



Lejweleputswa
DISTRICT MUNICIPALITY

INTEGRATED DEVELOPMENT PLAN

2022-2027

ADOPTED

13 JUNE 2022

*"A leader in sustainable development
and service delivery by 2030"*



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EXECUTIVE MAYOR'S FOREWORD

2022-2027

Foreword by the Executive Mayor of Lejweleputswa District Municipality Cllr N.V Ntakumbana

It is important as we march towards the 2022/2023 financial year that we remain mindful of the fact that main purpose of the IDP is indeed to map out the core issues that affect our people and to collectively to agree on the manner in which each one of those aspirations will be addressed South Africa has held successful and peaceful general elections on 01 November 2021 for the sixth administration. These Local Government elections were certified to have been free and fair by the observers. This is a clear demonstration of the growth of our young democracy. We can no longer withhold what needs to be delivered under the pretext that there is still another year to go. Our communities demand action and the President has committed us to action.

It gives me great pleasure to present the Lejweleputswa District Municipality 2021/2022 Annual Report. I believe it is crucial to highlight the importance of this intervention in supporting the priorities of local government. One of the biggest challenges that we face as District Municipality today is that many people and communities are being excluded from the mainstream economy. In Lejweleputswa black women form the largest part of unemployed persons. Rural women, in particular, find themselves at the bottom of the economic ladder. The ageing mines places a burden on local Municipalities in the most, in relation to provision of basic services like water, electricity and housing. Retrenchment of workers also affected Municipalities negatively because the demand for provision of free basic services increased. As a result, the payment of municipal services is also affected this hampered service delivery. When unemployment is high, it is eminent that people will compete for resources and social ills such as criminality in our communities will be rife for example illegal mining, which we are currently experiencing.

As we continue on our march to deliver on our Manifesto commitments, we pledge ourselves to continue to work with our people to leave no stone unturned in fulfilling our objectives by accelerating and doubling our efforts to bring about a better life to our entire citizen. We will do so in an accountable and ethical manner, as we have been proven to do over the years. The district Municipality and other related government initiatives are geared towards increasing the number of people who are participating meaningfully in the mainstream economy

The achievement of service delivery targets and deliverables is obviously also required to be viewed together with the municipality's financial performance and our ability to comply with a whole suite of municipal legislation. As a local government we are always going to be evaluated based on our ability to meet the growing needs of our residents through rendering quality services, promoting economic development, fiscal discipline, ensuring that we govern effectively and facilitating the growth of our municipality. I want to thank our political leadership and staff led by the Municipal Manager for ensuring political and administrative stability in our municipality. I thank them for everything they do to make our municipality work each day.

Cllr. N.V Ntakumbana

Lejweleputswa District Municipality

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, and Verkeerdevlei. There are no major centers 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/ Tshwaraganang and covers an area of approximately 11 933.24 km².

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/ centers 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 Board¹ .

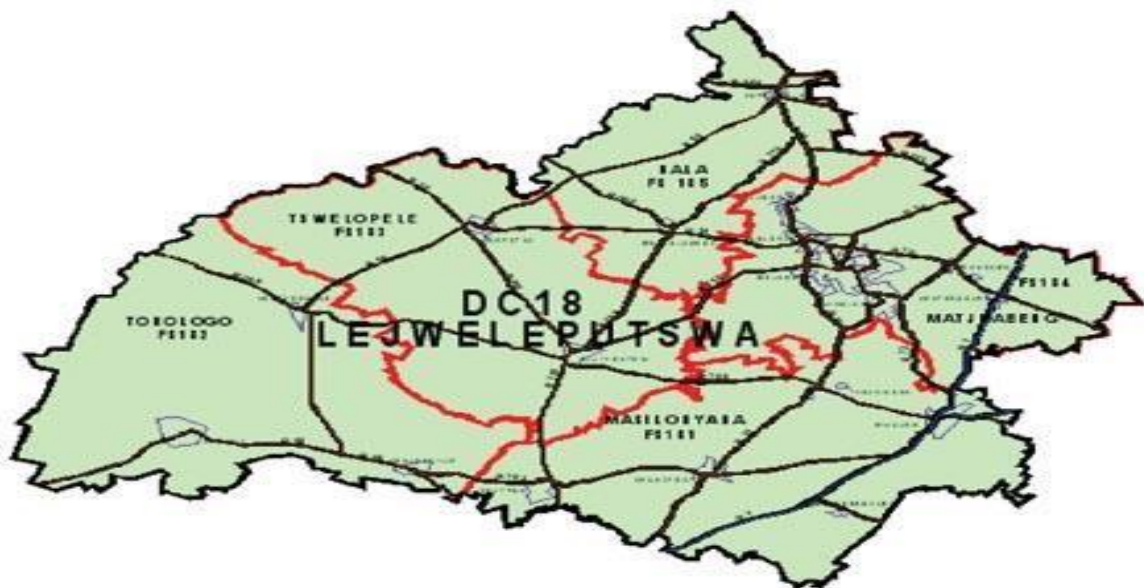
Matjhabeng Local Municipality

Economic factors also played a role and a number of towns originated as service centers 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. 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>Masilonyana Theunissen Verkeerdevlei Brandfort Winburg</p>	<p>Tokologo Dealesville Boshof Hertzogville</p>	<p>Tswelopele Bultfontein Hoopstad</p>	<p>Matjhabeng Welkom Ventersburg Hennenman Virginia Allanridge Odendaalsrus</p>	<p>Nala Bothaville Wesselsbron</p>

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

Governance issues

The municipality is currently governed by the troika. The executive Mayor- **Cllr Ntombizodwa Veronica Ntakumbana** 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. Members of the mayoral committee who are effectively the political heads of departments in the municipality assist the role of the Executive Mayor. 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	
MEMBER	MR. TJ MACHOLO
CHAIRPERSON /MEMBER	MRS. G MAYISELA
MEMBER	MR. TA MOTSHOIKHA
MEMBER	MRS. SPT MONOSI
MEMBER	MRS. DS NAGE

TABLE 2

Other structures of council are the audit committee which has five members sourced externally for a period of three financial years (**see above table 1**); the municipal public accounts committee on the Annual Report (**see below TABLE 3**), chaired by Cllr **MOETI MOLEFI**, appointed for a term which corresponds to the term of sitting council.

Dates of meetings held by the Audit Committee from 30 July 2021 to date	Planned meeting dates for the 2021/2022 FY
24-Aug-2020	30-July-2021
27-Nov-2020	13-Aug-2021
23-Feb-2020	27-Aug-2021
24-May-2020	29-Nov-2021
	11-March-2022
	09-May-2022 Proposed

TABLE 3

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE		
1	CHAIRPERSON	Cllr MOETI MOLEFI
2	MEMBER	Cllr N.W SPEELMAN
3	MEMBER	Cllr N, P NKONE
4	MEMBER	Cllr I.P. MPHORE
5	MEMBER	Cllr B.N MKHONDWANE
6	MEMBER	Cllr V. SOTENJWA
7	MEMBER	Cllr M.G FOSI
8	MEMBER	Cllr A.J.J. KRUGER
9	MEMBER	Cllr STYGER A
10	MEMBER	Cllr M.T. MACINGWANE
11	MEMBER	Cllr PIENAAR
12	MEMBER	Cllr B.S. RAMOSIE
13	MEMBER	Cllr L.J. MAILE

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.

MEMBERS OF BID COMMITTEES 2020/21

BID SPECIFICATIONS COMMITTEE		
NO	INITIALS AND SURNAME	DESIGNATION
1	MR D. LINOKO	CHAIRPERSON
2	MR S. MOYA	MEMBER

3	MISS R. ADAMS	MEMBER
4	MRS M. MOLEFENYANE	MEMBER
5	MR C. PETERSEN	MEMBER
6.	MR O. KOLISANG	MEMBER
7.	MISS B. PHUNGWAYO	MEMBER
SCRIBE		
	MS DENG A D	ASSISTANT ADMIN OFFICER
	MR MATSUNYANE T.N.	ADMIN MANAGER
BID EVALUATION COMMITTEE		
NO	INITIALS AND SURNAME	DESIGNATION
1	MR D. MASELWA	CHAIRPERSON
2	MR B. LEHLEKISO	MEMBER
3	MRS M. LESHORO	MEMBER
4	MS M.L. MEMANE	MEMBER
5	MRS B.C BALOYI	MEMBER
6	MS B.J. MALAPANE	MEMBER
SCRIBE		
	MS M. PHARA	SENIOR ADMIN
	MR T.N. MATSUNYANE	ADMIN MANAGER
BID ADJUDICATION COMMITTEE		
	SURNAME AND INITIALS	DESIGNATION
1	MR PITSO PK	CHAIRPERSON
2	MR MAKHETHA ML	MEMBER
3	MRS MAHLANGU L	MEMBER
4	MS NTWANA J	MEMBER
5	MS LESHORO M (SCM)	MEMBER
SCRIBE		

	MR N. MATSUNYANE AND MR M. MACHOLO	ADMIN MANAGER AND SCM
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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 councilors and ward committees succeed. The district has 79 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 CEO, three (3) permanent staff members and a Finance Manager.

LDA BOARD MEMBERS		
1	CHAIRPERSON	MR LR MUTSI
2	MEMBER	MR SERAKE LEEUW
3	MEMBER	MR K HLALELE
4	MEMBER	MS M MOSALA
5	MEMBER	MS STEFANI LOCKMAN

INSTITUTIONAL ARRANGEMENT

The municipality has appointed Municipal Manager, Me Palesa Matshidiso Kaota who started in July 2016. 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. It is therefore logical that the municipal structure would be revised as and when conditions arise 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.

SECTION: B

VISION

“A LEADER IN SUSTAINABLE DEVELOPMENT AND SERVICE DELIVERY BY 2030”

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 BY MAINTAINING GOOD WORKING RELATIONS IN THE SPIRIT OF CO-OPERATIVE GOVERNANCE**
- 3. ENHANCING HIGH STAFF MORALE, PRODUCTIVITY, CAPABILITY AND MOTIVATION**

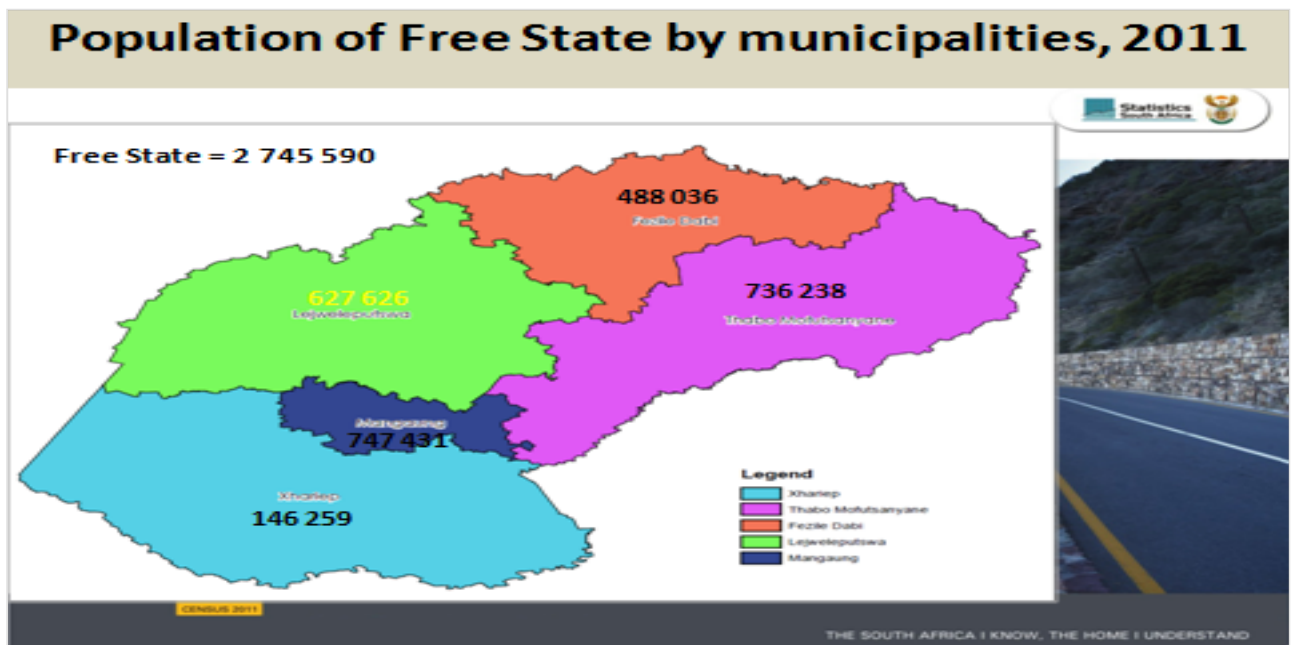
THE VALUES OF THE LDM ARE THE FOLLOWING

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

SECTION: C

Demographic Profile

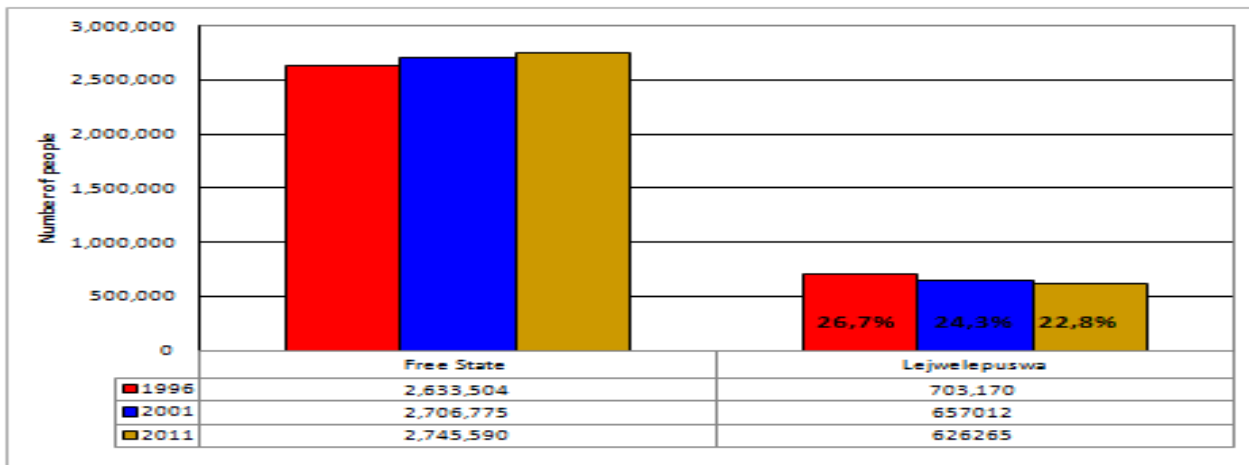
DEMOGRAPHICS			CS
Population	2001	2011	2016
South Africa	44819777	51770561	
Free State	2706771	2745590	2 834 714
DC18: Lejweleputswa	657012	627626	649964
FS181: Masilonyana	64409	63334	66084
FS182: Tokologo	32455	28986	29149
FS183: Tswelopele	53714	47625	47373
FS184: Matjhabeng	408170	406461	428843
FS185: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

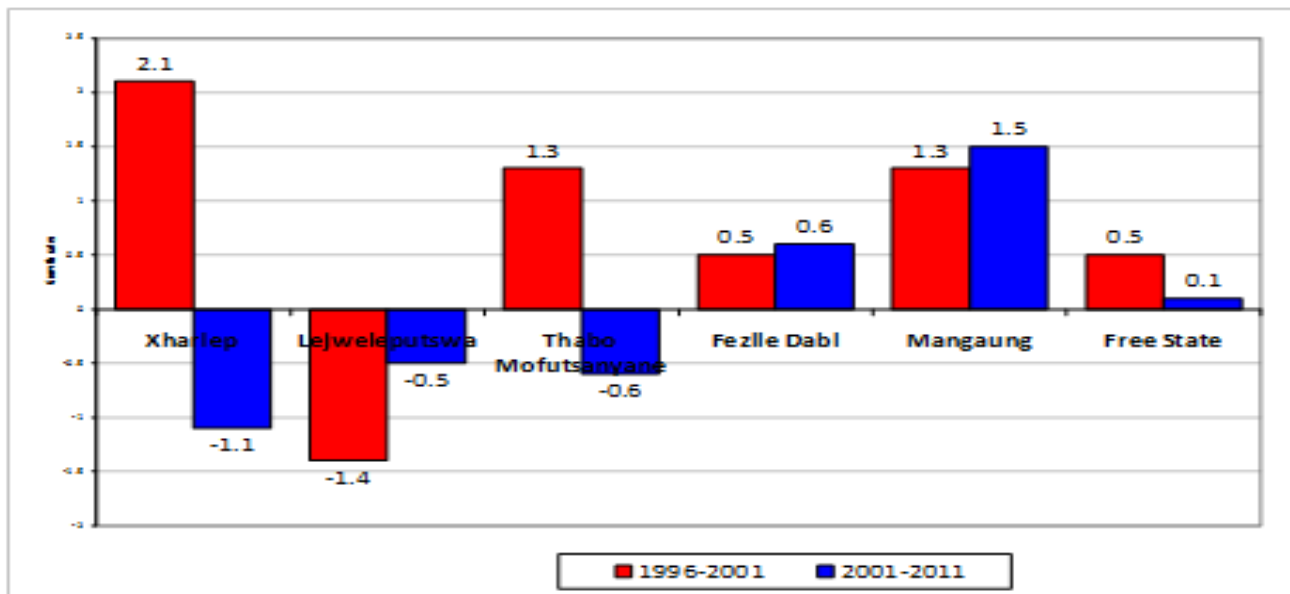
Population sizes of Free State and Lejweleputswa, 1996–2011



StatsSA: Census, 2011

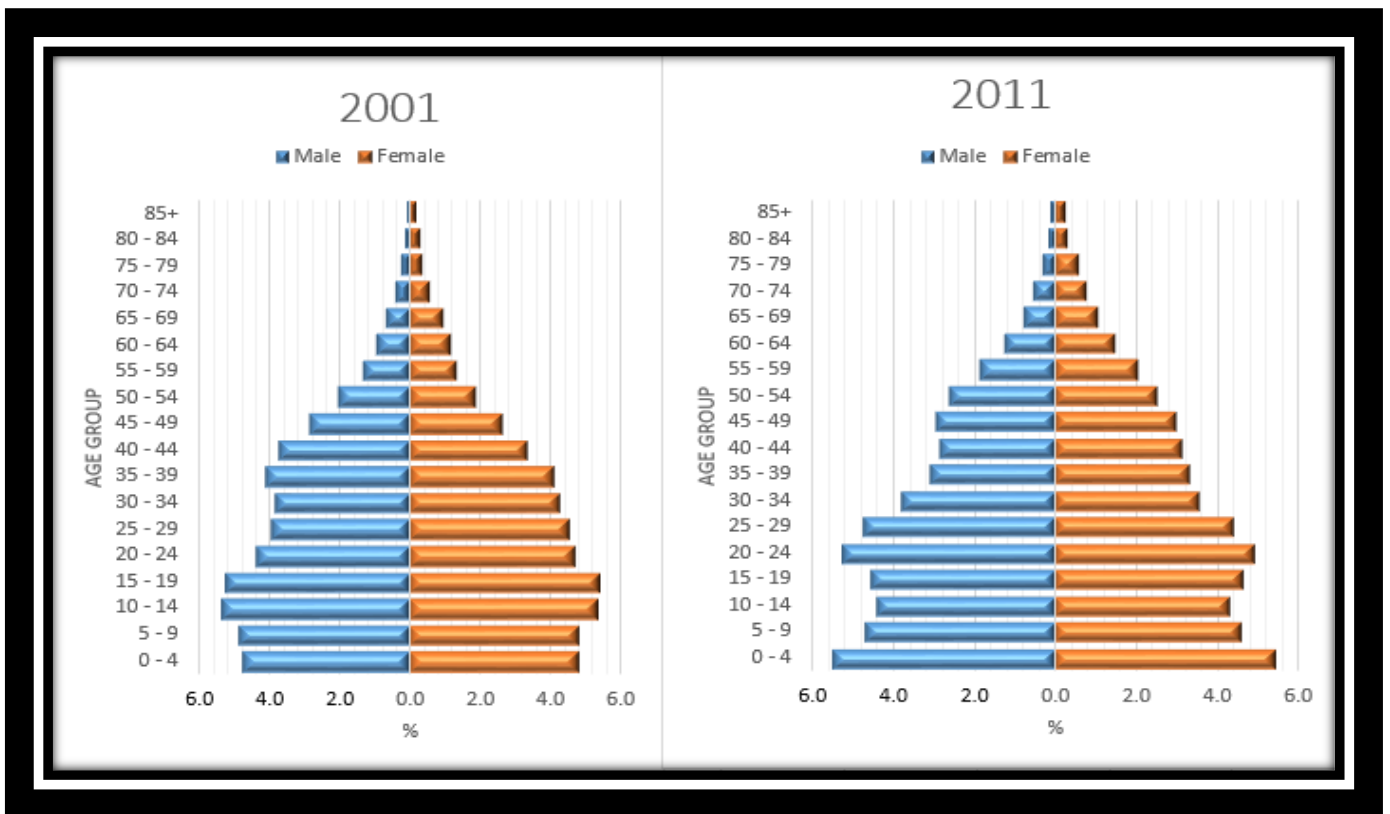
The table above makes a comparative analysis of the growth patterns between the Free State Province and Lejweleputswa District over a 15-year period and depicts that while the population of the province has marginally increased (from 2.633,504 in 1996 to 2.706,590 in 2011 during that period the District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

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



StatsSA: Census, 2011

The table above illustrates 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**



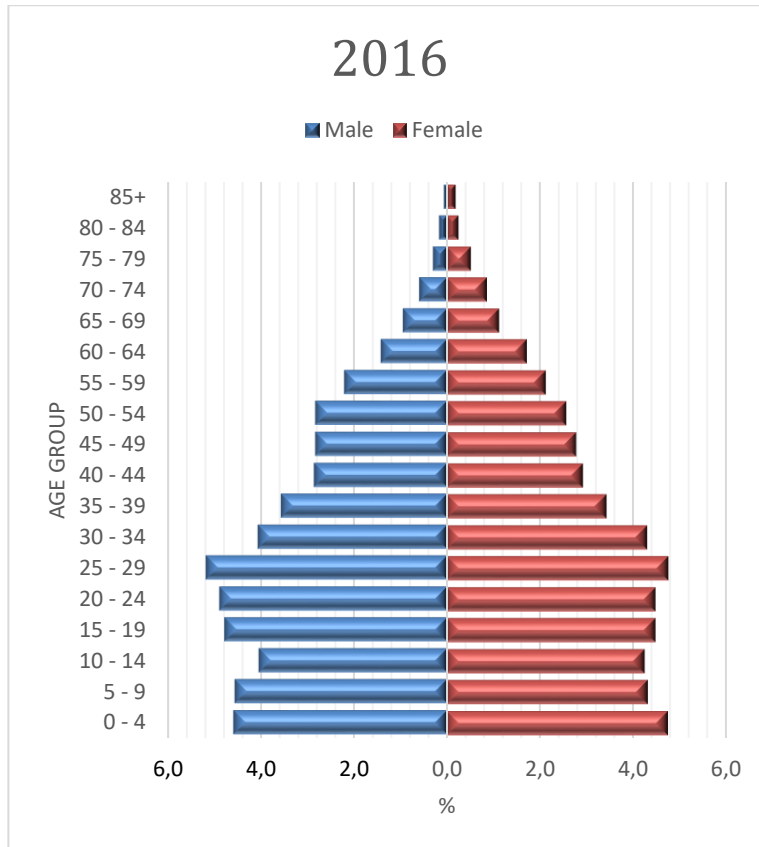
3.1.2. Population Distribution

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

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.

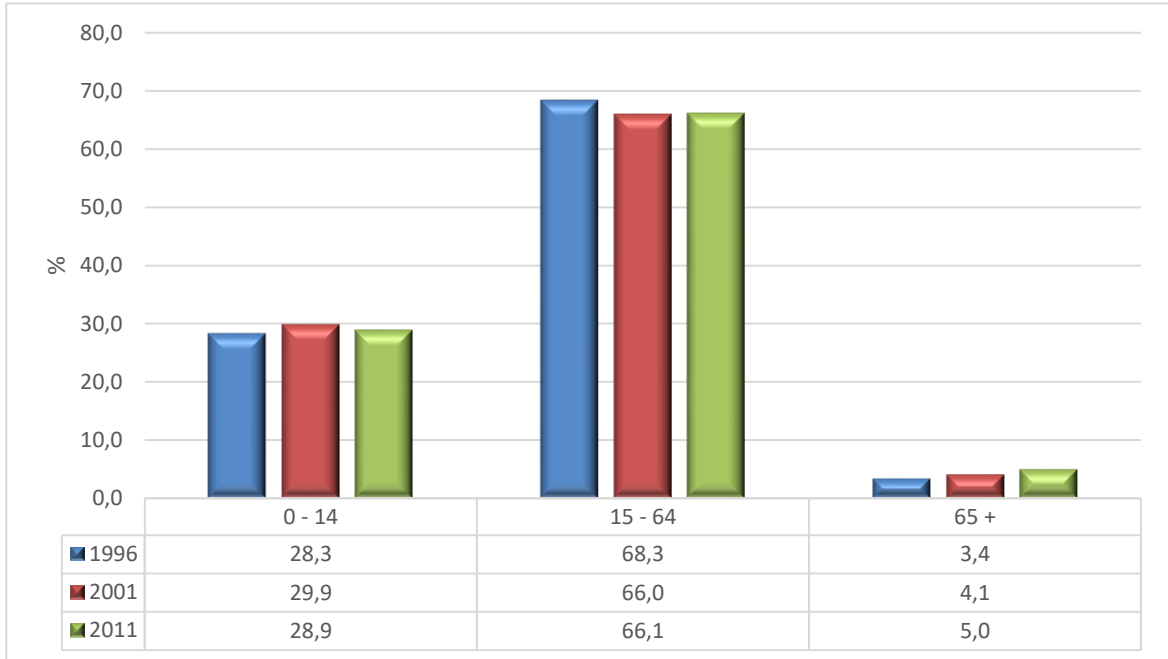
Population distribution by province of birth, Free State Municipalities, 2011

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

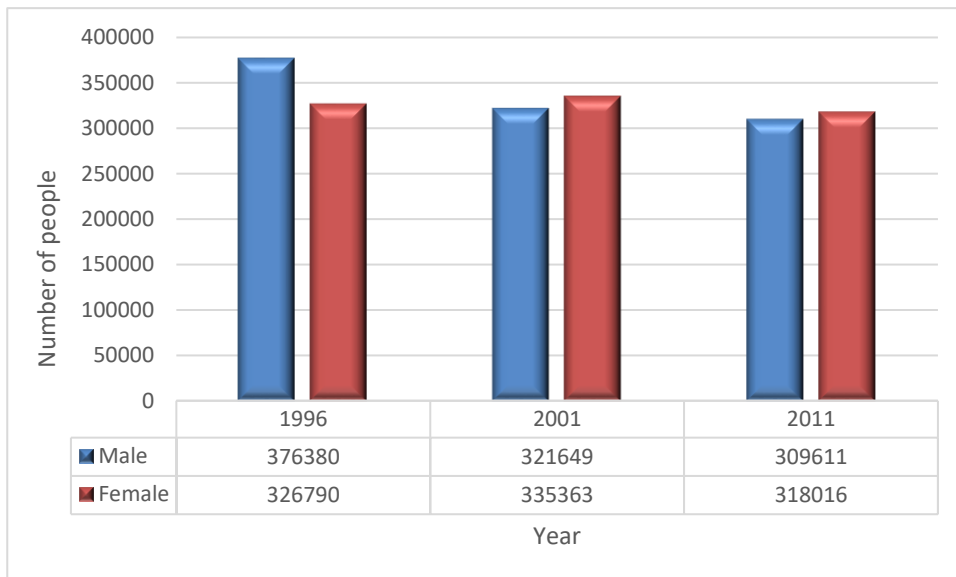
StatsSA: Census, 2011

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



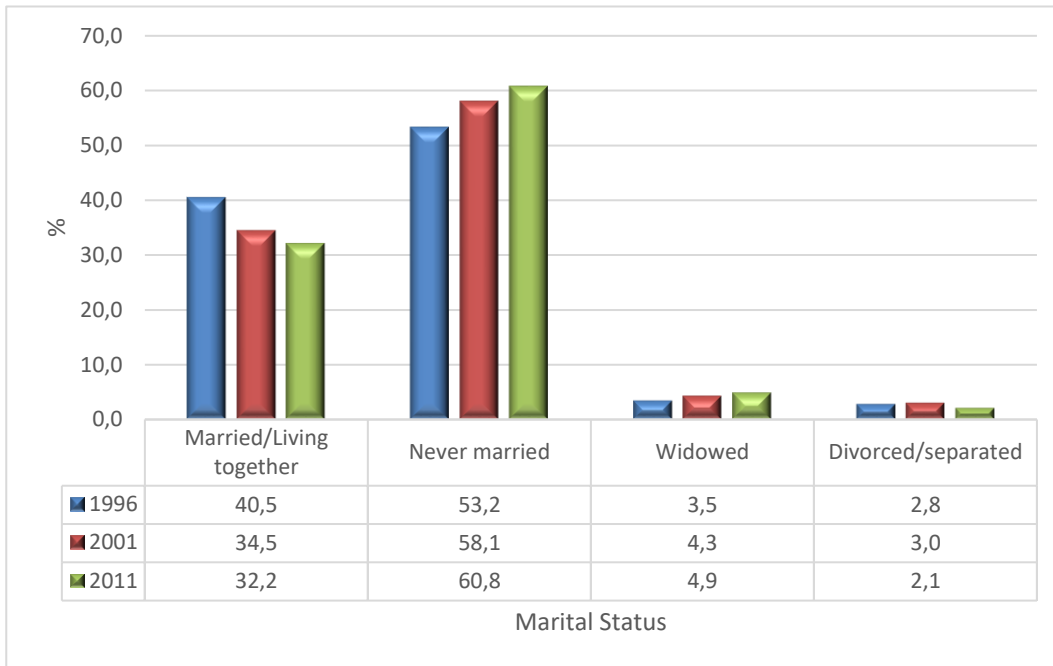
StatsSA: Census, 2011



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.

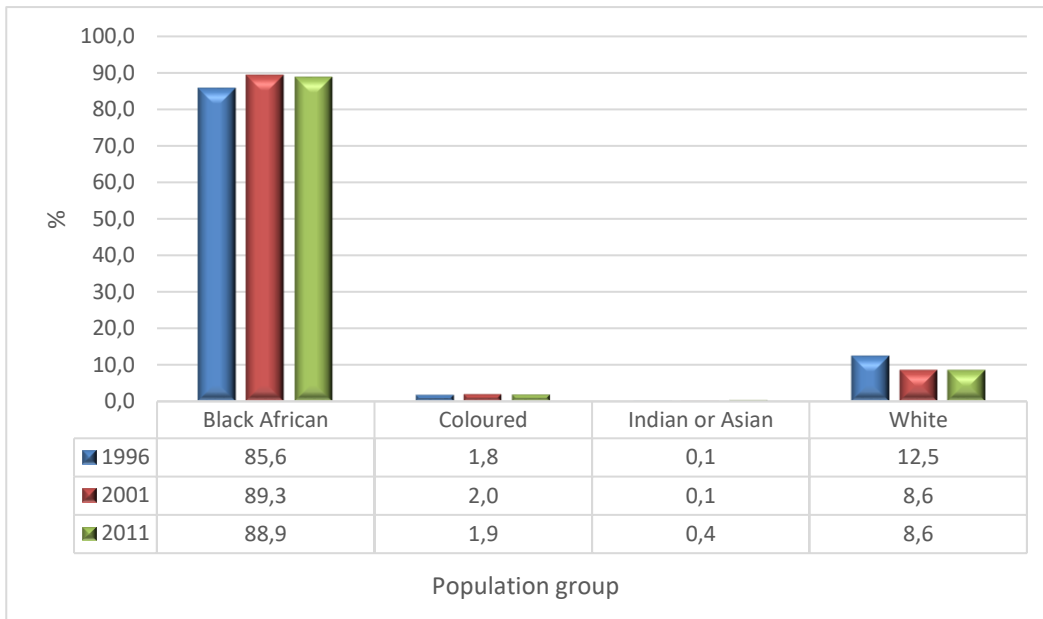
PERCENTAGE DISTRIBUTION OF LEJWELEPUTSWA POPULATION BY MARITAL STATUS, 1996-2011



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

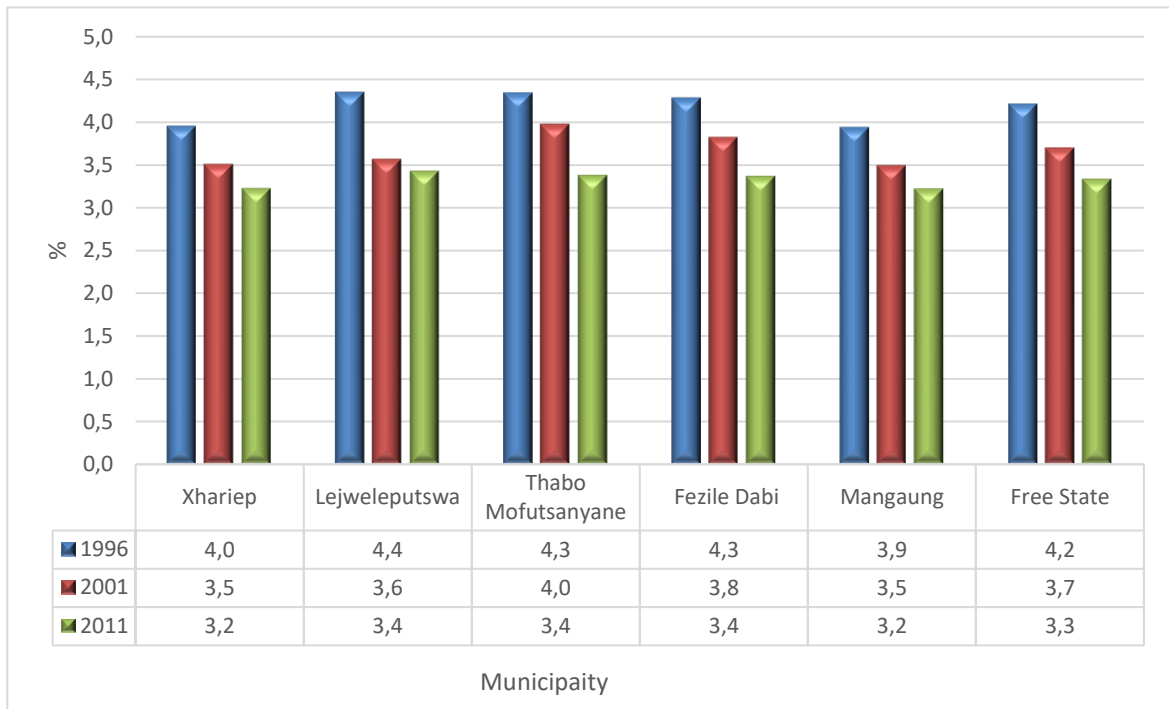


StatsSA: Census, 2011

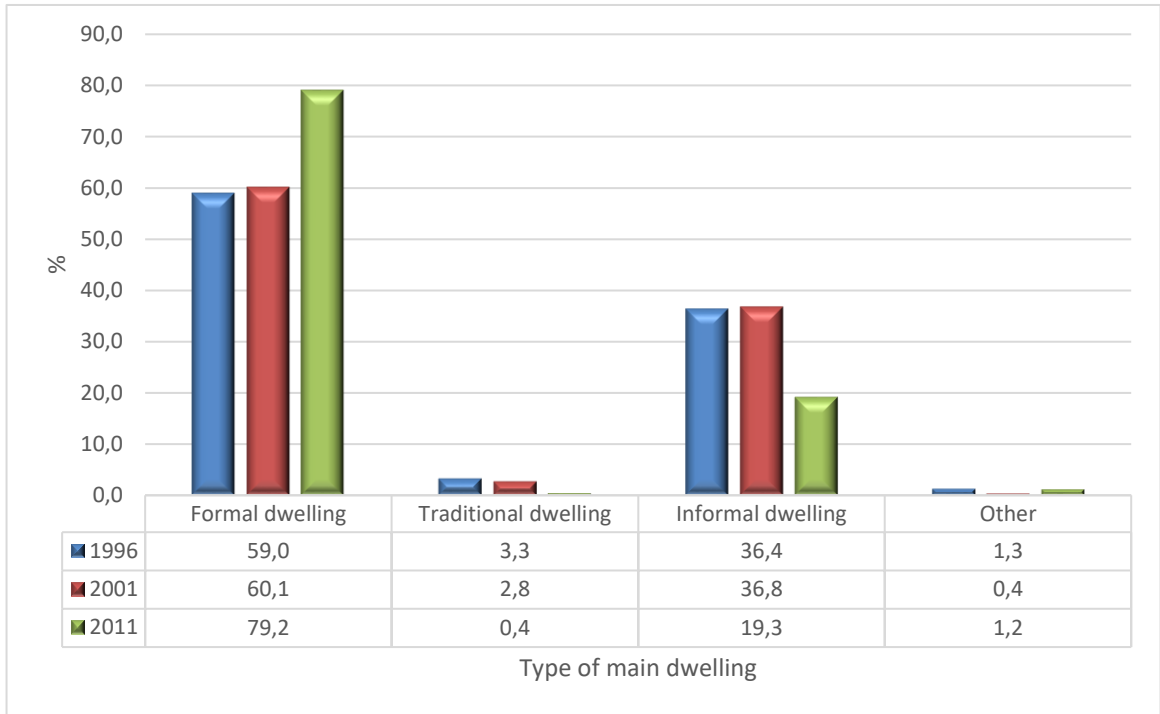
The majority of the population in the Lejweleputswa District has always been black African, for the 15-year period with a small difference over the period ranging from 82.2% in 1996 to 77.0% in 2011, followed by white population group with 22, 0% in 1996 to 20, 2% in 2011 and the third being coloured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

Household and services

AVERAGE HOUSEHOLD SIZES FOR FREE STATE MUNICIPALITIES, 1996-20



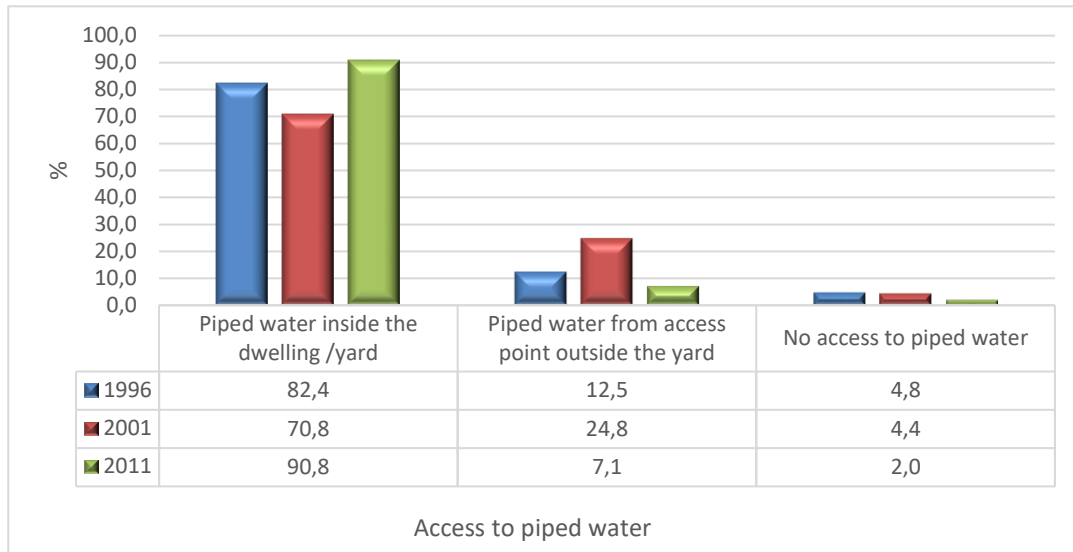
PERCENTAGE DISTRIBUTION OF HOUSEHOLDS BY TYPE OF MAIN DWELLING, LEJWELEPUTSWA, 1996-2011



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%. This 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

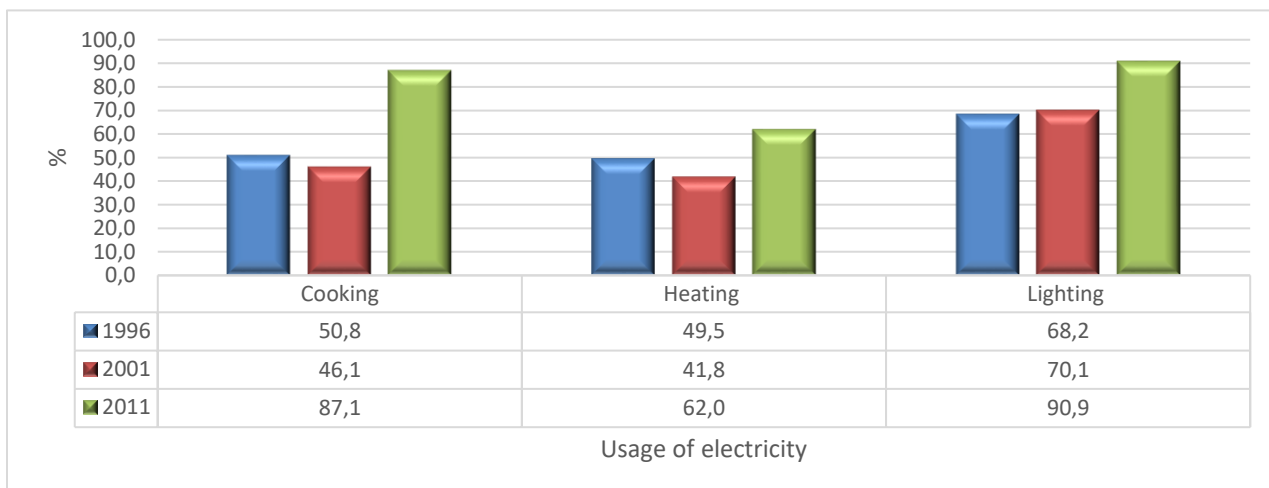


StatsSA: Census, 2011

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.

Main source of water for drinking														
Province, District and Local Municipality	Piped (tap) water inside the dwelling/house	Piped (tap) water inside yard	Piped water on community stand	Bore hole in the yard	Rain-water tank in yard	Neighbours tap	Public/municipal tap	Water-carrier/tanker	Bore hole outside the yard	Flowing water/stream/river	Well	Spring	Other	Total
Free State	357926	499067	25768	8098	694	13142	14680	11226	8548	1124	411	1108	4848	946638
DC18: Lejweleputswa	94736	107755	3354	2012	149	3021	2949	374	2119	129	-	83	2332	219014
FS181: Masilonyana	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

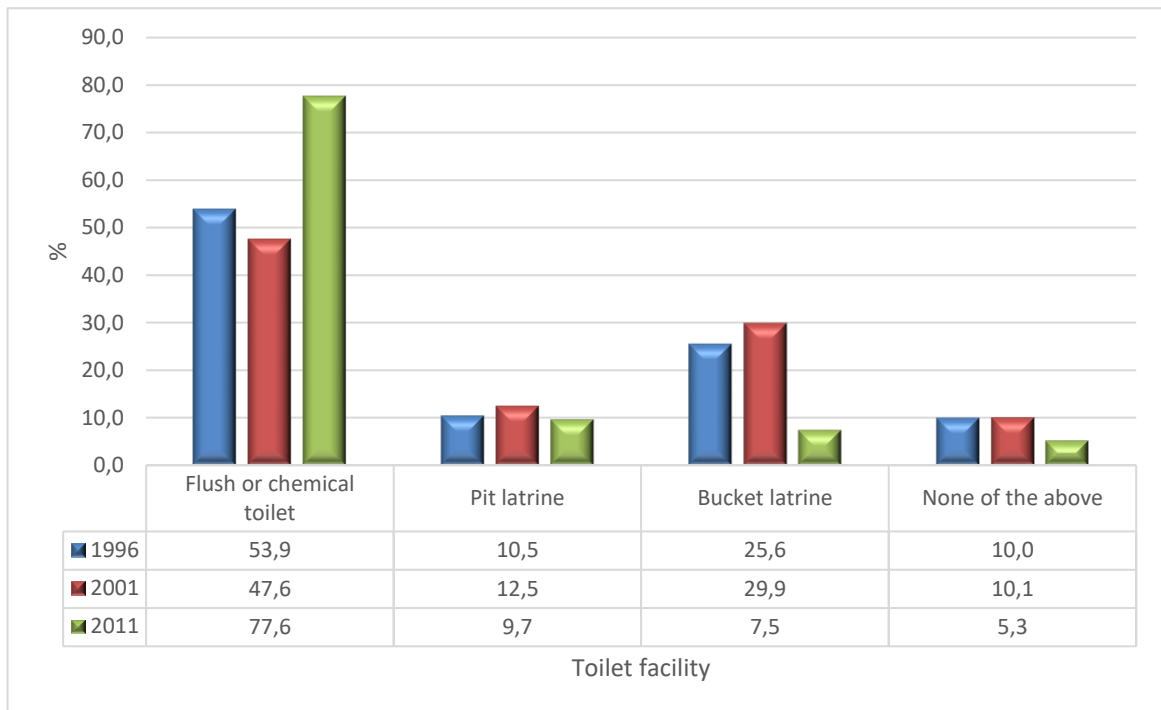
PERCENTAGE DISTRIBUTION OF HOUSEHOLDS USING ELECTRICITY, LIGHTING, COOKING AND HEATING, LEJWELEPUTSWA, 1996-2011



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.

Household access to electricity										
Province, District and Local municipality	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
Free State	108973	761009	17676	2466	209	992	179	4786	50349	946638
DC18: Lejweleputswa	34255	167983	4449	623	30	156	106	1285	10126	219014
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

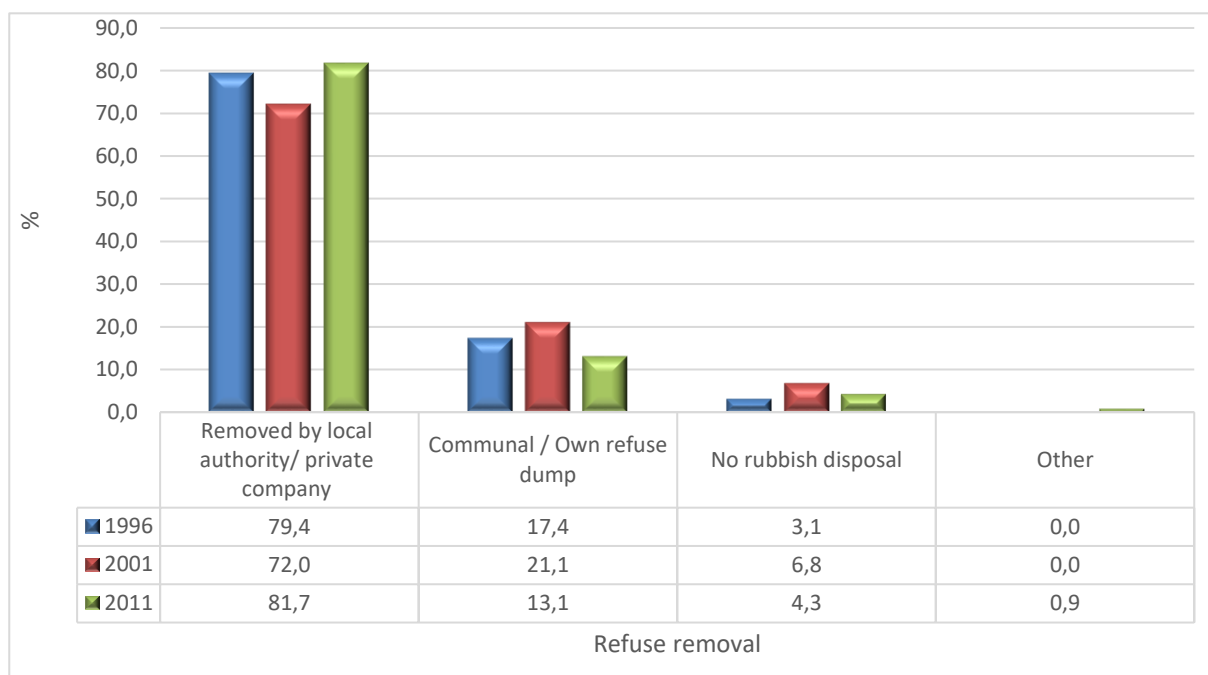
PERCENTAGE DISTRIBUTION OF HOUSEHOLDS BY TYPE OF TOILET FACILITIES, LEJWELEPUTSWA, 1996-2011



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.

Main type of toilet facility used											
Province, District and Local Municipality	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; enviroloo; etc.)	Bucket toilet (collected by municipality)	Bucket toilet (emptied by household)	Other	None	Total
Free State	663809	19526	19662	64462	105588	1602	24131	13650	18526	15684	946638
DC18: Lejweleputswa	179008	2010	472	5141	15166	142	4817	3322	4711	4225	219014
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



PERCENTAGE DISTRIBUTION OF HOUSEHOLDS BY TYPE OF REFUSE DISPOSAL, LEJWELEPUTSWA, 1996-2011 StatsSA: Census, 2011

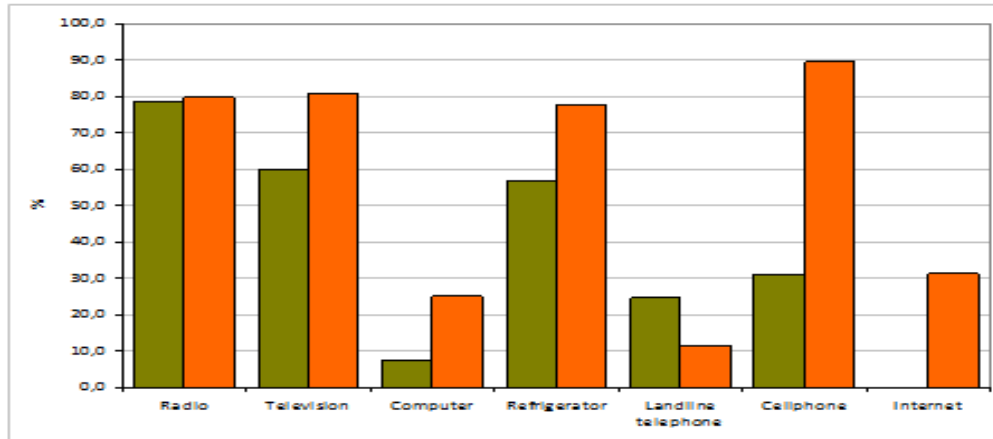
The role of local municipality playing a pronounced role in removing refuse has improved from 70,5% in 1996 to 81,8% in 2011. The Local and private company roles have ensured that refuse removal is speeded up. There are challenges though where we still have communities dumping own refuse. In this case municipalities have resorted to by-laws that are intended to discourage

such behaviour. 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 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

CS2016

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

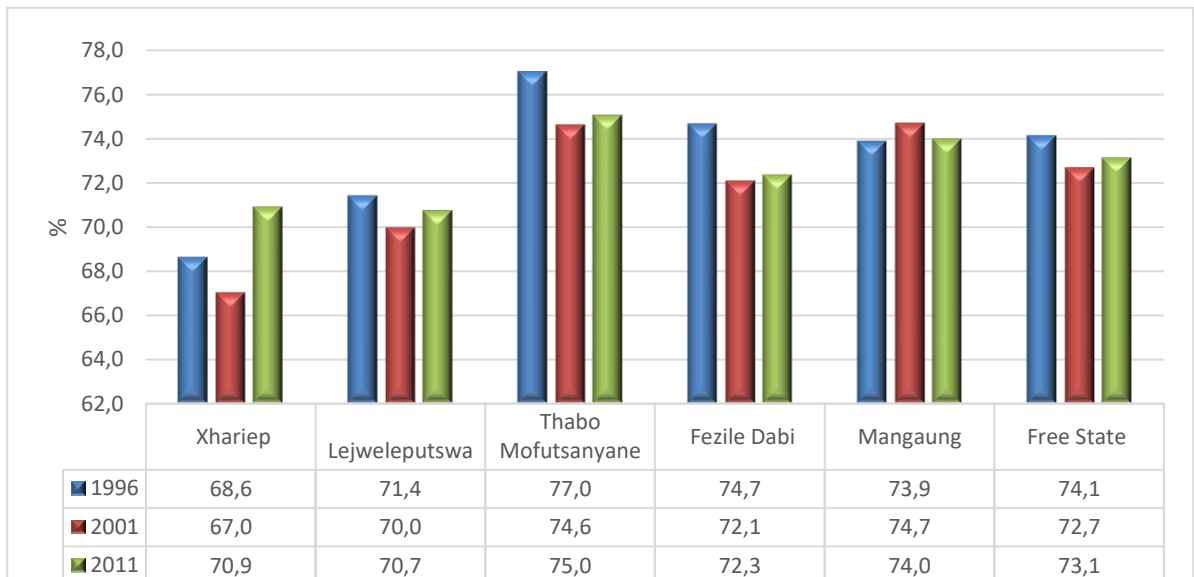


StatsSA: Census, 2011

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,

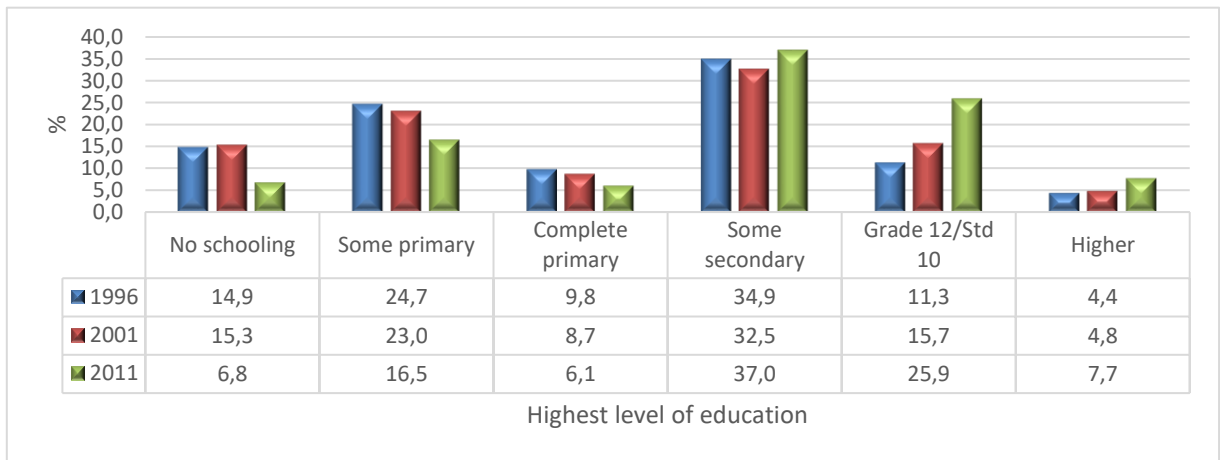


FREE STATE, 1996-2011 StatsSA: Census, 2011

Geography	School Attendance		
	Yes	No	Do not know
Free State	859361	1699444	2402
DC18: Lejweleputswa	182607	406237	319
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

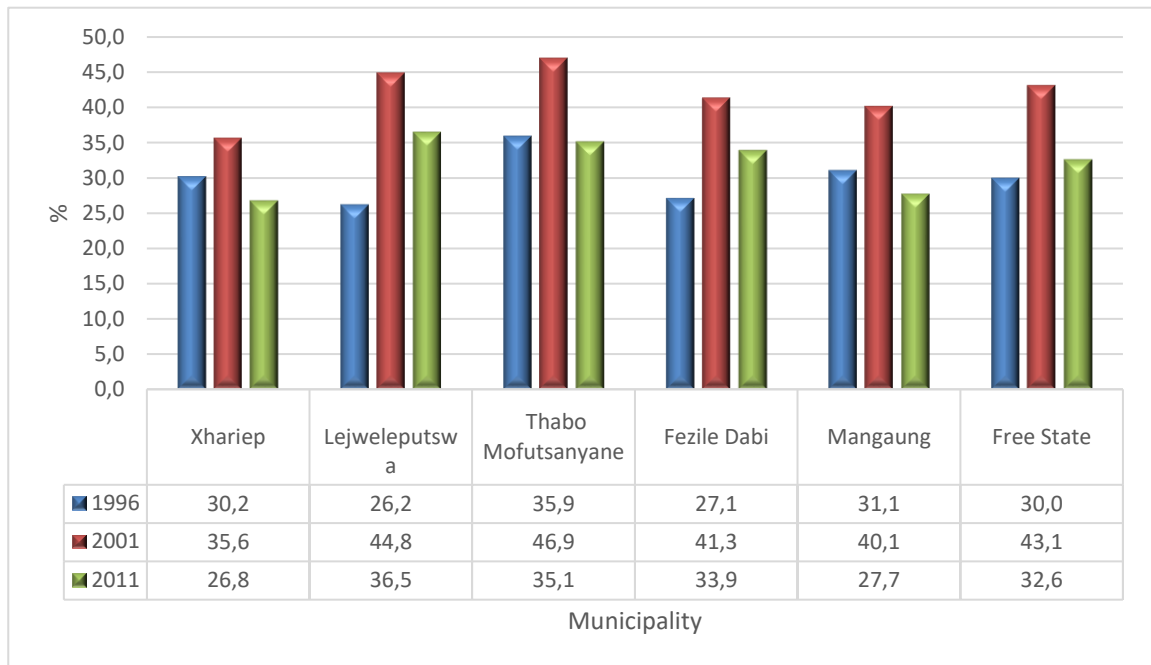


StatsSA: Census, 2011

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

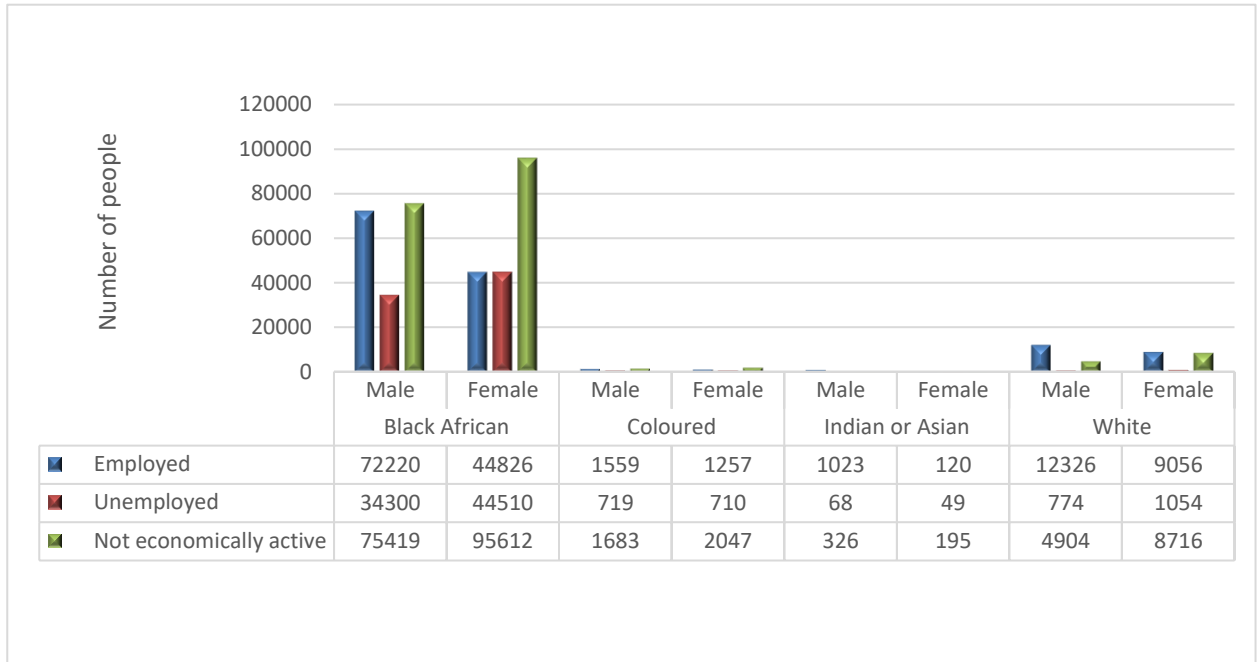
UNEMPLOYMENT RATES (OFFICIAL DEFINITION) OF FREE STATE MUNICIPALITIES, 1996-2011



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



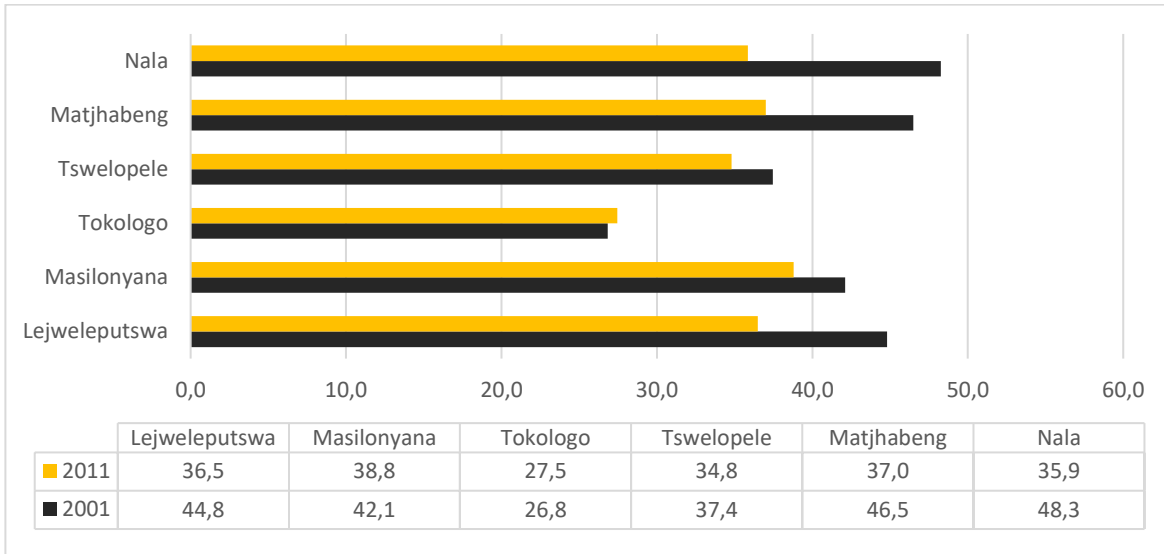
StatsSA: Census, 2011

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

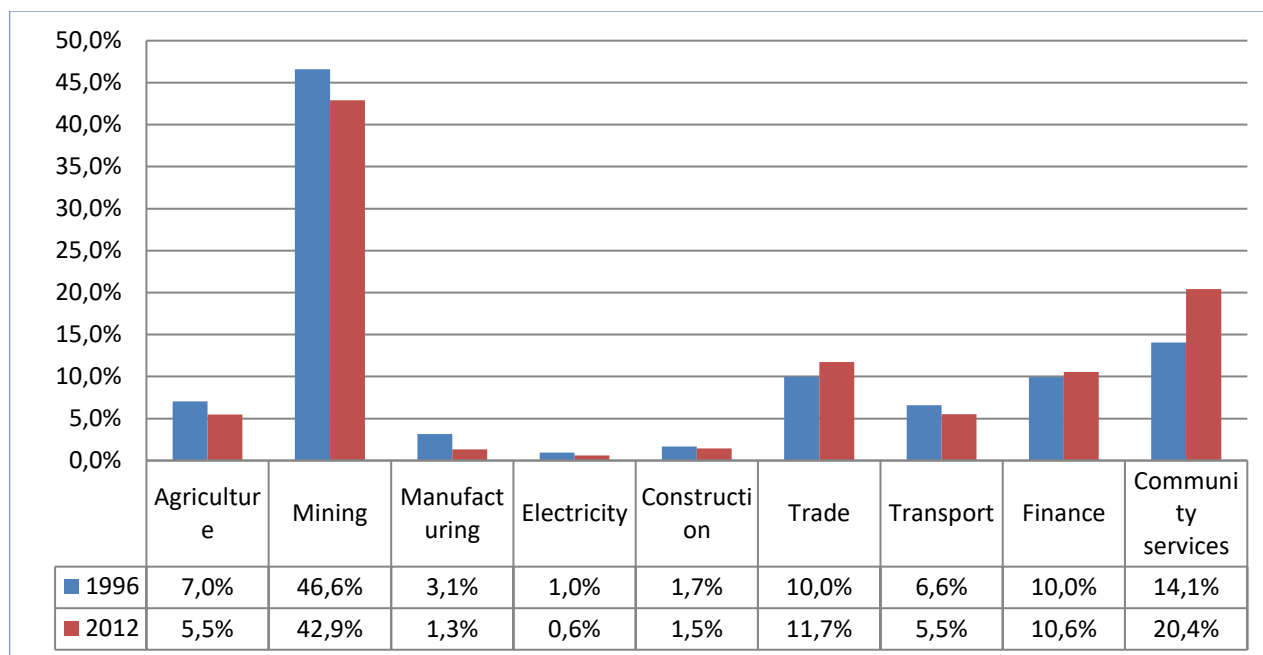


StatsSA: Census, 2011

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%
3 Manufacturing	2.5%	2.1%	2.9%	2.2%	2.1%	5.2%
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%
7 Transport	6.3%	5.2%	5.0%	7.8%	5.6%	11.8%
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.

SECTION D

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;

DISTRICT KEY POWERS AND FUNCTIONS	LOCAL KEY POWERS AND FUNCTIONS
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
Air pollution	Potable water
	Air pollution
	Child Care facilities
	Electricity regulation
	Refuse removal dumps and waste

	Fencing and fences
	Local amenities

Sustainable Development Goals

The following are the sustainable development goals, as set by the United

Nations (UNDP, 2015):

- **Goal 1.** End poverty in all its forms everywhere
- **Goal 2.** End hunger, achieve food security and improved nutrition and promote sustainable agriculture
- **Goal 3.** Ensure healthy lives and promote well-being for all at all ages
- **Goal 4.** Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
- **Goal 5.** Achieve gender equality and empower all women and girls
- **Goal 6.** Ensure availability and sustainable management of water and sanitation for all
- **Goal 7.** Ensure access to affordable, reliable, sustainable and modern energy for all

- **Goal 8.** Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.
- **Goal 9.** Build resilient infrastructure, promote inclusive and sustainable Industrialization and foster innovation
- **Goal 10.** Reduce inequality within and among countries
- **Goal 11.** Make cities and human settlements inclusive, safe, resilient and sustainable
- **Goal 12.** Ensure sustainable consumption and production patterns
- **Goal 13.** Take urgent action to combat climate change and its impacts
- **Goal 14.** Conserve and sustainably use the oceans, seas and marine resources for sustainable development
- **Goal 15.** Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
- **Goal 16.** Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
- **Goal 17.** Strengthen the means of implementation and revitalize the global partnership for sustainable development.

SECTION E

ADOPTED

IDP AND BUDGET PROCESS PLAN

2022-2027

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

Names	Designation
CIlr. NTOMBIZODWA VERONICA NTAKUMBANA	District Executive Mayor
CIlr. D. KOTZEE	Finance (Budget and Treasury)
CIlr. M.S. BALENI	Municipal Infrastructure Services and Support
CIlr. M.J. MELI	Economic, Small Business and Rural Development (Agriculture and Tourism)
CIlr V. VAN ROOYEN	IDP, PMS, Policy Development and Monitoring
CIlr. P.P. MASEKO	Corporate Services (HR and Legal)
CIlr. B.A. KABI	Community Services and Special Programs
CIlr. S. TSUINKE	Municipal Health Services, Disaster Management including Fire Fighting

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
Mrs. L.M. MAHLANGU	Executive Manager: Corporate Services
Mr. M.L. MAKHETHA	Executive Manager: LED, Tourism and Planning
Mr YOLISA KUPISO	Executive Manager: Social Services
Mr. L. MTEBELE	Chief of Staff
Mr. P. KHAMADI	Manager: Speaker's Office
Mr. A. BESTER	Internal Auditor
Mr. D. MASELWA	Strategic Manager
Mr. K. MQEKE	Communications & IGR Manager
Mrs. M. LESHORO	Manager: Budget & Treasury
Mr. M.W. SEGALO	Manager: ICT
Mrs. S.N.Q MGOBOZI	Manager: HR & Labour Relations Practitioner
Ms. N.A. SELLO	Legal Officer
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.I MATOLO	IDP Officer
Mr. D.E. KIRSTEN	Manager: Environmental Health Services

Mr. S. NZUME	Manager: Disaster Management
Mr. B.A. MNGUNI	CEO: LDA
Mr. S. MOKOENA	Manager: Security
Mr. T.N. MATSUNYANE	Manager: Administration

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 & ordinary councillors

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 PROCESS

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.

LEJWELEPUTSWA DISTRICT MUNICIPALITY IDP PROCESS PLAN AND BUDGET TIMELINES

ACTION OUTPUT	DELIVERABLE	RESPONSIBLE	ACTION DATE	
1	<i>IDP Review</i>	<i>Adopted Final IDP 2021-2022</i>	<i>Executive Mayor and Municipal Manager</i>	<i>August 2021 to MAY 2022</i>
2	<i>Develop and submit District IDP Framework and Process Plan to council for adoption</i>	<i>Adopted District IDP Framework and Process Plan</i>	<i>Municipal Manager</i>	<i>August 2021</i>
3	<i>Advertise the approved IDP Framework & the Process Plan in the local newspaper</i>	<i>Advertisement in the local newspaper</i>	<i>Municipal Manager</i>	<i>September 2021</i>
4	<i>Undertake District wide alignment & update situational analysis</i>	<i>Aligned & updated situational analysis</i>	<i>Municipal Manager & IDP Steering committee</i>	<i>September to November 2021</i>
5	<i>Review Objective, Strategies & Projects</i>	<i>Reviewed Objectives, Strategies & Projects</i>	<i>Municipal Manager, IDP Steering Committee & IDP Rep forum</i>	<i>November to December 2021</i>
6	<i>Submit aligned & updated situational analysis to Free State COGTA</i>	<i>Submission of updated analysis</i>	<i>Municipal Manager</i>	<i>November to December 2021</i>
7	<i>Submit budget instructions to HOD's</i>	<i>Submitted budget instructions</i>	<i>CFO</i>	<i>November 2021</i>
8	<i>Submit 2021-2022 budget framework to relevant officials & HOD's (budget framework to include salary, operational</i>	<i>Budget framework</i>	<i>CFO</i>	<i>November 2021</i>

	<i>and capital related information)</i>			
9	<i>Preparation of a summary of available funds from: Internal funds, e.g. CDF & external funding, e.g. FM grant</i>	<i>Budget Framework</i>	<i>CFO</i>	<i>November 2021</i>
10	<i>Prioritize Projects for Implementation</i>	<i>Prioritized Projects</i>	<i>Municipal Manager & IDP Steering Committee</i>	<i>November 2021 to January 2022</i>
11	<i>Submission detailed estimates by MM, HOD's & Political offices to CFO</i>	<i>Budget estimates</i>	<i>MM, HOD's & Political Offices</i>	<i>December 2021</i>
12	<i>Assess financial feasibility of proposed new projects based on existing & potential funds</i>	<i>Proposed new projects & costing/budget adjustments</i>	<i>Executive Management & IDP Steering Committee</i>	<i>November 2021 to January 2022</i>
13	<i>Meeting with relevant officials (1st draft budget meeting)</i>	<i>Draft budget</i>	<i>CFO</i>	<i>January 2022</i>
14	<i>Meeting with relevant officials (2nd draft budget meeting)</i>	<i>Draft budget</i>	<i>CFO</i>	<i>January 2022</i>
16	<i>Meeting with relevant officials (3rd draft budget meeting)</i>	<i>Draft budget</i>	<i>CFO</i>	<i>January 2022</i>
17	<i>Submit draft budget to finance portfolio committee for consideration</i>	<i>Submitted draft budget</i>	<i>CFO</i>	<i>February 2022</i>
18	<i>Submit draft budget to Mayoral Committee for consideration</i>	<i>Mayoral Committee budget item</i>	<i>MM & CFO</i>	<i>February 2022</i>

19	<i>Table Draft IDP & Budget to MAYCO for consideration</i>	<i>Mayoral committee IDP & Budget item</i>	<i>MM & Executive Mayor</i>	<i>February 2022</i>
20	<i>Discussions with the public on the draft IDP & Budget</i>	<i>Public Participation</i>	<i>MM, Executive Mayor & IDP Rep Forum</i>	<i>March 2022</i>
21	<i>Tabling of IDP & MTEF budget to council sitting</i>	<i>Draft IDP & Budget item to council</i>	<i>Executive Mayor</i>	<i>March 2022</i>
22	<i>Publicize tabled budget within 5 days after tabling on the website & local media</i>	<i>Published Budget</i>	<i>MM & CFO</i>	<i>April 2022</i>
22	<i>Submit copies of IDP & Budget to Provincial COGTA department & Treasury within 10 days after the adoption</i>	<i>IDP & Budget copies submitted</i>	<i>MM</i>	<i>April 2022</i>
23	<i>Incorporate MEC's comments on the Draft IDP & Budget including proposals from stakeholders</i>	<i>Incorporated inputs</i>	<i>MM & CFO</i>	<i>May 2022</i>
24	<i>Mayoral Committee finalizes draft IDP & Budget</i>	<i>Finalized IDP & Budget</i>	<i>MM & CFO</i>	<i>May 2022</i>
25	<i>Submission of final draft IDP & Budget to council for approval</i>	<i>Approved IDP & Budget by council</i>	<i>MM & CFO</i>	<i>May 2022</i>
26	<i>Submit IDP & Budget in the required format to both Provincial & National Treasury</i>	<i>Submitted IDP & Budget</i>	<i>CFO & Budget Control officer</i>	<i>June 2022</i>
27	<i>Submit adopted IDP & Budget to Provincial</i>	<i>Submitted IDP & Budget</i>	<i>MM</i>	<i>June 2022</i>

	<i>department of COGTA</i>			
28	<i>Submit draft SDBIP to the Executive Mayor within 14 days after the approval of the budget</i>	<i>Final Municipal SDBIP</i>	<i>MM</i>	<i>June 2022</i>
29	<i>Prepare Performance Agreements and Plans for signing and submission to relevant Provincial departments</i>	<i>Signed Performance Agreements</i>	<i>MM</i>	<i>July 2022</i>
30	<i>Set up expenditure, revenue & asset management system, incorporating budget</i>		<i>CFO</i>	<i>July 2022</i>

LEJWELEPUTSWA DISTRICT MUNICIPALITY

DISTRICT IDP FRAMEWORK

FINAL
2022-2027

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1. INTRODUCTION & LEGISLATIVE BACKGROUND

1.1 INTRODUCTION

The Framework for Integrated Development Planning is the mechanism to ensure alignment and integration between the IDP's of Lejweleputswa District Municipality and its family of local municipalities being, Matjhabeng, Masilonyana, Nala, Tokologo and Tswelopele.

The Integrated Development Plan (IDP) is a 5-year strategic plan crafted mainly to guide development within a municipal space as required by the Municipal Systems Act, no.32 of 2000. The IDP is the municipal overarching plan that supersedes all plans for local government and is geared towards addressing development challenges and to fulfill its developmental mandate. The District IDP developmental framework thus becomes of critical importance to both the district and local municipalities as it provides the direction which municipalities' IDP's should follow and drive the integrated development planning within the district area of jurisdiction.

1.2 LEGISLATIVE BACKGROUND

The development of the district framework is a legislative requirement in terms of Section 27 of Municipal Systems Act, (Act no32 of 2000) and Section 84(1) (a) of the Municipal Structures Act, 1998.

Section 27 of the MSA states that,

- (1) Each District municipality, within a prescribed period after the start of its elected term and after following a consultative process with the local municipalities within its area, must adopt a framework for integrated development planning in the area as a whole.
- (2) A framework referred to in subsection (1) binds both the district municipality and the local municipalities in the area of the district municipality, and must at least;
 - (a) Identify the plans and planning requirements binding in terms of national and provincial legislation on the district municipality and the local municipalities or on any specific municipality;
 - (b) Identify the matters to be included in the integrated development plans of the district municipality and the local municipalities that require alignment;

- (c) Specify the principles to be applied and co – ordinate the approach to be adopted in respect of those matters: and
- (d) Determine procedures-
 - (i) For consultation between the district municipality and the local municipalities during the process of drafting their respective integrated development plans; and
 - (ii) to effect essential amendments to the framework.

These pieces of legislations are informed by section 152 of the Constitution of 1996, which provides the objects of local government that requires the local government to:

- *Provide democratic and accountable government for local communities;*
- *Ensure provision of services to communities in a sustainable manner*
- *Promote social and economic development*
- *Promote a safe and healthy environment*
- *Encourage the involvement of communities and community organizations in the matters of local government*

2. OBJECTIVES OF THE DISTRICT IDP FRAMEWORK

The District Framework binds both the District and Local Municipalities in the area, and is aimed at proper consultation, co – ordination and alignment between the planning processes of the district municipality and its constituent local municipalities

The District Framework must be developed in consultation with the local municipalities in a joint workshop to be organized by the District. The local municipalities are required to develop their process plans which explicitly details how the process of planning, drafting, adoption and review of IDP is going to unfold.

The District Integrated Development Plan (IDP) must be aligned with the District Framework and the IDP proposals of the local municipalities must be taken into account in the drafting process.

The function of the District Framework is to ensure that the process of District IDP and local IDP's is mutually linked and can inform one another (parallel process). Secondly the District Framework is intended to ensure that there is a common understanding of the IDP process, through IGR structures, such as Mayors' forum (Political IGR), Technical IGR (Municipal Managers' forum), and the IDP Managers forum, to enhance co– operative government,

agreement on predetermined programmes specifying timeframes for different steps and joint milestones. The framework serves as a guide for local municipalities in preparing their process plans and has to be (process plan) based on proper consultation with municipal stakeholders and be submitted to the District for monitoring purposes.

The District Framework is established in an interactive, consultative and mutually aligned manner during the preparation phase in order to ensure that municipal process plans are in line with what is contained in the District Framework and the Framework reflects the proposals of the local municipalities.

The Framework has to be accepted by all local municipalities and be utilized as a basis for drafting municipal process plans.

3. LDM VISION

“A leader in sustainable development and service delivery by 2030”

4. ROLES AND RESPONSIBILITIES OF DISTRICT MUNICIPALITIES

In terms of legislation (Municipal Structures Act, 117 of 1998), the district municipality is expected to exercise different sets of powers and functions Vis-á- Vis their areas and local municipalities that constitute the district.

The District Municipality has been designed to fulfill the following key roles:

- *To be reorganized around a set of standards planning and development regions and key responsibilities for the district-wide integrated development planning, including, land-use planning, economic and development and transport planning. Thus district are centers of integrated planning at regional scale, to ensure integration of social, economic and environmental development plans.*
- *Promote infrastructural development.*
- *Provide technical assistance to local municipalities: Capacity building of category B municipalities to assume municipal functions*
- *Provide directives for growth (social, economic and environmental as per the object of local government outlined in section 152 of the Constitution) for the local municipalities in its area of jurisdiction*

- *Provide for alignment with the neighboring municipalities*
- *Indicate how it will engage its local municipalities in ensuring the implementation of the framework plan*

5. CONSULTATION PROCESSES AND PROCEDURES FOR ALIGNMENT

5.1 ROLE PLAYERS

The following officials and politicians through recognized forums and structures shall be involved in the alignment process:

Between Local Municipalities and the District Municipalities:

- Executive Mayors/Mayors forum [IGR Political]
- Municipal Managers forum [IGR Technical]
- IDP Coordinators/Managers forum
- Provincial sector departments
- Provincial CoGTA IDP & LED Directorate
- National Sector Department and
- State owned enterprises (Eskom, Water Board, and Telkom. Etc.)

5.2 THE ALIGNMENT PROCESS

The Lejweleputswa District Municipality has a crucial role to play in co-coordinating and facilitating the IDP process at a district level. The LDM is responsible for:

- Horizontal alignment of local municipal IDP's in the area of LDM's jurisdiction and after the completion of every IDP phase the District shall convene or summon all local municipalities within its area of jurisdiction to harmonize our IDP.
- Facilitate vertical alignment of IDP's with other spheres of government and sector departments and the preparation of joint strategy workshops with local municipalities, provincial and national role players and other subject matter specialists;
- The Lejweleputswa District Executive Mayor shall table the alignment needs at IGR political forum for inputs and adoption.
- Each local municipality should formulate their process plan based on the Lejweleputswa District IDP Framework and submit the draft for assessment in terms of alignment procedures and timeframes as described in the Framework.

5.3 MANAGEMENT ALIGNMENT STRUCTURES

1. IGR POLITICAL COMMITTEE
2. IGR TECHNICAL COMMITTEE
3. IDP COORDINATORS/MANAGERS

5.4 IDP MANAGERS FORUM

The IDP Managers forum is a structure that will constitute of District and local IDP Managers, plus Free State COGTA IDP & LED directorate.

- The structure will convene as per the IDP phase completed by all municipalities
- To submit monthly progress reports to the District municipality and the District should forward the reports to the provincial department of Cooperative Governance and Traditional Affairs
- Ensure horizontal alignment between local municipalities
- Ensure vertical alignment

6. NATIONAL, PROVINCIAL AND DISTRICT PRIORITIES

NATIONAL PLAN (NDP) PRIORITIES	PROVINCIAL PLAN (FSGDS) FREE STATE GROWTH AND DEVELOPMENT STRATEGY PRIORITIES	LEJWELEPUTSWA DISTRICT MUNICIPALITY(LDM) PRIORITIES
Vision 2030	Vision 2030	“ A leader in sustainable development and service delivery by 2030”
Expand infrastructure	Inclusive economic growth and sustainable job creation	Local Economic Development Agro-processing Manufacturing Renewable energy (Solar energy) Tourism and Real Estate Consulting engineering services

Create jobs	Education, Innovation and skills development	
Transition to a low carbon economy	Improved quality of life	Basic Service Delivery and Infrastructure Development
Transform urban and rural spaces	Sustainable rural development	
Education and training	Building social cohesion	Institutional Development and Transformation
Build a capable state	Good Governance	Good Governance and Public Participation
Fight corruption		
Provide quality health care		
Transformation and unity		

7. DISTRICT TARGETS

Service delivery targets	1. <u>Water</u>
	2. <u>Sanitation</u>
	3. <u>Waste</u>
	4. <u>Electricity</u>
	5. <u>Roads</u>
	6. <u>Sports and Recreation</u>
Economic developments targets	LED strategy projects
Financial management and viability	Achieve clean audit, SCM and ICT
Institutional development and transformation	HR Development policies, “Batho Pele” principles, Employment Equity Plan
Good Governance and Public Participation	Representative and participatory democracy

8. CONSULTATION DURING THE PLANNING PROCESS

The process for consultation between the District municipalities and the local municipalities during the five-year planning process and the review of the IDP thereof is as follows:

Phase 1: Analysis

Lejweleputswa district municipality shall perform analysis related to district-wide issues and coordinate and align key development priorities with local municipalities.

Phase 2: Strategies

Local municipalities shall be invited to district strategic workshop to jointly discuss the most appropriate problem – solving strategies.

Provincial and National specialists and competent resource persons from civil society could be invited to join this process and the District will assume facilitation and coordination role.

Phase 3: Projects

Project and programmes planning will require co – ordination and alignment between the district and local municipalities.

Phase 4: Integration

During this phase local and district municipality will ensure the integration of different processes and will consolidate the institutional restructuring and communication plan, in order to finalize their respective IDP's and programmes.

Phase 5: Approval

The district will play an important role in horizontal (cross border issues) and vertical co – ordination.

Local and district level planning will therefore run parallel, rather than in a one sided, bottom – up or top-down manner.

9. MATTERS REQUIRING ALIGNMENT

Matters that require alignment may include the Integrated Development Planning process **(5phases)**, as well as section 84 (1) and (2) of the Municipal Structures Act, no. of 1998 **(Powers & functions)**.

POWERS & FUNCTIONS

No	Local Municipality	District Municipality
1	Municipal Public Works	Integrated development planning for district as a whole
2	Internal Road Infrastructure	Bulk infrastructure
3	Bulk Water Supply and Reticulation	Fire Fighting
4	Sanitation	Fresh produce markets and abattoirs
5	Solid Waste Disposal	Cemeteries and Crematoria
6	Bulk Electricity Supply	Local Tourism
7	Firefighting Services	Firefighting Services
8		Municipal Airports
9		Waste Management Services
10		Municipal Health Services
11		Integrated Transport Services
12		Municipal Airport (except for Matjhabeng and Nala)

10. THE FIVE PHASES OF IDP PLANNING METHODOLOGY

10.1 FIVE YEAR PLANNING PROCESS

Phase 1: Analysis (coordinate Key Development Priorities)

Phase 2: Strategies (Alignment of development strategies)

Phase 3: Projects

Phase 4: Integration (Requires Horizontal and Vertical alignment)

Phase 5: Approval

10.2 ANNUAL IMPLEMENTATION

1. Sectoral Operational Business Plans
2. Municipal Budgets (Service Delivery Budget Implementation Plan) SDBIP
3. Monitoring, Evaluation and Reviewing, Reporting & Remedial Action (PMS)

10.3 SECTION 84 (1) AND (2) THE DIVISION OF POWERS

- Electricity and Gas Reticulation
- Fire – Fighting Services
- Local Tourism
- Municipal Planning (IDP)
- Municipal Public Transport
- Municipal Public Works
- Municipal Health Services
- Water and Sanitation Services
- Portable water supply Systems
- Domestic Waste – water
- Sewage Disposal Systems
- Cemeteries, Funeral Palours and Crematoria
- Markets
- Municipal Abattoirs
- Municipal Roads
- Refuse Removal, Refuse Dumps and Solid Waste Disposal

10.4 BINDING NATIONAL AND PROVINCIAL PLANS AND PLANNING REQUIREMENTS AND LEGISLATION

The Lejweleputswa District municipality, with the support of the Provincial COGTA IDP& LED directorate must prepare a list of provincial legislation and other important national and provincial information for the framework workshop; and

LEGAL REQUIREMENT	SECTOR REQUIREMENT	NATIONAL DEPARTMENT	LEGISLATION
Legal requirement for a District/Local	Local Economic Development	Department of Cooperative Governance and Traditional Affairs	Municipal Systems Act, no 32 of 2000
	Comprehensive Infrastructure Plan	Department of Cooperative Governance and Traditional Affairs	Integrated Planning Act, no of 1997
	Spatial Development Framework	Department of Cooperative Governance and Traditional Affairs	Municipal Systems Act, no 32 of 2000
	Disaster Management Plan	Department of Cooperative Governance and Traditional Affairs	Municipal Systems Act, no 32 of 2000
	Integrated Transport Plan (ITP)	Department of Transport	National Land Transport Act, no5 of 2009
	Integrated Energy Plan	Department of Cooperative Governance and Traditional Affairs	Municipal Systems Act, no 32 of 2000
	Water Services Development Plan (WSDP)	Department of Water	Water Services Act, no30 of 2004
	Integrated Waste Management Plan	Department of Environmental Affairs	White Paper on Waste Management in South Africa, 2000
	Spatial Planning Requirements	Department of Rural Development and Land Reform	Development Facilitation Act, no 67 of 1995

LEGAL REQUIREMENT	SECTOR REQUIREMENT	NATIONAL DEPARTMENT	LEGISLATION
	Environmental Management Plan	Department of Environmental Affairs	National Environmental Management Act, no 107 of 1998
Required Sector Plans to be incorporated into the IDP	Housing	Department of Human Settlements	Housing Act, no107 of 1997
	Development Facilitation Act, no 67 of 1995, Chapter 1 Principles	Department of Rural Development and Land Reform	Development Facilitation Act, no 67 of 1995
	Environmental Management Framework (EMF)	Department of Environmental Affairs	National Environmental Management Act, no 107 of 1998
Sustainable Development Plans	Sustainable development beyond MDG		
	Climate Change		
	Provincial IDP Assessment Report		

11. PROPOSED PROCEDURES FOR MONITORING THE IDP PROCESS

- (a) Each municipality will be responsible for monitoring its own process plan and ensure that the district framework is adhered to, as agreed.
- (b) Each local municipality must inform the district of deviations from the action programme that may affect district – wide activities.
- (c) The IDP Managers forum should be established that meet after the completion of each phase to jointly assess progress and decide on amendments;
- (d) The Executive Mayors and Mayors' forum shall politically oversee and drive the IDP process and thus the Executive Mayor of Lejweleputswa shall ensure that there is collective agreement of the development priorities and targets and that all local municipalities abide by the District IDP Framework.

12. CONCLUSION

The Lejweleputswa District Municipality shall in all earnest fulfill its developmental role by coordinating all development initiatives in its area of jurisdiction and provide support to the local municipalities in line with our mandate as the “Centre of regional planning and development”.

SECTION: F

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 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 characterized 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. 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.

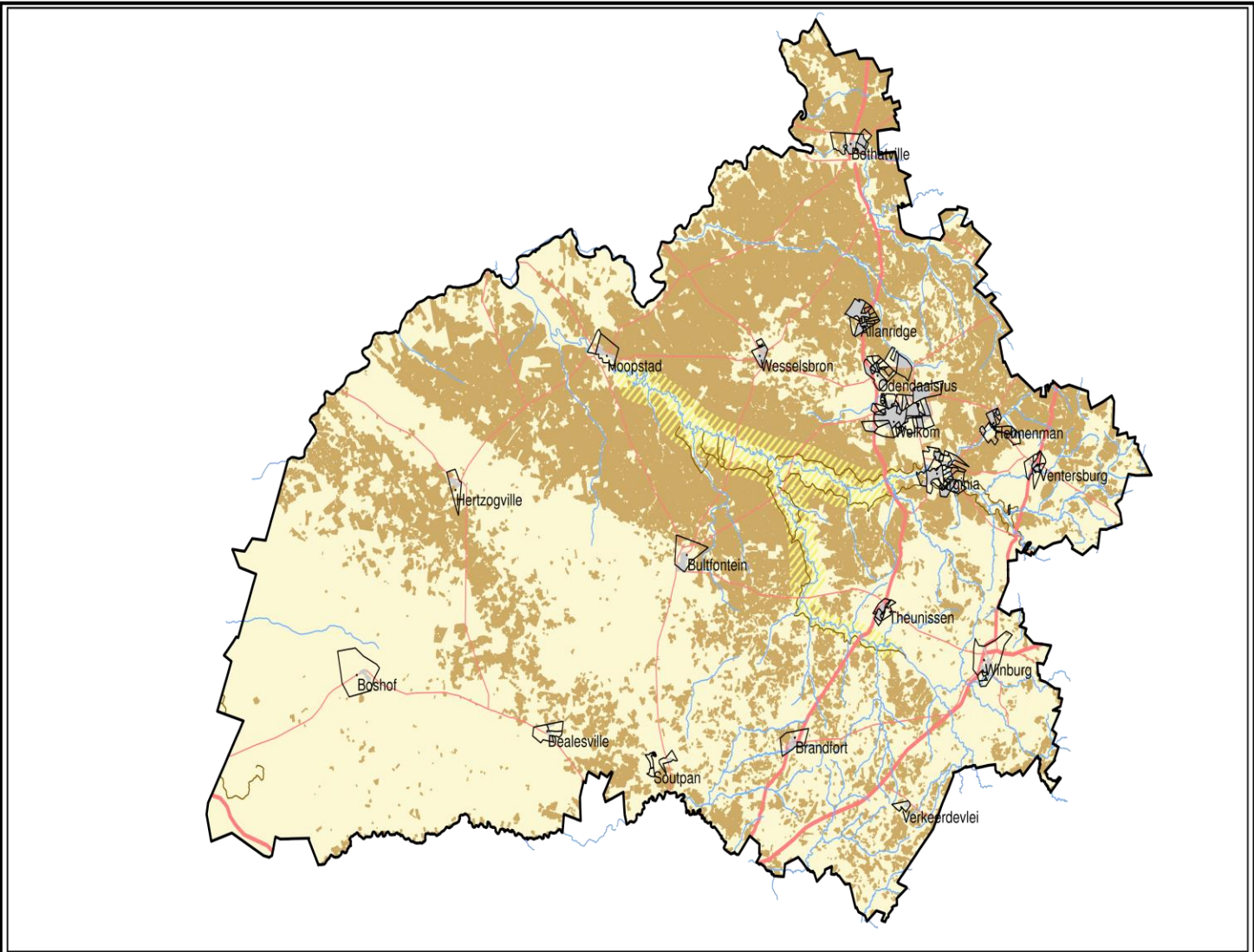
- Intensive agriculture is also practiced throughout the municipality and is more predominant compared to extensive agriculture. This category primarily produces crop production including maize, grain, wheat, potatoes, soya beans, cabbage, ground nuts, carrots, ground nuts, lucerne, sunflower, and pumpkins.

(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 programs for emerging farmers.
 - Strengthen agricultural research, knowledge and skills
 - Improve and maintain agro-logistics
 - Establish and fast track value adding agro-processing
 - Strengthen rural security of farm communities
 - Extend social service delivery to farm-worker communities



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

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	-0.1% PER Annum over 15 years.	1%	3%	4%	5%
Employment in 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. 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. Heavy Industry

Description:

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

- Bothaville Bio-fuel Plant

(c) SPC 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 Boshoff 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 year	-1.85% PER Annum over 15 years.	-1%	0%	0%	0%
Employment in 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 cycle	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 organizations, 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. 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. 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. Railway Lines

Description:

Railway lines and associated infrastructure

- Railway lines are present in the Matjhabeng region

(d) SPC F. 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. 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 appurtenant¹ structure or any test facility for energy generation.

- Dealesville Solar Plant

(f) SPC F. 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. 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. 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: Capitalize on transport and distribution opportunities
- Capitalize 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 Matjhabeng
- 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 Odendaalsrus, 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 2030
GV A Growth per five year cycle	-1% Per Annum 1% over years.		3%	5%	7%
Employment in Agriculture	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 prioritized 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 prioritized 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 regard 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
- Prioritizing 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 cognizance 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 prioritizing 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 categorize 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

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
Masilonyana	Medium	Tokologo	Medium	Tswelopele	Medium
Tokologo	Medium	Masilonyana	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	Odendaalsrus	Medium
Wesselsbron	High	Bultfontein	Medium	Bothaville	Medium
Bultfontein	Medium	Virginia	Medium	Dealesville	Medium
Virginia	Medium	Allanridge	Medium	Virginia	Medium
Brandfort	Medium	Odendaalsrus	Medium	Bultfontein	Medium
Soutpan	Medium	Hennenman	Medium	Verkeerdevlei	Medium
Hennenman	Medium	Hertzogville	Medium	Hertzogville	Medium
Hertzogville	Medium	Boshof	Medium	Theunissen	Medium
Boshof	Medium	Brandfort	Medium	Boshof	Medium
Hoopstad	Medium	Dealesville	Medium	Wesselsbron	Medium
Odendaalsrus	Medium	Theunissen	Medium	Hennenman	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 service 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 specialized services such as a hospital, institutions, regional government representation, regional banking institutions, specialized 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

o 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).

o 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, Phuthaditjhaba, 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 Pretorious 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 utilized 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.
- 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 formalized, 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 conceptualized 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 capitalize 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 Hetzogville 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

Il SPC A and B areas in the Lejweleputswa district form a consolidated environmental region on the district sdf. Refer to section 11 LEJWELEPUTSWA 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>	2005	2014
<i>1. Total population</i>	634 514	630 912
- <i>Population growth rate</i>	-1.1%	-0.1%
- <i>Males</i>	48.20%	50.51%
- <i>Females</i>	51.80%	49.49%
<i>2. Economic Indicators</i>		
• <i>Dominant sector share of regional total (Tertiary)</i>	51%	52%
• <i>GDP-R</i>	4.2%	1.5%
• <i>GDP-R per capita</i>	R49,714	R45,560
• <i>Growth forecast</i>	-1.7%	0.2%
<i>3. Tourism</i>		
• <i>Domestic tourists by bednight</i>	796 784	402 845
• <i>International tourists by bednight</i>	299 321	1 174 754
• <i>Total tourism spending as a % of GDP</i>	3.0%	3.2%
• <i>Growth in total tourism</i>	-0.9%	6.4%
<i>4. Labour</i>		
• <i>Economically active population</i>	40.9%	37.8%
• <i>Unemployment rate</i>	30.3%	40%
- <i>Male unemployment</i>	33%	35.8%

1. Introduction

Lejweleputswa District Municipality is situated in the mid-western part of the Free State province, with an estimated area of about 31930 km² (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 towns².

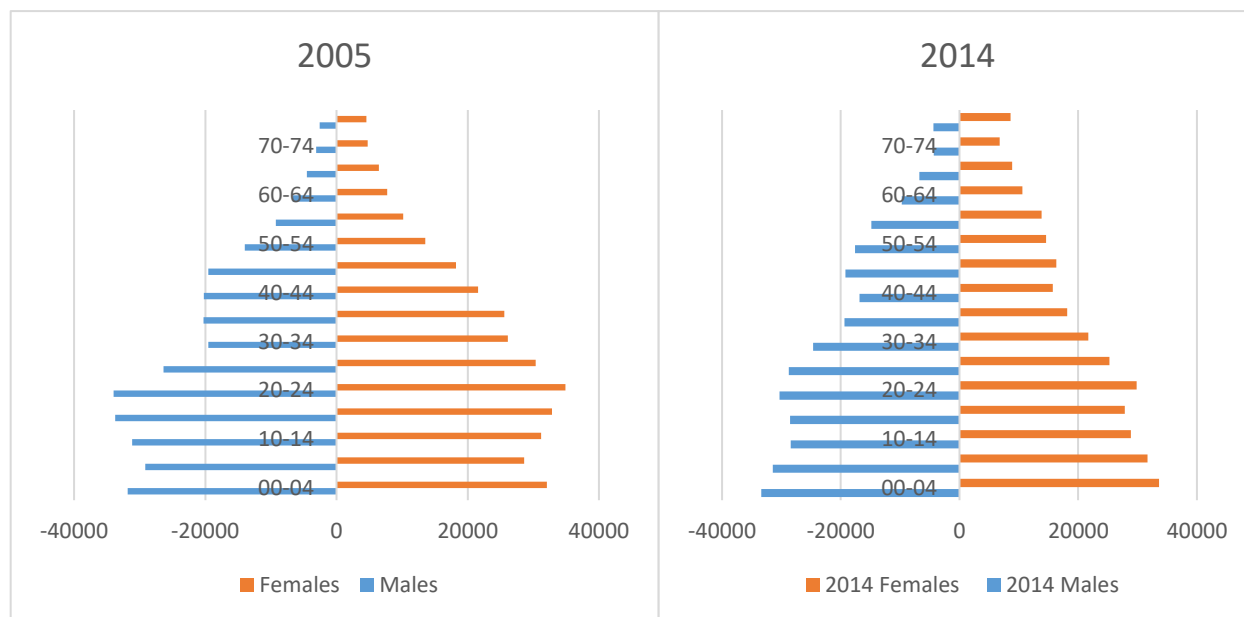
² Soutpan and Glen area and the surrounding farms in Masilonyana have been incorporated into Mangaung Metro in 2015 (Municipal demarcation Board, 2015)

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 (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

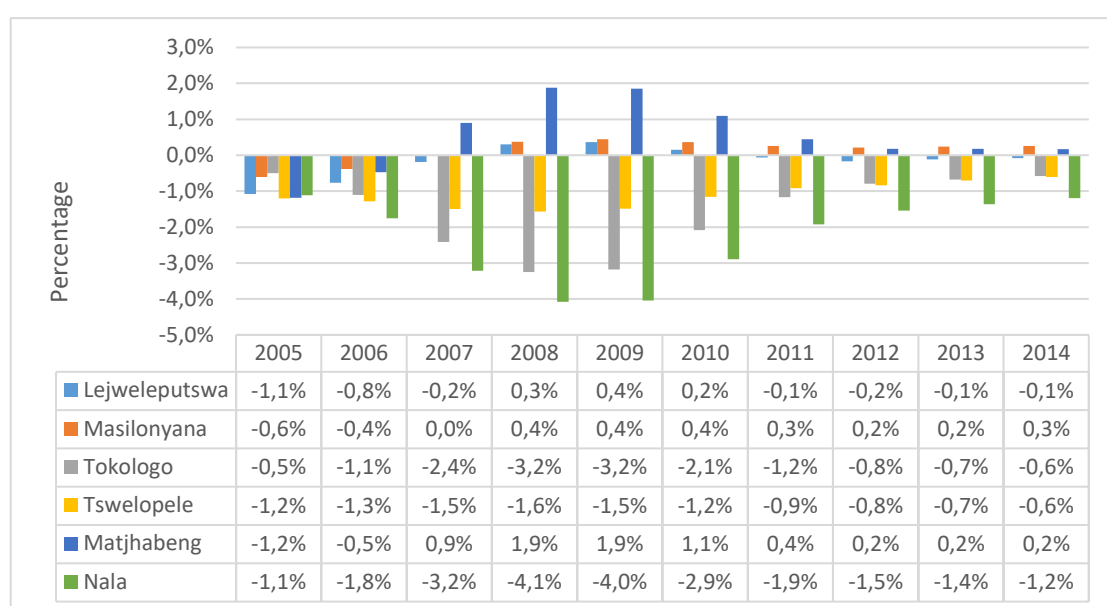


Source: IHS Global Insight Regional eXplorer, 2015

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 pattern 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

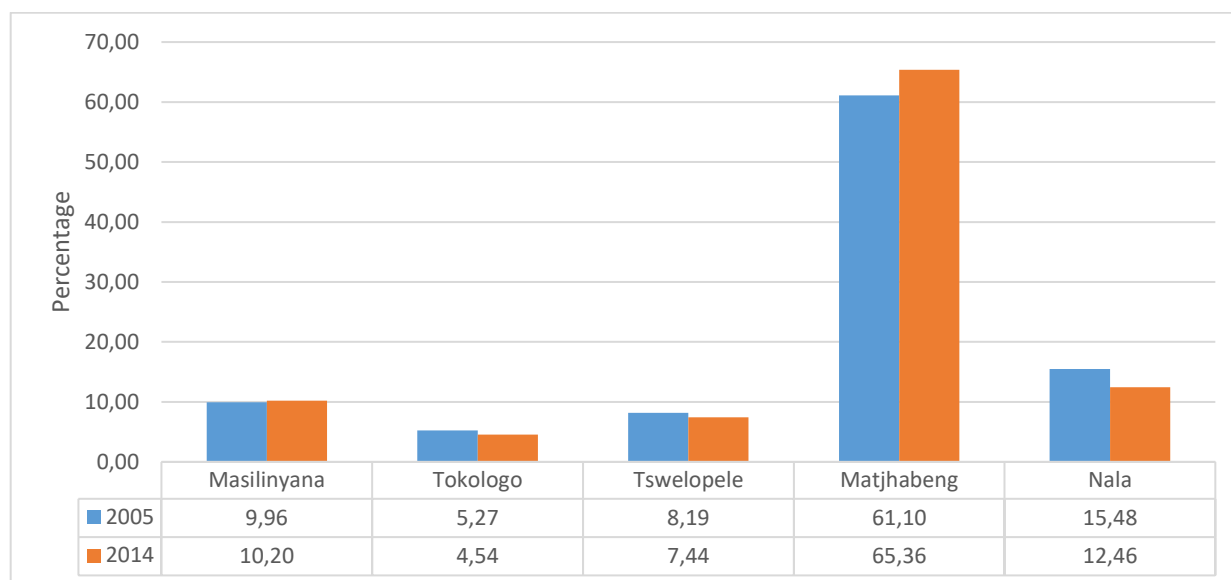


Source: IHS Global Insight Regional eXplorer, 2015

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

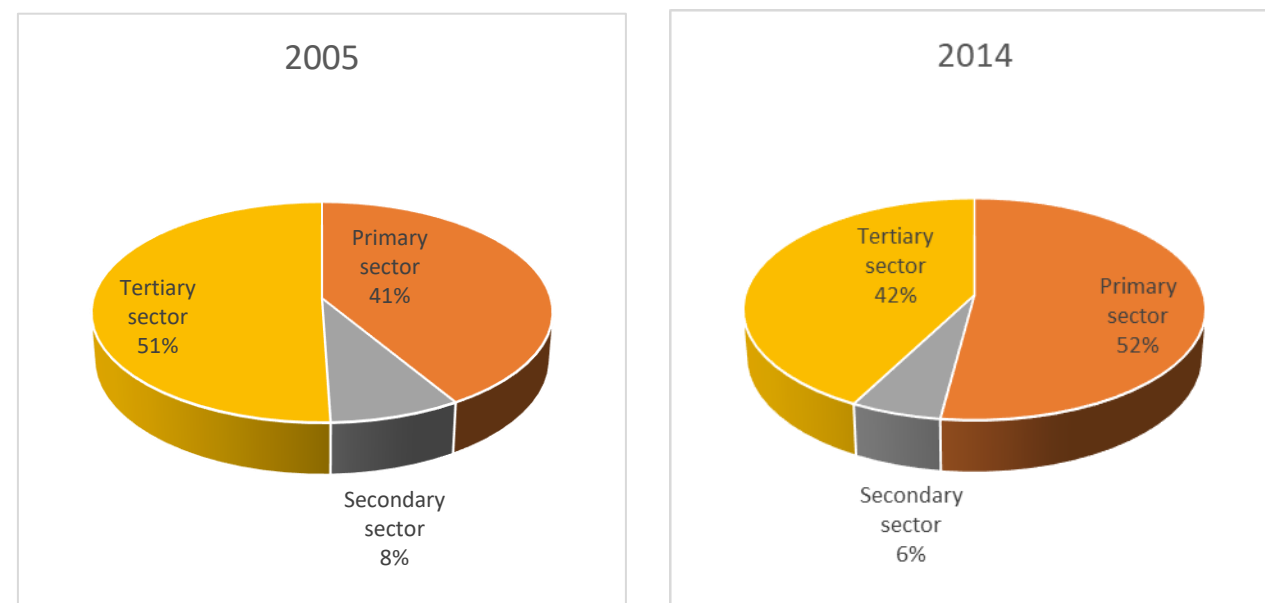
Matjhabeng had the highest share of Lejweleputswa’s population at 65.36 percent in 2014 according to figure 4.3, which is up from 61.10 percent in 2005, followed by Nala with 12.46 percent and Masilonyana with 10.20 percent all in 2014. The total District ‘s share of the population in the province has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

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

Source: IHS Global Insight Regional eExplorer, 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 the community services sector at 14.2 percent and then trade at 11 percent. The smaller municipalities of Nala, Tswelopele and Tokologo are municipalities without mining as the dominant sector, instead Tswelopele has agriculture as the dominant sector at 36.9 percent in 2014. In Nala, 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, the most prominent being 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.

index

This 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, climate change, or 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

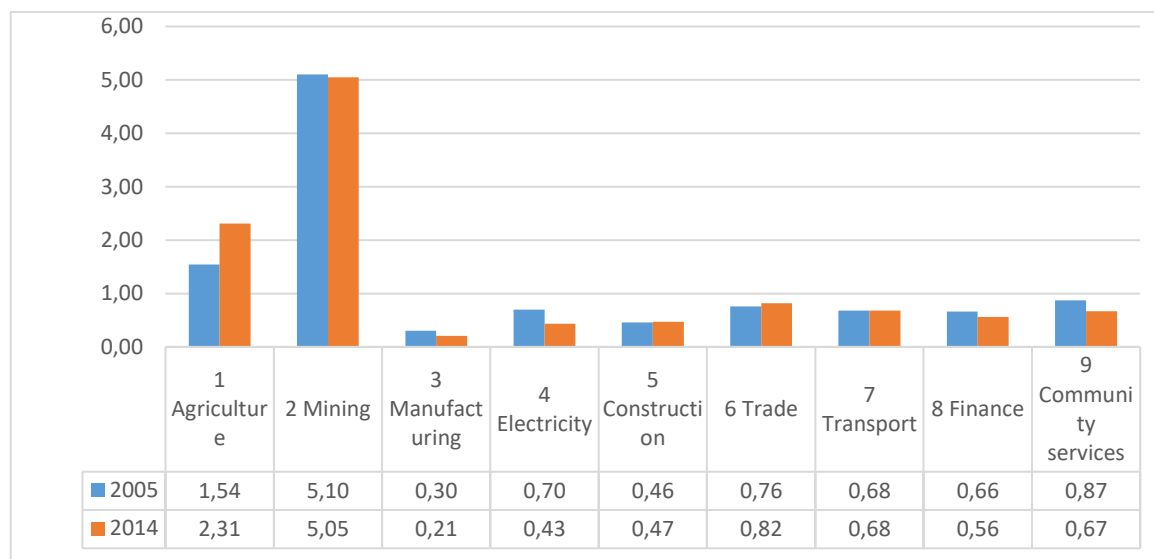
Lejweleputswa's economy has been leaning more to a less diversified economy due to its increase closer to 1 of its Tress Index over a ten-year period as illustrated by figure 4.5. Even though Lejweleputswa's Tress Index has improved in 2014 (56.93 percent) as compared to (55.01 percent) 2005, the worst 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%

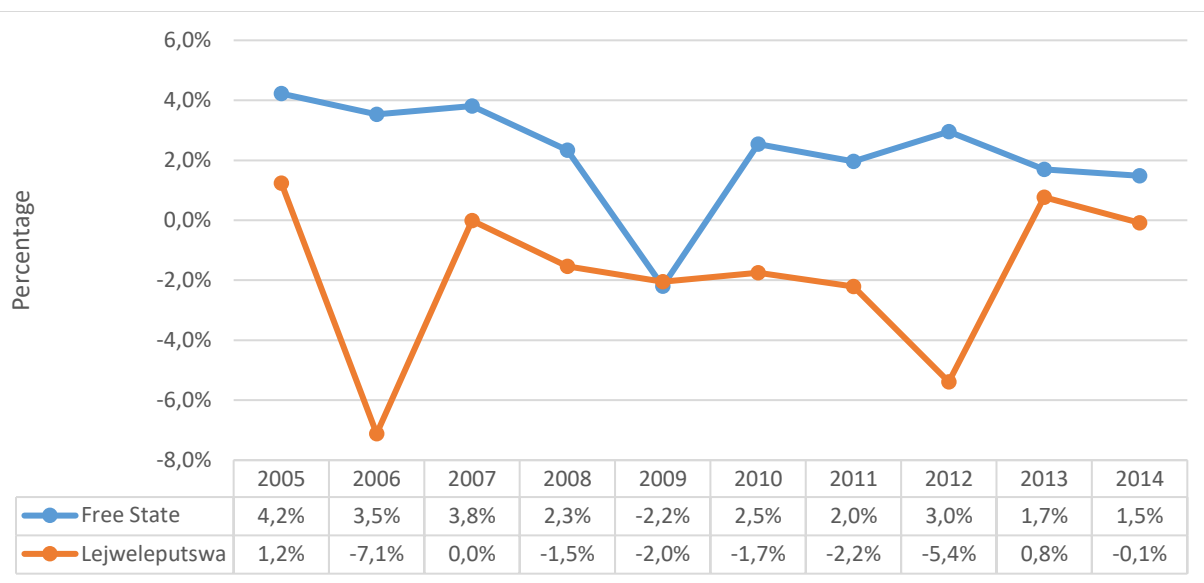
2 Mining	0.8%	-3.8%	-0.7%	-3.0%	-2.0%	0.9%	-1.3%	-2.2%	1.9%	-0.3%
3 Manufacturing	-0.2%	-0.4%	-0.1%	0.2%	-0.2%	0.0%	-0.4%	-0.5%	-0.1%	-0.1%
4 Electricity	0.0%	-0.2%	0.0%	0.0%	0.0%	-0.1%	-0.1%	-0.1%	0.0%	0.0%
5 Construction	0.0%	-0.1%	0.2%	0.1%	0.2%	-0.2%	-0.1%	-0.1%	0.0%	0.0%
6 Trade	0.1%	-0.4%	0.2%	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

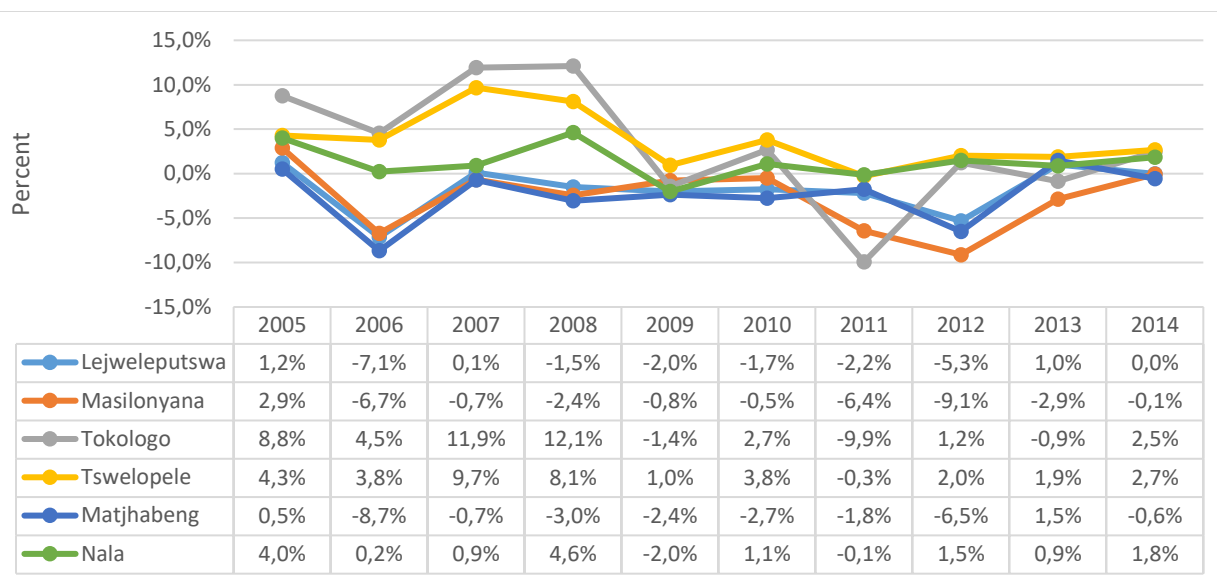
Figure 4.7: GDP-R of Free State and Lejweleputswa District Municipality



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%

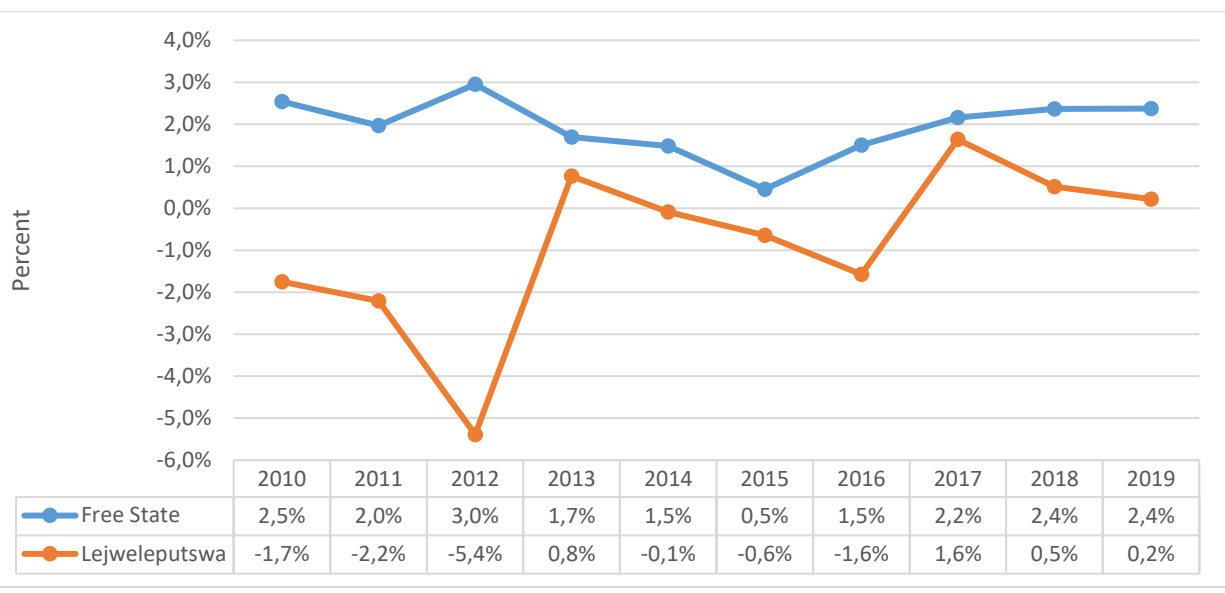
Total Industries	-1.3%	-3.2%	-4.8%	0.8%	0.0%	-0.7%	-1.3%	1.6%	0.6%	0.3%
Taxes less Subsidies on products	-0.4%	1.0%	-0.6%	0.0%	-0.1%	0.1%	-0.3%	0.0%	0.0%	0.0%
Total (Gross Domestic Product - GDP)	-1.7%	-2.2%	-5.4%	0.8%	-0.1%	-0.6%	-1.6%	1.6%	0.5%	0.2%

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.

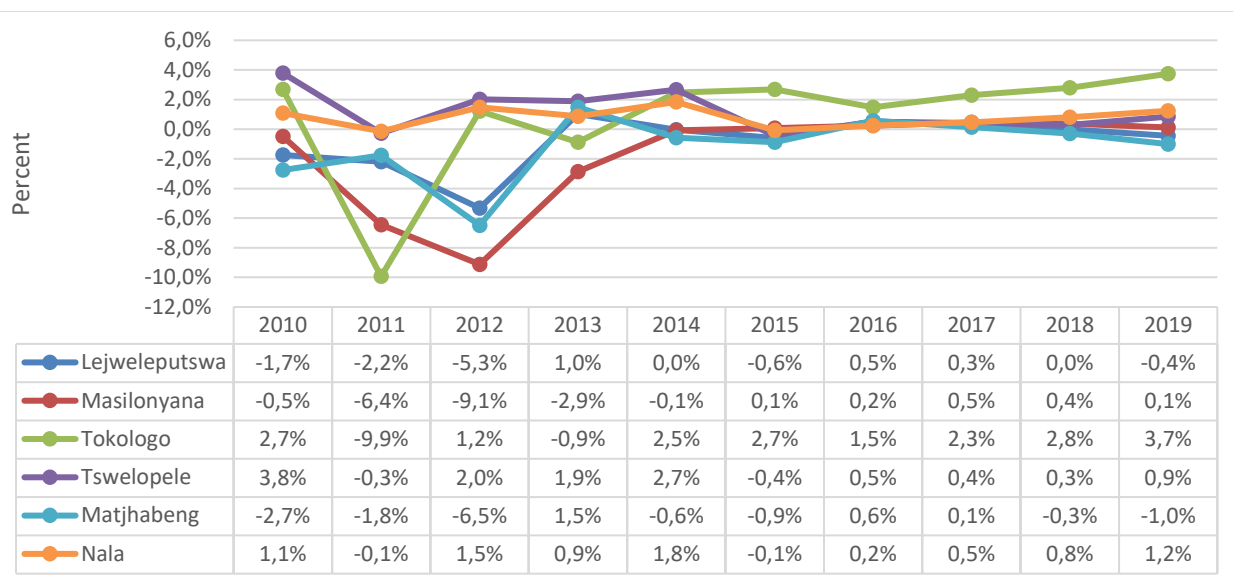
Figure 4.10: GDP-R growth Forecast for Lejweleputswa



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



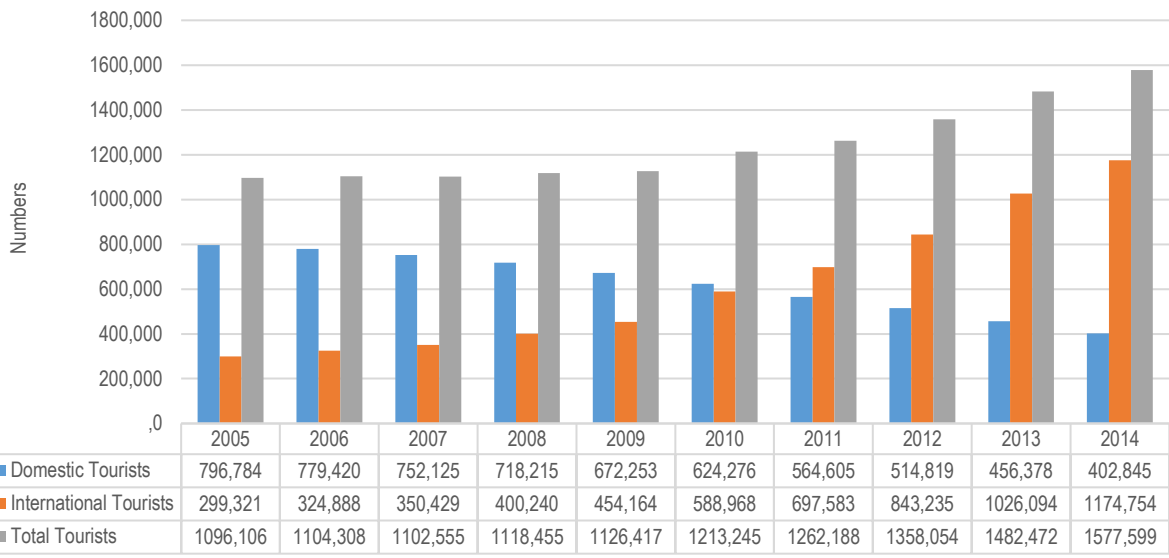
Source: IHS Global Insight Regional eXplorer, 2015

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.

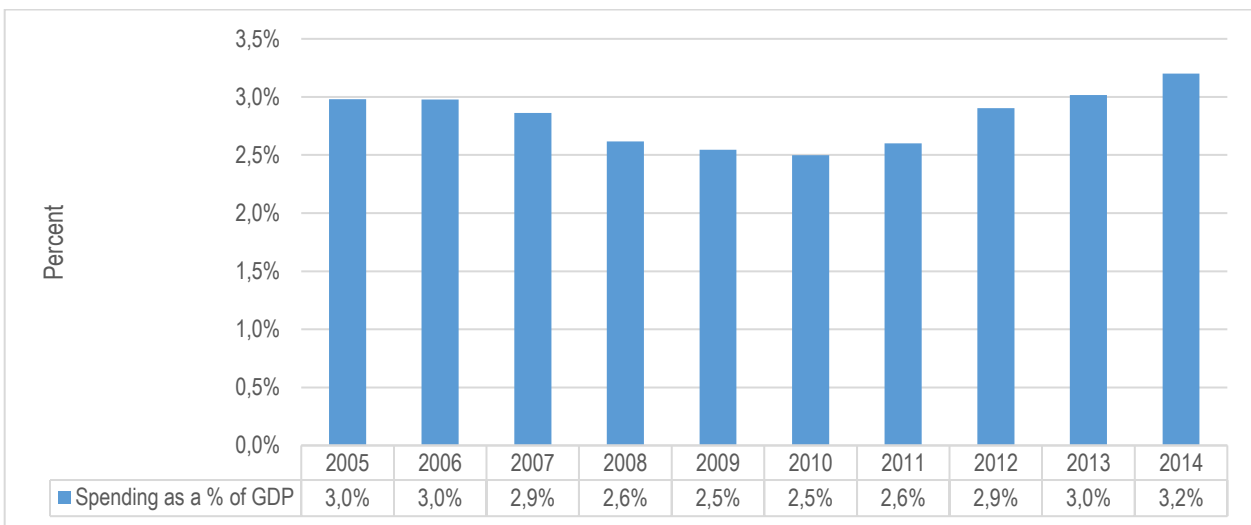
Figure 4.12: Bed nights by origin of tourist



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 thousand 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.



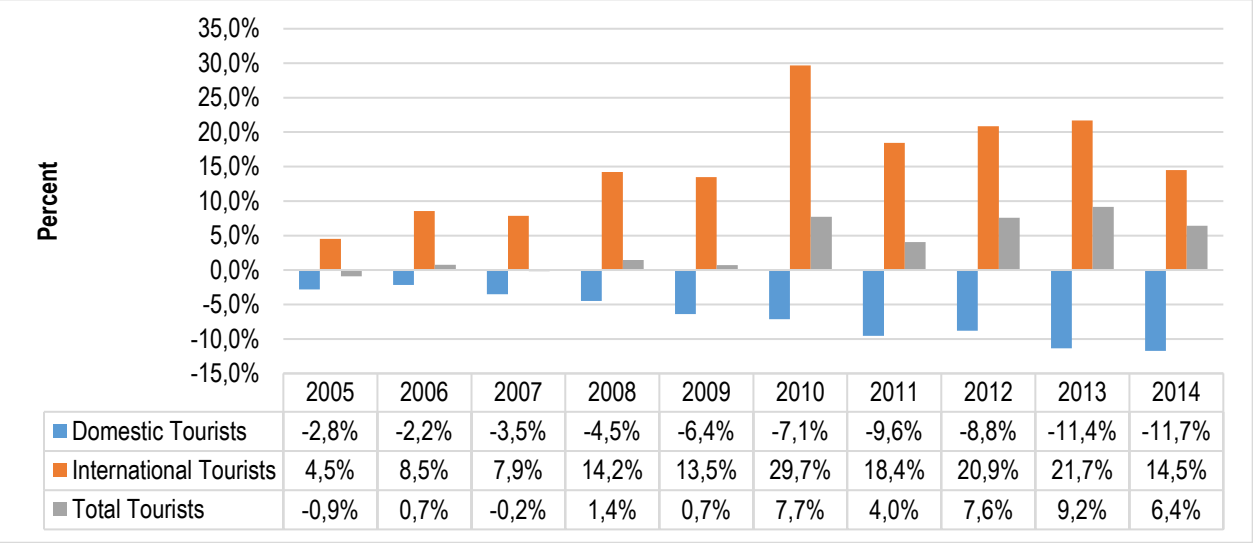
Source: IHS Global Insight Regional eXplorer, 2015

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

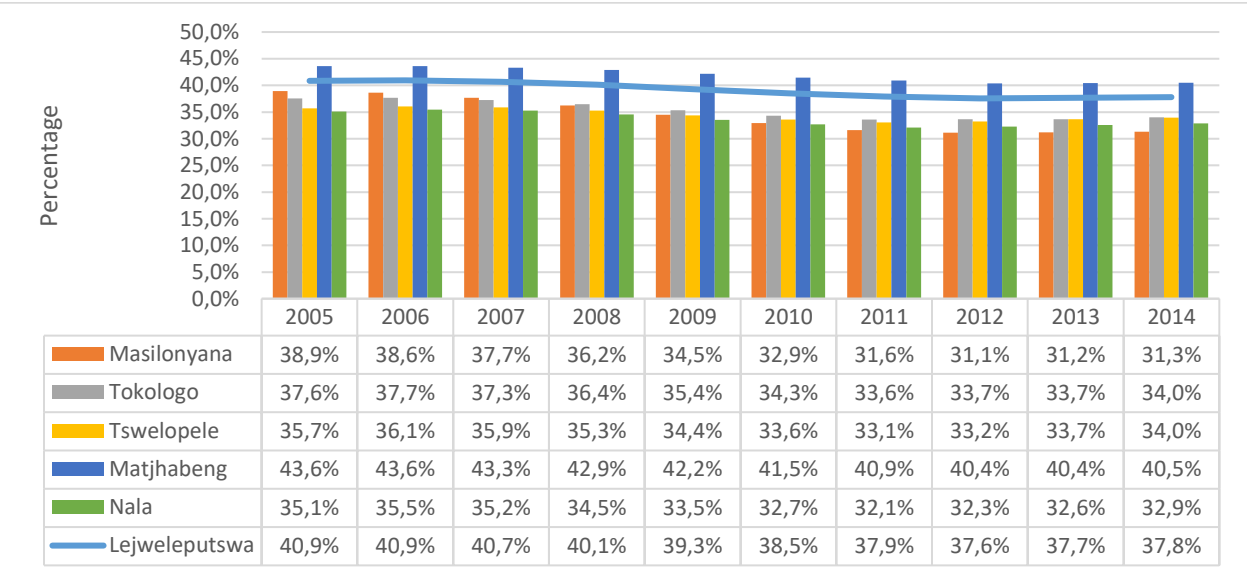
5. Labour market

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

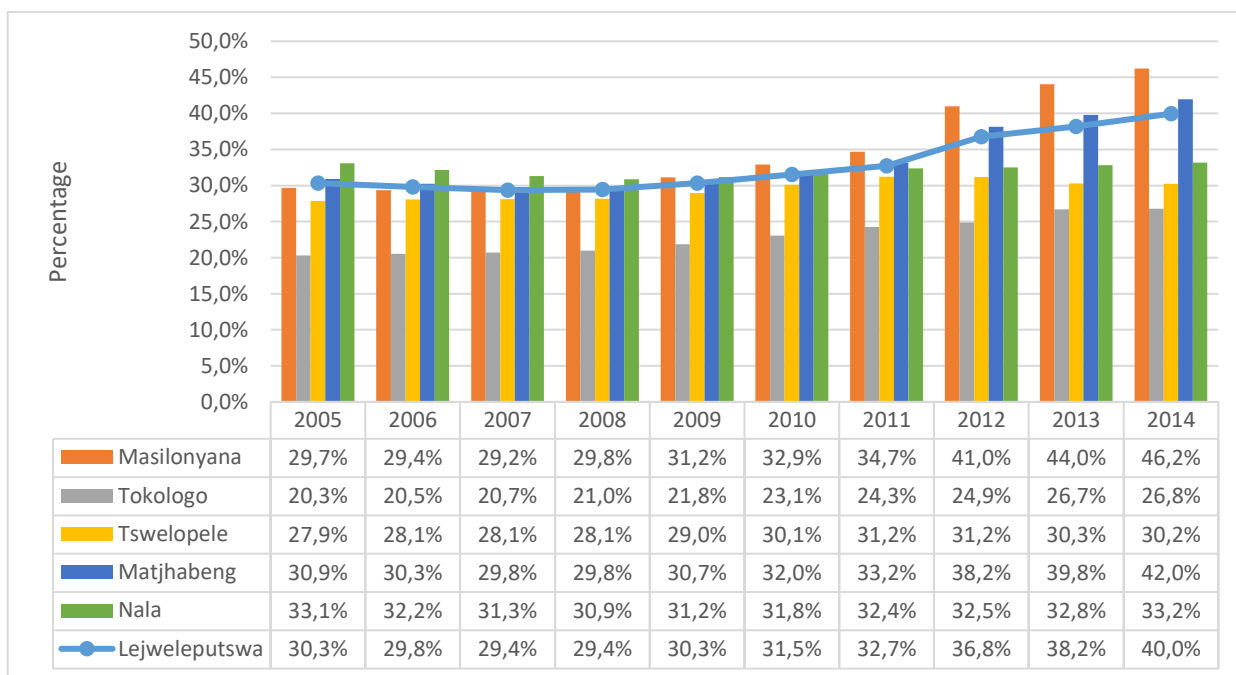
Source: IHS Global Insight Regional eXplorer, 2015

Unemployment rate in Lejweleputswa

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

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

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

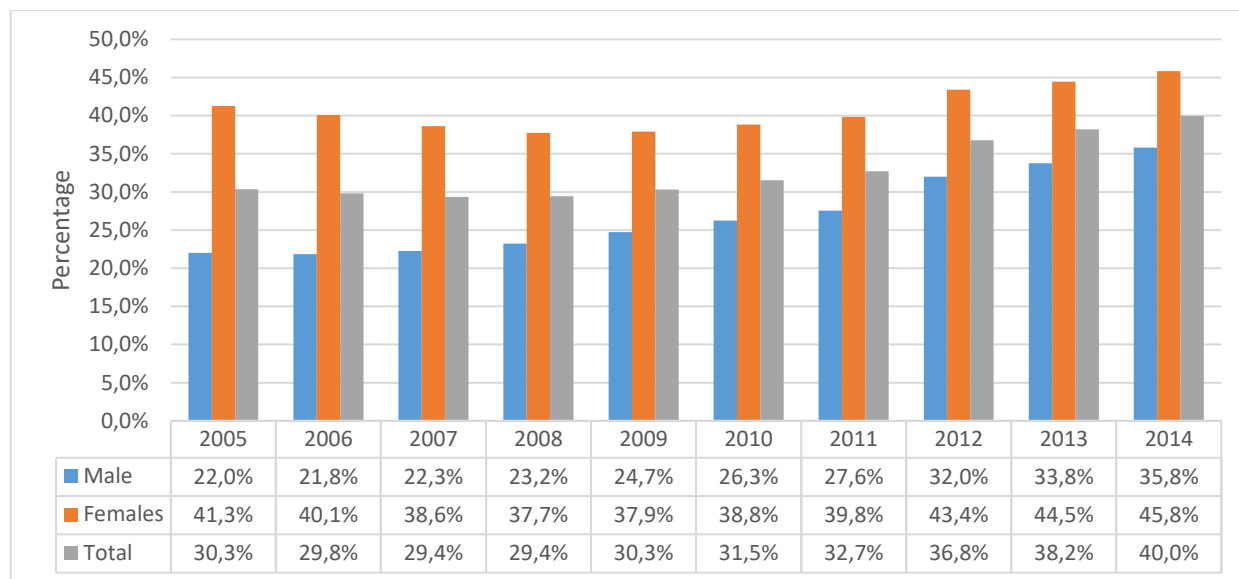


Source: IHS Global Insight Regional eXplorer, 2015

Male and Female unemployment rate

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

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



Source: IHS Global Insight Regional Explorer, 2015

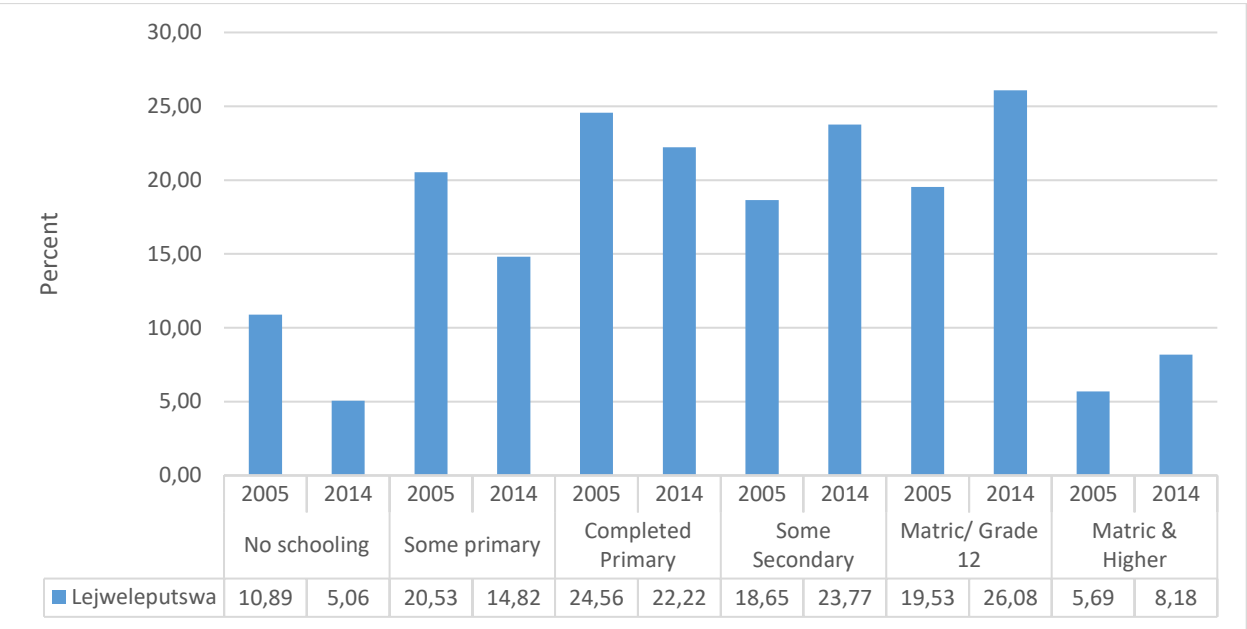
Figure 4.18 depicts a normal historical picture, where unemployment rate for men is lower than that of their female counter parts. The unemployment rate for females has fallen slightly during the 2008/09 recession to 37.7 percent from 41.3 percent in 2005. However, after 2009 the female unemployment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

SECTION : G

STATUS QUO ASSESSMENT

WASTE MANAGEMENT

The LDM's Integrated Waste Management Plan was developed in 2011 and has not been reviewed however there are plans to review it internally 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

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.

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**).

Municipal Public Accounts Committee

The municipal public accounts committee is chaired by Cllr Ntombizodwa Veronica Ntakumbana, established in a council meeting of the 27th October 2016, appointed

WARD COMMITTEES

There are 70 wards in the District and all have 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 2018/19 for 2019/2020 financial year

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 organization.

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

MUNICIPALITY	EMPLOYED	UNEMPLOYED	TOTAL	EMPLOYMENT RATE
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%

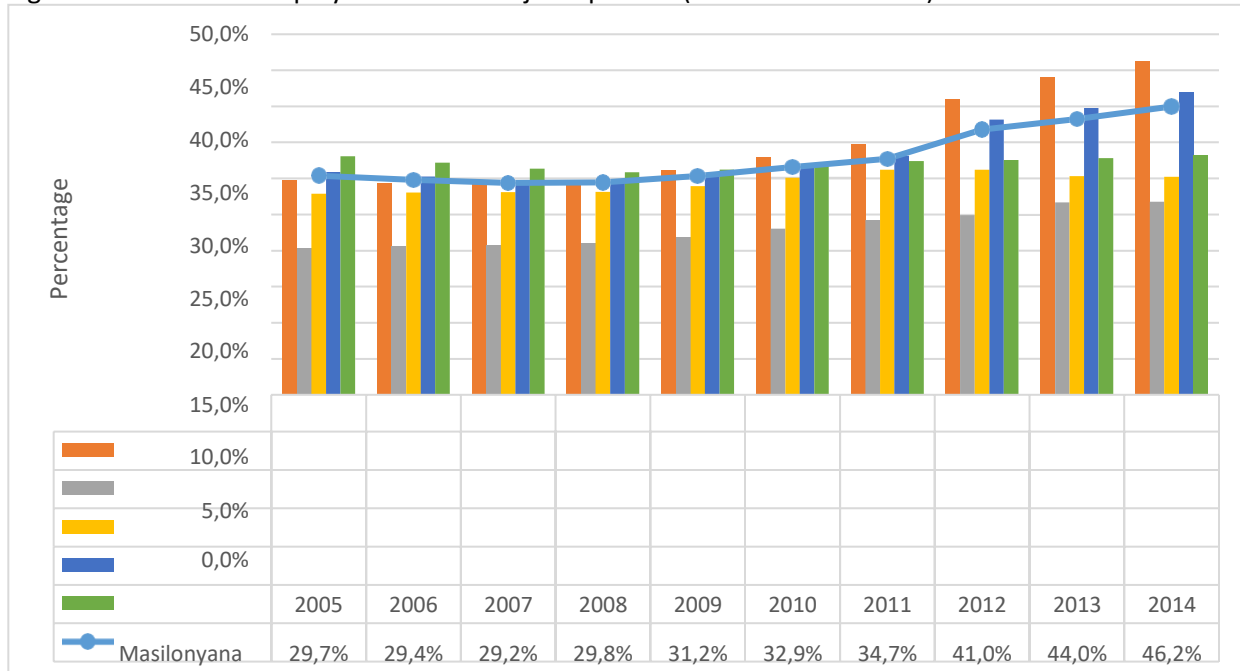
2011 Census

DISAGREGATE IN TERMS OF GENDER, AGE

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



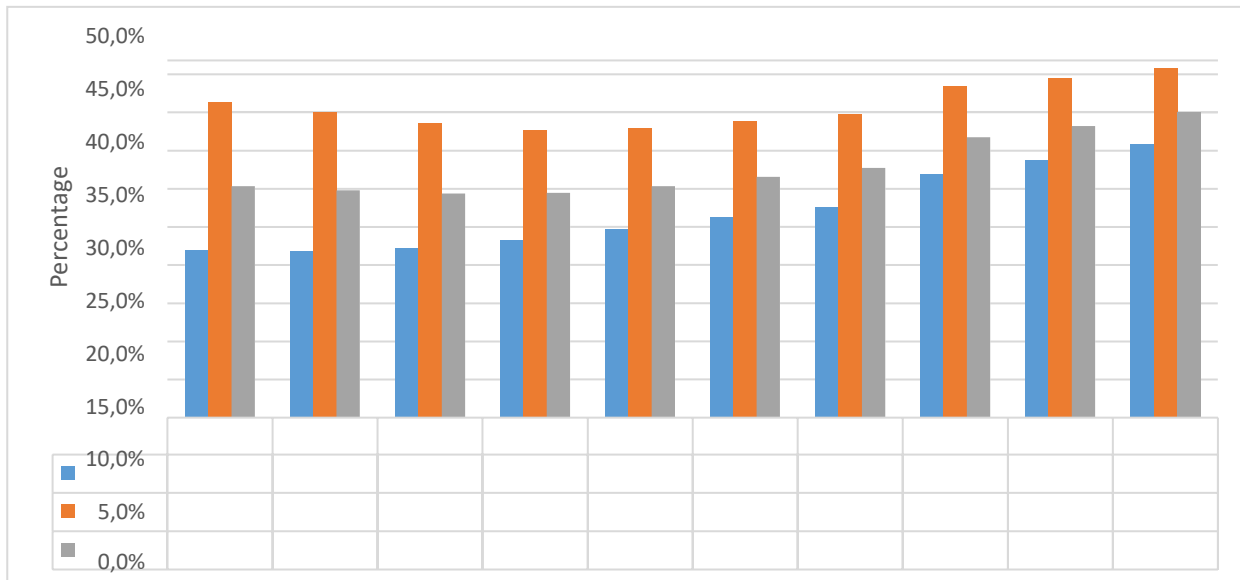
Source: IHS

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.

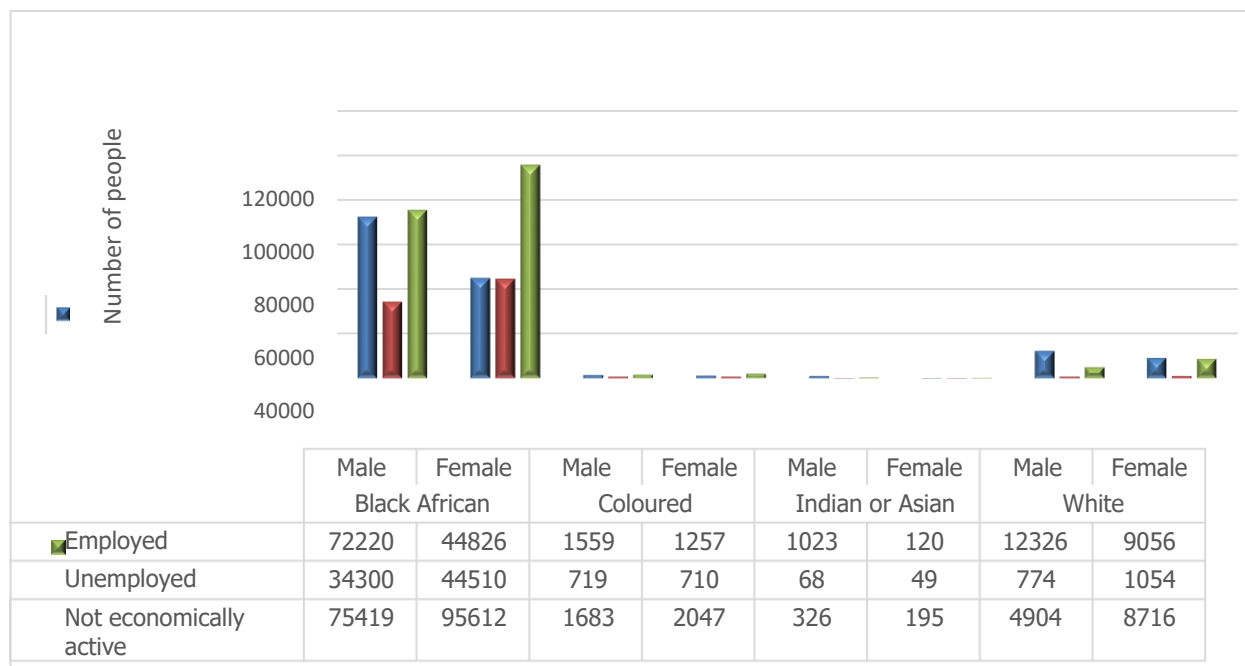
Figure 4.18: Male and Female Unemployment rate in Lejweleputswa (Official definition %)



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 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



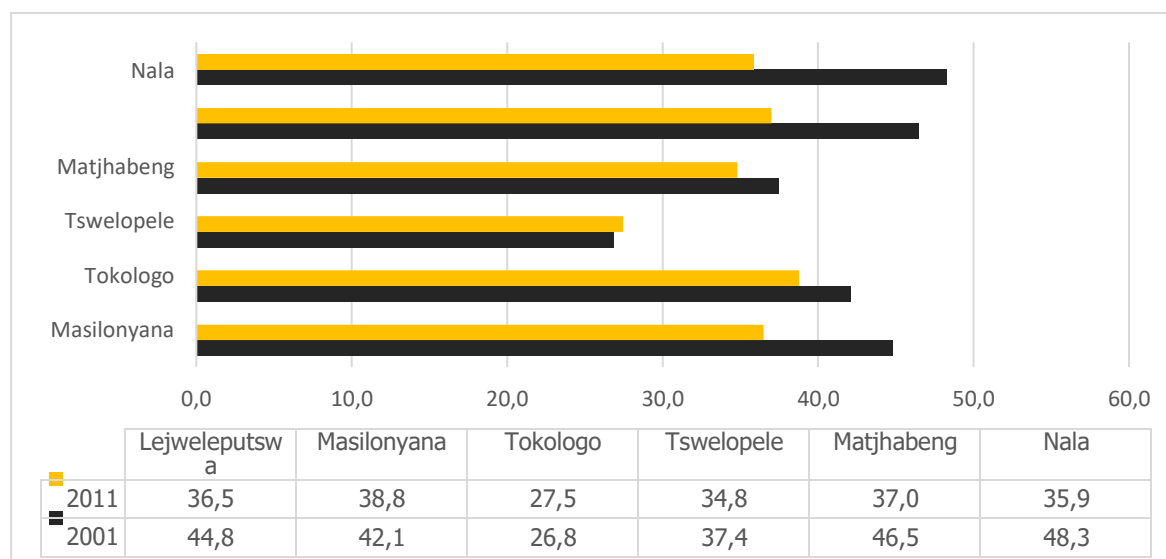
Employment status by population group and gender in the Lejweleputswa District, with black African male being the highest with **72220** employed followed by African female at **44826**, and white males with **12326** employed, and white females at

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%	-0.4%	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%	-	-4.8%	0.8%	0.0%

							3.2%			
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 eExplorer, 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 price, 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

OFFICE OF THE EXECUTIVE MAYOR

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Compliance as legislated	Risk Residual Rating	Budget	Year 5
1.1	IDP Rep Forum	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.	3 IDP Rep Forum Meetings by 30 June 2023.	Number of IDP Rep Forum Meetings by 30 June 2023.	IDP Rep Forum			60 000	15
1.2	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 programs of the municipality in pursuance of promotion of ethical behaviour and values.	6 moral regeneration awareness campaigns in the district targeting, gangsterism and drug abuse learners by 30 June 2023.	Number of moral regeneration awareness campaigns in the district targeting learners, gangsterism and drug abuse held by 30 June 2023.	Moral regeneration			600 000	30

OFFICE OF THE EXECUTIVE MAYOR

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Compliance as legislated	Risk Residual Rating	Budget	Year 5
1.3	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.	Community awareness campaigns in the district targeting the interest of designated groups i.e. elderly, women, and people with disabilities and children by 30 June 2023	Number of community awareness campaigns in the district targeting the interests of designated groups' i.e. A. elderly, B. Women, C. People with disabilities and D. Children	Targeted Campaigns			720 000	5
										5
										5
										5
1.4	Mandela day	To participate in the 67 minutes Mandela day in July.	Celebrate Mandela day	1 Mandela Day held by 30 June 2023	Number of Mandela day held by 30 June 2023	Mandela day			100 000	5

OFFICE OF THE EXECUTIVE MAYOR

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Compliance as legislated	Risk Residual Rating	Budget	Year 5
1.5	HIV & AIDS	To raise awareness towards the reduction in the prevalence of HIV/AIDS in the district	In collaboration with the District Department of Health and all stakeholders work with HIV/AIDS profile HIV/AIDS awareness campaigns and promote regular HIV testing & disclosure amongst Communities within the District.	4 HIV/AIDS awareness campaigns in the district targeting youth, men and women schools held by 30 June 2023	Number of HIV/AIDS awareness campaigns in the district targeting youth, men, women and schools held by 30 June 2023	HIV and AIDS awareness campaigns			50 250	20
1.6	Functional District AIDS council	To promote functionality of DAC	Coordinate District Aids Council meetings	Coordinate 4 District Aids Council meetings by 30 June 2023	Number of DAC meetings coordinated by 30 June 2023	DAC			100 000	20
1.7	Youth development	To ensure that the needs of young people are catered for	Organize youth activities in the District	2 Youth activities organized by 30 June 2023	Number of youth development activities organized by June 2023	Youth development			350 000	10
1.8	Grant -in -Aid	To provide assistanceto destitute family members	Assist destitute family members during times of need	Prepare 4 quarterly reports in assisting destitute families in times of need by 30 June 2023	Number of reports generated on families assisted by 30 June 2023	Grant -in –Aid			200 000	20
1.9	OR Tambo Games	To plan, coordinate &	Ensure exposure of youth to new opportunities in	Host 1 annual OR Tambo Games by	Number of annual OR Tambo Games hosted by 30 June	OR Tambo games			700 000	5

OFFICE OF THE EXECUTIVE MAYOR

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Compliance as legislated	Risk Residual Rating	Budget	Year 5
		support sports amongst the youth	sports.	30 June 2023	2023					
1.10	National Campaign	Ensure coordination of Freedom Day celebration	Coordinate Freedom Day celebration	Coordinate 1 FreedomDay celebration by 30 June 2023	Number of FreedomDay celebration coordinated by 30 June 2023	Freedom Day celebration			100 000	5
1.11	16 Days of Activism	Ensure coordination of 16 days of activism against women and children abuse in the district	Raise awareness campaign of 16 days of activism against women and children abuse	Convene one campaign on 16 days of activism against women and children abuse by 30 June 2022	Number of campaignson 16 days of activism against women and children launched 30 June 2023	16 Days of activism			100 000	5
1.12	Grade 12 motivation Programme	To motivate grade 12 learners to pass with better results	Conduct motivational talk	1 Motivational talk by 30 June 2023	Number of motivational talks conducted by 30 June 2023	Grade 12 motivation Programme			120000	5
1.13	Poverty Alleviation	To Address the plight of indigent	Coordinate four food Gardens within the District	4 Food Gardens Coordinated within the District by 30 June 2023	Number of Food Gardens Coordinated with	Poverty Alleviation			1000 000	20

OFFICE OF THE EXECUTIVE MAYOR

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Compliance as legislated	Risk Residual Rating	Budget	Year 5
		households in our District			the District by 30 June 2023					

OFFICE OF THE SPEAKER

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Risk Residual Rating	Budget	Year 5
1.14	Social Cohesion	To revive morality and good values	Develop and implement annual community participation and interaction programme aimed at reviving morals and values.	12 gender-based programs at schools for GVB & Femicide by 30 June 2023 1 Boys and men GVB & Femicide dialogue 1 GVB & Femicide round table and Golf tournament	12 gender-based programs at schools & 1GVB & Femicide dialogue by 30 June 2023	Social Cohesion		700 000	4
1.15	Facilitate access to ID document and other related documents	Mobilizing community members to access departmental facilities	By mobilizing all community members in 5 local municipalities	Outreach programs in 5 local municipalities by 30 June 2023	Number of outreach programme coordinated by 30 June 2023	Facilitate access to ID document and other related documents		30 000	4
1.16	Public Participation	Civic education and community involvement	Organize civic education sessions in all local municipalities	4 education civic sessions by 30 June 2023	Number of civic education sessions convened by 30 June 2023	Public Participation		156 000	4
1.17	Enhance public participation	Create an opportunity for public to attend the council meetings	Hold 2 meetings to allow communities to attend council meetings	2 council meetings held at local municipalities by 30 June 2023	2 council meetings held at any local municipality in the District	Enhance public participation		450 000	2
1.18	Oversight and performance monitoring	Effective and efficient oversight	Convene section 79 committees	Convene 4 MPAC meetings Convene 4 MPAC	4 MPAC meetings	Oversight and Performance monitoring		75 000	4

OFFICE OF THE SPEAKER

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Risk Residual Rating	Budget	Year 5
		through section 79 committees		performance oversight municipal visits Convene section 79 committees	4 MPAC performance and oversight sessions 2 RULES Committee meetings Convene section 79 committees				
1.19	Intergovernmental Relations and support to local municipalities	Provide platform of participation by all local municipalities in the district	Convene CDW and ward Committees	Convene CDW meetings Convene 2 ward committee meetings	2 CDW meetings 2 Ward Committee	Intergovernmental Relations and support to local municipalities		55 000	4
1.20	Enhance and strengthen the ward committee system	Create positive competition of ward councillors & ward committees	Organize ward committee and ward Councillors good performance awards	1 Annual ward Councillors and ward committee awards ceremony	1 Annual ward Councillors and ward committee awards ceremony	Councillour and Ward Committee Competition		450 000	
1.21	Enhancing equal employment and business opportunities	Monitoring gender mainstreaming in local government	Convene multiparty caucus Convene District Gender commission summit	Convene 2 multiparty women's caucus 4 oversight meetings Convene I District women's commission	2 Multiparty women's caucus 1 District women's commission summit 4 oversight meetings	Oversight on women issues		200 000	

OFFICE OF THE SPEAKER

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Risk Residual Rating	Budget	Year 5
1.22									

Key Performance Area 1 :Good Governance Office of the Municipal Manager

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Risk Residual Rating	Budget	Year 5
1.23	Risk Management	To build a risk conscious culture within the organization.	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	4 quarterly risk assessment performed by 30 June 2023 and risk register and risk mitigation plans subsequently updated.	Number of quarterly risk assessment performed by 30 June 2023 and risk register and risk mitigation plans subsequently updated.	Risk Management			20
1.24	Performance Management Development System	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 1 signed SDBIP for the 2022/23 budget year and	Number of signed SDBIP submitted for the 2022/23 budget year	SDBIP			5
1.25	Performance Management Development System	To enhance the: Achieving individual employee goals of employees along with organizational objectives.	Fully comply with the provisions of the municipality's Performance Management Development System	Signed Performance Agreements for all staff members including Section 57 Managers, and MM by July 2022	Number of annual performance agreements signed and approved by council by 14 July 2022.	Performance Agreements			25

Key Performance Area 1 :Good Governance Office of the Municipal Manager

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Risk Residual Rating	Budget	Year 5
		Also, enhance the skills and personal development of employees and encourage work that helps in fulfilling business goals.	from planning to reporting.		All Staff Performance Agreements signed by July 2022	Staff Performance Agreements			100%
1.25	Performance Management Development System	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.	<p>Performance assessment reports for 5 senior managers (including the Municipal Manager) concluded and signed-off not later than 30 days after the end of each quarter during 2022/23</p> <p>Non-formal: Quarter 1 (October)and Quarter 3 (April) assessments</p> <p>Formal Assessments: Midterm assessments(February /March) and Annual</p>	Number of performance assessment reports not later than 30 days after the end of each quarter by 30 June 2023	Performance Assessments			25

Key Performance Area 1 :Good Governance Office of the Municipal Manager

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Risk Residual Rating	Budget	Year 5
				Assessments (November/December) After Audit Outcomes					
	Performance Management Development System	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,	1 annual performance report for 2021/22 signed-off and submitted to the Auditor- General by 31 August 2022	Number of annual performance reports by 31 August 2022.	Annual Performance Report			5
1.26	Performance Management	To ensure good Governance practices and effective functional municipality	Fully comply with the provisions of the municipality's Performance Management System from	Signed-off Mid-term performance report approved by council for 2021/22	Number of Signed-off Mid-term performance report approved by council for 2021/22	Mid-term report approved			5

Key Performance Area 1 :Good Governance Office of the Municipal Manager

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Risk Residual Rating	Budget	Year 5
			planning to reporting						
1.27	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 1 audited annual report for 2021/22 to Provincial Treasury, CoGTA and National Treasury by 31 January 2023.	Number of audited annual report for 2021/22 submitted to Provincial Treasury, CoGTA and National Treasury by the end of 31 January 2023.	Performance Management /Audited annual report			5
1.28	Performance Monitoring and evaluation	To provide an effective M&E framework which is designed to measure progress towards achievement of the overall goal and objectives.	Fully comply with the provisions of the municipality's Performance Management System from planning to reporting.	Submit quarterly performance monitoring & evaluation report to Council by 30 June 2023	Number of performance monitoring and evaluation reports submitted to Council by 30 June 2023.	Performance Monitoring and evaluation			20
1.29	IGR Meetings	To promote and facilitate Inter-governmental Relations amongst stakeholders in the district.	Facilitate compliance with the principles of co-operative government and intergovernmental relations within the district.	IGR Meetings (Political, Technical, CFO, DCF, CSF) convened by 30 June 2023	Number of IGR meetings held by 30 June 2023.	IGR			20

Key Performance Area 1 :Good Governance Office of the Municipal Manager

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Risk Residual Rating	Budget	Year 5
1.30	Internal Audit	To ensure oversight over the affairs of the municipality	Provide assurance as to the effectiveness of internal controls of the municipality through Internal Audit service	4 quarterly Internal Audit reports on the performance assessment of the effectiveness of the controls within the municipality submitted to the Audit – Committee by 30 June 2023	Number of quarterly Internal Audit reports on the performance assessment of the effectiveness of the controls within the municipality submitted to the Audit – Committee by 30 June 2023.	Internal audit reports			20
1.31	Internal Audit	To ensure oversight over the affairs of the municipality	Submit the quarterly internally audited performance reports and the annual report to the audit Committee & MPAC	4 quarterly performance reports and a draft annual report for 2020/21 internally audited and submitted to the Audit Committee & MPAC by 30 June 2023.	A. Number of quarterly performance report internally audited B. and annual report submitted to the Audit Committee & MPAC by 30 June 2023.	Internal Audit/Performance report internally audited			20
									5
1.32 A	Internal audit	Improve administrative and financial capability of the municipality.	Establish and implement good governance practices inline with Treasury risk management,	Post Audit Action Plan matters for 2021/22 relating to leadership, predetermined objectives and other	Post Audit Action Plan matters for 2021/22 relating to leadership,	Post Audit Action Plan			

Key Performance Area 1 :Good Governance Office of the Municipal Manager

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Risk Residual Rating	Budget	Year 5
			adequate internal controls for improved financial management, and improved overall organizational performance. Regulations to ensure proper	matters addressed by 30 June 2023	predetermined objectives and other matters addressed by 30 June 2023.				5
1.32 B	Audit Report	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	Quarterly reviews and updating of financial management related internal controls based on the quarterly Internal Audit reports by 30 June 2023.	Number of quarterly reviews and updating of financial management related internal controls based on the quarterly Internal Audit reports by 30 June 2023.	Update on Audit report			20
1.33	Municipal signage and banners	Ensure effective branding of LDM activities	Procure signage and banners for a municipality	Municipal signage and banners procured by 30 June 2023.	Number of municipal signage and banners procured by 30 June 2023.	Municipal signage and banners		100 000	5

Key Performance Area 1 :Good Governance Office of the Municipal Manager

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Risk Residual Rating	Budget	Year 5
1.34	Adverts in the Media	Ensure effective branding of LDM and communication with all its stakeholders	Reflect quarterly Communication of Achievements of the Municipality through newsletters, print or electronic Data	Advertise in various mediasources by 30 June 2023.	Number of Adverts in the Media by 30 June 2023.	Adverts in the Media			50
1.35	External student assistance programme	Roll out support to indigent students with bursaries to register and attend tertiary institutions in pursuit of post matric qualifications	Allocate bursaries to students in the district	Provided bursary opportunities to students in the district by 30 June 2023.	Report on bursaries by 30 June 2023	Student Bursaries Report		1 000 000	5

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	BASELINE	Budget	Year 5
2.1	Assessment of road conditions	To assess the condition of roads in the District	Prepare and submit reports on conditions of roads in the District	Reports on roads conditions submitted by 30 June 2023.	Number of roads assessments reports by 30 June 2023	Road infrastructure Assessment	1		5
2.2	Acquisition of New Fleet	To ensure maintenance of gravel roads in the District	Maintenance of gravel roads in the district	Reports on roads maintenance submitted by June 2022	Number of roads maintenance reports by 30 June 2023	Yellow Fleet	2		5
2.3	Upgrading of Parking Site and Wall Fence	To ensure adequate parking space and Upgrade wall fencing	Upgrading parking site and wall fencing of the municipality	Report on the Upgrading of parking site and wall fencing by 30 June 2023	1 report on the upgrading of parking site and wall fencing by 30 June 2023	Upgrading of parking site and wall fencing	New Kpi		5
2.4	Refurbishment of municipal Building	To ensure that Municipal Building is refurbished	Refurbishment of Municipal Building	Refurbished Municipal Building by 30 June 2023	Number of Municipal Building refurbished by 30 June 2023	Municipal Building Refurbishment	1		5
2.4	Building of new offices	To provide a workplace and working environment primarily for administrative and	To ensure a good work environment for employees of the municipality	Building of new offices in Lejweleputswa District Municipality by 30 June 2023	A report on the building of new offices	Building of New Offices	New project		

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	BASELINE	Budget	Year 5
		managerial workers							
2.5	EPWP	To facilitate the creation of jobs for unemployed communities.	Create temporary jobs for unemployed communities	Employ 80 people from communities by 30 June 2023	A. Number of jobs created by 30 June 2023 B. Quarterly reports	EPWP	115	2 000 000	400
2.6	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 to ensure fair and equitable health services within the District by June 2023.	Monthly Water Quality reports on the status of water in the 5 local municipalities submitted by 30 June 2023	Number of Monthly Water Quality reports on the status of water in the 5 local municipalities submitted by 30 June 2023	Water Quality Monitoring	12		60

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	BASELINE	Budget	Year 5
2.7	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 to ensure fair and equitable health services within the district	Monthly reports on compliance of food selling outlets in the 5 Local Municipality submitted by 30 June 2023.	Number of monthly reports on compliance of food selling outlets in the 5 Local Municipality submitted by 30 June 2023.	Food Quality Monitoring	12	100 000	60
2.8	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 to ensure fair and equitable health services within the District	Monthly reports on food sampling in the 5 Local Municipalities by 30 June 2023.	Number of monthly reports on food sampling in the 5 Local Municipalities by 30 June 2023.	Food sampling	12		60
2.9	Municipal health services	To provide Municipal Health Services effectively & equitably in the District.	Ensure effective compliance standards in line with National Health Norms and Standards (National Health Act 61 of 2003)	Monthly reports on Compliance notices, COC, COA issued in line with the by-law and tariff system by 30 June 2023	Number of reports on Compliance notices, COC (Certificate of Compliance), COA (Certificate of Acceptance) issued in line with the by-law and	By laws and Tariff system	New KPI 12		60

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	BASELINE	Budget	Year 5
					tariff system by 30 June 2023				
2.10	Municipal health services	To enhance accountability in rendering adequate compliance to legal requirements	To organize, plan, control and monitor the design and implementation of Record of decisions, through the establishment of a cloud based EHS system	Develop an EHS Monitoring system by 30 June 2023	A status report on the EHS Monitoring System Implementation by 30 June 2023	EHS Monitoring System	New KPI 1		1
2.11	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 to ensure fair and equitable health services within the District	4 reports on environmental awareness campaigns in the District by 30 June 2023	Number of reports submitted on environmental awareness campaigns in the District by 30 June 2023	Environmental Health awareness campaigns	4		20
2.12	Municipal health services	To provide Municipal Environmental Services effectively	Ensure equitable allocation and distribution of Air Quality Management	4 Reports on air quality management in the District submitted by 30 June	Number of Reports on air quality management in the District	Air Quality Management	4	80 000	20

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	BASELINE	Budget	Year 5
		and equitably in the District	resources across the District to ensure fair and equitable health	2023	submitted by 30 June 2023				
213	Exhumation	Ensure that exhumation processes are followed as per legislation	By conducting exhumation as per legislation	1 Report on Exhumation by 30 June 2023	Number of exhumation reports by 30 June 2023	Exhumation	New Kpi's		5
2.14	Environmental Management Service	To provide Municipal Environmental Services effectively & equitably in the District.	Ensure equitable allocation and distribution of Municipal Health Services resources across the District to ensure fair and equitable health	4 reports on waste management compliance submitted in the District by 30 June 2023	Number of reportson waste management compliance submitted in the District by 30 June 2023	Waste management Audits	4		20
2.18	Disaster Management response and recovery	To ensure effective & efficient disaster management response and recovery in the district.	Coordinate an effective and efficient response to incidents and disasters throughout the district by 30 June 2023	Coordination of rapid and efficient response to disasters and post-disaster recovery and rehabilitation 30 June 2023	Number of responses to incidents and disasters 30 June 2023.	Disaster Relief <ul style="list-style-type: none"> • Fire • Floods • Earth Subsidence 	4	2 300 000	20

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	BASELINE	Budget	Year 5
2.19	Disaster Management	To ensure effective & efficient disaster management services in the district.	Conduct disaster awareness campaigns in 5 local municipalities by 30 June 2023	Quarterly disaster awareness campaigns in schools and communities in the district by 30 June 2023.	Number of quarterly disaster awareness campaigns in vulnerable communities conducted in the district by 30 June 2023.	Disaster awareness campaigns	4	50 000	20
2.20	Disaster Management Forum Meetings	To promote and facilitate IGR stakeholders in the District	Facilitate 4 Disaster Management Forum Meetings by 30 June 2023	4 District Management Forum meetings held by 30 June 2023	Number of District Management Forum meetings held by 30 June 2023	Disaster Management Forum meetings	4		20
2.21	To ensure effective & efficient fire safety management services in the district.	Organize fire safety awareness in all local municipalities in the District	4 fire safety awareness campaigns in all local municipalities in the District by 30 June 2023.	4 fire safety awareness campaigns in the district conducted by 30 June 2023	Number of Fire Safety awareness campaigns conducted by 30 June 2023	Fire Safety awareness campaigns	4		20
2.22	Disaster Management	Attendance of Provincial Advisory Forum Meetings	Attendance of 4 Provincial Advisory Forum meetings	4 Provincial Advisory Forum meetings attended by 30 June 2023	Number of Provincial Advisory Forum meetings attended by 30 June 2023	Provincial Advisory Forum meetings			20

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	BASELINE	Budget	Year 5
Community Services									
2.23	Waste Campaign	To provide Municipal Environmental Services effectively & equitably in the District.	Ensure equitable allocation and distribution of Environmental Management Services resources across the District to ensure fair and equitable health	4 reports on waste management campaigns in the District by 30 June 2023	Number of reports on waste management campaigns in the District by 30 June 2023	Waste Campaign <ul style="list-style-type: none"> • Capacity building and training • Waste SMME Support • Cleaning of illegal dumping sites 			20
2.15	Environmental Management Service	To provide environmental sustainability throughout the District by planting trees	Planting of trees in the District by 30 June 2023	Reports on tree planting submitted by 30 June 2023	Number of reports on tree planting submitted by 30 June 2023	Presidential good green deeds			5
2.16	Basic Community Services					Basic Community Services		1000 000	

Key Performance Area: Local Economic Development & Planning

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Baseline	Budget	Year 5
3.1	SMME Development Support	To ensure SMME business development and support	SMME's and business Development support in the District	6 SMMEs and business development support in local municipalities by 30 June 2023	Number of SMME And development support in local Municipalities	SMME's, Cooperatives, NPO's, NGO's and business development support	1	R800 000	30
3.2	Youth SMMES Business Corners development support.	To ensure Youth SMMES Business development and support	To support Youth SMMES Businesses development in local municipalities	2 Youth SMMES Business development and support in local municipalities by 30 June 2023	Number of Youth SMMES business development and support	Youth SMMES business development and support	1	R500 000	10
3.3	LED business Stakeholder	Strengthen LED business stakeholder	Convvene District LED business stakeholders Forum	1 District LED Business forum convened by June 30 2023	Number of District LED Business forum	District LED Business forum	1	50 000	5

Key Performance Area: Local Economic Development & Planning

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Baseline	Budget	Year 5
	relations and cooperation	relations and cooperation			convened.				

TOURISM PORJECTS

3.4	Tourism Development and Support	Support programme for tourism development and growth	Enhance capacity for tourism development	1 Meeting Africa Show attended by 30 June 2023	Number of Meeting Africa Show attended 30 June 2023	Meeting Africa	New		5
3.5	Tourism Development and Support	Support programme for tourism development and growth	Convene District tourism Forum	1 District tourism Forums convened by 30 June 2023	Number of District Tourism Forum Meetings convened by 30 June 2023	District tourism Forum	2		5
3.6	Tourism Development and Support	Support programme for tourism development and growth	To support business and tourism development	6 Tourism SMME's /Cooperatives /NGOs by 30 June 2023	Number of Tourism SMME's /Cooperatives /NGO's supported by 30 June 2023	Tourism SMME's/ Cooperatives /NGO support	2	R800 000	30

PLANNING

3.7	District IDP Managers Forums	To facilitate and coordinate District IDP Managers forum meetings	Facilitate and Coordinate District IDP Managers forum meetings.	3 District IDP Managers Forums Meetings coordinated 30	Number of District IDP Managers Forums Meetings coordinated by	District IDP Managers Forums	3		15
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Key Performance Area: Local Economic Development & Planning

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Baseline	Budget	Year 5
				June 2023.	30 June 2023				
3.8	IDP Steering committee	To facilitate and coordinate District IDP Steering Committee meetings	Facilitate and Coordinate District IDP Steering Committee meetings.	4 IDP Steering committee Meetings coordinated by 30 June 2023.	Number of IDP Steering committee Meetings coordinated by 30 June 2023	IDP Steering committee	4		20
3.9	District IDP Framework Plan.	Ensure implementation of a District wide integrated planning process	To review District IDP framework plan to inform Process Plans of all local municipalities.	District IDP Framework Plan reviewed by 30 June 2023.	Number of Framework Plans reviewed by 30 June 2023	District IDP Framework Plan.	1		5
3.10	District IDP Process plan.	Ensure implementation of a District wide integrated planning process	A. 1 District IDP process plan	Number of process plans reviewed by 30 June 2020.	1 District IDP process plan Reviewed.	District IDP Process Plan reviewed.	6		5

Key Performance Area 4: Municipal Financial Viability

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Baseline	Budget 000	Year 5
4.1	Submission Performance Management reports	To ensure Performance Management Practicethat reports timeously and accurately on Municipal Objectives	Development and submission of departmental Performance Reports Monthly.	12 Monthly Performance management Reports submitted on time by 30 June 2023	Number of Reports Developed and submitted on Timeby 30 June 2023	Performance reports	12		60
4.2	Implement financial control	To ensure financial management practices that enhances viability & compliance with the requirements of MFMA & other relevant legislation inorder 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% cash-backed approvedbudget for 2022/23 financial year.	100% cash-backed approved budget for 2022/23 financial year	Funded Annual Budget	1		5
4.3	Municipal Investments	To ensure financial management practices that enhances viability & compliance with the requirements of MFMA & other relevant legislation inorder to achieve a clean audit.	Plan, implement, monitor and report financial management activities in accordance with MFMA, its associated regulations and	12 Return on Investment report Submitted by 30 June 2023	Number of Investments reports developedand submitted on time	Investments reports	12		60

Key Performance Area 4: Municipal Financial Viability

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Baseline	Budget 000	Year 5
			prescribed accounting norms and standards						
4.4	Implement financial control	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	4 Budget related policies reviewed, updated and approved by Council by 30 June 2023	Number of Budget related policies reviewed, updated and approved by Council by 30 June 2023	Reviewed Budget policies	4		20
4.5	Implement financial control	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	Suppliers and service providers paid within 30 days of receipt of valid invoice, with no disputed delivery of goods / services throughout 2022/23.	Number of days it takes to pay suppliers and service providers after receipt of valid invoice, with no disputed delivery of goods / services throughout 2022/23.	30 Days Compliance	1		5

Key Performance Area 4: Municipal Financial Viability

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Baseline	Budget 000	Year 5
			and standards						
4.6	Implement financial control	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	Prepare 4 reports on payment vouchers and accompanying supporting documents of filed, registered and kept in safe custody Quarterly throughout 2022/23 financial years.	Number of reports on payment vouchers and accompanying supporting documents of filed, registered and kept in safe custody Quarterly throughout 2022/23 financial year.	Payments reports	4		20
4.7	Implement financial control	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	2 biannual assets verification performed and asset registers updated with all assets movements, and report any damaged / missing items by 30 June 2023	Number of biannual assets verification performed and asset registers updated with all assets movements, and report any damaged / missing items by 30 June 2023	Assets Verification	2		10
4.8	Implement financial control	To ensure financial management practices that enhances viability & compliance with the requirements of MFMA & other relevant	Plan, implement, monitor and report financial management activities in accordance with MFMA, its associated regulations	Review and sign-off one (1) Audit File and Audit File schedule respectively for 2021/22 financial year that is compliant	Number of reviewed and signed-off audit file schedule and the actual Audit file for 2021 /22 financial year that is compliant with	Audit File	1		5

Key Performance Area 4: Municipal Financial Viability

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Baseline	Budget 000	Year 5
		legislation in order to achieve a clean audit.	and prescribed accounting norms and standards	with Annexure A of MFMA Circular 50	Annexure A of MFMA Circular 50				
4.9	Implement financial control	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	2021/22 signed-off Annual Financial Statements prepared in accordance with the South African Standards of Generally Recognized Accounting Practices (GRAP) and section 122 of MFMA by 31 August 2022.	Auditor-General's Report on the 2021/22 Annual Financial Statements (AFS) with no paragraph relating to AFS not being compiled in accordance with GRAP and section 122 of MFMA.	Annual Financial Statements	1		5
4.10	Implement financial control	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	Nil / Zero amount of unauthorized, irregular and fruitless & wasteful expenditure incurred due to non-compliance to the municipality's Supply Chain Management Policy, Supply Chain Management Regulations, 2005 and	Amount of unauthorized, 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 2023	Internal Controls/ UIFW	4		20

Key Performance Area 4: Municipal Financial Viability

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Baseline	Budget 000	Year 5
				the MFMA by 30 June 2023					
4.11	Implement financial control	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	A) 12 signed-off monthly budget statement reports (Section 71 of MFMA), quarterly financial reports	A) Number of signed-off monthly budget statement reports (Section 71 of MFMA), quarterly financial reports	Monthly and Quarterly Reports	12		60
				B) (Section 52 (d) of the MFMA) for 2022/23 produced and submitted to the Executive Mayor by 30 June 2023	B) (Section 52 (d) of the MFMA), for 2022/23 produced and submitted to the Executive Mayor by 30 June 2023.		4		20
4.12	Implement financial control	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	12 signed-off monthly bank reconciliation statements of all bank accounts by 30 June 2023	Number of signed-off monthly bank reconciliation statement of all bank accounts by 30 June 2023	Bank Reconciliation	12		60

Key Performance Area 4: Municipal Financial Viability

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	Baseline	Budget 000	Year 5
4.13	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.	12 updates (i.e.,1 per month) of the municipality's website performed by 30 June 2023	Number of updates of the municipality's website performed by 30 June 2023	ICT Service	12		60

Key Performance Area 5: Municipal Transformation and Organizational Development

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	BASELINE	Budget	Year 5
5.1	Portfolio committee meetings	To adhere to administrative responsibilities	Develop and distribute signed portfolio committee agendas and minutes	16 Portfolio committee meetings by 30 June 2023	Number of signed portfolio committee agendas and minutes developed and distributed by 30 June 2023	Portfolio committee meetings	16		80
5.2	MAYCO Meetings	To adhere to administrative responsibilities	Develop and distribute signed MAYCO agendas and minutes	4 MAYCO meetings by 30 June 2023.	Number of signed MAYCO agendas and minutes by 30 June 2023.	MAYCO meetings	4		20
5.3	Council Meetings	To adhere to administrative responsibilities	Develop and distribute signed council agendas and minutes	4 Council meetings by 30 June 2023	Number of signed council agendas and minutes by 30 June 2023.	Council meetings	4		20
5.4	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	Convene 4 quarterly LLF meetings by 30 June 2023 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 2023	LLF meetings	4		20

Key Performance Area 5: Municipal Transformation and Organizational Development

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	BASELINE	Budget	Year 5
			& Institutional policies pertaining to labour relations.						
5.5	Experiential training	To give experiential training to students at tertiary institutions to complete their qualifications.	Placement of students within the district for experiential training.	Place 10 students within the district for experiential training by 30 June 2023	Number of students successfully placed for experiential training by 30 June 2023.	Experiential training	10	500 000	50
5.6	Workplace Skills Plan (WSP) And Annual Training Report (ATR)	To upgrade the skills of the staff members	Compile a WSP and ATR for submission to LG SETA	Submit Workplace Skills Plan (WSP) by 30 April 2022. , Annual Training Report (ATR), to LG SETA by 30 June 2023	A. Number of WSP and B. ATR submitted by 30 June 2023	WSP and ATR	1		5
							12		60
5.7	Skills Development for Staff	To upgrade the skills of the staff members	Enroll employees of the municipality with accredited institutions to improve their skills in a form of short courses	10 employees enrolled with accredited institutions by 30 June 2023	Number of employees enrolled with accredited institutions by 30 June 2023	Skills Development	10		50
5.8	Study Assistance foremployees	To roll out support to staff members to	Provide financial assistance to staff members of the LDM to further their	Provide financial assistance to at least 5 employees in a form of internal	Number of LDM employees provided with internal bursaries	Study Assistance.	5	500 000	

Key Performance Area 5: Municipal Transformation and Organizational Development

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	BASELINE	Budget	Year 5
		further their qualifications.	studies	bursary to employees of the LDM by 30 June 2022.	to further their studies by 30 June 2023				25
5.9	Employee Wellness Programme	Conduct employee wellness programs	Conduct employee wellness programs for the LDM.	Conduct quarterly employee- wellness Programmes by 30 June 2023	Number of employee wellness Programmes conducted by 30 June 2023	Employee wellness	4	200 000	20
5.10	Employment Equity plan	To ensure that the municipality achieves progress towards employment equity in the workplace, develop, review and submit Employment Equity report to the Department of Labour	Review and submit Employment Equity plan report annually to the Department of Labour.	Review and submit Employment Equity plan report annually to the Department of Labour by 30 June 2023.	Number of employment equity reports submitted to the Department of Labour by 30 June 2023.	Employment Equity plan Report	1		5
5.11	Security Management	Create a safe environment within the institution	Develop security management plan for the LDM and prepare consolidated security reports	Prepare 12 months consolidated security reports for the LDM by 30 June 2023	Number of monthly security reports by 30 June 2023.	Security Management	12		60

Key Performance Area 5: Municipal Transformation and Organizational Development

ID	Municipal Focus Area	IDP Strategic Objective	Strategies	Key Performance Indicator	Unit of Measurement	Project Name	BASELINE	Budget	Year 5
5.12	Occupational health and safety (OHS)	To ensure a healthy and safe environment in the workplace	Implementation of the OHS policy	Submission of quarterly reports on incidents and inspections by 30 June 2023	Number of reports on incidents and inspections by 30 June 2023	Occupational health and safety (OHS)	4		20

LDA									
ID	AGENCY FOCUS AREA	STRATEGIC OBJECTIVE	STRATEGIES	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE	PROJECT NAME	BASELI NE	BUDGET	5 YEAR
3.22	Heritage site	Acquisition of land	Acquire land for the purpose of converting the farm in Tokologo into Sol Plaatjie National Heritage site	1 farm acquired by 30 June 2023	Number of farms acquired	Sol Plaatjie National Heritage site			1
3.23	Student Accommodation PPP	To provide students from outside the Matjhabeng area with accommodation to enable them to further their studies at institutions of higher learning	Engage Matjhabeng local Municipality and partner with the private sector	Student accommodation provided by June 2023	Number of student accommodation provided	Student Accommodation PPP/Student Residence at CUT			1
3.24	Shared Services	Host and share information and digital services to improve services delivery in the District	Connect with all five (5) local municipalities in the District	5 Local Municipalities connected by 30 June 2023	Number of local municipalities connected	Digital hub and Shared Services (WiFi /Fibre connection)			1

3.25	ICC	Build International Convention Centre in Matjhabeng to enable the District to host international events and attract tourists	Use donated land in Matjhabeng local municipality	International Convention Centre and Hotel built by June 2023	Number of ICC built	Convention Centre and Hotel (ICC)			1
3.26	Energy Storage technology	Solar and wind energy to cater for load shedding	Acquire energy technology to ease electricity grid in times of need	Energy technology acquired by 30 June 2023	Number of energy technology	Energy Storage Technology			1
		To generate energy through coal gasification	Partner with the Private sector to establish underground coal gasification			Underground coal gasification			
3.27	Welkom Techno-Park	Establish a Techno-Park in Welkom to attract Investors	By constructing and setting up Techno-Park	1 Techno- Park established in Welkom 2023	Number of Techno-park established in Welkom	Welkom Techno-Park			1
3.28	Welkom Airport Development	Refurbishment of the airport to approved ACSA standards	Rework the tarmac, upgrade the tower, put lights, and fence the perimeter	1 Welkom Airport upgraded by 30 June 2023	Number of Airports developed in Welkom	Welkom Airport Development			1
3.20	Thabong Industrial Park	Create an Industrial Park in Thabong	Turn the informal manufacturing site into a formal industrial park	4 meetings facilitated with investors by 30 June 2023	Number of Industrial Park developed in Thabong	Thabong Industrial Park			1

3.31	Solar Panels	WWTW & pump stations to be fitted with solar panels	Get a buy-in from all local municipalities to install solar panels to save electricity	4 meetings facilitated with investors by 30 June 2023	Number of Solar PV to Power WWTW & Pump station	Solar PV to Power WWTW & Pump station			5
3.32		Install solar panels at all municipal buildings	Save local municipalities electricity	4 meetings facilitated with investors by 30 June 2023	Number of Rooftops and Carpots PV System	Rooftops and Carpots PV System			5
3.33		Brick making Co-operative in Masilonyana	Technical and strategical of support the co-operative	4 meetings facilitated with investors by 30 June 2023	Number of Brick Making Cooperatives	Brick Making			1
3.34		To generate energy from the decomposition of organic material	Decompose solid waste from waste water treatment plants at LMs to generate electricity	4 meetings facilitated with investors by 30 June 2023	Number of Biogas to Energy from WWTP	Biogas			5
3.35		Remove harmful bacteria from water from sewer plants	Set up recycling plants at all local municipalities	4 meetings facilitated with investors by 30 June 2023	Number of Waste Water Recycled	Waste Water Recycle			5
3.36		To generate electricity from solar energy	Build a 500MW Solar Power in five (5) local municipalities	4 meetings facilitated with investors by 30 June 2023	Number of Solar PV Plants	Solar PV Power Plants			5
3.37		To develop mixed housing	Provide mixed housing in 5 local municipalities to	5500 mixed houses developed by 2023	Number of Mixed houses developed	Mixed Housing Development	new		5

			address housing backlog in our district						
3.38		Facilitate sustainable local economic development in Hoopstad in Tswelopele	Resuscitate Peanut butter plant	1 Peanut butter plant resuscitated 30 by June 2023	Number of Peanut butters making plant resuscitated by June 2023	Peanut butter making plant	1		1
3.39	Erfenis Dam Nature Reserve	Upgrade the Dam by building chalet to attract tourists				Erfenis Dam Nature Reserve (PPP)			
3.10	Winnie Mandela Museum	To attract tourists in Majemasweu township	Develop Winnie Mandela house into museum standards to attract tourists	Winnie Mandela museum developed by 30 June 2023		Winnie Mandela museum			
3.11		To attract tourists in Lejweleputswa region	Upgrade Phakisa Freeway to international standards to enable it to attract international events			Phakisa Freeway			
3.12	Film Industry	Promote Arts, science and culture	Partner with Private sector to create film industry in Matjhabeng local municipality			Film Studio			
3.13			Process agricultural produce locally			Agro-Processing			

	To ensure value-chain adding products are manufactured in the region					Farm Manufacturing Equipment			
3.14						Willem Pretorius			
3.15						Farmer Production Support Unit			
3.16	Agri-Park	Ensure sustainable food security in the region	Partner with the department of Rural Development and Land Reform by establishing Agri-Park in Wesseslsbron			Agri-Park			
3.17						Sandveld Nature Reserve (PPP)			
						Waste Management and Recycling			
3.18						Olive oils and Orchards			
3.19						Bio-CNG GAS			

SECTOR DEPARTMENTS' PROJECTS

DEPARTMENT OF FISHERIES, FORESTRY AND ENVIRONMENT FUNDED PROJECTS

NAME OF MUNICIPALITY: LEJWELEPUTSWA DM

Project name	Area		Coordinates/prop erty description	Timeframes		Actual budget		
	Location	Ward		Start date	End date	2021/2022	2022/2023	2023/2024
LEJWELEPUTSWA DM								
Development of Integrated Waste Management Plan	Masilonyana LM Nala LM	N/A	Assistance to review/ development of IWMP as a legislative requirement	April 2022	March 2023		2022-2023 Technical assistance from DEFF (No budget)	
Develop Green Plans	All local municipalities	N/A	Sector plan on Greening Open Spaces and management	April 2022	March 2023		2022-2023 Technical assistance from DEFF (No budget)	

Management of Odendaalsrus Landfill Site in Matjhabeng LM	Matjhabeng LM, Odendaalsrus	N/A	Landfill Management	June 2022	May 2023		R 11 086 598.00	
Operation of Buy Back Centre at Odendaalsrus Landfill Site	Matjhabeng LM, Odendaalsrus	N/A		August 2022	July 2023		R 2 932 371.15	

Department of Public Works

Standardized reporting template for draft/final budgeted projects and programmes

Name of Municipality:

Project name	Area		Coordinates /property description	Timeframes		Actual budget		
	Location	Ward		Start date	End date	2021/2022	2022/2023	2023/2024
National Youth Service	All four Districts and Metro	n/a	n/a	1 April 2022	31 March 2023	5 630m	5 852m	5 852m
Skills Training	All four Districts and Metro	n/a	n/a	1 April 2022	31 March 2023	6 230m	6 652m	6 652m
Community Work Programme	All four Districts and Metro	n/a	n/a	1 April 2022	31 March 2023	11 954m	11 954m	11 954m

Cleaning and Greening	All four Districts and Metro	n/a	n/a	1 April 2022	31 March	5 869m	5 869m	5 869m
Allanridge	Matjhabeng	n/a	28.0015S, 26.8910E	01 July 2022	15 Dec 22	3 529m	3 529m	3 529m
Bultfontein	Tswelopele	n/a	25.97113S, 28.2161E	01 July 2022	15 Dec 22	3 529m	3 529m	3 529m

DEPARTMENT OF ECONOMIC, SMALL BUSINESS DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS
STANDARDIZED REPORTING TEMPLATE FOR DRAFT/FINAL BUDGETED PROJECTS AND PROGRAMMES
NAME OF MUNICIPALITY:

Project name	Area		Coordinates /property description	Timeframes		Actual budget		
	Location	Ward		Start date	End date	2021/2022	2022/2023	2023/2024
Update of Wetland Maps	Provincial	N/N	Province	01 April 2022	31 March 2023	No specific Budget, operational Budget	No specific Budget, operational Budget	No specific Budget, operational Budget
Inland Small-Scale Fisheries Pilot Projects	Kalkfontein Dam Krugersdrift Dam	Kopanong Mangaung Metro / Masilonyana LM	Kalkfontein Dam Nature Reserve Soetdoring NR	01 April 2022	31 March 2023	No specific Budget, operational Budget	No specific Budget, operational Budget	No specific Budget, operational Budget
Green Muzzle Anti-poaching Projects	Provincial	N/a	Province	01 April 2022 Monthly	31 March 2023	No specific Budget, operational Budget	No specific Budget, operational Budget	No specific Budget, operational Budget

90 Environmental activities conducted	All	All	Provincial	01 April 2022	31 March 2024	-	R50 000	R60 000
Capacity building activities conducted	All	All	Provincial	01 April 2022	31 March 2024	-	R30 000	R40 000
initiatives to promote renewable energy	All	All	Provincial	01 April 2022	31 March 2024	-	R15 000	R20 000

DEPARTMENT OF HUMAN SETTLEMENT PROJECTS

General			Project Related Information							Summarized 2022 / 2023										
Province	District - Region	Municipality	HSS Project Number	HSS Project Desc	Project Status	Total Contractual Target	Delivery To Date (Sites)	Delivery To Date (Units)	Approved Project Budget	Total Annual No of Sites	Total Annual Site Budget	Total Annual No of Units	Total Annual Unit Budget	Total Annual Title Deed Restoration	Total Annual Title Deed Restoration Budget	Total Annual Title Deed New	Total Annual Title Deed New Budget	Total Annual Professional Fees Budget	Total Bulk Budget	Total Annual Budget
FREE STATE	FREE STATE	FREE STATE	F190900 02/1	Individual Subsidies (2020/21) - Newly Build	Contract Signed	322	0	68	R 69 910 613,95	0	R 0,00	210	R 18 150 000,00	0	R 0,00	250	R 275 000,00	R 313 950,00	R 0,00	R 18 738 950,00
FREE STATE	FREE STATE	FREE STATE	F190900 03/1	FLISP 2020/21 - Phase 1	Contract Signed	237	0	194	R 37 543 861,40	0	R 0,00	80	R 6 080 000,00	0	R 0,00	0	R 0,00	R 197 600,00	R 0,00	R 6 277 600,00
FREE STATE	FREE STATE	FREE STATE	F200100 16/1	Free State Emergency Assistance - Phase 1	Planned	0	0	0	R 0,00	0	R 0,00	0	R 10 500 000,00	0	R 0,00	0	R 0,00	R 341 250,00	R 0,00	R 10 841 250,00
FREE STATE	FREE STATE	FREE STATE	F200100 36/1	Farm Elite Urban Design and Land Development - Phase 1	Planned	0	0	0	R 0,00	0	R 0,00	0	R 0,00	0	R 0,00	0	R 0,00	R 200 000,00	R 0,00	R 200 000,00
FREE STATE	LEJWELEPUT SWA	MATJHABENG LOCAL MUNICIPALITY	F000300 06/1	Hostel Welkom Hostel G - Phase 1	Contract Signed	500	0	469	R 602 367 781,71	0	R 0,00	35	R 7 411 324,00	0	R 0,00	0	R 0,00	R 990 000,00	R 0,00	R 8 401 324,00
FREE STATE	LEJWELEPUT SWA	MATJHABENG LOCAL MUNICIPALITY	F150200 18/1	Welkom Hani Park (Thabong Ext 18) 5000 Water and Sewer - Phase 1	Contract Signed	5000	1357	0	R 249 684 527,77	2400	R 42 000 000,00	0	R 0,00	0	R 0,00	0	R 0,00	R 2 612 000,00	R 0,00	R 44 612 000,00
FREE STATE	LEJWELEPUT SWA	MATJHABENG LOCAL MUNICIPALITY	F160400 29/1	Welkom Thabong Ext 6, 7, 8,9,10 & 11 (Dichocolateng) 1478 Water and Sewer - Phase 1	Contract Signed	1478	613	0	R 319 182 591,81	0	R 3 000 000,00	0	R 0,00	0	R 0,00	0	R 0,00	R 3 330 000,00	R 0,00	R 6 330 000,00
FREE STATE	LEJWELEPUT SWA	MATJHABENG LOCAL MUNICIPALITY	F170400 11/1	Matjhabeng Kutlwanong Ext 13 2925 (k10) Water and Sewer - Phase 1	Contract Signed	2925	907	0	R 508 879 523,15	1200	R 28 500 000,00	0	R 0,00	0	R 0,00	0	R 0,00	R 2 140 000,00	R 0,00	R 30 640 000,00
FREE STATE	LEJWELEPUT SWA	MATJHABENG LOCAL MUNICIPALITY	F170400 16/1	Matjhabeng Allanridge Nyakallong Ext 5 for 97 erven Water and Sewer - Phase 1	Approved	0	0	0	R 1 454 230,95	96	R 3 600 000,00	0	R 0,00	0	R 0,00	0	R 0,00	R 840 000,00	R 0,00	R 4 440 000,00

FREE STATE	LEJWELEPUT SWA	MATJHABENG LOCAL MUNICIPALITY	F170400 34/1	Welkom 62 Military Veterans Lois Construction (Ithuteng Consultancy) - Phase 1	Contract Signed	62	0	20	R 14 524 936,55	0	R 0,00	8	R 1 600 000,00	0	R 0,00	0	R 0,00	R 104 000,00	R 0,00	R 1 704 000,00
FREE STATE	LEJWELEPUT SWA	MATJHABENG LOCAL MUNICIPALITY	F170400 42/1	Ventersburg 100 Mixed Development - Infrastructure	Locked for changes	0	0	0	R 14 834 029,77	96	R 3 600 000,00	0	R 0,00	0	R 0,00	0	R 0,00	R 840 000,00	R 0,00	R 4 440 000,00
FREE STATE	LEJWELEPUT SWA	MATJHABENG LOCAL MUNICIPALITY	F181000 03/1	Virginia 100 Units (2020/21) - Phase 1	Approved	0	0	0	R 13 095 000,00	0	R 0,00	80	R 11 267 200,00	0	R 0,00	0	R 0,00	R 1 464 736,00	R 0,00	R 12 731 936,00
FREE STATE	LEJWELEPUT SWA	MATJHABENG LOCAL MUNICIPALITY	F181000 04/1	Welkom Rheederspark 100 Units - Phase 1	Approved	0	0	0	R 15 468 000,00	0	R 0,00	80	R 11 267 200,00	0	R 0,00	0	R 0,00	R 1 464 736,00	R 0,00	R 12 731 936,00
FREE STATE	LEJWELEPUT SWA	NALA LOCAL MUNICIPALITY	F160400 27/1	Bothaville Khotsong - Mathharantleng 417 Top structures - Phase 1	Contract Signed	417	0	0	R 67 013 539,00	0	R 0,00	135	R 17 000 000,00	0	R 0,00	234	R 257 400,00	R 390 000,00	R 0,00	R 17 647 400,00
FREE STATE	LEJWELEPUT SWA	MASILONYANA LOCAL MUNICIPALITY	F210800 07/1	Masilonyana Brandfort Gap Market W&s - Phase 1	Planned	0	0	0	R 0,00	0	R 0,00	0	R 0,00	0	R 0,00	0	R 0,00	R 200 000,00	R 0,00	R 200 000,00

Basic Informal Settlement Information					Phase 1					Phase 2										Phase 3					Social and Economic Amenities (R'000)	Conveyancing (Issuing of Title Deeds) (R'000)	Total (R'000)							
Dis	Municipality	Informal Settlement Name	Property Description	Project Name	Social Facility (R'000)	Land Use (R'000)	Total (R'000)	Project with NHBRC (R'000)	Surveying (R'000)	Electrical (R'000)	Trenching (R'000)	Geotechnical (R'000)	Land Use (R'000)	Transport (R'000)	Planning (R'000)	Topography (R'000)	Infrastructure (R'000)	Bulk Infrastructure (R'000)	Water (R'000)	Sanitation (R'000)	Roads (R'000)	Water (R'000)	Sanitation (R'000)	Water (R'000)				Sanitation (R'000)	Roads (R'000)	Electrical (R'000)	Total (R'000)	Water (R'000)	Sanitation (R'000)	Roads (R'000)

					(R'000)				No	eholds in the settlement (R'000)	'000)	00)	00)	neral Plan (R'000)	'000)	(R'000)				R'000)					R'000)	'000)				
LEJ WE LEP UT SW A	M ASI LO NY AN A LO CA L M UN ICI PA LIT Y	Slovo Park	Farm Brandfort, Majemaswe: Slovo Park Township Establishment	0	0	0	0	No	0	0	0	0	501330	11550	43940	0	0	0	0	0	0	0	0	0	0	0	0	0	0	21192775
LEJ WE LEP UT SW A	M ASI LO NY AN A LO CA	Baipeing	Dorpsgronden Wijnburg Township Est	0	0	0	0	No	0	0	0	0	13908	66228	174376	0	0	0	0	0	0	0	0	0	0	0	0	0	9766212	

LEJWELEPUTSWA DISTRICT MUNICIPALITY

MTREF Budget 2022/2023 to 2024/2025

Medium Term Revenue and Expenditure Framework

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- In the foyers of municipal buildings
- All public libraries within the municipality
- At www.mylejweleputswa.co.za

13 JUNE 2022

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ANNEXURES TO THE DOCUMENT

- Annexure 1 Budget Speech
- Annexure 2 Budget Item
- Annexure 3 Budget Policy

- Annexure 4 Cash Management and Investment Policy
- Annexure 5 Credit Control and Debt Collection Policy
- Annexure 6 Supply Chain Management Policy
- Annexure 7 MFMA Circular no. 112
- Annexure 8 MFMA Circular no. 115

Glossary

Adjustments Budget – Prescribed in section 28 of the MFMA. It is the formal means by which a municipality may revise its annual budget during the year.

Allocations – Money received from Provincial or National Government or other municipalities.

Budget – The financial plan of the Municipality.

Budget Related Policy – Policy of a municipality affecting or affected by the budget, such as the tariffs policy, rates policy and credit control and debt collection policy.

Capital Expenditure – 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.

CRR – Capital Replacement Reserve. A cash reserve set aside for future capital expenditure.

Cash flow statement – 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.

DORA – Division of Revenue Act. This is the annual piece of legislation that shows the amount of allocations from national to local government.

Equitable Share – A general grant paid to municipalities. It is predominantly targeted to help with free basic services.

Fruitless and wasteful expenditure – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.

GFS – Government Finance Statistics. An internationally recognized classification system that facilitates like for like comparison between municipalities.

GRAP – Generally Recognized Accounting Practice. The new standard for municipal accounting and basis upon which the Annual Financial Statements are prepared.

IDP – Integrated Development Plan. The main strategic planning document of the Municipality.

KPI's – Key Performance Indicators. Measures of service output and/or outcome.

MFMA – The Municipal Finance Management Act no. 53 of 2003. The principle piece of legislation relating to municipal financial management.

MTREF – 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'.

Operating Expenditure – Spending on the day to day expenses of the Municipality such as salaries and wages.

SDBIP – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.

Strategic Objectives – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.

Unauthorised expenditure – Generally, spending without, or in excess of, an approved budget.

Virement – A transfer of budget.

Virement Policy - 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.

Vote – One of the main segments into which a budget is divided. In LDM this means at directorate level.

Part 1 – Budget

1.1 Mayoral Budget Speech

The budget speech is attached as a separate document.

1.2 Council Resolutions

On the 13th of June 2022 the Council of Lejweleputswa District Municipality had a meeting to approve the annual budget for the year 2022/2023. The following resolutions are contained in item to the agenda of the Council meeting held on 10 June 2022.

- (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
 - (v)) Asset Management Policy

- (b) that the annual budget for the financial year 2022/23 and indicative outer years 2023/24 and 2024/25 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 2022/23 – 2024/25 as outlined in the budget regulations be submitted to National and Provincial government or organ of state after approval by Council.

1.3 Budget 2021/22 Mid-year Review and Adjustments Budget

The following table shows the original and adjustments budget for 2020/21.

Table 1: Original and adjustments budget for 2020/21

	Original Budget 2021/22	2nd REVISED Budget 2021/22
Operating Expenditure	176,952,800	179,567,436
Capital Expenditure	13,150,000	13,150,000
Total Income	150,287,000	151,697,076

The 2021/22 Second adjustment budget was taken into account in the preparation of the 2022/23 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 municipality needs to focus on its core functions. During the adjustments budget, the Portfolio Councilors 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. 112 on 06 December 2021 and was followed by Circular No. 115 on 04 March 2022 providing guidance to municipalities on their 2022/23 budgets and Medium-Term Revenue and Expenditure Framework (MTREF). Circular No. 112 and 115 remind us of the key focus areas for the 2022/23 budget

process, and that it must be read together with MFMA Circulars no. 48, 51, 54, 55, 67, 67, 70, 72,74,75,93,94 ,98,99, 107and 108. 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 2022/23 MTREF

This section provides an overview of the Lejweleputswa District Municipality's 2022/23 to 2024/25 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. 115, the following headline macro-economic forecasts must be taken into consideration when preparing 2022/23 MTREF municipal budgets:

Fiscal Year	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
	Actual	Estimate	Forecast		
CPI Inflation	2.9%	4.5%	4.8%	4.4%	4.5%

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 28 August 2021.

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 2 Overview of the 2022/23 MTREF

	Original Budget 2021/22	Final Budget 2022/2023
Operating Expenditure	176,952,800	198,134,397
Capital Expenditure	13,150,000	8,800,000
Total Income	150,287,000	160,028,000

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. 112 & 115

1.7 Operating Expenditure Framework

The expenditure framework for the 2022/23 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 increases from R179,567,435 (2021/22) to R198,134,397 (2022/23).

The following table is a summary of the 2022/23 MTREF (classified by main expenditure by category):

Table 3: Summary of operating expenditure by category

DETAILS	2nd Revised Budget 2021/22	Draft Budget 2022/2023
Contracted Services	16,961,101	19,914,608
Employee Related Cost	107,754,586	119,884,694
Interest, Dividends and Rent	0	0
Inventory Consumed	2,032,552	2,945,826
Remuneration of Councillors	10,223,646	10,671,633
Operating Leases	1,129,376	1,155,429
Operational Cost	18,059,084	22,650,527
Depreciation	6,151,117	5,871,347
Transfers and Subsidies	17,255,973	15,040,333
Total Amount	179,567,435	198,134,397

- 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.
- 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.

Table 4: Operating Expenditure by Department

DEPARTMENT	2nd Revised Budget 2021/22	Draft Budget 2022/23
EXECUTIVE MAYOR	11,459,991	16,903,049
SPEAKER	5,961,587	11,715,112
MAYORAL COMMITTEE	7,073,204	7,610,432
COUNCIL GENERAL	27,373,529	21,225,772
MUNICIPAL MANAGER	19,658,112	24,008,039
CORPORATE SERVICES	24,760,246	23,652,383
PROPERTY	5,893,709	6,964,554
DISASTER MANAGEMEN	14,772,141	18,474,509
ENVIRONMETAL HEALTH	20,547,877	22,892,554
LED & PLANNING	15,399,639	13,941,706
TOURISM	600,000	2,350,000
FINANCE SERVICES	26,067,399	28,396,287
TOTAL	179,567,435	198,134,397

Table 5: Repairs and maintenance per asset class

DC18 Lejweleputswa - Supporting Table SA34c Consolidated repairs and maintenance by asset class

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		2,281	2,417	2,300	2,332	2,332	2,332	2,441	2,451	2,540
Roads Infrastructure		2,281	2,417	2,300	2,332	2,332	2,332	2,441	2,451	2,540
Road Structures		2,281	2,417	2,300	2,332	2,332	2,332	2,441	2,451	2,540
Other assets		–	–	52	671	571	571	693	714	736
Operational Buildings		–	–	52	671	571	571	693	714	736
Municipal Offices		–	–	52	671	571	571	693	714	736
Computer Equipment		–	–	44	89	89	89	112	115	119
Computer Equipment		–	–	44	89	89	89	112	115	119
Furniture and Office Equipment		–	–	–	131	131	131	135	139	144
Furniture and Office Equipment		–	–	–	131	131	131	135	139	144
Machinery and Equipment		4	25	31	175	275	275	149	154	158
Machinery and Equipment		4	25	31	175	275	275	149	154	158
Transport Assets		66	–	–	–	–	–	–	–	–
Transport Assets		66	–	–	–	–	–	–	–	–
Total Repairs and Maintenance Expenditure	1	2,351	2,442	2,427	3,398	3,398	3,398	3,531	3,573	3,696

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

1.8 – Capital Budget

The capital budget of R12,777,674 for 2022/23. 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 6: Capital funding by source

DC18 Lejweleputswa - Table A5 Consolidated Budgeted Capital Expenditure by vote, functional classification and funding											
Vote Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - EXECUTIVE & COUNCIL		752	385	991	3,450	3,450	3,450	5,349	950	300	300
Vote 2 - FINANCE AND ADMINISTRATION		1,979	382	366	2,400	2,400	2,400	456	2,200	100	100
Vote 3 - PLANNING AND DEVELOPMENT		49	36	28	100	100	100	62	50	50	50
Vote 4 - COMMUNITY AND SOCIAL SERVICES		42	-	41	100	100	100	23	50	50	50
Vote 5 - HEALTH		38	66	248	650	650	650	112	1,750	50	50
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total		2,860	869	1,674	6,700	6,700	6,700	6,003	5,000	550	550
Single-year expenditure to be appropriated	2										
Vote 1 - EXECUTIVE & COUNCIL		-	-	559	3,000	3,000	3,000	9,788	3,100	-	-
Vote 2 - FINANCE AND ADMINISTRATION		-	-	381	3,450	3,450	3,450	720	700	350	350
Capital single-year expenditure sub-total		-	-	940	6,450	6,450	6,450	10,508	3,800	350	350
Total Capital Expenditure - Vote	3,7	2,860	869	2,614	13,150	13,150	13,150	16,511	8,800	900	900

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 CRR 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 7: Capital expenditure by GFS classification

Capital Expenditure - Functional											
Governance and administration		2,731	767	2,296	12,300	12,300	12,300	4,281	6,950	750	750
Executive and council	✔	752	385	1,550	6,450	6,450	6,450	3,868	4,050	300	300
Finance and administration	✔	1,979	382	746	5,850	5,850	5,850	413	2,900	450	450
Internal audit	✔	-	-	-	-	-	-	-	-	-	-
Community and public safety		80	66	289	750	750	750	49	1,800	100	100
Community and social services	✔	42	-	41	100	100	100	12	50	50	50
Sport and recreation	✔	-	-	-	-	-	-	-	-	-	-
Public safety	✔	-	-	-	-	-	-	-	-	-	-
Housing	✔	-	-	-	-	-	-	-	-	-	-
Health	✔	38	66	248	650	650	650	37	1,750	50	50
Economic and environmental services		49	36	28	100	100	100	31	50	50	50
Planning and development	✔	49	36	28	100	100	100	31	50	50	50
Total Capital Expenditure - Functional	3,7	2,860	869	2,614	13,150	13,150	13,150	4,361	8,800	900	900
Internally generated funds		2,597	869	2,614	13,150	13,150	13,150	4,361	8,800	900	900
Total Capital Funding	7	2,597	869	2,614	13,150	13,150	13,150	4,361	8,800	900	900

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 8 - A1: Budget Summary

DC18 Lejweleputswa - Table A1 Consolidated Budget Summary

Description	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousands										
Financial Performance										
Property rates	-	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-	-
Investment revenue	8,372	5,309	8,742	2,850	4,103	4,103	3,339	2,800	2,800	2,800
Transfers recognised - operational	123,200	129,499	142,383	144,655	144,791	144,655	140,138	152,966	155,877	161,056
Other own revenue	1,156	877	610	450	471	450	343	262	271	271
Total Revenue (excluding capital transfers and contributions)	132,727	135,685	151,735	147,955	149,365	149,208	143,819	156,028	158,948	164,127
Employee costs	72,507	83,626	97,163	104,465	107,755	107,755	107,755	119,885	121,261	124,899
Remuneration of councillors	8,966	9,291	9,356	9,771	10,224	10,224	10,224	10,672	10,992	11,322
Depreciation & asset impairment	4,015	3,883	2,893	5,680	6,151	5,680	3,406	5,871	6,001	6,020
Finance charges	767	425	94	-	-	-	-	-	-	-
Materials and bulk purchases	1,081	1,301	1,401	1,577	2,033	1,906	1,246	2,946	2,160	2,225
Transfers and grants	15,362	25,347	32,060	18,238	17,256	17,161	10,988	15,040	7,775	12,858
Other expenditure	24,428	25,963	27,020	37,221	36,150	37,413	23,602	43,721	36,076	37,445
Total Expenditure	127,125	149,835	169,987	176,953	179,567	180,138	157,221	198,134	184,265	194,768
Surplus/(Deficit)	5,602	(14,150)	(18,252)	(28,998)	(30,202)	(30,930)	(13,401)	(42,106)	(25,317)	(30,641)
Transfers and subsidies - capital (monetary allocation)	6,900	16,703	17,211	2,332	2,332	2,332	1,622	4,000	-	5,000
Surplus/(Deficit) after capital transfers & contributions	12,502	2,553	(1,041)	(26,666)	(27,870)	(28,598)	(11,779)	(38,106)	(25,317)	(25,641)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	12,502	2,553	(1,041)	(26,666)	(27,870)	(28,598)	(11,779)	(38,106)	(25,317)	(25,641)

- 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.

Table 9 – 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	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue - Functional										
Governance and administration		139,604	152,387	168,946	146,027	147,437	147,437	155,812	155,348	165,527
Executive and council		129,078	145,202	158,594	141,727	141,727	141,727	151,750	151,277	161,456
Finance and administration		10,526	7,185	10,352	4,300	5,710	5,710	4,062	4,071	4,071
Economic and environmental services		0	-	-	4,260	4,260	4,260	4,216	3,600	3,600
Planning and development		0	-	-	4,260	4,260	4,260	4,216	3,600	3,600
Total Revenue - Functional	2	139,627	152,388	168,946	150,287	151,697	151,697	160,028	158,948	169,127
Expenditure - Functional										
Governance and administration		96,351	115,649	130,543	127,223	128,343	127,979	140,476	130,534	139,639
Executive and council		57,014	72,660	82,575	71,590	71,774	71,410	81,462	69,829	77,166
Finance and administration		39,337	42,989	47,968	55,633	56,569	56,569	59,013	60,706	62,473
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		21,736	24,663	29,780	33,431	35,225	35,225	41,367	39,524	40,694
Community and social services		9,907	11,641	12,387	16,109	14,686	14,686	18,475	15,944	16,407
Health		11,829	13,023	17,393	17,322	20,539	20,539	22,893	23,579	24,287
Economic and environmental services		8,594	9,348	9,664	15,698	15,400	15,400	13,942	13,607	13,835
Planning and development		8,594	9,348	9,664	15,698	15,400	15,400	13,942	13,607	13,835
Other	4	445	175	-	600	600	600	2,350	600	600
Total Expenditure - Functional	3	127,125	149,835	169,987	176,953	179,567	179,204	198,134	184,265	194,768
Surplus/(Deficit) for the year		12,502	2,553	(1,041)	(26,666)	(27,870)	(27,506)	(38,106)	(25,317)	(25,641)

- 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 10 – A3: Budgeted Financial Performance by municipal vote

DC18 Lejweleputswa - Table A3 Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited	Audited	Audited	Original	Adjusted	Full Year	Budget Year	Budget Year	Budget Year
		Outcome	Outcome	Outcome	Budget	Budget	Forecast	2022/23	+1 2023/24	+2 2024/25
R thousand										
Revenue by Vote	1									
Vote 1 - EXECUTIVE & COUNCIL		129,078	145,202	158,594	141,727	141,727	141,727	151,750	151,277	161,456
Vote 2 - FINANCE AND ADMINISTRATION		10,526	7,185	10,352	4,300	5,710	4,300	4,062	4,071	4,071
Vote 3 - PLANNING AND DEVELOPMENT		0	-	-	4,260	4,260	4,260	4,216	3,600	3,600
Total Revenue by Vote	2	139,627	152,388	168,946	150,287	151,697	150,287	160,028	158,948	169,127
Expenditure by Vote to be appropriated	1									
Vote 1 - EXECUTIVE & COUNCIL		57,437	72,660	82,575	71,590	71,774	71,774	81,462	69,829	77,166
Vote 2 - FINANCE AND ADMINISTRATION		38,914	42,989	47,968	55,633	56,569	56,569	59,013	60,706	62,473
Vote 3 - PLANNING AND DEVELOPMENT		8,594	9,348	9,664	15,698	15,400	15,400	13,942	13,607	13,835
Vote 4 - COMMUNITY AND SOCIAL SERVICES		9,907	11,641	12,387	16,109	14,686	14,686	18,475	15,944	16,407
Vote 5 - HEALTH		11,829	13,023	17,393	17,322	20,539	20,539	22,893	23,579	24,287
Vote 6 - OTHER		445	175	-	600	600	600	2,350	600	600
Total Expenditure by Vote	2	127,125	149,835	169,987	176,953	179,567	179,567	198,134	184,265	194,768
Surplus/(Deficit) for the year	2	12,502	2,553	(1,041)	(26,666)	(27,870)	(29,280)	(38,106)	(25,317)	(25,641)

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.

Table 11 – A4: Budgeted Financial Performance by revenue source and expenditure type

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand	1										
Revenue By Source											
Interest earned - external investments		8,372	5,309	8,742	2,850	4,103	4,103	3,339	2,800	2,800	2,800
Interest earned - outstanding debtors		673	544	356	200	200	200	280	165	165	165
Transfers and subsidies		123,200	129,499	142,383	144,655	144,791	144,655	140,138	152,966	155,877	161,056
Other revenue	2	442	332	255	250	271	250	62	97	106	106
Gains		41	1	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		132,727	135,685	151,735	147,955	149,365	149,208	143,819	156,028	158,948	164,127
Expenditure By Type											
Employee related costs	2	72,507	83,626	97,163	104,465	107,755	107,755	107,755	119,885	121,261	124,899
Remuneration of councillors		8,966	9,291	9,356	9,771	10,224	10,224	10,224	10,672	10,992	11,322
Debt impairment	3	611	507	343	-	-	-	-	-	-	-
Depreciation & asset impairment	2	4,015	3,883	2,893	5,680	6,151	5,680	3,406	5,871	6,001	6,020
Finance charges		767	425	94	-	-	-	-	-	-	-
Bulk purchases	2	-	-	-	-	-	-	-	-	-	-
Other materials	8	1,081	1,301	1,401	1,577	2,033	1,906	1,246	2,946	2,160	2,225
Contracted services		11,783	11,247	11,138	16,078	16,961	16,961	10,749	19,915	13,747	14,442
Transfers and subsidies		15,362	25,347	32,060	18,238	17,256	17,161	10,988	15,040	7,775	12,858
Other expenditure	4, 5	11,786	14,021	15,388	21,143	19,188	20,452	12,853	23,806	22,329	23,002
Losses		249	188	150	-	-	-	-	-	-	-
Total Expenditure		127,125	149,835	169,987	176,953	179,567	180,138	157,221	198,134	184,265	194,768
Surplus/(Deficit)		5,602	(14,150)	(18,252)	(28,998)	(30,202)	(30,930)	(13,401)	(42,106)	(25,317)	(30,641)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		6,900	16,703	17,211	2,332	2,332	2,332	1,622	4,000	-	5,000
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		12,502	2,553	(1,041)	(26,666)	(27,870)	(28,598)	(11,779)	(38,106)	(25,317)	(25,641)
Taxation		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		12,502	2,553	(1,041)	(26,666)	(27,870)	(28,598)	(11,779)	(38,106)	(25,317)	(25,641)
Attributable to minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		12,502	2,553	(1,041)	(26,666)	(27,870)	(28,598)	(11,779)	(38,106)	(25,317)	(25,641)
Share of surplus/ (deficit) of associate	7	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year		12,502	2,553	(1,041)	(26,666)	(27,870)	(28,598)	(11,779)	(38,106)	(25,317)	(25,641)

- Transfers recognized-operating, includes the local government equitable share and other operating grants from national and provincial government.

Table 12 – 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	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - EXECUTIVE & COUNCIL		752	385	991	3,450	3,450	3,450	5,349	950	300	300
Vote 2 - FINANCE AND ADMINISTRATION		1,979	382	366	2,400	2,400	2,400	456	2,200	100	100
Vote 3 - PLANNING AND DEVELOPMENT		49	36	28	100	100	100	62	50	50	50
Vote 4 - COMMUNITY AND SOCIAL SERVICES		42	-	41	100	100	100	23	50	50	50
Vote 5 - HEALTH		38	66	248	650	650	650	112	1,750	50	50
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total		2,860	869	1,674	6,700	6,700	6,700	6,003	5,000	550	550
Single-year expenditure to be appropriated	2										
Vote 1 - EXECUTIVE & COUNCIL		-	-	559	3,000	3,000	3,000	9,788	3,100	-	-
Vote 2 - FINANCE AND ADMINISTRATION		-	-	381	3,450	3,450	3,450	720	700	350	350
Capital single-year expenditure sub-total		-	-	940	6,450	6,450	6,450	10,508	3,800	350	350
Total Capital Expenditure - Vote	3,7	2,860	869	2,614	13,150	13,150	13,150	16,511	8,800	900	900
Capital Expenditure - Functional											
Governance and administration		2,731	767	2,296	12,300	12,300	12,300	4,281	6,950	750	750
Executive and council		752	385	1,550	6,450	6,450	6,450	3,868	4,050	300	300
Finance and administration		1,979	382	746	5,850	5,850	5,850	413	2,900	450	450
Internal audit		-	-	-	-	-	-	-	-	-	-
Community and public safety		80	66	289	750	750	750	49	1,800	100	100
Community and social services		42	-	41	100	100	100	12	50	50	50
Health		38	66	248	650	650	650	37	1,750	50	50
Economic and environmental services		49	36	28	100	100	100	31	50	50	50
Planning and development		49	36	28	100	100	100	31	50	50	50
Total Capital Expenditure - Functional	3,7	2,860	869	2,614	13,150	13,150	13,150	4,361	8,800	900	900
Internally generated funds		2,597	869	2,614	13,150	13,150	13,150	4,361	8,800	900	900
Total Capital Funding	7	2,597	869	2,614	13,150	13,150	13,150	4,361	8,800	900	900

- 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 13 – A6: Budgeted Financial Position

DC18 Lejweleputswa - Table A6 Consolidated Budgeted Financial Position

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
ASSETS											
Current assets											
Cash		90,997	19,531	44,390	(17,331)	15,882	15,882	(19,401)	(1,681)	(17,242)	(34,802)
Call investment deposits	1	42,366	115,480	76,987	115,001	76,987	76,987	13,013	76,987	71,660	61,924
Consumer debtors	1	-	-	57	57	57	57	-	57	57	57
Other debtors		766	484	16,552	15,556	3,649	3,649	765	3,614	3,614	3,944
Current portion of long-term receivables		-	-	-	-	-	-	-	-	-	-
Inventory	2	-	-	-	-	-	-	-	-	165	-
Total current assets		134,129	135,495	137,985	113,283	96,574	96,574	(5,622)	78,976	58,254	31,123
Non current assets											
Property, plant and equipment	3	58,863	59,596	65,794	62,797	72,913	72,913	922	56,577	56,759	51,808
Intangible		-	-	-	316	365	365	(102)	1,501	196	27
Other non-current assets		-	-	0	0	0	0	-	0	0	0
Total non current assets		58,863	59,596	65,794	63,113	73,278	73,278	820	58,078	56,955	51,835
TOTAL ASSETS		192,992	195,090	203,779	176,396	169,852	169,852	(4,802)	137,054	115,208	82,958
LIABILITIES											
Current liabilities											
Trade and other payables	4	30,829	25,189	19,969	20,648	10,622	10,622	(2,230)	(1,108)	(8,948)	(11,712)
Provisions		(341)	2,625	16,313	11,445	14,468	14,468	542	14,468	14,468	9,566
Total current liabilities		30,488	27,814	36,282	32,093	25,090	25,090	(1,688)	13,360	5,520	(2,145)
Non current liabilities											
Borrowing		2,721	3,372	-	-	-	-	-	-	-	-
Provisions		3,487	3,736	16,281	18,421	20,904	20,904	-	20,904	20,904	20,904
Total non current liabilities		6,208	7,108	16,281	18,421	20,904	20,904	-	20,904	20,904	20,904
TOTAL LIABILITIES		36,696	34,922	52,563	50,514	45,994	45,994	(1,688)	34,264	26,424	18,758
NET ASSETS	5	156,295	160,169	151,216	125,882	123,858	123,858	(3,114)	102,790	88,784	64,200
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		14,922	5,791	187,495	173,196	169,805	169,805	3,719	148,737	134,731	110,146
Reserves	4	(2,646)	(531)	(45,913)	(43,299)	(45,947)	(45,947)	(4,322)	(45,947)	(45,947)	(45,947)
TOTAL COMMUNITY WEALTH/EQUITY	5	12,276	5,260	141,583	129,897	123,858	123,858	(603)	102,790	88,784	64,200

- 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 14 – A7: Budgeted Cash Flow

DC18 Lejweleputswa - Table A7 Consolidated Budgeted Cash Flows

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Other revenue		108	372	278	250	250	250	356	97	106	106
Transfers and Subsidies - Operational	1	124,431	135,116	152,280	144,655	144,791	144,791	140,203	150,966	148,975	153,976
Transfers and Subsidies - Capital	1	-	-	-	2,332	2,332	2,332	2,332	4,000	-	5,000
Interest		8,601	10,508	4,865	2,850	4,103	4,103	3,128	2,800	2,800	2,800
Payments											
Suppliers and employees		(96,035)	(137,049)	(157,906)	(161,605)	(159,591)	(159,591)	(156,131)	(183,860)	(175,612)	(180,532)
Finance charges		(767)	(486)	(94)	-	-	-	-	-	-	-
Transfers and Grants	1	-	-	-	(8,103)	(10,117)	(10,117)	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		36,337	8,462	(576)	(19,621)	(18,232)	(18,232)	(10,113)	(25,997)	(23,731)	(18,650)
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		420	251	-	-	-	-	(0)	-	-	-
Payments											
Capital assets		(2,805)	(4,069)	(9,964)	(13,150)	(13,150)	(13,150)	(4,361)	(8,800)	(900)	(900)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(2,385)	(3,818)	(9,964)	(13,150)	(13,150)	(13,150)	(4,362)	(8,800)	(900)	(900)
Payments											
Repayment of borrowing		(3,210)	(3,002)	(3,250)	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		(3,210)	(3,002)	(3,250)	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		30,742	1,642	(13,790)	(32,771)	(31,382)	(31,382)	(14,475)	(34,797)	(24,631)	(19,550)
Cash/cash equivalents at the year begin:	2	102,627	133,369	135,011	134,532	121,221	121,221	121,221	121,221	86,424	61,794
Cash/cash equivalents at the year end:	2	133,369	135,011	121,221	101,761	89,839	89,839	106,746	86,424	61,794	42,244

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)

Table 15 – A8: Cash backed reserves/accumulated surplus reconciliation

DC18 Lejweleputswa - Table A8 Consolidated Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Cash and investments available											
Cash/cash equivalents at the year end	1	133,369	135,011	121,221	101,761	89,839	89,839	89,839	86,424	61,794	42,244
Other current investments > 90 days		(6)	0	155	(4,091)	3,029	3,029	3,029	(11,119)	(7,376)	(15,122)
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		133,363	135,011	121,376	97,670	92,868	92,868	92,868	75,306	54,418	27,123
Application of cash and investments											
Unspent conditional transfers		19,433	7,314	27	-	27	27	-	-	(4,902)	(5,080)
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	11,322	17,670	12,367	(1,427)	6,227	8,536	(3,024)	(2,467)	(5,482)	(8,197)
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	43,583	31,965	-	-	-	-	-
Total Application of cash and investments:		30,755	24,983	12,394	42,156	38,219	8,563	(3,024)	(2,467)	(10,384)	(13,277)
Surplus(shortfall)		102,607	110,027	108,982	55,514	54,649	84,306	95,892	77,773	64,802	40,399

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 2022/23 budget is showing a positive outcome.

From the above table it can be seen that the cash and investments available total 79,145 million in the 2022/23 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 16 – A9: Asset Management

DC18 Lejweleputswa - Table A9 Consolidated Asset Management										
Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand										
CAPITAL EXPENDITURE										
Total New Assets	1	1,292	869	2,318	8,150	8,150	8,150	6,300	900	900
Infrastructure		-	-	-	-	-	-	-	-	-
Community Facilities		-	-	29	-	-	-	600	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		-	-	29	-	-	-	600	-	-
Operational Buildings		-	-	-	100	100	100	100	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	100	100	100	100	-	-
Licences and Rights		320	-	-	300	300	300	1,450	300	300
Intangible Assets		320	-	-	300	300	300	1,450	300	300
Computer Equipment		40	98	272	-	-	-	-	-	-
Furniture and Office Equipment		472	661	1,164	2,550	2,550	2,550	900	600	600
Machinery and Equipment		-	-	-	200	200	200	3,250	-	-
Transport Assets		459	109	853	5,000	5,000	5,000	-	-	-
Total Renewal of Existing Assets	2	1,569	-	-	2,000	2,000	2,000	2,000	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		1,569	-	-	2,000	2,000	2,000	2,000	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		1,569	-	-	2,000	2,000	2,000	2,000	-	-
Total Upgrading of Existing Assets	6	-	-	296	3,000	3,000	3,000	500	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	296	3,000	3,000	3,000	500	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	296	3,000	3,000	3,000	500	-	-
Total Capital Expenditure	4	2,860	869	2,614	13,150	13,150	13,150	8,800	900	900
Infrastructure		-	-	-	-	-	-	-	-	-
Community Facilities		-	-	29	-	-	-	600	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		-	-	29	-	-	-	600	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		1,569	-	296	5,100	5,100	5,100	2,600	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		1,569	-	296	5,100	5,100	5,100	2,600	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		320	-	-	300	300	300	1,450	300	300
Intangible Assets		320	-	-	300	300	300	1,450	300	300
Computer Equipment		40	98	272	-	-	-	-	-	-
Furniture and Office Equipment		472	661	1,164	2,550	2,550	2,550	900	600	600
Machinery and Equipment		-	-	-	200	200	200	3,250	-	-
Transport Assets		459	109	853	5,000	5,000	5,000	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		2,860	869	2,614	13,150	13,150	13,150	8,800	900	900

Table 17– A10: Basic Service delivery measurement

DC18 Lejweleputswa - Table A10 Basic service delivery measurement										
Description	Ref	-2018	-2019	-2020	-2021-O	-2021-A	-2021-F	-2022	-2023	-2024
		2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Household service targets	1									
Water:										
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>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:										
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>		-	-	-	-	-	-	-	-	-
Total number of households	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 18– A10: Schedule of key Deadlines

LEJWELEPUTSWA DISTRICT MUNICIPALITY IDP PROCESS PLAN AND BUDGET PROCESS TIME FRAMES FOR 2021-2022

ACTION/ OUTPUT	DELIVERABLE	RESPONSIBLE	ACTION DATE
<i>IDP to be reviewed</i>	Final IDP 2022-2022	<i>MM and Executive Mayor</i>	August 2021 to 31 May 2022
<i>Submit District IDP framework and process plan for adoption by council</i>	Adopted framework and process plan	<i>Municipal Manager</i>	August 2021
<i>Advertise the approved framework & process plan in local newspapers</i>	Advertisement in the local newspapers	<i>Municipal Manager</i>	August 2021
<i>Undertake District-wide Research analysis to assess level of existing development</i>	Updated Situational Analysis	<i>Municipal Manager</i>	Sept 2021 to November 2021
<i>Review key objectives, strategies and projects</i>	Reviewed key Objectives, strategies, projects & programmes	<i>IDP Steering Com & Representative forum</i>	September 2021 to November 2021
<i>Submit budget instructions to all relevant persons</i>		<i>CFO</i>	30 Nov 2021
<i>Submit 2021/ 2022 budget framework to all relevant persons (Budget framework to</i>	Budget Framework	<i>CFO</i>	30 Nov 2021

<i>include salary, operational and capital related information).</i>			
<i>Preparation of a summary of available funds from: Internal funds, e.g. CDF and External funding ,e.g. FM grant</i>		<i>CFO</i>	<i>30 Nov 2021</i>
<i>Prioritize Projects for implementation</i>	Project list	<i>IDP Steering Committee & Rep forum</i>	<i>31 March 2022</i>
<i>Submission of detailed estimates by MM, HODs and Political Offices to CFO.</i>	Budget estimates	<i>MM, HODs and Political Offices</i>	<i>01 Dec 2021</i>
<i>Assess financial feasibility of proposed new projects based on existing and potential funds</i>	Proposed new project list/Budget adjustments	<i>IDP Steering Committee</i>	<i>31Jan 2022</i>
<i>Meeting with relevant officials (First Budget meeting)</i>	budget	<i>CFO</i>	<i>31 Jan 2022</i>
<i>Meeting with relevant officials (Second Budget meeting)</i>		<i>CFO</i>	<i>31 Jan 2022</i>
<i>Meeting with relevant officials (Third Budget meeting)</i>		<i>CFO</i>	<i>31 Jan 2022</i>
<i>Considering of Budget by Finance Portfolio Committee</i>		<i>CFO</i>	<i>28 Feb 2022</i>
<i>Considering of Budget by Mayoral Committee</i>	Mayoral Committee budget item	<i>CFO</i>	<i>28 Feb 2022</i>

<i>Table a</i>	Mayoral committee Budget & IDP item	<i>MM and Executive Mayor</i>	28 Feb 2022
<i>IDP to MAYCO for consideration.</i>			
<i>Tabling of MTEF Budget in Council meeting</i>	budget item to Council	<i>Executive Mayor</i>	30 March 2022
<i>Table 5 year IDP to council for approval</i>	IDP item to Council	<i>Executive Mayor</i>	30 March 2022
<i>Discussing the with the public</i>	Public participation	<i>IDP Rep forum</i>	30 March 2022
<i>Publicize tabled budget within 5 Days after tabling on website & media</i>		<i>MM and CFO</i>	2 Apr 2022
<i>Submit copies of IDP and budget to National /Provincial Treasury</i>		<i>MM and CFO</i>	02 April 2022
<i>Second leg of IDP and Budget Participation process starts. Comments, additions and proposals by stakeholders</i>	Incorporated Inputs from stakeholders	<i>MM, CFO, HODs and Budget Manager</i>	02 April 2022
<i>Mayoral Committee finalizes the IDP and budget</i>		<i>MM and CFO</i>	31 May 2022
<i>Submission of IDP and budget for approval by council</i>	Approved IDP and Budget by Council	<i>MM and CFO</i>	31 May 2022

<i>Presentation of approved final IDP to the public</i>	Informed Public participation	<i>MM, Executive Mayor & IDP Rep forum</i>	31 May 2022
<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 2022
<i>Submit the approved IDP to provincial departments</i>		<i>MM</i>	12 June 2022
<i>Submit SDBIP to Mayor within 14 days after approval of the budget</i>	Final Municipal SDBIP	<i>MM</i>	12 June 2022
<i>Prepare Performance agreements and plans for signing and submission to relevant provincial offices.</i>		<i>MM</i>	31 July 2022
<i>Set up expenditure, revenue and asset management system, incorporating budget.</i>		<i>CFO</i>	31 July 2022

2.2.3 – Tabling of the budget

Once tabled at council, the municipal manager must make public the appropriate budget documentation and submit it to both the national and the relevant provincial treasury and any other government departments as required. At this time, the local community must be invited to submit representations on what is contained in the budget. The municipal budget will be tabled before Council on 31 May 2022.

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 consultation with National and Provincial Treasuries regarding the MTREF is set to take place during April 2022.

An extensive public participation process will be conducted as part of the IDP and Budget Road shows and will commence during April 2022. The overall objective of this road show is to ensure an authentic and inclusive public participation process for the IDP and budget. The planning of these road shows will be driven by a steering committee constituted by politicians and officials from all Directorates.

A complete report regarding the feedback on the public participation process will be included in the Final IDP document.

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 service delivery and budget implementation plan and 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 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 2022/23 MTREF has therefore been directly informed by the IDP and the following tables provide reconciliation between the IDP strategic objectives and goals.

Table 19 – 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	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand												
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	-	-	-	-	-	-	-	-	-

Table 20 – 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	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand												
Allocations to other priorities												
Total Expenditure			1	-	-	-	-	-	-	-	-	-

Table 21 – 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	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand		P										
Allocations to other priorities			3									
Total Capital Expenditure			1	-	-	-	-	-	-	-	-	-

2.5 – Measurable Performance Objectives and Indicators

Tables 22 – SA7: Measurable Performance Objectives

DC18 Lejweleputswa - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Vote 1 - vote name										
Function 1 - (name)										
Sub-function 1 - (name)										
<i>Insert measure/s description</i>										
Sub-function 2 - (name)										
<i>Insert measure/s description</i>										
Sub-function 3 - (name)										
<i>Insert measure/s description</i>										

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

Tables 23 – SA8: Performance Indicators and benchmarks

DC18 Lejweleputswa - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Borrowing Management											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	3,1%	2,3%	2,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	41,7%	55,4%	35,8%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Safety of Capital											
Gearing	Long Term Borrowing/ Funds & Reserves	-102,8%	-634,4%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Liquidity											
Current Ratio	Current assets/current liabilities	4,4	4,9	3,8	3,5	3,8	3,8	3,3	5,4	7,8	(108,9)
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	4,4	4,9	3,8	3,5	3,8	3,8	3,3	5,4	7,8	(108,9)
Liquidity Ratio	Monetary Assets/Current Liabilities	4,4	4,9	3,3	3,0	3,7	3,7	3,8	5,1	7,3	(94,5)
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	0,6%	0,4%	10,9%	10,6%	2,5%	2,5%	0,5%	2,4%	2,3%	2,4%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))										
Creditors to Cash and Investments		0,6%	3,1%	2,6%	7,1%	9,1%	9,1%	-2,1%	0,9%	-3,3%	-9,5%
Other Indicators											
Employee costs	Employee costs/(Total Revenue - capital revenue)	54,6%	61,6%	64,0%	70,6%	72,1%	72,2%	74,9%	76,0%	75,5%	75,3%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	61,4%	68,5%	70,2%	77,3%	78,9%	79,0%		82,5%	82,0%	81,8%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	1,8%	1,8%	1,6%	2,3%	2,3%	2,3%		2,3%	2,2%	2,3%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	3,6%	3,2%	2,0%	3,8%	4,1%	3,8%	2,4%	3,8%	3,8%	3,7%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	0,7	0,8	3,3	0,8	0,8	0,8	1,3	1,1	1,1	1,1
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	14,5	12,4	9,6	8,2	7,0	7,0	8,9	7,0	5,3	3,8
References											
1. Consumer debtors > 12 months old are excluded from current assets											
2. Only include if services provided by the municipality											
Calculation data											
Debtors > 90 days		9 167	10 920	12 659	12 338	12 823	12 861	12 017	12 969	12 878	13 289
Monthly fixed operational expenditure		40,0%	40,0%	40,0%	40,0%	40,0%	40,0%	40,0%	40,0%	40,0%	40,0%
Fixed operational expenditure % assumption		2 860	869	2 614	13 150	13 150	13 150	16 511	12 778	900	900
Own capex		-	-	-	-	-	-	-	-	-	-
Borrowing		-	-	-	-	-	-	-	-	-	-

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 2022/23 MTREF:

- *Capital charges to operating expenditure* are a measure of the cost of borrowing in relation to the operating expenditure.

- 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 over 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 5.7 for 2022/2023

- *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 5.5 ratio for 2022/2023

(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. 112 & 115

The Circulars were issued on 06 December 2021 and 04 March 2022 respectively, and it provides further guidance to municipalities for the preparation of the 2022/23 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. 115, inflation forecasts are estimated at 4.5%, 4.8% ,4.4 % and 4.5% respectively for the years 2022/23 to 2024/25.

2.6.3 – Average salary increases

The MTREF does include increases for employee remuneration and for Councilors remuneration:

The employee related costs comprise 64 % of total operating expenditure in the 2022/23 MTREF budget and places a disproportionate upward pressure on the expenditure budget.

The cost associated with the remuneration of councilors is determined by the Minister of Cooperative Governance and Traditional Affairs in accordance with the Remuneration of Public Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has not been taken into account in compiling the LDM's budget due to financial constraints.

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.

2.6.5 – Implications of restructuring and other major events in the future

Council approved a new organizational structure that reduced the number of directorates from eight to seven. Community Safety was combined with Environmental Affairs to establish the new directorate namely Community Services. Minor changes to the micro structure were also made. These changes were made to streamline service delivery and to affect savings.

2.7 – Other Supporting documents

2.7.1 Investment Particulars by Type

Table 24 – SA15: Investment Particulars by Type

DC18 Lejweleputswa - Supporting Table SA15 Investment particulars by type										
Investment type	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand										
Parent municipality										
Deposits - Bank		48,291	68,135	76,507	115,001	76,987	76,987	76,987	71,660	61,924
Municipality sub-total	1	48,291	68,135	76,507	115,001	76,987	76,987	76,987	71,660	61,924
Entities										
Deposits - Bank		-	-	-	389	389	389	400	379	400
Entities sub-total		-	-	-	389	389	389	400	379	400
Consolidated total:		48,291	68,135	76,507	115,390	77,376	77,376	77,387	72,039	62,325

Table 25 – SA16: Investment Particulars by Maturity

Choose name from list - 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												
<u>Parent municipality</u>														
Municipality sub-total														
<u>Entities</u>														
Entities sub-total														
TOTAL INVESTMENTS AND INTEREST	1													

2.7.2 Borrowings

Table 26– SA17: Borrowing

DC18 Lejweleputswa - Supporting Table SA17 Borrowing

Borrowing - Categorised by type R thousand	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Parent municipality										
Annuity and Bullet Loans		2,721	3,372	-	-	-	-	-	-	-
Municipality sub-total	1	2,721	3,372	-	-	-	-	-	-	-
Entities										
Entities sub-total	1	-	-	-	-	-	-	-	-	-
Total Borrowing	1	2,721	3,372	-	-	-	-	-	-	-
Unspent Borrowing - Categorised by type										
Parent municipality										
Municipality sub-total	1	-	-	-	-	-	-	-	-	-
Entities										
Entities sub-total	1	-	-	-	-	-	-	-	-	-
Total Unspent Borrowing	1	-	-	-	-	-	-	-	-	-

2.7.3 Grants and subsidies

Table 27 – SA18: Transfers and grants receipt

DC18 Lejweleputswa - Supporting Table SA18 Transfers and grant receipts										
Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
RECEIPTS:	1, 2									
<u>Operating Transfers and Grants</u>										
National Government:		123,164	129,350	142,383	144,655	144,655	144,655	152,966	155,877	161,056
Operational Revenue:General Revenue:Equitable Share		33,706	35,429	47,920	138,217	138,217	138,217	144,044	148,826	153,916
Operational:Revenue:General Revenue:Fuel Levy		87,458	91,921	92,463	-	-	-	-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		1,000	1,000	1,000	1,178	1,178	1,178	1,265	-	-
Local Government Financial Management Grant [Schedule 5B]		1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Municipal Systems Improvement Grant		-	-	-	4,260	4,260	4,260	4,216	3,600	3,600
Rural Road Asset Management Systems Grant		-	-	-	-	-	-	2,441	2,451	2,540
Total Operating Transfers and Grants	5	123,164	129,350	142,383	144,655	144,655	144,655	152,966	155,877	161,056
<u>Capital Transfers and Grants</u>										
National Government:		6,900	16,703	17,211	2,332	2,332	2,332	4,000	-	5,000
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		-	3,200	7,597	-	-	-	-	-	-
Municipal Infrastructure Grant [Schedule 5B]		4,619	11,086	7,314	-	-	-	-	-	-
Rural Road Asset Management Systems Grant [Schedule 5B]		2,281	2,417	2,300	2,332	2,332	2,332	-	-	-
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	4,000	-	5,000
Total Capital Transfers and Grants	5	6,900	16,703	17,211	2,332	2,332	2,332	4,000	-	5,000
TOTAL RECEIPTS OF TRANSFERS & GRANTS		130,064	146,053	159,594	146,987	146,987	146,987	156,966	155,877	166,056

Table 28 – SA19: Expenditure on transfers and grants

DC18 Lejweleputswa - Supporting Table SA19 Expenditure on transfers and grant programme										
Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
EXPENDITURE:										
Operating expenditure of Transfers and Grants										
National Government:		114,201	126,587	149,428	174,919	174,666	174,666	194,134	184,265	189,768
Operational Revenue:General Revenue:Equitable Share		26,003	27,078	32,265	43,690	168,228	168,228	185,212	177,214	182,628
Operational:Revenue:General Revenue:Fuel Levy		85,682	97,401	115,163	124,792	-	-	-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		1,000	1,000	1,000	1,178	1,178	1,178	1,265	-	-
Local Government Financial Management Grant [Schedule 5B]		1,516	1,001	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Municipal Disaster Grant [Schedule 5B]		-	107	-	-	-	-	-	-	-
Municipal Systems Improvement Grant		-	-	-	4,260	4,260	4,260	4,216	3,600	3,600
Rural Road Asset Management Systems Grant		-	-	-	-	-	-	2,441	2,451	2,540
Total operating expenditure of Transfers and Grants:		114,201	126,587	149,428	174,919	174,666	174,666	194,134	184,265	189,768
Capital expenditure of Transfers and Grants										
National Government:		6,900	16,703	17,211	2,332	2,332	2,332	4,000	-	5,000
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		-	3,200	7,597	-	-	-	-	-	-
Municipal Infrastructure Grant [Schedule 5B]		4,619	11,086	7,314	-	-	-	-	-	-
Rural Road Asset Management Systems Grant [Schedule 5B]		2,281	2,417	2,300	2,332	2,332	2,332	-	-	-
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	4,000	-	5,000
Total capital expenditure of Transfers and Grants		6,900	16,703	17,211	2,332	2,332	2,332	4,000	-	5,000
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		121,101	143,290	166,639	177,251	176,998	176,998	198,134	184,265	194,768

Table 29 – SA20: Reconciliation of transfers, grants receipts and unspent funds

DC18 Lejweleputswa - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds										
Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand										
Operating transfers and grants:	1,3									
National Government:										
Current year receipts		(1 000)	(2 149)	(2 000)	-	-	-	(11 922)	(1 149)	(6 060)
Conditions met - transferred to revenue		(1 000)	(2 149)	(2 000)	-	-	-	(11 922)	(1 149)	(6 060)
Current year receipts		(36)	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		(36)	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Total operating transfers and grants revenue		(1 036)	(2 149)	(2 000)	-	-	-	(11 922)	(1 149)	(6 060)
Total operating transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		-	-	(8 314)	-	(27)	-	-	-	-
Current year receipts		(26 300)	(5 617)	(8 924)	-	-	-	-	-	-
Conditions met - transferred to revenue		(26 300)	(5 617)	(17 238)	-	(27)	-	-	-	-
Conditions met - transferred to revenue		-	-	-	-	-	-	(350)	(361)	(371)
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	350	361	371
Total capital transfers and grants revenue		(26 300)	(5 617)	(17 238)	-	(27)	-	(350)	(361)	(371)
Total capital transfers and grants - CTBM	2	-	-	-	-	-	-	350	361	371
TOTAL TRANSFERS AND GRANTS REVENUE		(27 336)	(7 766)	(19 238)	-	(27)	-	(12 272)	(1 510)	(6 431)
TOTAL TRANSFERS AND GRANTS - CTBM		-	-	-	-	-	-	350	361	371

Table 30 – SA21: Transfers and grants made by the municipality

DC18 Lejweleputswa - Supporting Table SA21 Transfers and grants made by the municipality											
Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand											
Cash Transfers to other municipalities											
Operational	1	1,083	791	-	-	-	-	-	-	-	-
Capital		4,619	14,286	14,911	-	-	-	-	-	-	-
Total Cash Transfers To Municipalities:		5,703	15,077	14,911	-	-	-	-	-	-	-
Cash Transfers to Entities/Other External Mechanisms											
Operational	2	6,029	6,337	9,733	7,103	9,103	9,103	9,103	500	-	-
Capital		-	-	5,000	-	-	-	-	-	-	-
Total Cash Transfers To Entities/Ems'		6,029	6,337	14,733	7,103	9,103	9,103	9,103	500	-	-
Cash Transfers to Groups of Individuals											
Operational		1,702	1,407	703	1,550	1,350	1,350	738	-	-	-
Capital		-	-	-	-	-	-	-	-	-	-
Total Cash Transfers To Groups Of Individuals:		1,702	1,407	703	1,550	1,350	1,350	738	-	-	-
TOTAL CASH TRANSFERS AND GRANTS	6	13,434	22,821	30,347	8,653	10,453	10,453	9,841	500	-	-
Non-Cash Transfers to other municipalities											
Operational	1	372	-	-	4,260	4,260	4,260	-	4,216	3,600	3,600
Capital		-	-	-	-	-	-	-	4,000	-	5,000
Total Non-Cash Transfers To Municipalities:		372	-	-	4,260	4,260	4,260	-	8,216	3,600	8,600
Non-Cash Transfers to Entities/Other External Mechanisms											
Operational	2	-	-	866	-	-	-	-	-	-	-
Capital		-	-	-	-	-	-	-	-	-	-
Total Non-Cash Transfers To Entities/Ems'		-	-	866	-	-	-	-	-	-	-
Operational	4	30	-	-	-	-	-	-	-	-	-
Capital		-	-	-	-	-	-	-	-	-	-
Total Non-Cash Grants To Organisations		30	-	-	-	-	-	-	-	-	-
Non-Cash Transfers to Groups of Individuals											
Operational	5	1,526	2,526	847	9,585	2,543	2,448	1,147	6,324	4,175	4,258
Capital		-	-	-	-	-	-	-	-	-	-
Total Non-Cash Grants To Groups Of Individuals:		1,526	2,526	847	9,585	2,543	2,448	1,147	6,324	4,175	4,258
TOTAL NON-CASH TRANSFERS AND GRANTS		1,928	2,526	1,713	9,585	6,803	6,708	1,147	14,540	7,775	12,858
TOTAL TRANSFERS AND GRANTS	6	15,362	25,347	32,060	18,238	17,256	17,161	10,988	15,040	7,775	12,858

Table 31 – SA22: Summary of Councillors and staff benefits

DC18 Lejweleputswa - Supporting Table SA22 Summary councillor and staff benefits										
Summary of Employee and Councillor remuneration	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		5,720	5,917	5,993	6,148	6,501	6,501	7,010	7,220	7,437
Pension and UIF Contributions		759	810	805	850	850	850	838	863	889
Medical Aid Contributions		270	307	316	363	363	363	353	363	374
Motor Vehicle Allowance		1,580	1,633	1,619	1,715	1,715	1,715	1,866	1,922	1,979
Cellphone Allowance		637	624	624	695	695	695	606	624	642
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		8,966	9,291	9,356	9,771	10,124	10,124	10,672	10,992	11,322
% increase	4		3.6%	0.7%	4.4%	3.6%	-	5.4%	3.0%	3.0%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		5,672	3,965	4,916	6,194	6,194	6,194	6,400	6,592	6,790
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		793	511	681	933	933	933	964	993	1,022
Motor Vehicle Allowance	3	-	-	-	-	-	-	-	-	-
Cellphone Allowance	3	120	106	115	123	123	123	127	131	135
Sub Total - Senior Managers of Municipality		6,585	4,583	5,712	7,249	7,249	7,249	7,491	7,716	7,947
% increase	4		(30.4%)	24.6%	26.9%	-	-	3.3%	3.0%	3.0%
Other Municipal Staff										
Basic Salaries and Wages		40,881	48,817	53,983	58,166	56,243	56,243	66,196	68,182	70,228
Pension and UIF Contributions		7,332	8,679	9,544	10,570	9,845	9,845	12,459	12,833	13,218
Medical Aid Contributions		3,836	4,552	4,827	4,688	4,738	4,738	5,061	5,213	5,370
Overtime		120	79	11	1,264	1,732	1,732	222	228	235
Performance Bonus		3,355	3,986	4,380	5,356	4,908	4,908	5,516	5,682	5,852
Motor Vehicle Allowance	3	6,709	7,166	8,806	9,207	9,567	9,567	12,971	13,360	13,760
Cellphone Allowance	3	212	215	234	213	213	213	272	281	289
Housing Allowances	3	471	505	550	748	760	760	878	905	932
Other benefits and allowances	3	842	1,146	2,347	1,041	1,033	1,033	2,435	2,508	2,584
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		696	835	874	574	574	574	662	682	703
Post-retirement benefit obligations	6	1,469	3,064	5,895	5,590	10,893	10,893	5,720	3,672	3,782
Sub Total - Other Municipal Staff		65,922	79,043	91,451	97,416	100,505	100,505	112,394	113,546	116,952
% increase	4		19.9%	15.7%	6.5%	3.2%	-	11.8%	1.0%	3.0%
Total Parent Municipality		81,473	92,917	106,519	114,436	117,878	117,878	130,556	132,253	136,221
			14.0%	14.6%	7.4%	3.0%	-	10.8%	1.3%	3.0%
TOTAL SALARY, ALLOWANCES & BENEFITS		81,473	92,917	106,519	114,436	117,878	117,878	130,556	132,253	136,221
% increase	4		14.0%	14.6%	7.4%	3.0%	-	10.8%	1.3%	3.0%
TOTAL MANAGERS AND STAFF	5,7	72,507	83,626	97,163	104,665	107,755	107,755	119,885	121,261	124,899

Table 32 – SA23: Salaries, allowances and benefits (political office bearers/Councillors and senior managers)

DC18 Lejweleputswa - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)								
Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contribution	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4	1	684,746	103,325	47,006	-	-	835,077
Chief Whip		-	-	-	-	-	-	-
Executive Mayor		1	756,575	206,786	46,111	-	-	1,009,472
Deputy Executive Mayor		-	-	-	-	-	-	-
Executive Committee		-	2,886,964	671,581	1,462,428	-	-	5,020,973
Total for all other councillors		-	2,681,638	208,594	915,878	-	-	3,806,110
Total Councillors	8	2	7,009,923	1,190,286	2,471,423			10,671,632
Senior Managers of the Municipality	5							
Municipal Manager (MM)		1	1,507,380	-	38,315	226,107	-	1,771,802
Chief Finance Officer		1	1,196,272	-	30,999	179,441	-	1,406,712
EM: LED and Planning		1	1,232,160	-	19,157	184,824	-	1,436,141
EM: Corporate Services		1	1,232,160	-	19,529	188,413	-	1,440,102
EM: EHS and Disaster Management		1	1,232,161	-	19,157	184,824	-	1,436,142
Total Senior Managers of the Municipality	8,10	5	6,400,133	-	127,157	963,609		7,490,899
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	7	13,410,056	1,190,286	2,598,580	963,609		18,162,531

Table 33 – SA24: Summary of personnel numbers

DC18 Lejweleputswa - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2020/21			Current Year 2021/22			Budget Year 2022/23		
		Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		-	-	-	-	-	-	-	-	-
Board Members of municipal entities	4	-	-	-	-	-	-	-	-	-
Municipal employees	5	-	-	-	-	-	-	-	-	-
Municipal Manager and Senior Managers	3	-	-	-	-	-	-	-	-	-
Other Managers	7	-	-	-	-	-	-	-	-	-
Professionals		-	-	-	-	-	-	-	-	-
Technicians		-	-	-	-	-	-	-	-	-
Clerks (Clerical and administrative)		-	-	-	-	-	-	-	-	-
Service and sales workers		-	-	-	-	-	-	-	-	-
Skilled agricultural and fishery workers		-	-	-	-	-	-	-	-	-
Craft and related trades		-	-	-	-	-	-	-	-	-
Plant and Machine Operators		-	-	-	-	-	-	-	-	-
Elementary Occupations		-	-	-	-	-	-	-	-	-
TOTAL PERSONNEL NUMBERS	9	-	-	-	-	-	-	-	-	-
% increase										
Total municipal employees headcount	6, 10	-	-	-	-	-	-	-	-	-
Finance personnel headcount	8, 10	-	-	-	-	-	-	-	-	-
Human Resources personnel headcount	8, 10	-	-	-	-	-	-	-	-	-

2.7.5 Monthly targets for revenue, expenditure and cash flow

Table 34 – 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 2022/23												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue By Source																
Interest earned - external investments		233	233	233	233	233	233	233	233	233	233	233	233	2,800	2,800	2,800
Interest earned - outstanding debtors		14	14	14	14	14	14	14	14	14	14	14	14	165	165	165
Transfers and subsidies		12,396	12,396	13,450	12,396	12,396	13,450	12,396	12,396	13,450	12,396	12,396	13,450	152,966	155,877	161,056
Other revenue		8	8	8	8	8	8	8	8	8	8	8	8	97	106	106
Gains		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		12,651	12,651	13,705	12,651	12,651	13,705	12,651	12,651	13,705	12,651	12,651	13,705	156,028	158,948	164,127
Expenditure By Type																
Employee related costs		9,885	9,885	9,885	9,885	9,885	9,885	9,885	9,885	9,885	9,885	9,885	11,152	119,885	121,261	124,899
Remuneration of councillors		840	840	840	840	840	840	840	840	840	840	840	1,432	10,672	10,992	11,322
Debt impairment		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment		489	489	489	489	489	489	489	489	489	489	489	489	5,871	6,001	6,020
Other materials		170	170	170	170	170	170	170	170	170	170	170	1,071	2,946	2,160	2,225
Contracted services		1,383	1,383	1,383	1,383	1,383	1,383	1,383	1,383	1,383	1,383	1,383	4,702	19,915	13,747	14,442
Transfers and subsidies		1,316	1,316	1,316	1,316	1,316	1,316	1,316	1,316	1,316	1,316	1,316	566	15,040	7,775	12,858
Other expenditure		1,982	1,982	1,982	1,982	1,982	1,982	1,982	1,982	1,982	1,982	1,982	2,005	23,806	22,329	23,002
Losses		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		16,065	16,065	16,065	16,065	16,065	16,065	16,065	16,065	16,065	16,065	16,065	21,417	198,134	184,265	194,768
Surplus/(Deficit)		(3,414)	(3,414)	(2,360)	(3,414)	(3,414)	(2,360)	(3,414)	(3,414)	(2,360)	(3,414)	(3,414)	(7,712)	(42,106)	(25,317)	(30,641)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		333	333	333	333	333	333	333	333	333	333	333	333	4,000	-	5,000
Surplus/(Deficit) after capital transfers & contributions		(3,081)	(3,081)	(2,027)	(3,081)	(3,081)	(2,027)	(3,081)	(3,081)	(2,027)	(3,081)	(3,081)	(7,379)	(38,106)	(25,317)	(25,641)
Surplus/(Deficit)	1	(3,081)	(3,081)	(2,027)	(3,081)	(3,081)	(2,027)	(3,081)	(3,081)	(2,027)	(3,081)	(3,081)	(7,379)	(38,106)	(25,317)	(25,641)

Table 35 – 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 2022/23												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand																
Revenue by Vote																
Vote 1 - EXECUTIVE & COUNCIL		12,646	12,646	12,646	12,646	12,646	12,646	12,646	12,646	12,646	12,646	12,646	12,646	151,750	151,277	161,456
Vote 2 - FINANCE AND ADMINISTRATION		338	338	338	338	338	338	338	338	338	338	338	339	4,062	4,071	4,071
Vote 3 - PLANNING AND DEVELOPMENT		-	-	1,054	-	-	1,054	-	-	1,054	-	-	1,054	4,216	3,600	3,600
Total Revenue by Vote		12,984	12,984	14,038	12,984	12,984	14,038	12,984	12,984	14,038	12,984	12,984	14,038	160,028	158,948	169,127
Expenditure by Vote to be appropriated																
Vote 1 - EXECUTIVE & COUNCIL		6,282	6,282	6,282	6,282	6,282	6,282	6,282	6,282	6,282	6,282	6,282	12,361	81,462	69,829	77,166
Vote 2 - FINANCE AND ADMINISTRATION		5,014	5,014	5,014	5,014	5,014	5,014	5,014	5,014	5,014	5,014	5,014	3,854	59,013	60,706	62,473
Vote 3 - PLANNING AND DEVELOPMENT		1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	(360)	13,942	13,607	13,835
Vote 4 - COMMUNITY AND SOCIAL SERVICES		1,523	1,523	1,523	1,523	1,523	1,523	1,523	1,523	1,523	1,523	1,523	1,723	18,475	15,944	16,407
Vote 5 - HEALTH		1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,764	22,893	23,579	24,287
Vote 6 - OTHER		25	25	25	25	25	25	25	25	25	25	25	2,075	2,350	600	600
Total Expenditure by Vote		16,065	16,065	16,065	16,065	16,065	16,065	16,065	16,065	16,065	16,065	16,065	21,417	198,134	184,265	194,768
Surplus/(Deficit) before assoc.		(3,081)	(3,081)	(2,027)	(3,081)	(3,081)	(2,027)	(3,081)	(3,081)	(2,027)	(3,081)	(3,081)	(7,379)	(38,106)	(25,317)	(25,641)
Surplus/(Deficit)	1	(3,081)	(3,081)	(2,027)	(3,081)	(3,081)	(2,027)	(3,081)	(3,081)	(2,027)	(3,081)	(3,081)	(7,379)	(38,106)	(25,317)	(25,641)

Table 36 – 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 2022/23												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue - Functional																
<i>Governance and administration</i>		12,984	12,984	12,984	12,984	12,984	12,984	12,984	12,984	12,984	12,984	12,984	12,984	155,812	155,348	165,527
Executive and council		12,646	12,646	12,646	12,646	12,646	12,646	12,646	12,646	12,646	12,646	12,646	12,646	151,750	151,277	161,456
Finance and administration		338	338	338	338	338	338	338	338	338	338	338	339	4,062	4,071	4,071
<i>Economic and environmental services</i>		-	-	1,054	-	-	1,054	-	-	1,054	-	-	1,054	4,216	3,600	3,600
Planning and development		-	-	1,054	-	-	1,054	-	-	1,054	-	-	1,054	4,216	3,600	3,600
Total Revenue - Functional		12,984	12,984	14,038	12,984	12,984	14,038	12,984	12,984	14,038	12,984	12,984	14,038	160,028	158,948	169,127
Expenditure - Functional																
<i>Governance and administration</i>		11,296	11,296	11,296	11,296	11,296	11,296	11,296	11,296	11,296	11,296	11,296	16,215	140,476	130,534	139,639
Executive and council		6,282	6,282	6,282	6,282	6,282	6,282	6,282	6,282	6,282	6,282	6,282	12,361	81,462	69,829	77,166
Finance and administration		5,014	5,014	5,014	5,014	5,014	5,014	5,014	5,014	5,014	5,014	5,014	3,854	59,013	60,706	62,473
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		3,444	3,444	3,444	3,444	3,444	3,444	3,444	3,444	3,444	3,444	3,444	3,487	41,367	39,524	40,694
Community and social services		1,523	1,523	1,523	1,523	1,523	1,523	1,523	1,523	1,523	1,523	1,523	1,723	18,475	15,944	16,407
Health		1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,764	22,893	23,579	24,287
<i>Economic and environmental services</i>		1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	(360)	13,942	13,607	13,835
Planning and development		1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	(360)	13,942	13,607	13,835
<i>Other</i>		25	25	25	25	25	25	25	25	25	25	25	2,075	2,350	600	600
Total Expenditure - Functional		16,065	16,065	16,065	16,065	16,065	16,065	16,065	16,065	16,065	16,065	16,065	21,417	198,134	184,265	194,768
Surplus/(Deficit) before assoc.		(3,081)	(3,081)	(2,027)	(3,081)	(3,081)	(2,027)	(3,081)	(3,081)	(2,027)	(3,081)	(3,081)	(7,379)	(38,106)	(25,317)	(25,641)
Surplus/(Deficit)	1	(3,081)	(3,081)	(2,027)	(3,081)	(3,081)	(2,027)	(3,081)	(3,081)	(2,027)	(3,081)	(3,081)	(7,379)	(38,106)	(25,317)	(25,641)

Table 37 – SA28: Budgeted monthly capital expenditure by municipal vote

DC18 Lejweleputswa - Supporting Table SA28 Consolidated budgeted monthly capital expenditure (municipal vote)																
Description	Ref	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Multi-year expenditure to be appropriated	1															
Vote 1 - EXECUTIVE & COUNCIL		79	79	79	79	79	79	79	79	79	79	79	79	950	300	300
Vote 2 - FINANCE AND ADMINISTRATION		183	183	183	183	183	183	183	183	183	183	183	183	2,200	100	100
Vote 3 - PLANNING AND DEVELOPMENT		4	4	4	4	4	4	4	4	4	4	4	4	50	50	50
Vote 4 - COMMUNITY AND SOCIAL SERVICES		4	4	4	4	4	4	4	4	4	4	4	4	50	50	50
Vote 5 - HEALTH		12	12	12	12	12	12	12	12	12	12	12	1,613	1,750	50	50
Capital multi-year expenditure sub-total	2	283	283	283	283	283	283	283	283	283	283	283	1,883	5,000	550	550
Single-year expenditure to be appropriated																
Vote 1 - EXECUTIVE & COUNCIL		698	698	698	698	698	698	698	698	698	698	698	(4,580)	3,100	-	-
Vote 2 - FINANCE AND ADMINISTRATION		58	58	58	58	58	58	58	58	58	58	58	58	700	350	350
Vote 5 - HEALTH		25	25	25	25	25	25	25	25	25	25	25	(275)	-	-	-
Capital single-year expenditure sub-total	2	781	781	781	781	781	781	781	781	781	781	781	(4,796)	3,800	350	350
Total Capital Expenditure	2	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	(2,913)	8,800	900	900

Table 38 – SA29: Budgeted monthly capital expenditure by standard classification

DC18 Lejweleputswa - Supporting Table SA29 Consolidated budgeted monthly capital expenditure (functional classification)																
Description	Ref	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Capital Expenditure - Functional	1															
<i>Governance and administration</i>		1,019	1,019	1,019	1,019	1,019	1,019	1,019	1,019	1,019	1,019	1,019	(4,259)	6,950	750	750
Executive and council		777	777	777	777	777	777	777	777	777	777	777	(4,500)	4,050	300	300
Finance and administration		242	242	242	242	242	242	242	242	242	242	242	242	2,900	450	450
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		42	42	42	42	42	42	42	42	42	42	42	1,342	1,800	100	100
Community and social services		4	4	4	4	4	4	4	4	4	4	4	4	50	50	50
Health		37	37	37	37	37	37	37	37	37	37	37	1,338	1,750	50	50
<i>Economic and environmental services</i>		4	4	4	4	4	4	4	4	4	4	4	4	50	50	50
Planning and development		4	4	4	4	4	4	4	4	4	4	4	4	50	50	50
Total Capital Expenditure - Functional	2	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	(2,913)	8,800	900	900
Internally generated funds		1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	(2,913)	8,800	900	900
Total Capital Funding		1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	(2,913)	8,800	900	900

Table 39 – SA30: Budgeted monthly cash flow

DC18 Lejweleputswa - Supporting Table SA30 Consolidated budgeted monthly cash flow															
MONTHLY CASH FLOWS	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24
Cash Receipts By Source													1		
Interest earned - outstanding debtors	233	233	233	233	233	233	233	233	233	233	233	233	2,800	2,800	2,800
Transfers and Subsidies - Operational	12,229	12,229	13,283	12,229	12,229	13,283	12,229	12,229	13,283	12,229	12,229	13,283	150,966	148,975	153,976
Other revenue	8	8	8	8	8	8	8	8	8	8	8	8	97	106	106
Cash Receipts by Source	12,471	12,471	13,525	12,471	12,471	13,525	12,471	12,471	13,525	12,471	12,471	13,525	153,863	151,881	156,882
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	333	333	333	333	333	333	333	333	333	333	333	333	4,000	-	5,000
Total Cash Receipts by Source	12,804	12,804	13,858	12,804	12,804	13,858	12,804	12,804	13,858	12,804	12,804	13,858	157,863	151,881	161,882
Cash Payments by Type															
Employee related costs	(10,725)	(10,725)	(10,725)	(10,725)	(10,725)	(10,725)	(10,725)	(10,725)	(10,725)	(10,725)	(10,725)	(12,583)	(130,556)	(132,253)	(136,221)
Other expenditure	(3,864)	(3,864)	(3,864)	(3,864)	(3,864)	(3,864)	(3,864)	(3,864)	(3,864)	(3,864)	(3,864)	(10,798)	(53,303)	(43,358)	(44,311)
Cash Payments by Type	(14,589)	(14,589)	(14,589)	(14,589)	(14,589)	(14,589)	(14,589)	(14,589)	(14,589)	(14,589)	(14,589)	(23,382)	(183,860)	(175,612)	(180,532)
Total Cash Payments by Type	(14,589)	(14,589)	(14,589)	(14,589)	(14,589)	(14,589)	(14,589)	(14,589)	(14,589)	(14,589)	(14,589)	(32,182)	(192,660)	(176,512)	(181,432)
NET INCREASE/(DECREASE) IN CASH HELD	(1,785)	(1,785)	(731)	(1,785)	(1,785)	(731)	(1,785)	(1,785)	(731)	(1,785)	(1,785)	(18,324)	(34,797)	(24,631)	(19,550)
Cash/cash equivalents at the monthly year begin:	121,221	119,436	117,651	116,920	115,135	113,350	112,619	110,834	109,049	108,318	106,533	104,748	121,221	86,424	61,794
Cash/cash equivalents at the monthly year end:	119,436	117,651	116,920	115,135	113,350	112,619	110,834	109,049	108,318	106,533	104,748	86,424	86,424	61,794	42,244

Table 40 – SA31: Aggregate entity budget

DC18 Lejweleputswa - Supporting Table SA31 Aggregated entity budget

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R million										
Financial Performance										
Investment revenue		0	0	0	0	0	0	0	0	0
Transfers recognised - operational		8	10	15	7	7	7	7	9	9
Other own revenue		0	0	1	8	8	8	6	5	-
Total Revenue (excluding capital transfers and contributions)		8	10	16	16	16	16	14	14	10
Employee costs		(4)	(4)	(5)	(5)	(5)	(5)	(6)	(6)	(6)
Remuneration of Board Members		(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Depreciation & asset impairment		(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Other expenditure		(2)	(6)	(3)	(10)	(10)	(10)	(8)	(8)	(3)
Total Expenditure		(6)	(11)	(9)	(16)	(16)	(16)	(14)	(14)	(10)
Surplus/(Deficit)		2	(0)	8	(0)	0	0	0	(0)	(0)
Capital expenditure & funds sources										
Capital expenditure										
Transfers recognised - capital		2	-	-	-	-	-	-	-	-
Public contributions & donations		-	-	-	-	-	-	-	-	-
Borrowing		-	-	-	-	-	-	-	-	-
Internally generated funds		-	0	1	1	1	1	0	0	0
Total sources		2	0	1	1	1	1	0	0	0
Financial position										
Total current assets		2	2	10	2	2	2	2	2	2
Total non current assets		1	1	1	0	0	0	0	0	0
Total current liabilities		2	2	3	-	-	-	-	-	-
Total non current liabilities		-	-	-	-	-	-	-	-	-
Equity		1	0	8	2	2	2	2	2	2
Cash flows										
Net cash from (used) operating		3	(0)	9	0	0	0	0	0	0
Net cash from (used) investing		(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Net cash from (used) financing		-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the year end		2	(1)	8	-	-	-	-	-	-

2.7.6 External mechanisms

Table 41 – SA32: List of external mechanisms

Choose name from list - Supporting Table SA32 List of external mechanisms

External mechanism Name of organisation	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
		Number			R thousand

Table 42 – SA33: Contracts having future budgetary implications

DC18 Lejweleputswa - Supporting Table SA33 Contracts having future budgetary implications

Description	Ref	Preceding Years	Current Year 2021/22	2022/23 Medium Term Revenue & Expenditure Framework			Forecast 2025/26	Forecast 2026/27	Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Forecast 2030/31	Forecast 2031/32	Total Contract Value
				Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25								
R thousand	1,3	Total	Original Budget											
Parent Municipality:														
Revenue Obligation By Contract	2													
<i>Contract 1</i>														
Total Operating Revenue Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Expenditure Obligation By Contract	2													
<i>Contract 1</i>														
Total Operating Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Expenditure Obligation By Contract	2													
<i>Contract 1</i>														
<i>Contract 20</i>														
Total Capital Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Parent Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Entities:														
Revenue Obligation By Contract	2													
<i>Contract 1</i>														
Total Operating Revenue Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Expenditure Obligation By Contract	2													
<i>Contract 1</i>														
Total Operating Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Expenditure Obligation By Contract	2													
<i>Contract 1</i>														
<i>Contract 20</i>														
Total Capital Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Entity Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-

2.7.7 Capital expenditure details

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

Table 43 – 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	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand	1									
Community Assets		-	-	29	-	-	-	600	-	-
Community Facilities		-	-	29	-	-	-	600	-	-
Centres		-	-	29	-	-	-	600	-	-
Intangible Assets		320	-	-	300	300	300	1,450	300	300
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		320	-	-	300	300	300	1,450	300	300
Computer Software and Applications		-	-	-	300	300	300	1,450	300	300
Load Settlement Software Applications		320	-	-	-	-	-	-	-	-
Computer Equipment		40	98	272	-	-	-	-	-	-
Computer Equipment		40	98	272	-	-	-	-	-	-
Furniture and Office Equipment		472	661	1,164	2,550	2,550	2,550	900	600	600
Furniture and Office Equipment		472	661	1,164	2,550	2,550	2,550	900	600	600
Machinery and Equipment		-	-	-	200	200	200	3,250	-	-
Machinery and Equipment		-	-	-	200	200	200	3,250	-	-
Transport Assets		459	109	853	5,000	5,000	5,000	-	-	-
Transport Assets		459	109	853	5,000	5,000	5,000	-	-	-
Total Capital Expenditure on new assets	1	1,292	869	2,318	8,150	8,150	8,150	6,300	900	900

Table 44 – SA34b: Capital Expenditure on the renewal of assets by asset class

DC18 Lejweleputswa - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand	1									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Other assets		1,569	–	–	2,000	2,000	2,000	2,000	–	–
Operational Buildings		1,569	–	–	2,000	2,000	2,000	2,000	–	–
Municipal Offices		1,569	–	–	2,000	2,000	2,000	2,000	–	–
Total Capital Expenditure on renewal of existing assets	1	1,569	–	–	2,000	2,000	2,000	2,000	–	–
Renewal of Existing Assets as % of total capex		0.0%	0.0%	0.0%	15.2%	15.2%	15.2%	11.9%	0.0%	0.0%
Renewal of Existing Assets as % of deprecn"		39.1%	0.0%	0.0%	35.2%	35.2%	35.2%	34.1%	0.0%	0.0%

Table 45 – SA34c: Repairs and maintenance expenditure by asset class

DC18 Lejweleputswa - Supporting Table SA34c Consolidated repairs and maintenance by asset class

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		2 281	2 417	2 300	2 332	2 332	2 332	2 441	2 451	2 540
Roads Infrastructure		2 281	2 417	2 300	2 332	2 332	2 332	2 441	2 451	2 540
Roads		–	–	–	–	–	–	–	–	–
Road Structures		2 281	2 417	2 300	2 332	2 332	2 332	2 441	2 451	2 540
Other assets		–	–	52	671	571	571	693	714	736
Operational Buildings		–	–	52	671	571	571	693	714	736
Municipal Offices		–	–	52	671	571	571	693	714	736
Computer Equipment		–	–	44	89	89	89	112	115	119
Computer Equipment		–	–	44	89	89	89	112	115	119
Furniture and Office Equipment		–	–	–	131	131	131	135	139	144
Furniture and Office Equipment		–	–	–	131	131	131	135	139	144
Machinery and Equipment		4	25	31	175	275	275	149	154	158
Machinery and Equipment		4	25	31	175	275	275	149	154	158
Transport Assets		66	–	–	–	–	–	–	–	–
Transport Assets		66	–	–	–	–	–	–	–	–
Total Repairs and Maintenance Expenditure	1	2 351	2 442	2 427	3 398	3 398	3 398	3 531	3 573	3 696
R&M as a % of PPE		4,0%	4,1%	3,7%	5,4%	4,7%	4,7%	382,8%	5,8%	6,5%
R&M as % Operating Expenditure		1,8%	1,6%	1,4%	1,9%	1,9%	1,9%	2,2%	1,9%	2,0%

Table 46 – SA34d: Depreciation by asset class

DC18 Lejweleputswa - Supporting Table SA34d Consolidated Depreciation by asset class

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		-	-	-	-	-	-	-	-	-
<i>Roads</i>		-	-	-	-	-	-	-	-	-
Other assets		2,463	2,522	2,307	2,447	2,919	2,919	2,529	2,604	2,677
Operational Buildings		2,463	2,522	2,307	2,447	2,919	2,919	2,529	2,604	2,677
<i>Municipal Offices</i>		2,463	2,522	2,307	2,447	2,919	2,919	2,529	2,604	2,677
Intangible Assets		353	249	106	427	427	427	442	455	469
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		353	249	106	427	427	427	442	455	469
<i>Computer Software and Applications</i>		353	249	106	427	427	427	442	455	469
<i>Load Settlement Software Applications</i>		-	-	-	-	-	-	-	-	-
<i>Unspecified</i>		-	-	-	-	-	-	-	-	-
Computer Equipment		213	371	(92)	542	542	542	560	572	570
Computer Equipment		213	371	(92)	542	542	542	560	572	570
Furniture and Office Equipment		187	371	343	990	990	990	1,023	1,039	995
Furniture and Office Equipment		187	371	343	990	990	990	1,023	1,039	995
Machinery and Equipment		7	17	43	460	460	460	475	486	479
Machinery and Equipment		7	17	43	460	460	460	475	486	479
Transport Assets		784	345	181	814	814	814	842	845	830
Transport Assets		784	345	181	814	814	814	842	845	830
Total Depreciation	1	4,007	3,873	2,888	5,680	6,151	6,151	5,871	6,001	6,020

Table 47– SA34e:

DC18 Lejweleputswa - Supporting Table SA34e Consolidated capital expenditure on the upgrading of existing assets by asset class

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand	1									
Other assets		-	-	296	3 000	3 000	3 000	500	-	-
Operational Buildings		-	-	296	3 000	3 000	3 000	500	-	-
Municipal Offices		-	-	296	3 000	3 000	3 000	500	-	-
Total Capital Expenditure on upgrading of existing assets	1	-	-	296	3 000	3 000	3 000	500	-	-
Upgrading of Existing Assets as % of total capex		0,0%	0,0%	11,3%	22,8%	22,8%	22,8%	3,9%	0,0%	0,0%
Upgrading of Existing Assets as % of deprecn"		0,0%	0,0%	10,2%	52,8%	48,8%	48,8%	8,5%	0,0%	0,0%

Table 48 – SA35: Future financial implications of the capital budget

DC18 Lejweleputswa - Supporting Table SA35 Consolidated future financial implications of the capital budget

Vote Description	Ref	2022/23 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25	Forecast 2025/26	Forecast 2026/27	Forecast 2027/28	Present value
R thousand								
Capital expenditure	1							
Vote 1 - EXECUTIVE & COUNCIL		4,050	300	300				
Vote 2 - FINANCE AND ADMINISTRATION		2,900	450	450				
Vote 3 - PLANNING AND DEVELOPMENT		50	50	50				
Vote 4 - COMMUNITY AND SOCIAL SERVICES		50	50	50				
Vote 5 - HEALTH		1,750	50	50				
Total Capital Expenditure		8,800	900	900	-	-	-	-
Future operational costs by vote	2							
Vote 1 - EXECUTIVE & COUNCIL		77,412	69,529	76,866				
Vote 2 - FINANCE AND ADMINISTRATION		56,113	60,256	62,023				
Vote 3 - PLANNING AND DEVELOPMENT		13,892	13,557	13,785				
Vote 4 - COMMUNITY AND SOCIAL SERVICES		18,425	15,894	16,357				
Vote 5 - HEALTH		21,143	23,529	24,237				
Vote 6 - OTHER		2,350	600	600				
Total future operational costs		189,334	183,365	193,868	-	-	-	-
Future revenue by source	3							
Interest earned - external investments		2,800	2,800	2,800				
Interest earned - outstanding debtors		165	165	165				
Transfers and subsidies		152,966	155,877	161,056				
Other revenue		97	106	106				
Gains		-	-	-				
Transfers and subsidies - capital (monetary allocations) (National / Provincial and Dist		4,000	-	5,000				
Total future revenue		160,028	158,948	169,127	-	-	-	-
Net Financial Implications		38,106	25,317	25,641	-	-	-	-

2.7.8 Detailed capital budget per municipal vote

Table 49 – SA36: Detailed capital budget per municipal vote

Choose name from list - Supporting Table SA36 Detailed capital budget

R thousand	Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location
Parent municipality: <i>List all capital projects grouped by Function</i>										
Parent Capital expenditure										
Entities: <i>List all capital projects grouped by Entity</i>										
Entity Capital expenditure										
Total Capital expenditure										

Table 50 – SA37: Projects delayed from previous financial years

Choose name from list - Supporting Table SA37 Projects delayed from previous financial years

R thousand	Function	Project name	Project number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Previous target year to complete	Current Year 2020/21		2021/22 Medium Term Revenue & Expenditure Framework		
														Original Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Parent municipality: <i>List all capital projects grouped by Function</i>																		
Entities: <i>List all capital projects grouped by Entity</i>																		
Entity Name <i>Project name</i>																		

Table 51 – SA38: Operational Projects

Choose name from list - 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		2021/22 Medium Term Revenue & Expenditure Framework			Project information
										Audited Outcome 2019/20	Current Year 2020/21 Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	Ward location
R thousand	4			2	6			5							
Parent municipality: <i>List all operational projects grouped by Municipal Vote</i>															
Parent operational expenditure	1											-	-	-	
Entities: <i>List all operational projects grouped by Entity</i>															
Entity A Water project A															
Entity B Electricity project B															
Entity Operational expenditure										-	-	-	-	-	
Total Operational expenditure										-	-	-	-	-	

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

Table 52 – SA1: Supporting detail to Statement of Financial Performance

DC18 Lejweleputswa - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand											
Other Revenue by source											
Operational Revenue		442	332	255	250	271	250	62	97	106	106
Total 'Other' Revenue	1	442	332	255	250	271	250	62	97	106	106
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	46,553	52,781	58,899	64,360	62,437	62,437	62,437	72,596	74,774	77,017
Pension and UIF Contributions		7,332	8,679	9,544	10,370	9,845	9,845	9,845	12,459	12,833	13,218
Medical Aid Contributions		3,836	4,552	4,827	4,688	4,738	4,738	4,738	5,061	5,213	5,370
Overtime		120	79	11	-	-	-	-	222	228	235
Performance Bonus		4,149	4,497	5,061	6,288	5,840	5,840	5,840	6,480	6,674	6,875
Motor Vehicle Allowance		6,709	7,166	8,806	9,207	9,567	9,567	9,567	12,971	13,360	13,760
Cellphone Allowance		332	321	349	336	336	336	336	400	412	424
Housing Allowances		471	505	550	748	760	760	760	878	905	932
Other benefits and allowances		842	1,146	2,347	2,304	2,764	2,764	2,764	2,435	2,508	2,584
Payments in lieu of leave		-	-	-	-	-	-	-	-	-	-
Long service awards		696	835	874	662	662	662	662	662	682	703
Post-retirement benefit obligations		1,469	3,064	5,895	5,502	10,805	10,805	10,805	5,720	3,672	3,782
sub-total	5	72,507	83,626	97,163	104,465	107,755	107,755	107,755	119,885	121,261	124,899
<i>Less: Employees costs capitalised to PPE</i>		-	-	-	-	-	-	-	-	-	-
Total Employee related costs	1	72,507	83,626	97,163	104,465	107,755	107,755	107,755	119,885	121,261	124,899
Contributions recognised - capital											
<i>List contributions by contract</i>		-	-	-	-	-	-	-	-	-	-
Total Contributions recognised - capital		-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment		3,662	3,629	2,787	5,252	5,724	5,252	3,304	5,430	5,546	5,551
Lease amortisation		353	249	106	427	427	427	102	442	455	469
Capital asset impairment		-	5	-	-	-	-	-	-	-	-
Depreciation resulting from revaluation of PPE		-	-	-	-	-	-	-	-	-	-
Total Depreciation & asset impairment	10	4,015	3,883	2,893	5,680	6,151	5,680	3,406	5,871	6,001	6,020
Cash transfers and grants		13,434	22,821	30,347	8,653	10,453	10,453	9,841	500	-	-
Non-cash transfers and grants		1,928	2,526	1,713	9,585	6,803	6,708	1,147	14,540	7,775	12,858
Total transfers and grants	1	15,362	25,347	32,060	18,238	17,256	17,161	10,988	15,040	7,775	12,858
Contracted services											
<i>Outsourced Services</i>		5,742	5,805	5,203	5,173	5,793	5,793	3,696	8,723	4,017	4,114
<i>Consultants and Professional Services</i>		4,598	3,967	4,162	7,944	8,677	8,677	6,244	6,488	6,286	6,793
<i>Contractors</i>		1,443	1,475	1,773	2,961	2,491	2,491	810	4,704	3,443	3,535

Other Expenditure By Type												
Collection costs		-	-	-	-	-	-	-	-	-	-	-
Contributions to 'other' provisions		-	-	-	-	-	-	-	-	-	-	-
Audit fees		2,226	2,623	2,930	3,300	3,300	3,300	3,200	3,465	3,569	3,676	
General expenses	3											
<i>Operating Leases</i>		1,052	919	899	1,155	1,129	1,129	390	1,155	1,190	1,226	
<i>Operational Cost</i>		8,508	10,479	11,559	16,688	14,759	16,022	9,263	19,185	17,570	18,101	
<i>Statutory Payments other than Income Taxes</i>		-	-	-	-	-	-	-	-	-	-	
<i>Discontinued Operations</i>		-	-	-	-	-	-	-	-	-	-	
Total 'Other' Expenditure	1	11,786	14,021	15,388	21,143	19,188	20,452	12,853	23,806	22,329	23,002	
									-	-	-	
Repairs and Maintenance	8								0	0	0	
Employee related costs		-	-	-	-	-	-	-	-	-	-	
Other materials		-	-	-	-	-	-	-	-	-	-	
Contracted Services		2,351	2,442	2,427	3,398	3,398	3,398	1,905	3,531	3,573	3,696	
Other Expenditure		-	-	-	-	-	-	-	-	-	-	
Total Repairs and Maintenance Expenditure	9	2,351	2,442	2,427	3,398	3,398	3,398	1,905	3,531	3,573	3,696	
Inventory Consumed												
Inventory Consumed - Water		-	-	-	-	-	-	-	-	-	-	
Inventory Consumed - Other		(93,500)	(97,740)	(106,546)	(120,104)	(119,483)	(119,483)	(4,209)	(103,312)	(103,610)	(98,664)	
Total Inventory Consumed & Other Material		(93,500)	(97,740)	(106,546)	(120,104)	(119,483)	(119,483)	(4,209)	(103,312)	(103,610)	(98,664)	

Table 53 – 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 -	Vote 2 -	Vote 3 -	Vote 4 -	Vote 5 -	Vote 6 -	Vote 7 -	Vote 8 -	Vote 9 -	Vote 10 -	Vote 11 -	Vote 12 -	Vote 13 -	Vote 14 -	Vote 15 -	Total
		EXECUTIVE & COUNCIL	FINANCE AND ADMINISTRATION	PLANNING AND DEVELOPMENT	COMMUNITY AND SOCIAL SERVICES	HEALTH	OTHER	[NAME OF VOTE 7]	[NAME OF VOTE 8]	[NAME OF VOTE 9]	[NAME OF VOTE 10]	[NAME OF VOTE 11]	[NAME OF VOTE 12]	[NAME OF VOTE 13]	[NAME OF VOTE 14]	[NAME OF VOTE 15]	
R thousand	1																
Revenue By Source																	
Interest earned - external investments		-	2,800	-	-	-	-	-	-	-	-	-	-	-	-	-	2,800
Interest earned - outstanding debtors		-	165	-	-	-	-	-	-	-	-	-	-	-	-	-	165
Other revenue		-	97	-	-	-	-	-	-	-	-	-	-	-	-	-	97
Transfers and subsidies		147,750	1,000	4,216	-	-	-	-	-	-	-	-	-	-	-	-	152,966
Gains		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		147,750	4,062	4,216	-	-	-	-	-	-	-	-	-	-	-	-	156,028
Expenditure By Type																	
Employee related costs		36,116	41,580	8,885	12,229	21,076	-	-	-	-	-	-	-	-	-	-	119,885
Remuneration of councillors		10,672	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10,672
Debt impairment		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment		577	3,075	87	1,987	146	-	-	-	-	-	-	-	-	-	-	5,871
Finance charges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials		1,369	1,231	101	97	148	-	-	-	-	-	-	-	-	-	-	2,946
Contracted services		13,786	2,800	116	2,570	642	-	-	-	-	-	-	-	-	-	-	19,915
Transfers and subsidies		7,474	-	4,216	1,000	-	2,350	-	-	-	-	-	-	-	-	-	15,040
Other expenditure		11,469	10,327	537	592	880	-	-	-	-	-	-	-	-	-	-	23,806
Losses		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		81,462	59,013	13,942	18,475	22,893	2,350	-	-	-	-	-	-	-	-	-	198,134
Surplus/(Deficit)		66,288	(54,951)	(9,726)	(18,475)	(22,893)	(2,350)	-	-	-	-	-	-	-	-	-	(42,106)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		4,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,000
Surplus/(Deficit) after capital transfers & contributions		70,288	(54,951)	(9,726)	(18,475)	(22,893)	(2,350)	-	-	-	-	-	-	-	-	-	(38,106)

Table 54 – SA3: Supporting detail to Statement of Financial Position

DC18 Lejweleputswa - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand											
ASSETS											
Call investment deposits											
Call deposits		42,366	115,480	76,987	115,001	76,987	76,987	13,013	76,987	71,660	61,924
Other current investments		-	-	-	-	-	-	-	-	-	-
Total Call investment deposits	2	42,366	115,480	76,987	115,001	76,987	76,987	13,013	76,987	71,660	61,924
Consumer debtors											
Consumer debtors		-	-	57	57	57	57	-	57	57	57
Less: Provision for debt impairment		-	-	-	-	-	-	-	-	-	-
Total Consumer debtors	2	-	-	57	57	57	57	-	57	57	57
Property, plant and equipment (PPE)											
PPE at cost/v aluation (ex cl. finance leases)		93,500	97,740	106,489	106,646	119,426	119,426	4,209	103,255	103,553	98,607
Leases recognised as PPE	3	-	-	-	-	-	-	-	-	-	-
Less: Accumulated depreciation		(34,637)	(38,144)	(40,695)	(43,849)	(46,513)	(46,513)	(3,287)	(46,678)	(46,794)	(46,800)
Total Property, plant and equipment (PPE)	2	58,863	59,596	65,794	62,797	72,913	72,913	922	56,577	56,759	51,808
Trade and other payables											
Trade Payables		851	4,221	3,165	7,247	8,193	8,193	(2,230)	(1,108)	(4,046)	(6,632)
Other Creditors		10,545	13,654	16,777	-	2,401	2,401	-	-	-	-
Unspent conditional transfers		19,433	7,314	27	-	27	27	-	-	(4,902)	(5,080)
VAT		-	-	-	13,402	-	-	-	-	-	-
Total Trade and other payables	2	30,829	25,189	19,969	20,648	10,622	10,622	(2,230)	(1,108)	(8,948)	(11,712)
Non current liabilities - Borrowing											
Borrowing	4	2,721	3,372	-	-	-	-	-	-	-	-
Finance leases (including PPP asset element)		-	-	-	-	-	-	-	-	-	-
Total Non current liabilities - Borrowing		2,721	3,372	-	-	-	-	-	-	-	-
Provisions - non-current											
Retirement benefits		-	-	12,401	12,401	14,246	14,246	-	14,246	14,246	14,246
List other major provision items		-	-	-	-	-	-	-	-	-	-
Refuse landfill site rehabilitation		-	-	-	-	-	-	-	-	-	-
Other		3,487	3,736	3,880	6,020	6,658	6,658	-	6,658	6,658	6,658
Total Provisions - non-current		3,487	3,736	16,281	18,421	20,904	20,904	-	20,904	20,904	20,904
CHANGES IN NET ASSETS											
Accumulated Surplus/(Deficit)											
Accumulated Surplus/(Deficit) - opening balance		140,521	-	-	200,145	197,675	197,675	-	186,843	160,048	135,787

GRAP adjustments		-	(2,567)	(4,760)	-			(603)	-	-	-
Restated balance		140,521	(2,567)	(4,760)	200,145	197,675	197,675	(603)	186,843	160,829	135,897
Surplus/(Deficit)		12,502	2,553	(1,041)	(26,666)	(27,870)	(27,870)	-	(38,106)	(26,097)	(25,750)
Transfers to/from Reserves		2,630	871	2,614	-	-	-	4,322	-	-	-
Depreciation offsets		-	-	-	-	-	-	-	-	-	-
Other adjustments		-	-	20	-	-	-	-	-	-	-
Accumulated Surplus/(Deficit)	1	155,653	856	(3,167)	173,479	169,805	169,805	3,719	148,737	134,731	110,147
Reserves											
Housing Development Fund		-	-	-	-	-	-	-	-	-	-
Capital replacement		(2,597)	(558)	(45,494)	(42,880)	(45,494)	(45,494)	(4,322)	(45,494)	(45,494)	(45,494)
Self-insurance		-	-	-	-	-	-	-	-	-	-
Capitalisation Reserve		(16)	-	(453)	(453)	(453)	(453)	-	(453)	(453)	(453)
Revaluation		(34)	27	34	34	-	-	-	-	-	-
Total Reserves	2	(2,646)	(531)	(45,913)	(43,299)	(45,947)	(45,947)	(4,322)	(45,947)	(45,947)	(45,947)
TOTAL COMMUNITY WEALTH/EQUITY	2	153,007	324	(49,080)	130,181	123,858	123,858	(603)	102,790	88,785	64,200

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 2022/2023 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)**

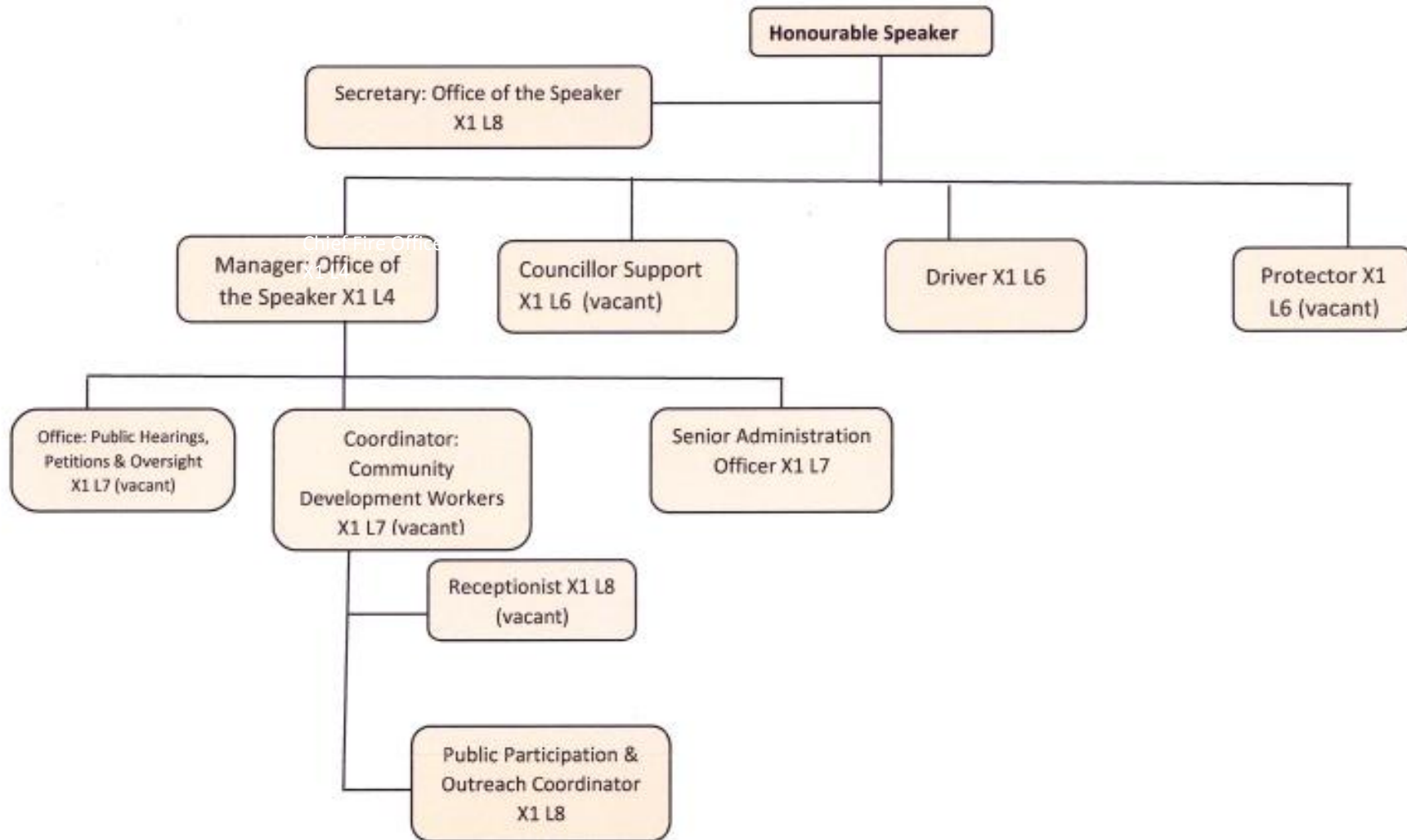
Signature

Date

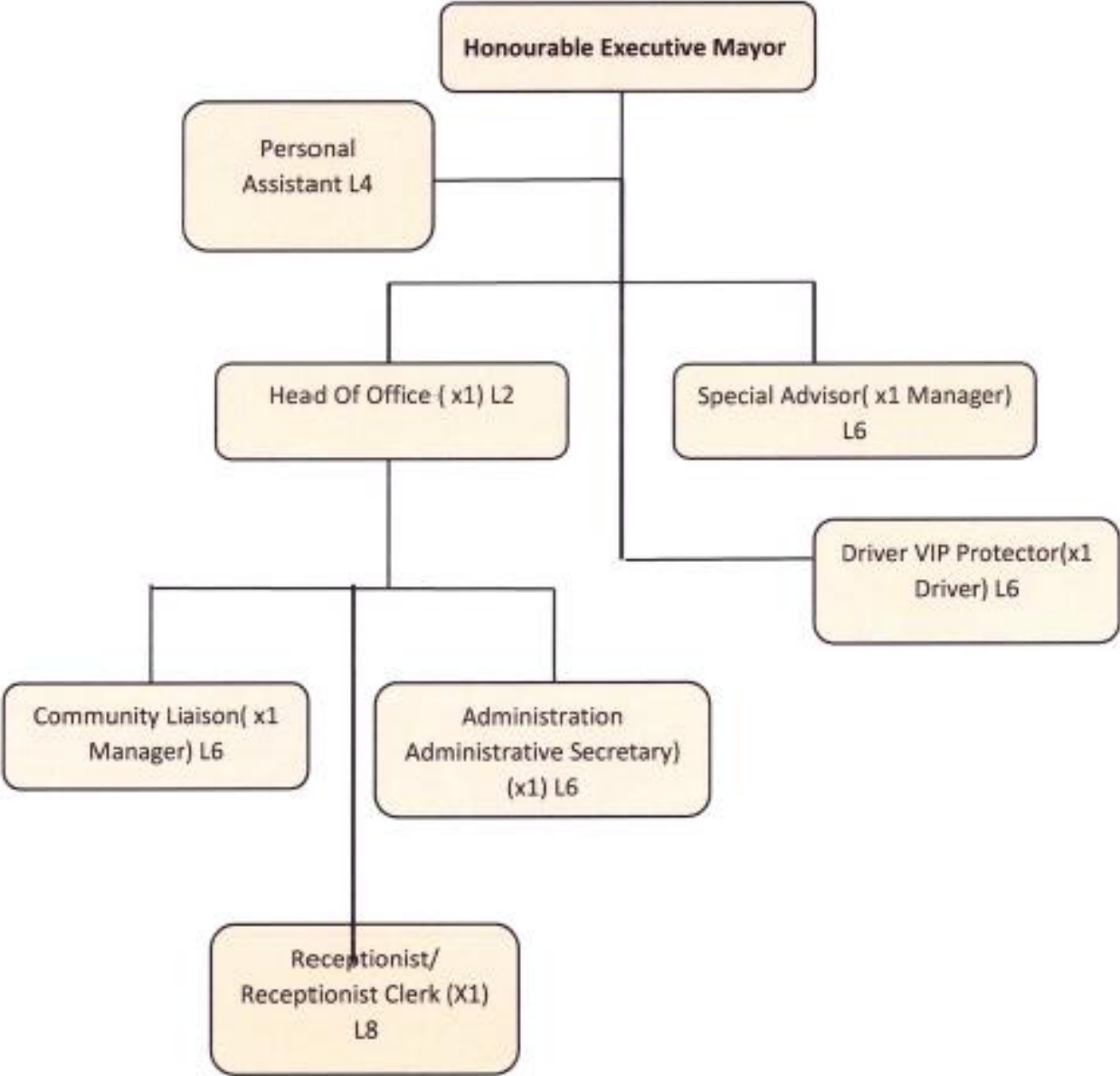
ORGANISATIONAL STRUCTURE

2022-2023

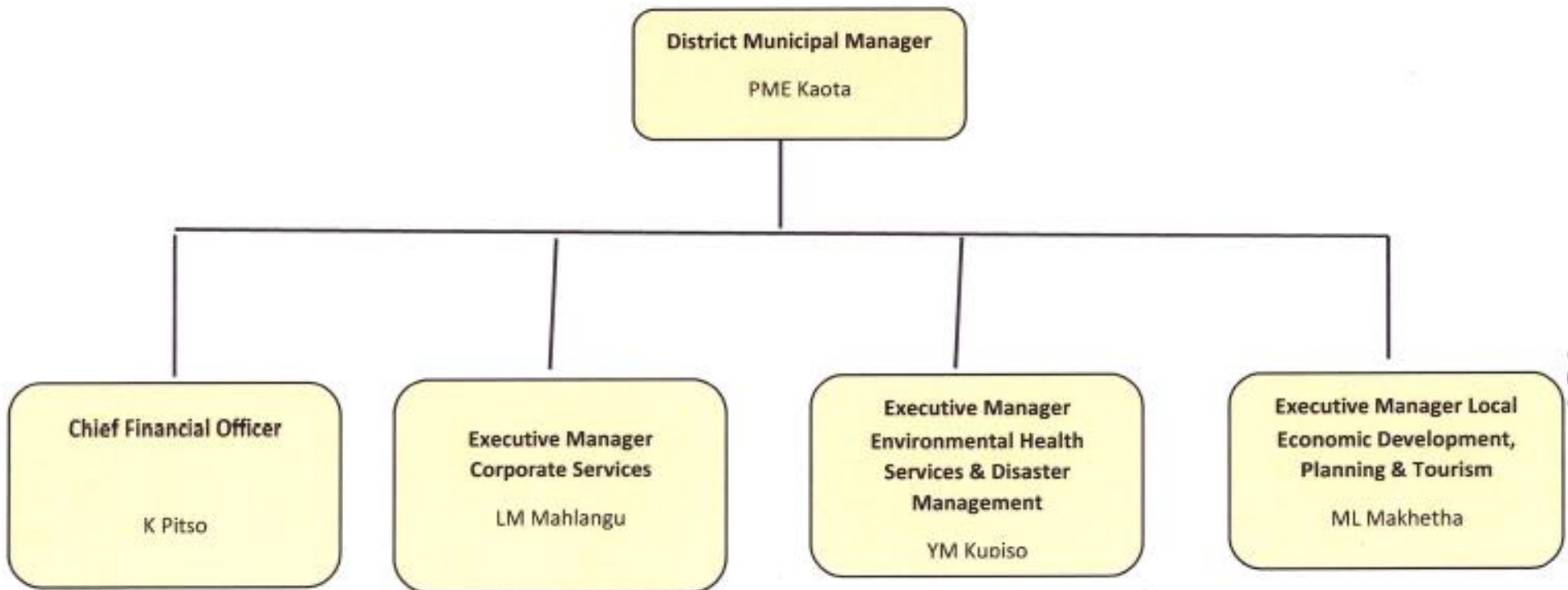
OFFICE OF THE SPEAKER



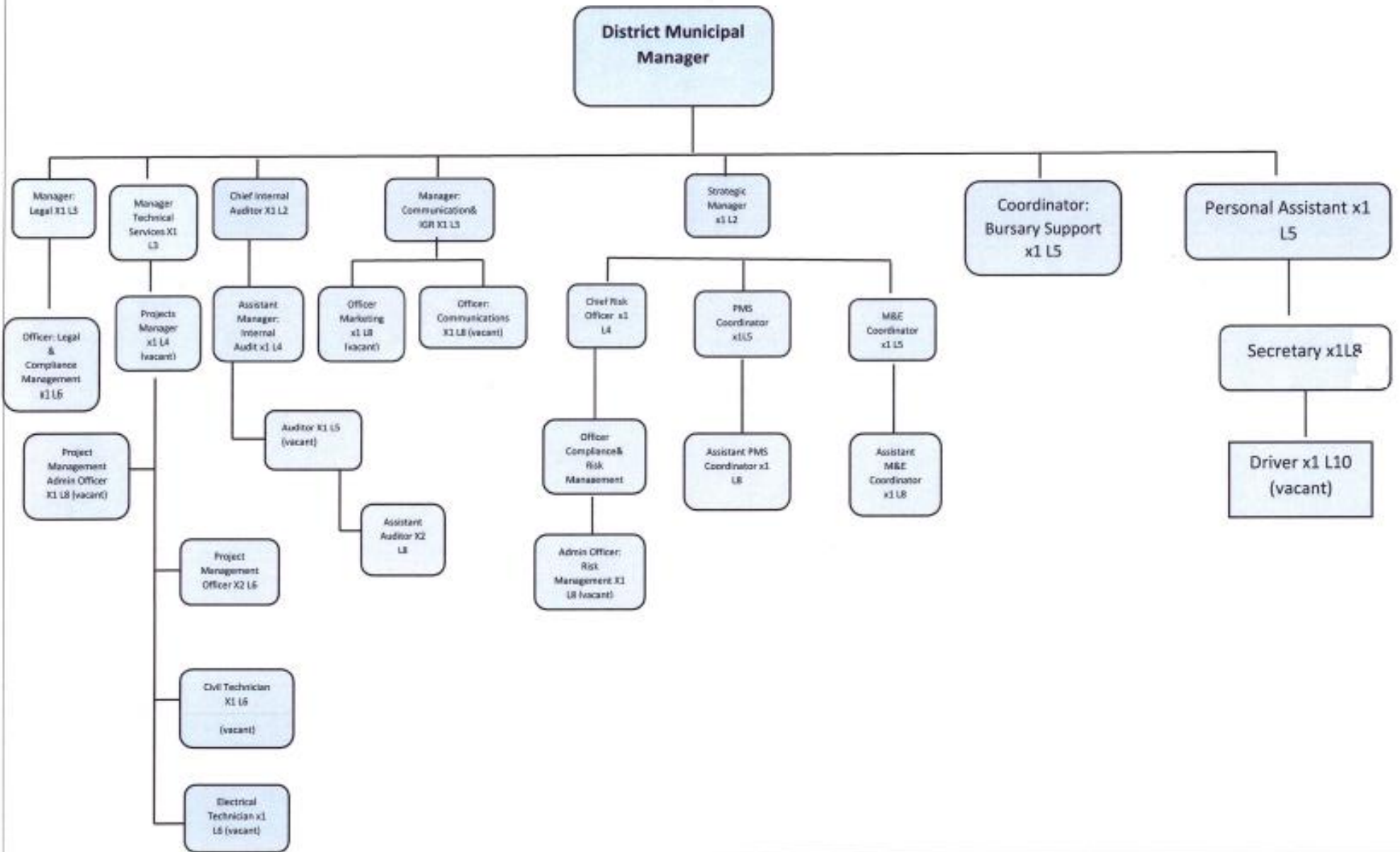
OFFICE OF THE EXECUTIVE MAYOR



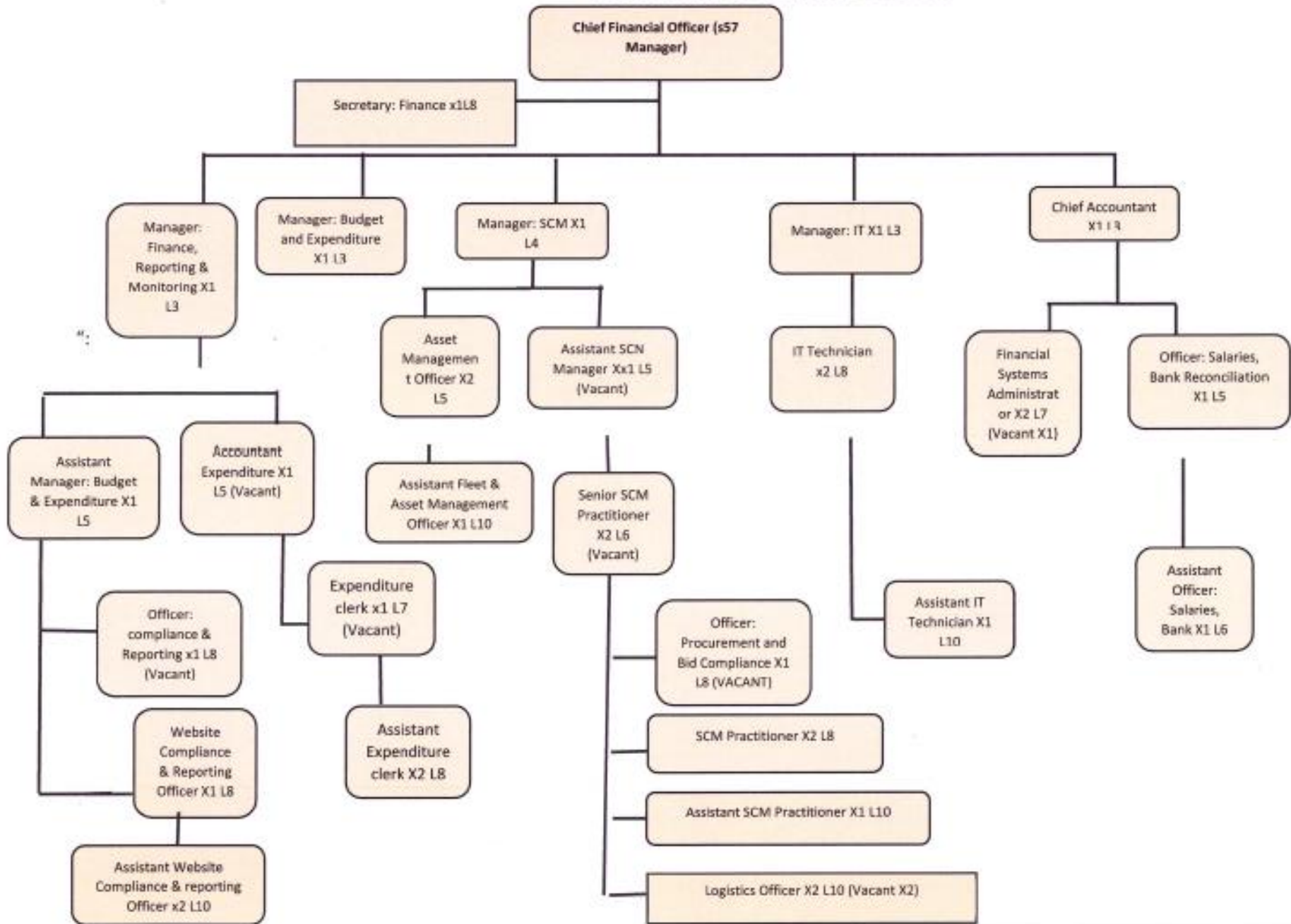
EXECUTIVE MANAGEMENT TEAM



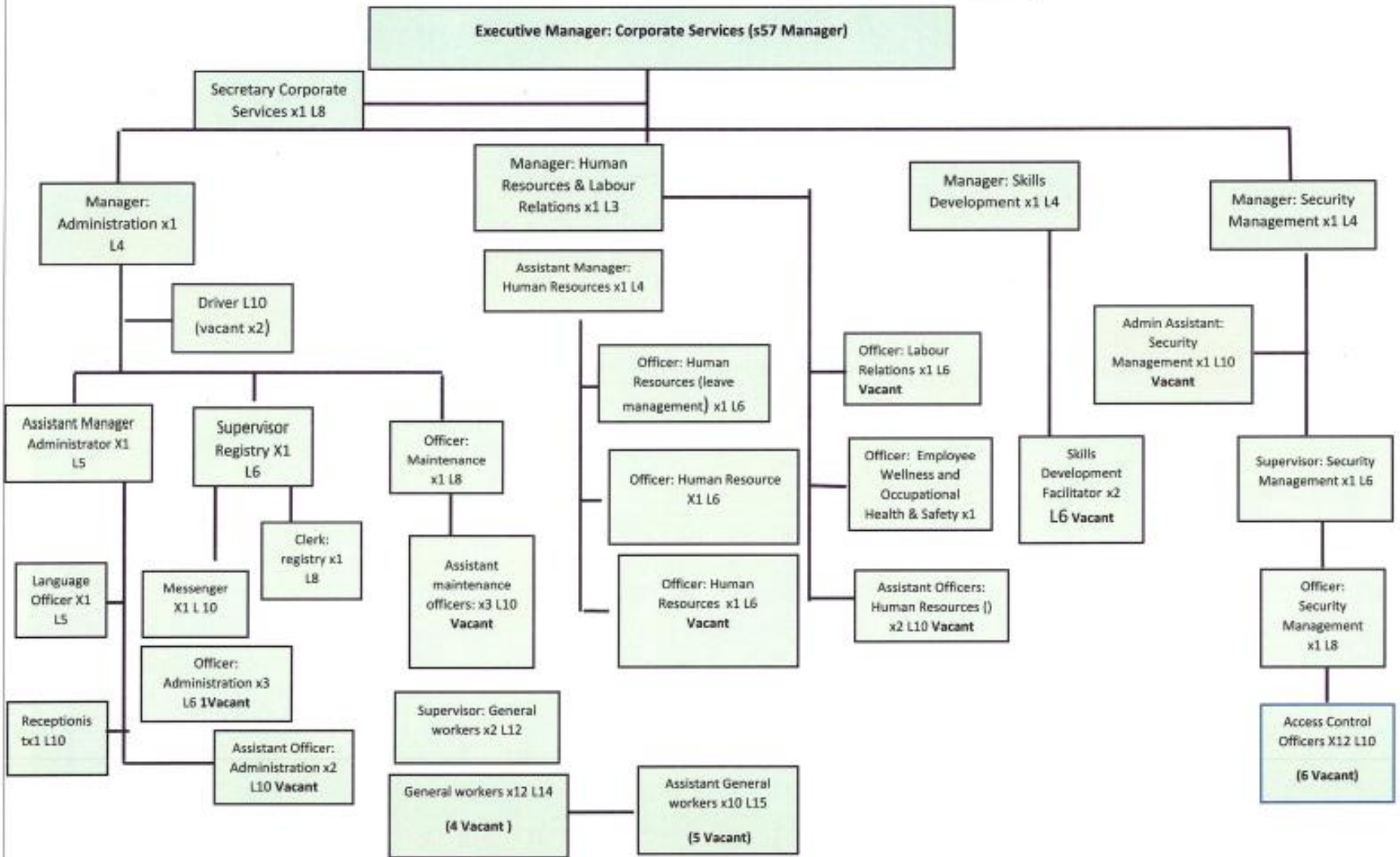
OFFICE OF THE MUNICIPAL MANAGER



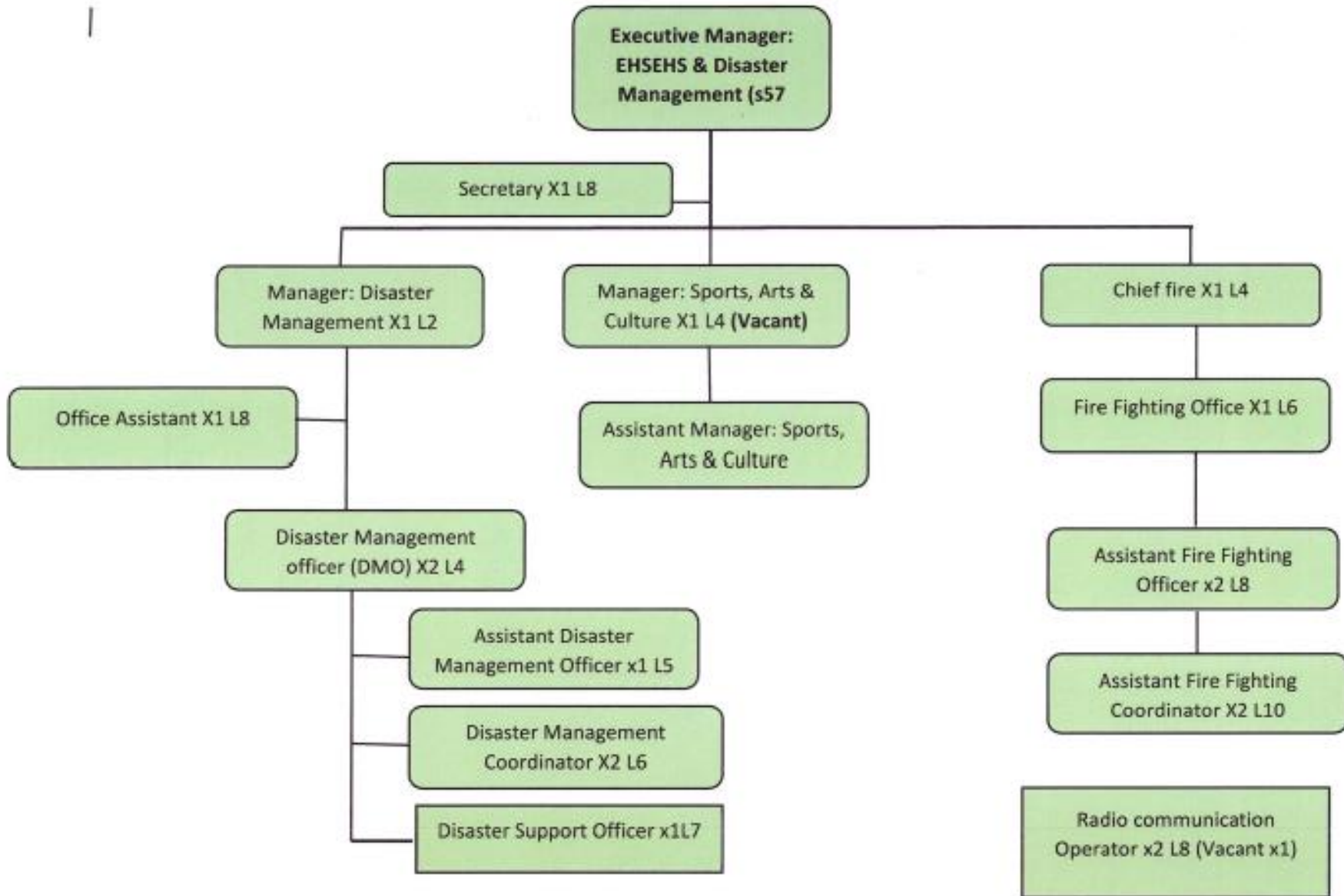
DEPARTMENT OF FINANCIAL SERVICES



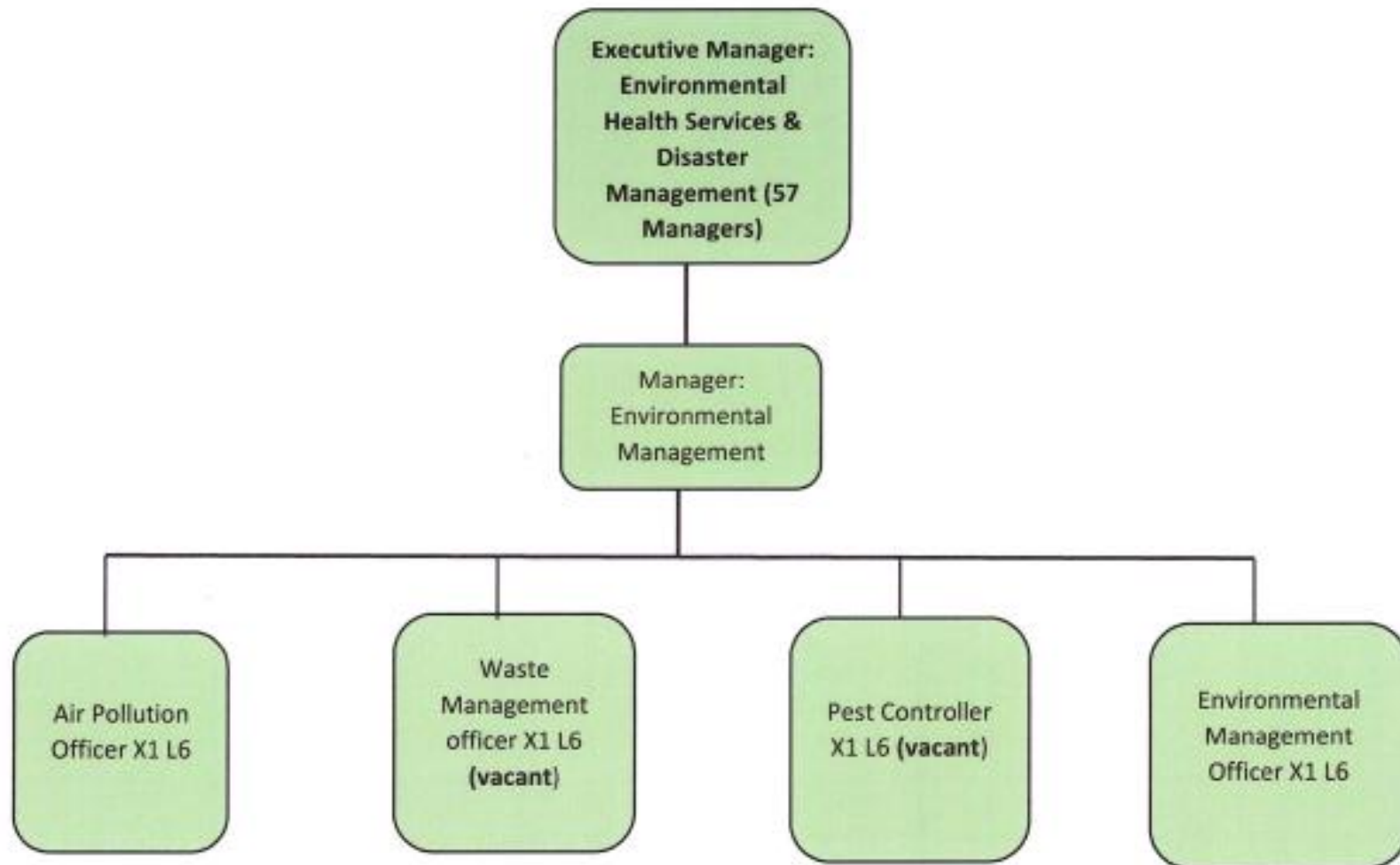
DEPARTMENT OF CORPORATE SERVICES

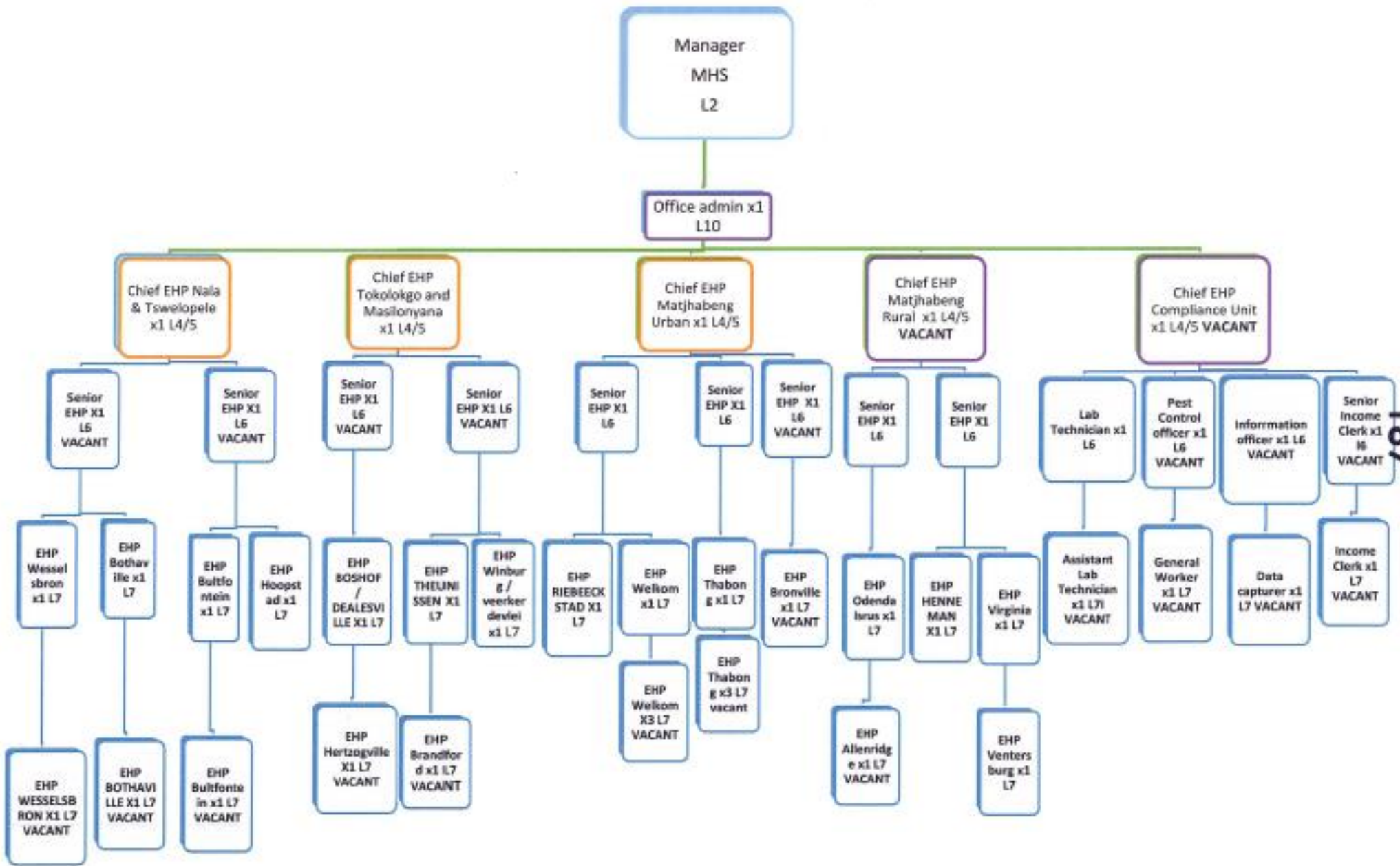


DEPARTMENT OF ENVIRONMENTAL HEALTH SERVICES & DISASTER MANAGEMENT

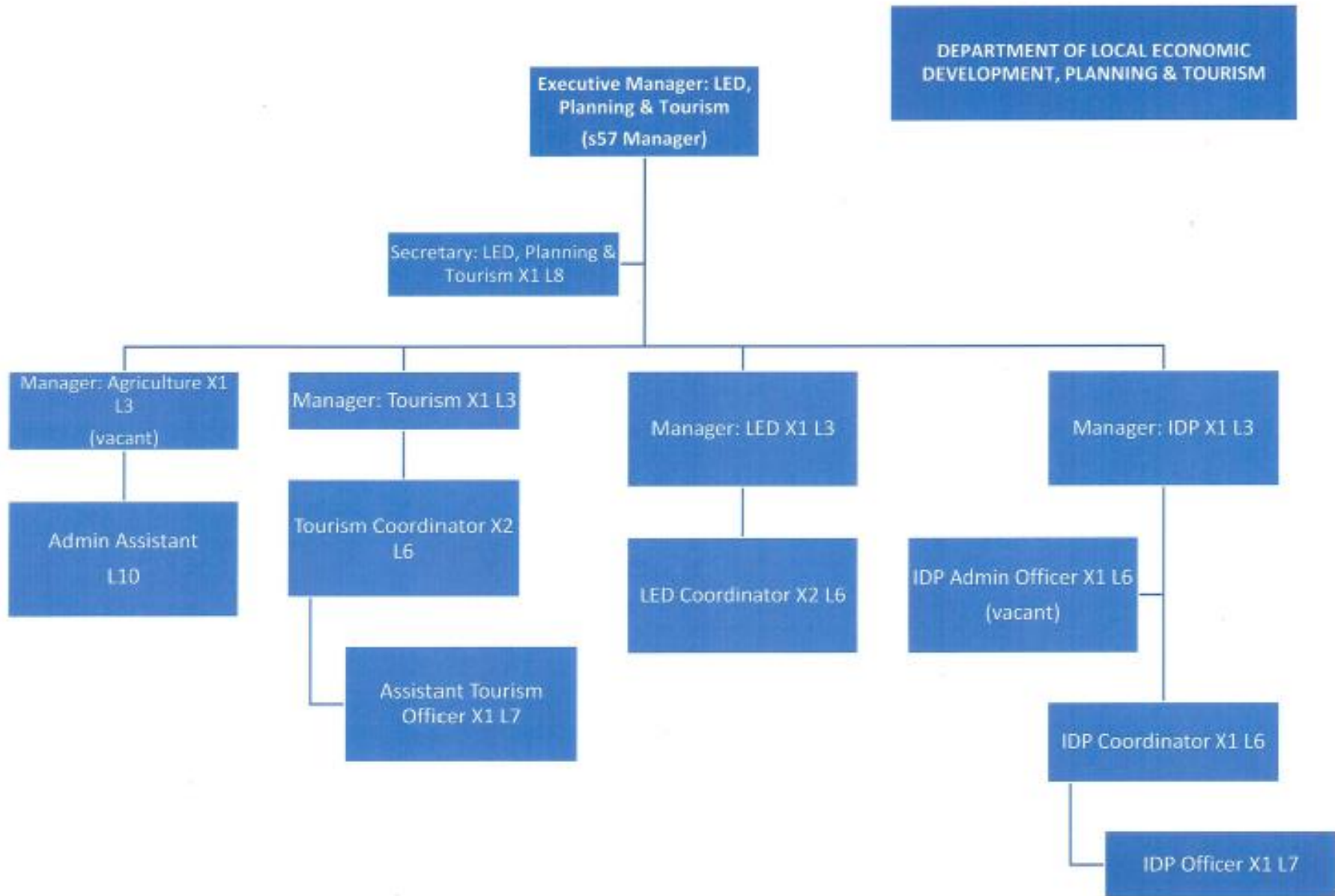


DEPARTMENT OF ENVIRONMENTAL HEALTH SERVICES & DISASTER MANAGEMENT





LED



SECTION: O

PERFORMANCE MANAGEMENT SYSTEM

PERFORMANCE MANAGEMENT SYSTEM

Performance Management is a process which measures the implementation of the organization's strategy. It is also a management tool to plan, monitor, measure and review performance indicators to ensure efficiency, effectiveness and the impact of service delivery by the Municipality.

Performance Management is the practice of linking the long-term strategic objectives of an organisation to its day-to-day performance by setting measurable key performance indicators (KPI's) and monitoring performance against those indicators. When implemented correctly, it is an essential tool to monitor whether or not a municipality is on track to meet targets or serves as an early warning system to identify areas where improvement is required to enhance service delivery and recognise excellent performance.

The municipality delivers services essential to the well-being and development of the communities they serve. To ensure that service delivery is as efficient and economical as possible, municipalities are required to formulate strategic plans, allocate resources to the implementation of those plans, and monitor and report the results. Performance information is essential to focus the attention of the public and oversight bodies on whether municipalities are delivering value for money, by comparing their performance against their budgets and service delivery plans, and to alert managers to areas where corrective action is required.

The Constitution of South Africa (1996), Section 152, dealing with the objectives of local government paves the way for performance management with the requirements for an "accountable government". The democratic values and principles in terms of Section 195 (1) are also linked with the concept of performance management, with reference to the principles of *inter alia*:

- the promotion of efficient, economic and effective use of resources;
- accountable public administration;

- to be transparent by providing information;
- to be responsive to the needs of the community; and
- to facilitate a culture of public service and accountability amongst staff.

The Municipal Systems Act (MSA), (Act 32 of 2000) requires municipalities to establish a Performance Management System (PMS). Further, the MSA and the Municipal Finance Management Act (MFMA) (Act 56 of 2003) requires the Integrated Development Plan (IDP) to be aligned to the municipal budget and to be monitored for the performance of the budget against the IDP via the Service Delivery and Budget Implementation Plan (SDBIP).

In addition, Regulation 7(1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 states that “A municipality’s performance management system entails a framework that describes and represents how the municipality’s cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role players.”

This policy therefore describes how the municipality’s performance process, for the organisation as a whole will be conducted, organised and managed. It also has the following objectives:

- Clarify processes of implementation
- Ensure compliance with legislation
- Demonstrate how the system will be managed
- Define roles and responsibilities
- Promote accountability and transparency
- Reflect the linkage between the IDP, Budget, SDBIP and individual and service provider performance

1.1.1 Objectives of a Performance Management System

The Municipality’s PMS is the primary mechanism to monitor, review and improve the implementation of its strategy and to measure the progress made in achieving its objectives as identified in the IDP. The PMS process plan includes the following objectives that the system should in addition fulfill:

a) *Facilitate strategy deployment*

Facilitates strategy (IDP) deployment throughout the municipality and align the organization in executing its strategic objectives.

b) *Facilitate increased accountability*

Provide a mechanism for ensuring increased accountability between the local community, the municipal council and the municipal management team.

c) *Facilitate learning and improvement*

Facilitate learning in order to enable the municipality to improve delivery.

d) *Provide early warning signals*

Ensure decision-makers are timeously informed of performance related risks, so that they can facilitate intervention, if necessary.

e) *Facilitate decision-making*

Provide appropriate management information that will allow efficient, effective and informed decision-making, particularly on the allocation of resources.

1.2 Principles Governing Performance Management System

The following principles inform the Municipality's PMS:

a) *Simplicity*

The system is developed to operate accurately and effectively, but also in a simple and user-friendly manner which will enable the municipality to develop, implement, manage and review the system without placing an unnecessary great burden on the existing capacity of the Municipality.

b) *Implementable*

Considering the resource framework of the Municipality, the PMS should be implementable with the resources of the Municipality, which will include time, institutional, financial, and technical resources.

c) Transparency and accountability

The development and implementation of a PMS should be inclusive, transparent and open. The general public should, through the system be made aware of how the operations of the Municipality are being administered, how public resources are being spent and who is responsible for what. The implementation framework, captured as part of this policy, will outline the implementation of this principle.

d) Efficient and sustainable

Like other services within the Municipality, be cost effective and should be professionally developed, managed and operated in a sustainable manner.

e) Public participation

The constituency of the Municipality should be granted their legal rights, in terms of the Constitution and the MSA, through encouragement of public participation by the Municipality during the development and implementation of a PMS. The implementation framework indicates the time, kind of involvement and responsibilities in terms of public participation.

f) Integration

Developed and implemented in such a manner that it will be integrated within the integrated development process of the Municipality and its individual performance management.

g) Objectivity

Developed on a sound value system where the management of the system and the information is based upon being objective and credible. The adopted performance assessments ensure objectivity and credibility in the management of performance.

h) Reliability

Provide reliable information on the progress made by the Municipality in achieving the objectives as set out in its IDP. The system provides for the use of source documents to verify the information entered into the system

9. Evaluation and Improvement of the Performance Management System

The MSA requires the municipality to annually evaluate its performance management system. It is proposed that after the full cycle of the annual review is complete; the Municipal Manager will initiate an evaluation report annually, taking into account the input provided by directorates and departments. This report will then be discussed by the Management Team and finally submitted to the Council for discussion and approval. The evaluation should assess:

- The adherence of the performance management system to the MSA;
- The fulfillment of the objectives for a performance management system;
- The adherence of the performance management system to the objectives and principles; and
- Opportunities for improvement and a proposed action plan.

While good and excellent performance must also be constantly improved to meet the needs of citizens and improve their quality of life, it is poor performance in particular that needs to be improved as a priority. In order to do this, it is important that the causal and contributing reasons for poor performance are analysed.

Poor performance may arise out of one or more of the following:

- Poor systems and processes;
- Inappropriate structures;
- Lack of skills and capacity;
- Inappropriate organizational culture; and
- Absence of appropriate strategy.

To improve performance, the appropriate response strategy should be chosen:

- Restructuring is a possible solution for an inappropriate structure;

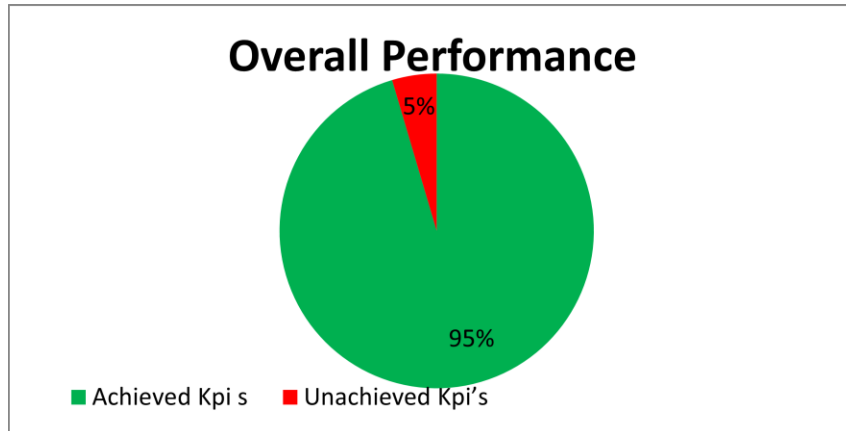
- Process and system improvement will remedy poor systems and processes;
- Training and sourcing additional capacity can be useful where skills and capacity are lacking;
- Change management and education programmes can address organizational culture issues;
- The revision of strategy by key decision-makers can address shortcomings in this regard; and
- Consideration of alternative service delivery strategies should be explored.

Performance analysis is a requirement in order to identify poor performance. The Municipal Manager will implement the appropriate response strategy to improve performance.

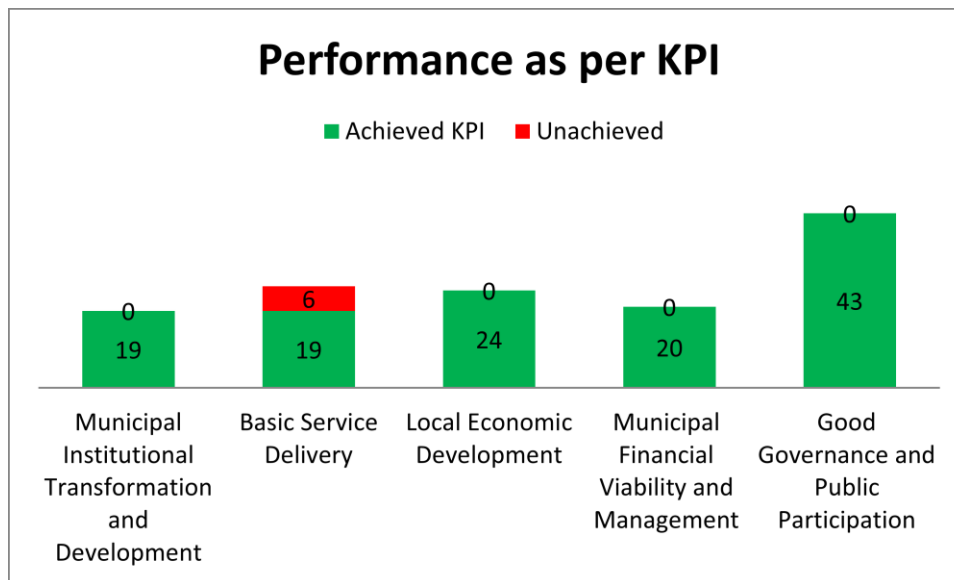
10. Performance Monitoring and Reporting

An organization that is performing well is one that is successfully achieving its goals and is effectively executing suitable strategies. Monitoring is the regular collection and analysis of information to track the implementation and measure the performance of the Municipality against its expected results. The IDP represents a set of strategic objectives and/or goals about what is aimed to be

achieved within the given timeframe. Monitoring provides crucial information about how the Municipality is performing and this in turn helps decision makers and other stakeholders to measure whether the organisation is on track in meeting its objectives. **Below is an example of a graph generated from the electronic system utilised by the Municipality.**



10.1 Reporting Intervals



Report	Frequency	To whom	Content	Comments
Departmental SDBIP	Monthly	Management and Portfolio Committees	Actual results achieved against department SDBIP KPI's	NB: Reasons for non-performance and corrective measures
Top Layer SDBIP (Could serve as sec 52 report as well)	Quarterly (Sec 52 within 30 days after end of quarter)	Management and Council	Actual results achieved against Top Layer SDBIP KPI's	NB: Reasons for non-performance and corrective measures
	Frequency	To whom	Content	Comments
Internal Audit reports on performance results	Quarterly	Council and Performance Audit Committee	Audit outcomes from auditing actual results captured/ indicated/ reported on	Outcomes to be used to rectify KPI's and actuals
MFMA Sec 52 report	Quarterly (within 30 days after end of quarter)	Management and Council (Copy to PT and NT)	Actual results achieved against Top Layer SDBIP KPI's	NB: Reasons for non-performance and corrective measures
MFMA Sec 72 report	25 January	Executive Mayor (Submit to next Council meeting after 25 January and copy to PT and NT)	Consists of 2 parts PM: Actual results achieved against Top Layer SDBIP KPI' Finance: As prescribed by NT	Use results/outcome to motivate adjustments budget

MSA Sec 46 report	31 August	AG, Council	As prescribed by NT Circular 63	Must form part of AR, – Circular 63
Annual report	Draft: 31 October to AG Draft: 31 January to Council Final: 31 March to Council with oversight report	AG, Council, Performance Audit Committee, Oversight Committee (Copy to PT and NT)	As prescribed by NTCircular 63	NB: If full draft is submitted earlier to Council, remember that final must be submitted within 2 months after draft has been submitted

10.2 Mid-Year Assessment

The performance of the Municipality for the first 6 months of the financial year should be assessed and reported on in terms of Section 72 of the MFMA. The accounting officer of a municipality must in terms of Section 72 of the MFMA assess the performance of the municipality for the 1st six months of the financial year and submit a report to the Mayor by 25 January. The Municipality must during the assessment consider the appropriateness of the targets in terms of the first six months' performance and the adjustment estimate. This assessment must include the measurement of performance, the identification of corrective actions and recommendations for the adjustments of KPI's, if necessary

According to Section 33 of the Municipal Budget and Reporting Regulations the mid-year budget and performance assessment referred to in Section 72 must be in the format specified in Schedule C of the Regulation and include all the required tables, graphs and explanatory information taking into account the guidelines issues by the National Minister.

Although the report is mainly a financial report, one of the Annexures in terms of Section 7(b) of Schedule C requires a performance assessment in relation to the quarterly performance targets for the delivery of basic services in terms of the TL SDBIP.

Manager should:

- Analyse the performance in terms of the targets set in the TL SDBIP;
- Preparation of the adjusted TL SDBIP for submission to Council for approval with the Adjustments Budget by the end of February as required by Section 54(1)(c) of the MFMA and Sections 24 to 26 of the Municipal Budget and Reporting Regulations;
- Effecting the approved adjustments on the SDBIP system; and
- Adjusting the Annexure A's of the performance agreements of the MSA Section 56 and 57 managers in line with the adjusted TL SDBIP.

10.3 Annual Performance Report

The annual performance report must be completed by the end of August and submitted with the financial statements. This report must be based on the performance reported in the SDBIP. Reports should be generated from the respective performance management system, reviewed and updated in the performance comments field for reporting purposes. A portfolio of evidence (POE) should be kept in order to proof recorded actuals.

10.4 4 Annual Report

The annual report should be prepared and submitted to Council by 31 January every year.

10.5 Analysis of Performance Reports and Follow-up

In summary, the quarterly (S52-reports), mid-year (S72-report) and the annual (S46 reports) should be analysed and reviewed as soon as the reports are available. It will add credibility to the reports when it is published and to the individual performance assessments of the senior management.

The analysis should not only focus on POE's when the performance results are audited, but should also include an analysis of the results. Please remember:

- Performance reported should indicate continuous improvement over time and should not only be to the benefit of communities and should focus on outcomes and not only on processes;

- The performance results reported should be a true reflection of the results reported in the performance management system;
- The results should be effectively communicated so that it is of value to the intended users;
- The quality of performing the function should be balanced with the cost of the performance, also to the consumer and not just to municipality; and
- Promotion of equalities and sustainable growth and development should also be reported on.

Actions should be identified to address the performance shortcomings highlighted during the audit. These actions must be recorded and regularly followed-up to ensure performance improvement. The governance structure was established to offer credibility to the overall performance processes. The audit of performance information and system should comply with Section 166 of the MFMA and Regulation 14 of the Municipal Planning and Performance Management Regulations (2001).

11.1 Quality Control and Co-ordination

The Municipal Manager and PMS Manager are required to co-ordinate and ensure good quality of performance reporting and reviews on an ongoing basis. It is their role to ensure conformity to reporting formats and verify the reliability of reported information, where possible.

The Municipal Manager must review overall performance monthly while the PMS Manager should support him/her in verifying the performance data and prepare the performance reports.

11.2 Performance Investigations

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

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

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

11.3 Internal Audit

Section 165 of the MFMA requires that each municipality must have an Internal Audit Unit however such function may be outsourced.

Internal audit can determine the reliability, accuracy, and integrity of financial and operational information. The MSA, Section 45 stipulates that the results of performance measurements must be audited as part of the Municipality's internal auditing processes.

The Municipality's Internal Audit Unit should continuously assess the performance reports based on the organizational and departmental scorecards and submit a quarterly internal audit report to the Municipal Manager and Performance Audit Committee.

The audit should include an assessment of:

- ☐ **The usefulness of performance indicators;**
- ☐ **The functionality of the Municipality's performance management system;**
- ☐ **Whether the Municipality's PMS complies with the MSA; and**
- ☐ **The extent to which the Municipality's performance measurements are reliable in measuring the performance of the Municipality's by making use of indicators.**

Auditing of performance reports must be conducted by the internal Audit Unit prior to submission to the Municipality's Audit Committee and the AG.

11.4 Performance Audit Committee

The MFMA and the Municipal Planning and Performance Management Regulations require that the Council establish an Audit Committee consisting of a minimum of three members, where the majority of members are not employees of the municipality. No councillor may be a member of an Audit Committee. Council shall also appoint a chairperson who is not an employee. The Regulations give municipalities the option to establish a separate Performance Audit Committee whereas the MFMA provides only for a single Audit Committee. The operation of this Audit Committee is governed by Section 14 (2-3) of the regulations.

According to the Regulations, the Performance Audit Committee must:

- ☐ Review the quarterly reports submitted to it by the internal audit unit;
- ☐ Review the municipality's performance management system and make recommendations in this regard to the council of that municipality;
- ☐ Assess whether the performance indicators are sufficient; and
- ☐ At least twice during a financial year submit an audit report to the municipal council.

It is further proposed that the Audit Committee be tasked with assessing the reliability of information reported.

In order to fulfill their function a performance audit committee may, according to the MFMA and the regulations, must:

- ☐ Communicate directly with the Council, Municipal Manager or the internal and external auditors of the municipality concerned;
- ☐ Access any municipal records containing information that is needed to perform its duties or exercise its powers;
- ☐ Request any relevant person to attend any of its meetings, and, if necessary, to provide information requested by the committee; and
- ☐ Investigate any matter it deems necessary for the performance of its duties and the exercise of its powers.

11.4.1 Role of the Audit Performance Committee

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

basis. The performance investigations should assess:

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

11.5 5 Governance

The legislative requirements regarding reporting processes are summarized in the following table:

Time frame	MSA/ MFMA Reporting on PMS	Section
Quarterly reporting	The Municipal Manager collates the information and draft the organizational performance report, which is submitted to Internal Audit.	MSA Regulation 14(1)(c)
	The Internal Auditors (IA) must submit quarterly audited reports to the Municipal Manager and to the Performance Audit Committee	MSA Regulation 14(1)(c)
	The Municipal Manager submits the reports to the Council.	MSA Regulation 14(1)(c)
Mid-year reporting	The Performance Audit Committee must review the PMS and make recommendations to council	MSA Regulation 14(4)(a)
	The Performance Audit Committee must submit a report at least twice during the year a report to Council	MSA Regulation 14(4)(a)
	The Municipality must report to Council at least twice a year	MSA Regulation 13(2)(a)
	The Accounting officer must by 25 January of each year assess the performance of the municipality and submit a report to the Mayor, National Treasury and the relevant Provincial Treasury.	MFMA S72
Annual reporting	The annual report of a municipality must include the annual performance report and any recommendations of the municipality's audit committee	MFMA S121 (3)(c)(j)& MSA S46
	The accounting officer of a municipality must submit the performance report to the Auditor-General for auditing within two months after the end of the financial year to which that report relates	MFMA S126 1(a)
	The Auditor-General must audit the performance report and submit the report to the accounting officer within three months of receipt of the performance report	MFMA S126 (3)(a)(b)
	The Mayor of a municipality must, within seven months after the end of a financial year, table in the municipal council the annual report of the municipality	MFMA S127(2)
	The Auditor-General may submit the performance report and audit report of a municipality directly to the municipal council, the National Treasury, the relevant provincial treasury, the MEC responsible for	MFMA S127 (4)(a)
	Immediately after an annual report is tabled in the council, the accounting officer of the municipality must submit the annual report to the Auditor- General, the relevant provincial treasury and the	MFMA S127 (5)(b)
	The council of the municipality must consider the annual report by no later than two months from the date on which the annual report was tabled, adopt an oversight report containing council's	MFMA S129 (1)
	The meetings of a municipal council at which an annual report is to be discussed or at which decisions concerning an annual report are to be taken, must be open to the public and any organ of the state	MFMA S130 (1)
	The Cabinet member responsible for local government must annually report to Parliament on actions taken by the MECs for local government to address issues raised by the Auditor-General	MFMA S134

12. Summary of Municipal Performance Cycle

Performance Management Calendar		
Action	Activity	Comment
July		
Service Provider Performance	4th Quarter service provider report Review performance of service providers as per the approved policy	SCM to submit report to Council Submit reports to SCM Unit Address poor performance
Performance Reporting	4th Quarter performance Report: Top Level SDBIP	Each department to finalise SDBIP quarterly report Input for Annual Report for AG
MM / Senior Managers performance agreements	Prepare and approval	Prepare agreements to R805 Approval and signed before 31 Jul KPI's aligned with SDBIP Include CCR's evaluation committee; evaluation periods; bonus
SDBIP Reporting	Update departmental SDBIP	Monthly progress reports to Executive Management and Portfolio Councillor Actions to address GAPS
IDP	IDP Framework and Process Plan	Process plan to ensure proper planning and involvement of all stakeholders to identify clear objectives and key performance areas
August		
Service Provider Performance	Review performance of service providers as per the approved	Submit reports to SCM Unit Address poor performance
SDBIP Reporting	Update departmental SDBIP	Monthly progress reports to Executive Management and Portfolio Councillor Actions to address GAPS
Staff Performance	Formal review of staff performance	Evaluation of performance for the past 6 months ending June Moderation; coaching and counselling Document and report
Staff Performance	Finalise performance plans	Determine KPI's -Key outputs/ outcomes; career goals; job requirements; measurement criteria; skills required and development needs / plan
IDP	IDP Process Plan	Submission to Executive Mayor Approval of plan

September		
Service Provider Performance	Review performance of service providers as per the approved policy	Submit reports to SCM Unit Address poor performance
SDBIP Reporting	Update departmental SDBIP	Monthly progress reports to Executive Management and Portfolio Councillor Actions to address GAPS
Annual Performance Report	Finalise and submit performance report to AG	Performance report on financial and operation performance for audit purposes
MM/Senior Managers Performance	Annual performance review	Review against targets Review CCR's - obtain 360 degree input Determine development needs Calculate rewards to agreements Document and sign-off
October		
Service Provider Performance	1st Quarter service provider report Review performance of service providers as per the approved policy	SCM to submit report to Council Submit reports to SCM Unit Address poor performance
SDBIP Reporting	Update departmental SDBIP	Monthly progress reports to Executive Management and Portfolio Councillor Actions to address GAPS
Performance Report	1st Quarter performance Report: Top Level SDBIP	Each department to finalise SDBIP quarterly report
MM/Senior Managers Performance	Informal performance discussion	How are we doing, progress and address possible shortcomings
IDP & Budget	Public participation	Consult key stakeholders / role-players Identify potential projects / needs
November		
Service Provider Performance	Review performance of service providers as per the approved policy	Submit reports to SCM Unit Address poor performance

SDBIP Reporting	Update departmental SDBIP	Monthly progress reports to Executive Management and Portfolio Councillor Actions to address GAPS
Planning	Strategic Planning	Planning sessions with Council and Management Mission, Vision and Values Review progress against strategic objectives Review strategic direction and progress Alignment with national strategies Budget guidelines / draft projects
Staff Training	PMS Training updates	Identify any performance management training needs and address with update training sessions
December		
Service Provider Performance	Review performance of service providers as per the approved policy	Submit reports to SCM Unit Address poor performance
SDBIP Reporting	Update departmental SDBIP	Monthly progress reports to Executive Management and Portfolio Councillor Actions to address GAPS
Annual Report	Draft Annual Report	Final draft to be ready for submission to Council
January		
Service Provider Performance	2nd Quarter service provider report Review performance of service providers as per the approved policy	SCM to submit report to Council Submit reports to SCM Unit Address poor performance
SDBIP Reporting	Update departmental SDBIP	Monthly progress reports to Executive Management and Portfolio Councillor Actions to address GAPS
Performance Reporting	Prepare and submit Mid-year performance report to s72 of MSA	Each department to finalise SDBIP quarterly report
Staff Performance	Formal review of staff performance	Evaluation of performance for the past 6 months ending December Moderation; coaching and counselling Document and report
Annual Report	Submit draft report to Council	Final draft submitted to Council for adoption in principle and public participation

January		
Service Provider Performance	2nd Quarter service provider report Review performance of service providers as per the approved policy	SCM to submit report to Council Submit reports to SCM Unit Address poor performance
SDBIP Reporting	Update departmental SDBIP	Monthly progress reports to Executive Management and Portfolio Councillor Actions to address GAPS
Performance Reporting	Prepare and submit Mid-year performance report to s72 of MSA	Each department to finalise SDBIP quarterly report
Staff Performance	Formal review of staff performance	Evaluation of performance for the past 6 months ending December Moderation; coaching and counselling Document and report
Annual Report	Submit draft report to Council	Final draft submitted to Council for adoption in principle and public participation
February		
Service Provider Performance	Review performance of service providers as per the approved policy	Submit reports to SCM Unit Address poor performance
SDBIP Reporting	Update departmental SDBIP	Monthly progress reports to Executive Management and Portfolio Councillor Actions to address GAPS
MM/Senior Managers Performance	Mid-year formal performance review	Review against targets Review CCR's - obtain 360 degree input Determine development needs Calculate rewards to agreements Document and sign-off
Annual Report	Advertise draft Annual Report for public participation	Advertise draft Annual Report for public comment interms of service delivery
Oversight	Oversight Committee considers Annual Report	Review Actions to address shortcomings Performance Risk Assessment Report to Council
March		
Service Provider Performance	Review performance of service providers as per the approved policy	Submit reports to SCM Unit Address poor performance

SDBIP Reporting	Update departmental SDBIP	Monthly progress reports to Executive Management and Portfolio Councillor Actions to address GAPS
IDP	Draft IDP to Council	IDP aligned with national strategy I Include clear objectives and municipal KPA's Needs that cannot be accommodated should be included in priority listings Should include all required sectoral plans that are aligned
Budget	Draft Budget to Council	Budget aligned with IDP and address IDP objectives
SDBIP	Draft top level SDBIP and submit with draft budget	Top Level SDBIP should be aligned with IDP and budget; strategic objectives; municipal KPA's; assigned to senior managers and include outer year performance
Annual Report	Approval of Annual Report	Public comment considered Final Annual Report submitted Oversight committee report submitted Proposed actions approved
April		
Service Provider Performance	3rd Quarter service provider report Review performance of service providers as per the approved policy	SCM to submit report to Council Submit reports to SCM Unit Address poor performance
SDBIP Reporting	Update departmental SDBIP	Monthly progress reports to Executive Management and Portfolio Councillor Actions to address GAPS
Performance Reporting	3 rd Quarter performance Report: Top Level SDBIP	Each department to finalize SDBIP quarterly report
IDP & Budget	Public participation	Obtain public input in draft documents and consult key stakeholders
MM/Senior Managers Performance	Informal performance discussion	How are we doing, progress and address possible shortcomings
May		
Service Provider Performance	Review performance of service providers as per the approved policy	Submit reports to SCM Unit Address poor performance

SDBIP Reporting	Update departmental SDBIP	Monthly progress reports to Executive Management and Portfolio Councillor Actions to address GAPS
IDP & Budget	Approval of IDP and Budget	Approval by Council
SDBIP	Departmental SDBIP development	Workshop with departments
June		
Service Provider Performance	Review performance of service providers as per the approved policy	Submit reports to SCM Unit Address poor performance
SDBIP Reporting	Update departmental SDBIP	Monthly progress reports to Executive Management and Portfolio Councillor Actions to address GAPS
SDBIP	Top Level SDBIP approval	SDBIP to be submitted to Mayor within 14 days after budget approval Approval by Mayor within 28 days after budget approval
SDBIP	Approval of departmental SDBIP	SDBIP to be address all Top Level KPI's Address departmental responsibilities Key activities, challenges and risks; performance plans (project lifecycle); resource allocation; inputs and timeframes
Work Place Skills Plan	Update and submit WPSP	Alignment with needs as per mid-year performance reviews

The proposed performance management framework is aimed at guiding the municipality in the development of a performance management system which will contribute to improving the municipal performance and enhance service delivery. The framework is developed to provide details which describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role players. The process of implementing PMS must be seen as a learning process, where we are continuously improving the way the system works to fulfill the objectives of the system and address the emerging challenges from a constantly changing environment