

TSANTSABANE LOCAL MUNICIPALITY



INTERGRATED DEVELOPMENT PLAN

2023 – 2024

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GLOSSARY

AIDS	Acquired Immune Deficiency Syndrome
ANC	African National Congress
BEE	Black Economic Empowerment
CDW	Community Development Worker
CIP	Consolidated Infrastructure Plan
DBSA	Development Bank of Southern Africa
DEAT	National Department of Environmental Affairs and Tourism
DME	Department of Minerals and Energy
DTI	Department of Trade and Industry

DWAF	National Department of Water Affairs and Forestry
EIA	Environmental Impact Assessment
EMF	Environmental Management Framework
EPWP	Extended Public Works Programme
FET	Further Education and Training
GDP	Gross Domestic Product
GGP	Gross Geographical Product
HIV	Human Immune Virus
HOD	Head of Department
HSSP	Housing Sector Plan
IDP	Integrated Development Plan / Planning
IWMP	Integrated Waste Management Plan
LED	Local Economic Development
MEC	Member of Executive Committee
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
MSA	Municipal Systems Act
MTEF	Medium Term Expenditure Framework
NSDP	National Spatial Development Perspective
PGDS	Provincial Growth and Development Strategy
PHC	Primary Health Care
PPP	Public Private Partnership
SDBIP	Service Delivery Budget Implementation Plan
SDF	Spatial Development Framework
SEA	Strategic Environmental Assessment
SMME	Small, Medium, and Micro Enterprises
SoER	State of the Environment Report
STATSSA	Statistics South Africa
TLM	Tsantsabane Local Municipality
TSASSAMBA	Tsantsabane, Assmang & Kumba
TYC	Tsantsabane Youth Council
WMP	Waste Management Plan

WSDP Water Services Development Plan

CFO	Chief Financial Officer
MM	Municipal Manager
CPI	Consumer Price Index
CRRF	Capital Replacement Reserve Fund
DBSA	Development Bank of South Africa
DoRA	Division of Revenue Act
DWA	Department of Water Affairs
EE	Employment Equity
EEDSM	Energy Efficiency Demand Side Management
EM	Executive Mayor
FBS	Free basic services
GDP	Gross domestic product
GDS	Gauteng Growth and Development Strategy
GFS	Government Financial Statistics
GRAP	General Recognised Accounting Practice
HR	Human Resources
IDP	Integrated Development Strategy
IT	Information Technology
kℓ	kilolitre
km	kilometre
KPA	Key Performance Area
KPI	Key Performance Indicator
kWh	kilowatt
ℓ	litre
LED	Local Economic Development
MEC	Member of the Executive Committee
ORGB	Annual Original Budget
INEP	Integrated National Electrification Program
FMG	Financial Management Grant
WSIG	Water Services Infrastructure Grant
A4	Financial Performance Statement

A5 Capital Expenditure

A6 Financial Position Statement

MSCOA Municipal Standard Chart of Account

MFMA Municipal Financial Management Act

Programme

MIG Municipal Infrastructure Grant

MMC Member of Mayoral Committee

MPRA Municipal Properties Rates Act

MSA Municipal Systems Act

MTEF Medium-term Expenditure Framework

MTREF Medium-term Revenue and Expenditure Framework

NERSA National Electricity Regulator South Africa

NGO Non-Governmental organisations

NKPIs National Key Performance Indicators

OHS Occupational Health and Safety

OP Operational Plan

PBO Public Benefit Organisations

PHC Provincial Health Care

PMS Performance Management System

PPE Property Plant and Equipment

PPP Public Private Partnership

PTIS Public Transport Infrastructure System

RG Restructuring Grant

RSC Regional Services Council

SALGA South African Local Government Association

SDBIP Service Delivery Budget Implementation Plan

SMME Small Micro and Medium Enterprises

ADJB Adjustment Budget

DORA Division of Revenue Act

RBIG Regional Bulk Infrastructure Grant

ADJB Adjustment Budget

FOREWORD BY MAYOR

Honourable Speaker, members of the executive committee honourable councillors, Head of the Administration and all officials present, ladies and gentlemen.

It is an honour to table our IDP and Budget of the council that took office in 2022 through a democratic process at Tsantsabane Local Municipality. We took office of a municipality that needed serious interventions in the following:

- Good governance
- Financial viability
- Basic service delivery and an enhancement of the process
- to stimulate the local economy. This municipality needs to strengthen the planning process and apply accountability on the implementation of the IDP and budget process plan.

Madam Speaker when you look at our Annual Report 2021/2022 much more work needs to be done to improve the mandate of the municipality. We need to work closer as a council, but much closer with all stakeholders to improve the situation. We table an IDP 2023/24 that includes a long wish list of issues more so a budget that seems too unrealistic to meet, but with dedication and commitment nothing is impossible.

I pledge my commitment and cooperation to ensure the situation are improved. It is not always possible to do all the things you wish, but with systematic planning and good coordination successful implementation are guaranteed. We have visited communities this year in March 2023 to June 2023 and have experienced the high rate of unemployment, poverty inequality in communities and we pledge to foster close cooperation with stakeholders to improve the situation. We have seen communities are no longer patient for development and the poor conditions they live in this should increase our demeanour to implement and spend on budgets.

We are grateful for the municipal support partnership programme with Coghsta that seeks to enhance our planning capability and improve our governance principles and make sure we plan for a better future. Tremendous work has come from this relationship, and we seek to build on it to assist with the development.

2023/ 2024 financial year is the year this council will redirect the focus to communities and on service delivery. This is the year we will tighten the grip on by law enforcement, reduce our response time on service delivery interruptions, speedily respond to queries and strive to uplift the spirit of Batho Pele.

This is also the year many of the mines around review the social and labour plans which provide the opportunity for communities to carefully enlist their needs for consideration by the department of minerals and Energy in the Northern Cape.

We will foster better relationships with the Department of Minerals and Energy to ensure proper governance in the implementation of social and labour plans.

The audit opinion of this municipality is problematic in the execution of our plans and the and the handling of our finances we need to improve as an administration on how we do things so we can improve our integrity and attract investor confidence.

We have plans for some good local economic interventions that we hope can make the necessary difference in the lives of our people. The establishment of the tourism and LED desk that will be accommodated in the Blinkklip street tourism precinct in Postmasburg town that will serve as a desk for information on the town.

We will further stimulate the local economy with partnership on funding to ensure we create an equal society and create the necessary jobs in Tsantsabane. We need to plan for integrated human settlements and reduce the housing backlog. We have a shortage in bulk services and this hampers future development of our town. We need to seek ways on how to manage our loadshedding schedule for businesses and essential services to survive financially. We need to foster relationships to implement alternative green energy on all new developments.

This budget and IDP 2023/24 must be a balancing act with something for everyone. We will write off aging and uncollected debt of communities to ensure financial prudence of our financial systems. We will encourage all communities and businesses to pay for their municipal services on time as this enables us to provide the service uninterrupted and to report vandalism of municipal property. Littering of waste is and will remain a high priority for all citizens and business equally. We will channel resources to roll out programmes to alleviate the problem. We encourage communities to work with us to improve the situation.

We encourage community based, non-governmental organizations to play a role in the development of our communities to ensure we live in healthy communities free from societal ills.

Madam Speaker, fellow councillors, Ladies and gentlemen today marks our second year in office more energised, more focused to deliver on our mandate a better life for all. We should show determination halfway through the race that we can, we will and we shall overcome whatever the obstacles we may face in order to deliver basic services to our people.

I thank you!

Cllr English, H
Mayor, Tsantsabane Local Municipality



CHAPTER 1: INTRODUCTION AND PURPOSE

1.1. LEGAL FRAMEWORK OF THE IDP

1.1.1. *Constitution and the Municipal Systems Act*

Section 153 of the **South African Constitution** establish a legal framework for the developmental duties of local government, while section 152 indicates that the municipality must strive, within its financial and administrative capacity, to achieve the following objectives:

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

Premised on the provision of the RSA Constitution, the **Municipal Systems Act (MSA)** section 25 (1) states that “each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive, and strategic plan for the development of the municipality which:

- a) links, integrates and co-ordinates plans and considers proposals for the development of the municipality;
- b) aligns the resources and capacity of the municipality with the implementation of the plan;
- c) forms the policy framework and general basis on which annual budget must be based”.

The MSA is very clear on the internal systems that must be in place to allow the municipality to move progressively towards the social and economic upliftment of its local communities. That a *municipality must undertake developmentally oriented planning to ensure that it: strives to achieve the objects of local government set out in section 152 of the Constitution and gives effect to its developmental duties as required by section 153 of the Constitution*

This Integrated Development Plan (IDP) once adopted by the municipal council will be *the principal strategic planning instrument which guides and informs all planning and development, and all decisions regarding planning, management, and development, in the municipality.*

1.1.2. *Municipal Finance Management Act (2003)*

National Treasury states that “the MFMA aims to modernise budget, accounting, and financial management practices by placing local government finances on a sustainable footing to maximise the capacity of municipalities to deliver services to communities. It also aims to put in place a sound financial governance framework by clarifying and separating the roles and responsibilities of the council, mayor, and officials”.

Table 1: Roles and Responsibilities – The Financial Government Framework

Designation	Responsible for	Oversight over	Accountable to
Council	Development and Approving policies, IDP and budget	Mayor and Executive Committee	Community
Mayor & Executive Committee	Oversee Execution of Policies, SDBIP & Council Resolutions	Municipal Manager & Directors	Council
Municipal Manager	Outputs and implementation	Administration through Directors	Mayor, Executive Committee & Council
Directors: - Finance, Corporate Services, Technical & Community Services	Outputs	Financial management, Service Delivery Operations Management & Development Projects Facilitation	Municipal Manager

The MFMA (2003) obliges all municipalities to formulate service delivery and budget implementation plan (SDBIP) annually. The SDBIP should be viewed as a performance contract between municipal council and the community as well as municipal council and the administration. The SDBIP then provides a summary of all the activities and targets that a municipality commits to deliver in the coming year.

1.1.3. The National Development Plan (vision 2030)

The Diagnostic Report released by the National Planning Commission in June 2011 identified challenges and achievement that the country has registered since 1994. The report alluded to a failure to implement policies and an absence of broad partnerships as the main reasons for slow progress and further alluded to nine primary challenges confronting South Africa:

1. Very few people work
2. The quality of school education for black people is poor
3. Infrastructure is poorly located, inadequate and under-maintained
4. Spatial divides hobble inclusive development
5. The economy is unsustainably resource intensive
6. The public health system cannot meet demand or sustain quality
7. Public services are uneven and often of poor quality
8. Corruption levels are high
9. South Africa remains a divided society.

The Tsantsabane Local Municipality will in this IDP indicate how it intends to play a role in responding to challenges identified by the National Development Plan (NDP).

1.1.4. Northern Cape Provincial Spatial Development Framework (PSDF, 2012)

The Northern Cape Provincial Spatial Development Framework 2012 is an integrated document compiled and prepared by various stakeholders from different departments and professions. The purpose of the document is to:

- Ensure sustainability through the effective environmental economic and social planning
- Provide guidelines for instilling a developmental state
- Prioritize government programmes and projects
- Premise for governmental management, and
- To provide a manual for integrated land- use planning

The overarching goal of the PSDF is to enhance the well-being of the people of the province and the integrity of the environment through the efficient use of the resources of the province.

The following issues are applicable to the preparation of the Tsantsabane Municipal Spatial Development Framework (SDF) and IDP upon at review processes: -

- A common spatial vision and directives have been set for all other SDF's to be aligned with;
- A framework and guiding principles have been set to ensure sustainable development.
- The positioning of the Northern Cape nationally while recognizing its strengths and weaknesses is addressed.

1.1.5. Provincial Growth and Development Strategy (PGDS, 2011)

The PGDS, seeks to ensure *sustainable economic growth and development and increased spatial equity of that growth and development* (PGDS, 2011: 6).

The principles of the PDGS;

- **Equality** – notwithstanding the need to advance previously disadvantaged people, development planning should ensure that all persons should be treated equally.
- **Efficiency** – the promotion of the optimal utilisation of existing physical, human and financial resources.
- **Integration** – the integration of spatially coherent regional and local economic development and improved service delivery systems.
- **Good Governance** – the promotion of democratic, participatory, co-operative and accountable systems of governance along with the efficient and effective administration of development institutions.

- **Sustainability** – the promotion of economic and social development through the sustainable management, utilisation of natural resources and the maintenance of the productive value of the physical environment.
- **Batho Pele** – the placement of people and their needs at the forefront of its concern and to serve their physical, psychological, developmental, economic, social and cultural interests equitably.
- **Mainstreaming** - issues of women, children and persons with disabilities must be an integral part of all planning processes, implementation and monitoring of all plans and activities (PGDS 2011: 11).

Figure 1: The PGDP Conceptual Framework Towards 2040 Vision



1.1.6. National Spatial Development Perspective (NSDP)

- The NSDP's goal is to "fundamentally reconfigure apartheid spatial relations and to implement spatial priorities that meet the constitutional imperative of providing basic services to all and alleviating poverty and inequality" (NSDP, 2006: 1). It seeks to ensure that there is accelerated and shared economic growth, so as to reduce social exclusion and the levels of inequality. Some areas or provinces have generally limited potential. These areas might not even have the threshold that is needed to sustain the development that might be proposed for the area, so the best thing is to invest in the personal development of people living in those areas thus the focus should be on 'PEOPLE NOT PLACES' (NSDP 2003:27).
- According to the National Spatial Development Perspective, The ZFM District of which Tsantsabane Local Municipality is a part of has been classified as "medium"

importance area which means that no significant investment is concentrated in the region. Whereas the region has been classified as a “medium” rating area on most of the categories of development potential, it is rated low on innovation and experimentation as well as the production of high value, differentiated goods.

In most cases, the “medium” judgment of the NSDP hides a more comprehensive lack of real potential:

- Mining activities have been rapidly on the increase in the last few years. Agriculture has never been a key feature of the local economy. There is no evident labor-intensive manufacturing. Manufacturing is in decline across the board.
- Retail and services: This is a growing sector of the economy, but its potential is very limited by the smallness of the market and by the competitive proximity of Kimberley, which has taken a lot of business away from the City.
- Useful investments have been and are being made in tourism, but the volume of tourists is simply not sufficient to act as a driver of the economy.
- Solar Energy Project: there is growing development of solar plants within the ZFM District and Tsantsabane Local Municipality.

1.1.7. Spatial Planning and Land Use Management Act (2014)

On the 3rd August 2013, the SPLUMA was promulgated into law. Its promulgation reinforces the centrality and the authority of first instance in relation to submission of land use development applications. The Act alludes to what should be contained in a Spatial Development Framework, Land Use Management schemes and how land management issues should be handled. On the 1st July 2015 the Act came into effect and it transformed the land development application processes of the municipality.

Strategic Goals and Priorities of Z F Mgcawu District Municipality

- To monitor and determine the housing backlogs in the district as well as to inform the public on housing information
- To assess and provide targeted support improving institutional capacity and service delivery
- capabilities of category B-municipalities
- To promote environmental health and safety of communities in the Z F Mgcawu District through the
- proactive prevention, mitigation, identification and management of environmental health services, fire
- and disaster risks
- To promote safety of communities in the District through the proactive prevention, mitigation,
- identification and management of fire and disaster risks
- To market, develop and co-ordinate tourism in the Z F Mgcawu District

- To assess and monitor the status of infrastructure needs and requirements of B Municipalities
- To ensure efficient business operations and to fulfill the assurance statutory requirements of the Z F Mgcawu District Municipality

1.1.8. ZF Mgcawu District Municipality Spatial Development Framework (2012)

The spatial vision for the district is:

“An exciting mix of:

- Tourism: Cultural, wilderness, floristic, river tourism ranging from the Kgalagadi international trans frontier park to the culture of the Riemvasmak community to river tourism on the mighty Orange River ;
- Mining and mining beneficiation.
- Agriculture: riverbank vineyards and expansive stock and game farming in the Kalahari; and
- Renewable energy technology opportunities.”

1.1.9. Tsantsabane Spatial Development Framework (2015)

The municipal spatial vision is **“to create a place of opportunities, in cooperation with the private sector, where the basic needs of all residents are met in a safe, healthy and sustainable environment”**.

The development objectives of the SDF are:

- “the integration of various areas in the municipal to form a well-functioning space economy
- the development of sustainable human settlements and renewal of existing settlements
- the promotion and facilitation of economic development
- the sustainable management of the natural environmental assets and heritage
- the promotion of tourism development
- the promotion of sustainable rural development
- the development and improvement of linkages with surrounding areas of importance
- service delivery, specifically focusing on providing sufficient capacity in development priority areas” (Draft Tsantsabane SDF, 2015: 44).

Whilst the SPLUMA reinforces the centrality and the authority of the municipality in relation to land user development application, Tsantsabane Local Municipality is faced with challenges of illegal land use development, occupations, pressure of spatial development demand (due to mining and solar investments in the area.), limited town planning capacity.

The municipality has developed its Spatial Development Framework (SDF) and Land Use Management Scheme (LUMS) compliant to SPLUMA. With the assistance of the Department of the Office of the Premier (OTP) both documents are due for review.

At present the municipality remains part of the ZFM District Municipal Planning Tribunal, which assist to consider the application refereed to for taking decision regarding land use amendment applications.

1.2. PURPOSE OF THE IDP DOCUMENT

Section 34 of the Municipal Systems Act (MSA) directs a municipality to develop a five-year Integrated Development Plan (IDP) and to review it annually. The Integrated Development Plan is a single, inclusive, strategic plan of a municipality that clearly outlines the development objectives and provided a policy framework that would guide management in decision-making related to budgeting and planning for the municipal area for the five-year electoral period. The annual review is necessary to assess work that the municipality has done to improve the lives of those residing in the municipal area, to evaluate what still needs to be done and consider changing conditions.

Section 23 of the MSA states that “a municipality must undertake developmentally oriented planning so as to ensure that it:

- a) “strives to achieve the object of local government set out in section 152 of the Constitution;
- b) gives effect to its developmental duties as required by section 153 of the Constitution; and
- c) together with the other organs of state contribute to the progressive realization of the fundamental rights contained in section 24, 25, 26, 27 and 29 of the Constitution”

1.2.1. The IDP aims

The intention of compiling the IDP is to amongst others

- To articulate how the municipality aims to address and align with the national objectives of shared growth, reduction of poverty and social inclusion;
- Determine the strategic priorities guiding the actions of the municipality for the next financial year through linking and co-ordination between sectoral strategies;
- Aligning financial and human resources with implementation needs;
- Set out a strategically informed programmer of action for the medium-term revenue and expenditure framework;
- Strengthening the focus on sustainable development;
- Provide the basis for annual and medium-term budgeting;
- Guide Council’s development decision-making;
- Enable legislative compliance; and
- Provide a monitoring and evaluation framework of the implementation of the IDP.

1.2.2. IDP process followed

Section 28 of the Municipal Systems Act (2000) indicates that “each municipal council, within a prescribed period (nine month before the new financial year) must adopt a process plan setting the planning and review its integrated development Plan and budget. The process alludes to how the review will unfold, who will take part in the process and how communities will be consulted in the compilation of the five-year 2021 – 2025 IDP and three (3) year Medium Term Revenue Expenditure Framework (MTREF).

In August 2021 the outgoing Council approved the IDP and MTREF review process plan which provided amongst others for the following:

- Institutional structures to be established for management of the process.
- Approach and structures for public participation.
- Time schedule for the planning process.
- Roles and responsibilities for both internal and external role players.
- Monitoring, evaluation, and reporting of the processes.

1.2.3. IDP Organisation Structures

- **IDP Steering Committee:** - facilitates the process of planning, implementation, and management of the IDP in the Municipality and plays a vital role in driving the process. The IDP Representative Forum is the structure which keeps the Municipality accountable and, on the forum, different representatives from the municipality sit on it. The Council approves the IDP and the administration ensures that the IDP objectives are achieved.
- **IDP Representative Forum:** -has been meeting on a quarterly basis to monitor and evaluate the IDP process, project implementation, as well as to give inputs and make recommendations regarding priority issues, objectives, strategies, projects, and programs.

1.2.4. Public Participation

Aligned to the approves IDP/MTREF process plan the public participation took place under both Adjusted COVID 19 Level 1 and 3 regulations as gazetted in Gazette 44044 of 29 December 2020, as amended. The process took various forms to ensure COVID 19 infection risk mitigation.

- The Constitution of the Republic of South Africa, Act 108 of 1996, places an obligation on municipalities to encourage the involvement of communities and community organisations in the matters of local government. With the promulgation of the Municipal Systems Act, 32 of 2000, the attention of municipalities was focused anew on the need to encourage the involvement of communities in the affairs of the municipality.
- Through public participation the municipality can make development plans and render services that are more relevant to the needs and conditions of local communities. This empowers local communities to have control over their own lives and livelihoods.

- Section 16 of the Municipal Systems Act indicates that a municipality needs to develop a culture of community participation. That “a municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance and must for this purpose (a) encourage and create conditions for, the local community to participate in the affairs of the municipality including the preparation, implementation and review of its integrated development plan in terms of Chapter 5”.
- TLM approved the 2022/23 Budget/IDP process plan in August 2021 however owed to reasons that the Council will have to review its implementation failed to realize some milestones of the process plan owed to mSCOA System and related municipal operational challenges.

1.2.5. Self-Assessment on the Planning Process

- A good participation process is characterized by commitment from the municipality and those from the community that participate in the process. All relevant stakeholders that have an interest in the IDP process were provided the opportunity to participate directly or through representation.
- The situational analysis and statistics presented in this chapter indicate the developmental challenges facing Tsantsabane municipal area. This is crucial as it provides the municipality and its social partners with deep insight into local socio-economic trends, patterns and development challenges. The objective is to identify major strengths and weaknesses per geographical area as well as ascertaining the available information and current development required.
- Issues highlighted during the ward based public participation process during 2021/22 public participation remained relevant in the development of this IDP. Below are development and service delivery inputs made and categorized per ward. The programs and projects in this IDP are informed by this scenario.

Table 2:Tsantsabane Council Identified Priorities for 2022/23

PRIORITY ITEM	WARD	PROJECTS
1. Human Settlement	Ward 1	1. Removal of Asbestos roofing in Postdene 2. Beneficiary registration for mix development in Greenfield and Carnation 3. Beneficiary registration – Part of Town(West End)
	Ward 2	1. Beneficiary registration for muddy houses
	Ward 3	1. Beneficiary registration – Postdene 2. Beneficiary registration – Groenwater 3. Township Establishment – Jehn Haven
	Ward 4	1. Hopeville need services
	Ward 5	1. Beneficiary registration – Part of Town(Trinity)

PRIORITY ITEM	WARD	PROJECTS
		2. Township establishment / Beneficiary registration/Infields/Business plan for houses – Marantheng
	Ward 6	1. Rezoning of industrial portion to residential 2. Internal services, Transnet 120 3. Township establishment
	Ward 7	1. Beneficiary registration- Part of Town (Civic Centre) 2. Construction of 120 houses (Coghsta)
2.Roads and Storm Water	Ward 1	1. Angelier Street in Ward 1 2. Butterfly and Brown Street (Carnation & Greenfields)
	Ward 2	1. Kraanvoel and Hoep Hoep Street
	Ward 3	1. 5 th Avenue 2. Nominate Street
	Ward 7	1. Mqomo street / Mbombo street
	Ward 5	1. Behind workshop Street 2. Water and De Bruyn Street
	Ward 6	1. Ratanang Street in White City 2. Main access road
3.Water	Ward 1	1. Sort the water problem out in Postdene
	Ward 2	1. Construction of Reservoir
	Ward 3	1. Sort the water problem out in Postdene
4.Libraries	Ward 4	1. Security at Library
	Ward 1;5;7	1. Security upgrade of E-Learning in Town Library
	Ward 6	1.Need Library in White City
5.Community Halls	Ward 1	1. Upgrade of Community Hall
6.Arts and Culture	Ward 4	1. Fixing of Stadium
7.Parks	Ward 2	1. Ablution facilities
	Ward 3	1. Upgrade of all sports codes(Postdene) 2. Upgrade of soccer field – Jehn Haven
	Ward 4	1. Swimming pool; Sports
	Ward 7	1. Upgrade of soccer field



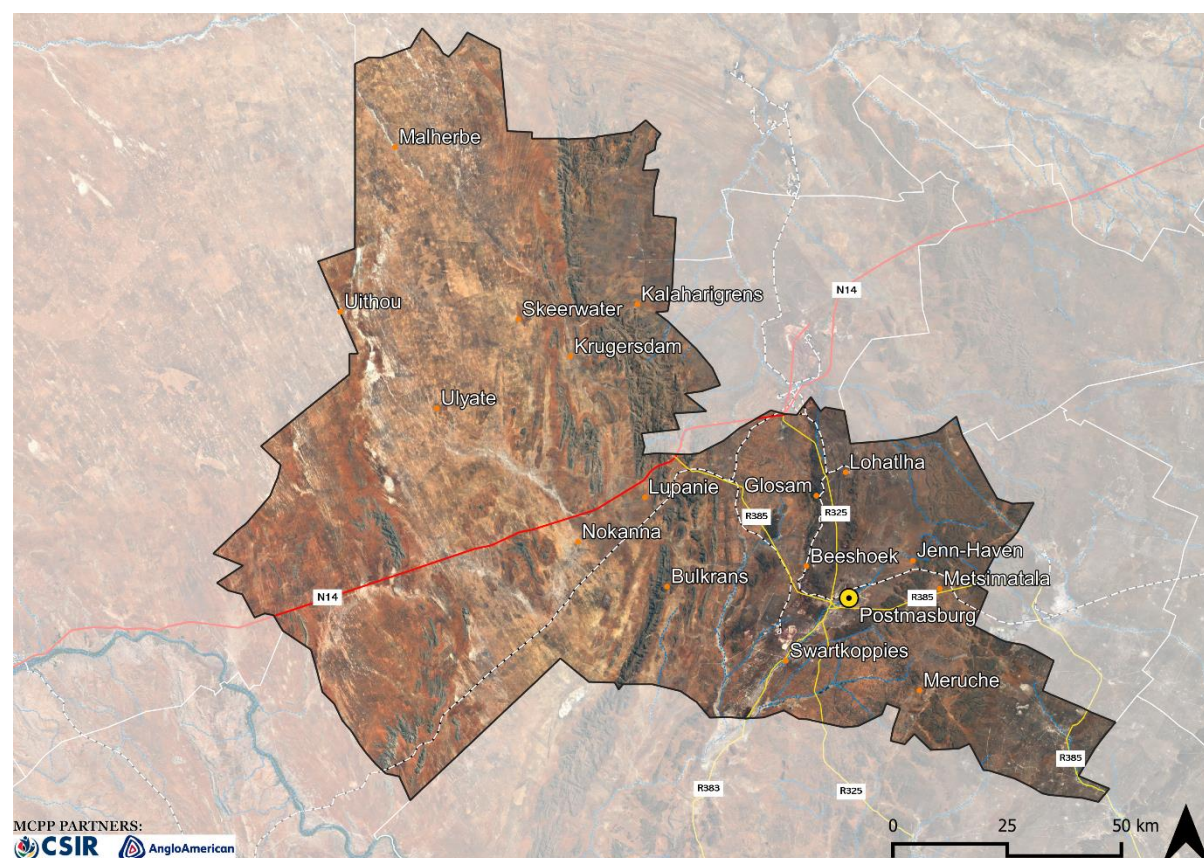
CHAPTER 2: MUNICIPAL PROFILE

2.1. INTRODUCTION

This chapter briefly describes the spatial, social, environmental, and economic elements that shaped the pattern of development in the municipal area. The purpose of the profiling is threefold: (a) to serve as reference framework for integrated development planning, (b) to better understand and report on the urban and rural context, and (c) to track, measure and consider change over time. The work done includes a situational analysis which, together with the annual report, informed our understanding of the environment within which government operates.

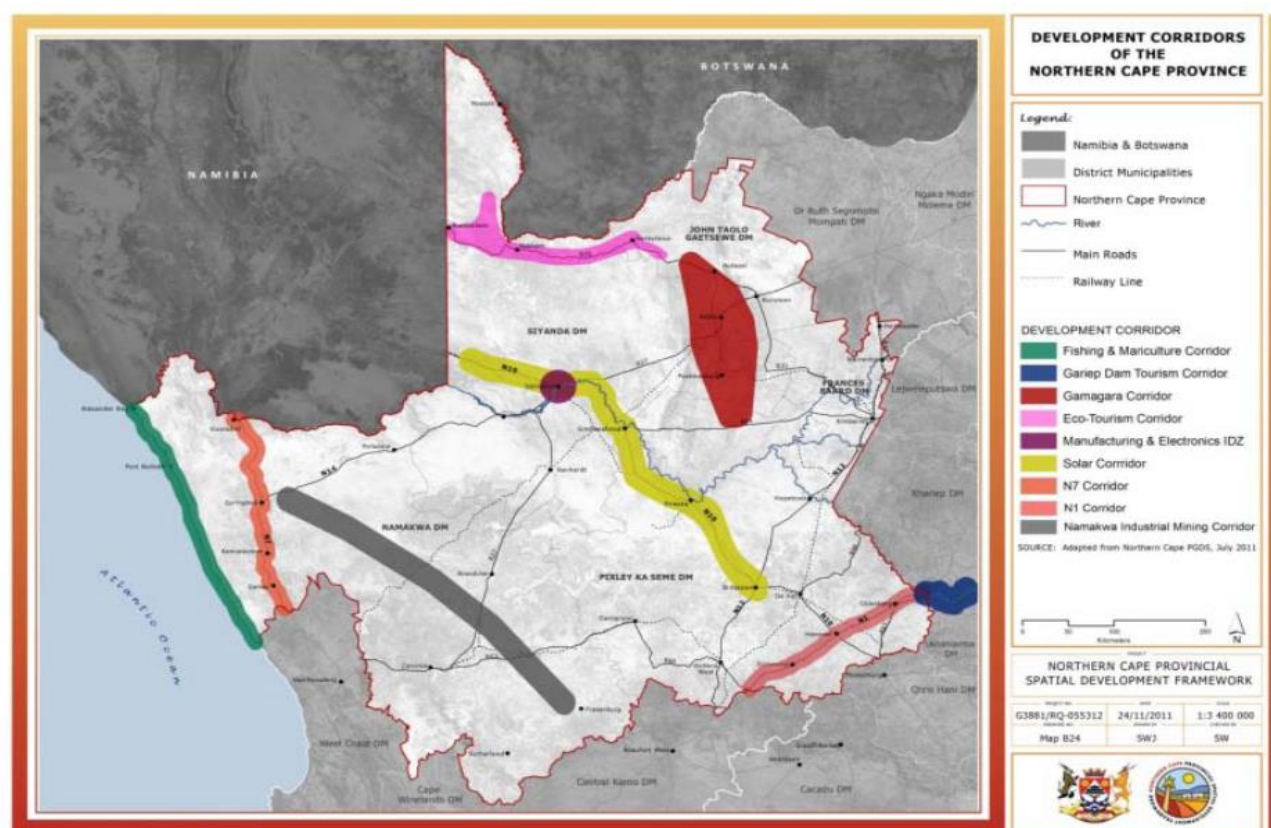
2.2. LOCATING THE MUNICIPALITY

Figure 2: Tsantsabane Local Municipality Context



Tsantsabane Local Municipality is situated in the ZFM District Municipality and covers geographic area of 5 887km² (Surveyor General, 2008). Tsantsabane Local Municipality is bordered by Siyancuma LM, //Dawid Kruiper LM, !Kheis LM, Gamagara LM and Kgatelopele LM.

Figure 3: Northern Cape Provincial Spatial Development Framework 2012



The municipal area falls in the Gamagara Corridor. The NCPSPDF (2012: 68) defines the Gamagara Corridor as “comprises the mining belt of the John Taolo Gaetsewe and Siyanda (ZF Mgcawu) districts and runs from Lime Acres and Danielskuil to Hotazel in the north. The corridor focuses on the mining of iron and manganese”.

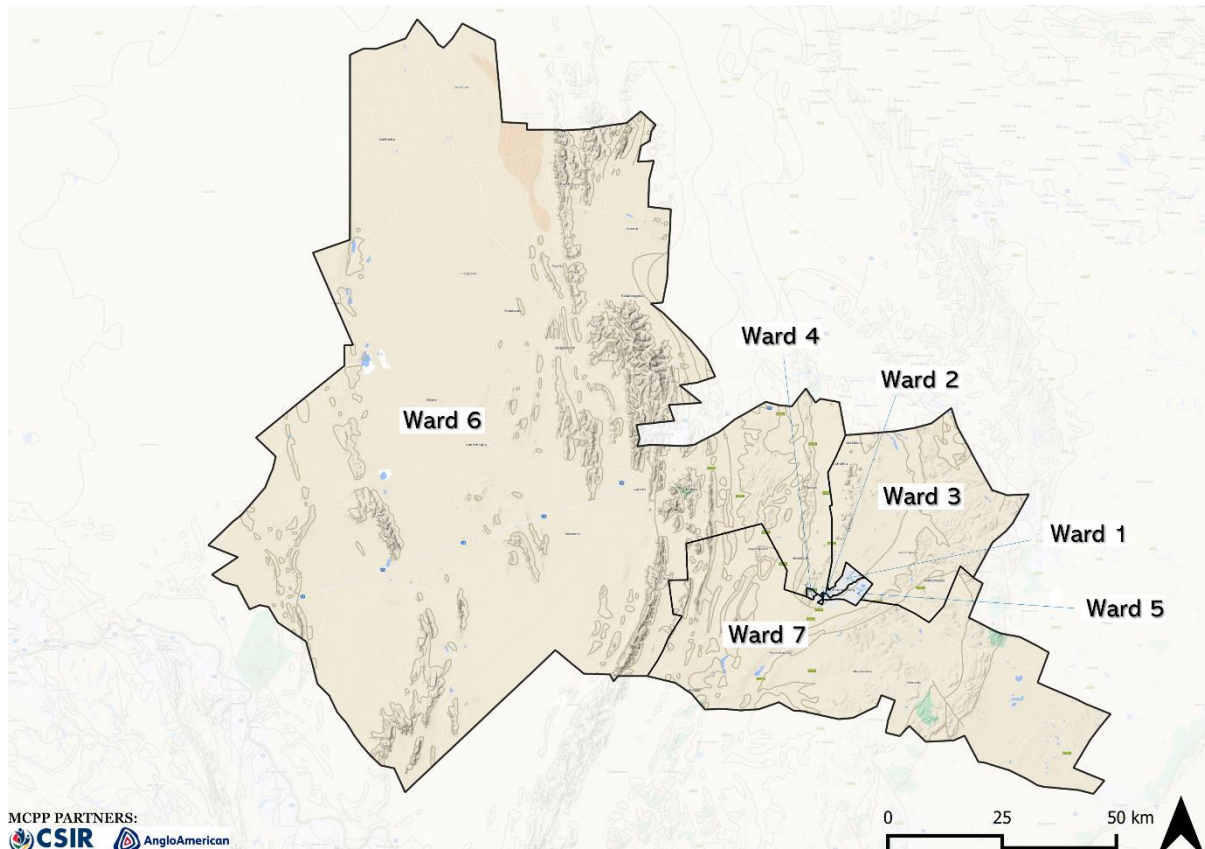
The municipality comprises of seven (7) wards and it is also a host to the Lohahla South Africa Military Training Base. The municipal area is divided into the following wards:

Table 3: Tsantsabane Wards

WARD	SETTLEMENTS
Ward 1	Groenwater; Portion of Postdene; and Carnation. – Cllr M.J. Lottering
Ward 2	Newtown – Cllr H. English
Ward 3	Jenn Haven; Portion of Postdene; and Phase 1 – Cllr S.L.R. Devajee
Ward 4	Boichoko – Cllr G. Kerometswe
Ward 5	Maranteng; Kanonbult – Cllr K.G. Tonyane
Ward 6	White City; Glossom; Maremane; Beeshoek; Stasie - Cllr H. Minnies

WARD	SETTLEMENTS
Ward 7	Skeifontein; Soetfontein; Strathmore; Part of Boichoko, and Postmasburg Town – Cllr L.M. Teise

Figure 4: Tsantsabane Wards



2.3. SPATIAL ANALYSIS

- Patterns and Trends: Tsantsabane Local Municipality Spatial Development Framework (SDF) and Land Use Management Scheme (LUMS) was completed and adopted by Council in 2015 and it is due to be reviewed within the 2022/23 financial year. The SDF also contains basic principles pertaining to long term spatial development as well as possible strategies and principles on how to achieve this desired spatial form.
- The municipal spatial vision is **“to create a place of opportunities, in cooperation with the private sector, where the basic needs of all residents are met in a safe, healthy and sustainable environment”**.

The following key spatial issues were identified and evaluated to determine their impact:

- Access to land for residential; retail and industrial use
- Land development

- Spatial integration
- Sustainable land management
- Proper distribution network
- Land reform and restitution
- Land conservation

2.3.1. Structuring elements

The major routes running through Postmasburg include the R385 from Kimberley that runs through Beeshoek, the R309 and the R325 to Kathu. Postmasburg is situated 200 kilometers from Kimberley and 240 kilometers to Upington.

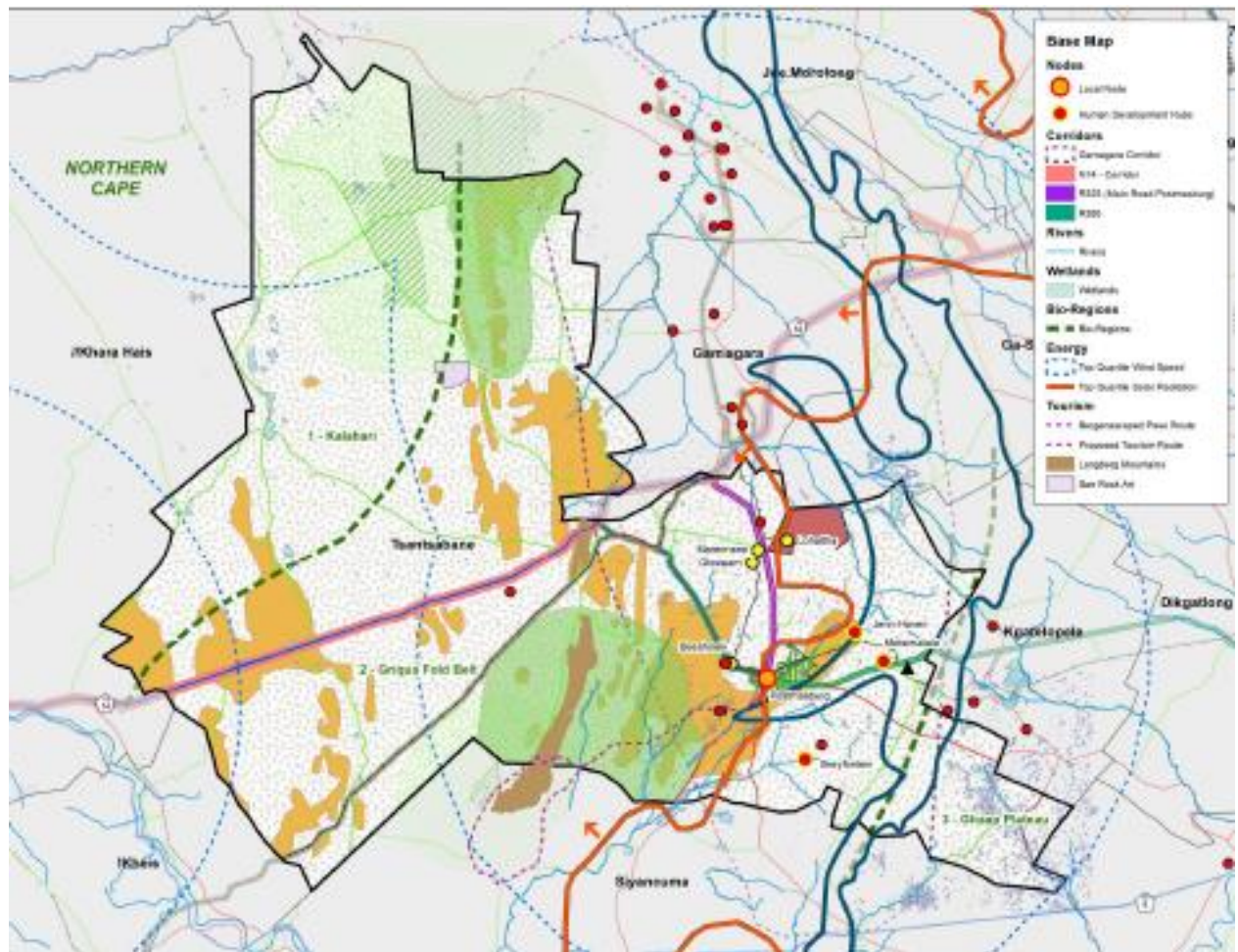
Key municipal settlement areas can be categorized as follows:

- **Main town:** Postmasburg
- **Rural settlements:** Jenn-Haven, Maremane. Groenwater and Skeyfontein (latter three (3) under CPA)
- **Established Townships:** - Boichoko, Newtown, Whitecity, and Potsdene.
- **New Settlements Developments:** - Mountainview, Greenfields, Postdene Phase 1 & 2.

The Municipal SDF (2015) refers to the following spatial restructuring elements:

- Different nodes: CBD node, Sibilo shopping centre business node, Postdene business node, Boichoko/Newton Business node.
- Primary movement corridors (N14 and Sishen Saldanha Railways)
- Secondary movement corridors (R385 and R325)
- Gamagara mining corridor
- Activity streets

Figure 5: Tsantsabane SDF 2015 Municipal Map



2.4. POPULATION

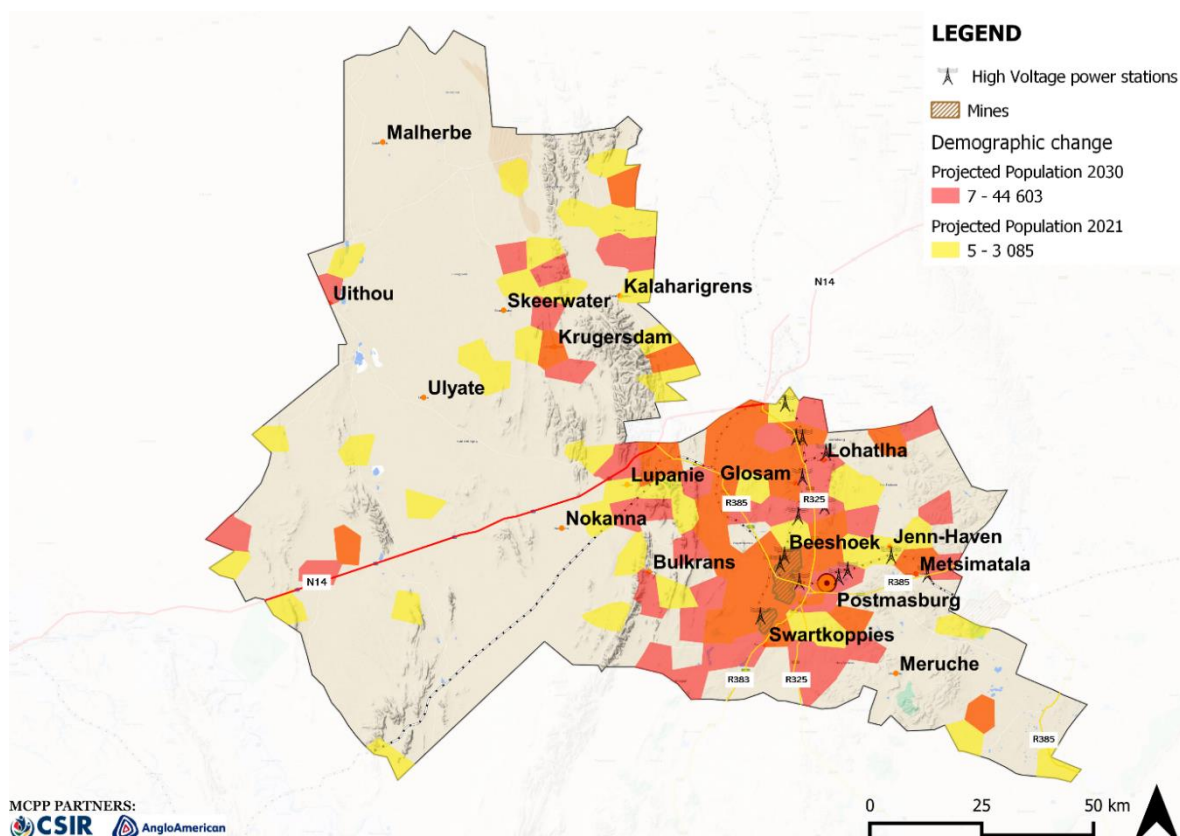
According to Statssa (2016) and CSIR (2022), TLM in 2021 had a population 43 758 people, which reflected an increase of 8 678 people between 2011 (had a population of 35 093) and 2021, also indicating a population increase of 17 345 between 2001 (had a population of 31 014) and 2021. As such, by 2031 it is expected that TLM will reach 55 345 people, adding an approximate number of 11 590 to the 2021 figures. This population growth trend is expected to increase the number of people that the municipality must provide services to, keeping in mind that the municipality is currently facing challenges in meeting its present demand on water, sanitation, and electricity provision.

Table 4: Population Dynamics

Settlement	Population 1996	Population 2001	Population 2011	Population 2021	Change 2001-2021	Change 2011-2021
Beeshoek Mine	954	965	551	634	-332	83
Boitshoko	6105	6643	8140	9402	2759	1261
Glosam SP	180	177	117	131	-46	14
Goedgedacht SP	2153	538	748	963	425	214
Groenwater SP	169	522	739	1043	522	304
Lohatlha Military	80	43	146	196	152	49
Marenteng	1760	3304	3383	4395	1091	1012
Near Groenwater (New)	15	3	12	22	19	11
Near Iftimasum Motalib (New)	388	438	1478	2948	2510	1471
Near Skeyfontein (New)	55	4	13	22	18	9
New Town	3026	4322	6249	7158	2836	910
Postdene	5493	5379	6928	8047	2668	1120
Postmansburg SP	2019	794	4293	5978	5184	1685
Skeyfontein (New)	59	4	13	18	14	5
Rest of area	3947	3277	2271	2801	-476	530
Grand Total	26402	26413	35080	43758	17345	8678

Source: CSIR. 2021. Population data at settlement footprint layer – values assigned from Statistics South Africa municipal control totals.

Figure 6: Tsantsabane population projection map



2.4.1. Age and Gender

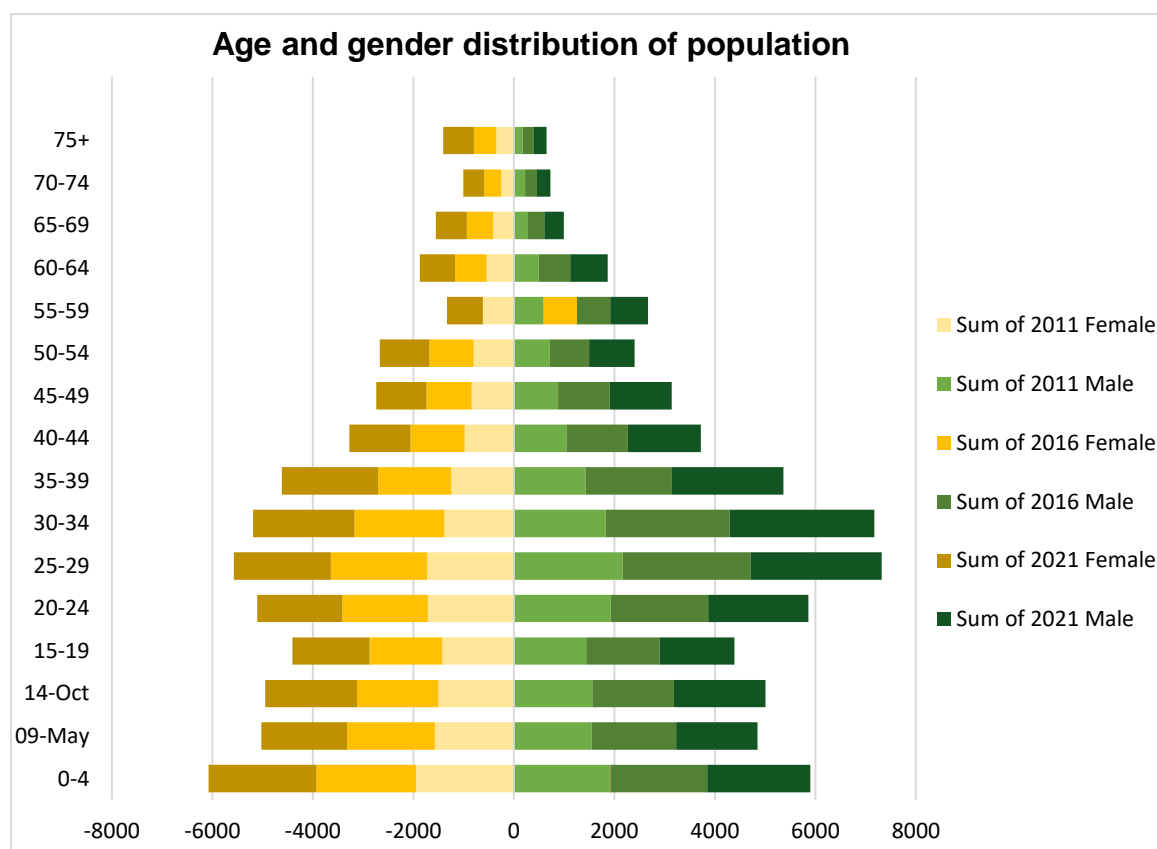
The 2021 Stats SA data on Tsantsabane Local Municipality on age and gender distribution, enables populations comparison from earlier periods 2011, 2016 until 2021 to be drawn for purpose establishing trends but also for forecast planning. These data include whether specific age bands in the population are growing or declining (Table 5). The graphical comparison in the form of an overlaid growth pyramid below shows the TLM population age and gender breakdown for the years 2011, 2016 and 2021.

Table 5: Age and gender distribution of population of Tsantsabane Local Municipality

Age group	Sum of 2011		Sum of 2016		Sum of 2021		2011	2016	2021
	Female	Male	Female	Male	Female	Male	Total	Total	Total
Total	17323	18243	19079	20433	21054	22704	35566	39512	43758
0-4	1951	1922	1978	1926	2147	2050	3873	3904	4197
5-9	1571	1552	1745	1678	1712	1618	3124	3423	3330
10-14	1501	1560	1621	1627	1827	1819	3061	3247	3646
15-19	1428	1440	1444	1457	1536	1493	2868	2901	3029
20-24	1710	1926	1704	1943	1692	1994	3635	3647	3686
25-29	1724	2168	1921	2541	1930	2614	3892	4462	4544
30-34	1379	1832	1790	2462	2021	2878	3211	4252	4899
35-39	1248	1430	1450	1707	1918	2225	2678	3157	4143
40-44	982	1047	1076	1225	1217	1448	2030	2302	2665

45-49	843	882	895	1024	1002	1237	1725	1919	2238
50-54	803	717	880	781	986	905	1520	1661	1891
55-59	619	596	659	661	709	756	1214	1320	1465
60-64	541	491	621	629	708	748	1032	1249	1456
65-69	415	280	518	324	619	389	696	842	1008
70-74	256	226	333	232	419	271	483	565	690
75+	352	173	445	217	611	259	525	662	870

Figure 7: Trends in age and gender distribution of population for years 2011, 2016 and 2021



This information is critical to support decision making in the prioritization of resources allocation to sustain basic service delivery and facilitation of social and economic development within the Tsantsabane Local Municipal area. TLM and key stakeholders must reflect on the following issues: -

- Implications of age distribution in the Municipality for the provision of social development services (e.g. community facilities; educational facilities; settlement planning; etc)
- Implication of age distribution on employment in the Municipality and on socio-economic development by key stakeholders.
- Implications on municipality and key stakeholders to address gender inequalities and how effectiveness of development interventions and its benefit to the elderly, disabled, women, men, and children.

2.5. SOCIO-ECONOMIC ANALYSIS

2.5.1. Education levels

It is important to understand the level of education of people in a particular area, as one is then able to have a clear understanding the human resource capital of the area and gauge its

potential to respond to socio-economic environmental factors both for social and economic development of the area. From the 2011 StasSA Census data the following is the educational data for Tsantsabane Local Municipal area.

Table 6: Education Levels

Group	Percentage
No Schooling	4,6%
Some Primary	41%
Completed Primary	6,4%
Some Secondary	32,1%
Completed Secondary	13,7%
Higher Education	1%
Not Applicable	1,2%

The above picture when compared with the 2019 Kumba Kolomela Social Impact Assessment Survey conducted in the whole of Tsantsabane Local Municipality through 1284 respondents there is no improvements. The graphs below show data for both school and post-school education.

Figure 8: Highest grade passed in school

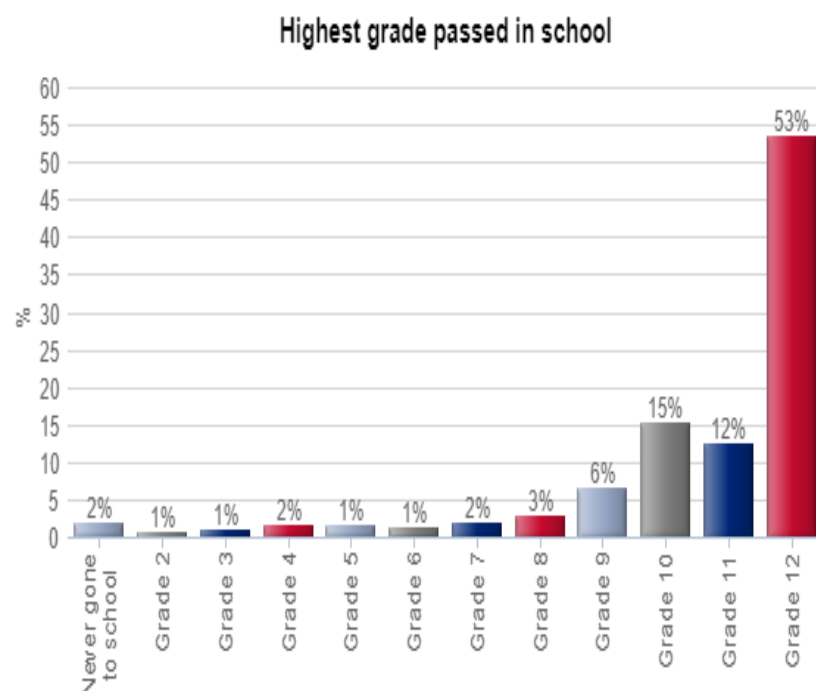
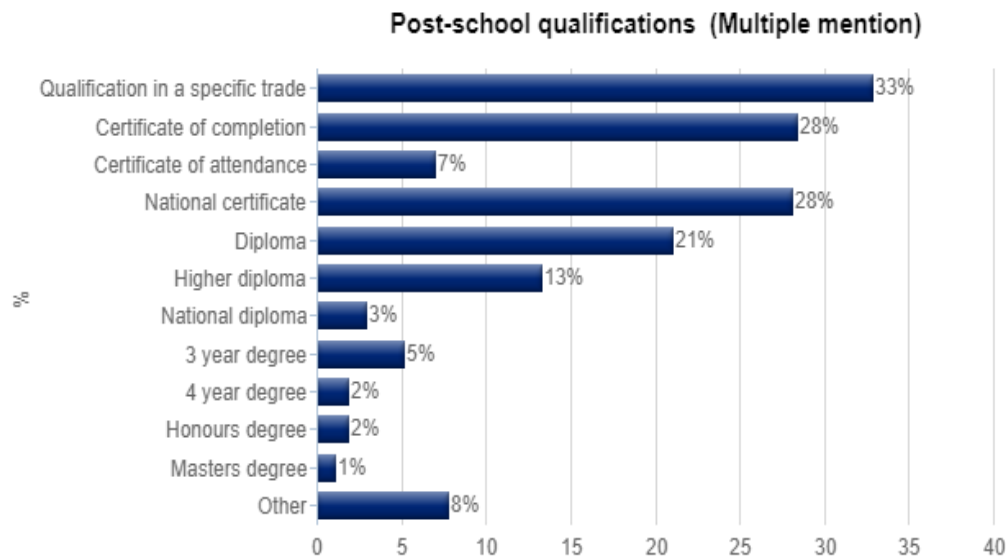


Figure 9: Post-school qualifications

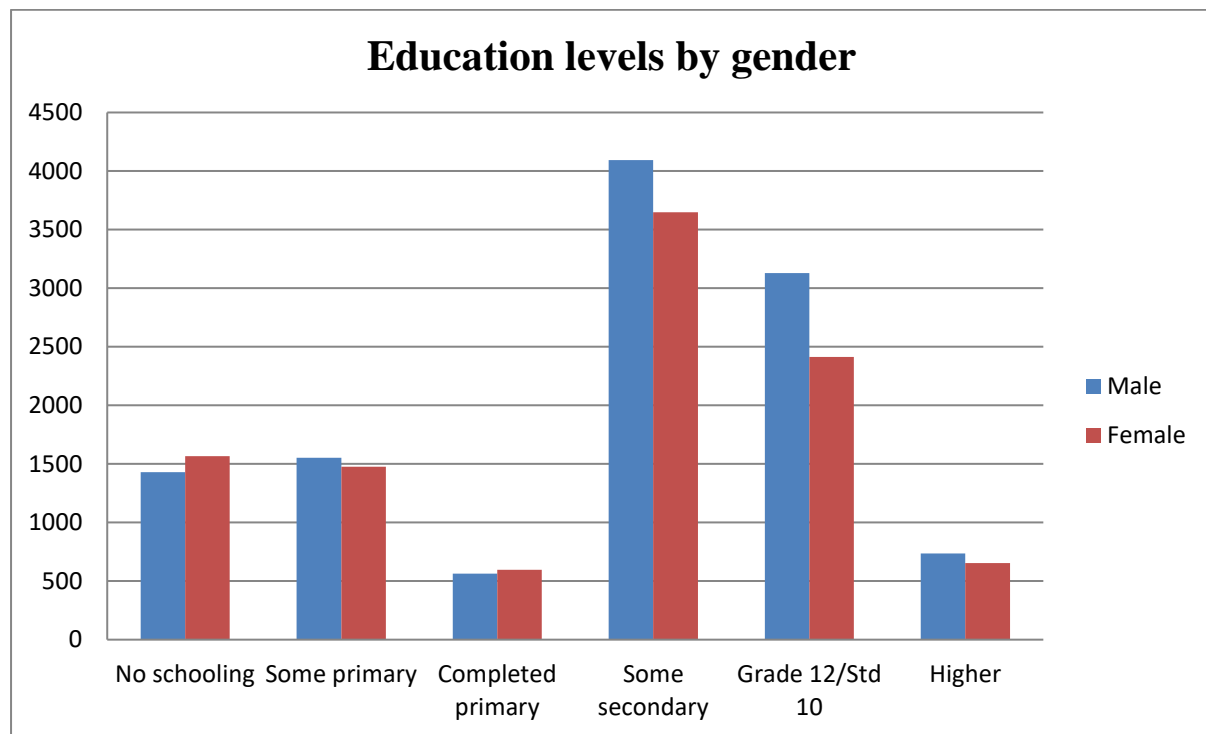


From the above it is evident that the Municipality and all key stakeholders need to put concerted efforts to address the structural flaws that contribute to the above concerning picture on education levels in Tsantsabane Local Municipality. The statistics indicate that although a high number of students enrolling for primary school, a very low number of students complete grade 12. This has resulted in a very low probability for tertiary education enrolment or employment opportunities. Only 5% of those who enrolled for grade 1 make it into tertiary. Less than 15% of the population has a tertiary qualification or have completed Grade 12. It must, however, be mentioned that the education level is affected negatively by the urbanization process, in the past since it mostly involves matriculates and those with a better qualification, due to the local lack of job opportunities. This can also be attributed to the fact that the nearest University of Technology (Central University of Technology, in Bloemfontein) is almost 400km away and the Sol Plaatje University has recently started a limited offering of some courses.

In response to this situation, the municipality has made provision in its Mountain View and Greenfield Township establishment project (part of the Mix typology Human Settlement Bulk & Link Infrastructure Project) provided for space for two primary and secondary schools respectively. And through the ZFM District Intergovernmental Forum, the Regional Department confirms that the Provincial Government has approved the building of a high school English medium Secondary Education School.

With regards to education levels per gender, the diagram below depicts data of a concerning picture of low education level in general and its negative impact particularly on the ability of females to gain exposure and perform well at various levels of the education system. The general implications are dire for the whole population and its ability to take advantage of socio-economic opportunity presented by the mining and solar industry investment in the area, both with regards to enterprise development and employment.

Figure 10: Education levels by gender



2.5.2. Employment Status

The 2011 Census by StasSA depicts that unemployment figures has drastically reduced from 4 466 in 2001 to 3 795 in 2011 this shows a decrease of 15%. Employment has increased by 69% in 2011, this is attributable to various socio-economic sectors investment in the area linked to the upsurge in mining and solar industrial investment.

The 2019 Kumba Kolomela Social Impact Assessment Survey conducted in the whole of Tsantsabane Local Municipality capturing 4039 respondents give the following details in terms of employment status and per sector in the Tsantsabane Municipal Area.

Figure 11: Employment status

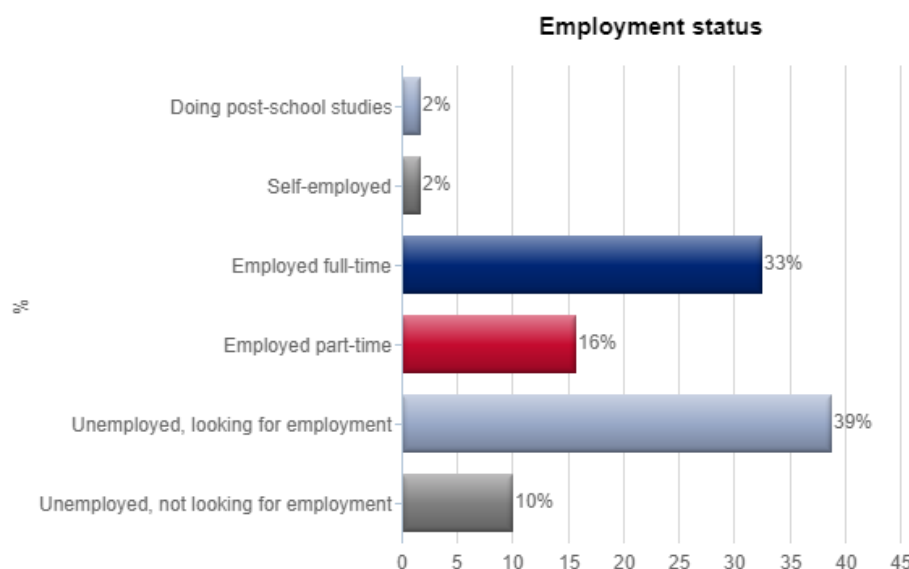
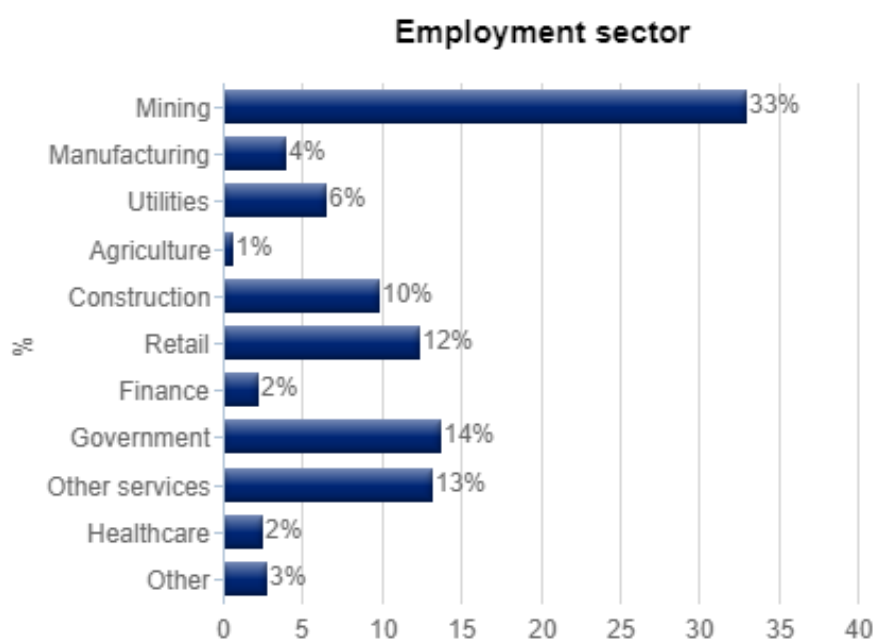


Figure 12: Employment sector



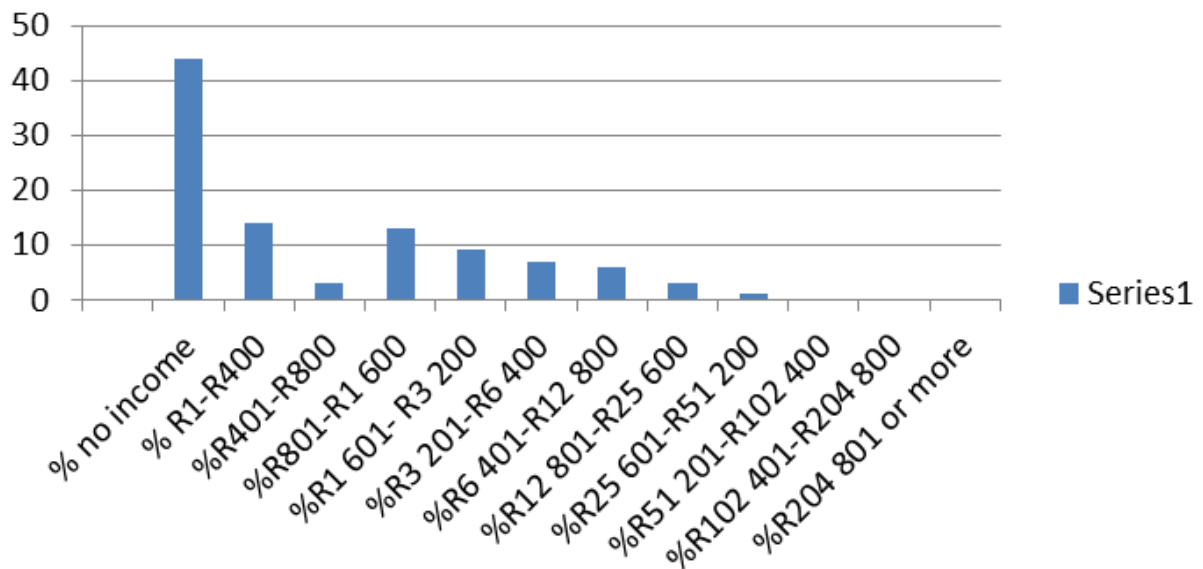
Whilst the above picture creates comfort the concern for Tsantsabane Municipal Council remains the sustainability of this picture or its positive impact on local population given the data of education levels, impact on special groups (youth, women & disabled), impact of COVID 19 pandemic on the above. Moreover, the concern remains the importing and extraction nature of solar and mining industries in relation to production requirements and lack of beneficiation respectively.

The review of the TLM local economic development strategy and spatial development framework documents must put focus on creating sustainability beyond life of mining investment.

2.5.3. Income Levels

Income variable is one of the variables that measure individual and household welfare. It is an important variable that assists in generating indicators relating to poverty and development. Statistics on income levels also facilitate planning and resources allocation” (Stats SA, Roambi). Most people in the Tsantsabane municipal area have no monthly income. The following depict the income levels as per StasSA data from 2011 Census.

Figure 13: Income levels



However, the 2019 Kumba Kolomela Social Impact Survey assessment gives additional details on household income and various government grant incomes this is based on 1289 respondents, further confirming the dire poverty situation of the community. This situation has indeed changed to the worst given the socio-economic decline caused by COVID 19 pandemic, the June 2021 unrest, and recent KZN and TLM flooding events.

Figure 14: Household income

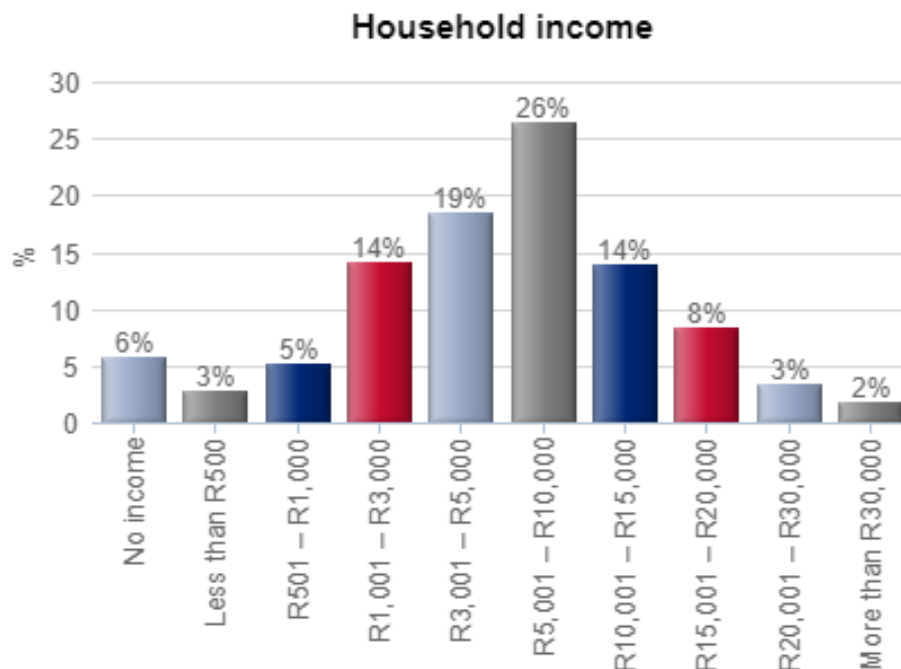
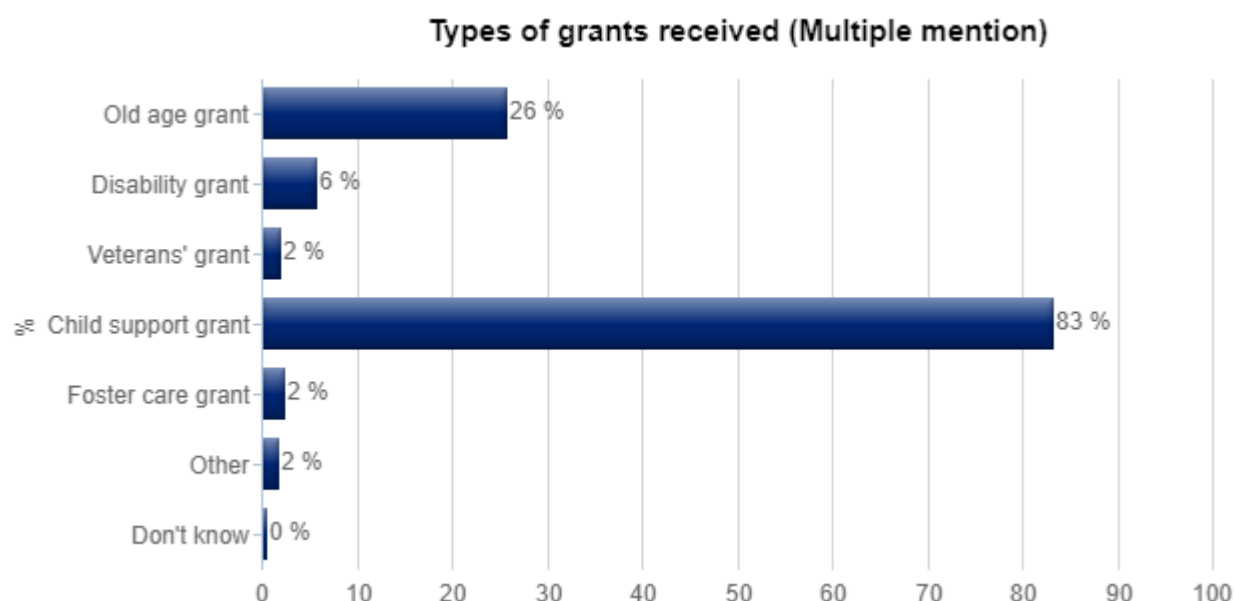


Figure 15: Types of grants received.

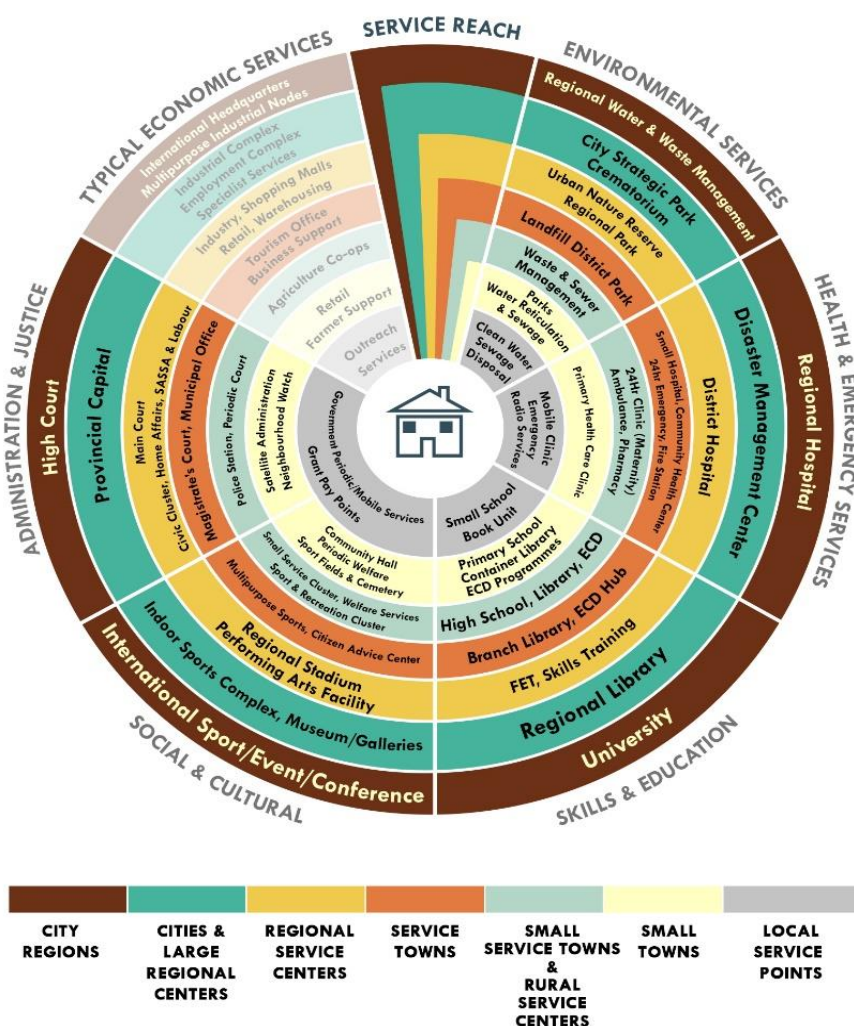


2.5.4. Social infrastructure

In terms of the CSIR, Human Settlement Planning and Design, 2000, Settlements that perform well are those that are convenient and give people access to facilities. Social amenities contribute to the human development of people in a particular area. Access to social amenities may contribute to a person's development but their absence can also pose various challenges. In 2018 the CSIR updated the South African Town Typology was updated, drawing on the spatial logic, in which the size of a settlement, its level of economic activity and its role within the surrounding area, are linked to the type and size of social facilities needed¹. This typology of functionally linked South African cities, towns and villages is more finely differentiated (in terms of the level of inclusion of smaller settlements) than any previous national scale typology.

¹ Chéri Green, Zukisa Sogoni, Valentine Ragoasha. 2018. Socially Just and Rational Social Services Provision for South African Settlements. CSIR document. Available at: http://stepsa.org/service_wheel_typology.html. Accessed 18 December 2021.

Figure 16: South African Town Typology



Based on the above this is the CSIR Typology the following are the for Tsantsabane Municipality

Tsantsabane	
Local service node	Lohatlha
Service Town	Postmasburg

This an important information for Tsantsabane Municipality to consider to support continuous planning and review of its strategic document particularly spatial development framework (SDF) and smart city framework document. The following considerations are important going forward:

- What social service-level categories does the municipal town fall and its surrounds settlements fall?
- In line with the NSDF, PSDF, TLM SDF what role is the Municipality expected to perform in the province and the district?

- What level of services should be provided in the town and how it interlink with rural areas within the Municipality?
- How can this information improve the prioritization of social service delivery in the Municipality?
- Which social services exist and which should still be planned for?

2.5.5. 2.2.5. Schools

The residents have access to educational facilities such as primary schools and high schools, however there is a need for more Primary Schools, as per the threshold's standards set by the CSIR Human Settlement Planning and Design.

Challenges confronting schools include:

- There is an urgent need for additional school facilities in (Postmasburg) and Groenwater / Skeyfontein.
- Lack of a Setswana medium school/s.
- Lack of specialized schools focusing on specialized traits i.e. Technical or Agricultural
- Lack of proper water and sanitation services at schools
- Not enough classrooms and high learners and teacher ratio
- There is a need for an additional technical high school that will respond/address for the needs of the mining sector.

2.6. ECONOMIC ANALYSIS

2.6.1. Local economic development

Local government is mandated to create the necessary conditions for economic growth and job creation. The municipality has a LED Strategy, which is due for review. The municipal area places an important role in the economy of the region/province, as it is in the Gamagara Development Corridor.

2.6.2. Sectors

The TLM SDF cited that Provincial Treasury (2014) indicated that “during 2012 the primary sector contributed 76% of all the sectors’ contribution to the GDP of Tsantsabane LM. Mining is the single biggest contributor of all industries to the GDP. Mining contributed 74%, namely R3.9 billion, and tertiary sector contributed 4% and 20% respectively”. However, the concern remains lack of invention to create sustainability and leveraging potential of the sector.

2.6.3. Macro-Economic Environment

- All businesses operate in an environment that is changing daily. When referring to the environment, it is not only one global external environment that is referred to.

Conducting business includes analyzing the environment to look for gaps in the market and opportunities to explore.

- Boom and bust cycles are anonymous within the mining industry. Host communities should understand that in boom time's jobs, investment in infrastructure and the infusion of cash will regress into bust times of population decline, unemployment, and losses in income (Vadgama, et al., 2008). New small mining towns benefit substantially in terms of local economic growth as well as poverty alleviation (Owusu-Koranteng, 2008). But as noted by the World Bank (2002, p. 14), this does not happen automatically and the community should be aware to reduce the dependency on the natural resource very early in the development of the mining sector in the region.
- Furthermore, Rogerson (2012, p. 107) reiterates that economic development is not only about growth in the economy but also concerned with the diversification of the local economic base to enable economic sustainability of the area once mining is ceased.
- As in many other parts of the world, several South African small towns are dominated by "economically undiversified, single-resource small towns" (Pelser, et al., 2012, p. 45). Looking at the mining industry in South Africa, any fluctuations in their activities can influence the market and micro environments of its immediate environment, especially towns situated close to where a mine is being established. In many of these mining communities the responsibility of economic development has been transferred to the mining company through the social and labour planning requirements of the Mineral and Petroleum Resources Act No. 28 of 2002 (MPRDA ss.25(2)f)) and the corporate social responsibility of the large mining companies (Sorensen, 2015; Republic of South Africa (RSA), 2004). This is often referred to as the "**company town syndrome**" (Crabb, 2002).

2.6.4. Market Economy of Tsantsabane

The macro environment influences the market or industry in which a business is operating. The market or industry analysis gives a better understanding of the market or players in the industry, showing who the market leaders are. The influence, positive or negative, can impact local business conditions because of several factors such as the decrease in expenditure, equipment, retrenchment, or general working conditions such as overtime which ultimately affects disposable income of the employees. The opposite can also be a reality, meaning the expansion in the mining industry can create many business opportunities for entrepreneurs and therefore also more job opportunities (Bec, et al., 2015) .

2.6.4.1. Reflections from micro environment of local businesses

The mining industry can have a great impact (positive and negative) on other industries. A mining town like Postmasburg, has had a positive business impact from mining the last few years because of a new mine (Kolomela) starting with construction near the town in the middle of 2008. The older mine, Assmang Beeshoek, has a constant impact on the town because the mine was established many years ago (1968) and moved all the workers into the town. According to Carrington and Pereira (2011) the mining industry does not support the local businesses. Similar sentiments were expressed by local business people (Local Business Economic Group, 2014). This is the view from the small black as well as the large white

businesses (Local Business 3, 2015). One interviewee expressed these concerns in the following words *“All the previous open spaces in town are now occupied by foreign nationals. The local black and white businesses do not have money to pay the inflated rental prices in town”*. This was often the case in previous studies as well (Bec, et al., 2015). The Mining Charter does targets for regional or local black economic empowerment (BEE) procurement, examples are seen with Kumba Kolomela Mine has been committed to create business opportunities for black-owned and empowered businesses in the Northern Cape and the Tsantsabane Municipal area. In 2014 the local procurement made up 25% (R860 million into the local economy) through combined bidding of large local businesses as well as Broad Based Black Economic Empowerment (BBBEE) with training and various means of assistance. Black business owners have mobilized themselves into forums such as the Emerging Contractors' Forum (ECF), Tsantsabane Black Business Chamber (TBBC) and the Tsantsabane Local Business Forum (TLBF) as instruments to formally put pressure on the mine and make demands for fast-tracking localized BEE procurement. (Kumba Iron Ore Limited, 2014).

Almost 80% of the businesses involved in the survey were in formal structures, whereas almost 17% were in informal structures and only 4% made use of business opportunities without shelter. There are many newer businesses in Postmasburg because 57% of those businesses interviewed are less than 5 years old. When looking at the individual new businesses, 53% were involved in retail and wholesale; 19% in personal services; 16% in transport, 6% in catering and accommodation and 3% in financial services.

The management of business risks or opportunities largely depends on the strengths and weaknesses of the internal or micro environment. The micro or internal environment is of equal importance to the business as the two other mentioned environments (macro and market or industry). Knowing the internal environment of the business, is not only a detail understanding of the strengths and weaknesses inside the business that can contribute to the sustainable existence, but also how and to what extent to change business activities to adapt to the industry or macro environmental influences.

2.6.4.2. Redstone Concentrated Solar Project.

Redstone concentrated solar thermal power (CSP) project is a 100MW integrated CSP plant being developed in South Africa.

The South Africa Department of Energy (DOE) awarded the contract to develop the CSP project to the consortium of Solar Reserve and ACWA Power, in January 2015. The contract was awarded under the Renewable Energy Independent Power Producer Procurement Program (REIPPPP) initiated by the DOE.

Redstone is the first of its kind to be developed in Africa and is expected to produce 480,000MW of clean energy a year. It is expected to electrify approximately 210,000 South African households during peak demand and is also anticipated to create more than 3,500 jobs.

The CSP project is estimated to involve an investment of \$789m and is expected to have an operational life of more than 30 years.

Redstone concentrated solar project location:

The Redstone concentrated solar power plant is being developed in the Humansrus Solar Park located towards the east of Postmasburg, Northern Cape Province.

It is located in close proximity to the 96MW Jasper and the 75MW Lesedi photovoltaic (PV) solar power projects developed by SolarReserve under the REIPPPP. The three projects together become the first combined CSP and PV solar park in the world, with a total generating capacity of 271MW.

Redstone concentrated solar project details:

The project will feature ThermaVault technology developed by SolarReserve, which will combine the solar thermal technology with molten salt energy storage technology. The project design is similar to that of SolarReserve's Crescent Dunes project.

The CSP technology will be capable of storing thermal energy for a period of 12 hours, which enables the plant to generate electricity through the night in addition to day time operations.

The heliostats of the project follow the sun and reflect the sunlight onto a 250m-tall central receiver tower, which uses molten salt as heat transfer fluid and storage medium.

The thermal to electric power conversion unit will comprise 115MW high-temperature subcritical steam turbine-generator units.

Auxiliary infrastructure includes two molten salt storage tanks, air-cooled condensers, water purification system, sewage treatment facility, an evaporation pond, emergency diesel generators, electrical switchyard, step-up transformers, and associated facilities.

The project also features dry cooling of the power generation cycle, to minimize water usage during operations.

Off-take and transmission of power from Redstone:

Eskom entered a 20-year power purchase agreement with the consortium of SolarReserve and ACWA Power, in April 2018, for the off-take of power generated at the Redstone solar thermal power plant.

A new 132kV switching station and a 34km-long 132kV transmission line are proposed to be constructed to connect the project with the national grid.

Financing:

African Development Bank (AfDB) approved a ZAR3bn (\$192.4m) senior loan for the Redstone CSP project, in November 2018.

ACWA Power and Central Energy Fund of South Africa entered a co-operation agreement, in July 2018, for co-investing in the Redstone project.

In October 2015, Overseas Private Investment (OPIC) signed an agreement with the project developers and made a commitment to provide \$400m debt financing for the CSP project.

IFC financed \$72m loan and \$50m CTF soft loan for the project development as well as acted as the mandated lead technical bank/co-ordinating bank.

Ownership:

Apart from SolarReserve and ACWA Power, other prominent investors of the project include Public Investment Commission (PIC, 13.5%), Old Mutual Life Assurance South Africa (OMLACSA, 10%), Community (12.5%), and Pele Green (4%).

Contractors involved:

SolarReserve is the supplier of the core technology for the project, including the molten salt receiver, heliostat collector field controls, and tracking system.

WorleyParsons was involved in the environmental management program (EMPr) for the Redstone Solar Thermal power plant, in 2015, while Savannah Environmental was engaged for reviewing the EMPr.

Acciona Industrial was awarded the engineering, procurement, construction, and commissioning contract for the power project.

First National Operation and Maintenance (NOMAC), a wholly-owned subsidiary of ACWA, is responsible for the operation and maintenance (O&M) of the Redstone concentrated solar thermal power project.

The Kapstevael south project involves development of a new pit, Kapstevael South as well as the associated infrastructure at Kolomela:

Kumba Iron Ore, a subsidiary of mining company Anglo American, has given its approval for the Kapstevael south project in South Africa.

To be located at Kolomela mine in South Africa, the project is expected to cost ZAR7bn (\$424m), including pre-stripping.

The project involves development of a new pit, Kapstevael South as well as the associated infrastructure at Kolomela, which is located 22km from Postmasburg in the Northern Cape province of South Africa.

Anglo American said that the pit is a conventional truck and shovel operation producing high quality direct shipping ore (DSO).

First ore from the project is expected in 2024:

The pit is included in the current life of Kolomela mine and is expected to contribute significantly for sustaining production of approximately 13 million tonnes for the remaining life of mine.

Establishment of the pit and waste stripping are planned to begin this year, with first ore expected in 2024.

The company estimates the addition of the Kapstevael South pit will deliver an after-tax internal rate of return of nearly 25%.

Kumba CEO Themba Mkhwanazi said: "The approval of this project, at a time when the global and South African economies face the challenges of Covid-19, underscores Kumba's positive longer-term outlook for demand for its high-quality product.

"It also demonstrates our commitment to extend the lives of our mines and continue providing much-needed jobs and livelihoods in the Northern Cape region."

In May this year, Anglo American has announced that it was slowing down the construction work on the Quellaveco copper project in Peru, due to COVID-19 quarantine measures put in place by the Peruvian Government.

In a welcome development for South Africa's mining industry, the boards of Kumba Iron Ore and its parent, Anglo American, approved the Kapstevel South project at the Kolomela iron ore mine in the Northern Cape in 2020.

Since being officially opened in 2012, Kumba's Kolomela mine has been a solid performer within the company's portfolio, consistently producing above its nameplate capacity of 9 Mtpa and successfully pioneering innovations such as automated drilling technology.

"It is an important beacon of light for the Northern Cape and will positively impact the livelihoods of 2 500 employees and even more businesses in the surrounding areas." – Tom Quinn

A multi-pit operation, it produces a direct shipping ore (DSO) from conventional open-pit operations with production in 2020 expected to be in the region of 13 Mt at a unit cost of between R280/t and R290/t.

The project, which has a capital expenditure of R7 billion, including pre-stripping, will see the development of a new pit, Kapstevel South, and associated infrastructure.

Like its sister pits, Kapstevel South will be a standard truck-and-shovel operation producing high-quality DSO.

While the new pit does not extend mine life as it is included in the current life of mine, it ranks as a stay-in-business project as it will contribute significantly to sustaining production of approximately 13 Mtpa for the remaining life of mine.

It is anticipated that it will deliver an after-tax internal rate of return of around 25% and allow Kolomela to maintain an estimated EBITDA margin of approximately 35% in the long term.

Pit establishment will commence in 2020, with the first ore expected in 2024.

"The approval of this project, at a time when the global and South African economies face the challenges of COVID-19, underscores Kumba's positive longer-term outlook for demand for its high-quality product.

"It also demonstrates our commitment to extend the lives of our mines and continue providing much-needed jobs and livelihoods in the Northern Cape region," Themba Mkhwanazi, CEO of Kumba, said.

Known when it was still in the development phase as Sishen South, Kolomela is located 12 km south-east of Postmasburg in the Northern Cape and about 80 km south of Sishen, Kumba's flagship operation. It employs over 2 600 people, including contractors.

The proven and probable ore reserves are estimated to be 172.4 Mt at 63.1% average iron while the total mineral resource is estimated at 150 Mt at 62.6% average iron.

While the current life of mine of Kolomela is 13 years, Kumba has an active exploration programme in the Northern Cape and has stated that its goal is to keep its operations running for at least another 20 years.

2.6.5. ECONOMIC OPPORTUNITIES

The table below indicates the various areas of economic investment and development potential for the municipal area.

Table 7: Economic and development potential 2020

Industry (SIC Classification)	Sector	Gross value added at basic prices, 2020 (R millions current prices)	Percentage value of overall economic production
I0101: Agriculture, forestry, and fishing [QSIC 1]	Primary sector [SIC: 1-2]	480.155	3.91%
I0202: Mining and quarrying [QSIC 2]	Primary sector [SIC: 1-2]	7389.612	60.21%
I0303: Food, beverages, and tobacco [QSIC 30]	Secondary sector [SIC: 3-5]	86.549	0.71%
I0304: Textiles, clothing, and leather goods [QSIC 31]	Secondary sector [SIC: 3-5]	3.029	0.02%
I0305: Wood and paper; publishing and printing [QSIC 32]	Secondary sector [SIC: 3-5]	36.838	0.30%
I0306: Petroleum products, chemicals, rubber, and plastic [QSIC 33]	Secondary sector [SIC: 3-5]	76.243	0.62%
I0307: Other non-metal mineral products [QSIC 34]	Secondary sector [SIC: 3-5]	20.196	0.16%
I0308: Metals, metal products, machinery, and equipment [QSIC 35]	Secondary sector [SIC: 3-5]	314.733	2.56%
I0309: Electrical machinery and apparatus [QSIC 36]	Secondary sector [SIC: 3-5]	0	0.00%
I0310: Radio, TV, instruments, watches, and clocks [QSIC 37]	Secondary sector [SIC: 3-5]	2.69	0.02%
I0311: Transport equipment [QSIC 38]	Secondary sector [SIC: 3-5]	23.764	0.19%
I0312: Furniture; other manufacturing [QSIC 39]	Secondary sector [SIC: 3-5]	74.422	0.61%
I0413: Electricity, gas and water [QSIC 4]	Secondary sector [SIC: 3-5]	136.58	1.11%
I0514: Construction [QSIC 5]	Secondary sector [SIC: 3-5]	547.839	4.46%
I0615: Wholesale and retail trade [QSIC 61-63]	Tertiary sector [SIC: 6-9, 0]	452.42	3.69%

Industry (SIC Classification)	Sector	Gross value added at basic prices, 2020 (R millions current prices)	Percentage value of overall economic production
I0616: Catering and accommodation services [QSIC 64]	Tertiary sector [SIC: 6-9, 0]	79.321	0.65%
I0717: Transport and storage [QSIC 71-74]	Tertiary sector [SIC: 6-9, 0]	901.832	7.35%
I0718: Communication [QSIC 75]	Tertiary sector [SIC: 6-9, 0]	65.238	0.53%
I0819: Finance and insurance [QSIC 81-82]	Tertiary sector [SIC: 6-9, 0]	112.43	0.92%
I0820: Business services [QSIC 83-88]	Tertiary sector [SIC: 6-9, 0]	539.371	4.39%
I0921: General government [QSIC 91]	Tertiary sector [SIC: 6-9, 0]	695.786	5.67%
I1022: Community, social and personal services [QSIC 92-96, 99]	Tertiary sector [SIC: 6-9, 0]	233.984	1.91%
TOTAL		12273.032	100.00%

(Source, CSIR:- MCDP_Evidence_Set\Tsantsabane_LM\Items\ Item 7 (GVA and Employment)\ pg 23)

The data in above shows the local economic industries and their Gross Value Added impact on and the table below shows local economy industries and employment impact at a municipal scale as at year 2020.

Table 8: Local economy industries and employment impact 2020

Industry	Sector	Employment 2020 (total Number)	Percentage overall employment
I0101: Agriculture, forestry, and fishing [QSIC 1]	Primary sector [SIC: 1-2]	1496	12.93%
I0202: Mining and quarrying [QSIC 2]	Primary sector [SIC: 1-2]	1624	14.03%
I0303: Food, beverages, and tobacco [QSIC 30]	Secondary sector [SIC: 3-5]	154	1.33%
I0304: Textiles, clothing, and leather goods [QSIC 31]	Secondary sector [SIC: 3-5]	10	0.09%
I0305: Wood and paper; publishing and printing [QSIC 32]	Secondary sector [SIC: 3-5]	26	0.22%

I0306: Petroleum products, chemicals, rubber, and plastic [QSIC 33]	Secondary sector [SIC: 3-5]	55	0.48%
I0307: Other non-metal mineral products [QSIC 34]	Secondary sector [SIC: 3-5]	61	0.53%
I0308: Metals, metal products, machinery, and equipment [QSIC 35]	Secondary sector [SIC: 3-5]	300	2.59%
I0309: Electrical machinery and apparatus [QSIC 36]	Secondary sector [SIC: 3-5]	0	0.00%
I0310: Radio, TV, instruments, watches, and clocks [QSIC 37]	Secondary sector [SIC: 3-5]	4	0.03%
I0311: Transport equipment [QSIC 38]	Secondary sector [SIC: 3-5]	30	0.26%
I0312: Furniture; other manufacturing [QSIC 39]	Secondary sector [SIC: 3-5]	92	0.80%
I0413: Electricity, gas and water [QSIC 4]	Secondary sector [SIC: 3-5]	25	0.22%
I0514: Construction [QSIC 5]	Secondary sector [SIC: 3-5]	1061	9.17%
I0615: Wholesale and retail trade [QSIC 61-63]	Tertiary sector [SIC: 6-9, 0]	1615	13.96%
I0616: Catering and accommodation services [QSIC 64]	Tertiary sector [SIC: 6-9, 0]	447	3.86%
I0717: Transport and storage [QSIC 71-74]	Tertiary sector [SIC: 6-9, 0]	502	4.34%
I0718: Communication [QSIC 75]	Tertiary sector [SIC: 6-9, 0]	26	0.22%
I0819: Finance and insurance [QSIC 81-82]	Tertiary sector [SIC: 6-9, 0]	70	0.60%
I0820: Business services [QSIC 83-88]	Tertiary sector [SIC: 6-9, 0]	987	8.53%
I0921: General government [QSIC 91]	Tertiary sector [SIC: 6-9, 0]	1430	12.36%
I1022: Community, social and personal services [QSIC 92-96, 99]	Tertiary sector [SIC: 6-9, 0]	1557	13.45%
TOTAL		11572	100.00%

2.7. BASIC SERVICES

The constitution of South Africa mandates local government to make sure that people have access to basic services, such as access to proper sanitation, clean/drinkable water, energy and waste removal.

The following graphic and excel representation below provide a high-level summary of the basic services delivery status at the Tsantsabane Local Municipality as per StasSA 2011 Census.

Figure 17: Basic services

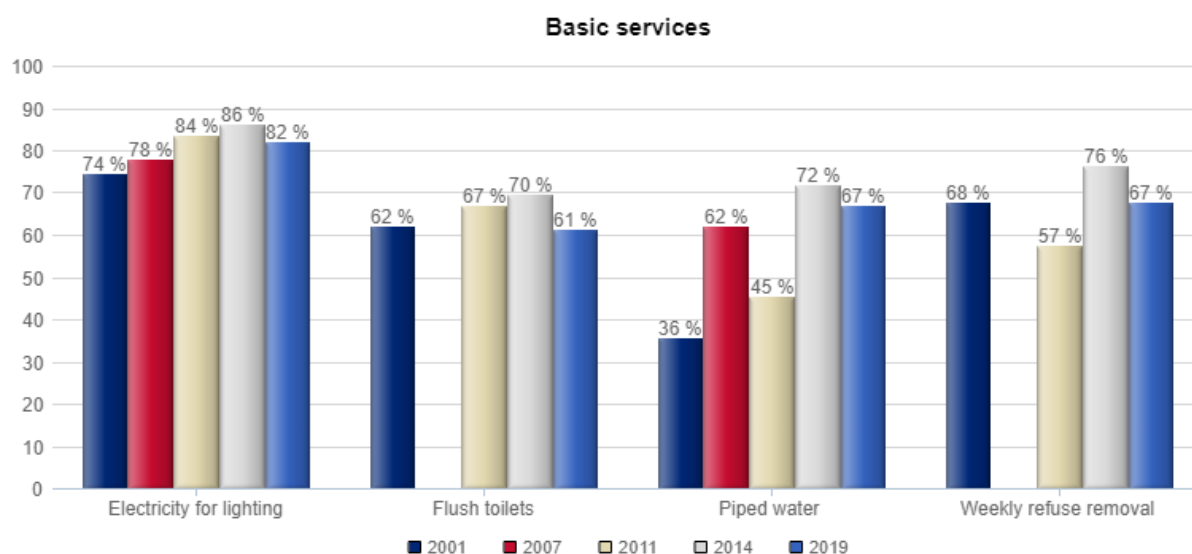


Table 9: Basic services

Basic services	2001	2007	2011	2014	2019	2020
Electricity for lighting	74,4 %	77,8 %	83,5 %	86,2 %	81,9 %	80,8 %
Flush toilets	61,7 %		66,7 %	69,6 %	61,0 %	64,8 %
Piped water	35,5 %	62,0 %	45,3 %	71,5 %	66,9 %	56,2 %
Weekly refuse removal	67,5 %		57,4 %	76,1 %	67,4 %	67,1 %

There is backlogs service delivery in settlement areas of Tsantsabane Municipality that through incremental service delivery interventions are progressively addressed. These are as result of inward migration due to mining and solar investment but also illegally land grabs. These illegal land grab impact negatively on service delivery of Water and Sanitation, Electricity and Refuse Removal mostly informal settlements.

Following the recent township establishment of Mountain View and Greenfield there is verified backlog for service delivery of water, sanitation, electricity, refuse removal for 2600 and 2158 respectively. Despite that the municipality as reflected in the above graphs and table we are a higher level of service in almost all the formalized areas, namely Postmansburg Town, Boichoko, Whitecity, Newtown, Groenwater, Jean Heaven, Postdene, Maranteng, Skeifontein

1, Stasie area, and Carnation. In these areas we provide electricity (mainly by ESKOM, except Town and Carnation), refuse removal water and sanitation.

2.7.1. Land

The municipality does not have serviced land available currently due to its limited town planning capacity, resources, and illegal land grab. The only land that was available was recently sold on tenders. In November 2021 the municipality advertised for request for proposal for public private partnership for residential and industrial development on the available greenfield land portions owned by the municipality. Moreover, the municipality is also in process of negotiating with the mine for small piece of land for further development.

Figure 18: Tsantsabane land ownership map

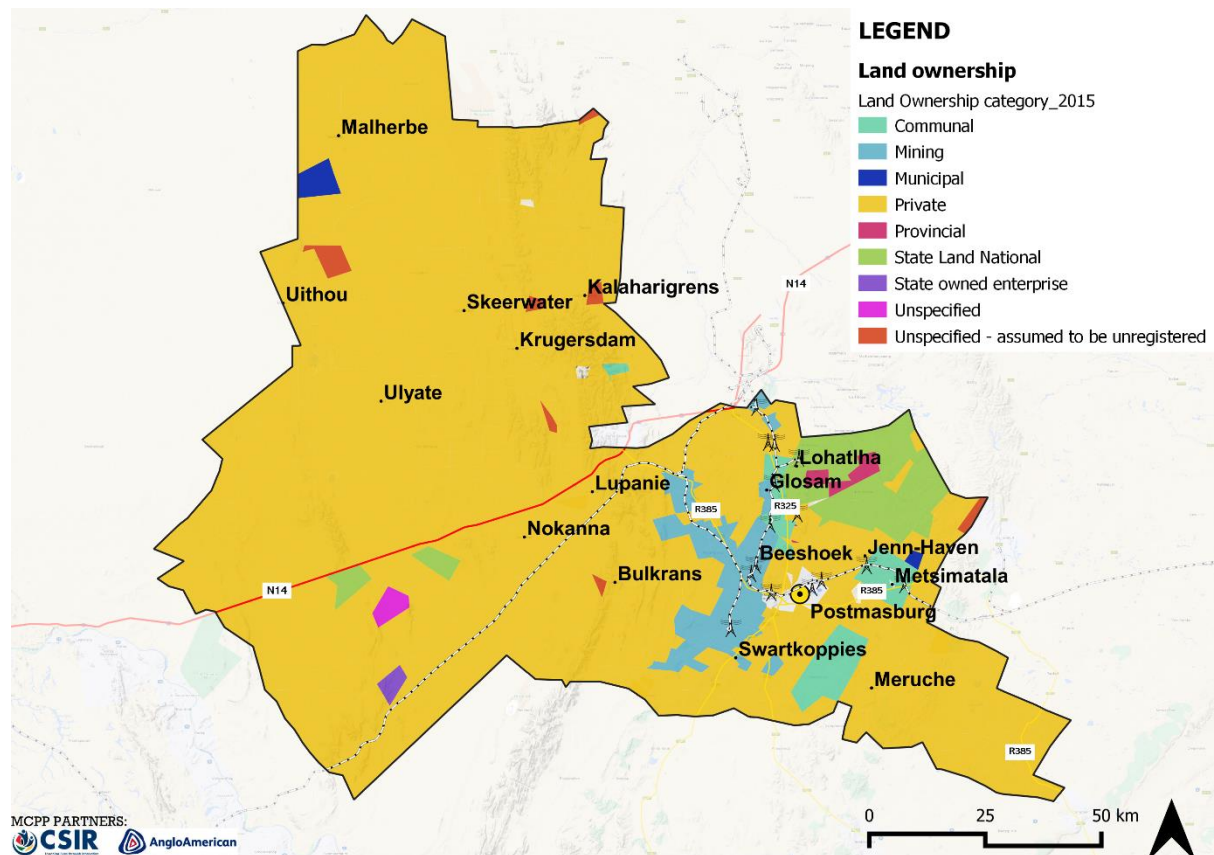
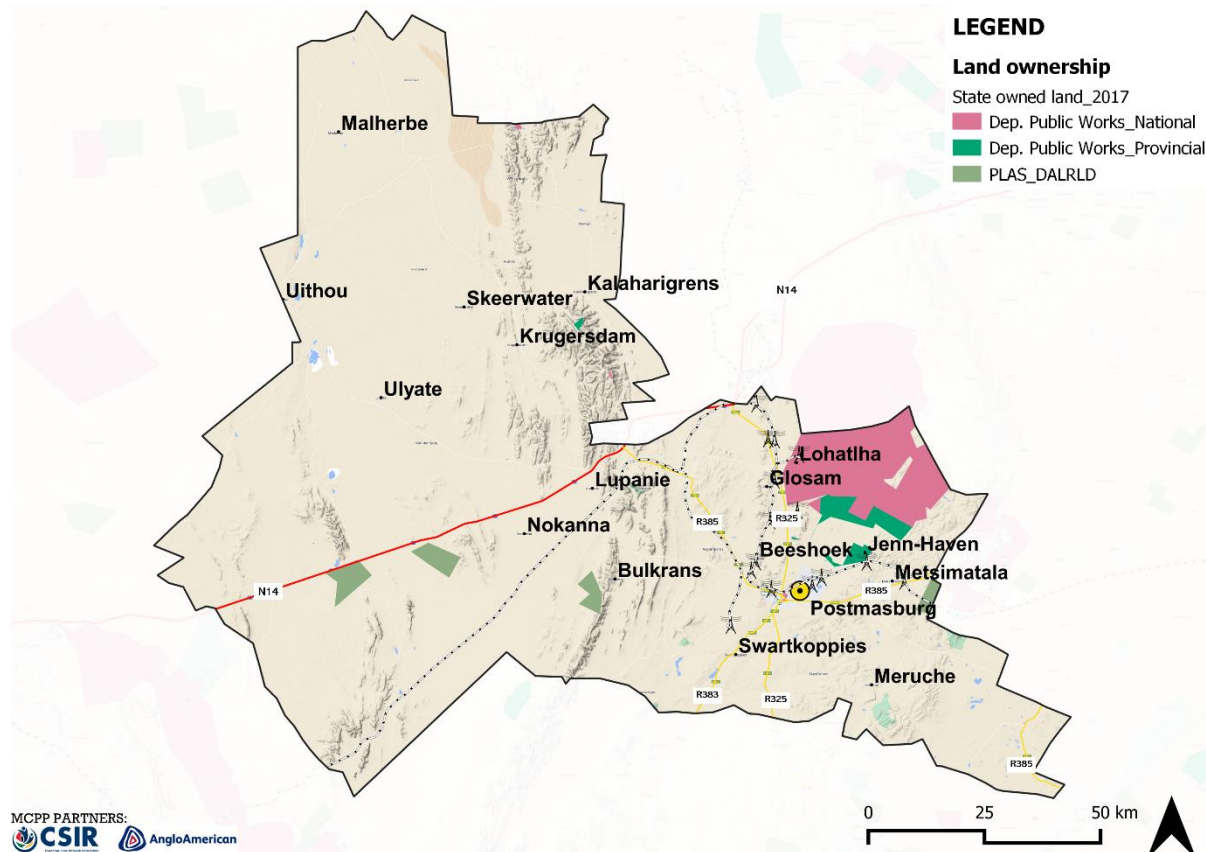


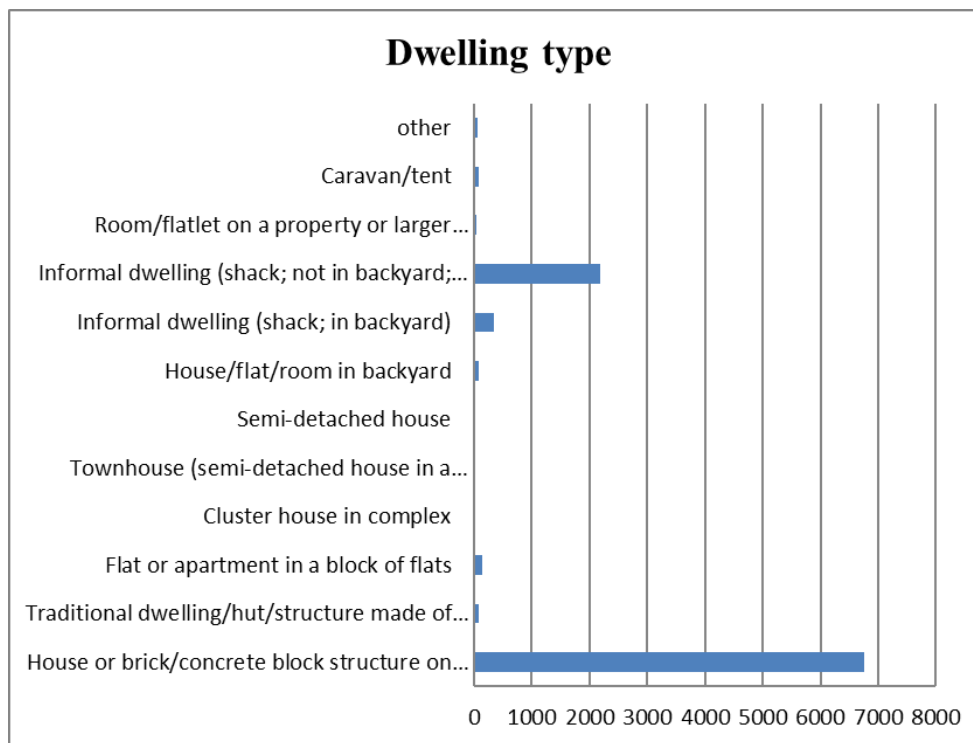
Figure 19: Tsantsabane state-owned land map



2.7.2. Housing

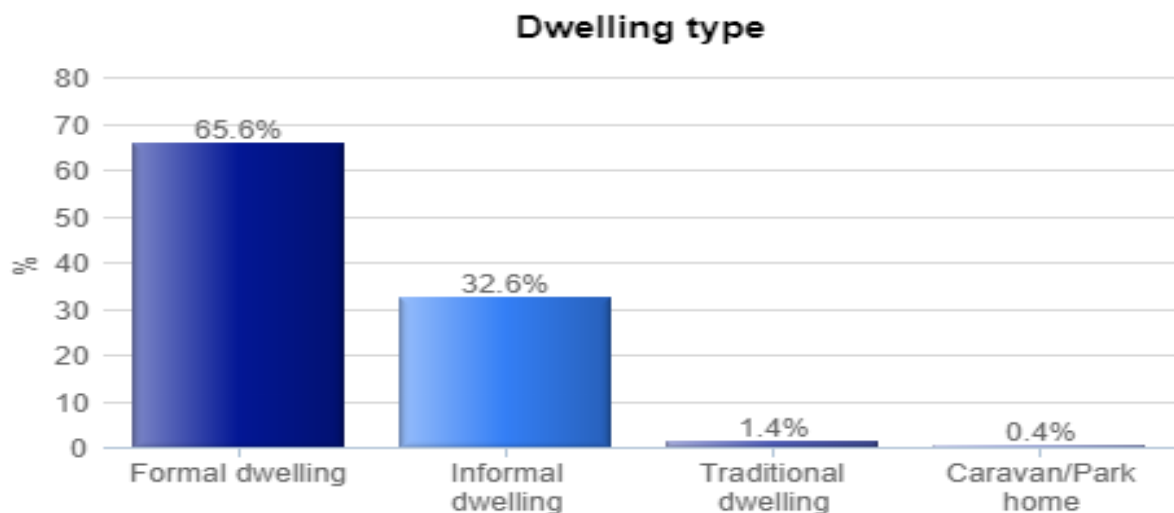
The Municipality is still to review its Integrated Human Settlement Sector Plan aimed at addressing its human settlement demand linked exponent growth (in between 2001 and 2011 census years). Then the Integrated Human Settlement Sector Plan identified a housing backlog to be at 3500 houses. The municipality has planned to fast track the institutional housing development in all areas of the municipality to deal with the housing backlog. The following depict the 2011 Census data on this matter.

Figure 20: Dwelling types



The in-migration has prompted a growth in need for human settlement to ever increasing figure beyond 5718 based on informal settlement units in the area. The graph below depict the 2019 Kumba Kolomela Survey Assessment on the dwelling types:-

Figure 21: Dwelling types



2.8. ENVIRONMENTAL ANALYSIS

2.8.1. Biodiversity

According to the National Biodiversity Strategy (NBS), biodiversity considerations are to be integrated into all other strategies and plans at local government level, such as poverty eradication and developmental programmes. The NBS provides a map for achieving the biodiversity related objectives contained, i.e. reducing the rate at which biodiversity is lost. The goal of the NBS has always been to conserve and manage biodiversity to ensure sustainability and that it can benefit to the people of South Africa, through co-operation and partnerships that build on strengths and opportunities.

Protected areas, Critical Biodiversity Areas (CBAs) and Ecological Support Areas (ESA) form a network of terrestrial and/or aquatic areas that are required to ensure sustainable landscapes and the continued delivery of ecosystem services (e.g. flood attenuation and climate regulation)^{2 3}. CBAs are needed in order to meet biodiversity targets related to ecosystems, species, and ecological processes¹⁶. Such CBA's are identified in systematic biodiversity plans and most provinces have developed, or are in the process of developing, provincial spatial biodiversity plans, that include maps of CBA's and ESAs¹⁶. ESAs are important to the ecological functioning of CBA's and/or the delivery of ecosystem services, however, unlike CBA's they are not essential for meeting biodiversity targets¹⁶.

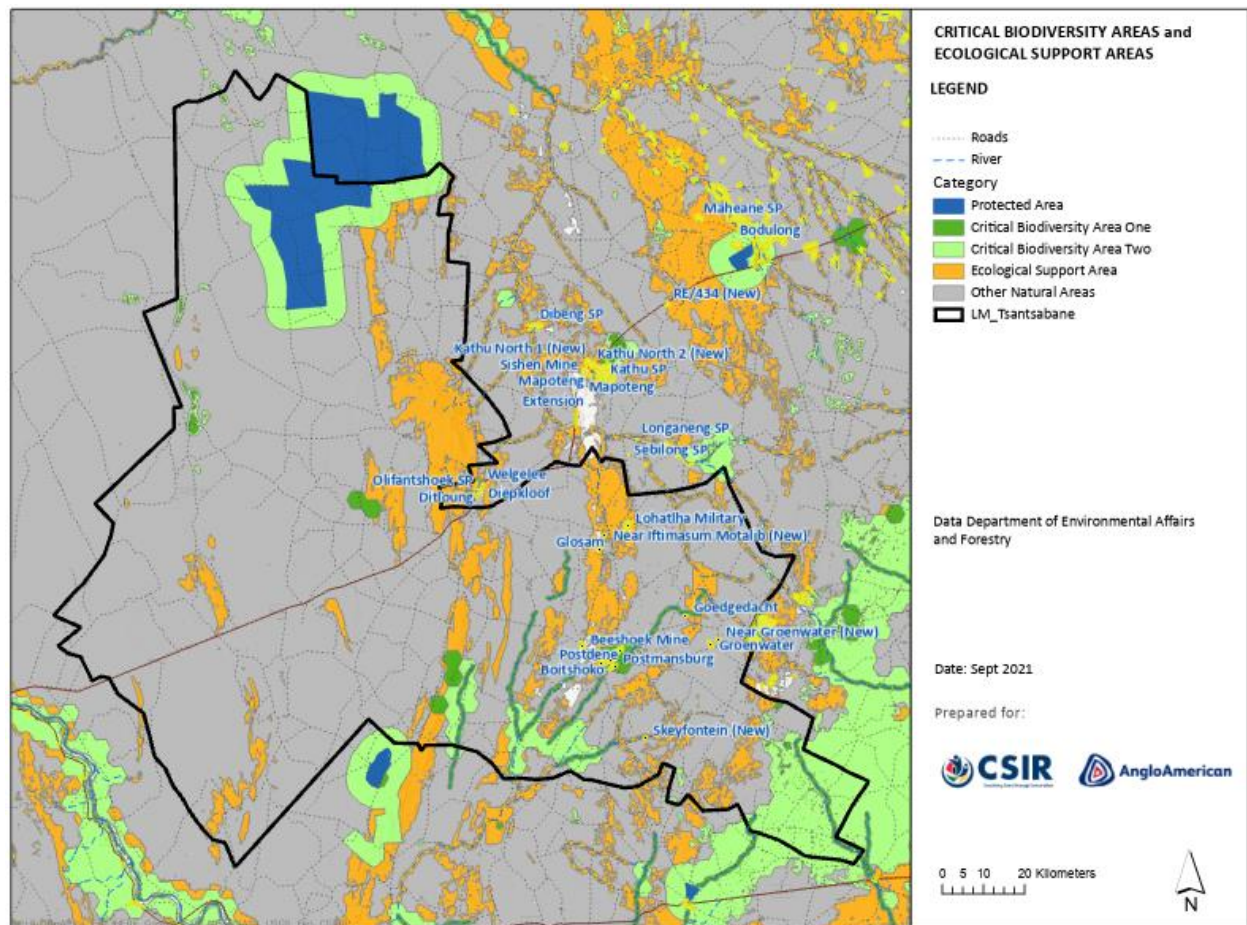
The main purpose of CBA's and ESA's is to guide decision-making, particularly as it relates to strategic land use planning and development projects¹⁶. For example, CBA's and ESA's should guide the formulation of Spatial Development Frameworks (SDFs) and Integrated Development Plans (IDPs), as well as project-specific environmental assessment and authorisations.

It is also essential that policy making, and implementation is fully participatory. The Environmental Impact Assessment (EIA) processes need to be followed at all relevant levels, which include extensive public participation. IDP's should also include biodiversity considerations in all planning. Biodiversity must therefore be fully integrated into all planning processes. The environmental Management and Implementation Plans required under the National Environmental Management Act (NEMA) needs to provide a broader understanding of the roles and responsibilities, process, structures, and mechanisms to facilitate co-operative governance and are required to identify weaknesses, establish clear actions for addressing them, and measurable indicators for monitoring success. The diagram below shows critical Biodiversity Areas and Ecological Support Areas for Tsantsabane Municipal area

² South African National Biodiversity Institute (SANBI). 2021. *Critical Biodiversity Areas and Ecological Support Areas*. Biodiversity Advisor. Available [online]: <http://biodiversityadvisor.sanbi.org/industry-and-conservation/biodiversity-in-the-urban-economy/understand/definitions-related-to-urban-land-use-planning/critical-biodiversity-areas-and-ecological-support-areas/>. Accessed 21 December 2021.

³ South African National Biodiversity Institute (SANBI). 2018. *Using CBA Maps to support land-use planning and decision-making*. SANBI Factsheet Series. South African National Biodiversity Institute, Pretoria. Available [online]: <http://biodiversityadvisor.sanbi.org/wp-content/uploads/2019/01/SANBI-Using-CBA-Maps-to-support-land-use-planning-and-decision-making-2018-.pdf>. Accessed 21 December 2021.

Figure 22: Critical Biodiversity Areas



This information is useful to support discussion and decision making with regards to the following matters:-

- How can the Municipality and Key Stakeholders more effectively maintain and enhance the CBAs and ECAs within the Tsantsabane municipal area (e.g. through clearing of alien invasive plants)?
- Is engagement with other spheres of government (e.g. provincial government, neighbouring municipalities) and external stakeholders required to ensure the sustainability of CBAs in the municipality?
- How can the maintenance and enhancement of CBA's and ECA's be integrated into strategic development planning, Spatial Development Frameworks (SDFs) and Integrated Development Plans (IDPs)?
- How can the CBAs be more effectively integrated into project-specific municipal land use decisions?

2.8.2. Climate Change

Climate change is associated with an increase in average global temperatures, leading to changes in rainfall patterns, and is likely to have significant impacts in some part of the world, especially Africa. Indications are that climate change will result in worse floods and droughts reduce production and worsen diseases.

The Municipality held its first capacity building and awareness campaign in March 2010: National Water Week (15-19 March) and Earth Hour (27 March). The purpose was to sensitize officials and councilors on the role of that the municipality should play about climate change and how to take it into consideration when planning for projects and programmes (as indicated in the IDP).

2.8.3. Invasive Alien Species

The uncontrolled spread of invasive species (as later highlighted in the NC-SOER) is one of the key threats to indigenous biodiversity in our country. This spread has negative impacts on the economy, in sectors as diverse as: health, agriculture, water supply and tourism and is likely to become much worse with climate change. Therefore, there is an urgency to attend to the development of a Plan to monitor, control and eradicate these species.

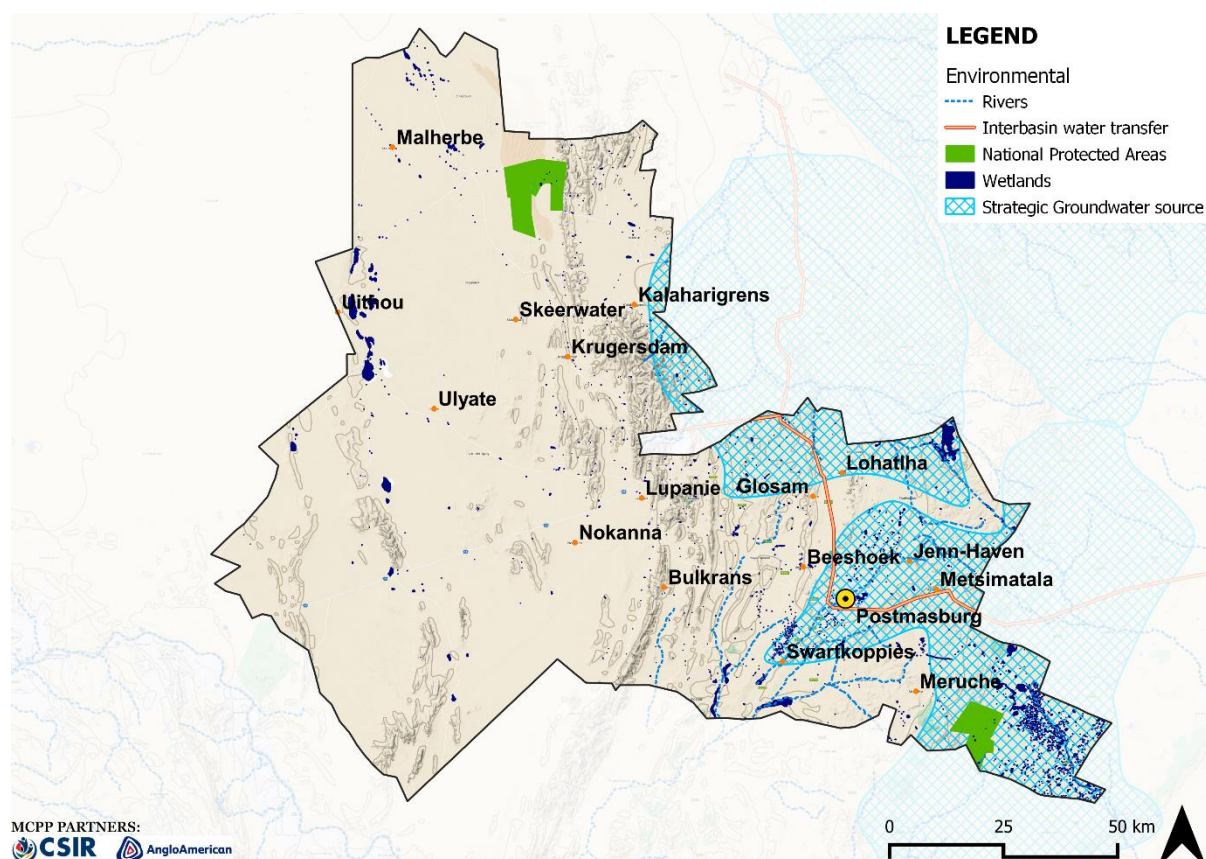
2.8.4. Environmental Threats

One of the key environmental issues identified in the province is the generation and disposal of a variety of waste types, including municipal waste, agricultural, agro-processing etc. Given this variety, an equally varied approach and appropriate competencies are required to manage the different types of waste and to address the improper storage, handling and disposal of environmentally hazardous materials.

Another key issue of concern is the over-exploitation of natural resources, which include the following in the case of Tsantsabane Local Municipality:

- unsustainable consumption and use of natural environment,
- uncontrolled development and expansion of the settlement area, especially the urban edge
- negative impact of mining on the ground water (either contamination or depletion due to dewatering)
- diminishing ecological footprint in the area
- The state of air quality in the area which may diminish due continuous emissions from both mining machinery and processes to the atmosphere.

Figure 23: Tsantsabane groundwater availability map



2.8.5. Northern Cape State of the Environment Report

According to the Report the following themes in the Province were identified:

- Atmosphere and Climate
- Biodiversity
- Environmental Management
- Fresh Water
- Human Settlements
- Land
- Marine and Coast

With regard to atmosphere and climate trends in temperature deviations indicate that temperature has been increasing over the past few years, making it more important for Tsantsabane Local Municipality to start taking into consideration the impact of climate change and global warming on planning. Air pollution is furthermore not perceived as an important issue for the province. In Tsantsabane, however, this needs to be prioritized because of the major increase in mining developments over the last few years and its impact on air quality and pollution in the area.

The primary threats to biodiversity, ecosystem goods and services are habitat transformation and degradation, and invasive alien species. The concern regarding threats to biodiversity is borne out of the recognition that our natural resources base provides a variety of goods and services on which life depends. In Tsantsabane Local Municipality this natural resource base is directly threatened by mining developments. The management of these is critical in ensuring effective conservation and sustainable use of the biodiversity. Again making the need for Environmental Conservation and Management Plans as well as plans to eradicate and/or monitor Alien Invasive Species very important for Tsantsabane.

With all the development taking place in the area, the demands for water have increase as well as for the rest of the semi-arid province.

Furthermore, the Province is characterized by very low population size and density, mostly owing to the large land size of the Province. Human settlements are characterized by the legacy of apartheid, with some areas in Tsantsabane Local Municipality showing a distinct lack of services and infrastructure in comparison to other areas in the municipal area. Whilst the municipality has tried to address the issues of basic service delivery and the provision of housing, some of the population still lacks these services. Access to appropriate modes of transport is also a Provincial issue and concern. Issues such as culture and heritage have been raised as important for consideration in the future planning of human settlements. The province is susceptible to land degradation. Policies and programmes are required to promote the sustainable management of land resources in the province. Mining has played a major role in shaping the economic development of the area, but as mentioned above, has also had a negative impact on land resources.

2.8.6. ZFM DM Environmental Management Framework --

The area is rich in minerals which has historically been the mainstay of the area's economy. Iron and manganese mining are an important activity in the economy of the area. Haematite deposits in the form of ferriginised banded ironstone occur as a cake or capping to the Gamagara hills which lies between Postmasburg and Sishen. The ore is very pure and typically consist of 95% ferric oxide.

There are significant undeveloped mineral resources left in the area that can contribute to future economic growth in the area depending on the future viability of exploiting the minerals. Large areas of un-rehabilitated and poorly rehabilitated mining activities (current and closed) have a significant negative effect on the scenic environment in the area, especially in the mountainous areas.

Significant water requirements are the sub-area for urban use as well as rural domestic supplies and stock watering. Groundwater utilization is important in the area and constitutes the only source of water over much of the rural areas. As a result of the low rainfall over the area, the groundwater is mainly used for rural domestic water supplies, stock watering and water supplies to inland towns. Recharge of groundwater is limited, and only small quantities can be abstracted on a sustainable basis.

Most of the ZFM District Area is in a natural state and the most significant spatial impact on the environment has come from mining, which occupies an area of almost 7% of the total area.

The area has a good primary tarred road network that links the major towns with each other and to areas outside the area. The secondary network is less developed and vast areas with

sparse populations are served only by means of a vast network of dirt roads of varying quality. Many of these roads are, however, in such a bad state that it is an impediment to the development of the tourism potential of the area.

The Sishen / Saldanha railway line which was built to transport iron ore from Sishen to the iron works at Saldanha passes through an area and crosses the N10 highway and the Orange River just north of Groblershoop from where it continues in a south-westerly direction past Kenhardt towards the coast. Postmasburg and Lime Acres are also linked to Kimberley in the south-east and Sishen in the north by a second railway line.

Both general and hazardous wastes are produced in the area. Waste in the “garden waste” classification originating from households and agriculture is the biggest contributor to the waste stream. Waste prevention and minimization are generally not practiced in the area. Recycling is concentrated in the Upington area due to the availability of adequate quantities of recyclable material. Recycling focuses mainly on cardboard and paper. Tsantsabane Local Municipality have a draft plan for future waste management.

There is a need to develop and upgrade landfill sites to prevent environmental degradation and meet the needs of the community.

The EMF further indicates strategies focusing on the alleviation of potential key development / environment friction areas by providing direction in respect of how these friction areas should be dealt with. The following strategies have been compiled and in future Tsantsabane will align its own environmental planning to these:

- Strategy for the protection and conservation of high-quality natural vegetation
- Protection of sensitive environmental features on large properties
- Protection of sensitive environmental features on large properties across ZFM DM
- Strategy for the protection of sensitive environmental features, surrounded or abutted by small properties



CHAPTER 3: MUNICIPAL INSTITUTIONAL DEVELOPMENT & TRANSFORMATION

3.1. INTRODUCTION

This chapter provides a synopsis of the institutional profile of the municipality and baseline information on its capacity to deliver mandatory (local government) services within a five-year planning and implementation timeframe. This capacity is also measured by service as listed in the 'Schedule of service delivery standards.

3.2. POLITICAL STRUCTURE

Section 151(3) of the Constitution states that a municipal Council has the right to govern, on its own initiative, the local government affairs of communities within the municipal area. Council performs both legislative and executive functions and formulates policy within an oversight and participatory role. Tsantsabane Municipal Council is a collective executive type and consists of thirteen (13) members, seven (7) wards councillor's and five (5) proportional representative councillors. The majority party in the Council is the ANC.

Table 10: Council and sub-committees

Ward	Councillor	Portfolio	Political party	Gender
1	Cllr. M Lottering	Ward 1 councillor, Council Whip and Member of Technical Services Committee	ANC	Male
2	Cllr. H English	Ward 2 Councillor, Mayor& Chairperson of Finance	ANC	Female
3	Cllr. M.SR Devajee	Ward 3 Councillor & Chairperson of MPAC	ANC	Female
4	Cllr. G Keoromecwe	Ward 4 Councillor and Member of MPAC, Technical & Community Services Committee	ANC	Male
5	Cllr. M Tonyane	Ward 5 Councillor and Member Of and Member of Technical & Community Services Committee	ANC	Female
6	Cllr. H D Miennies	Ward 6 Councillor, EXCO & Chairperson of Technical and Community Services Committee	ANC	Male
7	Cllr. L Teise	Ward 7 Councillor and Speaker	ANC	Female
8	Cllr. H Beets	PR Councillor, EXCO Member & Chairperson of Good Governance & Corporate Services, Local Labour Forum	STC	Male

10	Cllr M Mabilo	PR Councillor, Member of Good Governance & Corporate Services, Local Labour Forum	STC	Male
10	Cllr M Van Wyk	PR Councillor & Member of MPAC & Technical and Community Services Committee	DA	Female
11	Cllr A Ruiters	PR Councillor, Finance,	DA	Female
12	Cllr G Sibiya	PR Councillor, MPAC	EFF	Female
13	Cllr D Esau	PR Councillor	EFF	Male

The core mandate of the Council is focused on the five themes listed below:

- Accountability, Oversight and Scrutiny
- Strengthen Capacity of the Council
- Public Participation to safeguard the local democratic processes
- Monitoring and Evaluation
- Sound Financial Management

Legislative functions also include the approval of By-laws, policies, budget, the Integrated Development Plan, tariffs, rates, taxes and service charges. Council further considers reports received from the Mayor, focuses on public participation related to Council matters through discussions, stimulates debate in multi-party portfolio committees, ensures community and stakeholder participation as well as playing an oversight role of the on the Executive.

The system of delegations guides committees in terms of the role of oversight they play within the Council. Councilors also physically visit sites where projects, especially service delivery projects are implemented, to fulfil the oversight role that they play.

Section 79 Portfolio Committees perform an oversight role by monitoring the delivery and outputs of the Executive. These committees do not have any delegated decision-making powers.

3.3. ORGANISATIONAL STRUCTURE

In order for Tsantsabane Local Municipality to implement its IDP, sufficient resources are needed, i.e. financial, human, equipment, assets and skills etc. This plan will look at the current state of the institution in order to highlight the strengths and weaknesses, as well as to look at possible strategies to overcome the gaps and challenges in order to be able to implement the IDP accordingly.

Figure 24: High level organogram



3.4. HUMAN CAPITAL

The framework for a Recruitment and Retention Strategy of staff has been developed in the 2017/18 financial year is revised annually. The implementation of the Framework will entail the development of a plan to recruit and retain staff as a resource in the Municipality.

3.5. SKILLS DEVELOPMENT PLAN

A skills development plan exists and has been approved for the financial year 2018/19 and it has been aligned to the priorities of the municipality for the financial year 2014/15. Through the IDP, the Municipality identified a need to review the organizational structure of the Municipality with a view to maximize service delivery efficiency and effectiveness. The intention and purpose of such a review factors a significant role in delivering the objectives and goals as outlined in chapter 3.

The review and possible adjustment of the organizational structure will be a monumental managerial challenge, but it is needed to ensure that Tsantsabane management practices and procedures are efficient and functional so that work can be done and goals can be met.

3.6. RESOURCES AND ARCHIVES

An archive system exists in the municipalities that are effective and efficient. This system needs to be upgraded in terms of human resources procedures and policies.

3.6. ORGANISATIONAL POLICIES

Table 11: Organisational policies

Policy	Approved	To Be Reviewed	Amended
Advertising Procedures in the Development Process	Nov 2003	Yes -2020/21	
Customer Care	Nov 2003	Yes -2020/21	
Delegation of Framework	Nov 2003	Yes -2020/21	
Tariffs	Nov 2003	Yes -2020/21	
Financial Standing Orders	Nov 2003	Yes -2020/21	
Travel and Subsistence	Dec 2003	Yes -2020/21	
Vehicle Policy for Councillors, Mayor and Officials	Sep 2007	Yes -2020/21	
Banking and Investment	Nov 2007	Yes -2020/21	
Fixed Asset Management	Nov 2007	Yes -2020/21	
Fraud and Anti-Corruption	Nov 2007	Yes -2020/21	
Information and Communication Technology	Nov 2007	Yes -2020/21	
Supply Chain Management System	Nov 2007	Yes -2020/21	
Property Rates	March 2008	Yes -2020/21	
Petty Cash	April 2009	Yes -2020/21	
Bad Debt Write-off	June 2009	Yes -2020/21	
Indigent Policy	June 2009		Yes - 2020/21
Credit Control	June 2009		Yes - 2020/21
Debt Collection	June 2009		Yes - 2020/21
Free Basic Services		Yes -2020/21	
Human Resources		Yes -2020/21	
Other Policies			Impacting IDP Strategies
Code of conduct for Councilors: Disclosure of Interests			Yes -2020/21
Vehicle			Yes -2020/21
Recruitment and Selection			Yes -2020/21

Lock and Key	Yes -2020/21
Employment Equity	Yes -2020/21
Employment Practice	Yes -2020/21
HIV/AIDS	Yes -2020/21
Incapacity: Due to ill health / Injury	Yes -2020/21
Incapacity: Due to poor work performance	Yes -2020/21
Internal Bursary	Yes -2020/21
Employees under the influence of intoxicating substances	Yes -2020/21
Legal Aid	Yes -2020/21
Occupational Health and Safety	Yes -2020/21
Private work and declaration of interests	Yes -2020/21
Relocation	Yes -2020/21
Sexual Harassment	Yes -2020/21
Land Alienation Policy	Yes -2020/21

3.7. MUNICIPAL BUILDING

Short summary of buildings as part of the asset register of the Municipality include:

Municipal Offices	Payment Offices	Satellite Office
Postmasburg	None	Jenn Haven

3.8. INFORMATION TECHNOLOGY

Previously Tsantsabane Local Municipality has been operating its information Technology with the assistance of contracted companies which has not assisted in its envisaged long-term solutions to its internal infrastructure and information secrecy. A lot of problems were encountered in the appointment of some of the contractors.

There are improvements on the general state of information technology of the municipality in terms of the audit outcome of the 2017/18 financial year. Apart from that there has been a huge visible improvement on the IT Division which has been achieved since the employment of a permanent IT Officer. Improvements such as:

- Prepaid electricity & water meter system
- IT Infrastructure upgrade
- Network cabling
- Server room
- Hardware procurement

- Municipality website
- Internet and E-mail connection
- Online Technology for Electricity Vending

Municipality Policies: IT unit implemented a workshop schedule to workshop the employees and councilors on the ICT Policies.

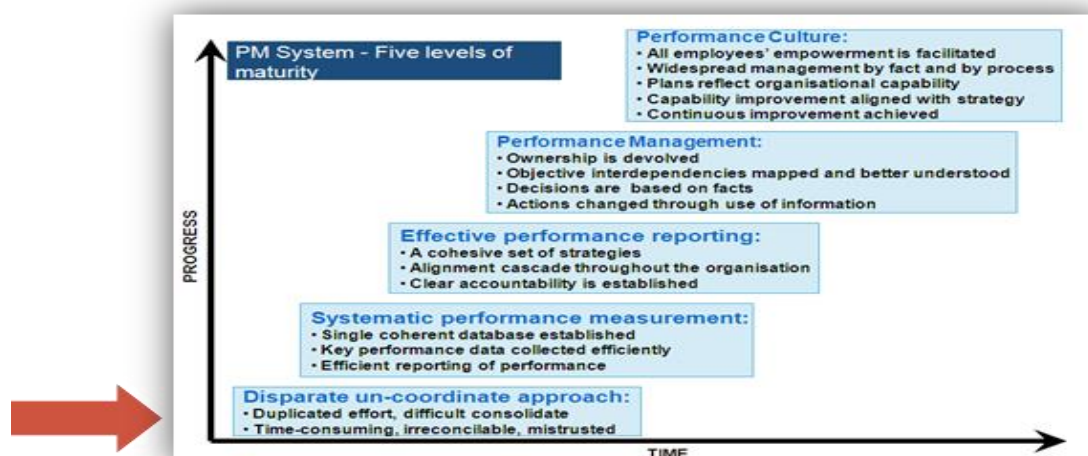
3.9. ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM

Tsantsabane Local Municipality as part of the mSCOA implementation, we have adopted Performance Management System developed by INZALO and in line approved policy performance management is implemented through quarterly review processes. For the 2022/23 the municipality will prioritize improvement implementation of performance management system as critical tool for organizational performance management, evaluation and public accountability. The MFMA Circular No.13 prescribes that:

- The IDP and budget must be aligned;
- The budget must address the strategic priorities;
- The SDBIP should indicate what the municipality is going to do during next 12 months;
- The SDBIP should form the basis for measuring the performance against goals set during the budget /IDP processes.

The SDBIP were prepared as described in the paragraphs below and approved by the Mayor 28 days after approval of the budget. The overall assessment of actual performance against targets set for the Key Performance Indicators as documented in the SDBIP is illustrated in terms of the following assessment methodology:

Figure 25: PM System – Five levels of maturity



3.10. SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP)

3.10.1. Key Performance Indicators: Finance

- Full Compliance with mSCOA requirements by 2022/23 to Provincial Treasury.
- Reduce Unauthorized , Irregular and Fruitless Actual by 80%
- Increase actual operational revenue as to - 95%
- Quality Annual Financial Statements and Audit File particulars. Reduction of financial related exceptions to 25 by 30/11/2023
- Develop internal Capacity for Compilation & submission of Annual Financial Statements
- 80% of assigned council resolutions executed by end of each quarter
- 100% review of Finance related policies, and by-Laws and procedures
- Free Basic Services - Percentage of households on the financial system (indigent households) earning less than the amount approved by Council (2x old age pension allowance per month) with access to free basic services
- Debtors administration - Debtors Test = (Gross Debtors / Total Revenue from Rates and Services) x 365 Days
- Financial viability as expressed by the following ratios: (i) $A=B-C/D$. Where- "A" represents debt coverage. "B" represents total operating revenue received - "C" represents operating grants; "D" represents debt service payments (i.e. interest + redemption) due within the financial year
- Financial viability as expressed by the following ratios: $A = B+C / D$ Where - "A" represents cost coverage; "B" represents all available cash at a particular time; "C" represents investments; "D" represents monthly fixed operating expenditure
- 100% of FMG grants spent by 30 June 2023.
- 100% achievement of the department SDBIP targets by June 2022
- Compilation and submission of Section 46 report by 31/08/2023 to AG

3.10.2. Key Performance Indicators: Community Services & Development

- Reduce 90% deviation of actual expenditure vs departmental budget by 30 June 2023
- 80% of assigned council resolutions executed by end of each quarter.
- 100% reduction of Unauthorized Irregular and Fruitless Expenditure in the department.
- 60% reduction of overtime expenditure in the community services department.
- 100% achievement of the department SDBIP targets.
- 100% rendering of refuse removal services as per service delivery programme per quarter
- 100% rendering of refuse removal services as per service delivery programme per quarter (Satellite area).

3.10.3. Key Performance Indicators: Office of the Municipal Manager

- 100% achievement of organizational Actual Operational expenditure / Operational Budget. 5% Deviation of actual operational expenditure of departmental budget by 30 June 2023
- Actual Capital expenditure / Capital budget. 95% of capital expenditure of unallocated funds by 30 June 2023
- 100% achievement of the department SDBIP targets
- 100% implementation of Performance Management System and 70% quarterly target achievement.
- PMS framework : Signed Performance Agreements for all Section 57 employees by 30 July 2023 (Financial year 2022/2023)
- 3 year Risk based audit rolling plan and annual operational plan submitted to Audit Committee and Accounting Officer for approval by 30 June 2023
- Project clean audit: to maintain a clean audit opinion - 2 Quarterly Reports by 30 June 2023
- Compilation and submission of Section 46 report by 31/08/2023 to AG
- Annual Report compiled and approved by 31 March 2023
- Appointment of a anti fraud and corruption board by June 2023
- Appointment of new SCM bid committees by September 2023

3.10.4. 3.10.4 Key Performance Indicators: Corporate Services

- Reduce 90% deviation of actual expenditure vs departmental budget by 30 June 2023
- 80% of assigned council resolutions executed by end of each quarter.
- 100% reduction of Unauthorized Irregular and Fruitless Expenditure in the department.
- 60% reduction of overtime expenditure in the community\technical services departments.
- 100% achievement of the department SDBIP targets.
- Policy guidance - Updated register and publishing of all policies on data storage device per quarter
- The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan
- The percentage of a municipality's salary budget actually spent on implementing its workplace skills plan

3.10.5. Key Performance Indicators: Technical Services

- Reduce 90% deviation of actual expenditure vs departmental budget by 30 June 2023
- 80% of assigned council resolutions executed by end of each quarter.
- 100% reduction of Unauthorized Irregular and Fruitless Expenditure in the department.
- 60% reduction of overtime expenditure in the technical services department.
- 100% achievement of the department SDBIP targets.
- Energy Management - <10% electricity losses due to distribution per annum
- New electricity Pre-paid meter connections - 100% of requests completed
- Prepaid meters for Indigent customers - 100% of requests completed
- The number of full time equivalent jobs (FTEs) created through municipality's local, economic development initiatives including capital projects
- 100% of INEP allocation spent by 30 June 2023
- New electricity conventional meter connections - 100% of requests completed
- 80% of assigned council resolutions executed by end of each quarter
- Sewer connections : All new sewer connections to be executed within 90 days from date of approval
- All new water connections to be executed within 90 days from date of approval
- 95% of quarterly samples meeting minimum biological standards
- Rendering of sanitation services as per service delivery programme per quarter

3.11. GOOD GOVERNANCE

3.11.1. Communication Strategy

The Communication Strategy was compiled with the assistance of GCIS and was approved by Council in 2021/22. The challenge currently faced by the municipality is the implementation of the strategy. The strategy focuses on basic legislation applicable to local government with regard to proper communication internally and externally. It includes further methods and best practices. It also looks at each of the departments and their responsibility to communicate with other departments within the Municipality as well as with the broader public. The strategy should be reviewed with the focus on implementation. An implementation plan should be developed to form part of the IDP Process Plan for future review processes.

3.11.2. HIV/AIDS Policy

According to the list of policies, the HIV/AIDS policy for the Municipality is still outstanding. As part of the IDP implementation, the Mayor and Council committed themselves to the development of the policy which will include information sessions with all of the employees. It will further give way to the establishment of an HIV/AIDS Forum for the municipal area. The Forum will have to compile a strategic plan to address the issue across the different sectors in the area.

3.11.3. Ward committees

All 7 wards has established ward committees for the term of office 2022 – 2027 in the municipal area. They have undergone trainings provided through the department of CoGHSTA, for them to understand their roles and responsibilities in the municipality. However, have identified shortcomings, few of the committees meet on a regular basis, in the past very few give collective inputs to the IDP and other related processes, very few of them are completely functional and filling the gap between local government and the broader community.

The Mayor and Council has committed themselves to a second round of capacity building workshops as well as to kick start the ward-based planning processes in each of the wards. The objective of the ward committees' training would be to become fully functional and to assist the municipality and its council with community consultations around IDP and other processes; i.e. budgets, PMS etc. It would also enhance public participation and would further assist the Municipality with identifying priority areas and empowerment needs.

3.11.4. Community Development Workers (CDW)

Community Development Workers are civil servants with specific and limited levels of training. They are deployed at the community level and are community-based resource persons for government. They are accountable to all three spheres of government and are to facilitate community engagement and participation. They are further supported by government and the public sector, but are not there to replace it.

Community Development Workers in Tsantsabane serves to:

- strengthen and enhance participatory democracy, by educating, empowering and creating community awareness on government processes, policies and projects e.g. Integrated Development Plan (IDP), Budget, Community Based Participation and Development, etc.
- work with ward councilors and ward committee members to ensure that ward committees are functional.
- work together with local municipalities, government sectors, NGO and CBO's in initiating and facilitating job creation opportunities in a government effort to push back the frontiers of poverty; and
- provide the necessary support to all emerging small business entrepreneurs by assisting them with issues around access to capital and in some instances advise or refer them to the relevant public or private agencies and institutions for the drafting of business plans.

3.12. SPECIAL PROGRAMMES

- **Disabled:** -The municipality has a responsibility to mainstream disability issues as an integral part of relevant strategies for sustainable development of its municipal area and its community, by ensuring that people with disability are not excluded from any sphere of life; this can only be achieved through effective participation and inclusion in society for all persons with disabilities.

In 2015/16 municipal council has resolved to allocated Erf 4400 Phutadichaba Street (White City) for the development of a center for the disabled. In 2019/20 Council in partnership with Kolomela, Assmag Beeshoek, Lesedit Solar and Department of Social Development (National Development Agency) has established Project Steering Committee to support Lebelelang Disability Non-Profit Organization (NPO) to build a center for the disabled.

- **Children:** - The municipality is responsible for mainstreaming children interest when it comes to policy development, programming, and resources allocation and communication. In whatever program municipalities engage on, there must be a child centered governance approach. The children's rights emerging issues for advocacy in service delivery, and policy formulation. There are nine (9) Early Child Development Centers (ECD) within the municipal area that caters for the development of children through education. With the ever-increasing population growth, the need for additional ECD Centers must be confirmed.
- **Gender:** -The municipality has a role to provide policy guidelines, support and monitor and evaluate implementation of gender friendly policies. It must provide strategic interventions to facilitate gender policy implementation. Gender mainstreaming is the systematic incorporation of considerations into the policy, programs and practices, so that before decisions are taken an analysis is made of circumstances and how they will impact on women and men. It is not just focused on the participation of women but the quality and conditions of their participation. Mainstreaming is a process towards achievement of transformation and development goals. The municipality has engaged on a process of economic development of women such as farming, SMME, gardening project and mining.
- **Youth Programmes:-** With the assistance of the municipality and in collaboration with Kumba Resources, the Tsantsabane Youth Service Centre was established in 2009 and subsequently in 2019/20 the Youth Development Strategy was adopted by Council. The focus is skills development for young people residing in the municipal area, to empower them to play a vital role in the economy of the area.

In the 2019/20 financial year Council has approved the implementation of various youth development interventions for small medium enterprise development located in Boichoko, Newtown and Postdene funded by the Kolomela Social Labour Plan (SLP) arrangement. The Council has also resolved to allocate land and mobilize external stakeholder partnership towards the building of the Youth Center in the 2021/22 Financial year



CHAPTER 4: STRATEGIC FRAMEWORK

4.1. INTRODUCTION

This chapter outlines the vision and the strategic goals and objectives of the municipality. It gives a picture on the ideal state of the municipality, what it will do to achieve its objectives. Outcome of this strategic planning process was the vision, mission, strategic objectives and values that the Special Council meeting dating January 2022 adopted,

Vision

“Tsantsabane will be a municipality providing sustainable, effective and efficient services to all its communities through sound management of scarce resources in order to better the quality of life for all its residents”

Mission

- Contribute to the Modern, Growing and Sustainable development within municipal boundaries and the rest of the Northern Cape.
- Promotion of a Local Economic Development should promote manufacturing and other mining related sectors and investor interest in the region,

Corporate values

Tsantsabane Local Municipality believes that a **customer-centric approach** must define the character of the municipal leadership, employees and its partners. We therefore subscribe to the following core values:

- Transparency
- Excellence
- Responsiveness
- Integrity

4.2. KEY PERFORMANCE AREAS

The municipality aligned its key performance areas to the national KPAs and they are the municipality's strategic objectives.

KPA 1: Basic Services and Infrastructure Development

Outcome: -

- All communities must have access to basic services (Water, Sanitation, Electricity, & Refuse Collection) delivered at an acceptable and agreed upon standard and the infrastructure is maintained to deliver such services in a sustainable manner.
- To collaborate with other provincial and national government departments to respond to the current needs in the community around water, electricity, sanitation, housing, roads and sport and recreation

- To provide good quality water available to citizens & income generated through provision of this service
- To provide free basic service, i.e. water, electricity, sanitation and refuse removal
- To maintain a fully functional sewerage system
- To maintain the road infrastructure
- To improve storm water management
- To improve community safety through adequate street lighting
- To provide waste management services

KPA 2: Local Economic Development and Growth

Outcome: - A local economic development strategy that responds to food security, job creation, education and skills development, developed.

- To implement a LED strategy leading to economic growth and job creation
- To establish Tsantsabane Local Economic Development Agency to facilitate sustainable socio-economic development.
- To improve the municipal procurement processes and related programmes to promote local economic development
- To respond to environmental challenges and how the environment can be used to contribute to social and economic development

KPA 3: Municipal Financial Viability & Sustainability

Outcome: - The municipality has a system in place to track spending in terms of budget allocations and is financially viable to deliver services to the community. Financial Management standards implemented in such a way that it received a clean audit.

- To pay all grants and creditors due
- To increase the revenue base during the next 5 years
- To increase accountability and fiscal discipline
- To work towards achieving a clean audit
- To develop financial policies, budget management system, asset and liability control mechanisms and strategies
- To develop ongoing skills of staff

KPA 4: Municipal Transformation and Institutional Development

Outcome: - The municipality is internally transformed to deliver the services required at an acceptable level with the support administrative systems and skilled staff whose performance is regularly monitored

- To embark on strategy to address administrative and financial challenges
- To implement structures, mechanisms and systems

- To improve the administrative management of the municipality
- To fill budgeted vacant posts
- To develop a comprehensive skills development plan based on actual training needs
- To secure funds from SETAs and training delivered
- To implement an organizational performance management system
- To implement a system to monitor and evaluate staff performance
- To improve the utilization of staff at National

KPA 5: Good Governance and Public Participation

Outcome: - Good governance systems are maintained in order to support proper communication and a healthy administration working towards a clean audit.

- To train councillors on their role and responsibilities
- To improve audit outcome i.t.o. compliance and governance matters
- To improve the functioning of the ward committee system
- To improve communication to all municipal stakeholders, including the public
- To strengthen the public participation processes
- To manage the municipal risk environment with internal audit processes
- To improve the management of performance in the municipality
- To maintain a healthy, safe and secure environment for all citizens in the municipal area



CHAPTER 5: BUDGET SUMMARY

TSANTSABANE MUNICIPALITY

**MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK 2023/24 TO
2025/26**

ANNUAL BUDGET OF

TSANTSABANE MUNICIPALITY

2022/23 TO 2024/25

MEDIUM TERM REVENUE AND EXPENDITURE FORECASTS

Copies of this document can be viewed:

- In the foyers of all municipal buildings
- All public libraries within the municipality
- At www.tsantsabane.gov.za

List of documents attached.

Full Tariff List

Detail Capital Budget

A-Schedule

5.1. PART 1: ANNUAL BUDGET

5.1.1. Mayor's Report

Recommendation of the draft budget for purpose of public inputs.

5.1.2. Council Resolutions

On **31 March 2023**, the Council of Tsantsabane Local Municipality met in the Council Chambers to consider the draft annual budget of the municipality for the financial year 2023/24.

The Council of Tsantsabane Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) **approves and adopts**:

- 1.1. The Draft annual budget of the municipality for the financial year 2023/24 and the multi-year and single-year capital appropriations as set out in the following tables:
 - 1.1.1. Budgeted Financial Performance (revenue and expenditure by source and type classification, **A4** table 1 & 2, respectively.
 - 1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote, **A3** table 13.
 - 1.1.3. Budgeted Financial Performance (revenue by source and expenditure by function, **A2** table 12; and
 - 1.1.4. Multi-year and single-year capital appropriations by municipal vote and function and associated funding by source, **A5** table 10;
- 1.2. The financial position, cash flow budget, cash-backed reserve/accumulated surplus/revisit, asset management and basic service delivery targets are approved as set out in the following tables attached in the budget documentation:
 - 1.2.1. Budgeted Financial Position **A6** in table 16.
 - 1.2.2. Budgeted Cash Flows; **A7** in table 17;
 - 1.2.3. Cash backed reserves and accumulated surplus reconciliation; **A8** in table 18.
 - 1.2.4. Asset management in **A9** table 18; and
 - 1.2.5. Basic service delivery measurement in **A10**; and
2. The Council of Tsantsabane Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) **resolved to approve and adopt** the following **draft tariffs** as attached in **List of Attachments**, with effect from 1 July 2023:
 - 2.1. The tariffs for property rates
 - 2.2. The tariffs for electricity
 - 2.3. The tariffs for the supply of water
 - 2.4. The tariffs for sanitation services
 - 2.5. The tariffs for solid waste services
3. The Council of Tsantsabane Municipality, acting in terms of 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) **resolved to approve and adopt** with effect from

1 July 2023 the draft tariffs for other services, which are increasing on average by the same tariff increase related to key service charge (**List of Attachments**).

4. To give proper effect to the municipality's annual budget, the Council of Tsantsabane Municipality **resolved**:

- 4.1. That cash backing is implemented through the utilisation of a portion of the revenue generated from property rates and gains on disposal of land to ensure that all capital reserves and provisions, and unspent conditional grants are cash backed as required in terms of the municipality's funding and reserves policy as prescribed by section 8 of the Municipal Budget and Reporting Regulations.

5.1.3. Executive Summary

The application of sound financial management principles for the compilation of the Municipality's financial plan is essential and critical to ensure that the Municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities. The Municipal Budget and Reporting Regulations, as well as various circulars issued by National Treasury, provides the guidance for budget preparation by local government.

The main items identified can be summarised as follows:

- Improved service delivery;
- Underdeveloped areas;
- Impoverished communities;
- Co-operative governance;
- Unfunded mandates, core functions service delivery agents;
- Land availability for e.g. economic development;
- Land availability for establishing tip-sites;
- Alternative service delivery options;
- Obtaining a "clean audit" inclusive of performance management;
- Delegation- and procedure manuals;
- Risk management;
- Improved planning and beyond 5 years;
- High crime rate;
- Service delivery backlogs;
- Improved maintenance programs;
- Local economic development facilitation;
- Adequacy of municipal reserves and financial sustainability;
- Curtail electricity losses;
- Tourism initiatives; and
- Improved public participation.

National Treasury's MFMA Circulars No. 70, 72, 74, 75, 78, 79, 85, 86, 91,94,99,107 & 108 were mainly used to guide the compilation of the 2022/23 MTREF. Some of the key challenges faced by the municipality when compiling the budget were:

- The on-going difficulties in the national and local economy leading to high unemployment rate within our communities.
- Aging roads, asbestos pipes, the capacity of the sewer work and electricity infrastructure.
- The need to prioritise projects and expenditure within the existing resource envelope.
- **The increased cost of electricity (due to tariff increases from Eskom), which is placing upward pressure on service tariffs to residents. Similarly, the effect of the water tariffs, as determined by the Sedibeng Water Board, on consumers. Continuous high tariff increases are not sustainable - as there will be a point where services will no-longer be affordable.**
- Proposed wage increases for municipal staff that continue to exceed consumer inflation, as well as the need to fill critical vacancies.
- Affordability of capital projects and the resultant operational costs associated with new infrastructure projects; and

The municipality is in an unhealthy financial position; however, with an improved cash management and containing municipal running costs, this position can change. The retention of sufficient cash-backed reserves is critical for the long-term sustainability of the municipality, and to this end the municipality is not achieving this objective. The main obstacle is huge creditors book balance mainly being Eskom and Sedibeng Water. The debtors' book is equally big but with inability to collect old debts, this in turn creates huge amount of possible bad debts which we create a provision for each year when compiling annual financial statements. The Capital Replacement Reserve needs to be at a level where all capital spending should be funded from but currently there are no funds in the CRR (Capital Replacement Reserve) to fund any capital projects.

The following budget principles and guidelines directly informed the compilation of the 2022/23 MTREF:

- Tariff and property rates increase should be affordable and should generally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the cost of bulk electricity. In addition, tariffs need to remain or move towards being cost reflective and should consider the need to address infrastructure backlogs.
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act.
- The budget must be spent in full, and all grants should be utilised in full.

In view of the above, the following tables are an overview of the proposed 2023/24 Medium-term Revenue and Expenditure Framework:

OPERATING REVENUE

Table 1

Choose name from list - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2019/20	2021/22	Budget Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue By Source										
Property rates	2	–	–	39 694	39 694	39 694	39 694	42 659	45 846	49 271
Service charges - electricity revenue	2	–	–	59 724	65 913	65 913	65 913	69 077	72 392	75 867
Service charges - water revenue	2	–	–	22 972	18 142	18 142	18 142	19 013	19 926	20 882
Service charges - sanitation revenue	2	–	–	30 525	23 613	23 613	23 613	24 747	25 934	27 179
Service charges - refuse revenue	2	–	–	15 441	15 441	15 441	15 441	16 182	16 959	17 773
Rental of facilities and equipment		–	–	518	518	518	518	545	572	599
Interest earned - external investments		–	–	760	760	760	760	800	839	879
Interest earned - outstanding debtors		–	–	–	–	–	–	–	–	–
Dividends received		–	–	–	–	–	–	–	0	0
Fines, penalties and forfeits		–	–	96	811	811	811	854	895	937
Licences and permits		–	–	1 041	1 041	1 041	1 041	1 097	1 150	1 204
Agency services		–	–	–	–	–	–	0	0	0
Transfers and subsidies		–	–	66 164	57 239	57 239	57 239	62 417	67 760	72 364
Other revenue	2	–	–	837	1 876	1 876	1 876	1 975	2 072	2 169
Gains		–	–	18 515	18 515	18 515	18 515	19 496	20 452	21 413
Total Revenue (excluding capital transfers and contributions)		–	–	256 286	243 562	243 562	243 562	258 861	274 797	290 537

The operating income for 2024 MTREF is **R258,861** million

This is primarily attributed to the revenue generating sources where:

- **Electricity, water and Sanitation** These service charges are based on 2021/22 audited actuals and projections as per circular 123 indicate increases. The entire service charge revenue contributes around **67%** of the total municipal operating revenue.
- **Property Rates** has increased from **R39,694 million** based on the 2021/22 audited outcomes and projections to **R42,659 million** in 2023/24 MTREF budget year. Property Rates contributes around **16%** of the total operating revenue.
- **Other source of income** primarily increased due to the expected disposal of land during the 2023/24 budget year.
- **Operating Government Grants** (Transfers and Subsidies) Government Grants that are operational in nature amount to **R62 417 million** (24% of total operating revenue) in total with unconditional equitable share sitting at **R55 million** allocated.

OPERATING EXPENDITURE

Table 2

Expenditure By Type										
Employee related costs	2	-	-	91 853	81 853	81 853	81 853	85 127	88 532	92 073
Remuneration of councillors		-	-	7 507	7 507	7 507	7 507	7 905	8 292	8 682
Debt impairment	3	-	-	14 214	14 214	14 214	14 214	14 968	15 701	16 439
Depreciation & asset impairment	2	-	-	20 140	20 140	20 140	20 140	21 208	22 247	23 292
Finance charges		-	-	4 600	6 582	6 582	6 582	6 931	7 271	7 613
Bulk purchases - electricity	2	-	-	40 980	74 685	74 685	74 685	57 297	60 104	62 929
Inventory consumed	8	-	-	23 843	2 581	2 581	2 581	24 525	25 727	26 936
Contracted services		-	-	32 638	21 653	21 653	21 653	25 476	26 724	27 981
Transfers and subsidies		-	-	-	-	-	-	-	-	-
Other expenditure	4, 5	-	-	21 268	12 616	12 616	12 616	12 735	13 359	13 987
Losses		-	-	-	-	-	-	-	-	-
Total Expenditure		-	-	257 043	241 831	241 831	241 831	256 172	267 958	279 932

With the municipality operating expenditure, there has been a considerable increase of operating expenditure compared to **R241,831 million** of last adjustment budget, the current total operating expenditure is at **R256,172 million**. This is an increase of about 14% into the current MTREF Budget.

Employee Related cost appear to have decreased from **R91 million prior adjustment** in 2022/23 budget year to **R81million** in 2022/23 MTREF budget year. This is because of the 2021/22 budget audited actuals. The increase for 2023/24 projections result in R85 million salary bill which is around 33% of the total operating expenditure.

Depreciation + Debt Impairment are R21 million and 14 million These two items, apart from being non-cash items, contribute **14%** of the total operating expenditure adds more pressure on already constraint budget.

Given the infrastructural assets the municipality owns, these assets are annually losing value and as a result, maintenance plan needs to keep up with the depreciating assets.

Secondly is for the municipality to also come to terms with the reality that Tsantsabane community cannot fully keep up with the accounts hence so much of debt receivable is provided for impairment.

Bulk purchases+ Inventory consumed the significant decrease of bulk water from **R74 million** of adjustment budget to **R54 million** and the significant increase of Inventory consumed is due to the misclassification of water inventory from inventory consumed to Bulk purchases in the 2022/23 budget year

CAPITAL BUDGET

Table 3

	Sum of Budget Yr 2024	Sum of Budget Y1 2025	Sum of Budget Y2 2026
Integrated National Electrification Programme Grant	1 500 000,00	5 600 000,00	9 900 000,00
Municipal Infrastructure Grant	16 858 700,00	17 445 800,00	18 057 600,00
Regional Bulk Infrastructure Grant	-	-	-
Water Services Infrastructure Grant	7 975 000,00	13 559 000,00	14 163 000,00
Grand Total	26 333 700,00	36 604 800,00	42 120 600,00

The capital projects have not fully been allocated to allocation as per DoRA but above is what the national government has provisionally allocated to the municipality in terms of capital spending.

5.1.4. Operating Revenue Framework

For Tsantsabane Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times, strong revenue management is fundamental to the financial sustainability of Tsantsabane municipality. The reality is that we are faced with development backlogs and poverty, and now exacerbated by the outbreak of covid-19 pandemic. The expenditure required to address these challenges inevitably always exceeds available funding; hence difficult choices must be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

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

- A financially sustainable municipality.
- National Treasury's guidelines and macroeconomic policy;
- Limited growth in the Municipality and continued economic development;
- Efficient revenue management, which aims to ensure a **70** per cent annual collection rate from **48 percent** for property rates and other key service charges. With the immediate roll out of water smart meters for the whole of Tsantsabane the annual percentage of 70 percent could be achieved if it is also paired with the Credit and debt collection measures;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- Increase ability to extend new services and recover costs;

- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the Municipality.

The **inflation forecasts** for the MTREF 2023 period are on an average **5.3%** per annum. The municipality's aim is not to exceed inflation in its annual tariff adjustments but external factors such as the Eskom increases, and which are beyond the control of the municipality, hampers this goal.

In order to ensure all revenues are raised and recovered and further that all ratepayers are being treated equitably, the municipality identified certain areas of concern and is busy implementing measures to address these problem areas.

Strategy

- Maintain and improve on debt collection
- Secure new sources of income
- Counter the potential loss in electricity/water income as well as line-losses
- Ensure an accurate and well-maintained income database
- Secure more external funding and government grants for soft services including long term funding for operating expenses
- Monitor the financial health of the Municipality and cash-back all reserves
- Installation of smart prepaid meters for the entire Tsantsabane area

The following table is a summary of the 2023/24 MTREF (classified by main revenue source):

Table 4

Northern Cape: Tsantsabane (NC085) - Table A1 Budget Summary for 4th Quarter ended 30 June 2023										
Description	2019/20	2020/21	2021/22	Current year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit Outcome	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
Financial Performance										
Property rates	-	-	57 402	39 694	39 694	39 694	20 201	42 659	45 846	49 271
Service charges	99 516	99 516	109 643	128 661	123 109	123 109	29 054	129 018	135 211	141 701
Investment revenue	887	887	806	760	760	760	291	800	839	879
Transfer and subsidies - Operational	48 806	48 806	52 556	65 094	57 239	57 239	24 101	62 417	67 760	72 364
Other own revenue	39 093	39 093	19 925	21 008	22 761	22 761	2 373	23 967	25 141	26 323
Total Revenue (excluding capital transfers and contributions)	188 302	188 302	240 332	255 216	243 562	243 562	76 020	258 861	274 797	290 537
Employee costs	86 362	86 362	75 893	88 390	81 853	81 853	34 088	85 127	88 532	92 073
Remuneration of councillors	5 477	5 477	6 029	5 867	7 507	7 507	2 694	7 905	8 292	8 682
Depreciation and amortisation	33 451	33 451	33 309	20 140	20 140	20 140	-	21 208	22 247	23 292
Finance charges	13 749	13 749	6 462	5 000	6 582	6 582	1 326	6 931	7 271	7 613
Inventory consumed and bulk purchases	61 171	61 171	76 112	64 723	77 266	77 266	35 657	81 822	85 831	89 865
Transfers and subsidies	-	-	-	-	-	-	-	-	-	-
Other expenditure	76 587	76 587	88 881	63 538	48 483	48 483	16 648	53 179	55 785	58 407
Total Expenditure	276 797	276 797	286 687	247 658	241 831	241 831	90 412	256 172	267 958	279 932
Surplus/(Deficit)	(88 495)	(88 495)	(46 355)	7 559	1 731	1 731	(14 392)	2 689	6 839	10 605
Transfers and subsidies - capital (monetary allocations)	11 277	11 277	31 357	115 484	127 409	127 409	14 259	26 334	171 953	244 056
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(77 217)	(77 218)	(14 998)	123 042	129 139	129 139	(133)	29 023	178 792	254 660
Share of Surplus/Deficit attributable to Associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(77 217)	(77 218)	(14 998)	123 042	129 139	129 139	(133)	29 023	178 792	254 660

Revenue generated from rates and service charges form a significant percentage of the revenue basket for the Municipality. **Rates and service charges revenues** are sitting at **83** per cent of the total revenue over the 2023 MTREF period. In the 2022/23 financial year, revenue from rates and services charges totalled R162, 803 million which was 64 per cent of the total revenue then.

Employee related costs, Depreciation and amortisation and inventory and bulk purchases remain high even when other operating expenditure were cut. This puts pressure on the realistic revenue generated of the municipality and as a results creates a deficit when capital income is not considered.

TOTAL COST FOR INDIGIENT


Tariffs for indigent households are set out below:

1	Rates are free of charge based on the market value of the property to the maximum of R30 000
2	50 kWh free electricity per month
3	6 kilolitres of water free per month
4	Free refuse x 4 removal per month
5	Free sewerage per month

GRANTS AND SUBSIDIES

Total grants and transfers **totals to R88 million** in the 2023/24 budget year.

Table 7

 Grants	Budget Yr 2024	Sum of BudgeY1 2025	Sum of BudgeY2 2026
INEP	1 500 000,00	5 600 000,00	9 900 000,00
MIG	17 746 000,00	18 364 000,00	19 008 000,00
RBIG	-	135 348 000,00	201 935 000,00
WSIG	7 975 000,00	13 559 000,00	14 163 000,00
FMG	3 100 000,00	3 100 000,00	3 100 000,00
EPWP	950 000,00		
LIBRARY	1 368 900,00	1 435 976,10	1 503 466,98
LGSETA	100 000,00	100 000,00	100 000,00
Equitable share	55 306 000,00	60 465 000,00	64 883 000,00
GRANT TOTAL	88 045 900,00	237 971 976,10	314 592 466,98

Tariffs

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were taken into account to ensure the financial sustainability of the Municipality.

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. Municipalities must justify in their budget documentation on all increases in excess of the 6 per cent upper boundary as issued in MFMA circular 123. Excessive increases are likely to be counterproductive, resulting in higher levels of non-payment.

The percentage increases of Eskom bulk tariffs are far beyond the mentioned inflation target. Given that these tariff increases are determined by an external agency, the impact it has on the municipality's electricity tariffs are largely outside the control of the Municipality. Discounting the impact of these price increases in lower consumer tariffs will erode the Municipality's future financial position and viability.

The municipality budgets for the non-payment of accounts based on experience of recovery rates. The municipality applies its Credit Control Policy but there are always situations where there are defaults on payment. Experience indicates that contribution for bad debt over the revenue for rates, service charges and rent of facilities on credit percentage should not be more than 10 per cent, however, a cautionary approach is taken in this budget due to the signs of economic stress being experienced by the community.

It must also be appreciated that the consumer price index, as measured by CPI, is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilised for the calculation of the CPI consist of items such as food, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, bulk purchases of electricity and water, petrol, diesel, chemicals, cement etc. The current challenge facing the Municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions. Within this framework the Municipality has undertaken the tariff setting process relating to service charges as follows.

5.1.4.1. Property Rates

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process.

National Treasury's MFMA Circular No. 51 deals, inter alia with the implementation of the Municipal Property Rates Act, with the regulations issued by the Department of Co-operative Governance. These regulations came into effect on 1 July 2009 and prescribe the rate ratio for the non-residential categories, public service infrastructure and agricultural properties relative to residential properties to be 0,25:1. The implementation of these regulations was done in the previous budget process and the Property Rates Policy of the Municipality has been amended accordingly.

The following stipulations in the Property Rates Policy are highlighted:

- The first R15 000 of the market value of a property used for residential purposes is excluded from the rate-able value (Section 17(h) of the MPRA) Tsantsabane Municipality increased this value to R30 000;
- 100 per cent rebate will be granted to registered indigents in terms of the Indigent Policy to a maximum valuation of R30 000;
- The limit for indigent households is twice the amount of government social pensions.

The categories of rateable properties for purposes of levying rates and the proposed rates for the 2023/24 financial year will be increase by %.

PROPERTY TAX 2% Non-residential (-25%)				
ASSESSMENT RATES	Approved 2020/2021	Approved 2021/22	Proposed 2022/23	(% Decrease)/% Increase
Residential	0.007494	0.0060701	0.0061915	2%
Residential - vacant land	0.007494	0.0060701	0.0061915	2%
Formal / Informal Settlements	0.007494	0.0060701	0.0061915	2%
Small Holdings	0.007494	0.0060701	0.0045526	2%
Farm Properties used / not used	0.000449	0.0004143	0.0004226	2%
Industrial	0.011236	0.0103371	0.0105439	2%
Business and Commercial	0.011236	0.0103371	0.0105439	2%
Multi-Purpose Residential	n/a	0.0082036	0.0083677	2%
Communal land - residential & small holdings	0.007494	0.0060701	0.0045526	-25%
Communal land - farm property	0.011236	0.0103371	0.0077528	-25%
Communal land - Business and commercial	0.011236	0.0103371	0.0077528	-25%
Communal land – other	0.007494	0.0060701	0.0045526	-25%
State owned Properties	0.007494	0.0060701	0.0045526	-25%
Public Service Infrastructure (PSI)	0.007494	0.0060701	0.0045526	2%
Mining (buildings)	0.056770	0.0579054	0.0590635	2%

See **List of attachments** for adjustments of rates.

5.1.4.2. Sale of Water and Sanitation and the Impact of Tariff Increases

South Africa faces similar challenges about water supply as it did with electricity, since demand growth outstrips supply. Consequently, National Treasury is encouraging all municipalities to carefully review the level and structure of their water tariffs to ensure:

- Water tariffs are fully cost-reflective – including the cost of maintenance and renewal of purification plants, water networks and the cost associated with reticulation expansion;
- Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent); and
- Water tariffs are designed to encourage efficient and sustainable consumption.

The municipality obtains water from Sedibeng at a cost of **R....p/kl**. A tariff increase for 2023/24 effective 1 July 2023 is **%**. The ground water tariff is **R1.65/kl** supplied by Coetzee, which will increase with **cent per/kl**.

The proposed tariffs for the 2023/24 financial year are as follows:

DRAFT TARIFFS FOR THE FINANCIAL YEAR 2022/2023 (where applicable, rounding has been applied)			
WATER - 4.8%			
Description	Charges	Approved 2021/22	Proposed 2022/23
Residential - basic		429.93	450.56
Residential - consumption	0 - 6kl	15.95	16.72
	6.1 - 12kl	18.49	19.38
	13kl - 30kl	21.74	22.78
	More than 30kl	29.64	31.06
Business - basic		429.93	450.56
Business - consumption	0 - 6kl	18.50	19.38
	6.1 - 12kl	21.74	22.78
	13kl - 30kl	29.63	31.05
	More than 30kl	37.26	39.05
Prepaid Metering			
New Residential consumption	0 - 6kl	15.39	16.13
	6.1 - 12kl	17.85	18.70
	13kl - 30kl	20.97	21.98
	More than 30kl	29.63	31.05
Hospitals, Old Age Homes Schools and Hostels		12.73	13.34
Departmental Use		14.70	15.40
Consumer Deposits		1,869.99	1,959.75

Water distribution losses for the year ended 30 June 2023 was **% and kl a year** and in rand value R . The outstanding water **account from Sedibeng amounts to more than R million** and needs urgent attention. If the water losses are minimised, which will only be viable through installation of smart meters, the monthly bill of Sedibeng will decrease substantially. The municipality needs to ring-fence the water supply and determine what the actual cost per kl should be. Tsantsabane Municipality need to make use of their own boreholes to minimize the usage of Sedibeng water. We need to be less dependent on Sedibeng water in 2023/24 financial year and beyond.

The municipality needs continuously to explore ways to limit the water losses to an acceptable level. There will always be water line losses due to burst pipes and as repairs thereof requires flushing of systems before being distributed again. However, any losses above 13% is considered excessive by the Auditor-General's office and regarded as fruitless expenditure. The municipality will continue to monitor reasons for the excessive losses and to improve systems to limit the water losses to below 13%.

Sanitation fees

The tariffs for sanitation have proposed increased by **%** for residential and commercial respectively in line with inflation estimates. The proposed tariffs are listed below:

SEWERAGE - 4.8% Residential/Commercial 4.8%			
Description			
	Charges	Approved 2021/22	Proposed 2022/23
Basic charge		419.75	439.90
Residential & Flats		303.13	317.68
Buckets		87.70	91.91
Business & Guesthouses		768.25	805.12
Hotels & Motels		2,323.00	2,434.50
Mall		11,331.73	11,875.65
Hospitals/Old age homes / Schools		2,014.37	2,111.06
Availability - empty serviced stands		447.43	468.91
ASSMANG & other (arrangement)	per 1000 l	56.57	59.28
Deposit		6,854.02	7,183.02
NEW CONNECTIONS FEES ON STANDS THAT WAS DEVELOPED BY MUNICIPALITY			
Cost of material		1,396.81	1,463.86
Cost of labour		349.20	365.96
15% Administration Levy on material and labour cost		261.92	274.49
		2,007.93	2,104.31
ADMIN FEE ON STANDS THAT WAS DEVELOPED BY DEVELOPERS			
Admin Fee		1,047.61	1,097.89
Purified Sewerage Water (if available)	per kilo litre	3.14	3.29
Per Extraction		448.25	469.76
SEWERAGE PUMPING			
Per tanker load		56.57	59.28
Pumping on erven		794.04	832.15
After hours and public holidays		957.56	1,003.52

5.1.4.3. Sale of Electricity and Impact of Tariff Increases

NERSA has announced that it expected the revised bulk electricity pricing structure to be a **18.7%** increase in the Eskom bulk electricity tariff to municipalities effectively from 1 July 2023.

Considering the Eskom increase, it should be noted that given the magnitude of the tariff increase, it is expected to depress growth in electricity consumption, which will have a negative impact on the municipality's revenue from electricity. Registered indigents will again be granted 50 kWh per 30-day period free of charge.

ELECTRICITY TARIFFS & CHARGES

The tariffs will be included in the budget after NERSA approved the tariffs.

Electricity is regarded as a trading account which should make a profit, although NERSA monitors and limits this profit to an estimate of 6%. The municipality does make a profit on electricity for the past years.

Electricity line losses are not continuously monitored. It can represent a significant financial loss for the municipality. In general electricity line losses of 10% is being regarded as "acceptable" in the industry and Tsantsabane is well above that norm with a loss of 25.58%. Electricity distribution losses for the year ended 30 June 2022 is 6 815 103 kWh units and R9 128 101 in rand value. Tsantsabane needs to act and monitor the losses.

Comparison between current electricity charges and increases.

It should further be noted that NERSA has advised that a stepped tariff structure must be used. The effect thereof will be that the higher the consumption, the higher the cost per kWh. The aim is to subsidise the lower consumption users (mostly the poor). A stepped tariff structure has been implemented as from 1 July 2013.

2022/23 MTREF tariff proposal for electricity is **7.47%**.

TARIFFS FOR THE FINANCIAL YEAR 2022/2023				
ELECTRICITY (Nersa 7.47%)				
Domestic tariffs				
Domestic Conventional				
Tariff blocks	Approved 2020/2021	Approved 2021/22	Proposed 2022/23	
Block 1 (0-50 kWh)	109.81	125.83	135.23	cent
Block 2 (51-350 kWh)	139.40	159.74	171.67	cent
Block 3 (351-600 kWh)	188.18	215.63	231.74	cent
Block 4 (> 600 kWh)	233.66	267.75	287.76	cent
Basic charge p/month	355.42	407.28	437.70	Rand
Domestic Prepaid				
Tariff blocks	Approved 2020/2021	Approved 2021/22	Proposed 2022/23	
Block 1 (0-50 kWh)	114.57	131.29	141.09	cent
Block 2 (51-350 kWh)	155.99	178.75	192.10	cent
Block 3 (351-600 kWh)	202.38	231.91	249.23	cent
Block 4 (> 600 kWh)	221.55	253.87	272.84	cent
Commercial Tariffs				
Commercial Conventional				
	Approved 2020/2021	Approved 2021/22	Proposed 2022/23	
Basic charge	680.75	780.08	838.35	Rand
Energy charge	195.21	223.69	240.40	cent
Commercial Prepaid				
	Approved 2020/2021	Approved 2021/22	Proposed 2022/23	
Energy charge	227.86	261.11	280.61	cent
Industrial Tariffs				
Industrial Conventional				
	Approved 2020/2021	Approved2021/ 2022	Proposed 2022/23	
Basic charge	630.69	658.44	707.63	Rand
Energy charge	191.56	200.00	214.94	cent
Demand charge	215.82	225.32	242.15	Rand
Industrial Bulk				
	Approved 2020/2021	Approved2021/ 2022	Proposed 2022/23	
Basic charge	317.31	331.27	356.02	Rand
Energy charge	185.21	193.00	207.42	cent
Demand charge	214.10	223.52	240.22	Rand
Industrial Prepaid				
	Approved 2020/2021	Approved2021/ 2022	Proposed 2022/23	
Energy charge	202.41	231.94	249.27	cent

5.1.4.4. Waste Removal and Impact of Tariff Increases

Solid waste removal tariffs have been increased by 4.8%

REFUSE - 4.8% Residential/Commercial 4.8%			
Description	Charges	Approved 2021/22	Proposed 2022/23
Residential	Per home	175.90	184.35
Per additional living unit		175.90	184.35
Business	Per point	502.70	526.83
Mall		20,037.30	20,999.09
Industrial		502.70	526.83
Containers	Per container	406.00	425.48

Solid waste removal tariffs have been proposed to decrease by 1.8% for residential and increase commercial by 2.8.

It is widely accepted that the rendering of this service should at least break even, which is not currently the case for the 2022/23 MTREF period.

The Municipality will have to implement a solid waste strategy to ensure that this service can be rendered in a sustainable manner over the medium to long-term. The main contributors to the expenditure are the general expenditure (rehabilitation cost) and the maintenance of the landfill site, diesel of vehicles, increases in the cost of remuneration of officials. In addition, the cost of new landfill sites, the effect of depreciation and rehabilitation on these landfill sites all plays an important role in the projected losses or surpluses.

5.1.5. Operating Expenditure Framework

The Municipality's expenditure framework for the 2023/24 budget and MTREF is informed by the following:

- Guidance provided by National Treasury in Circular 66, 67, 70, 72, 74, 75, 78, 79, 85, 86 and 93, 99, 122 & 123.
- 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.
- The capital programme is aligned to the asset renewal strategy and backlog eradication plan;
- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and
- Limitation on tariff increases.

The following table is a high-level summary of the 2023/24 budget and MTREF (classified per main type of operating expenditure):

Table 8

Expenditure By Type										
Employee related costs	2	–	–	91 853	81 853	81 853	81 853	85 127	88 532	92 073
Remuneration of councillors		–	–	7 507	7 507	7 507	7 507	7 905	8 292	8 682
Debt impairment	3	–	–	14 214	14 214	14 214	14 214	14 968	15 701	16 439
Depreciation & asset impairment	2	–	–	20 140	20 140	20 140	20 140	21 208	22 247	23 292
Finance charges		–	–	4 600	6 582	6 582	6 582	6 931	7 271	7 613
Bulk purchases - electricity	2	–	–	40 980	74 685	74 685	74 685	57 297	60 104	62 929
Inventory consumed	8	–	–	23 843	2 581	2 581	2 581	24 525	25 727	26 936
Contracted services		–	–	32 638	21 653	21 653	21 653	25 476	26 724	27 981
Transfers and subsidies		–	–	–	–	–	–	–	–	–
Other expenditure	4, 5	–	–	21 268	12 616	12 616	12 616	12 735	13 359	13 987
Losses		–	–	–	–	–	–	–	–	–
Total Expenditure		–	–	257 043	241 831	241 831	241 831	256 172	267 958	279 932
Surplus/(Deficit)		–	–	(757)	1 731	1 731	1 731	2 689	6 839	10 605

Operationally, there is budgeted **surplus of R2 million** in 2023/24 MTREF Budget. The budget allocation for employee related costs for the 2023/24 financial year totals R85 million, which equals 33 per cent of the total operating expenditure. This is the percentage decrease from 35 per cent seen in 2022/23 adjustment budget.

COUNCILLORS REMUNERATION

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998).

DEBT IMPAIRMENT

The provision of debt impairment was determined based on the Debt Write-off Policy of the Municipality. For the 2023/24 budget year debt impairment amounts to R14 million and escalates to R15 million by (2024/25) and R16 million by (2025/26). While this expenditure is a non-cash flow item, it informed the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues.

DEPRECIATION AND ASSET IMPAIRMENT

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation on assets other than land is calculated on cost, using the Straight-line Method, to allocate their cost or revalued amounts to their residual values over the estimated useful lives of the assets. Each part of an item of Property, Plant and Equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

FINANCE CHARGES

Finance charges consist primarily of the repayment of interest levied on overdue account and finance/operating leases (cost of capital).

Main operational expenditure categories for the 2023/24 financial year

5.1.5.1. Priority given to repairs and maintenance.

Aligned to the priority being given to preserving and maintaining the Municipality's current infrastructure, the 2023/24 budget and MTREF provide for extensive growth in the area of asset maintenance, as informed by the asset management policy. **Council needs to adopt a repairs and maintenance plan for the Municipality.** In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services.

Considering these cost drivers, National Treasury requires municipalities to adapt their costing systems to reflect these costs as Repairs and Maintenance. The municipality financial systems, as yet, cannot provide for this request and it will be implemented with mSCOA.

During the compilation of the 2023/24 MTREF operational repairs and maintenance was identified as a strategic imperative owing to the aging of the Municipality's infrastructure and historic deferred maintenance. To this end, the municipality identified this, together with other

strategic items, as priority to be investigated and changes to be incorporated into the next budget.

Free Basic Services: Basic Social Services Package

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the Municipality's Indigent Policy. The target is to register all indigent households during the 2023/24 financial year, a process reviewed annually.

The cost of the social package of the registered indigent households is financed by the municipality self and largely by utilising the municipality's unconditional equitable share, allocated in terms of the Constitution to local government, and received in terms of the annual Division of Revenue Act. The indigent subsidy as a result of free basic services totals Rmillion (2022/23) in the budget year and increasing to R million and R million in the outer years.

Turnaround Strategy

Tsantsabane Municipality has to implement projects that can help to improve the current cash strapped financial position. The Council, Management and Officials need to work together to improve the cash flow situation of Tsantsabane Municipality.

Goals

- Tsantsabane Municipality must provide free basic services to all indigent persons.
- All services that the Municipality renders must be of a high quality.
- The Council and Management must restore the trust of all the residents in Tsantsabane Municipality.
- Council and Management must be transparent with all transactions.
- Council and Management must communicate on a regular basis to all communities.
- Council should have strong partnership with churches, sport bodies, culture groups and the mining houses.
- Council must create an environment that encourages or enhances investment. We need investment to create jobs for the community.
- Council must collect all outstanding debt to maintain all the assets of the Municipality.
- Good governance is essential in Tsantsabane Municipality.

Incentive to residence:

Implement an incentive scheme to attract consumers to settle their debt. Rand for Rand Scheme: the municipality writes-off the amount equal to the amount of the arrears that a consumer is prepared and willing to pay at any given time regardless of the total amount of the debt/arrears of that consumer.

Indigent Households

All outstanding debt of indigent households should be written off as of 30 September 2022. The cost to write off outstanding debt should be calculated and presented to Council.

T-Levels

We did not make provision in the budget for the implementation of T-levels. There is still work/consultation to be done before the implementation of the T-Levels.

5.1.6. Annual Budget Tables

The following pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2021/22 budget and MTREF to be approved by the Council. Each table is accompanied by *explanatory notes* on the facing page.

TABLE 11

Table A1 - Budgeted Summary

Northern Cape: Tsantsabane (NC085) - Table A1 Budget Summary for 4th Quarter ended 30 June 2023										
Description	2019/20	2020/21	2021/22	Current year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit Outcome	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
Financial Performance										
Property rates	-	-	57 402	39 694	39 694	39 694	20 201	42 659	45 846	49 271
Service charges	99 516	99 516	109 643	128 661	123 109	123 109	29 054	129 018	135 211	141 701
Investment revenue	887	887	806	760	760	760	291	800	839	879
Transfer and subsidies - Operational	48 806	48 806	52 556	65 094	57 239	57 239	24 101	62 417	67 760	72 364
Other own revenue	39 093	39 093	19 925	21 008	22 761	22 761	2 373	23 967	25 141	26 323
Total Revenue (excluding capital transfers and contributions)	188 302	188 302	240 332	255 216	243 562	243 562	76 020	258 861	274 797	290 537
Employee costs	86 362	86 362	75 893	88 390	81 853	81 853	34 088	85 127	88 532	92 073
Remuneration of councillors	5 477	5 477	6 029	5 867	7 507	7 507	2 694	7 905	8 292	8 682
Depreciation and amortisation	33 451	33 451	33 309	20 140	20 140	20 140	-	21 208	22 247	23 292
Finance charges	13 749	13 749	6 462	5 000	6 582	6 582	1 326	6 931	7 271	7 613
Inventory consumed and bulk purchases	61 171	61 171	76 112	64 723	77 266	77 266	35 657	81 822	85 831	89 865
Transfers and subsidies	-	-	-	-	-	-	-	-	-	-
Other expenditure	76 587	76 587	88 881	63 538	48 483	48 483	16 648	53 179	55 785	58 407
Total Expenditure	276 797	276 797	286 687	247 658	241 831	241 831	90 412	256 172	267 958	279 932
Surplus/(Deficit)	(88 495)	(88 495)	(46 355)	7 559	1 731	1 731	(14 392)	2 689	6 839	10 605
Transfers and subsidies - capital (monetary allocations)	11 277	11 277	31 357	115 484	127 409	127 409	14 259	26 334	171 953	244 056
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(77 217)	(77 218)	(14 998)	123 042	129 139	129 139	(133)	29 023	178 792	254 660
Share of Surplus/Deficit attributable to Associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(77 217)	(77 218)	(14 998)	123 042	129 139	129 139	(133)	29 023	178 792	254 660

Explanatory notes to Table A1 - Budget Summary

- Table A1 is a budget summary and provides a concise overview of the Municipality'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 subject to approval by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
 - Financial management reforms emphasise the importance of the municipal budget being funded. The current budget (MTREF 2023/24) is not funded as required by National Treasury due to huge creditors book which the municipality is not able to finance as a result of cash flow problems emanating from cash collection rate from debtors. The assessment of this requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the

Capital Budget. The Budget Summary provides the key information in this regard. The operating surplus/deficit (after Total Expenditure) is negative over the MTREF.

3. The cash backing/surplus reconciliation shows that in previous financial years the municipality was not paying much attention to managing this aspect of its finances, and consequently none of its obligations are cash-backed.

TABLE 12

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

Northern Cape: Tsantsabane (NC085) - Table A2 Budgeted Financial Performance by Functional Classification for 4th Quarter ended 30 June 2023

Description	Ref	2019/20	2020/21	2021/22	Current year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
R thousands	1									
Revenue - Functional										
<i>Municipal governance and administration</i>		186 066	186 066	115 622	111 465	112 535	112 535	121 438	130 716	139 483
Executive and council				11 169	3 093	3 093	3 093	3 153	3 278	3 408
Finance and administration		186 066	186 066	104 453	108 372	109 442	109 442	118 285	127 438	136 075
Internal audit										
<i>Community and public safety</i>		1 000	1 000	7 080	2 700	3 414	3 414	3 626	3 804	3 983
Community and social services		33	33	6 863	1 564	1 564	1 564	1 678	1 761	1 843
Sport and recreation										
Public safety		967	967	217	1 136	1 850	1 850	1 948	2 043	2 139
Housing										
Health										
<i>Economic and environmental services</i>		12 513	12 513	17 690	17 376	18 415	18 415	19 062	19 745	20 454
Planning and development				809						
Road transport		12 513	12 513	16 880	17 376	18 415	18 415	19 062	19 745	20 454
Environmental protection										
<i>Trading services</i>		-	-	131 297	239 159	236 607	236 607	141 068	292 485	370 673
Energy sources				67 674	164 222	173 411	173 411	73 152	216 108	290 676
Water management				28 182	28 972	24 142	24 142	26 988	33 485	35 045
Waste water management				22 532	23 988	17 077	17 077	17 896	18 755	19 656
Waste management				12 910	21 977	21 977	21 977	23 032	24 138	25 296
<i>Other</i>	4									
Total Revenue - Functional	2	199 579	199 579	271 689	370 700	370 971	370 971	285 195	446 750	534 593

Expenditure - Functional										
<i>Municipal governance and administration</i>		141 742	141 742	100 167	91 197	91 135	91 135	96 032	100 488	105 008
Executive and council		5 916	5 916	16 152	13 968	14 441	14 441	15 146	15 845	16 555
Finance and administration		135 825	135 825	84 015	76 523	75 989	75 989	80 152	83 879	87 659
Internal audit					706	706	706	734	763	794
<i>Community and public safety</i>		67	67	19 484	18 719	18 679	18 679	19 435	20 219	21 033
Community and social services				7 442	9 818	9 848	9 848	10 248	10 663	11 094
Sport and recreation				6 928	7 485	7 485	7 485	7 785	8 098	8 422
Public safety		67	67	3 072	1 304	1 304	1 304	1 356	1 411	1 467
Housing				2 042	112	43	43	45	47	50
Health										
<i>Economic and environmental services</i>		2 465	2 465	14 391	35 669	27 480	27 480	29 093	30 289	31 527
Planning and development		2 299	2 299	1 942	5 264	7 233	7 233	7 567	7 892	8 226
Road transport		165	165	12 449	30 405	20 247	20 247	21 527	22 397	23 301
Environmental protection										
<i>Trading services</i>		132 523	132 523	152 645	102 073	104 537	104 537	111 611	116 962	122 365
Energy sources		41 485	41 485	61 882	59 034	64 434	64 434	67 888	71 160	74 460
Water management		26 364	26 364	35 147	29 480	26 678	26 678	29 662	31 106	32 560
Waste water management		52 728	52 728	48 492	11 408	11 273	11 273	11 824	12 370	12 924
Waste management		11 946	11 946	7 123	2 151	2 151	2 151	2 237	2 327	2 420
<i>Other</i>	4									
Total Expenditure - Functional	3	276 797	276 797	286 687	247 658	241 831	241 831	256 172	267 958	279 932
Surplus/(Deficit)		(77 217)	(77 218)	(14 998)	123 042	129 139	129 139	29 023	178 792	254 660

Explanatory notes to MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per functional classification. The modified GFS standard classification divides

the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports. This simply means "against which function the transaction should be recorded".

2. Note the Total Revenue on this table includes capital revenues (Transfers recognised – capital) and so does not balance to the operating revenue shown on Table A4.
3. Note that as a general principle the revenue for the Trading Services should exceed their expenditures. The table highlights that this is not the case for any of the trading services. As already noted above, the municipality will be undertaking a detailed study of these functions to explore ways of improving efficiencies and provide a basis for re-evaluating these functions' tariff structures.
4. Other functions that show a deficit between revenue and expenditure are being financed from rates revenues and other revenue sources.

TABLE 14

MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)

Choose name from list - Table A4 Budgeted Financial Performance (revenue and expenditure)										
Description	Ref	2019/20	2021/22	Budget Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue By Source										
Property rates	2	–	–	39 694	39 694	39 694	39 694	42 659	45 846	49 271
Service charges - electricity revenue	2	–	–	59 724	65 913	65 913	65 913	69 077	72 392	75 867
Service charges - water revenue	2	–	–	22 972	18 142	18 142	18 142	19 013	19 926	20 882
Service charges - sanitation revenue	2	–	–	30 525	23 613	23 613	23 613	24 747	25 934	27 179
Service charges - refuse revenue	2	–	–	15 441	15 441	15 441	15 441	16 182	16 959	17 773
Rental of facilities and equipment		–	–	518	518	518	518	545	572	599
Interest earned - external investments		–	–	760	760	760	760	800	839	879
Interest earned - outstanding debtors		–	–	–	–	–	–	–	–	–
Dividends received		–	–	–	–	–	–	–	0	0
Fines, penalties and forfeits		–	–	96	811	811	811	854	895	937
Licences and permits		–	–	1 041	1 041	1 041	1 041	1 097	1 150	1 204
Agency services		–	–	–	–	–	–	0	0	0
Transfers and subsidies		–	–	66 164	57 239	57 239	57 239	62 417	67 760	72 364
Other revenue	2	–	–	837	1 876	1 876	1 876	1 975	2 072	2 169
Gains		–	–	18 515	18 515	18 515	18 515	19 496	20 452	21 413
Total Revenue (excluding capital transfers and contributions)		–	–	256 286	243 562	243 562	243 562	258 861	274 797	290 537

Expenditure By Type										
Employee related costs	2	–	–	91 853	81 853	81 853	81 853	85 127	88 532	92 073
Remuneration of councillors	+	–	–	7 507	7 507	7 507	7 507	7 905	8 292	8 682
Debt impairment	3	–	–	14 214	14 214	14 214	14 214	14 968	15 701	16 439
Depreciation & asset impairment	2	–	–	20 140	20 140	20 140	20 140	21 208	22 247	23 292
Finance charges		–	–	4 600	6 582	6 582	6 582	6 931	7 271	7 613
Bulk purchases - electricity	2	–	–	40 980	74 685	74 685	74 685	57 297	60 104	62 929
Inventory consumed	8	–	–	23 843	2 581	2 581	2 581	24 525	25 727	26 936
Contracted services		–	–	32 638	21 653	21 653	21 653	25 476	26 724	27 981
Transfers and subsidies		–	–	–	–	–	–	–	–	–
Other expenditure	4, 5	–	–	21 268	12 616	12 616	12 616	12 735	13 359	13 987
Losses		–	–	–	–	–	–	–	–	–
Total Expenditure		–	–	257 043	241 831	241 831	241 831	256 172	267 958	279 932
Surplus/(Deficit)		–	–	(757)	1 731	1 731	1 731	2 689	6 839	10 605

Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)

1. The A4 Table seeks to reflect the operating revenue by source and expenditure in order to indicate the municipality's financial performance.

5.2. Part 2: Supporting Documentation

5.2.1. Overview of the annual budget process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the Mayor.

The primary aims of the Budget Steering Committee is to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the Municipality's IDP and the budget, taking into account the need to protect the financial sustainability of municipality;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

5.2.1.1. Budget Process Overview

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 (i.e. in August 2020) a time schedule that sets out the process to revise the IDP and prepare the budget.

The Mayor must have tabled in Council the required IDP and budget time schedule during August 2021. Key dates applicable to the process were:

- **August 2022** – Joint strategic planning session of the Budget Steering Committee. Aim: to review past performance trends of the capital and operating budgets, the economic realities and to set the prioritisation criteria for the compilation of the 2023/24 MTREF.
- **November 2022** – Detail departmental budget proposals (capital and operating) submitted to the Budget and Treasury Office for consolidation and assessment against the financial planning guidelines.
- **7 to 14 January 2023** - Review of the financial strategy and key economic and financial planning assumptions by the Budget Steering Committee. This included financial forecasting and scenario considerations;
- **January 2023** – Multi-year budget proposals are submitted to the Budget and Steering committee.
- **29 January 2023** - Council considers the *2022/23 Mid-year Review and Adjustments Budget*.
- **February 2023** - Recommendations of the Budget and steering committee. The draft 2023/24 MTREF is revised accordingly.
- **30 March 2023** - Tabling in Council of the draft 2022/23 IDP and 2022/23 MTREF for public consultation.
- **April 2023** – Public consultation.
- **13 May 2023** - Closing date for written comments.
- **13 to 23 May 2023** – finalisation of the 2023/24 IDP and 2023/24 MTREF, taking into consideration comments received from the public, comments from National Treasury, and updated information from the most recent Division of Revenue Bill and financial framework.
- **Workshop councillors on the budget – 26 May 2023** and
- **30 May 2023** - Tabling of the 2023/24 IDP and 2023/24 MTREF before Council for consideration and approval.
- **Mayor sign the SDBIP** and performance contracts of senior managers for 2023/24 by

5.2.1.2. IDP and Service Delivery and Budget Implementation Plan

The Municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan. The Process Plan applicable to the fifth revision cycle included the following key IDP processes and deliverables:

- Registration of community needs;
- Compilation of departmental business plans including key performance indicators and targets;
- Financial planning and budgeting process;
- Public participation process;
- Compilation of the SDBIP, and
- The review of the performance management and monitoring processes.

The IDP has been taken into a business and financial planning process leading up to the 2022/23 MTREF, based on the approved 2020/21 MTREF, Mid-year Review and adjustments budget. The business planning process has subsequently been refined in the light of current economic circumstances and the resulting revenue projections.

With the compilation of the 2022/23 MTREF, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year and third quarter performance against the 2021/22 Departmental Service Delivery and Budget Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

5.2.1.3. Financial Modelling and Key Planning Drivers

As part of the compilation of the 2022/23 MTREF, extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2022/23 MTREF:

- Municipality growth
- Policy priorities and strategic objectives
- Asset maintenance
- Economic climate and trends (i.e inflation, Eskom increases, household debt, migration patterns)
- Performance trends
- The approved 2020/21 special adjustments budget and performance against the SDBIP
- Cash Flow Management Strategy
- Debtor payment levels
- Loan and investment possibilities
- The need for tariff increases versus the ability of the community to pay for services;

- Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 70 and 72 has been taken into consideration in the planning and prioritisation process.

5.2.2. Overview of alignment of annual budget with IDP

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated developmental planning process.

Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five-year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality.

It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the Municipality, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the Municipality strategically complies with the key national and provincial priorities.

The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the Municipality's response to these requirements.

The national and provincial priorities, policies and strategies of importance include amongst others:

- Green Paper on National Strategic Planning of 2009;
- Government Programme of Action;
- Development Facilitation Act of 1995;
- Provincial Growth and Development Strategy (GGDS);
- National and Provincial spatial development perspectives;

- Relevant sector plans such as transportation, legislation and policy;
- National Key Performance Indicators (NKPIs);
- Accelerated and Shared Growth Initiative (ASGISA);
- National 2015 Vision;
- National Spatial Development Perspective (NSDP) and
- The National Priority Outcomes.

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's five strategic objectives for the 2020/21 MTREF and further planning refinements that have directly informed the compilation of the budget:

IDP Strategic Objectives

2022/23 Financial Year	2022/23 MTREF
1. The provision of quality basic services and infrastructure	1. Provision of quality basic services and infrastructure
2. Acceleration of higher and shared economic growth and development	2. Economic growth and development that leads to sustainable job creation
3. Fighting of poverty, building clean, healthy, safe and sustainable communities	3.1 Fight poverty and build clean, healthy, safe and sustainable communities
	3.2 Integrated Social Services for empowered and sustainable communities
4. Fostering participatory democracy and adherence to Tsantsabane principles through a caring, accessible and accountable service	4. Foster participatory democracy and Tsantsabane principles through a caring, accessible and accountable service
5. Good governance, Financial viability and institutional governance	5.1 Promote sound governance
	5.2 Ensure financial sustainability
	5.3 Optimal institutional transformation to ensure capacity to achieve set objectives

In order to ensure integrated and focused service delivery between all spheres of government it was important for the Municipality to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

Local priorities were identified as part of the IDP review process which is directly aligned to that of the national and provincial priorities. The key performance areas can be summarised as follows against the five strategic objectives:

1. Provision of quality basic services and infrastructure which includes, amongst others:
 - Provide electricity;
 - Provide water;
 - Provide sanitation;
 - Provide waste removal;
 - Provide housing;

- Provide roads and storm water;
- Provide public transport;
- Provide municipal planning services; and
- Maintaining the infrastructure of the Municipality.

2. Economic growth and development that leads to sustainable job creation by:

- Ensuring there is a clear structural plan for the Municipality;
- Ensuring planning processes function in accordance with set timeframes;
- Facilitating the use of labour-intensive approaches in the delivery of services and the building of infrastructure.

3.1 Fight poverty and build clean, healthy, safe and sustainable communities:

- Effective implementation of the Indigent Policy;
- Working with the provincial department of health to provide primary health care services;
- Extending waste removal services and ensuring effective Municipality cleansing;
- Ensuring all waste water treatment works are operating optimally;
- Working with strategic partners such as SAPS, to address crime;
- Ensuring safe working environments by effective enforcement of building and health regulations;
- Promote viable, sustainable communities through proper zoning; and
- Promote environmental sustainability by protecting wetlands and key open spaces.

3.2 Integrated Social Services for empowered and sustainable communities

- Work with provincial departments to ensure the development of community infrastructure such as schools and clinics is properly co-ordinated with the informal settlements upgrade programme

4. Foster participatory democracy and Tsantsabane principles through a caring, accessible and accountable service by:

- Optimising effective community participation in the ward committee system; and
- Implementing Tsantsabane in the revenue management strategy.

5.1 Promote sound governance through:

- Publishing the outcomes of all tender processes on the municipal website

5.2 Ensure financial sustainability through:

- Reviewing the use of contracted services
- Continuing to implement the infrastructure renewal strategy and the repairs and maintenance plan

5.3 Optimal institutional transformation to ensure capacity to achieve set objectives

- Review of the organizational structure to optimize the use of personnel;

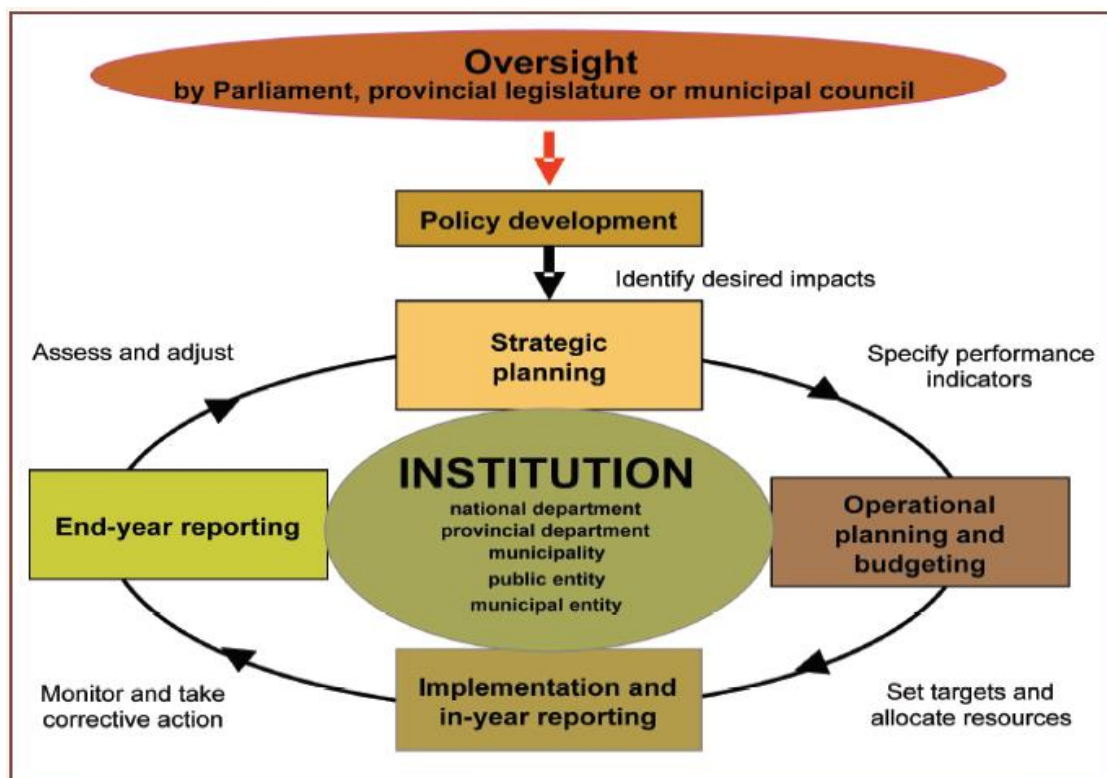
In line with the MSA, the IDP constitutes a single, inclusive strategic plan for the Municipality. The five-year programme responds to the development challenges and opportunities faced by the Municipality by identifying the key performance areas to achieve the five the strategic objectives mentioned above.

In addition to the five-year IDP, the Municipality undertakes an extensive planning and developmental strategy which primarily focuses on a longer-term horizon; 15 to 20 years. This process is aimed at influencing the development path by proposing a substantial programme of public-led investment to restructure current patterns of settlement, activity and access to resources in the Municipality so as to promote greater equity and enhanced opportunity. The strategy specifically targets future developmental opportunities in traditional dormitory settlements. It provides direction to the Municipality's IDP, associated sectoral plans and strategies, and the allocation of resources of the Municipality and other service delivery partners.

5.2.3. Measurable performance objectives and indicators

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the Municipality with the help of the Municipal Manager, Mr HG Mathobela and the ZFM District Municipality, helped with the development and implemented a performance management system. The Municipality targets, monitors, assess and reviews organisational performance which in turn is directly linked to individual employee's performance.

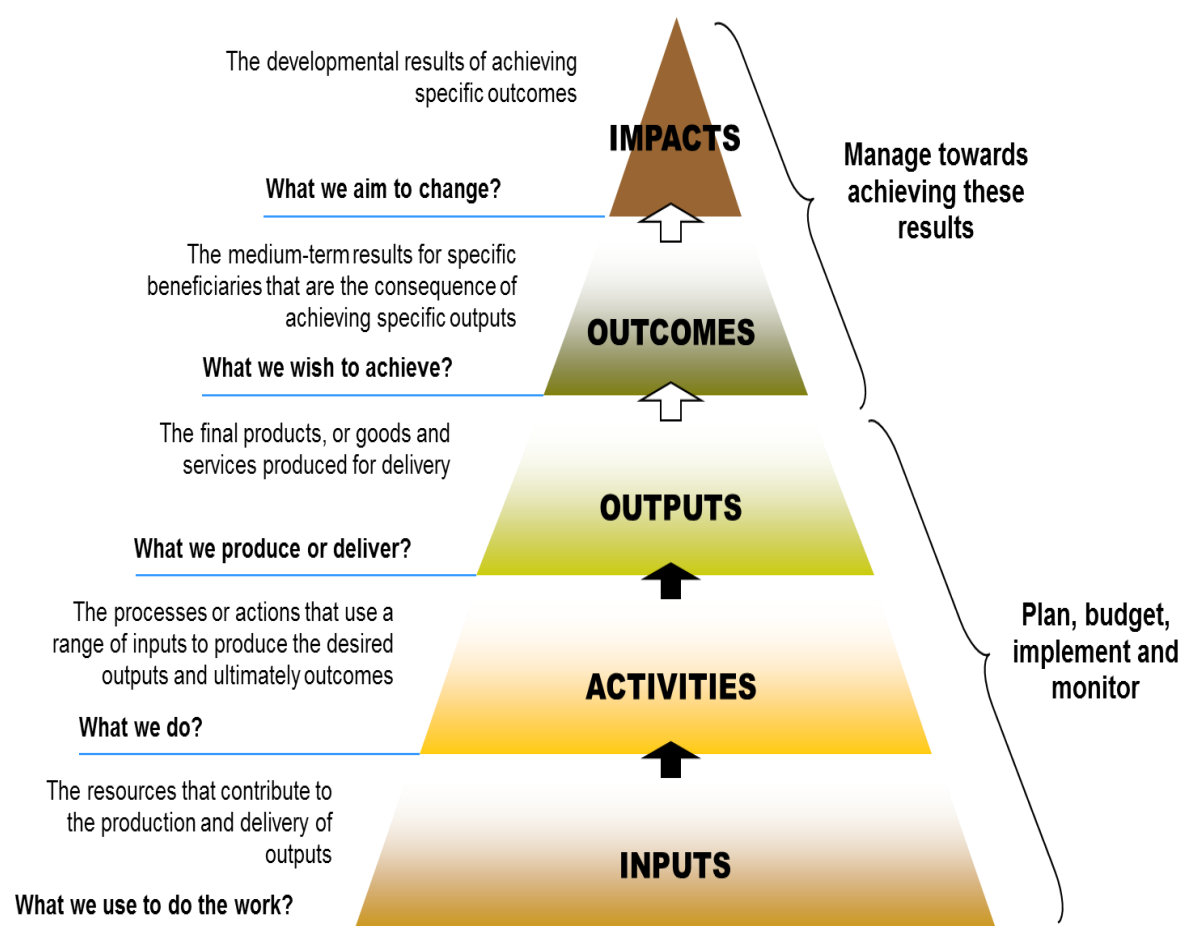
The planning, budgeting and reporting cycle can be graphically illustrated as follows:



The performance of the Municipality relates directly to the extent to which it has achieved success in realising its goals and objectives, complied with legislative requirements and meeting stakeholder expectations. The Municipality therefore has adopted one integrated performance management system which encompasses:

- Planning (setting goals, objectives, targets and benchmarks);
- Monitoring (regular monitoring and checking on the progress against plan);
- Measurement (indicators of success);
- Review (identifying areas requiring change and improvement);
- Reporting (what information, to whom, from whom, how often and for what purpose); and
- Improvement (making changes where necessary).

The performance information concepts used by the Municipality in its integrated performance management system are aligned to the **Framework of Managing Programme Performance Information** issued by the National Treasury:



The following table provides the main measurable performance objectives the municipality undertakes to achieve this financial year.

5.2.3.1. Performance indicators and benchmarks

5.2.3.1.1. 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, Tsantsabane Municipality's borrowing strategy is primarily informed by the affordability of debt repayments. The structure of the Municipality's debt portfolio is dominated by annuity loans. The following financial performance indicators have formed part of the compilation of the 2022/23 MTREF:

- Borrowing to asset ratio is a measure of the long-term borrowing as a percentage of the total asset base of the municipality. This ratio is by far below the borrowing capacity of the municipality, but it needs to be noted that capital grants and transfers has contributed significantly to the municipality's capital expenditure programs, thus limiting the need for borrowing.
- Capital charges to operating expenditure is a measure of the cost of borrowing in relation to the operating expenditure. It can be seen that the cost of borrowing is less than 1% throughout the MTREF period. While borrowing is considered a prudent financial instrument in financing capital infrastructure development, this indicator will have to be carefully monitored going forward as the Municipality should limit external interest charges to the minimum.
- Borrowing funding of own capital expenditure measures the degree to which own capital expenditure (excluding grants and contributions) has been funded by way of borrowing. The municipality intend to borrow money from DBSA during the MTREF period.

In summary, various financial risks could have a negative impact on the future borrowing capacity of the municipality. In particular, the continued ability of the Municipality to meet its revenue targets and ensure its forecasted cash flow targets are achieved will be critical in meeting the repayments of the debt service costs. As part of the compilation of the 2022/23 MTREF the potential of smoothing out the debt profile over the longer term will be investigated.

5.2.3.1.2. 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, overdraft and tax provisions as a percentage of funds and reserves. This ratio is well above the norm, indicating a weak financial position.
- The gearing ratio is a measure of the total long-term borrowings over funds and reserves. A ratio in the region of 50% is a general benchmark and the municipality is currently on 6 per cent and increasing to 6.2 per cent by 2021/22. This is again a clear indication of the municipality's financial weakness.

5.2.3.1.3. *Liquidity*

- 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. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1. Anything below 1 indicates a shortage in cash to meet creditor obligations.

5.2.3.1.4. *Revenue Management*

- As part of the financial sustainability strategy, an aggressive revenue management framework has been implemented to increase cash inflow, not only from current billings but also from debtors that are in arrears in excess of 90 days. The intention of the strategy is to streamline the revenue value chain by ensuring accurate billing, customer service, credit control and debt collection. The collection rates in this indicator is based on all cash receipts, also for direct income. The collection rate used for the calculation of debtors' payments was 65 per cent which is a conservative approach to cater for the current negative economic climate proven by the COVID-19 pandemic.

5.2.3.1.5. *Creditors Management*

- The Municipality did not manage to ensure that creditors are settled within the legislated 30 days of invoice. The liquidity ratio is of concern. This had an impact on suppliers' perceptions of risk of doing business with the Municipality.

5.2.3.1.6. *1.9.1.6 Other Indicators*

- The electricity/water losses have been measured. The Municipality needs to measure all water and electricity losses and is annually reported in the financial statements and monthly in the Section 71 reports.
- Employee costs as a percentage of operating revenue is fairly constant over the MTREF. This is primarily owing to the high increase in bulk purchases which directly increase revenue levels, as well as increased allocation relating to operating grants and transfers.
- Similar to that of employee costs, repairs and maintenance as percentage of operating revenue is also fairly constant owing directly to cost drivers such as bulk purchases increasing above inflation. The expenditure on repairs and maintenance is well below acceptable levels, but the actual cost will only be determined when a costing system is implemented.

5.2.3.2. *Free Basic Services: basic social services package for indigent households*

The social package assists residents that have difficulty paying for services and are registered as indigent households in terms of the Indigent Policy of the Municipality. Only registered indigents qualify for the free basic services.

For the MTREF an estimate of 1599 registered indigent have been provided for in the budget. In terms of the Municipality's indigent policy registered households are entitled to 6k£ fee

water, 50 kwh of electricity, free sanitation and free waste removal equivalent once a week, as well as a discount on their property rates.

Further detail relating to the number of households receiving free basic services, the cost of free basic services, highest level of free basic services as well as the revenue cost associated with the free basic services is contained elsewhere in this report.

5.2.4. Overview of budget related-policies

The Municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

5.2.4.1. Review of credit control and debt collection procedures/policies

The Collection Policy as approved by Council and will be reviewed annually. While the adopted policy is credible, sustainable, manageable and informed by affordability and value for money there has been a need to review certain components to achieve a higher collection rate. Some of the possible revisions will include the lowering of the credit periods for the down payment of debt. In addition emphasis will be placed on speeding up the indigent registration process to ensure that credit control and debt collection efforts are not fruitlessly wasted on these debtors.

As most of the indigents within the municipal area are unable to pay for municipal services because they are unemployed, they are entitled to free basic services.

The 2021/22 MTREF has been prepared on the basis of achieving an average debtors' collection rate of 65 per cent on current billings. In addition the collection of debt in excess of 90 days has been prioritised as a pertinent strategy in increasing the Municipality's cash levels. During April 2016, 718 households (Kolomela) 350 (Assmang) has change from conventional water meters to a pre-paid water system that has help with the cash flow of the Municipality.

The Municipality needs to change all water meters to smart water meters. The municipality will not be sustainable if we do not collect all the outstanding debt through the pre-paid water system.

5.2.4.2. Asset Management, Infrastructure Investment and Funding Policy

A proxy for asset consumption can be considered the level of depreciation each asset incurs on an annual basis. Preserving the investment in existing infrastructure needs to be considered a significant strategy in ensuring the future sustainability of infrastructure and the Municipality's revenue base. Within the framework, the need for asset renewal was considered a priority and hence the capital programme was determined based on renewal of current assets versus new asset construction.

Further, continued improvements in technology generally allows many assets to be renewed at a lesser 'real' cost than the original construction cost. Therefore, it is considered prudent to allow for a slightly lesser continual level of annual renewal than the average annual depreciation. The Asset Management Policy is therefore considered a strategic guide in ensuring a sustainable approach to asset renewal, repairs and maintenance and is utilised as a guide to the selection and prioritisation of individual capital projects. In addition, the policy

prescribes the accounting and administrative policies and procedures relating to property, plant and equipment (fixed assets).

5.2.4.3. Budget Adjustment Policy

The adjustments budget process is governed by various provisions in the MFMA and is aimed at instilling and establishing an increased level of discipline, responsibility and accountability in the financial management practices of municipalities. To ensure that the Municipality continues to deliver on its core mandate and achieves its developmental goals, the mid-year review and adjustment budget process will be utilised to ensure that underperforming functions are identified, and funds redirected to performing functions.

5.2.4.4. Supply Chain Management Policy

The Supply Chain Management Policy was workshop by Council for approval during Feb 2022. An amended policy will be considered by Council in due course of which the amendments will be extensively consulted on.

5.2.4.5. Budget and Virement Policy

The Budget and Virement Policy aims to empower senior managers with an efficient financial and budgetary amendment and control system to ensure optimum service delivery within the legislative framework of the MFMA and the Municipality's system of delegations. The Budget and Virement Policy will be workshop for council for approval.

5.2.4.6. Cash Management and Investment Policy

The Municipality's Cash Management and Investment Policy was approved by Council. The aim of the policy is to ensure that the Municipality's surplus cash and investments are adequately managed, especially the funds set aside for the cash backing of certain reserves. The policy details the minimum cash and cash equivalents required at any point in time and introduces time frames to achieve certain benchmarks.

5.2.4.7. Tariff Policies

The Municipality's tariff policies provide a broad framework within which the Council can determine fair, transparent and affordable charges that also promote sustainable service delivery. The policies have been approved on various dates and a consolidated tariff policy is envisaged to be compiled for ease of administration and implementation of the next two years.

All the above policies are available on the Municipality's website, as well as the following budget related policies:

- Contract Management Policy
- Asset Management Policy
- Banking and Investment Policy
- Commitments Policy
- Bad Debt Write Off Policy
- Budget Policy
- Fraud and Anti-corruption Policy

- Virement Policy
- Related party Policy
- UIF Policy
- Credit Control and Debt Collection Policy
- Property Rates Policy
- Tariff Policy
- Supply Chain Management Policy
- Cost containment Policy
- Indigent Policy
- Way Leave Application Policy
- Informal Trading Policy

5.2.5. Overview of budget assumptions

5.2.5.1. External factors

Domestically, after five years of strong growth, during which lot of jobs were created, our economy shrank fast, and thousands of people lost their jobs. It is expected that recovery from this deterioration will be slow and uneven and that growth for 2023 will be minimal with a slightly better growth in the outer years.

Owing to the economic slowdown, financial resources are limited due to reduced payment levels by consumers. This has resulted in declining cash inflows, which has necessitated restrained expenditure to ensure that cash outflows remain within the affordability parameters of the Municipality's finances.

5.2.5.2. General inflation outlook and its impact on the municipal activities

There are five key factors that have been taken into consideration in the compilation of the 2022/23 MTREF:

- National Government macro-economic targets;
- The general inflationary outlook and the impact on Municipality's residents and businesses;
- The impact of municipal cost drivers;
- The increase in prices for bulk electricity; and
- The increase in the cost of remuneration.

5.2.5.3. Credit rating outlook

There is no credit rating for Tsantsabane Municipality.

5.2.5.4. Interest rates for borrowing and investment of funds.

The municipality did not budget for any loan funding during the 2022/23 financial year.

5.2.5.5. Collection rate for revenue services

The base assumption is that tariff and rating increases will increase at a rate slightly higher than CPI over the long term. It is also assumed that current economic conditions, and relatively controlled inflationary conditions, will continue for the forecasted term.

The rate of revenue collection is currently expressed as a percentage (65 per cent) of annual billings. Cash flow is assumed to be 65 per cent of billings. The performance of any increased collections or arrear collections will however only be considered a source of additional cash in-flow once the performance has been carefully monitored.

5.2.5.6. Growth or decline in tax base of the municipality.

Debtors' revenue is assumed to increase at a rate that is influenced by the consumer debtor's collection rate, tariff/rate pricing, real growth rate of the Municipality, household formation growth rate and the poor household change rate.

Household formation is the key factor in measuring municipal revenue and expenditure growth, as servicing 'households' is a greater municipal service factor than servicing individuals. Household formation rates are assumed to convert to household dwellings. In addition, the change in the number of poor households influences the net revenue benefit derived from household formation growth, as it assumes that the same costs incurred for servicing the household exist, but that no consumer revenue is derived as the 'poor household' limits consumption to the level of free basic services.

5.2.5.7. Salary increases.

The Salary and Wage Collective Agreement for the period 01 July 2022 to 31 June 2023 has a new agreement stipulated increase as 4.9%. South African Local Government Bargaining Council (SALGBC), municipalities are advised to consider their financial sustainability when considering salary increases. It has been observed over the previous years that salary increases were above inflation. In addition, municipalities that could not afford such increases did not apply for exemption as provided by SALGBC.

5.2.5.8. Impact of national, provincial and local policies

Integration of service delivery between national, provincial and local government is critical to ensure focussed service delivery and in this regard various measures were implemented to align IDPs, provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

- Creating jobs;
- Enhancing education and skill development;
- Improving Health services;
- Rural development and agriculture; and
- Fighting crime and corruption.

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives.

5.2.5.9. Ability of the municipality to spend and deliver on the programmes.

It is estimated that a spending rate of at least 75 per cent is achieved on operating expenditure and 100 per cent on the capital programme for the 2022/23 MTREF of which performance has been factored into the cash flow budget on grant funding.

5.2.6. Overview of budget funding

5.2.6.1. Medium-term outlook: operating revenue

The following table is a breakdown of the operating revenue over the medium-term:

Choose name from list - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Property rates	2	27,421	-	-	54,752	54,752	54,752	54,752	39,694	41,296	41,743
Service charges - electricity revenue	2	47,408	-	-	47,720	54,720	54,720	57,134	59,724	63,412	63,412
Service charges - water revenue	2	14,790	-	-	14,705	15,908	15,908	17,744	22,972	24,117	24,952
Service charges - sanitation revenue	2	21,839	-	-	22,496	25,504	25,504	31,321	30,525	31,746	33,016
Service charges - refuse revenue	2	13,391	-	-	13,481	17,967	17,967	32,969	15,441	16,120	16,846
Rental of facilities and equipment		428	-	-	1,000	484	484	484	518	541	565
Interest earned - external investments		1,131	-	-	753	753	753	753	760	767	817
Interest earned - outstanding debtors		-	-	-	-	1	1	1	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		417	-	-	437	14	14	14	96	101	105
Licences and permits		1,287	-	-	1,855	1,855	1,855	1,855	1,041	1,087	1,136
Agency services		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies		42,244	-	-	53,878	54,168	54,168	54,168	70,871	72,534	77,851
Other revenue	2	1,275	-	-	803	1,356	1,356	1,356	837	874	913
Gains		-	-	-	-	10,000	10,000	10,000	18,515	19,330	20,200
Total Revenue (excluding capital transfers and contributions)		171,631	-	-	211,881	237,481	237,481	262,550	260,993	271,922	281,555
Choose name from list - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Total Revenue (excluding capital transfers and contributions)		171,631	-	-	211,881	237,481	237,481	262,550	260,993	271,922	281,555
Expenditure By Type											
Employee related costs	2	72,891	-	-	70,897	70,897	70,897	70,897	91,348	95,149	95,837
Remuneration of councillors		5,517	-	-	5,870	5,870	5,870	5,870	6,117	6,386	6,673
Debt impairment	3	59,167	-	-	12,203	12,203	12,203	12,203	34,214	36,092	35,555
Depreciation & asset impairment	2	36,426	-	-	24,352	24,352	24,352	24,352	37,140	40,844	43,575
Finance charges		16,271	-	-	780	3,280	3,280	3,280	8,804	9,192	9,605
Bulk purchases - electricity	2	60,336	-	-	36,767	45,000	45,000	45,000	46,980	47,054	49,063
Inventory consumed	8	2,019	-	-	23,104	22,073	22,073	22,073	24,340	25,130	25,130
Contracted services		22,569	-	-	18,757	21,037	21,037	21,037	25,016	26,064	27,292
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-
Other expenditure	4, 5	20,179	-	-	17,448	28,935	28,935	28,935	28,305	29,569	30,976
Losses		-	-	-	-	-	-	-	-	-	-
Total Expenditure		295,375	-	-	210,179	233,647	233,647	233,647	302,265	315,480	323,707

Breakdown of operating revenue over the 2022/23 MTREF

Tariff setting plays a major role in ensuring desired levels of revenue. Getting tariffs right assists in the compilation of a credible and funded budget. The Municipality derives most of its operational revenue from the provision of goods and services such as electricity and solid waste removal, property rates, operating and capital grants from organs of state and other minor charges (such as building plan fees, licenses and permits etc).

The revenue strategy is a function of key components such as:

- Growth in the Municipality and economic development;
- Revenue management and enhancement;
- Achievement of a 65 per cent annual collection rate for consumer revenue;
- National Treasury guidelines;
- Electricity tariff increases within the National Electricity Regulator of South Africa (NERSA) approval;
- Achievement of full cost recovery of specific user charges;
- Determining tariff escalation rate by establishing/calculating revenue requirements;
- The Property Rates Policy in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA), and
- And the ability to extend new services and obtain cost recovery levels.

The above principles guide the annual increase in the tariffs charged to the consumers and the ratepayers aligned to the economic forecasts.

Investment revenue contributes significantly to the revenue base of the Municipality. It needs to be noted that these allocations have been conservatively estimated and as part of the cash backing of reserves and provisions. The actual performance against budget will be carefully monitored. Any variances in this regard will be addressed as part of the mid-year review and adjustments budget.

5.2.6.2. Cash Flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below 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 'Ratepayers and other' to be provided for as cash inflow based on actual performance. In other words the actual collection rate of billed revenue, and
- Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding the use of long-term borrowing (debt).

5.2.6.3. Cash Backed Reserves/Accumulated Surplus Reconciliation

The following table does not meet the requirements of MFMA Circular 42 which deals with the funding of a municipal budget in accordance with sections 18 and 19 of the MFMA. The table seeks to answer three key questions regarding the use and availability of cash:

- What are the predicted cash and investments that are available at the end of the budget year?
- How are those funds used?
- What is the net funds available or funding shortfall?

A surplus would indicate the cash-backed accumulated surplus that was/is available. A shortfall (applications > cash and investments) is indicative of non-compliance with section 18 of the MFMA requirement that the municipality's budget must be 'funded'. Non-compliance with section 18 is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded (budgeted spending is greater than funds available or to be collected). It is also important to analyse trends to understand the consequences, e.g. the budget year might indicate a small surplus situation, which in itself is an appropriate outcome, but if in prior years there were much larger surpluses then this negative trend may be a concern that requires closer examination.

5.2.6.4. Funding compliance measurement

National Treasury requires that the municipality assess its financial sustainability against fourteen different measures that look at various aspects of the financial health of the municipality.

5.2.6.4.1. Cash/cash equivalent position

The Municipality's forecast cash position was discussed as part of the budgeted cash flow statement. A 'positive' cash position, for each year of the MTREF would generally be a minimum requirement, subject to the planned application of these funds such as cash-backing of reserves and working capital requirements.

If the municipality's forecast cash position is negative, for any year of the medium term budget, the budget is very unlikely to meet MFMA requirements or be sustainable and could indicate a risk of non-compliance with section 45 of the MFMA which deals with the repayment of short term debt at the end of the financial year.

5.2.6.4.2. Cash plus investments less application of funds

The purpose of this measure is to understand how the municipality has applied the available cash and investments as identified in the budgeted cash flow statement. The detail reconciliation of the cash backed reserves/surpluses is contained in the previous page. The reconciliation is intended to be a relatively simple methodology for understanding the budgeted amount of cash and investments available with any planned or required applications to be made. This has been extensively discussed above.

5.2.6.4.3. Monthly average payments covered by cash or cash equivalents

The purpose of this measure is to understand the level of financial risk should the municipality be under stress from a collection and cash in-flow perspective. Regardless of the annual cash position an evaluation should be made of the ability of the Municipality to meet monthly payments as and when they fall due. It is especially important to consider the position should the municipality be faced with an unexpected disaster that threatens revenue collection such as rate boycotts.

5.2.6.4.4. Surplus/deficit excluding depreciation offsets

The main purpose of this measure is to understand if the revenue levels are sufficient to conclude that the community is making a sufficient contribution for the municipal resources consumed each year. An 'adjusted' surplus/deficit is achieved by offsetting the amount of depreciation related to externally funded assets. Municipalities need to assess the result of this calculation taking into consideration its own circumstances and levels of backlogs. If the outcome is a deficit, it may indicate that rates and service charges are insufficient to ensure that the community is making a sufficient contribution toward the economic benefits they are consuming over the medium term.

It needs to be noted that a surplus or deficit does not necessarily mean that the budget is funded from a cash flow perspective.

5.2.6.4.5. Property Rates/service charge revenue as a percentage increase less macro inflation target

The purpose of this measure is to understand whether the municipality is contributing appropriately to the achievement of national inflation targets. This measure is based on the increase in 'revenue', which will include both the change in the tariff as well as any assumption about real growth such as new property development, services consumption growth etc.

5.2.6.4.6. Cash receipts as a percentage of ratepayer and other revenue

This factor is a macro measure of the rate at which funds are 'collected'. This measure is intended to analyse the underlying assumed collection rate for the MTREF to determine the relevance and credibility of the budget assumptions contained in the budget.

5.2.6.4.7. Debt impairment expense as a percentage of billable revenue

This factor measures whether the provision for debt impairment is being adequately funded and is based on the underlying assumption that the provision for debt impairment (doubtful and bad debts) has to be increased to offset under-collection of billed revenues. The provision has been appropriated at 8 per cent over the MTREF. Considering the debt incentive scheme and the municipality's revenue management strategy's objective to collect outstanding debtors of 90 days, the provision is well within the accepted leading practice.

5.2.6.4.8. Capital payments percentage of capital expenditure.

The purpose of this measure is to determine whether the timing of payments has been taken into consideration when forecasting the cash position. It can be seen that a 90 per cent payments has been factored into the cash position forecasted over the entire financial year. That is R173.6 million of cash operating expenditure versus R155.9 million of cash relating operating payments.

5.2.6.4.9. *Transfers/grants revenue as a percentage of Government transfers/grants available*

The purpose of this measurement is mainly to ensure that all available transfers from national and provincial government have been budgeted for. A percentage less than 100 per cent could indicate that not all grants as contained in the Division of Revenue Act (DoRA) have been budgeted for. The Municipality has budgeted for all transfers and therefore no percentage is being shown as outstanding.

5.2.6.4.10. *Consumer debtors change (Current and Non-current)*

The purpose of these measures is to ascertain whether budgeted reductions in outstanding debtors are realistic. There are 2 measures shown for this factor; the change in current debtors and the change in long term receivables, both from the Budgeted Financial Position.

5.2.6.4.11. *Repairs and maintenance expenditure level*

This measure must be considered important within the context of the funding measures criteria because a trend that indicates insufficient funds are being committed to asset repair could also indicate that the overall budget is not credible and/or sustainable in the medium to long term because the revenue budget is not being protected. Details of the Municipality's strategy pertaining to asset management and repairs and maintenance is contained elsewhere in this report.

5.2.6.4.12. *Asset renewal/rehabilitation expenditure level*

This measure has a similar objective to aforementioned objective relating to repairs and maintenance. A requirement of the detailed capital budget (since MFMA Circular 28 which was issued in December 2005) is to categorise each capital project as a new asset or a renewal/rehabilitation project. The objective is to summarise and understand the proportion of budgets being provided for new assets and also asset sustainability. A declining or low level of renewal funding may indicate that a budget is not credible and/or sustainable and future revenue is not being protected, similar to the justification for 'repairs and maintenance' budgets. Further details in this regard are contained elsewhere in this report.

5.2.7. *Expenditure on grants and reconciliations of unspent funds*

MBRR SA19 - Expenditure on transfers and grant programmes

Grant Name	2023	2024	2025
Municipal Infrastructure Grant	16 306 750,00	16 860 600,00	17 449 600,00
Integrated National Electrification Grant	18 000 000,00	4 500 000,00	4 702 500,00
Regional Bulk Infrastructure Grant	70 000 000,00	70 000 000,00	125 000 000,00
Water Service Infrastructure Grant	5 400 000,00	11 677 500,00	12 203 100,00
	109 706 750,00	103 038 100,00	159 355 200,00

Capital Expenditure	80 155 900,00	58 677 500,00	76 703 102,00
Community Services	-	-	-
NC085_Capital Expenditure_Sports facilities in Postdene_MIG	-	-	-
Corporate Services	630 000,00	-	-
NC085_Capital Expendituree_Councilor Support_Council Chamber [Renovation]	200 000,00	-	-
NC085_Capital Expendituree_Councilor Support_Council Chamber [Office Equipment]	280 000,00	-	-
NC085_Capital Expendituree_Councilor Support_[Laptops]	150 000,00	-	-
Financial Services	29 900,00	-	2,00
NC085_Financial Services_Capital Expenditure_BTO Printing Machine	29 900,00	-	-
Municipal Manager	96 000,00	-	-
NC085_Capital Expendituree_LED_Office Equipment	96 000,00	-	-
Technical Services	79 400 000,00	58 677 500,00	76 703 100,00
NC085_Capital Expenditure_Water Supply_WSIG	5 400 000,00	11 677 500,00	12 203 100,00
NC085_Capital Expenditure_Asbestos Repalcement_RBIG	42 500 000,00	42 500 000,00	60 000 000,00
NC085_Capital Expenditure_Mountain View Connector Pipeline_MIG	13 500 000,00	-	-
NC085_Capital Expenditure_Greenfield Electrification_INEP	18 000 000,00	4 500 000,00	4 500 000,00

5.2.8. *Councillor and employee benefits*

MBRR SA22 - Summary of councillor and staff benefits

All other supporting schedules are available on request and will also be placed on the website

MBRR SA23 - Salaries, allowances and benefits (political office bearers/councillors/senior managers)

5.2.9. *Other supporting documents*

All other supporting schedules are available on request and will also be placed on the website

MBRR SA26 - Budgeted monthly revenue and expenditure (municipal vote)

All other supporting schedules are available on request and will also be placed on the website:

MBRR SA28 - Budgeted monthly capital expenditure (municipal vote)

All other supporting schedules are available on request and will also be placed on the website

MBRR SA29 - Budgeted monthly capital expenditure (standard classification)

All other supporting schedules are available on request and will also be placed on the website

5.2.10. Contracts having future budgetary implications.

In terms of the Municipality's Supply Chain Management Policy, no contracts are awarded beyond the medium-term revenue and expenditure framework (three years). In ensuring adherence to this contractual time frame limitation, all reports submitted to either the Bid Evaluation or Adjudication Committees must obtain formal financial comments from the Financial Management Division of the Treasury Department.

5.2.11. Legislation compliance status

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

1. In year reporting
Reporting to National Treasury in electronic format was not fully complied with on a monthly basis. Section 71 reporting to the Mayor (within 10 working days) has improved. The CFO needs to take Actions to comply with above. The Municipalities website is active as and needs to publish the information on the Municipality's website.
2. Internship programme
The Municipality is participating in the Municipal Financial Management Internship programme and has employed five (5) interns undergoing training in various divisions of the Financial Services Department.
3. Budget and Treasury Office
The Budget and Treasury Office has been established in accordance with the MFMA. Additional staff needs to be appointed to help with the compilation of the budget, Treasury reports and the AFS.
4. Audit Committee
Tsantsabane Municipality has established audit committee

Project List for the financial year 2023 / 2024.

Strategic Objective:															
ID/R ef Nr.	Key Performance Area (KPA)	Key Focus Area (KFA)	Predetermined Objective (Strategic Objective)	Activities, Programs, Capital Projects	KPIs	Wards	GFS Function	Targets						Delivery: Int/Ext	Funding Source
								5 Yr Total	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027		
IDP001	KPA1: Basic Service Delivery and Infrastructure Development	Infrastructure	Improve Operations	Maramane Sewerage package plan	Construction of sewer plant in Maramane	Regional: Regional Identifier: Local Government by Province: Northern Cape: District Municipalities: DC08 Siyanda:Municipalities:NC085 Tsantsabane	Function: Community and Social Services:CoreNon-Core Function: Infrastructure	R	R-	R	R	R-	R-	External	External funding
IDP002	KPA1: Basic Service Delivery and Infrastructure Development	KFA Infrastructure	Improve Operations	Pending street	Construction of Pending Street	Regional: Regional Identifier: Local Government by Province: Northern Cape: District Municipalities:D C08 Siyanda:Municipalities:NC085 Tsantsabane:	Function: Community and Social Services:CoreNon-Core Function: Infrastructure	R	R	R-	R-	R-	R-	Internal	MIG

IDP003	KPA: Basic Service delivery	KFA: Infrastructure	Improve Operations	NC085_Basic Service Delivery and Infrastructure Development_Capital Projects_Infrastructure>	Construction of Postmasburg emergency water supply and bulk water meters	Regional: Regional Identifier: Local Government by Province: Northern Cape: District Municipalities: D C08 Siyanda: Municipalities: NC085 Tsantsabane:	Function: Infrastructure Non-core Function:	R 10 000 000	R	R	R	R -	R -	External	Fund: Capital: Transfers and Subsidies: Monetary Allocations: Provincial Government: Northern Cape:
IDP004	KPA: Basic Service delivery	KFA: Infrastructure	Improve Operations	NC085_Basic Service Delivery and Infrastructure Development_Capital Projects_Non-Infrastructure (Skeifontein)	Skeifontein Bulk water supply Phase	Regional: Regional Identifier: Local Government by Province: Northern Cape: District Municipalities: D C08 Siyanda: Municipalities: NC085 Tsantsabane:	Function: Non-core Function: Infrastructure	R	R -	R	R	R -	R -	External	Fund: Capital: Transfers and Subsidies: Monetary Allocations: Provincial Government: Northern Cape: Libraries, Infrastructure
IDP005	KPA2: Basic Service delivery	KFA: Infrastructure	Improve Operations	NC085_Basic Service Delivery and Infrastructure Development_Capital Projects_	Planning on sanitation for Mixed typology	Regional: Regional Identifier: Local Government by Province: Northern Cape: District Municipalities: D C08 Siyanda: Municipalities: NC085 Tsantsabane: Whole of the Municipality	Function: Infrastructure Non-core Function:	R 37 000 000	R	R -	R -	R -	R -	External	Fund: Capital: Transfers and Subsidies: Monetary Allocations: Provincial Government: Northern Cape: Infrastructure

IDP006	KPA2: Basic Service delivery	KFA Infrastructure	Improve Operations	NC085_Basic Service Delivery and Infrastructure Development_Capital Projects_	Electrification of 1000 households in Greenfield	Regional: Regional Identifier: Local Government by Province: Northern Cape: District Municipalities: D C08 Siyanda: Municipalities: NC085 Tsantsabane:	Function: Community and Social Services: Non-core Function: Projects	R 20 000 000	R	R -	R -	R -	R -	External	Fund: Capital: Transfers and Subsidies: Monetary Allocations: Provincial Government: Northern Cape:
IDP007	KPA1: Basic Service Delivery and Infrastructure Development	KFA 8 Infrastructure	Improve Operations	NC085_Basic Service Delivery and Infrastructure Development_Capital Projects_	Construction of End street stormwater channel	Regional: Regional Identifier: Local Government by Province: Northern Cape: District Municipalities: D C08 Siyanda: Municipalities: NC085 Tsantsabane:	Function: Projects	R 7 000 000	R -	R	R -	R -	R -	External	Fund: Assmang Transfer to Capital Funds Capital > Transfer from Operational Revenue
IDP008	KPA1: Basic Service Delivery and Infrastructure Development	KFA 8 Infrastructure	Improve Operations	NC085_Basic Service Delivery and Infrastructure Development_Capital	Drilling of three boreholes and construction of rising main	Regional: Regional Identifier: Local Government by Province: Northern Cape: District Municipalities: D C08 Siyanda: Municipalities: NC085 Tsantsabane:	Function: Road Transport: Core Function: Police Forces, Traffic and Street Parking Control	R 12 869 258.00	R	R	R	R -	R -	External	Fund: Kolomela: General Revenue: Transfer to Capital Funds Capital > Transfer from Operational Revenue

IDP009	KPA1: Basic Service Delivery and Infrastructure Development	KFA 8 Traffic Control	Improve Operations	NC085_Basic Service Delivery and Infrastructure Development_Capital Projects_New_Machinery and Equipment_Traffic	_New_Machinery and Equipment_Traffic	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:D C08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality	Function:Road Transport:Core Function:Police Forces, Traffic and Street Parking Control	R 372 399	R 280 000	R 44 000	R 48 399	R -	R -	External	Fund:Operational:Revenue:General Revenue:Transfer to Capital FundsCapital>Transfer from Operational Revenue
IDP010	KPA2: Local Economic Development	KFA 22 Libraries	Improve Operations	NC085_Basic Service Delivery and Infrastructure Development_Capital Projects_Non-Infrastructure_Library(Postdene)	Improve the operations as far as filing is concerned with new book shelves	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:D C08 Siyanda:Municipalities:NC085 Tsantsabane:Ward:Ward 1	Function:Community and Social Services:Core Function:Libraries and Archives	R 24 000	R -	R 12 000	R 12 000	R -	R -	External	Fund:Capital:Transfers and Subsidies:Monetary Allocations:Provincial Government:Northern Cape:Libraries, Archives and Museums:Library Services
IDP011	KPA2: Local Economic Development	KFA 22 Libraries	Improve Operations	NC085_Basic Service Delivery and Infrastructure Development_Capital Projects_Non-Infrastructure_Airconditioner Library(Postdene)	Procure an air conditioner that will improve the environment in the library	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:D C08 Siyanda:Municipalities:NC085 Tsantsabane:Ward:Ward 2	Function:Community and Social Services:Non-Core Function:Libraries and Archives	R 30 000	R 30 000	R -	R -	R -	R -	External	Fund:Capital:Transfers and Subsidies:Monetary Allocations:Provincial Government:Northern Cape:Libraries, Archives and Museums:Library Services

IDP0012	KPA1: Basic Service Delivery and Infrastructure Development	KFA 8 Traffic Control	Improve Operations	NC085_Basic Service Delivery and Infrastructure Development_Capital Projects_Testing Stations_Traffic	Upgrade the testing station as per the multi year project so that it is more functional for new legislation	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:DC08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality	Function:Road Transport:Core Function:Police Forces, Traffic and Street Parking Control	R 200000	R 100000	R 900000	R 100000	R -	R -	External	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies
IDP0013	KPA4: Municipal Transformation and Institutional Development	KFA 36 Municipal Facilities	Improve Operations	NC085_Transformation and Institutional Development_Capital Projects_Municipal Buildings and Properties.	Town hall is more functional as a result of the new chairs that are being procured.	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:DC08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality	Function:Finance and Administration:Core Function:Property Services Administrative and Corporate support	R 78 000	R 24 000	R 24 000	R 30 000	R -	R -	External	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies
IDP0014	KPA4: Municipal Transformation and Institutional Development	KFA 34 Systems and Technology	Improve Operations	NC085_Financial Viability_Capital Projects_New_Computer Software_Corporate Services.	Improve the computer system with new equipment as per list	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:DC08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality	Function:Finance and Administration:Core Function:Information Technology	R 232 290	R 730 400	R 773 620	R 818 270	R -	R -	External	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies

IDP0015	KPA5: Good Governance and Public Participation	KFA 1 Governance Structures	Improve Operations	NC085_Financial Viability_Capital Projects_New_Computer Equipment_Corporate Services.	Purchase of computer equipment as per Isit to make Labor Relations more effective	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:DC08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality	Function:Finance and Administration:Core Function:Human Resources	R 101 809	R 32 000	R 33 888	R 35 921	R -	R -	External	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies
IDP0016	KPA5: Good Governance and Public Participation	KFA 1 Governance Structures	Improve Operations	NC085_Financial Viability_Capital Projects_New_Office Furniture and Equipment_Corporate Services.	Procure office furniture to make Corporate services more effective	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:DC08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality	Function:Finance and Administration:Core Function:Administrative and Corporate Support	R 25 000	R 25 000	R -	R -	R -	R -	External	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies
IDP0017	KPA5: Good Governance and Public Participation	KFA 1 Governance Structures	Improve Operations	NC085_Financial Viability_Capital Projects_New_Office Furniture and Equipment_Corporate Services.	Procure office furniture to make IT services more effective	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:DC08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality	Function:Finance and Administration:Core Function:Information Technology	R 75 916	R 24 000	R 25 416	R 26 500	R -	R -	External	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies

IDP0018	KPA5: Good Governance and Public Participation	KFA 1 Governance Structures	Improve Operations	NC085_Financial Viability_Capital Projects_New_Office Furniture and Equipment_Corporate Services.	Procure filing equipment to make the registration and filing section more productive	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:D C08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality	Function:Finance and Administration:Core Function:Administrative and Corporate Support	R 120 899	R 38 000	R 40 242	R 42 657	R -	R -	External	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies
IDP0019	KPA1: Basic Service Delivery and Infrastructure Development	KFA 1 Governance Structures	Operational Activity	NC085_Basic Service Delivery_Interest and Depreciation_Human Resources	Improve Accounting	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:D C08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality	Function:Finance and Administration:Core Function:Human Resources	R 174 985	R 55 000	R 58 245	R 61 740	R -	R -	External	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies
IDP0020	KPA5: Good Governance and Public Participation	KFA 1 Governance Structures	Improve Operations	NC085_Transformation and Institutional Development_Capital Projects_New_Office furniture_Human Resource (How can this be "Transformation and Institutional Development?")	Procure the furniture for the office as per list	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:D C08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality	Function:Finance and Administration:Core Function:Human Resources	R 63 631	R 20 000	R 21 180	R 22 451	R -	R -	External	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies

IDP0 021	KPA3: Municipal Finance management and viability	KFA 39 Capital Expenditure	Improve Operations	NC085_Financial Management and Viability_Capital Project_New_Financial Department. (How can this be Financial Management and Ciability?)	Upgrade the computer in the finance department	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:DC08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality	Function:Finance and Administration:Core Function:Finance	R 40 000	R 40 000	R -	R -	R -	R -	External	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies
IDP0 022	KPA3: Municipal Finance management and viability	KFA 39 Capital Expenditure	Improve Operations	NC085_Financial Management and Viability_Capital Project_New_Financial Department. (How can this be Financial Management and Ciability?)	Procure furniture for the Finance Department to improve the quality of operations	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:DC08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality	Function:Finance and Administration:Core Function:Finance	R	R 54 000	R -	R -	R -	R -	External	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies
IDP0 023	KPA5: Good Governance and Public Participation	KFA 1 Governance Structures	Improve Operations	NC085_Good Governance and Public Participation_Capital Project_Council Chamber_Council General.	Upgrading of Council Chamber Complete	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:DC08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality	Function:Executive and Council:Core Function:Mayor and Council	R 350 000	R 350 000	R -	R -	R -	R -	External	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies

IDP0 024	KPA5: Good Governan ce and Public Participati on	KFA 1 Govern ance Structur es	Improve Operations	NC085_ Good Governance and Stakeholder Participation_ Capital Project_Office Computer Equipment_M ayoral Office (How can the buying of a computer contribute to Good Governance and Stakeholder Participation?)	New computer system operational in Mayor's Office	Regional:Region al Identifier:Local Government by Province:Norther n Cape:District Municipalities:D C08 Siyanda:Municip alities:NC085 Tsantsabane:Wh ole of the Municipality	Function:Exe cutive and Council:Core Function:May or and Council	R 57 268	R 18 000	R 19 062	R 20 206	R -	R -	External	Fund:Operational:Revenue:Ge neral Revenue:Taxes:Property Rates:Levies
IDP0 025	KPA5: Good Governan ce and Public Participati on	KFA 1 Govern ance Structur es	Improve Operations	NC085_ Good Governance and Stakeholder Participation_ Capital Project_Office Equipment_M ayoral Office. (How can the buying of furniture for the Mayor contribute to Good Governance?)	Procure new Furniture and Equipment for the Mayor's office	Regional:Region al Identifier:Local Government by Province:Norther n Cape:District Municipalities:D C08 Siyanda:Municip alities:NC085 Tsantsabane:Wh ole of the Municipality	Function:Exe cutive and Council:Core Function:May or and Council	R 47 723	R 15 000	R 15 885	R 16 838	R -	R -	External	Fund:Operational:Revenue:Ge neral Revenue:Taxes:Property Rates:Levies

IDP0 026	KPA5: Good Governance and Public Participation	KFA 1 Governance Structures	Improve Operations	NC085_Good Governance and Stakeholder Participation_Capital Project_Office Furniture_Municipal Manager (How can the buying of furniture for the MM contribute to Good governance?)	Procure the typing chair for the MM's office	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:D C08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality	Function:Executive and Council:Core Function:Municipal Manager, Town Secretary and Chief Executive	R 5 727	R 1 800	R 1 906	R 2 021	R -	R -	External	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies
IDP0 027	KPA1: Basic Service Delivery and Infrastructure Development	KFA 1 Governance Structures	Accountability	NC085_Energy source _Electricity distribution_Interest and Depreciation_Electricity department	Improve Accounting	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:D C08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality	Function:Energy Sources:Core Function:Electricity	R 6 363 080	R 2 000 000	R 2 118 000	R 2 245 080	R -	R -	External	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies
IDP0 028	KPA1: Basic Service Delivery and Infrastructure Development	KFA 1 Governance Structures	Accountability	NC085_Energy source _Electricity distribution_Interest and Depreciation_Electricity department	Improve Accounting	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:D C08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality	Function:Energy Sources:Core Function:Electricity	R 63 631	R 20 000	R 21 180	R 22 451	R -	R -	External	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies

IDP0029	KPA1: Basic Service Delivery and Infrastructure Development	KFA 27 Electricity Infrastructure	New infrastructure for electricity	NC085_Basic Service Delivery and Infrastructure Development_Capital Projects_Bulk Services_Electricity	Electrification of 2000 houses in Greenfield	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:DC08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality	Function:Energy Sources:Core Function:Electricity	R 20 000	R 20 000	R -	R -	R -	R -	External	Fund:Capital:Transfers and Subsidies:Monetary Allocations:National Government:Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]
IDP0030	KPA1: Basic Service Delivery and Infrastructure Development	KFA 27 Electricity Infrastructure	Upgrading of Infrastructure	NC085_Basic Service Delivery and Infrastructure Development_Capital Projects_Bulk Services_Electricity	Upgrading of NMD from 7.2MVA to 9.6 MVA	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:DC08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality	Function:Energy Sources:Core Function:Electricity	R 8 000	R 8 000	R -	R -	R -	R -	External	Fund:Capital:Transfers and Subsidies:Monetary Allocations:National Government:Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]
IDP0031	KPA1: Basic Service Delivery and Infrastructure Development	KFA 1 Governance Structures	Improve Supply of Water	NC085_Basic Service Delivery and Infrastructure_Water	Groenwater, Jenn Haven and Skeifontein water supply	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:DC08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality	Function:Water Management: Core Function:Water Distribution	R 18 000	R 18 000	R -	R -	R -	R -	External	Fund:Capital:Transfers and Subsidies:Monetary Allocations:National Government:Municipal Water Infrastructure Grant [Schedule 5B]

IDP0 032	KPA1: Basic Service Delivery and Infrastructure Development	KFA 1 Governance Structures	Extend Road Network	NC085_Basic Service Delivery and Infrastructure_Regional Bulk Infrastructure Grant (RBIG)	New WWTW Replacement of asbestos in Postmasburg	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:DC08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality"According to the Budget it is for Marateng"	Function:Road Transport :Core Function:Roads	R 2 600 000	R 2 600 000	R -	R -	R -	R -	External	Fund:Capital:Transfers and Subsidies:Monetary Allocations:National Government:Regional Bulk Infrastructure Grant (RBIG) [Schedule 6B]
IDP0 033	KPA1: Basic Service Delivery and Infrastructure Development	KFA 1 Governance Structures	Improve Supply of Water	NC085_Basic Service Delivery and Infrastructure_MIG_Water	Mountain View connector pipeline Workshop road	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:DC08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality"According to the Budget it is for Marateng"	Function:Water Management: Core Function:Water Distribution	R 28 187 000	R 28 187 000	R -	R -	R -	R -	External	Fund:Capital:Transfers and Subsidies:Monetary Allocations:National Government:Municipal Infrastructure Grant [Schedule 5B]
IDP0 034	KPA1: Basic Service Delivery and Infrastructure Development	KFA 1 Governance Structures	Improve Supply of Water	NC085_Basic Service Delivery and Infrastructure_Social Labour Plan_Water	Maremane water project	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:DC08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality	Function:Water Management: Core Function:Water Distribution	R -	Business plan submitted	R -	R -	R -	R -	External	Fund:Capital:Transfers and Subsidies:Monetary Allocations:SLP:Selane Mine

IDP0 035	KPA1: Basic Service Delivery and Infrastructure Development	KFA 1 Governance Structures	New roads Infrastructure	NC085_Basic Service Delivery and Infrastructure_Social Labour Plan_Water	Skeifontein Bridge	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:DC08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality"According to the Budget it is for Marateng"	Function:Road Transport :Core Function:Roads	R -	Business plan submitted	R -	R -	R -	R -	External	Fund:Capital:Transfers and Subsidies:Monetary Allocations:SLP:Lesedi Solar
IDP0 036	KPA1: Basic Service Delivery and Infrastructure Development	KFA 1 Governance Structures	Improve Supply of Water	NC085_Basic Service Delivery and Infrastructure_Social Labour Plan_Water	Postdene water Intervention	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:DC08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality	Function:Water Management: Core Function:Water Distribution	R 49 000 000	R 49 000 000	R -	R -	R -	R -	External	Fund:Capital:Transfers and Subsidies:Monetary Allocations:SLP:Kolomela
IDP0 037	KPA1: Basic Service Delivery and Infrastructure Development	KFA 1 Governance Structures	Roads Infrastructure rehabilitation	NC085_Basic Service Delivery and Infrastructure_Social Labour Plan_Water	Internal Roads rehabilitation	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:DC08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality"According to the Budget it is for Marateng"	Function:Road Transport :Core Function:Roads	R -	R -	R -	R -	R -	R -	External	Fund:Capital:Transfers and Subsidies:Monetary Allocations:SLP:Kolomela

IDP0 038	KPA1: Basic Service Delivery and Infrastructure Development	KFA 27 Electricity Infrastructure	New infrastructure for electricity	NC085_Basic Service Delivery and Infrastructure Development_Capital Projects_Bulk Services_Electricity	Solar streetlights	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:D C08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality	Function:Energy Sources:Core Function:Electricity	R 1 500 000	R 1 500 000	R -	R -	R -	R -	External	Fund:Capital:Transfers and Subsidies:Monetary Allocations:SLP:ASSMANG
IDP0 039	KPA1: Basic Service Delivery and Infrastructure Development	KFA 1 Governance Structures	Improve Supply of Water	NC085_Basic Service Delivery and Infrastructure_Social Labour Plan_Water	Connection of Mountain View water to Boichoko pipeline (2022/23)	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:D C08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality"According to the Budget it is for Marateng"	Function:Water Management:Core Function:Water Distribution	R -	Business plan submitted	R -	R -	R -	R -	External	Fund:Capital:Transfers and Subsidies:Monetary Allocations:National Government:Municipal Infrastructure Grant [Schedule 5B]
IDP0 040	KPA1: Basic Service Delivery and Infrastructure Development	KFA 1 Governance Structures	Roads Infrastructure rehabilitation	NC085_Basic Service Delivery and Infrastructure_Social Labour Plan_Water	Motlaetshaba stormwater project	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:D C08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality"According to the Budget it is for Marateng"	Function:Road Transport:Core Function:Roads	R -	Business plan submitted	R -	R -	R -	R -	External	Fund:Capital:Transfers and Subsidies:Monetary Allocations:SLP:Kolomela / Assmang

IDP0 041	KPA1: Basic Service Delivery and Infrastruct ure Developm ent	KFA 1 Govern ance Structur es	Roads Infrastructur e rehabilitatio n	NC085_Basic Service Delivery and Infrastructure_ Social Labour Plan_Water	Nelson Mandela stormwater project	Regional:Region al Identifier:Local Government by Province:Norther n Cape:District Municipalities:D C08 Siyanda:Municip alities:NC085 Tsantsabane:Wh ole of the Municipality"Acc ording to the Budget it is for Marateng"	Function:Roa d Transport :Core Function:Roa ds	R -	Busine ss plan submit ted	R -	R -	R -	R -	External	Fund:Capital:Transfers and Subsidies:Monetary Allocations:SLP:Kolomela
IDP0 042	KPA1: Basic Service Delivery and Infrastruct ure Developm ent	KFA 1 Govern ance Structur es	Roads Infrastructur e rehabilitatio n	NC085_Basic Service Delivery and Infrastructure_ Social Labour Plan_Water	Tsantsaban e Weg	Regional:Region al Identifier:Local Government by Province:Norther n Cape:District Municipalities:D C08 Siyanda:Municip alities:NC085 Tsantsabane:Wh ole of the Municipality"Acc ording to the Budget it is for Marateng"	Function:Roa d Transport :Core Function:Roa ds	R -	Busine ss plan submit ted	R -	R -	R -	R -	External	Fund:Capital:Transfers and Subsidies:Monetary Allocations:SLP:
IDP0 043	KPA1: Basic Service Delivery and Infrastruct ure Developm ent	KFA 1 Govern ance Structur es	Roads Infrastructur e rehabilitatio n	NC085_Basic Service Delivery and Infrastructure_ Social Labour Plan_Water	Angelier Deurloop stormwater	Regional:Region al Identifier:Local Government by Province:Norther n Cape:District Municipalities:D C08 Siyanda:Municip alities:NC085 Tsantsabane:	Function:Roa d Transport :Core Function:Roa ds	R -	Busine ss plan submit ted	R -	R -	R -	R -	External	Fund:Capital:Transfers and Subsidies:Monetary Allocations:SLP:

IDP0 044	KPA1: Basic Service Delivery and Infrastruct ure Developm ent	KFA 1 Govern ance Structur es	Roads Infrastructur e rehabilitatio n	NC085_Basic Service Delivery and Infrastructure_ Social Labour Plan_Water	Budgie street stormwater	Regional:Region al Identifier:Local Government by Province:Norther n Cape:District Municipalities:D C08 Siyanda:Municip alities:NC085 Tsantsabane:Wh ole of the Municipality"Acc ording to the Budget it is for Marateng"	Function:Roa d Transport :Core Function:Roa ds	R -	Busine ss plan submit ted	R -	R -	R -	R -	External	Fund:Capital:Transfers and Subsidies:Monetary Allocations:SLP:
IDP0 044	KPA1: Basic Service Delivery and Infrastruct ure Developm ent	KFA 1 Govern ance Structur es	Roads Infrastructur e rehabilitatio n	NC085_Basic Service Delivery and Infrastructure_ Social Labour Plan_Water	Stormwater solution in Boichoko	Regional:Region al Identifier:Local Government by Province:Norther n Cape:District Municipalities:D C08 Siyanda:Municip alities:NC085 Tsantsabane:Wh ole of the Municipality"Acc ording to the Budget it is for Marateng"	Function:Roa d Transport :Core Function:Roa ds	R -	Busine ss plan submit ted	R -	R -	R -	R -	External	Fund:Capital:Transfers and Subsidies:Monetary Allocations:SLP:
IDP0 046	KPA2: Local Economic Developm ent	IDP - Consult ation other Sphere s of Govern ment	Maintaining Assets	NC085_Maint enance of Water	Postdene Asbestos Project	Regional:Region al Identifier:Local Government by Province:Norther n Cape:District Municipalities:D C08 Siyanda:Municip alities:NC085 Tsantsabane:Wh ole of the Municipality	Function:Roa d Transport:Co re Function: Roads	R -	Busine ss plan submit ted	R -	R -	R -	R -	Internal	Fund:Capital:Transfers and Subsidies:Monetary Allocations:SLP:

IDP0056	KPA2: Local Economic Development	KFA 28 Roads and Storm Water Infrastructure	Development & empowerment	NC085_Storm water upgrade 5th Ave	0	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:D C08 Siyanda:Municipalities:NC085 Tsantsabane:Ward:Ward 3	Function:Road Transport:Core Function:Roads	R -	R -	R -	R -	R -	R -	Internal	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies
IDP0057	KPA2: Local Economic Development	KFA 28 Roads and Storm Water Infrastructure	Development & empowerment	NC085_Develop storm water development	Extension of infrastructure for water	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:D C08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality	Function:Road Transport:Core Function:Roads	R -	R -	R -	R -	R -	R -	Internal	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies
IDP0057	KPA2: Local Economic Development	KFA 28 Roads and Storm Water Infrastructure	Development & empowerment	NC085_Upgrade of gravel access road	Extension of Road network completed and functional	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:D C08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality	Function:Road Transport:Core Function:Roads	R -	R -	R -	R -	R -	R -	Internal	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies
IDP0058	KPA2: Local Economic Development	KFA 28 Roads and Storm Water Infrastructure	Development & empowerment	NC085_Upgrade of End Street storm water	Storm water on the road must be completed and tested	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:D C08 Siyanda:Municipalities:NC085 Tsantsabane:Wh	Function:Road Transport:Core Function:Roads	R -	R -	R -	R -	R -	R -	Internal	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies

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IDP0059	KPA2: Local Economic Development	KFA 28 Roads and Storm Water Infrastructure	Development & empowerment	NC085_Upgrade of Budgie street	Extension of Road network completed and functional	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:DC08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality	Function:Road Transport:Core Function:Roads	R -	R -	R -	R -	R -	R -	Internal	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies
IDP0060	KPA2: Local Economic Development	KFA 28 Roads and Storm Water Infrastructure	Development & empowerment	NC085_Skool street upgrade	Extension of Road network completed and functional	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:DC08 Siyanda:Municipalities:NC085 Tsantsabane:Ward:Ward 3	Function:Road Transport:Core Function:Roads	R -	R -	R -	R -	R -	R -	Internal	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies
IDP0061	KPA2: Local Economic Development	KFA 28 Roads and Storm Water Infrastructure	Development & empowerment	NC085_Upgrade of Motlaetsaba Street	Extension of Road network completed and functional	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:DC08 Siyanda:Municipalities:NC085 Tsantsabane:Ward:Ward 4	Function:Road Transport:Core Function:Roads	R -	R -	R -	R -	R -	R -	Internal	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies

IDP0 062	KPA2: Local Economic Developm ent	KFA 29 Water and Sanitati on Infrastr ucture	Developme nt & empowerme nt	NC085_Exten sion for Sewerline – informal	Water and Sanitation Infrastructur e	Regional:Region al Identifier:Local Government by Province:Norther n Cape:District Municipalities:D C08 Siyanda:Municip alities:NC085 Tsantsabane:Wh ole of the Municipality	Function:Was te Water Management: Core Function:Sew erage	R -	R -	R -	R -	R -	R -	External	Fund:Operational:Revenue:Ge neral Revenue:Taxes:Property Rates:Levies
IDP0 063	KPA2: Local Economic Developm ent	KFA 29 Water and Sanitati on Infrastr ucture	Developme nt & empowerme nt	NC085_Upgra de of wwtw to 10Mgl	Extension of infrastructur e for water	Regional:Region al Identifier:Local Government by Province:Norther n Cape:District Municipalities:D C08 Siyanda:Municip alities:NC085 Tsantsabane:Wh ole of the Municipality	Function:Was te Water Management: Core Function:Sew erage	R -	R -	R -	R -	R -	R -	External	Fund:Operational:Revenue:Ge neral Revenue:Taxes:Property Rates:Levies
IDP0 064	KPA2: Local Economic Developm ent	KFA 29 Water and Sanitati on Infrastr ucture	Developme nt & empowerme nt	NC085_Upgra de of Pump station 1&2 Outflow sewer	Water and Sanitation Infrastructur e	Regional:Region al Identifier:Local Government by Province:Norther n Cape:District Municipalities:D C08 Siyanda:Municip alities:NC085 Tsantsabane:Wh ole of the Municipality	Function:Was te Water Management: Core Function:Sew erage	R -	R -	R -	R -	R -	R -	External	Fund:Operational:Revenue:Ge neral Revenue:Taxes:Property Rates:Levies

IDP0 065	KPA2: Local Economic Development	KFA 29 Water and Sanitation Infrastructure	Development & empowerment	NC085_Replacement of asbestos pipes	Extension of infrastructure for water	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:D C08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality	Function:Water Management: Core Function:Water Distribution	R -	R -	R -	R -	R -	R -	External	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies
IDP0 066	KPA2: Local Economic Development	KFA 28 Roads and Storm Water Infrastructure	Development & empowerment	NC085_Upgrade of access road – Jenn Haven	Extension of Road network completed and functional	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:D C08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality	Function:Road Transport:Core Function:Roads	R -	R -	R -	R -	R -	R -	Internal	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies
IDP0 067	KPA1: Basic Service Delivery and Infrastructure Development	KFA 14 Water and Sanitation	Development & empowerment	NC085_Installation of Security Telematics	Extension of infrastructure for water	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:D C08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality	Function:Water Management: Core Function:Water Distribution	R -	R -	R -	R -	R -	R -	Internal	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies

IDP0 068	KPA2: Local Economic Development	KFA 22 LED	Development & empowerment	NC085_Upgrade of tourism Caravan Park-Local Tourism information Office & Blinkklip street upgrade	Blinkklip street Tourism route upgrade	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:D C08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality	Function:Community and Social Services:Non-Core Function:LED projects	R 10 000 000	R	R -	R -	R -	R -	Internal	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies
IDP0 069	KPA1: Basic Service Delivery and Infrastructure Development	KFA 8 LED	Development & empowerment	NC085_Gatkoppies/Sibilo Mining (Heritage Site)	Gatkoppies/Sibilo Mining (Heritage Site)	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:D C08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality	Function:Road Transport:Non-Core Function:Road and traffic Regulation	R	R	R -	R -	R -	R -	Internal	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies
IDP0 070	KPA1: Basic Service Delivery and Infrastructure Development	KFA 8 LED	Development & empowerment	NC085_Makou-Dam and Koedoe Street (Revitalisation)	Upgrade of Makou-Dam and Koedoe Street (Revitalisation)	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:D C08 Siyanda:Municipalities:NC085 Tsantsabane:	Function:Road Transport:Non-Core Function:	R 4 500 000	R	R -	R -	R -	R -	Internal	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies
IDP0 071	KPA1: Basic Service Delivery and Infrastructure Development	KFA 13 LED	Development & empowerment	NC085_Facilitate a Summer Market for smme's	Facilitate a summer market for smme's	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:D C08 Siyanda:Municipalities:NC085 Tsantsabane:Wh	Function:Sport and Recreation:Core Function:Community Parks	R 1 500 000,00	R	R -	R -	R -	R -	Internal	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies

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IDP0 072	KPA2: Local Economic Development	KFA 23 Cemeteries	Development & empowerment	NC085_Upgrade of Cemeteries	Upgrade of cemetery to make it more user friendly for public use	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:DC08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality	Function:Community and Social Services:Core Function:Cemeteries, Funeral Parlours and Crematoriums	R 5 000 000	R 5 000 000	R -	R -	R -	R -	Internal	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies
IDP0 073	KPA2: Local Economic Development	KFA 21 Sport and Recreation	Development & empowerment	NC085_Upgrade of sportsgrounds	Upgraded Sports facilities that improve the utilisation.	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:DC08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality	Function:Sport and Recreation:Core Function:Community Parks	R -	R -	R -	R -	R -	R -	Internal	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies
IDP0 074	KPA1: Basic Service Delivery and Infrastructure Development	KFA 13 LED	Development & empowerment	NC085_Feasibility of a Agro-Processing Plant	Feasibility of Agro-Processing Plant	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:DC08 Siyanda:Municipalities:NC085 Tsantsabane:Wh	Function:Sport and Recreation:Non-Core Function:Community Parks	R 1 500 000	R	R -	R -	R -	R -	Internal	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies

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IDP0 075	KPA2: Local Economic Development	KFA 20 Sustainable Human Settlement	Development & empowerment	NC085_4460 Mix typology	Completed houses and ready for occupation as per rules	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:DC08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality	Function:Housing:Non-Core Function:Housing	R 21 000 000	R 14 000 000	R 7 000 000	R -	R -	R -	Internal	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies
IDP0 076	KPA2: Local Economic Development	KFA 20 Sustainable Human Settlement	Development & empowerment	NC085_Construction of Houses	Completed houses and ready for occupation as per rules	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:DC08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality	Function:Housing:Non-Core Function:Housing	R -	R -	R -	R -	R -	R -	Internal	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies
IDP0 077	KPA1: Basic Service Delivery and Infrastructure Development	KFA 14 Water and Sanitation	Development & empowerment	NC085_MISA Project	Extension of infrastructure for water	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:DC08 Siyanda:Municipalities:NC085 Tsantsabane:Wh	Function:Water Management:Core Function:Water Treatment	R 5 000 000	R 5 000 000	R -	R -	R -	R -	Internal	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies

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IDP0078	KPA1: Basic Service Delivery and Infrastructure Development	KFA 14 Water and Sanitation	Development & empowerment	NC085_Marmane water supply Phase 3	Extension of infrastructure for water	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:DC08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality	Function:Water Management: Core Function:Water Distribution	R 500000	R 500000	R -	R -	R -	R -	Internal	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies
IDP0079	KPA1: Basic Service Delivery and Infrastructure Development	KFA 14 Water and Sanitation	Development & empowerment	NC085_Skeifontein 3 Water supply	Extension of infrastructure for water	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:DC08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality	Function:Water Management: Core Function:Water Distribution	R -	R -	R -	R -	R -	R -	Internal	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies
IDP0080	KPA1: Basic Service Delivery and Infrastructure Development	KFA 14 Water and Sanitation	Development & empowerment	NC085_Grounded Water Reservoir Development	Extension of infrastructure for water	Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:DC08 Siyanda:Municipalities:NC085 Tsantsabane:Wh	Function:Water Management: Core Function:Water Storage	R -	R -	R -	R -	R -	R -	Internal	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies

[illegible]

MUNICIPAL DEVELOPMENT OBJECTIVES

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR.	KEY PERFORMANCE INDICATOR TITLE	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Roads and Storm Water Infrastructure	To provide road and storm water infrastructure	1	Number of Road and Stormwater infrastructure projects implemented.	4	4	4	4	4
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Roads and Storm Water Infrastructure	To upgrade gravel roads by building road and stormwater infrastructure	2	Number of Business plans developed to upgrade gravel roads in the urban settlements of TLM.	4	4	4	4	4
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Roads and Storm Water Infrastructure	Improvement of Roads and Stormwater infrastructure within the TLM area	3	Number of business plans developed and submitted for funding the development of Roads and Storm water masterplan.	1	1	1	1	1
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Roads and Storm Water Infrastructure	To provide road and transport services within TLM areas	4	Number of internal roads upgraded and maintained within the TLM area.	6	6	6	6	6
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Water and Sanitation Infrastructure	Implement Sustainable basic water services within the TLM municipal area.	5	Number of prepaid water meters to be installed in the TLM area.	7000	-	-	-	-
KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR.	KEY PERFORMANCE INDICATOR TITLE	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26

BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Water and Sanitation Infrastructure	Ensure Supply of Quality Water Drinking within the TLM Area	6	Number of Operation and maintenance measures implemented to ensure quality drinking water within TLM.	10	10	10	10	10
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Water and Sanitation Infrastructure	Ensure sustainable Supply of Quality Water Drinking within the TLM Area (Skeyfontein)	7	Number of reports on Skeyfontein bulk water supply phase 2	4	4	4	4	4
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Water and Sanitation Infrastructure	Ensure Supply of Quality Water Drinking within the TLM Area	8	Number of reports on Postdene water intervention project.	4	4	4	4	4
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Electricity	Ensure sustainable Provision of Electricity Service within the TLM Area	9	Number of streetlights replaced and installed with LED Lights.	20	20	20	20	20
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Electricity	Ensure sustainable Provision of Electricity Service within the TLM Area	10	Number of projects implemented to reduce electricity revenue losses.	4	4	4	4	4
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Electricity	Create access to Electricity Service within the TLM Area	11	Number of interventions to implement bulk electricity infrastructure	1	1	-	-	-
KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR.	KEY PERFORMANCE INDICATOR TITLE	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Roads and Storm Water Infrastructure	Provide of Roads and Stormwater service in TLM	12	Number of reports on roads and stormwater operation and maintenance work undertaken.	4	4	4	4	4

BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Roads and Storm Water Infrastructure	Provide of Roads and Stormwater service in TLM	13	Number of reports on upgrade and storm water for 5 th Avenue Road.	4	4	4	4	4
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Roads and Storm Water Infrastructure	Provide sustainable Water Services in TLM	14	Number of reports on water operation and maintenance work undertaken.	4	4	4	4	4
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Water and Sanitation Infrastructure	Provide sustainable Wastewater/ Sanitation Services in TLM	15	Number of reports on wastewater / sanitation operation and maintenance work undertaken.	2	2	2	2	2
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Waste Management	Create access to Refuse Removal Service within the TLM Area	16	Number of Reports on new households provided with Refuse Removal Service by June 2022. (Mountain View, Greenfields, Postdene Phase 1&2, Skeyfonein, Jenn Haven, Groenwater & Maremane)	2	2	2	2	2
KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR.	KEY PERFORMANCE INDICATOR TITLE	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Waste Management	Provide Refuse Removal Service within TLM	17	Number of reports on refuse collection in all residential areas.	2	2	2	2	2
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Waste Management	Provide healthy living environment to all communities in TLM.	18	Reports on Number interventions implemented to prevent illegal dumping within communities.	2	2	2	2	2
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Waste Management	Provide healthy living environment to all communities in TLM.	19	Number of reports in the Development & implement Integrated Waste Management Strategy and Plan.	2	2	2	2	2

BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Water and Sanitation Infrastructure	Provide sewerage service	20	Review & implement sewerage Infrastructure Maintenance plan.	1	1	1	1	1
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Cemeteries	Provide cemetery services to all communities	21	Number of Bi- Annual reports on the operation and maintenance of cemeteries services provided.	2	2	2	2	2
KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR.	KEY PERFORMANCE INDICATOR TITLE	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Cemeteries	Provide cemetery services to all communities	22	Number of Bi-Annual reports toward development and implementation of the new cemetery site for all communities.	2	2	2	2	2
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Roads Safety and Traffic Services	Provide Roads Safety and Traffic services to all communities	23	Number of quarterly reports on road safety improvement interventions implemented.	4	4	4	4	4
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Human Settlement	Facilitate implementation of Human Settlement in all communities	24	Reports on Replacement of Asbestos Roofs in Postdene and Town	2	2	2	2	2
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Human Settlement	Facilitate implementation of Human Settlement in all communities	25	Number of Progress Reports on the Implement of Human Settlement System beneficiary registration.	2	2	2	2	2
KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR.	KEY PERFORMANCE INDICATOR TITLE	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26

BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Human Settlement	Facilitate implementation of Human Settlement in all communities	26	Number of Progress Reports on the implementation human settlement projects Skeifontein (CoGSTA)	4	4	4	4	4
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Human Settlement	Facilitate implementation of Human Settlement in all communities	27	Number of bi-annual Progress Reports on implementation of Township establishment (Maremane, Skeifontein (extension to 2&3), White City (Industrial) Boichoko (Hopecity),& Jehn Haven (extension)	2	2	2	2	2
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Human Settlement	Facilitate implementation of Human Settlement in all communities	28	Number of reports on implementation of 200 Temporary housing project in TLM	4	4	4	4	4
KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR.	KEY PERFORMANCE INDICATOR TITLE	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Human Settlement	Facilitate implementation of Human Settlement in all communities	29	Number of beneficiaries identified during profiling of informal settlement in Mountain View & Greenfields	4	4	4	4	4
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Human Settlement	Facilitate implementation of Human Settlement in all communities	30	Bi-annual Progress Reports on implementation of TRANSNET Project (internal infrastructure and 120 houses project) in Stasie	2	2	2	2	2
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of TLM	31	Develop a business plan and funding sources to implement pre-paid and smart meters.	4	4	4	4	4
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Sports and Recreation		32	Number of reports on upgrade of Sports facilities in Postdene	4	4	4	4	4

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR.	KEY PERFORMANCE INDICATOR TITLE	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development (LED)	Support to Local Entrepreneurs	33	Number of LED Forum meetings held to facilitate Local Economic Development	4	4	4	4	4
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	Facilitate the establishment of One Stop Centre for maximum impact. (Bursary Schemes, Youth Development, & LED/SME Support Centre)	34	Bi-Annual Progress Report on meeting outcomes (One Stop Centres)	2	2	2	2	2
LOCAL ECONOMIC DEVELOPMENT	Social Development	Co-ordinate stakeholder's engagement towards construction of a Disability Centre	35	Quarterly Progress Report on the Construction of Disability centre.	4	4	4	4	4
LOCAL ECONOMIC DEVELOPMENT	Development and empowerment	To promote Local economic development	36	Number of PSC meetings held to facilitate implementation of construction of the Multipurpose centre.	4	4	4	4	4
KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR.	KEY PERFORMANCE INDICATOR TITLE	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
LOCAL ECONOMIC DEVELOPMENT	Development and empowerment	To promote Local economic development	37	Submit Feasibility report and scope for Postmasburg airport upgrade to Council.	1	1	-	-	-

LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To promote Local economic development	38	Number of reports on Mining and Solar SLP & SED Investment Coordination meetings.	2	2	2	2	2
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To promote Local economic development	39	Number of reports on EPWP job opportunities created	4	4	4	4	4
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To promote Local economic development	40	Number of reports on the implementation of Smart City concept at TLM.	2	2	2	2	2
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To promote Local economic development	41	Number of reports to facilitate establishment of oil & fuel storage plant as per Provincial Government & Investment plan.	2	2	2	2	2
KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR.	KEY PERFORMANCE INDICATOR TITLE	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To promote Local economic development	42	Number of reports on land use LAMPS applications attended	4	4	4	4	4
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To promote Local economic development	43	Number of reports of TLM Local procurement opportunities	2	2	2	2	2
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To promote Local economic development	44	Number of LED Improvement initiatives implemented.	4	4	4	4	4
MUNICIPAL FINANCIAL MANAGEMENT VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of TLM	45	Collect data from households that do not receive municipal accounts.	4	4	4	4	4

MUNICIPAL FINANCIAL MANAGEMENT VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of TLM	46	Number of reported meters repaired and replaced to reduce revenue losses.	12	12	12	12	12
MUNICIPAL FINANCIAL MANAGEMENT VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of TLM	47	Develop credible, updated indigent register.	4	4	4	4	4
KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR.	KEY PERFORMANCE INDICATOR TITLE	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
MUNICIPAL FINANCIAL MANAGEMENT VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of TLM	48	Submit credible AFS,Draft Annual Report and Annual Performance Report	1	1	1	1	1
MUNICIPAL FINANCIAL MANAGEMENT VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of TLM	49	Implement credible Audit Action and Implementation plan.	4	4	4	4	4
MUNICIPAL FINANCIAL MANAGEMENT VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of TLM	50	Implement cost saving measures in the institution.	4	4	4	4	4
MUNICIPAL FINANCIAL MANAGEMENT VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of TLM	51	Number of Budget Steering Committee meetings held.	4	4	4	4	4

MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To ensure that the municipal assets are properly safeguarded	52	Implement corporate security facility in all municipal buildings.	4	4	4	4	4
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide integrated human resource services	53	Implement bio-matrix time and attendance system.	4	4	4	4	4
KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR.	KEY PERFORMANCE INDICATOR TITLE	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide integrated human resource services	54	Completion and implementation of TASK Job Evaluation	4	4	4	4	4
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide integrated human resource services	55	Annually reviewed WSP submitted to LGSETA	1	1	1	1	1
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide integrated human resource services	56	Number of Reports on Implementation of HR Development plan.	4	4	4	4	4
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To promote effective communication and accountability	57	Number of Reports & attendance registers of Departmental meetings held.	4	4	4	4	4

MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To implement corrective measures to reduce risk areas.	58	Number of Risk management reports.	4	4	4	4	4
KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR.	KEY PERFORMANCE INDICATOR TITLE	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To promote effective audit improvement programmes.	59	Number of Audit queries reports.	4	4	4	4	4
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To promote effective internal audit improvement programmes.	60	Number of Internal Audit reports.	4	4	4	4	4
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To promote health and safety in the working environment.	61	Number of Reports on COVID-19 awareness and compliance.	4	4	4	4	4
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To promote effective audit improvement programmes.	62	Number of Reports on APRC meetings held.	4	4	4	4	4
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	Facilities	To promote Local economic development	63	Development of Business plan and funding application for upgrade of community halls.	4	4	4	4	4

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR.	KEY PERFORMANCE INDICATOR TITLE	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote the interests and rights of targeted groups – women; children;youth;disab led and elderly.	64	Number of meetings held to facilitate program to support for Early Child Development within the TLM Area	4	4	4	4	4
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote the interests and rights of targeted groups – women; children;youth;disab led and elderly.	65	Number of meetings held to facilitate the Launching of Senior Citizens Care & Support Programme.	4	4	4	4	4
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To improve public participation in the municipal area	66	Number of stakeholder meetings held to facilitate the establishment of a community radio station and Tourism Centre.	4	4	4	4	4
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote effective communication and accountability	67	Number of Management meetings held.	12	12	12	12	12
KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR.	KEY PERFORMANCE INDICATOR TITLE	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To improve public participation in the municipal area	68	Number of Council meetings attended.	4	4	4	4	4

GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To improve public participation in the municipal area	69	Number of Committee meetings attended.	6	6	6	6	6
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote the interests and rights of targeted groups – women;children; youth;disabled and elderly.	70	Number of meeting held to facilitate the establishment of Moral Regeneration and Faith Based Organisations to implement the following: Churches, Schools & Community Survey launching.	4	4	4	4	4
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	Enhance the role of CDW's in improving Government service delivery through mentorship	71	Number of meetings held to facilitate the integration of CDW's performance with the municipal Ward Committee system	4	4	4	4	4
KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR.	KEY PERFORMANCE INDICATOR TITLE	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	Facilitate effective intergovernmental relations at a municipal level	72	Number of Facilitated Bi-Monthly Stakeholders meetings	6	6	6	6	6
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	Coordinate calendar of events for all Ceremonial duties of the office of the Mayor	73	Number of CSI interventions aligned to government events calendar and priorities facilitated.	4	4	4	4	4
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To ensure legal compliance	74	Facilitate implementation of municipal by-laws.	4	4	4	4	4

GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Community Development & Infrastructure	Address issues affecting Youth; Women; Children and disabled communities.	75	Participate in the Project Steering Committee meetings dealing with Development projects affecting Youth; Women; Children and people with disability.	4	4	4	4	4
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