly Disaster Management reports indicating services rendered in various towns across the 5 local municipalities in the district by 30 June 2019.	4 quarterly Disaster Management reports indicating services rendered in various towns across the 5 local municipalities in the district by 30 June 2020.	4 quarterly Disaster Management reports indicating services rendered in various towns across the 5 local municipalities in the district by 30 June 2021.	20 quarterly Disaster Management reports indicating services rendered in various towns across the 5 local municipalities in the district by 30 June 2022.

Key Performance Area 2: Basic Service Delivery and Infrastructure Development												
ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Target					
							5 Year Target	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
2.12				Develop, review and implement disaster mitigation strategies; Contingency Plans; Evacuation Plans; and Draft a Relief Assistance Policy for Incidents by 30 June 2022.	Number of disaster mitigation strategies, contingency plans, and evacuation plan and relief assistance policy developed, reviewed and implemented by 30 June 2022.	Disaster Relief	Develop, review and implement disaster mitigation strategies; Contingency Plans; Evacuation Plans; and Draft a Relief Assistance Policy for Incidents by 30 June 2022.	Develop, review and implement disaster mitigation strategies; Contingency Plans; Evacuation Plans; and Draft a Relief Assistance Policy for Incidents by 30 June 2018.	Review and implement disaster mitigation strategies; Contingency Plans; Evacuation Plans; and Draft a Relief Assistance Policy for Incidents by 30 June 2019.	Review and implement disaster mitigation strategies; Contingency Plans; Evacuation Plans; and Draft a Relief Assistance Policy for Incidents by 30 June 2020.	Review and implement disaster mitigation strategies; Contingency Plans; Evacuation Plans; and Draft a Relief Assistance Policy for Incidents by 30 June 2021.	Review and implement disaster mitigation strategies; Contingency Plans; Evacuation Plans; and Draft a Relief Assistance Policy for Incidents by 30 June 2022.
2.13				Conduct 60 monthly disaster awareness campaigns in schools and communities in conjunction with the 5 local municipalities in the district by 30 June 2022	Number of monthly disaster awareness campaigns in schools and communities conducted in conjunction with the 5 local municipalities in the district by 30 June 2022	Disaster awareness campaigns	Conduct 60 monthly disaster awareness campaigns in schools and communities in conjunction with the 5 local municipalities in the district by 30 June 2022	Conduct 12 monthly disaster awareness campaigns in schools and communities in conjunction with the 5 local municipalities in the district by 30 June 2018	Conduct 12 monthly disaster awareness campaigns in schools and communities in conjunction with the 5 local municipalities in the district by 30 June 2019	Conduct 12 monthly disaster awareness campaigns in schools and communities in conjunction with the 5 local municipalities in the district by 30 June 2020	Conduct 12 monthly disaster awareness campaigns in schools and communities in conjunction with the 5 local municipalities in the district by 30 June 2021	Conduct 12 monthly disaster awareness campaigns in schools and communities in conjunction with the 5 local municipalities in the district by 30 June 2022

Key Performance Area 2: Basic Service Delivery and Infrastructure Development												
ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Target					
							5 Year Target	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
2.14				Conduct 5 Disaster Management workshops for Councillors and Officials in conjunction with SALGA and the Provincial Disaster Management Centre by 30 June 2022.	Number of disaster management workshops for councillors and officials in conjunction with SALGA and Provincial Disaster Management Centre conducted by 30 June 2022	Disaster awareness campaigns	Conduct 5 Disaster Management workshops for Councillors and Officials in conjunction with SALGA and the Provincial Disaster Management Centre by 30 June 2022.	Conduct 1 Disaster Management workshops for Councillors and Officials in conjunction with SALGA and the Provincial Disaster Management Centre by 30 June 2018.	Conduct 1 Disaster Management workshops for Councillors and Officials in conjunction with SALGA and the Provincial Disaster Management Centre by 30 June 2019.	Conduct 1 Disaster Management workshops for Councillors and Officials in conjunction with SALGA and the Provincial Disaster Management Centre by 30 June 2020.	Conduct 1 Disaster Management workshops for Councillors and Officials in conjunction with SALGA and the Provincial Disaster Management Centre by 30 June 2021.	Conduct 1 Disaster Management workshops for Councillors and Officials in conjunction with SALGA and the Provincial Disaster Management Centre by 30 June 2022.
2.15	Fire services	To ensure effective & efficient disaster management services in the district.	Ensure coordination of fire services throughout the District.	Conduct 20 quarterly fire safety awareness campaigns across 5 local municipalities in the district by 30 June 2022.	Number of quarterly fire safety awareness campaigns conducted across 5 local municipalities in the district by 30 June 2022.	Fire Safety awareness Campaigns.	Conduct 20 quarterly fire safety awareness campaigns across 5 local municipalities in the district by 30 June 2022.	Conduct 4 quarterly fire safety awareness campaigns across 5 local municipalities in the district by 30 June 2018.	Conduct 4 quarterly fire safety awareness campaigns across 5 local municipalities in the district by 30 June 2019.	Conduct 4 quarterly fire safety awareness campaigns across 5 local municipalities in the district by 30 June 2020.	Conduct 4 quarterly fire safety awareness campaigns across 5 local municipalities in the district by 30 June 2021.	Conduct 4 quarterly fire safety awareness campaigns across 5 local municipalities in the district by 30 June 2022.

**Key Performance Area 3: Local Economic Development**

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Target					
							5 Year Target	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
3.1	Local Economic Development	To support development of emerging farmers in the district into mainstream farming	Support emerging farmers in identify opportunities in agro-processing of products in the district	Support at least five (5) agro-processing initiatives / projects by 30 June 2022.	Number of agro-processing initiatives / projects by 30 June 2022.	Number of capacity entrepreneurial training and development	Support at least five (5) agro-processing initiatives / projects by 30 June 2022.	Support at least one (1) agro-processing initiative / projects by 30 June 2018.	Support at least one (1) agro-processing initiative / projects by 30 June 2019.	Support at least one (1) agro-processing initiative / projects by 30 June 2020.	Support at least one (1) agro-processing initiative / projects by 30 June 2021.	Support at least one (1) agro-processing initiative / projects by 30 June 2022.
3.2			Add-value to the district's agricultural products in order to boost the economy of the district	Develop 1 feasibility study for Agro-Processing Soya Beans in Nala Local Municipality by 30 June 2018	Number of feasibility studies concluded for agro-processing soya beans in Nala Local Municipality by 30 June 2018	Soya Bean Processing	Develop 1 feasibility study for Agro-Processing Soya Beans in Nala Local Municipality by 30 June 2018	Develop 1 feasibility study for Agro-Processing Soya Beans in Nala Local Municipality by 30 June 2018	N/A	N/A	N/A	N/A
3.3		To promote & enhance the SMME sector in the district	Identifying training & capacity needs in the SMME sector and provide dedicate entrepreneurial support based on identified needs.	Monitor 20 SMMEs within the district as part of entrepreneurial support by 30 June 2022.	Number of dedicated training interventions for SMMEs within the district as part of entrepreneurial support by 30 June 2022.	Number of capacity entrepreneurial training and development	Monitor 20 SMMEs within the district as part of entrepreneurial support by 30 June 2022.	Monitor 4 SMMEs within the district as part of entrepreneurial support by 30 June 2018.	Monitor 4 SMMEs within the district as part of entrepreneurial support by 30 June 2019.	Monitor 4 SMMEs within the district as part of entrepreneurial support by 30 June 2020.	Monitor 4 SMMEs within the district as part of entrepreneurial support by 30 June 2020.	Monitor 4 SMMEs within the district as part of entrepreneurial support by 30 June 2022.
3.4		To promote Local Economic Development in the district	Create an enabling environment for effective and efficient Local Economic Development.	Review and implement the LED strategy for the LDM by 30 June 2018	Number of LED strategy for the LDM reviewed and implemented by 30 June 2018	LED Implementation Plan	Review and implement the LED strategy for the LDM by 30 June 2018	Review and implement the LED strategy for the LDM by 30 June 2018	N/A	N/A	N/A	N/A

**Key Performance Area 3: Local Economic Development**

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Target					
							5 Year Target	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
3.5		To create an environment that stimulates local economic growth	Encourage and support local municipalities within the district to develop and maintain their infrastructure to make it easier for businesses to operate.	10 biannual LED Business Forum Meetings of the LDM held by 30 June 2022	Number of biannual LED business forum meetings of the LDM held by 30 June 2022.	LED Business Forum	10 biannual LED Business Forum Meetings of the LDM held by 30 June 2022	2 biannual LED Business Forum Meetings of the LDM held by 30 June 2018	2 biannual LED Business Forum Meetings of the LDM held by 30 June 2019	2 biannual LED Business Forum Meetings of the LDM held by 30 June 2020	2 biannual LED Business Forum Meetings of the LDM held by 30 June 2021	2 biannual LED Business Forum Meetings of the LDM held by 30 June 2022
3.6		To improve access to telecommunication n services within the district by 2017	Create an enabling environment for improved access to information technology (ICT)	100% installation of Broadband VPN Technologies by 30 June 2018	% installation of broadband VPN technologies by 30 June 2018	Install VPN System	100% installation of Broadband VPN Technologies by 30 June 2018	100% installation of Broadband VPN Technologies by 30 June 2018	N/A	N/A	N/A	N/A
3.7		To reduce greenhouse emissions in the district	Create an enabling environment with a view of promoting green economy in the district	20 quarterly meetings convened towards developing solar power plant that will replace the current use of coal to generate electricity by 30 June 2022.	Number of meetings convened with relevant stakeholders for the establishment of solar power plants that will replace the current use of coal to generate electricity by June 2022.	Solar Power Plant	20 quarterly meetings convened towards developing solar power plant that will replace the current use of coal to generate electricity by 30 June 2022.	4 quarterly meetings convened towards developing solar power plant that will replace the current use of coal to generate electricity by 30 June 2018.	4 quarterly meetings convened towards developing solar power plant that will replace the current use of coal to generate electricity by 30 June 2019.	4 quarterly meetings convened towards developing solar power plant that will replace the current use of coal to generate electricity by 30 June 2020.	4 quarterly meetings convened towards developing solar power plant that will replace the current use of coal to generate electricity by 30 June 2021.	4 quarterly meetings convened towards developing solar power plant that will replace the current use of coal to generate electricity by 30 June 2022.
3.8	Tourism Development and Support	To support tourism development and growth	Create an enabling environment for effective and efficient Tourism Development in the district.	Review and implement the Tourism strategy for the LDM by 30 June 2018	Number of Tourism strategy for the LDM reviewed and implemented by 30 June 2018	Tourism Strategy	Review and implement the Tourism strategy for the LDM by 30 June 2018	Review and implement the Tourism strategy for the LDM by 30 June 2018	N/A	N/A	N/A	N/A



**Key Performance Area 3: Local Economic Development**

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Target					
							5 Year Target	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
3.9		To promote & develop the tourism sector in the District.	Provide dedicated support and training to identified stakeholders	5 Customer Care training provided by 30 June 2022.	Number of Customer Care training provided by 30 June 2022.	Tourism Awareness campaigns	5 Customer Care training provided by 30 June 2022.	1 Customer Care training provided by 30 June 2018.	1 Customer Care training provided by 30 June 2019.	1 Customer Care training provided by 30 June 2020.	1 Customer Care training provided by 30 June 2021.	1 Customer Care training provided by 30 June 2022.
3.10		To promote & develop the tourism sector in the District.	Conducting tourism awareness campaigns in the District.	20 Tourism awareness campaigns (i.e. 1 per local municipality) conducted by 30 June 2022.	Number of tourism awareness campaigns conducted by 30 June 2022.	Tourism Awareness campaigns	20 Tourism awareness campaigns (i.e. 1 per local municipality) conducted by 30 June 2022.	4 Tourism awareness campaigns (i.e. 1 per local municipality) conducted by 30 June 2018.	4 Tourism awareness campaigns (i.e. 1 per local municipality) conducted by 30 June 2019.	4 Tourism awareness campaigns (i.e. 1 per local municipality) conducted by 30 June 2020.	4 Tourism awareness campaigns (i.e. 1 per local municipality) conducted by 30 June 2021.	4 Tourism awareness campaigns (i.e. 1 per local municipality) conducted by 30 June 2022.
3.11			Support tourism activities taking place in the district implemented by sector departments.	5 Phakisa Tourism events supported by the LDM by 30 June 2022	Number of Phakisa Tourism events supported by the LDM by 30 June 2022	Phakisa Tourism event	5 Phakisa Tourism events supported by the LDM by 30 June 2022	1 Phakisa Tourism events supported by the LDM by 30 June 2018	1 Phakisa Tourism events supported by the LDM by 30 June 2019	1 Phakisa Tourism events supported by the LDM by 30 June 2020	1 Phakisa Tourism events supported by the LDM by 30 June 2021	1 Phakisa Tourism events supported by the LDM by 30 June 2022
3.12		To promote & develop the tourism sector in the District.	Target main tourism publications for placement of tourism related advertorials for promotion of tourism in the district.	10 Advertisements on promotion of tourism in the district publicized on dedicated tourism publications by 30 June 2022.	Number of advertisements on promotion of tourism in the district publicized on dedicated tourism publications by 30 June 2022.	Tourism Accommodation Brochures	10 Advertisements on promotion of tourism in the district publicized on dedicated tourism publications by 30 June 2022.	2 Advertisements on promotion of tourism in the district publicized on dedicated tourism publications by 30 June 2018.	2 Advertisements on promotion of tourism in the district publicized on dedicated tourism publications by 30 June 2019.	2 Advertisements on promotion of tourism in the district publicized on dedicated tourism publications by 30 June 2020.	2 Advertisements on promotion of tourism in the district publicized on dedicated tourism publications by 30 June 2021.	2 Advertisements on promotion of tourism in the district publicized on dedicated tourism publications by 30 June 2022.
3.13	Sports development and support	To plan, coordinate & support sports amongst the youth	Ensure exposure of youth to new opportunities in sports.	Host 5 annual OR Tambo Games by 31 October 2022.	Number of annual OR Tambo Games hosted by 31 October 2022.	Sport Events	Host 5 annual OR Tambo Games by 31 October 2022.	Host 1 annual OR Tambo Games by 31 October 2018.	Host 1 annual OR Tambo Games by 31 October 2019.	Host 1 annual OR Tambo Games by 31 October 2020.	Host 1 annual OR Tambo Games by 31 October 2021.	Host 1 annual OR Tambo Games by 31 October 2022.
3.14				5 sporting bodies supported by the LDM by 30 June 2022	Number of sporting bodies supported by the LDM by 30 June 2022	Sport Bodies	5 sporting bodies supported by the LDM by 30 June 2022	1 sporting bodies supported by the LDM by 30 June 2018	1 sporting bodies supported by the LDM by 30 June 2019	1 sporting bodies supported by the LDM by 30 June 2020	1 sporting bodies supported by the LDM by 30 June 2021	1 sporting bodies supported by the LDM by 30 June 2022

**Key Performance Area 4: Financial Management and Viability**

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Target					
							5 Year Target	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
4.1	Obtain clean audit	To ensure financial management practices that enhances viability & compliance with the requirements of MFMA & other relevant legislation in order to achieve a clean audit.	Plan, implement, monitor and report financial management activities in accordance with MFMA, its associated regulations and prescribed accounting norms and standards	100% of Post Audit Action Plan matters for 2016/17 to 2020/21 relating to finance addressed by 30 June 2022.	100% of Post Audit Action Plan matters for 2016/17 to 2020/21 relating to finance addressed by 30 June 2022.	Clean audit	100% of Post Audit Action Plan matters for 2016/17 to 2020/21 relating to finance addressed by 30 June 2022.	100% of Post Audit Action Plan matters for 2016/17 relating to finance addressed by 30 June 2018.	100% of Post Audit Action Plan matters for 2017/18 relating to finance addressed by 30 June 2019.	100% of Post Audit Action Plan matters for 2018/19, 2019/20 relating to finance addressed by 30 June 2020.	100% of Post Audit Action Plan matters for 2019/20 relating to finance addressed by 30 June 2021.	100% of Post Audit Action Plan matters for 2020/21 relating to finance addressed by 30 June 2022.
4.2	Implement financial control			100% cash-backed approved budget for 2018/19 to 2020/21 financial years by 30 June 2022.	% of cash-backed approved budget for 2018/19 to 2020/21 financial year's by 30 June 2022.	Funded Annual Budget	100% cash-backed approved budget for 2018/19 to 2020/21 financial years by 30 June 2022.	100% cash-backed approved budget for 2018/19 financial year by 30 June 2018.	100% cash-backed approved budget for 2019/20 financial year by 30 June 2019.	100% cash-backed approved budget for 2020/21 financial years by 30 June 2020.	100% cash-backed approved budget for 2021/22 financial years by 30 June 2021.	100% cash-backed approved budget for 2022/23 financial years by 30 June 2022.
4.3	Implement financial control			30 Budget related policies reviewed, updated and approved by Council by 30 June 2022.	Number of Budget related policies reviewed, updated and approved by Council by 30 June 2022.	Funded Annual Budget	30 Budget related policies reviewed, updated and approved by Council by 30 June 2022.	6 Budget related policies reviewed, updated and approved by Council by 30 June 2018.	6 Budget related policies reviewed, updated and approved by Council by 30 June 2019.	6 Budget related policies reviewed, updated and approved by Council by 30 June 2020.	6 Budget related policies reviewed, updated and approved by Council by 30 June 2021.	6 Budget related policies reviewed, updated and approved by Council by 30 June 2022.
4.4	Implement financial control			20 quarterly reviews and updating of financial management related internal controls based on the quarterly Internal Audit reports by 30 June 2022.	Number of quarterly reviews and updating of financial management related internal controls based on the quarterly Internal Audit reports by 30 June 2022.	Internal Controls	20 quarterly reviews and updating of financial management related internal controls based on the quarterly Internal Audit reports by 30 June 2022.	4 quarterly reviews and updating of financial management related internal controls based on the quarterly Internal Audit reports by 30 June 2018.	4 quarterly reviews and updating of financial management related internal controls based on the quarterly Internal Audit reports by 30 June 2019.	4 quarterly reviews and updating of financial management related internal controls based on the quarterly Internal Audit reports by 30 June 2020.	4 quarterly reviews and updating of financial management related internal controls based on the quarterly Internal Audit reports by 30 June 2021.	4 quarterly reviews and updating of financial management related internal controls based on the quarterly Internal Audit reports by 30 June 2022.

**Key Performance Area 4: Financial Management and Viability**

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Target					
							5 Year Target	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
4.5	Implement financial control			Suppliers and service providers paid within 30 days of receipt of valid invoice, with no disputed delivery of goods / services throughout 2017/18 to 2021/22.	Number of days it takes to pay suppliers and service providers after receipt of valid invoice, with no disputed delivery of goods / services throughout 2017/18 to 2021/22.	Internal Controls	Suppliers and service providers paid within 30 days of receipt of valid invoice, with no disputed delivery of goods / services throughout 2017/18 to 2021/22.	Suppliers and service providers paid within 30 days of receipt of valid invoice, with no disputed delivery of goods / services throughout 2017/18.	Suppliers and service providers paid within 30 days of receipt of valid invoice, with no disputed delivery of goods / services throughout 2018/19.	Suppliers and service providers paid within 30 days of receipt of valid invoice, with no disputed delivery of goods / services throughout 2019/20.	Suppliers and service providers paid within 30 days of receipt of valid invoice, with no disputed delivery of goods / services throughout 2020/21	Suppliers and service providers paid within 30 days of receipt of valid invoice, with no disputed delivery of goods / services throughout 2021/22.
4.6	Implement financial control			100% of all monthly payment vouchers and accompanying supporting documents of filed, registered and kept in safe custody within 30 days of the end of each month throughout 2017/18 to 2021/22 financial years.	% of all monthly payment vouchers and accompanying supporting documents of filed, registered and kept in safe custody within 30 days of the end of each month throughout 2017/18 to 2021/22 financial year.	Internal Controls	100% of all monthly payment vouchers and accompanying supporting documents of filed, registered and kept in safe custody within 30 days of the end of each month throughout 2017/18 to 2021/22 financial years.	100% of all monthly payment vouchers and accompanying supporting documents of filed, registered and kept in safe custody within 30 days of the end of each month throughout 2017/18 financial year.	100% of all monthly payment vouchers and accompanying supporting documents of filed, registered and kept in safe custody within 30 days of the end of each month throughout 2018/19 financial year.	100% of all monthly payment vouchers and accompanying supporting documents of filed, registered and kept in safe custody within 30 days of the end of each month throughout 2019/20 financial year.	100% of all monthly payment vouchers and accompanying supporting documents of filed, registered and kept in safe custody within 30 days of the end of each month throughout 2020/21 financial year.	100% of all monthly payment vouchers and accompanying supporting documents of filed, registered and kept in safe custody within 30 days of the end of each month throughout 2021/22 financial year.

**Key Performance Area 4: Financial Management and Viability**

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Target					
							5 Year Target	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
4.7	Implement financial control			100% of contracted services creditors on the system reconciled to supporting documentation on a monthly basis throughout 2017/18 to 2021/22 financial years.	% of contracted services creditors on the system reconciled to supporting documentation on a monthly basis throughout 2017/18 to 2021/22 financial years.	Internal Controls	100% of contracted services creditors on the system reconciled to supporting documentation on a monthly basis throughout 2017/18 to 2021/22 financial years.	100% of contracted services creditors on the system reconciled to supporting documentation on a monthly basis throughout 2017/18 financial year.	100% of contracted services creditors on the system reconciled to supporting documentation on a monthly basis throughout 2018/19 financial year.	100% of contracted services creditors on the system reconciled to supporting documentation on a monthly basis throughout 2019/20 financial year.	100% of contracted services creditors on the system reconciled to supporting documentation on a monthly basis throughout 2020/21 financial year.	100% of contracted services creditors on the system reconciled to supporting documentation on a monthly basis throughout 2021/22 financial years.
4.8	Implement financial control			10 biannual assets verification performed and asset registers updated with all assets movements, and report any damaged / missing items by 30 June 2022.	Number of biannual assets verification performed and asset registers updated with all assets movements, and report any damaged / missing items by 30 June 2022.	Internal Controls	10 biannual assets verification performed and asset registers updated with all assets movements, and report any damaged / missing items by 30 June 2022.	2 biannual assets verification performed and asset registers updated with all assets movements, and report any damaged / missing items by 30 June 2018.	2 biannual assets verification performed and asset registers updated with all assets movements, and report any damaged / missing items by 30 June 2019.	2 biannual assets verification performed and asset registers updated with all assets movements, and report any damaged / missing items by 30 June 2020.	2 biannual assets verification performed and asset registers updated with all assets movements, and report any damaged / missing items by 30 June 2021.	2 biannual assets verification performed and asset registers updated with all assets movements, and report any damaged / missing items by 30 June 2022.

**Key Performance Area 4: Financial Management and Viability**

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Target					
							5 Year Target	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
4.9	Implement financial control			Review and sign-off one (1) Audit File and Audit File schedule respectively for 2016/17 to 2020/21 financial years that is compliant with Annexure A of MFMA Circular 50 by 31 August 2022.	Number of reviewed and signed-off audit file schedule and the actual Audit file for 2016/17 to 2020/21 financial year that is compliant with MFMA Circular 50 submitted to the Auditor-General by 31 August 2022.	Internal Controls	Review and sign-off one (1) Audit File and Audit File schedule respectively for 2016/17 to 2020/21 financial years that is compliant with Annexure A of MFMA Circular 50 by 31 August 2022.	Review and sign-off one (1) Audit File and Audit File schedule respectively for 2016/17 financial year that is compliant with Annexure A of MFMA Circular 50 by 31 August 2018.	Review and sign-off one (1) Audit File and Audit File schedule respectively for 2017/18 financial year that is compliant with Annexure A of MFMA Circular 50 by 31 August 2019.	Review and sign-off one (1) Audit File and Audit File schedule respectively for 2018/19 financial year that is compliant with Annexure A of MFMA Circular 50 by 31 August 2020.	Review and sign-off one (1) Audit File and Audit File schedule respectively for 2019/20 financial year that is compliant with Annexure A of MFMA Circular 50 by 31 August 2021.	Review and sign-off one (1) Audit File and Audit File schedule respectively for 2020/21 financial year that is compliant with Annexure A of MFMA Circular 50 by 31 August 2022.
4.10	Implement financial control			2016/17 to 2020/21 signed-off Annual Financial Statements prepared in accordance with the South African Standards of Generally Recognised Accounting Practices (GRAP) and section 122 of MFMA by 31 August 2022.	Auditor-General's Report on the 2016/17 to 2020/21 Annual Financial Statements (AFS) with no paragraph relating to AFS not being compiled in accordance with GRAP and section 122 of MFMA.	Internal Controls	2016/17 to 2020/21 signed-off Annual Financial Statements prepared in accordance with the South African Standards of Generally Recognised Accounting Practices (GRAP) and section 122 of MFMA by 31 August 2022.	2016/17 signed-off Annual Financial Statements prepared in accordance with the South African Standards of Generally Recognised Accounting Practices (GRAP) and section 122 of MFMA by 31 August 2018.	2017/18 signed-off Annual Financial Statements prepared in accordance with the South African Standards of Generally Recognised Accounting Practices (GRAP) and section 122 of MFMA by 31 August 2019.	2018/19 signed-off Annual Financial Statements prepared in accordance with the South African Standards of Generally Recognised Accounting Practices (GRAP) and section 122 of MFMA by 31 August 2020.	2019/20 signed-off Annual Financial Statements prepared in accordance with the South African Standards of Generally Recognised Accounting Practices (GRAP) and section 122 of MFMA by 31 August 2021.	2020/21 signed-off Annual Financial Statements prepared in accordance with the South African Standards of Generally Recognised Accounting Practices (GRAP) and section 122 of MFMA by 31 August 2022.

**Key Performance Area 4: Financial Management and Viability**

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Target					
							5 Year Target	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
4.11	Implement financial control			Nil / Zero amount of unauthorised, irregular and fruitless & wasteful expenditure incurred due to non-compliance to the municipality's Supply Chain Management Policy, Supply Chain Management Regulations, 2005 and the MFMA by 30 June 2022.	Amount of unauthorised, irregular and fruitless & wasteful expenditure incurred due to non-compliance to the municipality's Supply Chain Management Policy, Supply Chain Management Regulations, 2005 and the MFMA by 30 June 2022.	Internal Controls	Nil / Zero amount of unauthorised, irregular and fruitless & wasteful expenditure incurred due to non-compliance to the municipality's Supply Chain Management Policy, Supply Chain Management Regulations, 2005 and the MFMA by 30 June 2022.	Nil / Zero amount of unauthorised, irregular and fruitless & wasteful expenditure incurred due to non-compliance to the municipality's Supply Chain Management Policy, Supply Chain Management Regulations, 2005 and the MFMA by 30 June 2018.	Nil / Zero amount of unauthorised, irregular and fruitless & wasteful expenditure incurred due to non-compliance to the municipality's Supply Chain Management Policy, Supply Chain Management Regulations, 2005 and the MFMA by 30 June 2019.	Nil / Zero amount of unauthorised, irregular and fruitless & wasteful expenditure incurred due to non-compliance to the municipality's Supply Chain Management Policy, Supply Chain Management Regulations, 2005 and the MFMA by 30 June 2020.	Nil / Zero amount of unauthorised, irregular and fruitless & wasteful expenditure incurred due to non-compliance to the municipality's Supply Chain Management Policy, Supply Chain Management Regulations, 2005 and the MFMA by 30 June 2021.	Nil / Zero amount of unauthorised, irregular and fruitless & wasteful expenditure incurred due to non-compliance to the municipality's Supply Chain Management Policy, Supply Chain Management Regulations, 2005 and the MFMA by 30 June 2022.
4.12	Implement financial control			60 signed-off monthly budget statement reports (Section 71 of MFMA), 4 quarterly financial reports (Section 52 (d) of the MFAMA) for 2017/18 to 2021/22 produced and submitted to the Executive Mayor by 30 June 2022.	Number of signed-off monthly budget statement reports (Section 71 of MFMA), quarterly financial reports (Section 52 (d) of the MFAMA), for 2017/18 to 2021/22 produced and submitted to the Executive by 30 June 2022.	Internal Controls	60 signed-off monthly budget statement reports (Section 71 of MFMA), 4 quarterly financial reports (Section 52 (d) of the MFAMA) for 2017/18 to 2021/22 produced and submitted to the Executive Mayor by 30 June 2022.	12 signed-off monthly budget statement reports (Section 71 of MFMA), 4 quarterly financial reports (Section 52 (d) of the MFAMA) for 2017/18 produced and submitted to the Executive Mayor by 30 June 2018.	12 signed-off monthly budget statement reports (Section 71 of MFMA), 4 quarterly financial reports (Section 52 (d) of the MFAMA) for 2017/19 produced and submitted to the Executive Mayor by 30 June 2019.	12 signed-off monthly budget statement reports (Section 71 of MFMA), 4 quarterly financial reports (Section 52 (d) of the MFAMA) for 2019/20 produced and submitted to the Executive Mayor by 30 June 2020.	12 signed-off monthly budget statement reports (Section 71 of MFMA), 4 quarterly financial reports (Section 52 (d) of the MFAMA) for 2020/21 produced and submitted to the Executive Mayor by 30 June 2021.	12 signed-off monthly budget statement reports (Section 71 of MFMA), 4 quarterly financial reports (Section 52 (d) of the MFAMA) 2021/22 produced and submitted to the Executive Mayor by 30 June 2022.

**Key Performance Area 4: Financial Management and Viability**

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Target					
							5 Year Target	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
4.13	Implement financial control			60 signed-off monthly bank reconciliation statements of all bank accounts by 30 June 2022.	Number of signed-off monthly bank reconciliation statement of all bank accounts by 30 June 2022.	Internal Controls	60 signed-off monthly bank reconciliation statements of all bank accounts by 30 June 2022.	12 signed-off monthly bank reconciliation statements of all bank accounts by 30 June 2018.	12 signed-off monthly bank reconciliation statements of all bank accounts by 30 June 2019.	12 signed-off monthly bank reconciliation statements of all bank accounts by 30 June 2020.	12 signed-off monthly bank reconciliation statements of all bank accounts by 30 June 2021.	12 signed-off monthly bank reconciliation statements of all bank accounts by 30 June 2022.
4.14	Render effective and efficient ICT services	To provide information through the available ICT platforms to the municipality and to improve the corporate image of the municipality	Ensure that the municipality's information is regularly updated on the municipality's website and other digital communication platforms of the municipality.	60 updates (i.e. 1 per month) of the municipality's website performed by 30 June 2022.	Number of updates of the municipality's website performed by 30 June 2016.	ICT Service	60 updates (i.e. 1 per month) of the municipality's website performed by 30 June 2022.	12 updates (i.e. 1 per month) of the municipality's website performed by 30 June 2018.	12 updates (i.e. 1 per month) of the municipality's website performed by 30 June 2019.	12 updates (i.e. 1 per month) of the municipality's website performed by 30 June 2020.	12 updates (i.e. 1 per month) of the municipality's website performed by 30 June 2021.	12 updates (i.e. 1 per month) of the municipality's website performed by 30 June 2022.

**Key Performance Area 5: Good Governance and Public Participation**

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Target					
							5 Year Target	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
5.1	Develop IIDP for the LDM	To ensure development of legally compliant and credible IDPs in the district & local municipalities within the district	Ensure that the municipality's IDP is aligned with the IDPs of local municipalities within the district, and that all IDPs incorporate communities and stakeholders views and inputs and that they are prepared in accordance with the prescribed framework.	4 District IDP Managers Forums Meetings held, 4 IDP Public Participation Meetings, 4 IDP Steering Committee Meeting and 4 IDP Rep Forum Meeting by 30 June 2017 for the 2017/18 - 2021/22 IDP compilation.	Number of District IDP Managers Forums Meetings held, IDP Public Participation Meetings, IDP Steering Committee Meeting and IDP Rep Forum Meeting held by 30 June 2017 for the 2017/18 – 2021/22 IDP compilation.	District IDP framework	4 District IDP Managers Forums Meetings held, 4 IDP Public Participation Meetings, 4 IDP Steering Committee Meeting and 4 IDP Rep Forum Meeting by 30 June 2017 for the 2017/18 - 2021/22 IDP compilation.	1 District IDP Managers Forums Meetings held, 4 IDP Public Participation Meetings, 1 IDP Steering Committee Meeting and 1 IDP Rep Forum Meeting by 30 June 2018 for the review of 2017/18 IDP compilation.	1 District IDP Managers Forums Meetings held, 4 IDP Public Participation Meetings, 1 IDP Steering Committee Meeting and 1 IDP Rep Forum Meeting by 30 June 2019 for the review of the 2018/19 - IDP compilation.	1 District IDP Managers Forums Meetings held, 4 IDP Public Participation Meetings, 1 IDP Steering Committee Meeting and 1 IDP Rep Forum Meeting by 30 June 2020 for the review of the 2011/20 -IDP compilation.	1 District IDP Managers Forums Meetings held, 4 IDP Public Participation Meetings, 1 IDP Steering Committee Meeting and 1 IDP Rep Forum Meeting by 30 June 2021 for the review of the 2020/21 -IDP compilation.	1 District IDP Managers Forums Meetings held, 4 IDP Public Participation Meetings, 1 IDP Steering Committee Meeting and 1 IDP Rep Forum Meeting by 30 June 2022 for the review of the 2021/22 -IDP compilation.
5.2	Performance Management	To ensure Good Governance practices to ensure effective, functioning municipality	Fully comply with the provisions of the municipality's Performance Management System from planning to reporting,	Submit 5 draft SDBIP for the 2017/18 to 2021/22 budget years and 30 drafts of the annual performance agreements for the same period to the Executive Mayor by 14 July 2022.	Number of draft SDBIP for the 2017/18 to 2021/22 budget years and number of drafts of the annual performance agreements for the same period submitted to the Executive Mayor by 14 July 2022.	Performance Management	Submit 5 draft SDBIP for the 2017/18 to 2021/22 budget years and 30 drafts of the annual performance agreements for the same period to the Executive Mayor by 14 July 2022.	Submit 1 draft SDBIP for the 2017/18 budget year and 6 drafts of the annual performance agreements for the same period to the Executive Mayor by 14 July 2018.	Submit 1 draft SDBIP for the 2018/19 budget year and 6 drafts of the annual performance agreements for the same period to the Executive Mayor by 14 July 2019.	Submit 1 draft SDBIP for the 2019/20 budget year and 6 drafts of the annual performance agreements for the same period to the Executive Mayor by 14 July 2020.	Submit 1 draft SDBIP for the 2020/21 budget year and 6 drafts of the annual performance agreements for the same period to the Executive Mayor by 14 July 2021.	Submit 1 draft SDBIP for the 2021/22 budget year and 6 drafts of the annual performance agreements for the same period to the Executive Mayor by 14 July 2022.



**Key Performance Area 5: Good Governance and Public Participation**

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Target					
							5 Year Target	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
5.3				30 Signed Performance Agreements & Plans for the senior managers including the Municipal Manager for 2017/18 to 2021/22 financial years concluded by 31 July 2022.	Number of signed Performance Agreements & Plans for the senior managers including the Municipal Manager for 2017/18 to 2021/22 financial year concluded by 31 July 2022.	Performance Management	30 Signed Performance Agreements & Plans for the senior managers including the Municipal Manager for 2017/18 to 2021/22 financial years concluded by 31 July 2022.	6 Signed Performance Agreements & Plans for the senior managers including the Municipal Manager for 2017/18 financial year concluded by 31 July 2018.	6 Signed Performance Agreements & Plans for the senior managers including the Municipal Manager for 2018/19 financial years concluded by 31 July 2019.	6 Signed Performance Agreements & Plans for the senior managers including the Municipal Manager for 2019/20 financial year concluded by 31 July 2020.	6 Signed Performance Agreements & Plans for the senior managers including the Municipal Manager for 2020/21 financial year concluded by 31 July 2021.	6 Signed Performance Agreements & Plans for the senior managers including the Municipal Manager for 2021/22 financial year concluded by 31 July 2022.
5.4				20 quarterly performance assessment reports for 6 senior managers (including the Municipal Manager) concluded and signed-off not later than 30 days after the end of each quarter during 2017/18 to 2021/22 and 5 annual performance report for 2016/17 to 2020/21 signed-off and submitted to the Auditor-General by 31 August 2022.	Number of quarterly performance assessment reports not later than 30 days after the end of each quarter and number of annual performance reports by 31 August 2022 for 2016/17 to 2020/21.	Performance Management	20 quarterly performance assessment reports for 6 senior managers (including the Municipal Manager) concluded and signed-off not later than 30 days after the end of each quarter during 2017/18 to 2021/22 and 5 annual performance report for 2016/17 to 2020/21 signed-off and submitted to the Auditor-General by 31 August 2022.	4 quarterly performance assessment reports for 6 senior managers (including the Municipal Manager) concluded and signed-off not later than 30 days after the end of each quarter during 2017/18 and 1 annual performance report for 2016/17 signed-off and submitted to the Auditor-General by 31 August 2018.	4 quarterly performance assessment reports for 6 senior managers (including the Municipal Manager) concluded and signed-off not later than 30 days after the end of each quarter during 2018/19 and 1 annual performance report for 2017/18 signed-off and submitted to the Auditor-General by 31 August 2019.	4 quarterly performance assessment reports for 6 senior managers (including the Municipal Manager) concluded and signed-off not later than 30 days after the end of each quarter during 2019/20 and 1 annual performance report for 2018/19 signed-off and submitted to the Auditor-General by 31 August 2020.	4 quarterly performance assessment reports for 6 senior managers (including the Municipal Manager) concluded and signed-off not later than 30 days after the end of each quarter during 2020/21 and 1 annual performance report for 2019/20 signed-off and submitted to the Auditor-General by 31 August 2021.	4 quarterly performance assessment reports for 6 senior managers (including the Municipal Manager) concluded and signed-off not later than 30 days after the end of each quarter during 2021/22 and 1 annual performance report for 2020/21 signed-off and submitted to the Auditor-General by 31 August 2022.

**Key Performance Area 5: Good Governance and Public Participation**

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Target					
							5 Year Target	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
5.5				Submit 5-signed-off Mid-term budget and performance assessment report for 2017/18 to 2021/22 to the Executive Mayor, Provincial & National Treasuries by 25 January 2022.	Number of signed-off mid-term budget and performance assessment report for 2017/18 to 2021/22 submitted to the Executive Mayor, Provincial & National Treasuries by 25 January 2022.	Performance Management	Submit 5-signed-off Mid-term budget and performance assessment report for 2017/18 to 2021/22 to the Executive Mayor, Provincial & National Treasuries by 25 January 2022.	Submit 1-signed-off Mid-term budget and performance assessment report for 2017/18 to the Executive Mayor, Provincial & National Treasuries by 25 January 2018.	Submit 1-signed-off Mid-term budget and performance assessment report for 2018/19 to the Executive Mayor, Provincial & National Treasuries by 25 January 2019.	Submit 1-signed-off Mid-term budget and performance assessment report for 2019/20 to the Executive Mayor, Provincial & National Treasuries by 25 January 2020.	Submit 1-signed-off Mid-term budget and performance assessment report for 2020/21 to the Executive Mayor, Provincial & National Treasuries by 25 January 2021.	Submit 1-signed-off Mid-term budget and performance assessment report for 2021/22 to the Executive Mayor, Provincial & National Treasuries by 25 January 2022.
5.6				Submit 5 audited annual report for 2017/18 to 2021/22 to Provincial Treasury, CoGTA and National Treasury by 31 January 2022.	Number of audited annual report for 2017/18 to 2021/22 submitted to Provincial Treasury, CoGTA and National Treasury by the end of 31 January 2022.	Performance Management	Submit 5 audited annual report for 2017/18 to 2021/22 to Provincial Treasury, CoGTA and National Treasury by 31 January 2022.	Submit 1 audited annual report for 2017/18 to Provincial Treasury, CoGTA and National Treasury by 31 January 2018.	Submit 1 audited annual report for 2018/19 to Provincial Treasury, CoGTA and National Treasury by 31 January 2019.	Submit 1 audited annual report for 2019/20 to Provincial Treasury, CoGTA and National Treasury by 31 January 2020.	Submit 1 audited annual report for 2020/21 to Provincial Treasury, CoGTA and National Treasury by 31 January 2021.	Submit 1 audited annual report for 2021/22 to Provincial Treasury, CoGTA and National Treasury by 31 January 2022.
5.7	Publication	To promote effective communication & coordination of communication structures and systems	Production and publication of informative Lejweleputswa Newsletter that covers news in five local municipalities in the district	20 Publications of Lejweleputswa Newsletter issued by 30 June 2022.	Number of publications of Lejweleputswa Newsletter issued by 30 June 2022.	Publication	20 Publications of Lejweleputswa Newsletter issued by 30 June 2022.	4 Publications of Lejweleputswa Newsletter issued by 30 June 2018.	4 Publications of Lejweleputswa Newsletter issued by 30 June 2019.	4 Publications of Lejweleputswa Newsletter issued by 30 June 2020.	4 Publications of Lejweleputswa Newsletter issued by 30 June 2021.	4 Publications of Lejweleputswa Newsletter issued by 30 June 2022.

**Key Performance Area 5: Good Governance and Public Participation**

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Target					
							5 Year Target	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
5.8	Ward Committees	To support & capacitate Councillors, Ward committees & Community Development workers in an effort to enhance good governance in the district	Provide regular workshops & training with the view of capacity building to Councillors, Ward Committees & Community Development workers so as to enhance the system of cooperative governance within the district.	20 workshops & training, 20 Speaker's Imbizos, 5 Ward Committee Conferences, 5 CDW Conference and 10 Civic Education held with a view of capacity building by 30 June 2022.	Number of workshops & training, Speaker's Imbizos, Ward Committee Conferences, CDW Conference and Civic Education held with a view of capacity building by 30 June 2022.	Ward Committees	20 workshops & training, 20 Speaker's Imbizos, 5 Ward Committee Conferences, 5 CDW Conference and 10 Civic Education held with a view of capacity building by 30 June 2022.	4 workshops & training, 4 Speaker's Imbizos, 1 Ward Committee Conferences, 1 CDW Conference and 2 Civic Education held with a view of capacity building by 30 June 2018.	4 workshops & training, 4 Speaker's Imbizos, 1 Ward Committee Conferences, 1 CDW Conference and 2 Civic Education held with a view of capacity building by 30 June 2019.	4 workshops & training, 4 Speaker's Imbizos, 1 Ward Committee Conferences, 1 CDW Conference and 2 Civic Education held with a view of capacity building by 30 June 2020.	4 workshops & training, 4 Speaker's Imbizos, 1 Ward Committee Conferences, 1 CDW Conference and 2 Civic Education held with a view of capacity building by 30 June 2021.	4 workshops & training, 4 Speaker's Imbizos, 1 Ward Committee Conferences, 1 CDW Conference and 2 Civic Education held with a view of capacity building by 30 June 2022.
5.9	Moral regeneration	To promote ethical behaviour & social values & principles enshrined in the country's constitution among the communities within the district	Engage communities through various special programmes of the municipality in pursuance of promotion of ethical behaviour and values.	20 moral regeneration awareness campaigns in the district targeting youth, men and women schools held by 30 June 2022	Number of moral regeneration awareness campaigns in the district targeting youth, men, women and schools held by 30 June 2016	Moral regeneration	20 moral regeneration awareness campaigns in the district targeting youth, men and women schools held by 30 June 2022	4 moral regeneration awareness campaigns in the district targeting youth, men and women schools held by 30 June 2018	4 moral regeneration awareness campaigns in the district targeting youth, men and women schools held by 30 June 2019	4 moral regeneration awareness campaigns in the district targeting youth, men and women schools held by 30 June 2020	4 moral regeneration awareness campaigns in the district targeting youth, men and women schools held by 30 June 2021	4 moral regeneration awareness campaigns in the district targeting youth, men and women schools held by 30 June 2022
5.10	Gender, Disability, Elderly and Children's Programme	To strengthen a meaningful community participation and interaction program.	Develop and implement annual community participation and interaction program aimed at interacting with the community regarding various matters of local	20 community awareness campaigns in the district targeting the interest of designated groups i.e. elderly, women, people living with disabilities and children by 30 June 2022	Number of community awareness campaigns in the district targeting the interest of designated groups i.e. elderly, women, people living with disabilities and children by 30 June 2022	Targeted Campaign	20 community awareness campaigns in the district targeting the interest of designated groups i.e. elderly, women, people living with disabilities and children by 30 June 2022	4 community awareness campaigns in the district targeting the interest of designated groups i.e. elderly, women, people living with disabilities and children by 30 June 2018	4 community awareness campaigns in the district targeting the interest of designated groups i.e. elderly, women, people living with disabilities and children by 30 June 2019	4 community awareness campaigns in the district targeting the interest of designated groups i.e. elderly, women, people living with disabilities and children by 30 June 2020	4 community awareness campaigns in the district targeting the interest of designated groups i.e. elderly, women, people living with disabilities and children by 30 June 2021	4 community awareness campaigns in the district targeting the interest of designated groups i.e. elderly, women, people living with disabilities and children by 30 June 2022

**Key Performance Area 5: Good Governance and Public Participation**

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Target					
							5 Year Target	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
5.11	Men's Forum		governance including public awareness campaigns, civic education about various programs that are initiated at other spheres of government.	20 men's forum sessions convened by 30 June 2022	Number of men's forum sessions convened by 30 June 2022	Men's Forum	20 men's forum sessions convened by 30 June 2022	4 men's forum sessions convened by 30 June 2018	4 men's forum sessions convened by 30 June 2019	4 men's forum sessions convened by 30 June 2020	4 men's forum sessions convened by 30 June 2021	4 men's forum sessions convened by 30 June 2022
5.12	HIV & AIDS	To contribute towards the reduction in the prevalence of HIV/AIDS in the district	Develop and implement high profile HIV/AIDS awareness campaigns and promote regular HIV testing & disclosure amongst communities within the District.	20 HIV/AIDS awareness campaigns in the district targeting youth, men and women schools held by 30 June 2022	Number of HIV/AIDS awareness campaigns in the district targeting youth, men, women and schools held by 30 June 2016	HIV and AIDS awareness campaigns	20 HIV/AIDS awareness campaigns in the district targeting youth, men and women schools held by 30 June 2022	4 HIV/AIDS awareness campaigns in the district targeting youth, men and women schools held by 30 June 2018	4 HIV/AIDS awareness campaigns in the district targeting youth, men and women schools held by 30 June 2019	4 HIV/AIDS awareness campaigns in the district targeting youth, men and women schools held by 30 June 2020	4 HIV/AIDS awareness campaigns in the district targeting youth, men and women schools held by 30 June 2021	4 HIV/AIDS awareness campaigns in the district targeting youth, men and women schools held by 30 June 2022
5.13	Youth development	To nurture the development of people's potential in the district through arts & culture	Development of arts & crafts in the communities within the district by providing required resources and support.	Assist and support up to 5 qualifying youth groups in the district with training and coaching by 30 June 2022	Number of qualifying youth groups assisted and supported with training and coaching by 30 June 2016	Youth development	Assist and support up to 5 qualifying youth groups in the district with training and coaching by 30 June 2022	Assist and support up to 1 qualifying youth groups in the district with training and coaching by 30 June 2018	Assist and support up to 1 qualifying youth groups in the district with training and coaching by 30 June 2019	Assist and support up to 1 qualifying youth groups in the district with training and coaching by 30 June 2020	Assist and support up to 1 qualifying youth groups in the district with training and coaching by 30 June 2021	Assist and support up to 1 qualifying youth groups in the district with training and coaching by 30 June 2022
5.14	IGR	To promote and facilitate Intergovernmental Relations amongst stakeholders in the district.	Facilitate compliance with the principles of co-operative government and intergovernmental relations within the district.	10 District Coordination Forum (DCF) meetings held by 30 June 2022.	Number of District Coordination Forum (DCF) meetings convened by 30 Jun 2022.	IGR	10 District Coordination Forum (DCF) meetings held by 30 June 2022.	2 District Coordination Forum (DCF) meetings held by 30 June 2018.	2 District Coordination Forum (DCF) meetings held by 30 June 2019.	2 District Coordination Forum (DCF) meetings held by 30 June 2020.	2 District Coordination Forum (DCF) meetings held by 30 June 2021.	2 District Coordination Forum (DCF) meetings held by 30 June 2022.

**Key Performance Area 5: Good Governance and Public Participation**

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Target					
							5 Year Target	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
5.15		To promote and facilitate Intergovernmental Relations amongst stakeholders in the district.	Facilitate compliance with the principles of co-operative government and intergovernmental relations within the district.	10 Technical IGR meetings held by 30 Jun 2022.	Number of Technical IGR meetings held by 30 Jun 2022.		10 Technical IGR meetings held by 30 Jun 2022.	2 Technical IGR meetings held by 30 Jun 2018.	2 Technical IGR meetings held by 30 Jun 2019.	2 Technical IGR meetings held by 30 Jun 2020.	2 Technical IGR meetings held by 30 Jun 2021.	2 Technical IGR meetings held by 30 Jun 2022.
5.16		To promote and facilitate Intergovernmental Relations amongst stakeholders in the district.	Facilitate compliance with the principles of co-operative government and intergovernmental relations within the district.	20 Municipal Manager's Forum meetings held by 30 June 2022.	Number of Municipal Manager's Forum meetings held by 30 June 2022.		20 Municipal Manager's Forum meetings held by 30 June 2022.	4 Municipal Manager's Forum meetings held by 30 June 2018.	4 Municipal Manager's Forum meetings held by 30 June 2019.	4 Municipal Manager's Forum meetings held by 30 June 2020.	4 Municipal Manager's Forum meetings held by 30 June 2021.	4 Municipal Manager's Forum meetings held by 30 June 2022.
5.17		To promote and facilitate Intergovernmental Relations amongst stakeholders in the district.	Facilitate compliance with the principles of co-operative government and intergovernmental relations within the district.	10 District LED Forum meetings held by 30 June 2022.	Number of District LED Forum meetings held by 30 June 2022.		10 District LED Forum meetings held by 30 June 2022.	2 District LED Forum meetings held by 30 June 2018.	2 District LED Forum meetings held by 30 June 2019.	2 District LED Forum meetings held by 30 June 2020.	2 District LED Forum meetings held by 30 June 2021.	2 District LED Forum meetings held by 30 June 2022.
5.18		To promote and facilitate Intergovernmental Relations amongst stakeholders in the district.	Facilitate compliance with the principles of co-operative government and intergovernmental relations within the district.	10 CFO Forum meetings held by 30 June 2022.	Number of CFO Forum meetings held by 30 June 2022.		10 CFO Forum meetings held by 30 June 2022.	2 CFO Forum meetings held by 30 June 2018.	2 CFO Forum meetings held by 30 June 2019.	2 CFO Forum meetings held by 30 June 2020.	2 CFO Forum meetings held by 30 June 2021.	2 CFO Forum meetings held by 30 June 2022.

**Key Performance Area 5: Good Governance and Public Participation**

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Target					
							5 Year Target	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
5.19		To promote and facilitate Intergovernmental Relations amongst stakeholders in the district.	Facilitate compliance with the principles of co-operative government and intergovernmental relations within the district.	20 Communications Forum meetings held by 30 June 2022.	Number of Communications Forum meetings held by 30 June 2022.		20 Communications Forum meetings held by 30 June 2022.	4 Communications Forum meetings held by 30 June 2018.	4 Communications Forum meetings held by 30 June 2019.	4 Communications Forum meetings held by 30 June 2020.	4 Communications Forum meetings held by 30 June 2021.	4 Communications Forum meetings held by 30 June 2022.
5.2		To promote and facilitate Intergovernmental Relations amongst stakeholders in the district.	Facilitate compliance with the principles of co-operative government and intergovernmental relations within the district.	10 Energy Forum meetings held by 30 June 2022.	Number of Energy Forum meetings held by 30 June 2022.		10 Energy Forum meetings held by 30 June 2022.	2 Energy Forum meetings held by 30 June 2018.	2 Energy Forum meetings held by 30 June 2019.	2 Energy Forum meetings held by 30 June 2020.	2 Energy Forum meetings held by 30 June 2021.	2 Energy Forum meetings held by 30 June 2022.
5.21		To promote and facilitate Intergovernmental Relations amongst stakeholders in the district.	Facilitate compliance with the principles of co-operative government and intergovernmental relations within the district.	20 Corporate Support Services Forum meetings held by 30 June 2022.	Number of Corporate Support Services Forum meetings held by 30 June 2022.		20 Corporate Support Services Forum meetings held by 30 June 2022.	4 Corporate Support Services Forum meetings held by 30 June 2018.	4 Corporate Support Services Forum meetings held by 30 June 2019.	4 Corporate Support Services Forum meetings held by 30 June 2020.	4 Corporate Support Services Forum meetings held by 30 June 2021.	4 Corporate Support Services Forum meetings held by 30 June 2022.
5.22		To promote and facilitate Intergovernmental Relations amongst stakeholders in the district.	Facilitate compliance with the principles of co-operative government and intergovernmental relations within the district.	10 Back to Basics Forum meetings held by 30 June 2022.	Number of Back to Basics Forum meetings held by 30 June 2022.		10 Back to Basics Forum meetings held by 30 June 2022.	2 Back to Basics Forum meetings held by 30 June 2018.	2 Back to Basics Forum meetings held by 30 June 2019.	2 Back to Basics Forum meetings held by 30 June 2020.	2 Back to Basics Forum meetings held by 30 June 2021.	2 Back to Basics Forum meetings held by 30 June 2022.

**Key Performance Area 5: Good Governance and Public Participation**

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Target					
							5 Year Target	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
5.23		To promote and facilitate Intergovernmental Relations amongst stakeholders in the district.	Facilitate compliance with the principles of co-operative government and intergovernmental relations within the district.	10 Water Sector Forum meetings held by 30 June 2022.	Number of Water Sector Forum meetings held by 30 June 2022.		10 Water Sector Forum meetings held by 30 June 2022.	2 Water Sector Forum meetings held by 30 June 2018.	2 Water Sector Forum meetings held by 30 June 2019.	2 Water Sector Forum meetings held by 30 June 2020.	2 Water Sector Forum meetings held by 30 June 2021.	2 Water Sector Forum meetings held by 30 June 2022.
5.24		To promote and facilitate Intergovernmental Relations amongst stakeholders in the district.	Facilitate compliance with the principles of co-operative government and intergovernmental relations within the district.	20 Disaster Management Forum meetings held by 30 June 2022.	Number of Disaster Management Forum meetings held by 30 June 2022.		20 Disaster Management Forum meetings held by 30 June 2022.	4 Disaster Management Forum meetings held by 30 June 2018.	4 Disaster Management Forum meetings held by 30 June 2019.	4 Disaster Management Forum meetings held by 30 June 2020.	4 Disaster Management Forum meetings held by 30 June 2021.	4 Disaster Management Forum meetings held by 30 June 2022.
5.25		To plan, coordinate & support sports amongst the youth	Ensure exposure of youth to new opportunities in sports.	Host 5 annual OR Tambo Games by 31 October 2022.	Number of annual OR Tambo Games hosted by 31 October 2022.		Host 5 annual OR Tambo Games by 31 October 2022.	Host 1 annual OR Tambo Games by 31 October 2018.	Host 1 annual OR Tambo Games by 31 October 2019.	Host 1 annual OR Tambo Games by 31 October 2020.	Host 1 annual OR Tambo Games by 31 October 2021.	Host 1 annual OR Tambo Games by 31 October 2022.
5.26		To promote and facilitate Intergovernmental Relations amongst stakeholders in the district.	Facilitate compliance with the principles of co-operative government and intergovernmental relations within the district.	10 Local Tourism Organisation (LTO) meetings held by 30 June 2022.	Number of Local Tourism Organisation (LTO) meetings held by 30 June 2022.		10 Local Tourism Organisation (LTO) meetings held by 30 June 2022.	2 Local Tourism Organisation (LTO) meetings held by 30 June 2018.	2 Local Tourism Organisation (LTO) meetings held by 30 June 2019.	2 Local Tourism Organisation (LTO) meetings held by 30 June 2020.	2 Local Tourism Organisation (LTO) meetings held by 30 June 2021.	2 Local Tourism Organisation (LTO) meetings held by 30 June 2022.

**Key Performance Area 5: Good Governance and Public Participation**

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Target					
							5 Year Target	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
5.27	Internal Audit	To ensure oversight over the affairs of the municipality	Provide reasonable assurance as to the effectiveness of internal controls of the municipality through Internal Audit service	20 quarterly Internal Audit reports on the assessment of the effectiveness of the controls within the municipality submitted to the Audit – Committee by 30 June 2022.	Number of quarterly Internal Audit reports on the assessment of the effectiveness of the controls within the municipality submitted to the Audit – Committee by 30 June 2022.	Internal Audit	20 quarterly Internal Audit reports on the assessment of the effectiveness of the controls within the municipality submitted to the Audit – Committee by 30 June 2022.	4 quarterly Internal Audit reports on the assessment of the effectiveness of the controls within the municipality submitted to the Audit –Committee by 30 June 2018.	4 quarterly Internal Audit reports on the assessment of the effectiveness of the controls within the municipality submitted to the Audit – Committee by 30 June 2019.	4 quarterly Internal Audit reports on the assessment of the effectiveness of the controls within the municipality submitted to the Audit –Committee by 30 June 2020.	4 quarterly Internal Audit reports on the assessment of the effectiveness of the controls within the municipality submitted to the Audit – Committee by 30 June 2021.	4 quarterly Internal Audit reports on the assessment of the effectiveness of the controls within the municipality submitted to the Audit – Committee by 30 June 2022.
5.28			Submit the quarterly internally audited performance reports and the annual report to the audit Committee & MPAC	20 quarterly performance reports and 5 draft annual report for 2017/18 to 2021/22 internally audited and submitted to the Audit Committee & MPAC by 30 June 2022.	Number of quarterly performance report internally audited and annual reports submitted to the Audit Committee & MPAC by 30 June 2022.		20 quarterly performance reports and 5 draft annual report for 2017/18 to 2021/22 internally audited and submitted to the Audit Committee & MPAC by 30 June 2022.	4 quarterly performance reports and 1 draft annual report for 2017/18 internally audited and submitted to the Audit Committee & MPAC by 30 June 2018.	4 quarterly performance reports and 1 draft annual report for 2018/19 internally audited and submitted to the Audit Committee & MPAC by 30 June 2019.	4 quarterly performance reports and 1 draft annual report for 2019/20 internally audited and submitted to the Audit Committee & MPAC by 30 June 2020.	4 quarterly performance reports and 1 draft annual report for 2020/21 internally audited and submitted to the Audit Committee & MPAC by 30 June 2021.	4 quarterly performance reports and 1 draft annual report for 2021/22 internally audited and submitted to the Audit Committee & MPAC by 30 June 2022.
5.29	Risk Management	To build a risk conscious culture within the organisation.	Reduction of high risk levels to tolerable levels by performing regular risk assessment, updating risk registers and following up on implementation of risk treatment plans by departments	20 quarterly risk assessment performed by 30 June 2022 and risk register and risk mitigation plans subsequently updated.	Number of quarterly risk assessment performed by 30 June 2022 and risk register and risk mitigation plans subsequently updated.	Risk Management	20 quarterly risk assessment performed by 30 June 2022 and risk register and risk mitigation plans subsequently updated.	4 quarterly risk assessment performed by 30 June 2018 and risk register and risk mitigation plans subsequently updated.	4 quarterly risk assessment performed by 30 June 2019 and risk register and risk mitigation plans subsequently updated.	4 quarterly risk assessment performed by 30 June 2020 and risk register and risk mitigation plans subsequently updated.	4 quarterly risk assessment performed by 30 June 2021 and risk register and risk mitigation plans subsequently updated.	4 quarterly risk assessment performed by 30 June 2022 and risk register and risk mitigation plans subsequently updated.



**Key Performance Area 5: Good Governance and Public Participation**

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Target					
							5 Year Target	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
5.30		To build a risk conscious culture within the organisation.	Establish and implement good governance practices in line with Treasury Regulations to ensure proper risk management, adequate internal controls for improved financial management, and improved overall organisational performance.	Monitor the performance and relationship of suppliers with user directorates where SLA's have been concluded and submit 20 quarterly suppliers' / service providers' monitoring reports by 30 June 2022.	Number of quarterly suppliers' / service providers' performance monitoring reports by 30 June 2022.		Monitor the performance and relationship of suppliers with user directorates where SLA's have been concluded and submit 20 quarterly suppliers' / service providers' monitoring reports by 30 June 2022.	Monitor the performance and relationship of suppliers with user directorates where SLA's have been concluded and submit 4 quarterly suppliers' / service providers' monitoring reports by 30 June 2018.	Monitor the performance and relationship of suppliers with user directorates where SLA's have been concluded and submit 4 quarterly suppliers' / service providers' monitoring reports by 30 June 2019.	Monitor the performance and relationship of suppliers with user directorates where SLA's have been concluded and submit 4 quarterly suppliers' / service providers' monitoring reports by 30 June 2020.	Monitor the performance and relationship of suppliers with user directorates where SLA's have been concluded and submit 4 quarterly suppliers' / service providers' monitoring reports by 30 June 2021.	Monitor the performance and relationship of suppliers with user directorates where SLA's have been concluded and submit 4 quarterly suppliers' / service providers' monitoring reports by 30 June 2022.

# SECTOR DEPARTMENTS PROJECTS FOR 2017/18

## DEPARTMENT OF EDUCATION : PROJECTS WITH PUBLIC WORKS

### NEW SCHOOLS 2017/18

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

## DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

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

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

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

## PUBLIC WORKS PROJECTS

### TOWNSHIP REVITALISATION PROJECTS-FUNDED

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

## DEPARTMENT OF HEALTH 2017-2020

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

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

<b>NATIONAL DEPARTMENT OF ENVIRONMENTAL AFFAIRS</b>	
<b>NAME OF THE PROJECT</b>	<b>MUNICIPALITY</b>
Upgrading of Windburg Landfill Site	<u>Masilonyana LM, Windburg</u>
Upgrading of Sepelong Game Reserve	<u>Masilonyana LM, Theunissen</u>
Upgrading of Hoopstad Reserve	Tswelopele LM, Hoopstad
Upgrading of Sanveld Reserve	Tswelopele LM, Hoopstad.



## FINANCIAL PLAN

# **Lejweleputswa District Municipality MTREF Budget 2017/2018 to 2019/2020 Medium Term Revenue and Expenditure Framework**

Copies of this document can be viewed:

- In the foyers of municipal buildings
- All public libraries within the municipality
  - At [www.lejwe.co.za](http://www.lejwe.co.za)

**31 May 2017**

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## **ANNEXURES TO THE DOCUMENT**

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Annexure 3	Budget Policy
Annexure 4	Cash Management and Investment Policy
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## Glossary

<b>Adjustments Budget</b> – Prescribed in section 28 of the MFMA. It is the formal means by which a municipality may revise its annual budget during the year.
<b>Allocations</b> – Money received from Provincial or National Government or other municipalities.
<b>Budget</b> – The financial plan of the Municipality.
<b>Budget Related Policy</b> – Policy of a municipality affecting or affected by the budget, such as the tariffs policy, rates policy and credit control and debt collection policy.
<b>Capital Expenditure</b> – Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's Statement of Financial Performance.
<b>CRR</b> – Capital Replacement Reserve. A cash reserve set aside for future capital expenditure.
<b>Cash flow statement</b> – A statement showing when actual cash will be received and spent by the Municipality. Cash payments do not always coincide with budgeted expenditure timings. For example, when an invoice is received by the Municipality it marks as expenditure in the month it is received, even though it may not be paid in the same period.
<b>DORA</b> – Division of Revenue Act. This is the annual piece of legislation that shows the amount of allocations from national to local government.
<b>Equitable Share</b> – A general grant paid to municipalities. It is predominantly targeted to help with free basic services.
<b>Fruitless and wasteful expenditure</b> – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.
<b>GFS</b> – Government Finance Statistics. An internationally recognized classification system that facilitates like for like comparison between municipalities.
<b>GRAP</b> – Generally Recognized Accounting Practice. The new standard for municipal accounting and basis upon which the Annual Financial Statements are prepared.
<b>IDP</b> – Integrated Development Plan. The main strategic planning document of the Municipality.
<b>KPI's</b> – Key Performance Indicators. Measures of service output and/or outcome.
<b>MFMA</b> – The Municipal Finance Management Act no. 53 of 2003. The principle piece of legislation relating to municipal financial management.
<b>MTREF</b> – Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current years'.
<b>Operating Expenditure</b> – Spending on the day to day expenses of the Municipality such as salaries and wages.
<b>SDBIP</b> – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.

<b>Strategic Objectives</b> – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.
<b>Unauthorised expenditure</b> – Generally, spending without, or in excess of, an approved budget.
<b>Virement</b> – A transfer of budget.
<b>Virement Policy</b> - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.
<b>Vote</b> – One of the main segments into which a budget is divided. In LDM this means at directorate level.

## **Part 1 – Annual Budget**

### **1.1 Mayoral Budget Speech**

The budget speech is attached as a separate document.

### **1.2 Council Resolutions**

On 31st May 2017 the Council of Lejweleputswa District Municipality had a meeting to approve the annual budget for the year 2017/2018. The following resolutions are contained in item to the agenda of the Council meeting held on 31st May 2017:

- (a) that the following policies be approved:
  - (i) Budget Policy;
  - (ii) Credit control and debt collection;
  - (iii) Cash Management and Investment Policy;
  - (iv) Supply Chain Management Policy
  
- (b) that the annual budget for the financial year 2017/18 and indicative outer years 2018/19 and 2019/20 be approved as set-out:
  - (i) Capital expenditure by project as contained in annexure "A" to the agenda;
  - (ii) Capital funding by source as contained in annexure "A" to the agenda;
  - (iii) Operating revenue by source as contained in Table A4 of the report;
  - (iv) Operating expenditure by type as contained in Table A4 of the report;
  
- (c) that the annual budget documentation for 2017/18 – 2019/20 as outlined in the budget regulations be submitted to National and Provincial government or organ of state after approval by Council.



### 1.3 Budget 2016/17 Mid-year Review and Adjustments Budget

The following table shows the original and adjustments budget for 2016/17.

	Original Budget 2016/17	MYR Adjustment Budget 2016/17	Difference
Operating Expenditure	117 699 700	118 430 815	731 115
Capital Expenditure	700 000	3 014 328	2 314 328
Total Income	118 399 700	121 445 143	3 045 443

The 2016/17 adjustment budget was taken into account in the preparation of the 2017/18 MTREF.

### 1.4 Executive Summary

The Municipality was confronted with numerous challenges during the budget process. The following had an impact:

- The continued negative effect of the economic downturn;
  - Weaker outlook as a result of lower commodity prices, higher borrowings costs, drought and diminished business and consumer confidence;
  - Persistent high unemployment remains one of our most pressing challenges;
  - The dependency on the grants available for funding; operating grants and subsidies have increased by 2.99% from 2015/16 to 2016/17
  - Overhead costs growing at a higher rate than income;
  - The municipality needs to focus on its core functions. During the adjustments budget, the Portfolio Councillors in conjunction with the Head of Departments, scrutinized the budget to affect all possible savings;
  - Sufficient provision for debtor's impairment was budgeted for in the operating budget.  
The writing off of irrecoverable debt will also be scrutinized through the business processes, which will be managed by a credit control to ensure that proper credit control measures are in place and also to recommend the writing off of debt to council;
  - A provision for a contribution to the capital replacement reserve (CRR) in the operating budget has been made in order to grow our reserve;
- These circumstances make it essential for the municipality to reprioritize expenditure and implement stringent cost-containment measures.**

## **MFMA Circulars**

National Treasury sent out MFMA Circular No. 85 on 09 December 2016 and was followed by Circular No. 86 on 08 March 2017 providing guidance to municipalities on their 2017/18 budgets and Medium Term Revenue and Expenditure Framework (MTREF). Circular No. 85 and 86 remind us of the key focus areas for the 2017/2018 budget process, and that it must be read together with MFMA Circulars no. 48, 51, 54, 55, 67, 67, 70, 72,74 and 75. It is essential reading material in order to understand the background to this budget. National Treasury has also set out the requirements for funding the budget and producing a credible budget.

## **Funding the Budget**

Section 18(1) of the MFMA states that an annual budget may only be funded from:

- Realistically anticipated revenues to be collected;
- Cash-backed accumulated funds from previous years' surpluses not committed for other purposes; and
- Borrowed funds, but only for the capital budget referred to in section 17.

Achievement of this requirement in totality effectively means that a Council has 'balanced' its budget by ensuring that budgeted outflows will be offset by a combination of planned inflows.

Under old budget formats a 'balanced' income generated approach was a key objective and this assisted in ensuring that outflows were matched by inflows, provided revenue collections were realistic. However, GRAP compliant budgets necessitate that budget 'balancing' be much more comprehensive.

New budgeting and accounting formats demand that the budgeted Statement of Financial Performance, the Budgeted Statement of Financial Position and the Budgeted Statement of Cash Flows must be considered simultaneously to ensure effective financial management and sustainability and to ensure that the budget is funded.

## **Credible Budget**

Amongst other things, a credible budget is a budget that:

- Funds only activities consistent with the revised IDP and vice versa, ensuring the IDP is realistically achievable given the financial constraints of the municipality;

- Is achievable in terms of agreed service delivery and performance targets;
- Contains revenue and expenditure projections that are consistent with current and past performance and supported by documented evidence of future assumptions;
- Does not jeopardize the financial viability of the municipality (ensures that the financial position is maintained within generally accepted prudential limits and that obligations can be met in the short, medium and long term); and
- Provides managers with appropriate levels of delegation sufficient to meet their financial management responsibilities.

A budget sets out certain service delivery levels and associated financial implications. Therefore the community should realistically expect to receive these promised service delivery levels and understand the associated financial implications. Major under spending due to under collection of revenue or poor planning is a clear example of a budget that is not credible and unrealistic.

Furthermore, budgets tabled for consultation at least 90 days prior to the start of the budget year should already be credible and fairly close to the final approved budget.

## **1.5 Budget Overview of the 2017/18 MTREF**

This section provides an overview of the Lejweleputswa District Municipality's 2017/18 to 2019/20 MTREF. It includes an assessment of how the budget links with the national and provincial government contexts along with a review of the fiscal position of Lejweleputswa District Municipality.

The Municipality's budget must be seen within the context of the policies and financial priorities of national, provincial and local government. In essence, the spheres of government are partners in meeting the service delivery challenges faced at Lejweleputswa District Municipality. Lejweleputswa District Municipality alone cannot meet these challenges. It requires support from the other spheres of government through the direct allocation of resources as well as the achievement of their own policies.

According to Circular No. 86, the following headline macro-economic forecasts must be taken into consideration when preparing 2017/18 MTREF municipal budgets:

<b>Fiscal Year</b>	<b>2016/17 Estimate</b>	<b>2017/18 Forecast</b>	<b>2018/19 Forecast</b>	<b>2019/20 Forecast</b>
CPI Inflation	6.4%	6.4%	5.7%	5.6%
Real GDP growth	0.5%	1.3%	2.0%	2.2%

Source: Budget Review 2017

The budget process in Lejweleputswa District Municipality followed the requirements of the MFMA. A Table of key deadlines was prepared for tabling in Council by the Executive Mayor on the 01<sup>st</sup> of September 2016.

A budget Committee was established to examine, review and prioritize budget proposals from departments.

The MFMA requires municipalities to set out measurable performance objectives when tabling their budgets. These “key deliverables” link the financial inputs of the budget to service delivery on the ground.

As a further enhancement to this, quarterly service targets and monthly financial targets are contained in the Service Delivery and Budget Implementation Plan (SDBIP). This must be approved by the Mayor within 28 days after the approval of the final budget and forms the basis for the Municipality’s in year monitoring.

In view of the aforementioned, the following table is a consolidated overview of the proposed MTREF:

**Table 1 Consolidated Overview of the 2017/2018 MTREF**

<b>AGGREGATE TOTAL</b>					
<b>DETAILS</b>	<b>ORIGINAL BUDGET 2016/17</b>	<b>1<sup>st</sup> REVISED BUDGET 2016/17</b>	<b>2<sup>nd</sup> REVISED BUDGET 2016/17</b>	<b>BUDGET 2017/18</b>	<b>DIFFERENCE</b>
TOTAL OPERATING INCOME	118,399,900	119,967,850	121,291,429	122,597,500	1.08%
TOTAL OPERATING EXPENDITURE	117,699,700	118,430,815	119,340,149	122,597,500	2.73%
SURPLUS/(DEFICIT)	700,200	1,537,035	1,951,280	0	(100.00%)
TOTAL CAPITAL EXPENDITURE	700,000	(3,014,328)	(3,014,328)	( 3,250,000)	7.82%
LOAN REDEMPTION	(2,254,806)	(2,254,806)	(2,254,806)	(2,488,761)	10.82%
TOTAL DEFICIT	(2,254,606)	(3,732,099)	(3,317,854)	(5,738,761)	72.97%
UNAPPROPRIATED SURPLUS	2,254,606	3,732,099	3,317,854	5,738,761	72.97%
CAPITAL REPLACEMENT RESERVE	700,000	3,014,328	3,014,328	3,250,000	7.82%

The surplus/(deficit) in the above table differs from that in the SA Tables, as the SA tables does not take into account the appropriations.

## **1.6 Operating Revenue Framework**

For Lejweleputswa District Municipality to continue maintaining/improving the quality of services provided to its citizens it needs to generate the required revenue.

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

- National Treasury's guidelines, Circular No. 85 & 86

**Table 2 Summary of Revenue Classes by Main Revenues Sources**

<b>SUMMARY OF INCOME BY SOURCE 2017/2018</b>				
<b>DETAILS</b>	<b>1<sup>ST</sup> REVISED BUDGET 2016/17</b>	<b>2<sup>ND</sup> REVISED BUDGET 2016/17</b>	<b>BUDGET 2017/18</b>	<b>DIFFERENCE</b>
INTEREST EARNED	2,940,000	3,780,000	2,300,000	(39.15)
INTEREST EARNED O/S DEBTORS	330,000	330,000	164,000	(50.30)
OPERATING GRANTS & SUBSIDIES	116,513,000	116,513,000	119,998,000	2.99
OTHER INCOME	184,850	668,429	135,500	(79.73)
<b>TOTAL INCOME</b>	<b>119,967,850</b>	<b>121,291,429</b>	<b>122,597,500</b>	<b>1.08</b>

The following table gives a breakdown of the various grants allocated to LDM over the medium term:

Table 3 Grants Allocation

NATIONAL GRANTS	MEDIUM - TERM ESTIMATES		
	2017/18	2018/19	2019/20
	R'000	R'000	R'000
Equitable Share	30,602	33,487	35,067
Transitional Grant	84,870	87,458	90,029
Local Government Financial Management Grant	1,250	1,000	1,000
Municipal Systems Improvement Grant	0	3,123	0
Rural Roads Asset Management Systems Grant	2,276	2,400	2,538
Expanded Public Works Programme Integrated Grant	1,000	0	0
<b>TOTAL INCOME</b>	<b>119,998</b>	<b>127,468</b>	<b>128,634</b>

### 1.7 – Operating Expenditure Framework

The expenditure framework for the 2017/18 budget and MTREF is informed by the National Treasury’s guidelines and the following:

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

The operating expenditure increased from R119.3 million (2016/17) to R122.6 million in 2017/18.

The following table is a summary of the 2017/18 MTREF (classified by main expenditure by category):

**Table 13: Summary of operating expenditure by category**

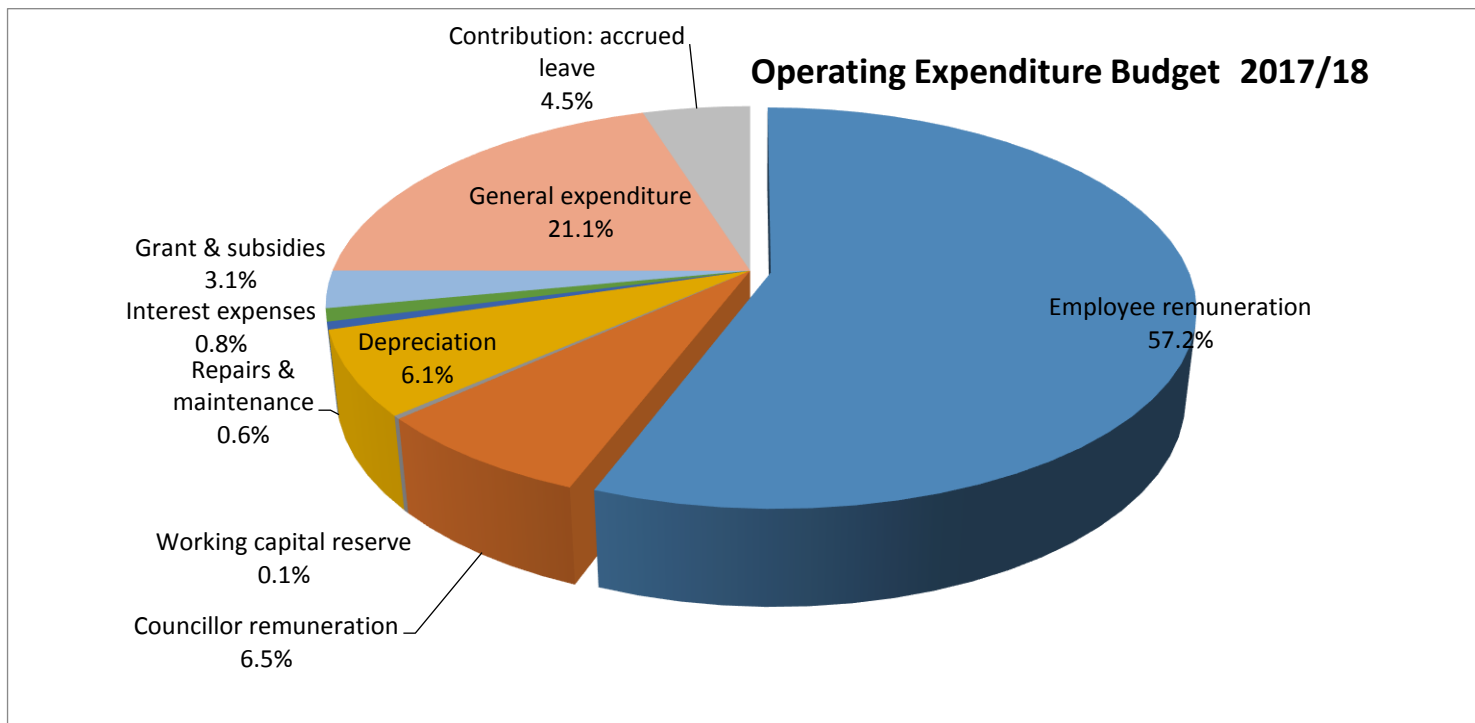
<b>EXPENDITURE ALLOCATION BY CATEGORY 2017/18</b>				
<b>DETAILS</b>	<b>1<sup>st</sup> REVISED BUDGET 2016/17</b>	<b>2<sup>nd</sup> REVISED BUDGET 2016/17</b>	<b>BUDGET 2017/2018</b>	<b>DIFFERENCE</b>
Employee remuneration	64,494,080	64,681,981	<b>70,063,170</b>	<b>8.32</b>
Councillor remuneration	9,526,270	9,526,270	<b>7,914,739</b>	<b>(16.92)</b>
Working capital reserve	292,770	292,770	<b>165,180</b>	<b>(43.58)</b>
Depreciation	8,029,841	8,029,841	<b>7,521,164</b>	<b>(6.33)</b>
Repairs & maintenance	726,450	726,450	<b>726,450</b>	<b>0</b>
Interest expenses	1,232,907	1,232,907	<b>998,952</b>	<b>(18.98)</b>
Grants & subsidies	3,800,000	4,052,000	<b>3,752,000</b>	<b>(7.40)</b>
General expenditure	24,486,140	25,275,918	<b>25,885,914</b>	<b>2.41</b>
Contribution: accrued leave	5,842,357	5,522,012	<b>5,569,931</b>	<b>0.87</b>
<b>Total Amount</b>	<b>118,430,815</b>	<b>119,340,149</b>	<b>122,597,500</b>	<b>2.73</b>

The operating expenditure has increased from R119,340,149 in 2016/17 (2<sup>nd</sup> adjustment budget) to R122,597,500 in 2017/18. The reasons for significant cost variances are attributed to the following:

- An increase of 8.32% has been provided for employee related costs.
- A decrease of 16.92% due to grading, (grade 5 to grade 4).
- Provision for depreciation and asset impairment is informed by the municipality's asset management policy.
- The provision of debt impairment was determined based on the debt-write off policy of the municipality.
- Finance charges consist primarily of the repayment of interest of long-term borrowing (cost of capital). Finance charges declined because the redemption portion of the loan is increasing versus the interest payments that are declining.
- General expenditure comprises of various line items relating to the daily operations of the municipality. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved. This makes up an increase of 2.41% of general expenditure.



The following table gives a breakdown of the main expenditure categories for the 2017/18 financial year.



<b>DEPARTMENT</b>	<b>1<sup>st</sup> REV BUDGET 2016/17</b>	<b>2<sup>nd</sup> REV BUDGET 2016/17</b>	<b>BUDGET 2017/18</b>	<b>DIFFERENCE</b>
EXECUTIVE MAYOR	10,926,911	10,424,675	<b>10,742,273</b>	<b>317,598</b>
SPEAKER	3,646,806	3,800,553	<b>4,051,797</b>	<b>251,244</b>
MAYORAL COMMITTEE	6,168,933	6,218,345	<b>6,224,533</b>	<b>6,188</b>
COUNCIL GENERAL	17,812,894	17,862,893	<b>16,472,565</b>	<b>(1,390,328)</b>
MUNICIPAL MANAGER	12,334,116	12,628,889	<b>13,592,598</b>	<b>963,709</b>
CORPORATE SERVICES	16,767,183	16,727,938	<b>16,927,860</b>	<b>199,922</b>
PROPERTY	6,165,968	6,048,480	<b>5,937,356</b>	<b>(111,124)</b>
DISASTER MANAGEMENT	10,100,155	10,153,321	<b>10,733,332</b>	<b>580,011</b>
ENVIRONMENTAL HEALTH	10,483,930	10,701,423	<b>12,022,727</b>	<b>1,321,304</b>
LED & PLANNING	6,025,972	6,099,458	<b>6,492,330</b>	<b>392,872</b>
TOURISM	1,001,000	1,001,000	<b>1,001,000</b>	<b>0</b>
FINANCE SERVICES	16,996,947	17,673,174	<b>18,399,129</b>	<b>725,955</b>
<b>TOTAL</b>	<b>118,430,815</b>	<b>119,340,149</b>	<b>122,597,500</b>	<b>3,257,351</b>

**Table 14: Repairs and maintenance per asset class**

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
<b>Repairs and Maintenance by Expenditure Item</b>	8										
Other Expenditure		405	465	540	726	726	726	726	726	748	776
<b>Total Repairs and Maintenance Expenditure</b>	9	405	465	540	726	726	726	726	726	748	776

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.

Repairs and maintenance do not have the same impact as in the case of local municipalities. It is our submission that 0.6% of the budgeted amount is sufficient to cover repairs and maintenance. The municipality's ratio of repairs and maintenance to property, plant and equipment is 0.8% for the 2017/18 financial year. Although the benchmark for repairs and maintenance is 8%, the ratio is acceptable as the municipality does not have revenue raising assets to maintain.

### 1.8 – Capital Budget

The capital budget increased by 7.8% from R3,014,328 (2016/17) to R3,250,000 in 2017/18. Total capital budget will be spent on furniture; other equipment; and computer software.

The Budget Committee went through several stages of prioritizing the capital budget to contain the budget within the available funding.

**Table 15: Capital funding by source**

DC18 Lejweleputswa - Table A5 Consolidated 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		
R thousand	1	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
<b>Capital expenditure - Vote</b>											
<b>Single-year expenditure to be appropriated</b>	2										
Vote 1 - Executive Mayor		36	23	18	35	35	35	50	50	50	50
Vote 2 - Speaker		35	15	-	22	69	69	50	50	50	50
Vote 3 - Mayoral Committee		8	21	-	91	107	107	50	50	50	50
Vote 4 - Council General		1,197	242	26	-	508	508	2,100	2,100	1,350	-
Vote 5 - Municipal Manager		89	170	130	42	49	49	100	100	100	100
Vote 6 - Budget & Treasury		291	374	360	370	1,957	1,957	500	500	350	350
Vote 7 - Corporate Services		93	26	73	65	55	55	50	50	50	50
Vote 8 - Human Resources		-	-	-	-	-	-	-	-	-	-
Vote 9 - Information Technology		-	-	-	-	-	-	-	-	-	-
Vote 10 - Property		254	7	58	-	74	74	200	200	200	200
Vote 11 - Municipal Support		-	-	-	-	-	-	-	-	-	-
Vote 12 - Planning & Development		47	44	56	20	32	32	50	50	50	50
Vote 13 - Community & Social Services		90	9	-	-	51	51	50	50	50	50
Vote 14 - Environmental Health Services		213	-	36	55	79	79	50	50	1,235	50
Vote 15 - Tourism		-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		<b>2,354</b>	<b>930</b>	<b>757</b>	<b>700</b>	<b>3,014</b>	<b>3,014</b>	<b>3,250</b>	<b>3,250</b>	<b>3,535</b>	<b>1,000</b>
<b>Total Capital Expenditure - Vote</b>		<b>2,354</b>	<b>930</b>	<b>757</b>	<b>700</b>	<b>3,014</b>	<b>3,014</b>	<b>3,250</b>	<b>3,250</b>	<b>3,535</b>	<b>1,000</b>
<b>Funded by:</b>											
<b>Internally generated funds</b>		2,354	930	757	700	3,014	3,014	3,250	3,250	3,535	1,000
<b>Total Capital Funding</b>	7	<b>2,354</b>	<b>930</b>	<b>757</b>	<b>700</b>	<b>3,014</b>	<b>3,014</b>	<b>3,250</b>	<b>3,250</b>	<b>3,535</b>	<b>1,000</b>

Although the budgeted income and expenditure are realistically anticipated, the situation regarding the available internal funds will be monitored closely and expenditure on capital projects linked to the Capital Replacement Reserve will be managed according to the available cash. To facilitate this process the Lejweleputswa District Municipality has prioritized the Capital Budget.

The following table provides a breakdown of the budgeted capital expenditure by classification:

**Table 16: Capital expenditure by GFS classification**

DC18 Lejweleputswa - Table A5 Consolidated 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		
R thousand	1	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
<b>Capital Expenditure - Functional</b>											
<b>Governance and administration</b>		2,004	877	665	625	2,853	2,853	3,100	3,100	2,200	850
Executive and council		1,366	470	174	190	767	767	2,350	2,350	1,600	250
Finance and administration		638	407	491	435	2,086	2,086	750	750	600	600
<b>Community and public safety</b>		90	9	–	–	51	51	50	50	50	50
Community and social services		90	9	–	–	51	51	50	50	50	50
<b>Economic and environmental services</b>		260	44	92	75	111	111	100	100	1,285	100
Planning and development		47	44	56	20	32	32	50	50	50	50
Environmental protection		213	–	36	55	79	79	50	50	1,235	50
<b>Total Capital Expenditure - Functional</b>	3	2,354	930	757	700	3,014	3,014	3,250	3,250	3,535	1,000

## 1.9 – Budget Schedules

The Municipal Budget and Reporting Regulations are designed to achieve a range of objectives, including improving the local government sphere's ability to deliver basic services by facilitating improved financial sustainability and better medium term planning and policy choices on service delivery.

**Table 17 - A1: Budget Summary**

DC18 Lejweleputswa - Table A1 Consolidated Budget Summary										
Description	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
R thousands	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
<b>Financial Performance</b>										
Investment revenue	2,824	3,742	5,176	1,840	3,780	3,780	3,780	2,300	2,300	2,300
Transfers recognised - operational	103,760	108,518	115,631	116,162	116,513	116,513	116,513	119,998	127,468	128,634
Other own revenue	2,265	965	1,032	398	998	998	998	300	284	274
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>108,850</b>	<b>113,226</b>	<b>121,838</b>	<b>118,400</b>	<b>121,291</b>	<b>121,291</b>	<b>121,291</b>	<b>122,598</b>	<b>130,052</b>	<b>131,208</b>
Employee costs	60,740	62,538	66,030	65,750	64,682	64,682	64,682	70,063	72,866	76,509
Remuneration of councillors	8,713	9,294	9,042	8,721	9,526	9,526	9,526	7,915	8,223	8,625
Depreciation & asset impairment	6,651	6,505	4,395	8,030	8,030	8,030	8,030	7,521	7,747	8,057
Finance charges	2,583	2,321	3,552	1,233	1,233	1,233	1,233	999	840	769
Transfers and grants	4,063	3,549	4,474	3,550	4,052	4,052	4,052	3,752	5,721	5,878
Other expenditure	22,487	25,515	29,133	30,417	31,818	31,818	31,818	32,347	31,736	30,364
<b>Total Expenditure</b>	<b>105,238</b>	<b>109,720</b>	<b>116,626</b>	<b>117,700</b>	<b>119,341</b>	<b>119,341</b>	<b>119,341</b>	<b>122,597</b>	<b>127,133</b>	<b>130,202</b>
<b>Surplus/(Deficit) for the year</b>	<b>3,612</b>	<b>3,505</b>	<b>5,212</b>	<b>700</b>	<b>1,951</b>	<b>1,951</b>	<b>1,951</b>	<b>0</b>	<b>2,919</b>	<b>1,006</b>
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>	<b>2,354</b>	930	757	700	3,014	3,014	3,250	3,250	3,535	1,000
Internally generated funds	<b>2,354</b>	930	757	700	3,014	3,014	3,250	3,250	3,535	1,000
<b>Total sources of capital funds</b>	<b>2,354</b>	930	757	700	3,014	3,014	3,250	3,250	3,535	1,000

<b>Financial position</b>										
Total current assets	<b>49,699</b>	59,281	70,716	34,590	34,590	34,590	34,590	23,916	17,321	16,947
Total non current assets	<b>71,759</b>	66,820	63,021	66,588	66,588	66,588	66,588	89,548	74,023	76,971
Total current liabilities	<b>13,044</b>	15,101	16,153	8,520	8,520	8,520	8,520	8,651	8,875	9,124
Total non current liabilities	<b>20,701</b>	20,049	21,924	19,715	19,715	19,715	19,715	17,656	16,859	15,920
Community wealth/Equity	<b>87,713</b>	90,951	95,661	72,942	72,942	72,942	72,942	87,157	65,609	68,874
<b>Cash flows</b>										
Net cash from (used) operating	<b>12,707</b>	13,340	14,655	8,730	9,663	9,663	9,663	7,520	10,666	9,063
Net cash from (used) investing	<b>(12,639)</b>	(11,888)	(289)	(700)	(3,014)	(3,014)	(3,014)	(3,250)	(3,535)	(1,000)
Net cash from (used) financing	<b>(1,585)</b>	(1,847)	(2,146)	(2,234)	(2,234)	(2,234)	(2,234)	(2,489)	(2,647)	(2,719)
<b>Cash/cash equivalents at the year end</b>	<b>18,465</b>	18,070	30,290	23,865	28,280	28,280	28,280	31,608	36,092	41,436
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	<b>48,749</b>	58,436	69,835	34,590	34,590	34,590	34,590	23,916	17,321	16,947
Application of cash and investments	<b>4,677</b>	8,719	9,660	7,287	7,287	7,287	7,287	7,652	8,034	8,356
<b>Balance - surplus (shortfall)</b>	<b>44,072</b>	49,717	60,176	27,302	27,302	27,302	27,302	16,264	9,287	8,591
<b>Asset management</b>										
Asset register summary (WDV)	<b>71,759</b>	66,820	63,021	66,588	66,588	66,588	89,548	89,548	74,023	76,971
Depreciation	<b>6,651</b>	6,505	4,395	8,030	8,030	8,030	7,521	7,521	7,747	8,057
Renewal of Existing Assets	<b>-</b>	-	-	-	-	-	-	-	1,350	-
Repairs and Maintenance	<b>405</b>	465	540	726	726	726	726	726	748	776



- Table A1 is the budget summary and provides a concise overview of the Council's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
- The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance.
- Financial management reforms emphasize the importance of the municipal budget being funded. This requires the simultaneous assessment of the financial performance, financial position and cash flow budgets, along with the capital budget.
- The cash backing/surplus reconciliation is positive and funding and reserves policies have been compiled to address CRR and all provisions in future.
- Total revenue is R122.6 million in 2017/18 and escalates to R131.2 million by 2019/20. This represents a year-on-year increase of 2.19% for the 2017/18 financial year, 6.09% for the 2018/19, and 0.90% for the 2019/20 financial year.
- Transfers recognized: It needs to be noted that in real terms the grants receipts from national government are growing slightly over the MTREF by 2.99% (2017/18), 6.23% (2018/19), and 0.91% (2019/20).

**Table 18 – A2: Budgeted Financial Performance by standard classification**

**DC18 Lejweleputswa - Table A2 Consolidated 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
<b>R thousand</b>	<b>1</b>									
<b>Revenue - Functional</b>										
<b>Governance and administration</b>		107,960	113,226	121,838	118,400	120,850	120,850	122,598	130,052	131,208
Executive and council		101,620	107,268	114,408	114,912	114,913	114,913	118,748	126,468	127,634
Finance and administration		6,340	5,957	7,430	3,488	5,937	5,937	3,850	3,584	3,574
<b>Community and public safety</b>		-	-	-	-	30	30	-	-	-
Community and social services		-	-	-	-	30	30	-	-	-
<b>Economic and environmental services</b>		890	-	-	-	412	412	-	-	-
Planning and development		890	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	412	412	-	-	-
<b>Other</b>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	<b>2</b>	<b>108,850</b>	<b>113,226</b>	<b>121,838</b>	<b>118,400</b>	<b>121,291</b>	<b>121,291</b>	<b>122,598</b>	<b>130,052</b>	<b>131,208</b>
<b>Expenditure - Functional</b>										
<b>Governance and administration</b>		77,884	83,451	89,695	89,100	91,385	91,385	92,348	96,731	98,369
Executive and council		52,882	51,188	52,830	48,735	50,936	50,936	51,084	55,798	55,757
Finance and administration		25,002	32,263	36,865	40,365	40,450	40,450	41,264	40,933	42,611
<b>Community and public safety</b>		8,306	8,691	7,512	10,184	10,153	10,153	10,733	10,604	11,111
Community and social services		8,306	8,691	7,512	10,184	10,153	10,153	10,733	10,604	11,111
<b>Economic and environmental services</b>		16,252	16,699	17,101	17,415	16,801	16,801	18,515	18,796	19,721
Planning and development		5,957	6,945	6,864	6,151	6,099	6,099	6,492	6,562	6,884
Environmental protection		10,295	9,753	10,237	11,265	10,701	10,701	12,023	12,234	12,837
<b>Other</b>	4	2,796	880	2,319	1,000	1,001	1,001	1,001	1,001	1,001
<b>Total Expenditure - Functional</b>	<b>3</b>	<b>105,238</b>	<b>109,720</b>	<b>116,626</b>	<b>117,700</b>	<b>119,341</b>	<b>119,341</b>	<b>122,597</b>	<b>127,133</b>	<b>130,202</b>
<b>Surplus/(Deficit) for the year</b>		<b>3,612</b>	<b>3,505</b>	<b>5,212</b>	<b>700</b>	<b>1,951</b>	<b>1,951</b>	<b>0</b>	<b>2,919</b>	<b>1,006</b>

- Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into four functional areas.
- Functions that show a deficit between revenue and expenditure are being financed from Grant revenues reflected under the Council General.

**Table 19 – A3: Budgeted Financial Performance by municipal vote**

DC18 Lejweleputswa - Table A3 Consolidated 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
<b>Revenue by Vote</b>	1									
Vote 1 - Executive Mayor		-	-	-	-	0	0	-	-	-
Vote 2 - Speaker		-	-	-	-	0	0	-	-	-
Vote 3 - Mayoral Committee		-	-	-	-	-	-	-	-	-
Vote 4 - Council General		101,620	106,334	113,478	114,912	114,912	114,912	118,748	123,345	127,634
Vote 5 - Municipal Manager		-	934	930	-	-	-	-	3,123	-
Vote 6 - Budget & Treasury		6,340	5,957	7,430	3,488	5,578	5,578	3,850	3,584	3,574
Vote 7 - Corporate Services		-	-	-	-	351	351	-	-	-
Vote 8 - Human Resources		-	-	-	-	-	-	-	-	-
Vote 9 - Information Technology		-	-	-	-	-	-	-	-	-
Vote 10 - Property		-	-	-	-	8	8	-	-	-
Vote 11 - Municipal Support		-	-	-	-	-	-	-	-	-
Vote 12 - Planning & Development		890	-	-	-	-	-	-	-	-
Vote 13 - Community & Social Services		-	-	-	-	30	30	-	-	-
Vote 14 - Environmental Health Services		-	-	-	-	412	412	-	-	-
Vote 15 - Tourism		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	<b>108,850</b>	<b>113,226</b>	<b>121,838</b>	<b>118,400</b>	<b>121,291</b>	<b>121,291</b>	<b>122,598</b>	<b>130,052</b>	<b>131,208</b>
<b>Expenditure by Vote to be appropriated</b>	1									
Vote 1 - Executive Mayor		10,152	6,330	13,008	10,174	10,425	10,425	10,742	10,827	11,299
Vote 2 - Speaker		3,075	3,336	3,078	3,724	3,801	3,801	4,052	4,018	4,214
Vote 3 - Mayoral Committee		5,409	5,916	6,065	5,701	6,218	6,218	6,225	6,371	6,684
Vote 4 - Council General		22,790	21,191	21,266	17,397	17,863	17,863	16,473	17,726	15,912
Vote 5 - Municipal Manager		11,457	14,415	9,413	11,740	12,629	12,629	13,593	16,856	17,649
Vote 6 - Budget & Treasury		13,010	15,803	16,530	17,771	17,673	17,673	18,399	18,145	18,748
Vote 7 - Corporate Services		8,228	12,031	14,813	16,665	16,728	16,728	16,928	16,693	17,511
Vote 8 - Human Resources		-	-	-	-	-	-	-	-	-
Vote 9 - Information Technology		-	-	-	-	-	-	-	-	-
Vote 10 - Property		3,764	4,429	5,522	5,929	6,048	6,048	5,937	6,095	6,352
Vote 11 - Municipal Support		-	-	-	-	-	-	-	-	-
Vote 12 - Planning & Development		5,957	6,945	6,864	6,151	6,099	6,099	6,492	6,562	6,884
Vote 13 - Community & Social Services		8,306	8,691	7,512	10,184	10,153	10,153	10,733	10,604	11,111
Vote 14 - Environmental Health Services		10,295	9,753	10,237	11,265	10,701	10,701	12,023	12,234	12,837
Vote 15 - Tourism		2,796	880	2,319	1,000	1,001	1,001	1,001	1,001	1,001
<b>Total Expenditure by Vote</b>	2	<b>105,238</b>	<b>109,720</b>	<b>116,626</b>	<b>117,700</b>	<b>119,341</b>	<b>119,341</b>	<b>122,597</b>	<b>127,133</b>	<b>130,202</b>
<b>Surplus/(Deficit) for the year</b>	2	<b>3,612</b>	<b>3,505</b>	<b>5,212</b>	<b>700</b>	<b>1,951</b>	<b>1,951</b>	<b>0</b>	<b>2,919</b>	<b>1,006</b>

- Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organizational structure of Council.

**DC18 Lejweleputswa - Table A4 Consolidated Budgeted Financial Performance (revenue and expenditure)**

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
<b>R thousand</b>	1										
<b>Revenue By Source</b>											
Interest earned - external investments		2,824	3,742	5,176	1,840	3,780	3,780	3,780	2,300	2,300	2,300
Interest earned - outstanding debtors		1,142	734	697	293	330	330	330	164	164	164
Transfers and subsidies		103,760	108,518	115,631	116,162	116,513	116,513	116,513	119,998	127,468	128,634
Other revenue	2	1,124	231	307	105	630	630	630	136	120	110
Gains on disposal of PPE				27		38	38	38			
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>108,850</b>	<b>113,226</b>	<b>121,838</b>	<b>118,400</b>	<b>121,291</b>	<b>121,291</b>	<b>121,291</b>	<b>122,598</b>	<b>130,052</b>	<b>131,208</b>
<b>Expenditure By Type</b>											
Employee related costs	2	60,740	62,538	66,030	65,750	64,682	64,682	64,682	70,063	72,866	76,509
Remuneration of councillors		8,713	9,294	9,042	8,721	9,526	9,526	9,526	7,915	8,223	8,625
Debt impairment	3		1,067	678							
Depreciation & asset impairment	2	6,651	6,505	4,395	8,030	8,030	8,030	8,030	7,521	7,747	8,057
Finance charges		2,583	2,321	3,552	1,233	1,233	1,233	1,233	999	840	769
Contracted services		1,649	2,581	3,530	1,107	2,117	2,117	2,117	1,409	1,452	1,313
Transfers and subsidies		4,063	3,549	4,474	3,550	4,052	4,052	4,052	3,752	5,721	5,878
Other expenditure	4, 5	20,357	21,630	24,925	29,310	29,701	29,701	29,701	30,938	30,284	29,051
Loss on disposal of PPE		482	237								
<b>Total Expenditure</b>		<b>105,238</b>	<b>109,720</b>	<b>116,626</b>	<b>117,700</b>	<b>119,341</b>	<b>119,341</b>	<b>119,341</b>	<b>122,597</b>	<b>127,133</b>	<b>130,202</b>
<b>Surplus/(Deficit)</b>		<b>3,612</b>	<b>3,505</b>	<b>5,212</b>	<b>700</b>	<b>1,951</b>	<b>1,951</b>	<b>1,951</b>	<b>0</b>	<b>2,919</b>	<b>1,006</b>
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>3,612</b>	<b>3,505</b>	<b>5,212</b>	<b>700</b>	<b>1,951</b>	<b>1,951</b>	<b>1,951</b>	<b>0</b>	<b>2,919</b>	<b>1,006</b>
<b>Surplus/(Deficit) for the year</b>		<b>3,612</b>	<b>3,505</b>	<b>5,212</b>	<b>700</b>	<b>1,951</b>	<b>1,951</b>	<b>1,951</b>	<b>0</b>	<b>2,919</b>	<b>1,006</b>

**Table 20 – A4: Budgeted Financial Performance by revenue source and expenditure type**

- Total revenue is R122.6 million 2017/18 and escalates to R131.2 million by 2019/20. This represents a year-on-year increase of 2.19% for the 2017/18 financial year; 6.09% for the 2018/19 financial year and 0.90% 2019/20 financial year
- Transfers recognized-operating, includes the local government equitable share and other operating grants from national and provincial government.



**Table 21 – A5: Budgeted Capital Expenditure by Vote, Funding and Standard Classification**

DC18 Lejweleputswa - Table A5 Consolidated 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		
R thousand	1	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
<b>Capital expenditure - Vote</b>											
<b>Single-year expenditure to be appropriated</b>	2										
Vote 1 - Executive Mayor		36	23	18	35	35	35	50	50	50	50
Vote 2 - Speaker		35	15	-	22	69	69	50	50	50	50
Vote 3 - Mayoral Committee		8	21	-	91	107	107	50	50	50	50
Vote 4 - Council General		1,197	242	26	-	508	508	2,100	2,100	1,350	-
Vote 5 - Municipal Manager		89	170	130	42	49	49	100	100	100	100
Vote 6 - Budget & Treasury		291	374	360	370	1,957	1,957	500	500	350	350
Vote 7 - Corporate Services		93	26	73	65	55	55	50	50	50	50
Vote 8 - Human Resources		-	-	-	-	-	-	-	-	-	-
Vote 9 - Information Technology		-	-	-	-	-	-	-	-	-	-
Vote 10 - Property		254	7	58	-	74	74	200	200	200	200
Vote 11 - Municipal Support		-	-	-	-	-	-	-	-	-	-
Vote 12 - Planning & Development		47	44	56	20	32	32	50	50	50	50
Vote 13 - Community & Social Services		90	9	-	-	51	51	50	50	50	50
Vote 14 - Environmental Health Services		213	-	36	55	79	79	50	50	1,235	50
Vote 15 - Tourism		-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		<b>2,354</b>	<b>930</b>	<b>757</b>	<b>700</b>	<b>3,014</b>	<b>3,014</b>	<b>3,250</b>	<b>3,250</b>	<b>3,535</b>	<b>1,000</b>
<b>Total Capital Expenditure - Vote</b>		<b>2,354</b>	<b>930</b>	<b>757</b>	<b>700</b>	<b>3,014</b>	<b>3,014</b>	<b>3,250</b>	<b>3,250</b>	<b>3,535</b>	<b>1,000</b>
<b>Funded by:</b>											
<b>Internally generated funds</b>		2,354	930	757	700	3,014	3,014	3,250	3,250	3,535	1,000
<b>Total Capital Funding</b>	7	<b>2,354</b>	<b>930</b>	<b>757</b>	<b>700</b>	<b>3,014</b>	<b>3,014</b>	<b>3,250</b>	<b>3,250</b>	<b>3,535</b>	<b>1,000</b>

- Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
- The capital programme is funded from the Capital Replacement Reserve.

**Table 22 – A6: Budgeted Financial Position**

**DC18 Lejweleputswa - Table A6 Consolidated 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
<b>R thousand</b>											
<b>ASSETS</b>											
<b>Current assets</b>											
Cash		18,464	18,069	29,827	4,590	4,590	4,590	4,590	3,916	2,321	1,947
Call investment deposits	1	30,284	40,367	40,009	30,000	30,000	30,000	30,000	20,000	15,000	15,000
Other debtors		950	844	881							
<b>Total current assets</b>		<b>49,699</b>	<b>59,281</b>	<b>70,716</b>	<b>34,590</b>	<b>34,590</b>	<b>34,590</b>	<b>34,590</b>	<b>23,916</b>	<b>17,321</b>	<b>16,947</b>
<b>Non current assets</b>											
Property, plant and equipment	3	70,149	66,468	62,628	66,288	66,288	66,288	66,288	89,248	73,723	76,671
Intangible		1,610	352	394	300	300	300	300	300	300	300
<b>Total non current assets</b>		<b>71,759</b>	<b>66,820</b>	<b>63,021</b>	<b>66,588</b>	<b>66,588</b>	<b>66,588</b>	<b>66,588</b>	<b>89,548</b>	<b>74,023</b>	<b>76,971</b>
<b>TOTAL ASSETS</b>		<b>121,458</b>	<b>126,101</b>	<b>133,738</b>	<b>101,177</b>	<b>101,177</b>	<b>101,177</b>	<b>101,177</b>	<b>113,464</b>	<b>91,344</b>	<b>93,918</b>
<b>LIABILITIES</b>											
<b>Current liabilities</b>											
Borrowing	4	1,847	2,146	1,059	1,233	1,233	1,233	1,233	999	840	769
Consumer deposits											
Trade and other payables	4	7,138	8,921	9,929	7,287	7,287	7,287	7,287	7,652	8,034	8,356
Provisions		4,059	4,034	5,165							
<b>Total current liabilities</b>		<b>13,044</b>	<b>15,101</b>	<b>16,153</b>	<b>8,520</b>	<b>8,520</b>	<b>8,520</b>	<b>8,520</b>	<b>8,651</b>	<b>8,875</b>	<b>9,124</b>
<b>Non current liabilities</b>											
Borrowing		13,113	10,967	11,557	11,527	11,527	11,527	11,527	9,059	7,832	6,532
Provisions		7,588	9,082	10,367	8,188	8,188	8,188	8,188	8,597	9,027	9,388
<b>Total non current liabilities</b>		<b>20,701</b>	<b>20,049</b>	<b>21,924</b>	<b>19,715</b>	<b>19,715</b>	<b>19,715</b>	<b>19,715</b>	<b>17,656</b>	<b>16,859</b>	<b>15,920</b>
<b>TOTAL LIABILITIES</b>		<b>33,745</b>	<b>35,150</b>	<b>38,076</b>	<b>28,235</b>	<b>28,235</b>	<b>28,235</b>	<b>28,235</b>	<b>26,307</b>	<b>25,734</b>	<b>25,045</b>
<b>NET ASSETS</b>	5	<b>87,713</b>	<b>90,951</b>	<b>95,661</b>	<b>72,942</b>	<b>72,942</b>	<b>72,942</b>	<b>72,942</b>	<b>87,157</b>	<b>65,609</b>	<b>68,874</b>
<b>COMMUNITY WEALTH/EQUITY</b>											
Accumulated Surplus/(Deficit)		87,713	90,951	95,661	72,942	72,942	72,942	72,942	87,157	65,609	68,874
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	5	<b>87,713</b>	<b>90,951</b>	<b>95,661</b>	<b>72,942</b>	<b>72,942</b>	<b>72,942</b>	<b>72,942</b>	<b>87,157</b>	<b>65,609</b>	<b>68,874</b>

- Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
- This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
- Table 6 is supported by an extensive table of notes (SA3) providing a detailed analysis of the major components of a number of items, including:
  - Call investments deposits;
  - Property, plant and equipment;
  - Trade and other payables;
  - Provisions non-current;
  - Changes in net assets; and
  - Reserves
- The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
- Any movement on the budgeted financial performance or the capital budget will inevitably impact on the budgeted financial position.

**Table 23 – A7: Budgeted Cash Flow**

DC18 Lejweleputswa - Table A7 Consolidated Budgeted Cash Flows											
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
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Other revenue		5,870	231	307	398	630	630	630	136	120	110
Government - operating	1	103,760	108,706	115,631	116,162	116,513	116,513	116,513	119,998	127,468	128,634
Interest		2,824	4,476	5,176	1,840	3,780	3,780	3,780	2,464	2,464	2,464
<b>Payments</b>											
Suppliers and employees		(93,101)	(94,204)	(98,432)	(104,887)	(105,975)	(105,975)	(105,975)	(110,326)	(112,825)	(115,499)
Finance charges		(2,583)	(2,321)	(3,552)	(1,233)	(1,233)	(1,233)	(1,233)	(999)	(840)	(769)
Transfers and Grants	1	(4,063)	(3,549)	(4,474)	(3,550)	(4,052)	(4,052)	(4,052)	(3,752)	(5,721)	(5,878)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>12,707</b>	<b>13,340</b>	<b>14,655</b>	<b>8,730</b>	<b>9,663</b>	<b>9,663</b>	<b>9,663</b>	<b>7,520</b>	<b>10,666</b>	<b>9,063</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE		(10,285)	(10,958)	468					-	-	-
<b>Payments</b>											
Capital assets		(2,354)	(930)	(757)	(700)	(3,014)	(3,014)	(3,014)	(3,250)	(3,535)	(1,000)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(12,639)</b>	<b>(11,888)</b>	<b>(289)</b>	<b>(700)</b>	<b>(3,014)</b>	<b>(3,014)</b>	<b>(3,014)</b>	<b>(3,250)</b>	<b>(3,535)</b>	<b>(1,000)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
<b>Payments</b>											
Repayment of borrowing		(1,585)	(1,847)	(2,146)	(2,234)	(2,234)	(2,234)	(2,234)	(2,489)	(2,647)	(2,719)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(1,585)</b>	<b>(1,847)</b>	<b>(2,146)</b>	<b>(2,234)</b>	<b>(2,234)</b>	<b>(2,234)</b>	<b>(2,234)</b>	<b>(2,489)</b>	<b>(2,647)</b>	<b>(2,719)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>											
Cash/cash equivalents at the year begin:	2	19,982	18,464	18,069	18,069	23,865	23,865	23,865	29,827	31,608	36,092
Cash/cash equivalents at the year end:	2	18,465	18,070	30,290	23,865	28,280	28,280	28,280	31,608	36,092	41,436



The cash flow management and forecasting is a critical step in determining if the budget is funded over medium-term. The table above is consistent with international standards of good financial management practice and also improves understandability for councillors and management. Some specific features include:

- Clear separation of receipts and payments within each cash flow category.
- Clear separation of capital and operating receipts from government, which also enables cash from "debtors and other" to provide for as cash inflow based on actual performance.
- Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding the use of long-term borrowing (debt).

The above table shows an increase in the cash and cash equivalents to R31.6 million for 2017/18 financial year.

**Table 24 – A8: Cash backed reserves/accumulated surplus reconciliation**

DC18 Lejweleputswa - Table A8 Consolidated Cash backed reserves/accumulated surplus reconciliation											
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
<b>Cash and investments available</b>											
Cash/cash equivalents at the year end	1	18,465	18,070	30,290	23,865	28,280	28,280	28,280	31,608	36,092	41,436
Other current investments > 90 days		30,284	40,367	39,546	10,724	6,309	6,310	6,310	(7,692)	(18,771)	(24,489)
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
<b>Cash and investments available:</b>		<b>48,749</b>	<b>58,436</b>	<b>69,835</b>	<b>34,590</b>	<b>34,590</b>	<b>34,590</b>	<b>34,590</b>	<b>23,916</b>	<b>17,321</b>	<b>16,947</b>
<b>Application of cash and investments</b>											
Unspent conditional transfers		-	188	232	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2										
Other working capital requirements	3	4,677	8,532	9,428	7,287	7,287	7,287	7,287	7,652	8,034	8,356
Other provisions											
Reserves to be backed by cash/investments	5										
<b>Total Application of cash and investments:</b>		<b>4,677</b>	<b>8,719</b>	<b>9,660</b>	<b>7,287</b>	<b>7,287</b>	<b>7,287</b>	<b>7,287</b>	<b>7,652</b>	<b>8,034</b>	<b>8,356</b>
<b>Surplus(shortfall)</b>		<b>44,072</b>	<b>49,717</b>	<b>60,176</b>	<b>27,302</b>	<b>27,302</b>	<b>27,302</b>	<b>27,302</b>	<b>16,264</b>	<b>9,287</b>	<b>8,591</b>

The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – funding a municipal budget in accordance with sections 18 and 19 of the MFMA.

The 2017/18 budget is showing a positive outcome.

From the above table it can be seen that the cash and investments available total R7.7 million in the 2017/18 financial year. The following is a breakdown of the application of this funding:

- Unspent conditional transfers (grants) are automatically assumed to be an obligation as the municipality has received government transfers in advance of meeting the conditions. Ordinarily, unless there are special circumstances, the revenue fund at the end of the financial year. In the past these have been allowed to 'roll-over' and be spent in the ordinary course of business, but this practice has been discontinued.
- Provision for statutory requirements including VAT owing due to timing differences resulting from year-end obligations.
- The main purpose of other working capital is to ensure that sufficient funds are available to meet obligations as they fall due.
- This liability is informed by all provisions.
- The level of cash-backing is directly informed by the municipality's cash backing policy.
- It can be concluded that the council has a surplus against the cash backed and accumulated surpluses reconciliation.

**Table 25 – A9: Asset Management**

DC18 Lejweleputswa - Table A9 Consolidated Asset Management

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
<b>R thousand</b>										
<b>CAPITAL EXPENDITURE</b>										
<b>Total New Assets</b>	1	2,354	930	757	700	3,014	3,014	3,250	2,185	1,000
<b>Total Renewal of Existing Assets</b>	2	-	-	-	-	-	-	-	1,350	-
Licences and Rights		-	-	-	-	-	-	-	1,350	-
<b>Intangible Assets</b>		-	-	-	-	-	-	-	1,350	-
<b>Other Assets</b>		105	125	62	-	68	68	-	-	-
Licences and Rights		155	233	204	300	808	808	800	2,835	300
<b>Intangible Assets</b>		155	233	204	300	808	808	800	2,835	300
<b>Computer Equipment</b>		577	170	91	-	-	-	-	-	-
<b>Furniture and Office Equipment</b>		313	160	399	400	538	538	700	700	700
<b>Machinery and Equipment</b>		7	-	-	-	1,600	1,600	150	-	-
<b>Transport Assets</b>		1,197	242	-	-	-	-	1,600	-	-
<b>TOTAL CAPITAL EXPENDITURE - Asset class</b>		2,354	930	757	700	3,014	3,014	3,250	3,535	1,000
<b>ASSET REGISTER SUMMARY - PPE (WDV)</b>	5									
Operational Buildings		63,292	58,408	60,819	61,259	61,259	61,259	65,587	67,859	68,426
<b>Other Assets</b>		63,292	58,408	60,819	61,259	61,259	61,259	65,587	67,859	68,426
Licences and Rights		1,610	352	394	300	300	300	300	300	300
<b>Intangible Assets</b>		1,610	352	394	300	300	300	300	300	300
<b>Computer Equipment</b>		1,568	2,014	473	2,029	2,029	2,029	7,566	2,120	2,586
<b>Furniture and Office Equipment</b>		3,857	4,061	527	1,525	1,525	1,525	4,985	2,154	1,985
<b>Machinery and Equipment</b>								5,840	1,590	805
<b>Transport Assets</b>		1,432	1,986	809	1,475	1,475	1,475	5,270		2,869
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	5	71,759	66,820	63,021	66,588	66,588	66,588	89,548	74,023	76,971

**Table 26 – A10: Basic Service delivery measurement**

DC18 Lejweleputswa - Table A10 Consolidated 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
<b>Household service targets</b>	1									
<b>Water:</b>										
Piped water inside dwelling		-	-	-	-	-	-	-	-	-
Piped water inside yard (but not in dwelling)		-	-	-	-	-	-	-	-	-
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>		-	-	-	-	-	-	-	-	-
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>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-
<b>Sanitation/sewerage:</b>										
Flush toilet (connected to sewerage)		-	-	-	-	-	-	-	-	-
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>		-	-	-	-	-	-	-	-	-
Bucket toilet		-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-
<b>Energy:</b>										
Electricity (at least min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-
<b>Refuse:</b>										
Removed at least once a week		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
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>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-

The municipality is a district, and does not provide basic services.

## **Part 2 – Supporting documentation**

### **2.1 - Disclosure on implementation of the MFMA & other applicable legislation Municipal Finance Management Act – No 56 of 2003**

The MFMA became effective on 1st July 2004. The Act aims to modernize budget and financial management practices within the overall objective of maximizing the capacity of municipalities to deliver services.

The MFMA covers all aspects of municipal finance including budgeting, supply chain management and financial reporting.

The various sections of the Act are phased in according to the designated financial management capacity of municipalities. Lejweleputswa District Municipality has been designated as a low capacity municipality. The MFMA is the foundation of the municipal financial management reforms which municipalities are implementing.

#### **The MFMA and the budget**

The following explains the budgeting process in terms of the requirements in the MFMA. It is based on National Treasury's guide to the MFMA.

#### **2.2 The budget preparation process**

##### **2.2.1 Overview**

A central element of the reforms is a change to the way that municipalities prepare their budgets.

The MFMA requires a council to adopt three-year capital and operating budgets that take into account, and are linked to, the municipality's current and future development priorities (as contained in the IDP) and other finance-related policies (such as those relating to free basic service provision).

These budgets must clearly set out revenue by source and expenditure by vote over three years and must be accompanied by performance objectives for revenue and expenditure, a cash flow statement and particulars on borrowing, investments, municipal entities and service delivery agreements, grant allocations and details of employment conditions of service.

The budget may be funded only from reasonable estimates of revenue and cash backed surplus funds from the previous year and borrowings (the latter for capital items only).

### **2.2.2 Budget preparation timetable**

The first step in the budget preparation process is to develop a timetable of all key deadlines relating to the budget and to review the municipality's IDP and budget related policies.

The budget preparation timetable should be prepared by senior management and tabled by the mayor for council adoption ten months before the commencement of the next budget year.

The next diagram depicts the planning, implementation and monitoring process that is followed in LDM.

In terms of Section 21 of the MFMA the mayor is required to table in council ten months before the start of the new financial year a time schedule of key deadlines that sets out the process to revise the IDP and prepare the budget.

### **Table 27 – A10: Schedule of key Deadlines**



<b><u>IDP AND BUDGET PROCESS PLAN FOR 2017/18</u></b>				
	<b>ACTION/ OUTPUT</b>	<b>DELIVERABLE</b>	<b>RESPONSIBLE</b>	<b>ACTION DATE</b>
1.	<i>DEVELOPMENT OF A 5 YEAR IDP FOR 2017-2022</i>	Final IDP 2017-2022	<i>MM and Executive Mayor</i>	August 2016 to 31 May 2017
2.	<i>Submit District IDP framework and process plan for adoption by council</i>	Adopted framework and process plans	<i>Municipal Manager</i>	August 2016
3.	<i>Advertise the approved framework &amp; process plan in local newspapers</i>	Advertisement in the local newspapers	<i>Municipal Manager</i>	August 2016
4.	<i>Undertake District-wide Research analysis to assess level of existing development</i>	Updated Situational Analysis	<i>Municipal Manager</i>	Sept 2016 to January 2017
5.	<i>Develop objectives, strategies and projects for the 5 year IDP plan</i>	5 Year Objectives, strategies and projects & programmes	<i>IDP Steering Com &amp; Representative forum</i>	30 February 2017

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

15.	<i>Considering of Draft Budget by Finance Portfolio Committee</i>		<i>CFO</i>	28 Feb 2017
16.	<i>Considering of Draft Budget by Mayoral Committee</i>	<b>Mayoral Committee budget item</b>	<i>CFO</i>	28 Feb 2017
17.	<i>Table a draft 5 year IDP to MAYCO for consideration.</i>	<b>Mayoral committee Budget &amp; IDP item</b>	<i>MM and Executive Mayor</i>	28 Feb 2017
18.	<i>Tabling of MTEF Budget in Council meeting</i>	<b>Draft budget item to Council</b>	<i>Executive Mayor</i>	31 March 2017
19	<i>Table draft 5 year IDP to council for approval</i>	<b>Draft IDP item to Council</b>	<i>Executive Mayor</i>	31 March 2017
20.	<i>Discussing the draft with the public</i>	<b>Public participation</b>	<i>IDP Rep forum</i>	31 March 2017
21.	<i>Publicize tabled budget within 5 Days after tabling on website &amp; media</i>		<i>MM and CFO</i>	29 Apr 2017
22.	<i>Submit copies of IDP and budget to National /Provincial Treasury</i>		<i>MM and CFO</i>	01 April 2017
23.	<i>Second leg of IDP and Budget Participation process starts. Comments, additions and proposals by stakeholders</i>	<b>Incorporated Inputs from stakeholders</b>	<i>MM, CFO, HODs and Budget Manager</i>	01 April 2017
24.	<i>Mayoral Committee finalizes the draft 5 year IDP and budget</i>		<i>MM and CFO</i>	30 May 2017

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

### **2.2.3 – Tabling of the budget**

The budget went for public participation on 03<sup>rd</sup> May 2017 and inputs were received from communities; Provincial Treasury; COGTA were taken into consideration.

The budget must be tabled by the mayor before the council for adoption by 31<sup>st</sup> May 2017, including measurable performance objectives, changes to the IDP and budget related policies.

### **2.2.4 – Consultation with the community and key stakeholders**

When the budget is tabled, council must consider the views of the local community, the national and the relevant provincial treasury and other municipalities and government departments that may have made submissions on the budget.

The overall objective of this is to ensure an authentic and inclusive public participation process for the IDP and budget.

## **2.3 – Service Delivery and Budget Implementation Plan (SDBIP)**

The municipal manager must within fourteen days after the approval of the annual budget submit to the executive mayor for approval a draft service delivery and budget implementation plan and draft annual performance agreements for all pertinent senior staff.

A service delivery and budget implementation plan is a detailed plan for implementing the delivery of municipal services contemplated in the annual budget and should indicate monthly revenue and expenditure projections and quarterly service delivery targets and performance indicators.

The executive mayor must approve the draft service delivery and budget implementation plan within 28 days of the approval of the annual final budget.

This plan must then be monitored by the mayor and reported on to council on a regular basis. The municipal manager is responsible for implementation of the budget and must take steps to ensure that all spending is in accordance with the budget and that revenue and expenditure are properly monitored.

Generally, councils may incur expenditure only if it is in terms of the budget, within the limits of the amounts appropriated against each budget vote – and in the case of capital expenditure, only if council has approved the project. Expenditure incurred outside of these parameters may be considered to be unauthorized or, in some cases, irregular or fruitless and wasteful. Unauthorized expenditure must be reported and may result in criminal proceedings.

## 2.4 – Alignment of Annual Budget with IDP

Municipalities are required to develop five year Integrated Development Plans which must be reviewed annually. Local priorities were identified as part of the IDP process which is directly aligned to that of national and provincial priorities. The IDP strategic objectives and goals are set out in the IDP document.

The 2017/18 MTREF has therefore been directly informed by the IDP and the following tables provide reconciliation between the IDP strategic objectives and goals.

**Table 29 – SA4: Reconciliation between IDP strategic objectives and budgeted operating revenue**

DC18 Lejweleputswa - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)													
Strategic Objective	Goal	Goal Code	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	
<b>R thousand</b>													
Source funding for operation and support service	Service delivery (interest from Bank & Investment)			2,824	3,742	5,176	1,840	3,780	3,780	2,300	2,300	2,300	
	Other			2,265	965	1,032	398	998	998	300	284	274	
	Grants			103,760	108,518	115,631	116,162	116,513	116,513	119,998	127,468	128,634	
<b>Allocations to other priorities</b>			2										
<b>Total Revenue (excluding capital transfers and contributions)</b>				1	108,850	113,226	121,839	118,400	121,291	121,291	122,598	130,052	131,208

**Table 30 – SA5: Reconciliation between IDP strategic objectives and budgeted operating expenditure**

DC18 Lejweleputswa - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)												
Strategic Objective	Goal	Goal Code	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
Local Economic Development	Economic Development, SMME's and Tourism development			2,682	1,058	1,577	1,180	1,180	1,180	701	1,413	1,429
Municipal Transformation and Institutional Development	Skills Development, Workplace skills plan, Employee wellness			1,399	2,149	2,377	240	240	240	340	350	364
Municipal Financial Viability and Management	Clean Audit			1,234	1,089	1,194	1,250	1,250	1,250	1,250	1,000	1,000
Good Governance and Public Participation	District Aids council and HIV & Aids,			34			90	740	115	115	118	123
	Gender Disability, Elderly					30	90	40	40	40	41	42
	Moral Regeneration			247	130	194	150	141	141	141	145	151
	National Campaign			1,265	1,227	2,849	450	675	675	675	695	723
	Mandela Day				99		100	100	100	100	103	107
	Educational Programme			761	371	452	300	300	300	300	309	321
	Grant in Aid			592	152	261	130	285	285	135	139	145
	Youth Development,			242	186	790	152	152	152	152	157	163
	OR Tambo games,			661	484	698	300	656	656	656	675	702
	Ntational Population registration,						51					
	Branding			238	55	206	110	170	170	200	206	214
	Performance Management				99		100	35	35	100	103	107
Safety and Healthy Environment	Municipal health services			221	206		329	319	319	319	329	342
	Disaster Management			93	46		99	99	99	99	102	106
<b>TOTAL LINKED IDP PROJECTS</b>				95,569	102,369	105,998	112,579	112,960	113,585	117,275	121,247	124,161
<b>Total Expenditure</b>			1	105,238	109,720	116,627	117,700	119,341	119,341	122,598	127,133	130,202

**Table 31 – SA6: Reconciliation between IDP strategic objectives and budgeted capital expenditure**

DC18 Lejweleputswa - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)												
Strategic Objective	Goal	Goal Code	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												
Municipal Transformation and institutional Development	Furniture & fittings, Office equipment, Motor vehicles, Property & plant	A		2,354	930	757	700	3,014	3,014	3,250	3,535	1,000
Allocations to other priorities			3									
<b>Total Capital Expenditure</b>			1	<b>2,354</b>	<b>930</b>	<b>757</b>	<b>700</b>	<b>3,014</b>	<b>3,014</b>	<b>3,250</b>	<b>3,535</b>	<b>1,000</b>

**2.5 – Measurable Performance Objectives and Indicators**



**Tables 32 – SA7: Measurable Performance Objectives**

DC18 Lejweleputswa - Supporting Table SA7 Measurable performance objectives										
Description	Unit of measurement	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
<b>Vote 1 - vote name</b>										
<b>Function 1 - (name)</b>										
<b>Sub-function 1 - (name)</b>										
<i>Insert measure/s description</i>										
<b>Sub-function 2 - (name)</b>										
<i>Insert measure/s description</i>										
<b>Sub-function 3 - (name)</b>										
<i>Insert measure/s description</i>										
<b>Function 2 - (name)</b>										
<b>Sub-function 1 - (name)</b>										
<i>Insert measure/s description</i>										
<b>Sub-function 2 - (name)</b>										
<i>Insert measure/s description</i>										
<b>Sub-function 3 - (name)</b>										
<i>Insert measure/s description</i>										
<b>Vote 2 - vote name</b>										
<b>Function 1 - (name)</b>										
<b>Sub-function 1 - (name)</b>										
<i>Insert measure/s description</i>										
<b>Sub-function 2 - (name)</b>										
<i>Insert measure/s description</i>										
<b>Sub-function 3 - (name)</b>										
<i>Insert measure/s description</i>										
<b>Function 2 - (name)</b>										
<b>Sub-function 1 - (name)</b>										
<i>Insert measure/s description</i>										
<b>Sub-function 2 - (name)</b>										
<i>Insert measure/s description</i>										
<b>Sub-function 3 - (name)</b>										
<i>Insert measure/s description</i>										

The key financial indicators and ratios are expressed in the table below:

**Tables 33 – SA8: Performance Indicators and benchmarks**

DC18 Lejweleputswa - Supporting Table SA8 Performance indicators and benchmarks											
Description of financial indicator	Basis of calculation	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
<b>Borrowing Management</b>											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	4.0%	3.8%	4.9%	2.9%	2.9%	2.9%	2.9%	2.8%	2.7%	2.7%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	81.9%	88.5%	91.8%	154.9%	72.6%	72.6%	72.6%	134.2%	135.0%	135.5%
<b>Liquidity</b>											
Current Ratio	Current assets/current liabilities	3.8	3.9	4.4	4.1	4.1	4.1	4.1	2.8	2.0	1.9
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	3.8	3.9	4.4	4.1	4.1	4.1	4.1	2.8	2.0	1.9
Liquidity Ratio	Monetary Assets/Current Liabilities	3.7	3.9	4.3	4.1	4.1	4.1	4.1	2.8	2.0	1.9
<b>Creditors Management</b>											
Creditors to Cash and Investments		38.7%	48.3%	32.0%	30.5%	25.8%	25.8%	25.8%	24.2%	22.3%	20.2%
Employee costs	Employee costs/(Total Revenue - capital revenue)	55.8%	55.2%	54.2%	55.5%	53.3%	53.3%	53.3%	57.1%	56.0%	58.3%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	63.8%	63.4%	61.6%	62.9%	61.2%	61.2%		67.3%	66.0%	68.7%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	0.4%	0.4%	0.4%	0.6%	0.6%	0.6%		0.6%	0.6%	0.6%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	8.5%	7.8%	6.5%	7.8%	7.6%	7.6%	7.6%	6.9%	6.6%	6.7%
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	0.8	0.6	1.5	0.4	0.4	0.4	1.0	0.5	0.5	0.5
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	2.6	2.5	3.8	3.2	3.7	3.7	3.7	4.0	4.4	4.9

## 2.5 Measurable Performance Indicators and Benchmarks

### (a) Borrowing Management

Capital expenditure in local government can be funded by capital grants, own-source revenue and long term borrowing. The ability of a municipality to raise long term borrowing is largely dependent on its creditworthiness and financial position. As with all other municipalities, Lejweleputswa District Municipality's borrowing strategy is primarily informed by the affordability of debt repayments. Council's debt portfolio is dominated by annuity loans.

The following financial performance indicators have formed part of the compilation of the 2017/18 MTREF:

- *Capital charges to operating expenditure* are a measure of the cost of borrowing in relation to the operating expenditure. It can be seen that the cost of borrowing is (2.8%) for 2017/18.
- Safety of Capital
- *The debt-to-equity ratio* is a financial ratio indicating the relative proportion of equity and debt used in financing the municipality's assets. The indicator is based on the total of loans, creditors, and overdraft and tax provisions as a percentage of funds and reserves.
- *The gearing ratio* is a measure of the total long term borrowings over funds and reserves.

### (b) Liquidity

- *Current ratio* is a measure of the current assets divided by the current liabilities which is standing at 2.8 for 2017/18.
- *The liquidity ratio* is a measure of the ability of the municipality to utilize cash and cash equivalents to extinguish or retire its current liabilities immediately which reflects a 2.8 ratio for 2017/18.

### (c) Creditors Management

- The Finance department ensures that creditor payments are done within the allowed 30 days.

## **2.6 – Budget Assumptions**

Budgets are prepared in an environment of uncertainty. To prepare meaningful budgets, assumptions need to be made about internal and external factors that could influence the budget. Documentation of the assumptions used in preparing the budget assists understanding of the information. This section provides a comprehensive summary of all the assumptions used in preparing the budget.

### **2.6.1 – National Treasury MFMA Circular No. 85 & 86**

The Circulars were issued on 09 December 2016 and 08 March 2017 respectively, and it provides further guidance to municipalities for the preparation of the 2016/17 budget and MTREF and was used in preparing this budget. Copies of the Circulars are attached as an Annexure to this document.

### **2.6.2 – Inflation Outlook**

In MFMA Circular No. 86, inflation forecasts are estimated at 6.4%, 5.7% and 5.6% respectively for the years 2017/18 to 2019/20.

### **2.6.3 – Average salary increases**

The MTREF includes increases for employee remuneration and for councillors remuneration by 5.5%:

The employee related costs comprise 57.2% and 6.5% for councillors of total operating expenditure in the 2017/1 MTREF budget and places a disproportionate upward pressure on the expenditure budget.

### **2.6.4 – Ability of the municipality to spend and deliver on the programmes**

Spending is monitored closely throughout the year and head of departments must ensure that capital programmes are supported by robust planning. The SDBIP includes monthly cash flows of expenditure and is used as the basis for budget monitoring. Monthly Section 71 meetings with portfolio councillors, municipal manager, head of departments and the budget office also forms part of the monitoring tool and directorates must give reasons for poor performance and over spending and put corrective measures in place.

## 2.7 – Other Supporting documents

### 2.7.1 Investment Particulars by Type

**Table 34 – SA15: Investment Particulars by Type**

DC18 Lejweleputswa - Supporting Table SA15 Investment particulars by type										
Investment type	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
<b>R thousand</b>										
<b>Parent municipality</b>										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank		30,284	40,367	40,009	30,000	30,000	30,000	20,000	15,000	15,000
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
<b>Municipality sub-total</b>	<b>1</b>	<b>30,284</b>	<b>40,367</b>	<b>40,009</b>	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>	<b>20,000</b>	<b>15,000</b>	<b>15,000</b>
<b>Entities</b>										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank										
<b>Entities sub-total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Consolidated total:</b>		<b>30,284</b>	<b>40,367</b>	<b>40,009</b>	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>	<b>20,000</b>	<b>15,000</b>	<b>15,000</b>

**Table 34.1 – SA16: Investment Particulars by Maturity**

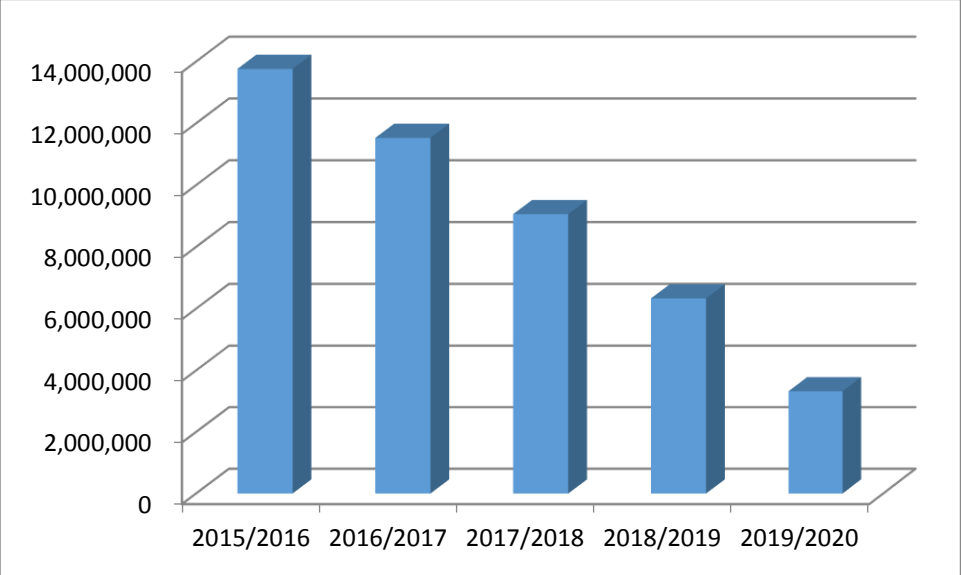
DC18 Lejweleputswa - Supporting Table SA16 Investment particulars by maturity														
Investments by Maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate *	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Name of institution & investment ID	1	Yrs/Months												
<b>Parent municipality</b>														
First National Bank		Call	Call	Yes	Variable	6.85%				10,000	Call			10,000
Nedbank		3 months	Fixed	Yes	Fixed	7.85%			26/04/2017	20,000	387			20,387
Standard Bank		3 months	Fixed	Yes	Fixed	7.80%			26/04/2017	20,000	385			20,385
<b>Municipality sub-total</b>										<b>50,000</b>		-	-	<b>50,772</b>
<b>Entities</b>														
														-
<b>Entities sub-total</b>										-		-	-	-
<b>TOTAL INVESTMENTS AND INTEREST</b>	<b>1</b>									<b>50,000</b>		-	-	<b>50,772</b>

## 2.7.2 Borrowings

Table 35 – SA17: Borrowing

DC18 Lejweleputswa - Supporting Table SA17 Borrowing										
Borrowing - Categorised by type	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		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
<b>Parent municipality</b>										
Annuity and Bullet Loans		13,113	10,967	11,557	11,527	11,527	11,527	9,059	7,832	6,532
Financial derivatives										
Other Securities										
<b>Municipality sub-total</b>	1	<b>13,113</b>	<b>10,967</b>	<b>11,557</b>	<b>11,527</b>	<b>11,527</b>	<b>11,527</b>	<b>9,059</b>	<b>7,832</b>	<b>6,532</b>
<b>Entities</b>										
Annuity and Bullet Loans										
Other Securities										
<b>Entities sub-total</b>	1	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Borrowing</b>	1	<b>13,113</b>	<b>10,967</b>	<b>11,557</b>	<b>11,527</b>	<b>11,527</b>	<b>11,527</b>	<b>9,059</b>	<b>7,832</b>	<b>6,532</b>

**Table 35.1 Reductions in Outstanding Borrowing (long Term Liabilities)**





## 2.7.3 Grants and subsidies

**Table 36 – SA18: Transfers and grants receipt**

DC18 Lejweleputswa - Supporting Table SA18 Transfers and grant receipts										
Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
					Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>R thousand</b>		<b>Audited Outcome</b>	<b>Audited Outcome</b>	<b>Audited Outcome</b>						
<b>RECEIPTS:</b>	1, 2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		<b>103,760</b>	<b>108,518</b>	<b>115,631</b>	<b>116,162</b>	<b>116,513</b>	<b>116,513</b>	<b>119,998</b>	<b>127,468</b>	<b>128,634</b>
Local Government Equitable Share		24,658	26,260	29,958	29,027	29,027	29,027	30,602	33,487	35,067
RSC Levy Replacement		75,962	78,487	80,432	82,700	82,700	82,700	84,870	87,458	90,029
Finance Management		1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,000	1,000
Municipal Systems Improvement		890	934	930					3,123	
EPWP Incentive		1,000		1,000	1,000	1,000	1,000	1,000		
Rural Roads Assets MGMT System			1,587	2,061	2,185	2,185	2,185	2,276	2,400	2,538
LGSETA BURSRIES AND LEARNERSHIP						351	351			
<b>Total Operating Transfers and Grants</b>	5	<b>103,760</b>	<b>108,518</b>	<b>115,631</b>	<b>116,162</b>	<b>116,513</b>	<b>116,513</b>	<b>119,998</b>	<b>127,468</b>	<b>128,634</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		<b>103,760</b>	<b>108,518</b>	<b>115,631</b>	<b>116,162</b>	<b>116,513</b>	<b>116,513</b>	<b>119,998</b>	<b>127,468</b>	<b>128,634</b>

**Table 37 – SA19: Expenditure on transfers and grants**

DC18 Lejweleputswa - Supporting Table SA19 Expenditure on transfers and grant programme										
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
<b>EXPENDITURE:</b>	1									
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>		<b>103,760</b>	<b>108,518</b>	<b>115,631</b>	<b>116,162</b>	<b>116,513</b>	<b>116,513</b>	<b>119,998</b>	<b>127,468</b>	<b>128,634</b>
Local Government Equitable Share		24,658	26,260	29,958	29,027	29,027	29,027	30,602	33,487	35,067
RSC Levy Replacement		75,962	78,487	80,432	82,700	82,700	82,700	84,870	87,458	90,029
Finance Management		1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,000	1,000
Municipal Systems Improvement		890	934	930	–	–	–	–	3,123	–
EPWP Incentive		1,000	–	1,000	1,000	1,000	1,000	1,000	–	–
Rural Roads Assets MGMT System		–	1,587	2,061	2,185	2,185	2,185	2,276	2,400	2,538
LGSETA BURSRIES AND LEARNERSHIP						351	351	–	–	–
<b>Total operating expenditure of Transfers and Grants:</b>		<b>103,760</b>	<b>108,518</b>	<b>115,631</b>	<b>116,162</b>	<b>116,513</b>	<b>116,513</b>	<b>119,998</b>	<b>127,468</b>	<b>128,634</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		<b>103,760</b>	<b>108,518</b>	<b>115,631</b>	<b>116,162</b>	<b>116,513</b>	<b>116,513</b>	<b>119,998</b>	<b>127,468</b>	<b>128,634</b>

**Table 38 – SA20: Reconciliation of transfers, grants receipts and unspent funds**

DC18 Lejweleputswa - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds										
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										
<b>Operating transfers and grants:</b>	1,3									
<b>National Government:</b>										
Balance unspent at beginning of the year										
Current year receipts		103,760	108,518	115,631	116,162	116,513	116,513	119,998	127,468	128,634
<b>Conditions met - transferred to revenue</b>		<b>103,760</b>	<b>108,518</b>	<b>115,631</b>	<b>116,162</b>	<b>116,513</b>	<b>116,513</b>	<b>119,998</b>	<b>127,468</b>	<b>128,634</b>
<b>Total operating transfers and grants revenue</b>		<b>103,760</b>	<b>108,518</b>	<b>115,631</b>	<b>116,162</b>	<b>116,513</b>	<b>116,513</b>	<b>119,998</b>	<b>127,468</b>	<b>128,634</b>
<b>TOTAL TRANSFERS AND GRANTS REVENUE</b>		<b>103,760</b>	<b>108,518</b>	<b>115,631</b>	<b>116,162</b>	<b>116,513</b>	<b>116,513</b>	<b>119,998</b>	<b>127,468</b>	<b>128,634</b>

**Table 39 – SA21: Transfers and grants made by the municipality**

DC18 Lejweleputswa - Supporting Table SA21 Transfers and grants made by the municipality											
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
<b>Cash Transfers to other municipalities</b>											
<i>Insert description</i>	1										
Masilonyana Municipality (FS 181)				974							
Tswelopele Municipality (FS 183)		50			50						
Matjhabeng Municipality (FS 184)		1,513	1,049								
Nala Municipality (FS 185)											1,800
Tswelopele Fancing (FS 183)											
Tokologo Municipality (FS 182)						300	300	300		1,800	
<b>Total Cash Transfers To Municipalities:</b>		<b>1,563</b>	<b>1,049</b>	<b>974</b>	<b>50</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>-</b>	<b>1,800</b>	<b>1,800</b>
<b>Cash Transfers to Entities/Other External Mechanisms</b>											
Lejweleputswa Development Agency		2,500	2,500	3,500	3,500	3,752	3,752	3,752	3,752	3,921	4,078
<b>Total Cash Transfers To Entities/Ems'</b>		<b>2,500</b>	<b>2,500</b>	<b>3,500</b>	<b>3,500</b>	<b>3,752</b>	<b>3,752</b>	<b>3,752</b>	<b>3,752</b>	<b>3,921</b>	<b>4,078</b>
<b>TOTAL CASH TRANSFERS AND GRANTS</b>	6	<b>4,063</b>	<b>3,549</b>	<b>4,474</b>	<b>3,550</b>	<b>4,052</b>	<b>4,052</b>	<b>4,052</b>	<b>3,752</b>	<b>5,721</b>	<b>5,878</b>

The total remuneration has increased from R74 million (2016/17) to R78 million (2017/18).

**Table 40 – SA22: Summary of councillor and staff benefits**

DC18 Lejweleputswa - Supporting Table SA22 Summary councillor and staff benefits										
Summary of Employee and Councillor remuneration	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										
<b><u>Councillors (Political Office Bearers plus Other)</u></b>										
Basic Salaries and Wages		4,855	5,870	5,837	5,483	6,066	6,066	5,106	5,310	5,575
Pension and UIF Contributions					759	813	813	725	754	792
Medical Aid Contributions		1,150	1,080	1,081	342	372	372	280	291	306
Motor Vehicle Allowance		1,976	1,886	1,666	1,741	1,854	1,854	1,470	1,521	1,588
Cellphone Allowance		398	389	391	396	420	420	334	347	365
Other benefits and allowances		332	68	67						
<b>Sub Total - Councillors</b>		<b>8,713</b>	<b>9,294</b>	<b>9,042</b>	<b>8,721</b>	<b>9,526</b>	<b>9,526</b>	<b>7,915</b>	<b>8,223</b>	<b>8,625</b>
<b>% increase</b>	4		<b>6.7%</b>	<b>(2.7%)</b>	<b>(3.6%)</b>	<b>9.2%</b>	<b>-</b>	<b>(16.9%)</b>	<b>3.9%</b>	<b>4.9%</b>
<b><u>Senior Managers of the Municipality</u></b>										
Basic Salaries and Wages	2	2,682	3,413	3,571	5,400	5,347	5,347	5,127	5,332	5,599
Pension and UIF Contributions		646	587	767						
Performance Bonus		169			694	749	749	730	759	797
Motor Vehicle Allowance	3	653	753	789						
Cellphone Allowance	3	89	120	132	120	120	120	120	125	131
Housing Allowances	3	261	274	246						
<b>Sub Total - Senior Managers of Municipality</b>		<b>4,501</b>	<b>5,147</b>	<b>5,505</b>	<b>6,215</b>	<b>6,216</b>	<b>6,216</b>	<b>5,977</b>	<b>6,216</b>	<b>6,527</b>
<b>% increase</b>	4		<b>14.3%</b>	<b>7.0%</b>	<b>12.9%</b>	<b>0.0%</b>	<b>-</b>	<b>(3.8%)</b>	<b>4.0%</b>	<b>5.0%</b>
<b><u>Other Municipal Staff</u></b>										
Basic Salaries and Wages		31,219	36,698	40,766	40,674	39,525	39,525	42,771	44,482	46,706
Pension and UIF Contributions		5,765	6,020	6,172	6,874	6,624	6,624	7,255	7,545	7,922
Medical Aid Contributions		2,907	3,140	3,363	3,918	3,775	3,775	3,851	4,005	4,206
Overtime		188	232	44		49	49			
Motor Vehicle Allowance	3	5,282	5,299	5,466	5,958	6,394	6,394	7,745	8,055	8,458
Cellphone Allowance	3	235	197	196	216	120	120	109	114	119
Housing Allowances	3	327	276	368	431	429	429	478	497	522
Other benefits and allowances	3	1,262	3,028	1,301	1,098	1,087	1,087	1,386	1,441	1,513
Payments in lieu of leave		2,250	2,501	2,849						
Long service awards		3,192			364	463	463	491	511	536
Post-retirement benefit obligations	6	3,612								
<b>Sub Total - Other Municipal Staff</b>		<b>56,239</b>	<b>57,391</b>	<b>60,525</b>	<b>59,535</b>	<b>58,466</b>	<b>58,466</b>	<b>64,086</b>	<b>66,649</b>	<b>69,982</b>

**Table 41 – SA23: Salaries, allowances and benefits (political office bearers/councillors and senior managers)**

<b><u>Board Members of Entities</u></b>										
Board Fees								60	66	73
<b>Sub Total - Board Members of Entities</b>		-	-	-	-	-	-	<b>60</b>	<b>66</b>	<b>73</b>
<b>% increase</b>	4		-	-	-	-	-	-	<b>10.0%</b>	<b>10.0%</b>
<b><u>Senior Managers of Entities</u></b>										
Basic Salaries and Wages								1,058	1,117	1,178
Pension and UIF Contributions								0	1	1
Medical Aid Contributions								-	-	-
Overtime								-	-	-
Performance Bonus								51	54	56
Motor Vehicle Allowance	3							68	71	75
Payments in lieu of leave								6	6	6
<b>Sub Total - Senior Managers of Entities</b>		-	-	-	-	-	-	<b>1,183</b>	<b>1,248</b>	<b>1,317</b>
<b>% increase</b>	4		-	-	-	-	-	-	<b>5.5%</b>	<b>5.5%</b>
<b><u>Other Staff of Entities</u></b>										
Basic Salaries and Wages								2,413	2,546	2,686
Pension and UIF Contributions								435	459	484
Medical Aid Contributions								151	159	167
Motor Vehicle Allowance	3							152	160	169
Cellphone Allowance	3							11	12	13
Housing Allowances	3							53	56	59
Payments in lieu of leave								46	49	51
<b>Sub Total - Other Staff of Entities</b>		-	-	-	-	-	-	<b>3,262</b>	<b>3,441</b>	<b>3,630</b>
<b>% increase</b>	4		-	-	-	-	-	-	<b>5.5%</b>	<b>5.5%</b>
<b>Total Municipal Entities</b>		-	-	-	-	-	-	<b>4,505</b>	<b>4,755</b>	<b>5,019</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>69,453</b>	<b>71,831</b>	<b>75,072</b>	<b>74,470</b>	<b>74,208</b>	<b>74,208</b>	<b>82,483</b>	<b>85,844</b>	<b>90,153</b>
<b>% increase</b>	4		<b>3.4%</b>	<b>4.5%</b>	<b>(0.8%)</b>	<b>(0.4%)</b>	-	<b>11.2%</b>	<b>4.1%</b>	<b>5.0%</b>
<b>TOTAL MANAGERS AND STAFF</b>	5,7	<b>60,740</b>	<b>62,538</b>	<b>66,030</b>	<b>65,750</b>	<b>64,682</b>	<b>64,682</b>	<b>74,508</b>	<b>77,555</b>	<b>81,455</b>



**Table 42 – SA24: Summary of personnel numbers**

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
				1.				2.
<b>Rand per annum</b>								
<b>Councillors</b>	3							
Speaker	4		574,895	82,128	20,868			677,891
Chief Whip			370,223	91,987	168,442			630,652
Executive Mayor			661,961	159,718	20,868			842,547
Deputy Executive Mayor								–
Executive Committee			2,107,505	447,746	920,313			3,475,564
Total for all other councillors			1,391,065	223,552	673,468			2,288,085
<b>Total Councillors</b>	8	–	<b>5,105,649</b>	<b>1,005,131</b>	<b>1,803,959</b>			<b>7,914,739</b>
<b>Senior Managers of the Municipality</b>	5							
Municipal Manager (MM)			1,208,463		36,000	169,185		1,413,648
Chief Finance Officer			987,820		30,000	159,227		1,177,047
Corporate services			955,476		18,000	133,767		1,107,243
LED & Plan Manager			987,820		18,000	133,868		1,139,688
EHS & DM Manager			987,820		18,000	133,868		1,139,688
								–
<b>Total Senior Managers of the Municipality</b>	8,10	–	<b>5,127,399</b>	–	<b>120,000</b>	<b>729,915</b>		<b>5,977,314</b>
<b>TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION</b>	10	–	<b>10,233,048</b>	<b>1,005,131</b>	<b>1,923,959</b>	<b>729,915</b>		<b>13,892,053</b>

## 2.7.5 Monthly targets for revenue, expenditure and cash flow

**Table 43 – SA25: Budgeted monthly revenue and expenditure by revenue source and expenditure type**

DC18 Lejweleputswa - Supporting Table SA25 Consolidated budgeted monthly revenue and expenditure																
Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>Revenue By Source</b>																
Interest earned - external investments		74	101	1,345	38	55	96	33	123	29	346	60	-	2,300	2,300	2,300
Interest earned - outstanding debtors				35			39			43		47	-	164	164	164
Transfers and subsidies		45,500	1,250	2,490		400	38,500		600	29,000	2,258		-	119,998	127,468	128,634
Other revenue		16	13	8	3	15	10	12	20	13	9	17	-	136	120	110
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>45,590</b>	<b>1,364</b>	<b>3,878</b>	<b>41</b>	<b>470</b>	<b>38,645</b>	<b>45</b>	<b>743</b>	<b>29,085</b>	<b>2,613</b>	<b>124</b>	<b>-</b>	<b>122,598</b>	<b>130,052</b>	<b>131,208</b>
<b>Expenditure By Type</b>																
Employee related costs		4,813	5,026	5,347	5,160	5,421	5,609	5,819	6,002	5,766	6,347	6,148	8,605	70,063	72,866	76,509
Remuneration of councillors		572	589	626	643	651	638	729	685	671	690	702	718	7,915	8,223	8,625
Depreciation & asset impairment		576	553	541	592	608	614	682	600	623	636	730	767	7,521	7,747	8,057
Finance charges			499						499				-	999	840	769
Contracted services			120			380		600		125			184	1,409	1,452	1,313
Transfers and subsidies		3,500											252	3,752	5,721	5,878
Other expenditure		2,057	2,394	2,732	3,018	2,590	3,080	2,951	2,264	2,407	2,550	2,651	2,244	30,938	30,284	29,051
<b>Total Expenditure</b>		<b>11,518</b>	<b>9,181</b>	<b>9,246</b>	<b>9,413</b>	<b>9,650</b>	<b>9,941</b>	<b>10,781</b>	<b>10,050</b>	<b>9,592</b>	<b>10,223</b>	<b>10,231</b>	<b>12,771</b>	<b>122,597</b>	<b>127,133</b>	<b>130,202</b>
<b>Surplus/(Deficit)</b>		<b>34,072</b>	<b>(7,817)</b>	<b>(5,368)</b>	<b>(9,372)</b>	<b>(9,180)</b>	<b>28,704</b>	<b>(10,736)</b>	<b>(9,307)</b>	<b>19,493</b>	<b>(7,610)</b>	<b>(10,107)</b>	<b>(12,771)</b>	<b>0</b>	<b>2,919</b>	<b>1,006</b>
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>34,072</b>	<b>(7,817)</b>	<b>(5,368)</b>	<b>(9,372)</b>	<b>(9,180)</b>	<b>28,704</b>	<b>(10,736)</b>	<b>(9,307)</b>	<b>19,493</b>	<b>(7,610)</b>	<b>(10,107)</b>	<b>(12,771)</b>	<b>0</b>	<b>2,919</b>	<b>1,006</b>
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>34,072</b>	<b>(7,817)</b>	<b>(5,368)</b>	<b>(9,372)</b>	<b>(9,180)</b>	<b>28,704</b>	<b>(10,736)</b>	<b>(9,307)</b>	<b>19,493</b>	<b>(7,610)</b>	<b>(10,107)</b>	<b>(12,771)</b>	<b>0</b>	<b>2,919</b>	<b>1,006</b>

**Table 44 – SA26: Budgeted monthly revenue and expenditure by municipal vote**

DC18 Lejweleputswa - Supporting Table SA26 Consolidated budgeted monthly revenue and expenditure (municipal vote)																
Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>Revenue by Vote</b>																
Vote 4 - Council General		45,500					38,500			34,748			–	118,748	123,345	127,634
Vote 5 - Municipal Manager													–	–	3,123	–
Vote 6 - Budget & Treasury			1,250	95	87	242	15	821	408	163	422	180	167	3,850	3,584	3,574
<b>Total Revenue by Vote</b>		<b>45,500</b>	<b>1,250</b>	<b>95</b>	<b>87</b>	<b>242</b>	<b>38,515</b>	<b>821</b>	<b>408</b>	<b>34,911</b>	<b>422</b>	<b>180</b>	<b>167</b>	<b>122,598</b>	<b>130,052</b>	<b>131,208</b>
<b>Expenditure by Vote to be appropriated</b>																
Vote 1 - Executive Mayor		781	826	1,014	935	972	861	993	907	864	937	966	686	10,742	10,827	11,299
Vote 2 - Speaker		302	316	327	332	350	328	397	361	340	331	348	320	4,052	4,018	4,214
Vote 3 - Mayoral Committee		484	472	459	426	441	492	528	554	570	599	613	587	6,225	6,371	6,684
Vote 4 - Council General		966	1,013	1,161	1,009	1,215	1,393	1,678	1,799	1,742	1,500	1,690	1,307	16,473	17,726	15,912
Vote 5 - Municipal Manager		941	991	1,015	963	1,148	1,234	1,459	1,246	1,277	1,397	989	933	13,593	16,856	17,649
Vote 6 - Budget & Treasury		1,123	1,348	1,209	1,349	1,456	1,582	1,974	2,016	1,609	1,785	1,508	1,440	18,399	18,145	18,748
Vote 7 - Corporate Services		1,102	1,239	1,361	1,257	1,084	1,634	1,750	1,475	1,564	1,542	1,690	1,230	16,928	16,693	17,511
Vote 10 - Property		402	416	428	471	493	511	522	484	555	523	549	583	5,937	6,095	6,352
Vote 12 - Planning & Development		595	512	507	562	591	527	504	572	549	536	529	508	6,492	6,562	6,884
Vote 13 - Community & Social Services		798	814	822	836	887	916	954	1,001	969	918	932	886	10,733	10,604	11,111
Vote 14 - Environmental Health Services		827	844	865	894	917	848	985	1,110	1,238	1,274	1,160	1,061	12,023	12,234	12,837
Vote 15 - Tourism							1,001						–	1,001	1,001	1,001
<b>Total Expenditure by Vote</b>		<b>8,321</b>	<b>8,791</b>	<b>9,168</b>	<b>9,034</b>	<b>9,554</b>	<b>11,327</b>	<b>11,744</b>	<b>11,525</b>	<b>11,277</b>	<b>11,342</b>	<b>10,974</b>	<b>9,540</b>	<b>122,597</b>	<b>127,133</b>	<b>130,202</b>
<b>Surplus/(Deficit) before assoc.</b>		<b>37,179</b>	<b>(7,541)</b>	<b>(9,073)</b>	<b>(8,947)</b>	<b>(9,312)</b>	<b>27,188</b>	<b>(10,923)</b>	<b>(11,117)</b>	<b>23,634</b>	<b>(10,920)</b>	<b>(10,794)</b>	<b>(9,374)</b>	<b>0</b>	<b>2,919</b>	<b>1,006</b>
<b>Surplus/(Deficit)</b>	1	<b>37,179</b>	<b>(7,541)</b>	<b>(9,073)</b>	<b>(8,947)</b>	<b>(9,312)</b>	<b>27,188</b>	<b>(10,923)</b>	<b>(11,117)</b>	<b>23,634</b>	<b>(10,920)</b>	<b>(10,794)</b>	<b>(9,374)</b>	<b>0</b>	<b>2,919</b>	<b>1,006</b>

**Table 45 – SA27: Budgeted monthly revenue and expenditure by standard classification**

DC18 Lejweleputswa - Supporting Table SA27 Consolidated budgeted monthly revenue and expenditure (functional classification)																
Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>Revenue - Functional</b>																
<i>Governance and administration</i>		45,500	1,250	95	87	242	38,515	821	408	34,911	422	180	167	122,598	130,052	131,208
Executive and council		45,500					38,500			34,748			-	118,748	126,468	127,634
Finance and administration			1,250	95	87	242	15	821	408	163	422	180	167	3,850	3,584	3,574
<b>Total Revenue - Functional</b>		<b>45,500</b>	<b>1,250</b>	<b>95</b>	<b>87</b>	<b>242</b>	<b>38,515</b>	<b>821</b>	<b>408</b>	<b>34,911</b>	<b>422</b>	<b>180</b>	<b>167</b>	<b>122,598</b>	<b>130,052</b>	<b>131,208</b>
<b>Expenditure - Functional</b>																
<i>Governance and administration</i>		6,101	6,621	6,974	6,742	7,159	8,035	9,301	8,842	8,521	8,614	8,353	7,085	92,348	96,731	98,369
Executive and council		3,474	3,618	3,976	3,665	4,126	4,308	5,055	4,867	4,793	4,764	4,606	3,832	51,084	55,798	55,757
Finance and administration		2,627	3,003	2,998	3,077	3,033	3,727	4,246	3,975	3,728	3,850	3,747	3,253	41,264	40,933	42,611
Internal audit													-	-	-	-
<i>Community and public safety</i>		798	814	822	836	887	916	954	1,001	969	918	932	886	10,733	10,604	11,111
Community and social services		798	814	822	836	887	916	954	1,001	969	918	932	886	10,733	10,604	11,111
Sport and recreation													-	-	-	-
<i>Economic and environmental services</i>		1,422	1,356	1,372	1,456	1,508	1,375	1,489	1,682	1,787	1,810	1,689	1,569	18,515	18,796	19,721
Planning and development		595	512	507	562	591	527	504	572	549	536	529	508	6,492	6,562	6,884
Environmental protection		827	844	865	894	917	848	985	1,110	1,238	1,274	1,160	1,061	12,023	12,234	12,837
<i>Other</i>							1,001						-	1,001	1,001	1,001
<b>Total Expenditure - Functional</b>		<b>8,321</b>	<b>8,791</b>	<b>9,168</b>	<b>9,034</b>	<b>9,554</b>	<b>11,327</b>	<b>11,744</b>	<b>11,525</b>	<b>11,277</b>	<b>11,342</b>	<b>10,974</b>	<b>9,540</b>	<b>122,597</b>	<b>127,133</b>	<b>130,202</b>
<b>Surplus/(Deficit) before assoc.</b>		<b>37,179</b>	<b>(7,541)</b>	<b>(9,073)</b>	<b>(8,947)</b>	<b>(9,312)</b>	<b>27,188</b>	<b>(10,923)</b>	<b>(11,117)</b>	<b>23,634</b>	<b>(10,920)</b>	<b>(10,794)</b>	<b>(9,374)</b>	<b>0</b>	<b>2,919</b>	<b>1,006</b>
Share of surplus/ (deficit) of associate													-	-	-	-
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>37,179</b>	<b>(7,541)</b>	<b>(9,073)</b>	<b>(8,947)</b>	<b>(9,312)</b>	<b>27,188</b>	<b>(10,923)</b>	<b>(11,117)</b>	<b>23,634</b>	<b>(10,920)</b>	<b>(10,794)</b>	<b>(9,374)</b>	<b>0</b>	<b>2,919</b>	<b>1,006</b>

**Table 46 – SA28: Budgeted monthly capital expenditure by municipal vote**

DC18 Lejweleputswa - Supporting Table SA28 Consolidated budgeted monthly capital expenditure (municipal vote)																	
Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	
<b>Single-year expenditure to be appropriated</b>																	
Vote 1 - Executive Mayor				50										-	50	50	50
Vote 2 - Speaker				50											50	50	50
Vote 3 - Mayoral Committee				50											50	50	50
Vote 4 - Council General				100			2,000								2,100	1,350	-
Vote 5 - Municipal Manager						100									100	100	100
Vote 6 - Budget & Treasury						500									500	350	350
Vote 7 - Corporate Services				50											50	50	50
Vote 10 - Property						200									200	200	200
Vote 12 - Planning & Development				50											50	50	50
Vote 13 - Community & Social Services				50											50	50	50
Vote 14 - Environmental Health Services				50											50	1,235	50
<b>Capital single-year expenditure sub-total</b>	2	-	-	450	-	800	2,000	-	-	-	-	-	-	-	3,250	3,535	1,000
<b>Total Capital Expenditure</b>	2	-	-	450	-	800	2,000	-	-	-	-	-	-	-	3,250	3,535	1,000

**Table 47 – SA29: Budgeted monthly capital expenditure by standard classification**

DC18 Lejweleputswa - Supporting Table SA29 Consolidated budgeted monthly capital expenditure (functional classification)																
Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>Capital Expenditure - Functional</b>	1															
<i>Governance and administration</i>		-	-	300	-	800	2,000	-	-	-	-	-	-	3,100	2,200	850
Executive and council				250		100	2,000							2,350	1,600	250
Finance and administration				50		700								750	600	600
<i>Community and public safety</i>		-	-	50	-	-	-	-	-	-	-	-	-	50	50	50
Community and social services				50										50	50	50
<i>Economic and environmental services</i>		-	-	100	-	-	-	-	-	-	-	-	-	100	1,285	100
Planning and development				50										50	50	50
Environmental protection				50										50	1,235	50
<b>Total Capital Expenditure - Functional</b>	2	-	-	450	-	800	2,000	-	-	-	-	-	-	3,250	3,535	1,000
<b>Funded by:</b>																
Internally generated funds				450		800	2,000							3,250	3,535	1,000
<b>Total Capital Funding</b>		-	-	450	-	800	2,000	-	-	-	-	-	-	3,250	3,535	1,000

**Table 48 – SA30: Budgeted monthly cash flow**

DC18 Lejweleputswa - Supporting Table SA30 Consolidated budgeted monthly cash flow																
MONTHLY CASH FLOWS	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>Cash Receipts By Source</b>														1		
Interest earned - external investments		72	44	239		65	709	358	107	413	293	-		2,300	2,300	2,300
Interest earned - outstanding debtors			35			39			43		47	-		164	164	164
Transfer receipts - operational	45,500	1,250	2,490		400	38,500		600	29,000	2,258		-		119,998	127,468	128,634
Other revenue	16	13	8	3	15	10	12	20	13	9	18	-		136	120	110
<b>Cash Receipts by Source</b>	<b>45,516</b>	<b>1,335</b>	<b>2,577</b>	<b>242</b>	<b>415</b>	<b>38,614</b>	<b>721</b>	<b>978</b>	<b>29,163</b>	<b>2,680</b>	<b>358</b>	<b>-</b>		<b>122,598</b>	<b>130,052</b>	<b>131,208</b>
<b>Total Cash Receipts by Source</b>	<b>45,516</b>	<b>1,335</b>	<b>2,577</b>	<b>242</b>	<b>415</b>	<b>38,614</b>	<b>721</b>	<b>978</b>	<b>29,163</b>	<b>2,680</b>	<b>358</b>	<b>-</b>		<b>122,598</b>	<b>130,052</b>	<b>131,208</b>
<b>Cash Payments by Type</b>																
Employee related costs	5,433	5,610	5,730	5,836	5,350	5,491	5,286	5,214	5,920	6,077	6,154	7,962		70,063	72,866	76,509
Remuneration of councillors	598	605	593	601	604	628	690	701	712	720	731	733		7,916	8,223	8,625
Finance charges		500										499		999	840	769
Transfers and grants - other municipalities												-			1,800	1,800
Transfers and grants - other	3,752											-		3,752	3,921	4,078
Other expenditure	1,850	2,329	2,808	2,670	2,409	3,001	3,127	2,657	2,890	3,011	2,850	2,745		32,347	31,736	30,364
<b>Cash Payments by Type</b>	<b>11,633</b>	<b>9,044</b>	<b>9,131</b>	<b>9,107</b>	<b>8,363</b>	<b>9,120</b>	<b>9,103</b>	<b>8,572</b>	<b>9,522</b>	<b>9,808</b>	<b>9,735</b>	<b>11,940</b>		<b>115,077</b>	<b>119,386</b>	<b>122,145</b>
<b>Other Cash Flows/Payments by Type</b>																
Capital assets			450		800	2,000						-		3,250	3,535	1,000
Repayment of borrowing		1,244										1,244		2,489	2,647	2,719
<b>Total Cash Payments by Type</b>	<b>11,633</b>	<b>10,288</b>	<b>9,581</b>	<b>9,107</b>	<b>9,163</b>	<b>11,120</b>	<b>9,103</b>	<b>8,572</b>	<b>9,522</b>	<b>9,808</b>	<b>9,735</b>	<b>13,184</b>		<b>120,816</b>	<b>125,568</b>	<b>125,864</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>33,883</b>	<b>(8,953)</b>	<b>(7,005)</b>	<b>(8,866)</b>	<b>(8,748)</b>	<b>27,494</b>	<b>(8,383)</b>	<b>(7,594)</b>	<b>19,641</b>	<b>(7,128)</b>	<b>(9,377)</b>	<b>(13,184)</b>		<b>1,781</b>	<b>4,484</b>	<b>5,344</b>
Cash/cash equivalents at the month/year begin:	29,827	63,710	54,757	47,752	38,887	30,139	57,633	49,250	41,656	61,297	54,169	44,792		29,827	31,608	36,092
Cash/cash equivalents at the month/year end:	63,710	54,757	47,752	38,887	30,139	57,633	49,250	41,656	61,297	54,169	44,792	31,608		31,608	36,092	41,436

**Table 49 – SA31: Aggregate entity budget**



**DC18 Lejweleputswa - Supporting Table SA31 Aggregated entity budget**

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
<b>Financial Performance</b>										
Property rates										
Service charges										
Investment revenue										
Transfers recognised - operational								9	7	7
Other own revenue										
Contributions recognised - capital & contributed assets										
<b>Total Revenue (excluding capital transfers and contributions)</b>		-	-	-	-	-	-	9	7	7
Employee costs								4	5	5
Remuneration of Board Members								0	0	0
Depreciation & asset impairment								0	0	0
Finance charges								-	-	-
Materials and bulk purchases								-	-	-
Transfers and grants								-	-	-
Other expenditure								4	2	2
<b>Total Expenditure</b>		-	-	-	-	-	-	9	7	7
<b>Surplus/(Deficit)</b>		-	-	-	-	-	-	-	-	-
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>										
Transfers recognised - operational								-	-	-
Public contributions & donations								-	-	-
Borrowing								-	-	-
Internally generated funds								-	-	-
<b>Total sources</b>		-	-	-	-	-	-	-	-	-
<b>Financial position</b>										
Total current assets								0	0	0
Total non current assets								-	-	-
Total current liabilities								0	0	0
Total non current liabilities								-	-	-
Equity								0	0	0
<b>Cash flows</b>										
Net cash from (used) operating								0	0	0
Net cash from (used) investing								(0)	(0)	(0)
Net cash from (used) financing								-	-	-
<b>Cash/cash equivalents at the year end</b>								0	0	0



**Table 51 – SA33: Contracts having future budgetary implications**

DC18 Lejweleputswa - Supporting Table SA33 Contracts having future budgetary implications														
Description	Ref	Preceding Years	Current Year 2016/17	2017/18 Medium Term Revenue & Expenditure Framework			Forecast 2020/21	Forecast 2021/22	Forecast 2022/23	Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Total Contract Value
R thousand	1,3	Total	Original Budget	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
<b>Parent Municipality:</b>														
<u>Revenue Obligation By Contract</u>	2													
Contract 1														-
<b>Total Operating Revenue Implication</b>		-	-	-	-	-	-	-	-	-	-	-	-	-
<u>Expenditure Obligation By Contract</u>	2													
Contract 1														-
<b>Total Operating Expenditure Implication</b>		-	-	-	-	-	-	-	-	-	-	-	-	-
<u>Capital Expenditure Obligation By Contract</u>	2													
Contract 1														-
<b>Total Capital Expenditure Implication</b>		-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Parent Expenditure Implication</b>		-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Entities:</b>														
<u>Revenue Obligation By Contract</u>	2													
Contract 1														-
<b>Total Operating Revenue Implication</b>		-	-	-	-	-	-	-	-	-	-	-	-	-
<u>Expenditure Obligation By Contract</u>	2													
Contract 1														-
<b>Total Operating Expenditure Implication</b>		-	-	-	-	-	-	-	-	-	-	-	-	-
<u>Capital Expenditure Obligation By Contract</u>	2													
Contract 1														-
<b>Total Capital Expenditure Implication</b>		-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Entity Expenditure Implication</b>		-	-	-	-	-	-	-	-	-	-	-	-	-

**2.7.7 Capital expenditure details**

The following three tables present details of the Municipality's capital expenditure programme.

**Table 52 – SA34a: Capital Expenditure on new assets by asset class**

DC18 Lejweleputswa - Supporting Table SA34a Consolidated capital expenditure on new assets by asset class										
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									
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>										
<b>Other assets</b>		105	125	62	-	68	68	-	-	-
Operational Buildings		105	125	62	-	68	68	-	-	-
<i>Municipal Offices</i>		105	125	62		68	68			
<b>Intangible Assets</b>		155	233	204	300	808	808	800	1,485	300
Services										
Licences and Rights		155	233	204	300	808	808	800	1,485	300
<i>Computer Software and Applications</i>		155	233	204	300	300	300	300	300	300
<i>Unspecified</i>						508	508	500	1,185	
<b>Computer Equipment</b>		577	170	91	-	-	-	-	-	-
Computer Equipment		577	170	91						
<b>Furniture and Office Equipment</b>		313	160	399	400	538	538	700	700	700
Furniture and Office Equipment		313	160	399	400	538	538	700	700	700
<b>Machinery and Equipment</b>		7	-	-	-	1,600	1,600	150	-	-
Machinery and Equipment		7				1,600	1,600	150		
<b>Transport Assets</b>		1,197	242	-	-	-	-	1,600	-	-
Transport Assets		1,197	242					1,600		
<b>Total Capital Expenditure on new assets</b>	1	2,354	930	757	700	3,014	3,014	3,250	2,185	1,000

**Table 53 – SA34b: Capital Expenditure on the renewal of assets by asset class**

DC18 Lejweleputswa - Supporting Table SA34b Consolidated capital expenditure on the renewal of existing assets by asset class										
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									
<b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>										
<b>Intangible Assets</b>		-	-	-	-	-	-	-	1,350	-
<i>Unspecified</i>									1,350	
<b>Computer Equipment</b>		-	-	-	-	-	-	-	-	-
Computer Equipment										
<b>Furniture and Office Equipment</b>		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment										
<b>Machinery and Equipment</b>		-	-	-	-	-	-	-	-	-
Machinery and Equipment										
<b>Transport Assets</b>		-	-	-	-	-	-	-	-	-
Transport Assets										
<b>Total Capital Expenditure on renewal of existing assets</b>	1	-	-	-	-	-	-	-	1,350	-

**Table 54 – SA34c: Repairs and maintenance expenditure by asset class**

DC18 Lejweleputswa - Supporting Table SA34c Consolidated repairs and maintenance by asset class										
Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	1	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
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>										
<b>Other assets</b>		158	264	156	209	209	209	209	215	224
Operational Buildings		158	264	156	209	209	209	209	215	224
<i>Municipal Offices</i>		158	264	156	209	209	209	209	215	224
<b>Intangible Assets</b>		59	63	55	35	35	35	35	37	38
Licences and Rights		59	63	55	35	35	35	35	37	38
<i>Unspecified</i>		59	63	55	35	35	35	35	37	38
<b>Computer Equipment</b>		27	7	47	18	18	18	18	18	19
Computer Equipment		27	7	47	18	18	18	18	18	19
<b>Furniture and Office Equipment</b>		91	-	16	14	14	14	14	15	13
Furniture and Office Equipment		91	-	16	14	14	14	14	15	13
<b>Transport Assets</b>		69	130	266	450	450	450	450	464	482
Transport Assets		69	130	266	450	450	450	450	464	482
<b>Total Repairs and Maintenance Expenditure</b>	1	<b>405</b>	<b>465</b>	<b>540</b>	<b>726</b>	<b>726</b>	<b>726</b>	<b>726</b>	<b>748</b>	<b>776</b>

Table 55 – SA34d: Depreciation by asset class

DC18 Lejweleputswa - Supporting Table SA34d Consolidated Depreciation by asset class										
Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	1	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
<b>Depreciation by Asset Class/Sub-class</b>										
<b>Other assets</b>		2,195	2,882	200	3,130	3,130	3,130	3,024	3,114	3,239
Operational Buildings		2,195	2,882	200	3,130	3,130	3,130	3,024	3,114	3,239
Municipal Offices		2,195	2,882	200	3,130	3,130	3,130	3,024	3,114	3,239
<b>Intangible Assets</b>		1,743	30	49	172	172	172	156	161	167
Serv itudes										
Licences and Rights		1,743	30	49	172	172	172	156	161	167
Computer Software and Applications		1,710								
Unspecified		33	30	49	172	172	172	156	161	167
<b>Computer Equipment</b>		128	371	–	478	478	478	458	471	490
Computer Equipment		128	371		478	478	478	458	471	490
<b>Furniture and Office Equipment</b>		1,183	2,503	2,479	3,185	3,185	3,185	2,601	2,679	2,786
Furniture and Office Equipment		1,183	2,503	2,479	3,185	3,185	3,185	2,601	2,679	2,786
<b>Machinery and Equipment</b>		1,309	–	–	–	–	–	–	–	–
Machinery and Equipment		1,309								
<b>Transport Assets</b>		93	719	1,668	1,065	1,065	1,065	1,283	1,321	1,374
Transport Assets		93	719	1,668	1,065	1,065	1,065	1,283	1,321	1,374
<b>Total Depreciation</b>	1	<b>6,651</b>	<b>6,505</b>	<b>4,395</b>	<b>8,030</b>	<b>8,030</b>	<b>8,030</b>	<b>7,521</b>	<b>7,747</b>	<b>8,057</b>



**Table 56– SA34e: Consolidated capital expenditure on the upgrading of existing assets by asset class**

DC18 Lejweleputswa - Supporting Table SA34e Consolidated capital expenditure on the upgrading of existing assets by asset class										
Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	1	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
<b>Capital expenditure on upgrading of existing assets by Asset Class/Sub-class</b>										
<b>Other assets</b>		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-
<i>Unspecified</i>										
<b>Computer Equipment</b>		-	-	-	-	-	-	-	-	-
Computer Equipment										
<b>Furniture and Office Equipment</b>		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment										
<b>Machinery and Equipment</b>		-	-	-	-	-	-	-	-	-
Machinery and Equipment										
<b>Transport Assets</b>		-	-	-	-	-	-	-	-	-
Transport Assets										
<b>Total Capital Expenditure on upgrading of existing assets</b>	1	-	-	-	-	-	-	-	-	-

**Table 57 – SA35: Future financial implications of the capital budget**

DC18 Lejweleputswa - Supporting Table SA35 Consolidated future financial implications of the capital budget								
Vote Description	Ref	2017/18 Medium Term Revenue & Expenditure Framework			Forecasts			
R thousand		Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	Forecast 2020/21	Forecast 2021/22	Forecast 2022/23	Present value
<b>Capital expenditure</b>	1							
Vote 1 - Executive Mayor		50	50	50				
Vote 2 - Speaker		50	50	50				
Vote 3 - Mayoral Committee		50	50	50				
Vote 4 - Council General		2,100	1,350	–				
Vote 5 - Municipal Manager		100	100	100				
Vote 6 - Budget & Treasury		500	350	350				
Vote 7 - Corporate Services		50	50	50				
Vote 8 - Human Resources		–	–	–				
Vote 9 - Information Technology		–	–	–				
Vote 10 - Property		200	200	200				
Vote 11 - Municipal Support		–	–	–				
Vote 12 - Planning & Development		50	50	50				
Vote 13 - Community & Social Services		50	50	50				
Vote 14 - Environmental Health Services		50	1,235	50				
Vote 15 - Tourism		–	–	–				
<i>List entity summary if applicable</i>								
<b>Total Capital Expenditure</b>		<b>3,250</b>	<b>3,535</b>	<b>1,000</b>	–	–	–	–
<b>Net Financial Implications</b>		<b>3,250</b>	<b>3,535</b>	<b>1,000</b>	–	–	–	–

## 2.7.8 Detailed capital budget per municipal vote

**Table 58 – SA36: Detailed capital budget per municipal vote**

DC18 Lejweleputswa - Supporting Table SA36 Consolidated detailed capital budget																
Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code 2	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2017/18 Medium Term Revenue & Expenditure Framework			Project information	
										Audited Outcome 2015/16	Current Year 2016/17 Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	Ward location	New or renewal
<b>Parent municipality:</b>																
<i>List all capital projects grouped by Municipal Vote</i>																
<b>Parent Capital expenditure</b>	1											-	-	-		
<b>Entities:</b>																
<i>List all capital projects grouped by Entity</i>																
<b>Entity A</b>																
Water project A																
<b>Entity B</b>																
Electricity project B																
<b>Entity Capital expenditure</b>																
-																
<b>Total Capital expenditure</b>																
-																

**Table 59 – SA37: Projects delayed from previous financial years**

DC18 Lejweleputswa - Supporting Table SA37 Consolidated projects delayed from previous financial year/s												
Municipal Vote/Capital project	Ref.	Project name	Project number	Asset Class 3	Asset Sub-Class 3	GPS co-ordinates 4	Previous target year to complete	Current Year 2016/17		2017/18 Medium Term Revenue & Expenditure Framework		
	1,2							Original Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand							Year					
<b>Parent municipality:</b>												
<i>List all capital projects grouped by Municipal Vote</i>				<i>Examples</i>	<i>Examples</i>							
<b>Entities:</b>												
<i>List all capital projects grouped by Municipal Entity</i>												
<b>Entity Name</b>												
<i>Project name</i>												

**Table60: SA38 Consolidated detailed operational projects**

DC18 Lejweleputswa - Supporting Table SA38 Consolidated detailed operational projects															
Municipal Vote/Operational project	Ref	Program/Project description	Project number	IDP Goal code	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2017/18 Medium Term Revenue & Expenditure Framework			Project information
										Audited Outcome 2015/16	Current Year 2016/17 Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	Ward location
R thousand	4			2	6			5							
<b>Parent municipality:</b>															
<i>List all operational projects grouped by Municipal Vote</i>															
					No										
<b>Parent operational expenditure</b>	1											-	-	-	
<b>Entities:</b>															
<i>List all operational projects grouped by Entity</i>															
<b>Entity A</b>															
Water project A															
<b>Entity B</b>															
Electricity project B															
<b>Entity Operational expenditure</b>															
-															
<b>Total Operational expenditure</b>															
-															

## 2.7.9 Supporting detail to A4 (Budgeted Financial Performance) and A6 (Budgeted Financial Position)

### Table 60.1 – SA1: Supporting detail to Statement of Financial Performance

DC18 Lejweleputswa - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'											
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											
<b>REVENUE ITEMS:</b>											
<b>Other Revenue by source</b>											
<i>Fuel Levy</i>											
<i>Other Revenue</i>		1,124	231	307	105	630	630	630	136	120	110
<b>Total 'Other' Revenue</b>	1	<b>1,124</b>	<b>231</b>	<b>307</b>	<b>105</b>	<b>630</b>	<b>630</b>	<b>630</b>	<b>136</b>	<b>120</b>	<b>110</b>
<b>EXPENDITURE ITEMS:</b>											
Basic Salaries and Wages	2	35,720	41,845	46,271	46,889	45,741	45,741	45,741	48,748	50,698	53,233
Pension and UIF Contributions		5,765	6,020	6,172	6,874	6,624	6,624	6,624	7,255	7,545	7,922
Medical Aid Contributions		2,907	3,140	3,363	3,918	3,775	3,775	3,775	3,851	4,005	4,206
Overtime		188	232	44		49	49	49			
Motor Vehicle Allowance		5,282	5,299	5,466	5,958	6,394	6,394	6,394	7,745	8,055	8,458
Cellphone Allowance		235	197	196	216	120	120	120	109	114	119
Housing Allowances		327	276	368	431	429	429	429	478	497	522
Other benefits and allowances		1,262	3,028	1,301	1,098	1,087	1,087	1,087	1,386	1,441	1,513
Payments in lieu of leave		2,250	2,501	2,849							
Long service awards		3,192			364	463	463	463	491	511	536
Post-retirement benefit obligations	4	3,612									
<b>sub-total</b>	5	<b>60,740</b>	<b>62,538</b>	<b>66,030</b>	<b>65,750</b>	<b>64,682</b>	<b>64,682</b>	<b>64,682</b>	<b>70,063</b>	<b>72,866</b>	<b>76,509</b>
<b>Less: Employees costs capitalised to PPE</b>											
	1	60,740	62,538	66,030	65,750	64,682	64,682	64,682	70,063	72,866	76,509
	0										
Depreciation of Property, Plant & Equipment		6,651	6,505	4,395	8,030	8,030	8,030	8,030	7,521	7,747	8,057
Depreciation resulting from revaluation of PPE	10										
<b>Total 0</b>	1	<b>6,651</b>	<b>6,505</b>	<b>4,395</b>	<b>8,030</b>	<b>8,030</b>	<b>8,030</b>	<b>8,030</b>	<b>7,521</b>	<b>7,747</b>	<b>8,057</b>

Professional Fees		1,287	2,345	2,883	807	1,556	1,556	1,556	809	834	670
Legal Fees		362	235	647	300	561	561	561	600	618	643
<b>sub-total</b>	<b>1</b>	<b>1,649</b>	<b>2,581</b>	<b>3,530</b>	<b>1,107</b>	<b>2,117</b>	<b>2,117</b>	<b>2,117</b>	<b>1,409</b>	<b>1,452</b>	<b>1,313</b>
<b>Total contracted services</b>		<b>1,649</b>	<b>2,581</b>	<b>3,530</b>	<b>1,107</b>	<b>2,117</b>	<b>2,117</b>	<b>2,117</b>	<b>1,409</b>	<b>1,452</b>	<b>1,313</b>
<b>Other Expenditure By Type</b>											
Collection costs											
Contributions to 'other' provisions		3,915	4,835	2,849	5,729	5,522	5,522	5,522	5,570	2,317	
Consultant fees		924	700	3,530	807	1,556	1,556	1,556	809	834	670
Audit fees		2,102	2,092	1,995	2,499	2,499	2,499	2,499	2,499	2,574	2,677
General ex penses	3	8,821	9,532	10,372	16,846	16,326	16,325	16,326	18,264	14,438	18,474
ADVERTISEMENTS		160	137	122	130	130	130	130	130	134	140
AIR QUALITY PROGRAMME					90	90	90	90	90	93	96
ARTS & CULTURE PROGRAMMES		146	130	100							
AUDIT COMMITTEE		158	113	149	105	130	130	130	133	137	141
BANK CHARGES		58	67	104	54	54	54	54	54	56	58
BRANDING		238	55	206	170	220	220	220	170	175	182
CAPACITY BUILDING		544	807							3,123	3,248
CAPACITY DEVELOPMENT		855	934	930						3,123	
CAMPAIGNS		872	894	2,849	566	891	891	891	920	948	986
CAR HIRE					111	53	53	53	53	55	57
CAR TRACKING SYSTEM					29	29	29	29			
CHILDREN'S PROGRAMME		29	65	174	50	50	50	50	50	52	54
CLEANING SERVICES		21	92	99	122	122	122	122	122	125	130
COMMUNICATION					51	51	51	51	51	53	55
COOPERATIVE DEVELOPMENT		810	22	528	200	200	200	200	200	206	214
DISASTER AWARENESS PROGRAMMES					23	23	23	23	23	24	25
DISASTER RELIEF FUND					60	60	60	60	60	62	64
DISTRICT AIDS COUNCIL					40	65	65	65	65	67	70
TOURISM PROGRAMME					1,000	1,001	1,001	1,001	1,001	1,001	1,001
EDUCATIONAL PROJECT		371	761	468	152	152	152	152	152	152	152
ELECTRICITY		334	394	452	449	449	449	449	493	508	529
EMPLOYEE SPORTS					28	28	28	28	28	29	30
<b>Total 'Other' Expenditure</b>	<b>1</b>	<b>20,357</b>	<b>21,630</b>	<b>24,925</b>	<b>29,310</b>	<b>29,701</b>	<b>29,701</b>	<b>29,701</b>	<b>30,938</b>	<b>30,284</b>	<b>29,051</b>

**Table 61 – SA2: Supporting detail to Statement of Financial Performance**

DC18 Lejweleputswa - Supporting Table SA2 Consolidated Matrix Financial Performance Budget (revenue source/expenditure type & dept.)																	
Description	Ref	Vote 1 - Executive Mayor	Vote 2 - Speaker	Vote 3 - Mayoral Committee	Vote 4 - Council General	Vote 5 - Municipal Manager	Vote 6 - Budget & Treasury	Vote 7 - Corporate Services	Vote 8 - Human Resources	Vote 9 - Information Technology	Vote 10 - Property	Vote 11 - Municipal Support	Vote 12 - Planning & Development	Vote 13 - Community & Social Services	Vote 14 - Environmental Health Services	Vote 15 - Tourism	Total
R thousand	1																
<b>Revenue By Source</b>																	
Interest earned - external investments							2,300										2,300
Interest earned - outstanding debtors							164										164
Other revenue							136										136
Transfers and subsidies					118,748		1,250										119,998
Gains on disposal of PPE																	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		-	-	-	118,748	-	3,850	-	-	-	-	-	-	-	-	-	122,598
<b>Expenditure By Type</b>																	
Employee related costs		3,696	2,600	1,439	24	11,565	10,812	14,330			1,272		5,610	7,906	10,808		70,063
Remuneration of councillors		843	678	4,106	2,288												7,915
Depreciation & asset impairment		99	58	89	769	153	880	204			3,083		82	1,877	227		7,521
Finance charges					999												999
Transfers and subsidies					3,752												3,752
Other expenditure		6,105	716	590	8,640	1,874	6,707	2,394			1,582		800	950	988	1,001	32,347
Loss on disposal of PPE																	-
<b>Total Expenditure</b>		10,742	4,052	6,225	16,473	13,593	18,399	16,928	-	-	5,937	-	6,492	10,733	12,023	1,001	122,597
<b>Surplus/(Deficit)</b>		(10,742)	(4,052)	(6,225)	102,275	(13,593)	(14,550)	(16,928)	-	-	(5,937)	-	(6,492)	(10,733)	(12,023)	(1,001)	0
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		(10,742)	(4,052)	(6,225)	102,275	(13,593)	(14,550)	(16,928)	-	-	(5,937)	-	(6,492)	(10,733)	(12,023)	(1,001)	0



**Table 62 – SA3: Supporting detail to Statement of Financial Position**

DC18 Lejweleputswa - Supporting Table SA3 Supporting detail to '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
<b>R thousand</b>											
<b>ASSETS</b>											
<b>Call investment deposits</b>											
Other current investments		30,284	40,367	40,009	30,000	30,000	30,000	30,000	20,000	15,000	15,000
<b>Total Call investment deposits</b>	<b>2</b>	<b>30,284</b>	<b>40,367</b>	<b>40,009</b>	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>	<b>20,000</b>	<b>15,000</b>	<b>15,000</b>
<b>Property, plant and equipment (PPE)</b>											
PPE at cost/valuation (ex cl. finance leases)		91,400	91,234	92,355	83,499	83,499	83,499	83,499	111,438	91,438	95,095
<u>Less: Accumulated depreciation</u>		21,251	24,766	29,727	17,211	17,211	17,211	17,211	22,190	17,715	18,424
<b>Total Property, plant and equipment (PPE)</b>	<b>2</b>	<b>70,149</b>	<b>66,468</b>	<b>62,628</b>	<b>66,288</b>	<b>66,288</b>	<b>66,288</b>	<b>66,288</b>	<b>89,248</b>	<b>73,723</b>	<b>76,671</b>
<b>LIABILITIES</b>											
<b>Current liabilities - Borrowing</b>											
Current portion of long-term liabilities		1,847	2,146	1,059	1,233	1,233	1,233	1,233	999	840	769
<b>Total Current liabilities - Borrowing</b>		<b>1,847</b>	<b>2,146</b>	<b>1,059</b>	<b>1,233</b>	<b>1,233</b>	<b>1,233</b>	<b>1,233</b>	<b>999</b>	<b>840</b>	<b>769</b>
<b>Trade and other payables</b>											
Trade and other creditors		7,138	8,734	9,697	7,287	7,287	7,287	7,287	7,652	8,034	8,356
Unspent conditional transfers			188	232							
<b>Total Trade and other payables</b>	<b>2</b>	<b>7,138</b>	<b>8,921</b>	<b>9,929</b>	<b>7,287</b>	<b>7,287</b>	<b>7,287</b>	<b>7,287</b>	<b>7,652</b>	<b>8,034</b>	<b>8,356</b>
<b>Non current liabilities - Borrowing</b>											
Borrowing	4	13,113	10,967	11,557	11,527	11,527	11,527	11,527	9,059	7,832	6,532
<b>Total Non current liabilities - Borrowing</b>		<b>13,113</b>	<b>10,967</b>	<b>11,557</b>	<b>11,527</b>	<b>11,527</b>	<b>11,527</b>	<b>11,527</b>	<b>9,059</b>	<b>7,832</b>	<b>6,532</b>
<b>Provisions - non-current</b>											
Retirement benefits		7,588	9,082	10,367	8,188	8,188	8,188	8,188	8,597	9,027	9,388
<b>Total Provisions - non-current</b>		<b>7,588</b>	<b>9,082</b>	<b>10,367</b>	<b>8,188</b>	<b>8,188</b>	<b>8,188</b>	<b>8,188</b>	<b>8,597</b>	<b>9,027</b>	<b>9,388</b>
<b>CHANGES IN NET ASSETS</b>											
<b>Accumulated Surplus/(Deficit)</b>											
Accumulated Surplus/(Deficit) - opening balance		84,101	87,445	90,450	72,242	70,991	70,991	70,991	87,157	62,690	67,867
Restated balance		84,101	87,445	90,450	72,242	70,991	70,991	70,991	87,157	62,690	67,867
Surplus/(Deficit)		3,612	3,505	5,212	700	1,951	1,951	1,951	0	2,919	1,006
<b>Accumulated Surplus/(Deficit)</b>	<b>1</b>	<b>87,713</b>	<b>90,951</b>	<b>95,662</b>	<b>72,942</b>	<b>72,942</b>	<b>72,942</b>	<b>72,942</b>	<b>87,157</b>	<b>65,610</b>	<b>68,874</b>
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>2</b>	<b>87,713</b>	<b>90,951</b>	<b>95,662</b>	<b>72,942</b>	<b>72,942</b>	<b>72,942</b>	<b>72,942</b>	<b>87,157</b>	<b>65,610</b>	<b>68,874</b>

**2.8 Municipal Manager's Quality Certificate**

I, **P.M.E. Kaota**, The Municipal Manager of Lejweleputswa District Municipality hereby certify that the annual budget and supporting documentation for the 2017/2018 Financial Year, have been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act, and that the annual budget and supporting documentation are consistent with the Integrated Development Plan.

Print Name: **Palesa Matshidiso Elizabeth Kaota**

Municipal Manager of: **Lejweleputswa District Municipality (DC18)**

Signature .....

Date .....

**Notes: Revised Organisational Structure – 2017/2018**

**EXECUTIVE MAYOR'S OFFICE:**

- Administrator X1 L6

**SPEAKER' OFFICE**

NONE

**DEPARTMENT OF THE MUNICIPAL MANAGER:**

- Transfer L6 from LED to Batho Pele Co-ordinator L6
- Changed Technician Roads to Manager Technical Services
- Bursary Officer X1 L6 transferred to MM office
- Language Officer L8 – New Post to be advertised [Internal & External]

**FINANCE DEPARTMENT:**

- Secretary X1 L8 from L6

**CORPORATE SERVICES:**

- Secretary X1 L8 from L6 ( To be filled internally through transfer)
- Assistant Manager: Bursary Office L5 [Transfer to Assistant Sport Manager X L5
- Legal Admin Support Officer L6, Wellness officer to become Labour Relations Officer X L4 (Internal or External)

### **DISASTER MANAGEMENT & ENVIRONMENTAL HEALTH:**

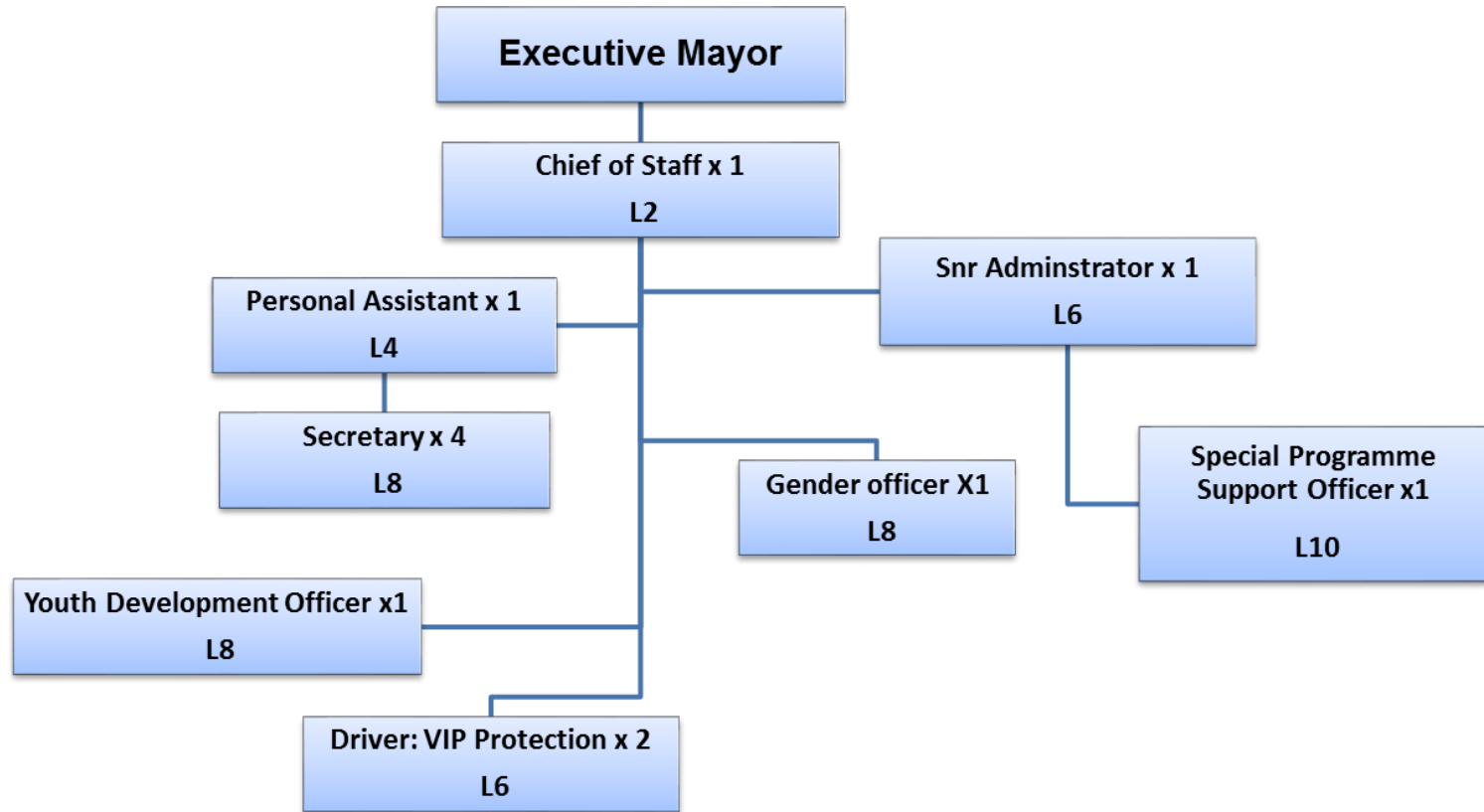
- Secretary X1 L8 from L6
- Senior Development Officer X1 L5 To change to Assistant Disaster Management Officer x1 L5
- Assistant Planning Operations Coordinator, Disaster Support Officer change to Disaster Management Coordinator X2 L6
- Training officer change to Disaster Support Officer X1 L7
- Fire Fighting Officer X1 L8 from one of the Radio Communications
- Manager Environmental Management x1 L4 (Renamed)
- Air quality officer x1 L7 (fill internal or external) new

### **LED & TOURISM:**

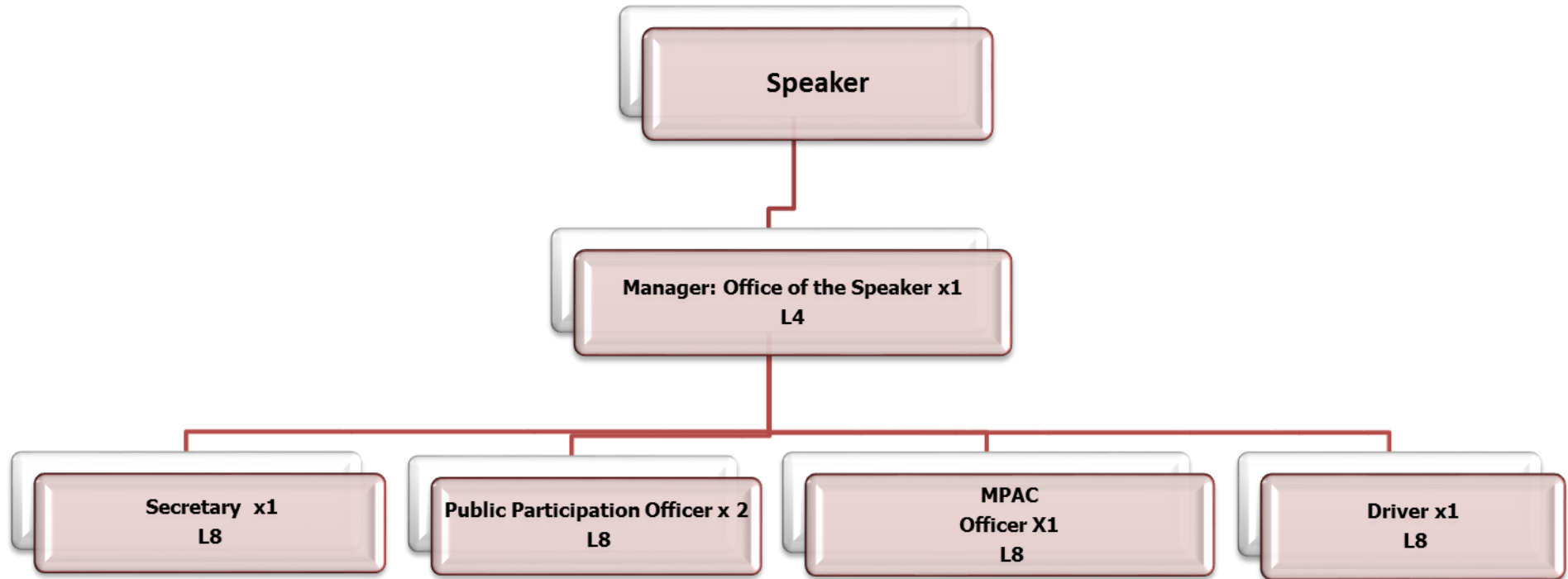
- Secretary X1 L8 from L6
- Transferred from MM to LED: IDP Manager x1 L3
- Transferred from MM to LED IDP Coordinator X1 L6
- Transferred from MM to LED IDP officer L7

# ORGANISATIONAL STRUCTURE 2017/2018

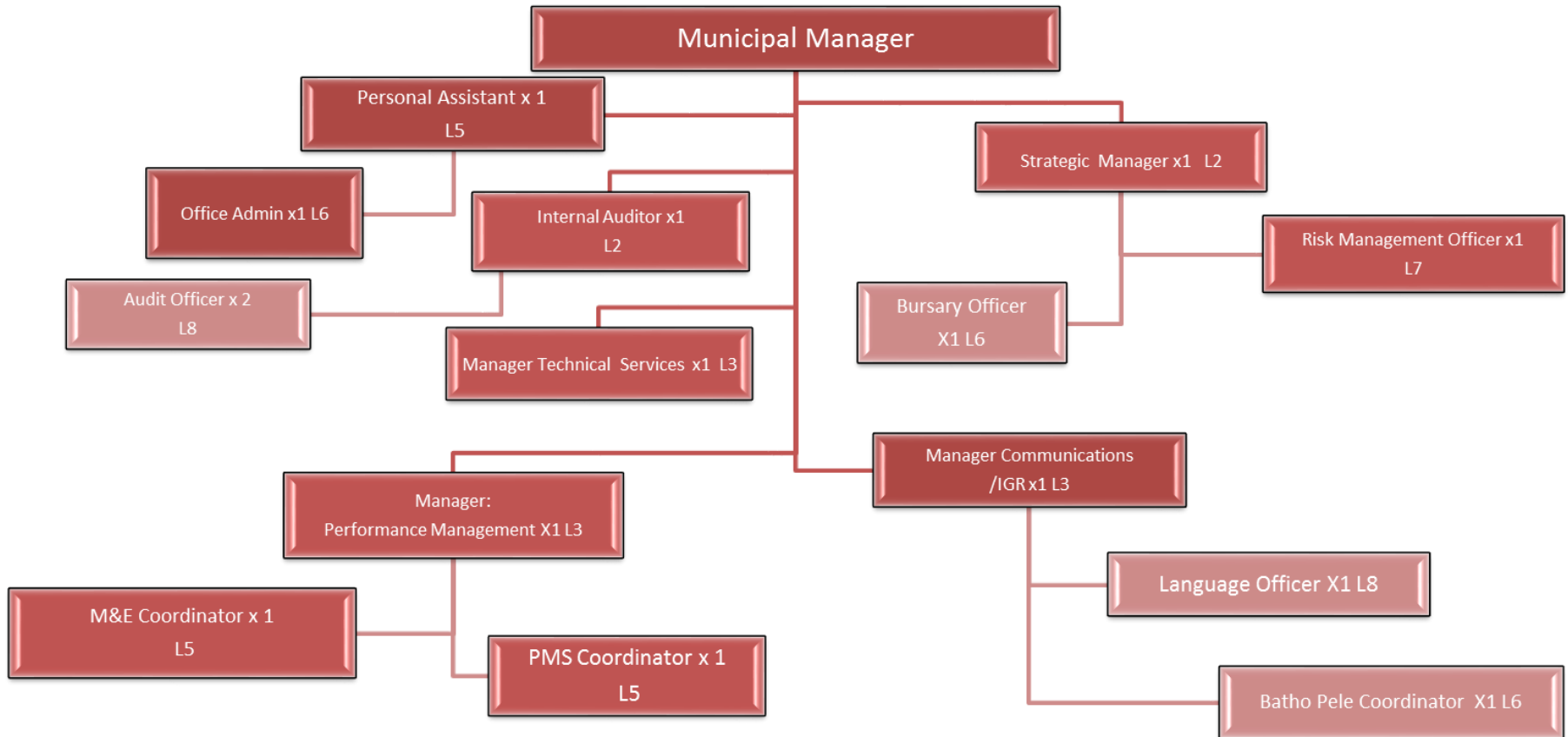
## 1.1 EXECUTIVE MAYOR'S OFFICE



## 1.2. SPEAKER'S OFFICE

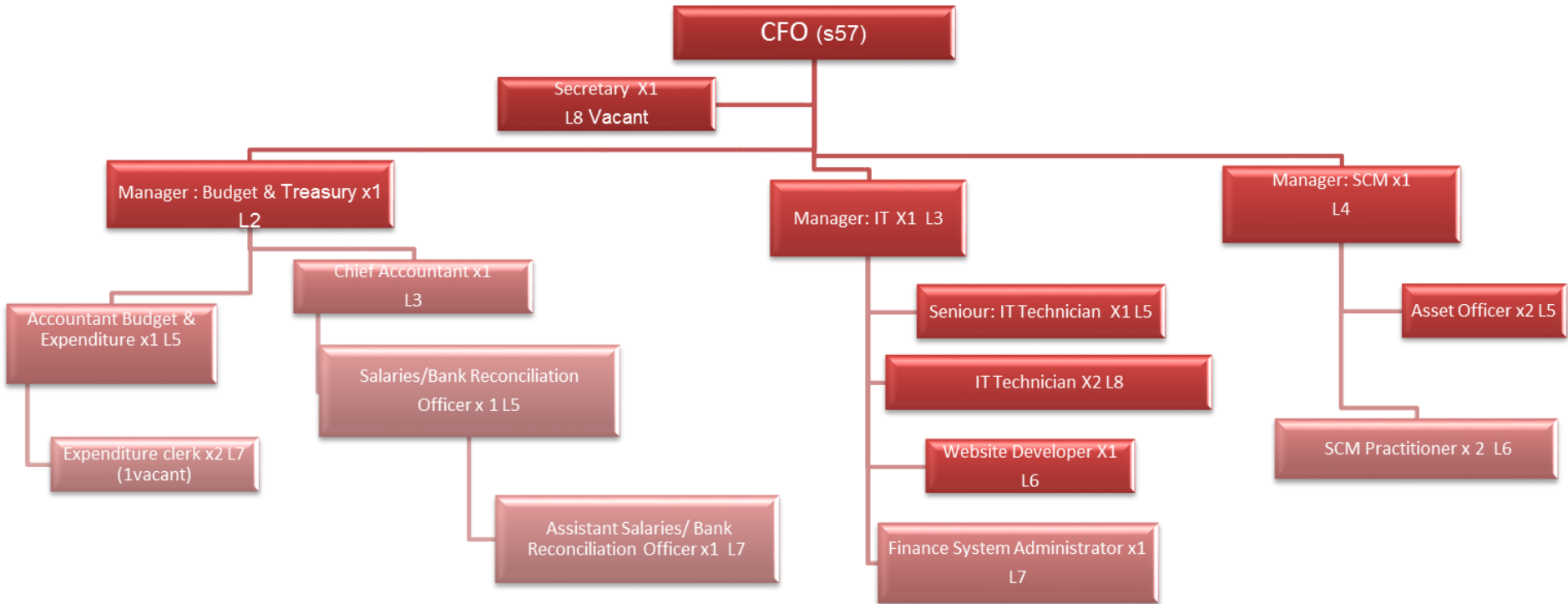


### 1.3. MUNICIPAL MANAGER'S OFFICE

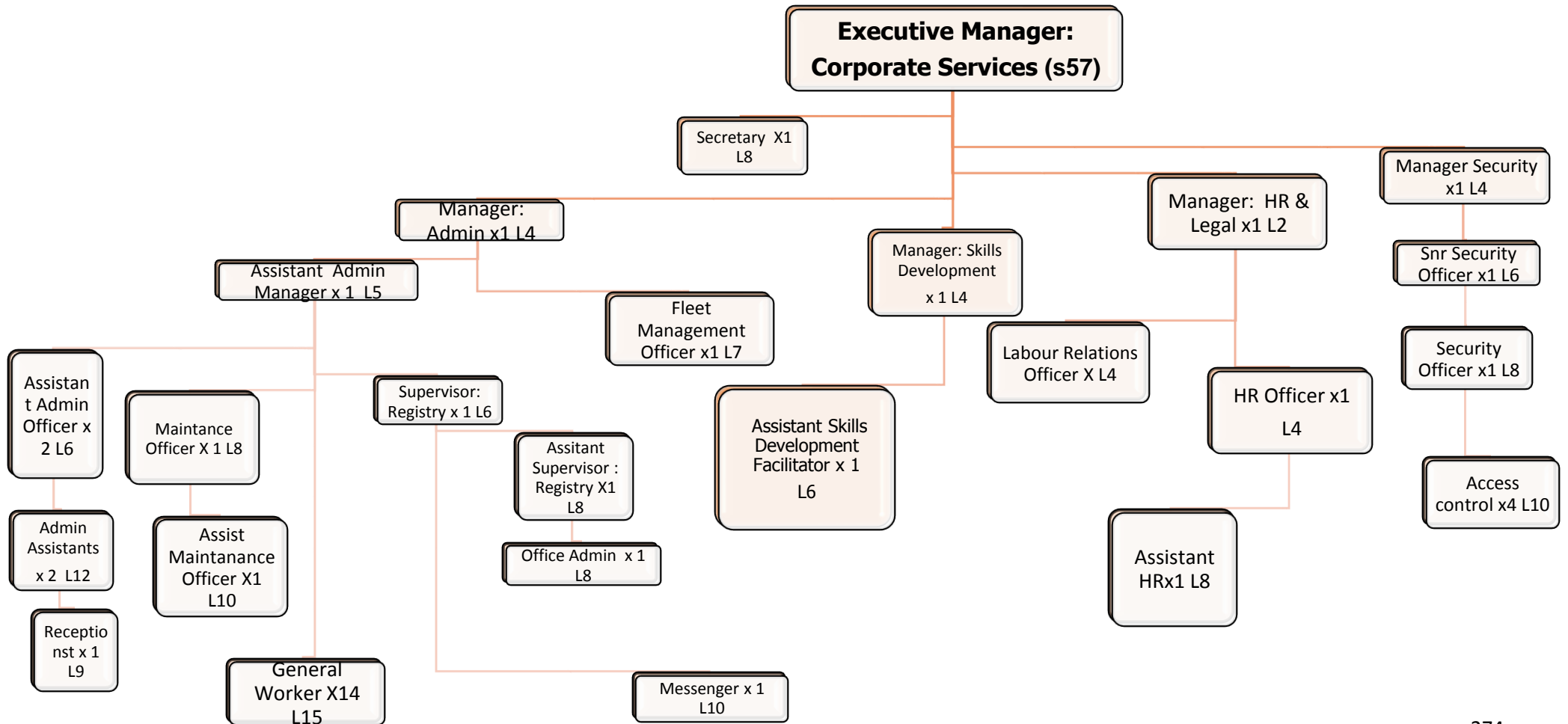




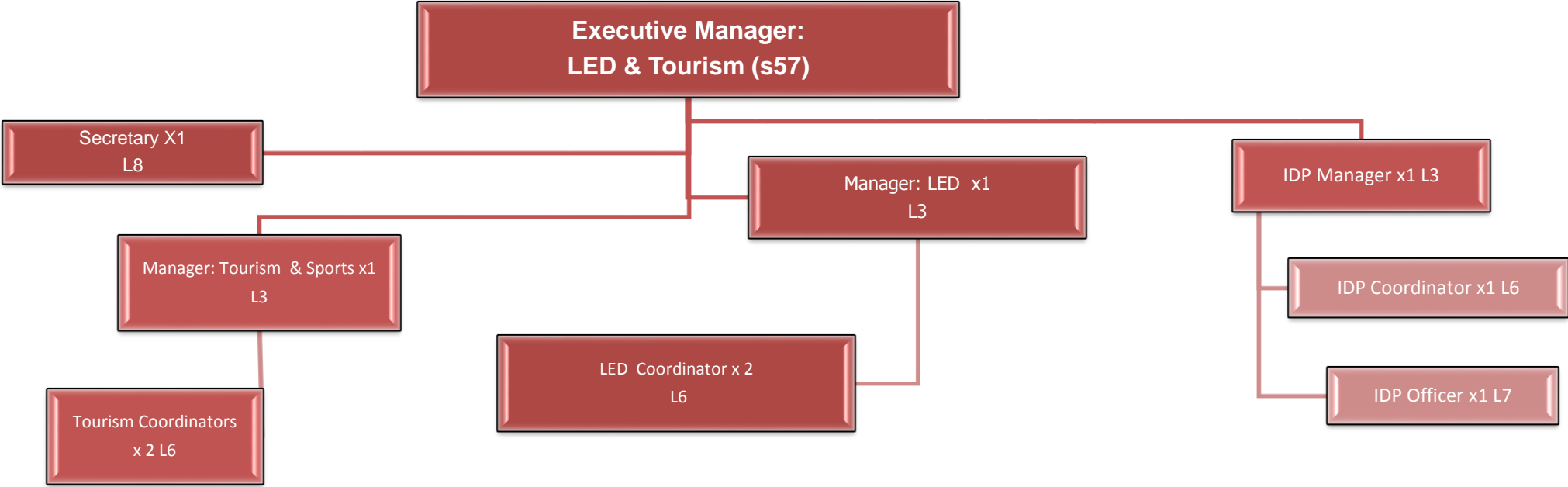
**1.4. CHIEF FINANCIAL OFFICER**



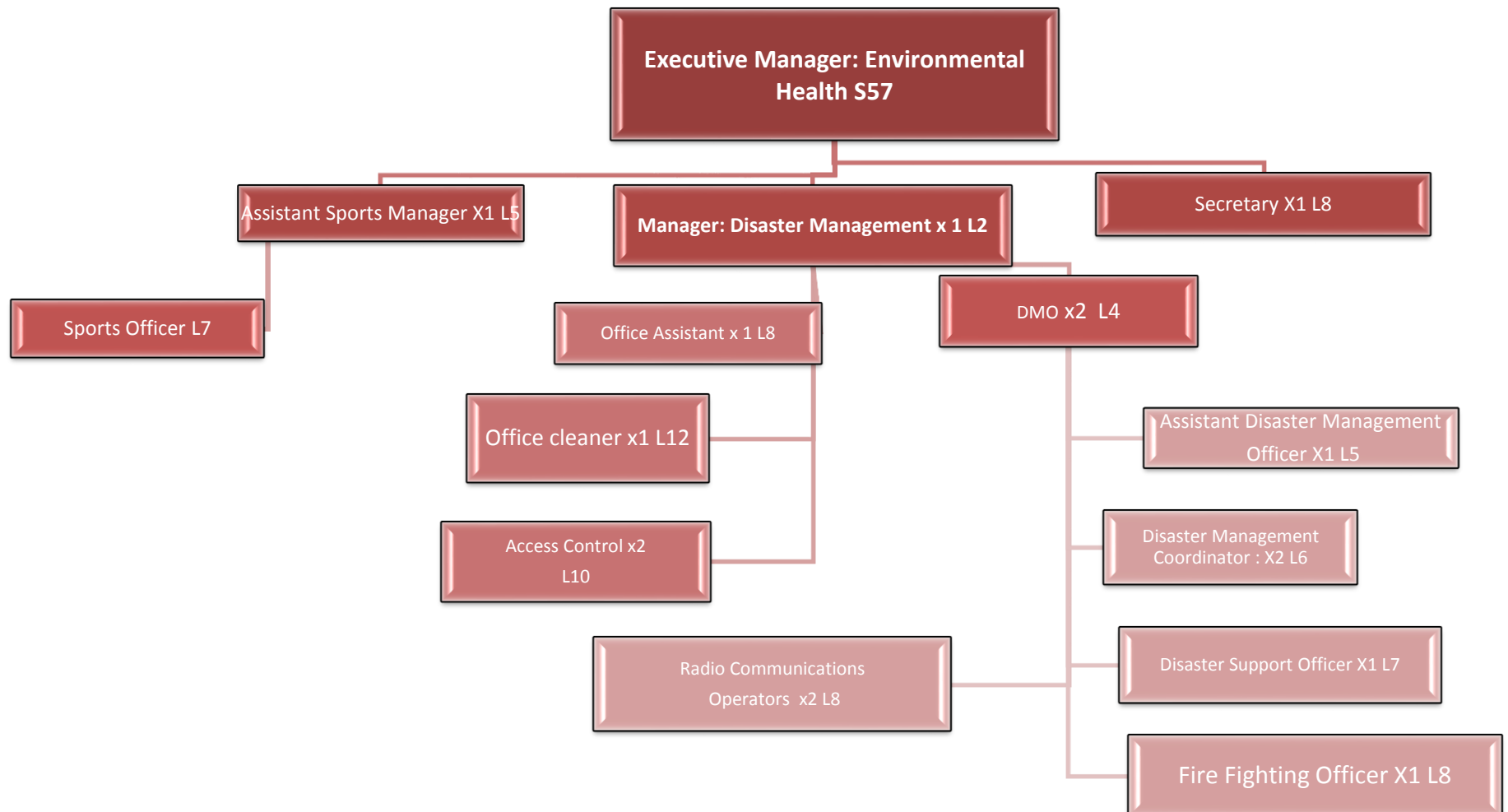
## 1.5. CORPORATE SERVICES



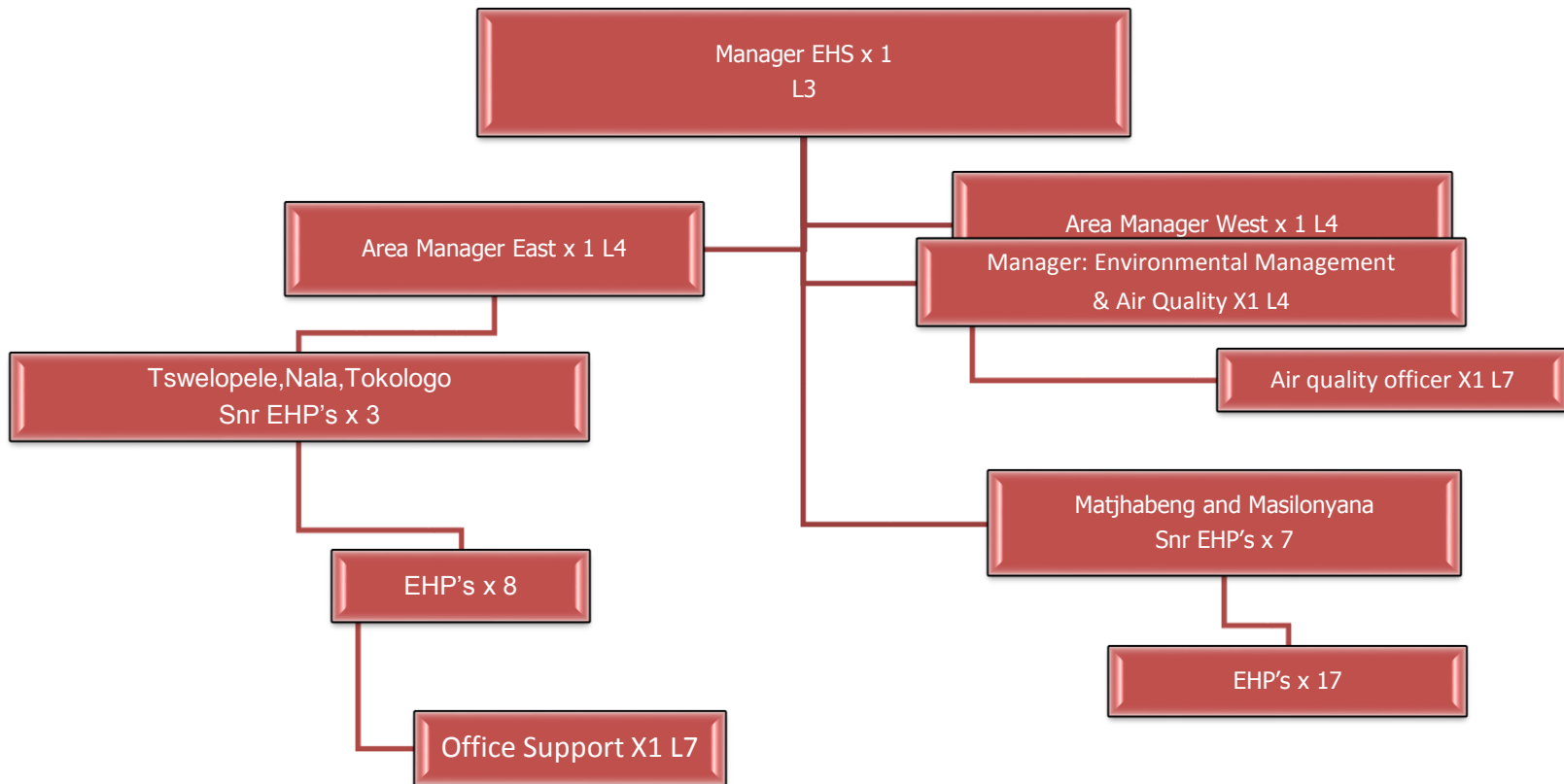
**1.6. LED & TOURISM**



## 1.8. ENVIRONMENTAL HEALTH & DISASTER MANAGEMENT: 1.8.1. Disaster Management



### 1.8.2. Environmental Health



# PERFORMANCE MANAGEMENT

## Legislative background

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

*(Local Government: Municipal Planning and Performance Management Regulations, 2001 (Chapter 3)).*

- Chapter 6 of the Municipal Systems Act stipulates the following in terms of the establishment of performance management system:

– “ A municipality must-

- a) establish a performance management system that is-

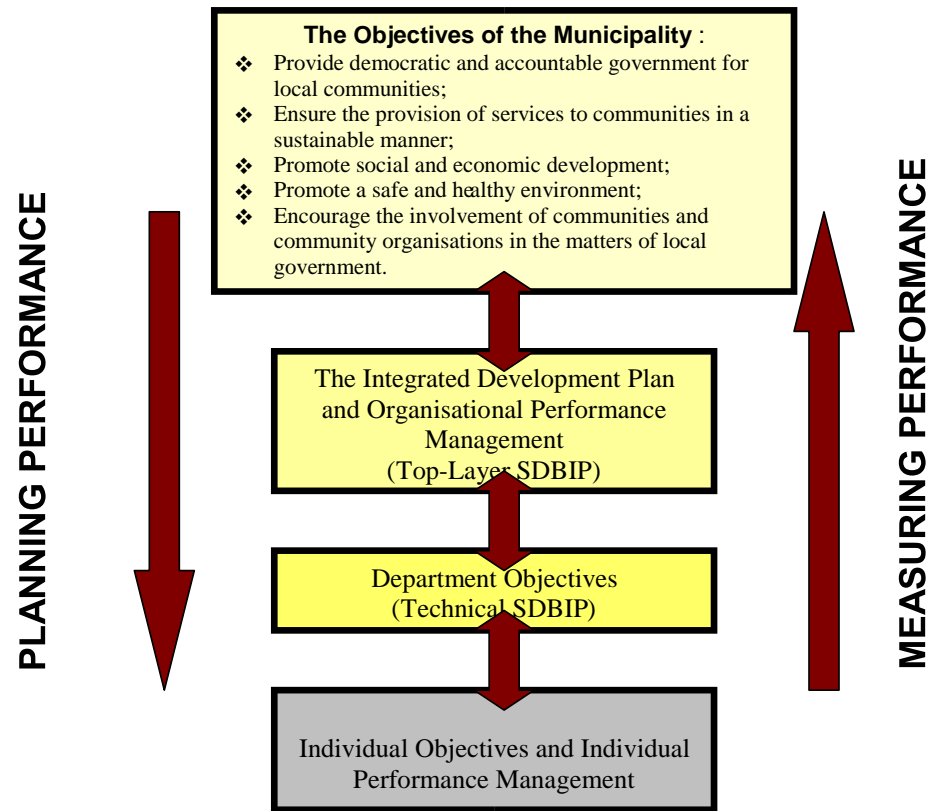
i) Commensurate with its resources; ii) best suited to its circumstances; and iii) in line with the priorities,

objectives, indicators and targets contained in its integrated development plan;

- b) Promote a culture of performance management among its political structures, political office bearers and councillors and in its administration; and

- c) Administer its affairs in an economical, effective, efficient and accountable manner”

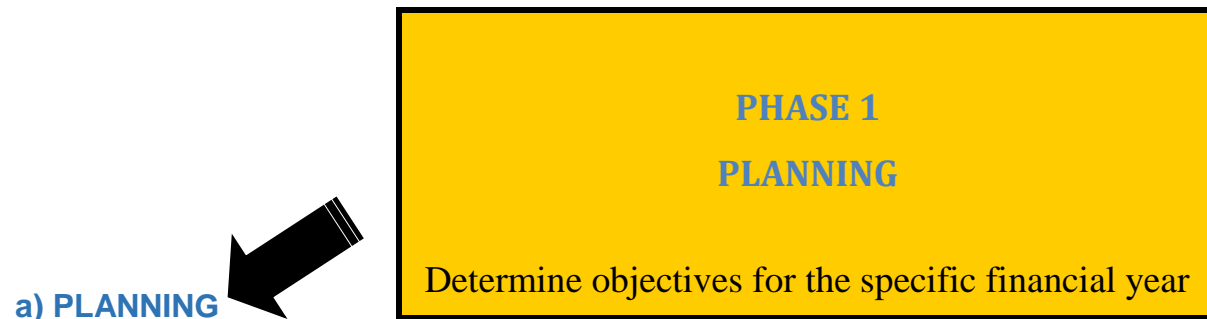
The above scenario is better depicted graphically below as follows:



It is therefore important to ensure that all resources of the municipality are used for the purpose of ensuring improved service delivery. All municipal programmes must be linked to a municipal macro plan called the IDP. Each Head of department must contribute towards consolidation of a top layer of an

SDBIP for that financial year. Subsequent to each departmental head developing each departmental SDBIP, there need to be a process where all staff members find their specific role in the municipal programme and are therefore going to be assessed as required following the time lines as stipulated in the graph below:

**TIMING AND ACTIVITIES AS SPECIFIED IN THE PERFORMANCE MANAGEMENT POLICY**



TIMING	ACTIVITIES
July each year i.e. beginning of financial year	<p>1. Manager/Supervisor to schedule meeting with Employee to agree on performance objectives* for the year. (*In respect of the Municipal Manager or Section 57 Managers to be directly linked to the SDBIP of the respective directorate to be reflected in the Performance Agreement and Performance Plan.</p> <p>*In the case of Non Section 57 Employees (lower ranking officials) <b>job descriptions</b> can be used to set performance objectives. However it is important to always consider the IDP and each Department's</p>

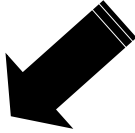


	<p>respective SDBIP in setting performance objectives. To be reflected in the Performance Management Tool and Performance Plan)</p> <ol style="list-style-type: none"> <li>2. Both the Manager/Supervisor and the Employee are required to prepare for this meeting.</li> <li>3. Ensure that the following documentation in respect of the Municipal Manager as well as Section 57 Managers are compiled for the financial year or updated when necessary: <ul style="list-style-type: none"> <li>• Employment Contract</li> <li>• Job Description</li> <li>• Performance Agreement with Key Performance Areas and Core Competency Criteria □ Performance Plan</li> <li>• Personal Development Plan</li> <li>• Code of Conduct</li> <li>• Financial Disclosure form</li> </ul> </li> <li>4. Ensure that the following documentation in respect of Non Section 57 Employees are compiled for the financial year or updated when necessary: <ul style="list-style-type: none"> <li>• Job Description</li> <li>• Performance Plan</li> <li>• Personal Development Plan</li> <li>• Performance Management Tool with Objectives and weights in terms of relevant Codes of Conduct to the specific posts</li> </ul> </li> </ol>
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**PHASE 2  
MONITORING**



Continuous monitoring and assistance provided



**b) MONITORING**

TIMING	ACTIVITIES
On-going throughout the year	<ol style="list-style-type: none"> <li>1. Manager/Supervisor to provide on-going feedback and assistance to the Employee on his/her performance against the agreed objectives.</li> <li>2. Employees to request for feedback and assistance when required.</li> </ol>

**PHASE 3**

**REVIEWING**

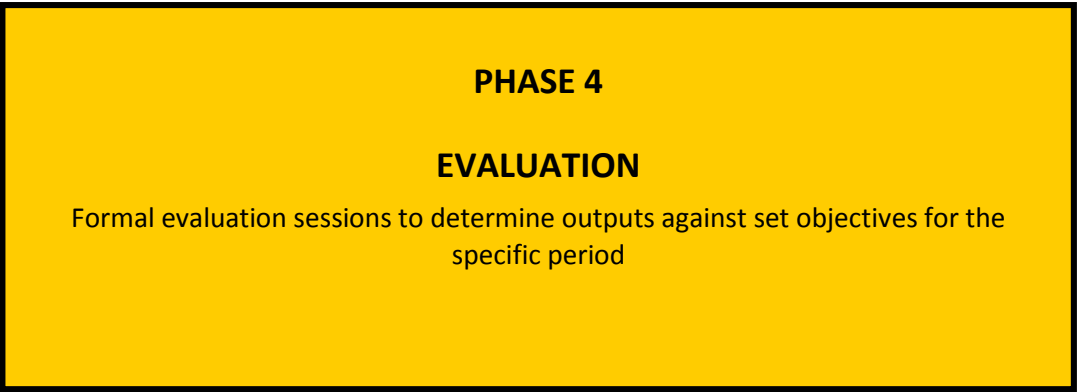
**Informal review sessions between Supervisors and Municipal Manager and Section 57 Managers to determine whether objectives as set for the specific quarters have been met or not and to what extent.**

**Remedial actions if need be.**



**c) REVIEWING**

<b>TIMING</b>	<b>ACTIVITIES</b>
First 2 weeks of October for Quarter 1  First 2 weeks of April for Quarter 3	<b>MUNICIPAL MANAGERS AND SECTION 57 MANAGERS</b>  1. Informal review sessions to be held between the Section 57 manager and the Municipal Manager in the first 2 weeks of October as well as well as the first 2 weeks of April to determine whether objectives as set for the specific quarters has been met or not and to what extent.  2. Remedial actions if need be.



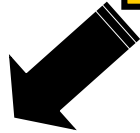
**d) EVALUATION**

TIMING	ACTIVITIES
In January for Mid-Year evaluations In July for end of the year evaluation	<p><b>MUNICIPAL MANAGERS AND SECTION 57 MANAGERS</b></p> <p>1. Formal review sessions to be held twice a year as set in the Regulations to be done by the panels.</p>

<p>January of each year – mid- year review</p> <p>Reviews by managers/ supervisors to be done within the January.</p> <p>Internal quality assurance committee meetings to be held in February (If need be)</p> <p>Quality assurance committee meetings to be held in March</p> <p>July of each year - final review</p> <p>Reviews by managers/ supervisors to be done within July.</p> <p>Internal quality assurance committee meetings to be held in the first 2 weeks of August (when required)</p> <p>Quality assurance committee meetings to be held in the last week of August</p>	<p><b>NON SECTION 57 EMPLOYEES</b></p> <p>Reviewing Performance</p> <ol style="list-style-type: none"> <li>2. Manager/Supervisor to set up formal mid-year review in the first 2 weeks of January to assess the Employee’s performance against the objectives.</li> <li>3. Manager/Supervisor to set up a formal final review in the first 2 weeks of July.</li> </ol> <p><b>The process for reviewing performance is as follows:</b></p> <ol style="list-style-type: none"> <li>1. Manager/Supervisor to request inputs in terms of service delivery in respect of services rendered by the relevant employee- by means of reports, letters, “incidents” where the official went the extra mile, etc.</li> <li>2. Manager/Supervisor to prepare scores of Employee’s performance against agreed objectives as a result of the evidence and “customer” input.</li> <li>3. Manager/Supervisor to ask Employee to prepare for formal review sessions.</li> <li>4. Formal review session between Manager/Supervisor and Employee to review performance against the set objectives for the specific quarter also taking into consideration aspects discussed during the informal evaluation. It may be necessary to have two meetings in cases where there are insufficient evidence to motivate scores. Where an Employee and Manager/Supervisor disagree on the score, the Manager’s/Supervisor’s decision will be taken into consideration- the appeals procedures can be followed should the employee disagree in terms of scores allocated.</li> <li>5. Review form to be signed by both Manager/Supervisor and employee.</li> <li>6. Manager/Supervisor and Employee to prepare and agree on development plan for the employee in line with the competencies necessary to achieve objectives as set in the Performance Plan in line with the Job Description.</li> <li>7. Informal Quality assurance committee meetings to be held as scheduled (when required).</li> <li>8. Municipal Quality assurance committee meetings to be held as scheduled to ensure that the evaluation was fair and just. Performance Review Documentation to be approved by the Municipal Manager/head of the Quality Assurance Committee.</li> </ol>
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**PHASE 5**  
**REWARDING**

Recognition for outstanding performance.  
Address poor performance and development needs.



e) REWARDING

**TIMING**

**ACTIVITIES**

<p>Budget in February of each year</p> <p>Rewards to be paid in September after the respective evaluation cycle each year</p>	<p>MUNICIPAL MANAGER AND SECTION 57 MANAGERS</p> <ol style="list-style-type: none"> <li>1. Employees to be rewarded according to the policy</li> <li>2. Ensure that Development needs are addressed.</li> </ol> <p>NON SECTION 57 EMPLOYEES</p> <ol style="list-style-type: none"> <li>1. The Quality Assurance Committee and the Chief Financial Officer to determine affordability in terms of rewards.</li> <li>2. Allocation of rewards</li> <li>3. Ensure that development needs are addressed.</li> </ol>
<p>Pro-rata rewards to be paid upon termination of contract should the employee qualify</p>	

9.3. Summary of PMS process

GANTT Chart: PMS (Municipal)

	Milestone	2013					2014					2015	
		Mar	May	Jun	July	Oct	Jan	Apr	Jun	Jul	Aug	Jan	Mar
1	Draft IDP												
2	IDP Road shows												
3	Approved IDP												
4	Municipal SDBIP												
5	Departmental SDBIPs												
6	Performance Scorecard												
7	Performance review: Q1												



8	Performance review: Mid-year													
9	Section 72 Report													
10	Performance review: Q3													
11	Closing of the FY													
12	Performance review: Annual													
13	Annual Performance Report													
14	Annual Report													
15	Oversight Report													

#### 9.4. Link between IDP (Chapter 6) and Municipal PMS

All programme as indicated in chapter 6 will be monitored with the use of the approved performance management system (PMS). It is therefore expected as per legislation governing Municipal Manager and Managers accountable to the Municipal Manager that performance agreements and plans be developed within set time frames to ensure that service is implemented in line with the allocated resources and for specific and agreed upon plans. The PMS is adopted as a tool to monitor progress on the implementation of IDP programmes for a specific financial year and will be used as a remedial tool in instances of both under and over-performance. For purposes of correcting under performance, the municipality is required to ensure that all personnel implicated sign a personal development plan in anticipation of areas that may hinder successful implementation of municipal programmes and further commit to request that specific training needs be planned for and time availed to him/her for capacity development. The law allows for officials to receive training in order to improve

on their capacity to deliver planned services. Punitive measures can only be resorted to in instances where training does not yield expected results and therefore realizing below minimum service delivery performance.

It would be expected for the policy to pronounce what the council should be afforded to do in instances where performances have been above expectation. The policy clearly specifies that officials who qualify should be given performance bonuses calculated in a manner disclosed in the policy to a maximum of 14% of each HOD's gross annual income. The same is the case for non-section 56/57 employees of the municipality. Although the policy does not pronounce as yet on monetary remuneration for the category of employees, it indicates that as per the municipality's affordability matrix, it should in the meantime provided leave days to a maximum of 4 days redeemable within six months after such a decision was taken beyond which time leave days get forfeited if not claimed and taken.