MAGARENG

LOCAL MUNICIPALITY



Final 2021/22 Integrated Development Plan, Review of the 5 year IDP 2016-21

MAYOR'S FOREWORD



This IDP is a continuation of what this Council has been striving for since the beginning of its term; to improve the living conditions of Magareng's residents and to create an environment that allows economic activities to thrive through the development of new and modern infrastructure. The municipality continues to plan its service delivery programme on the foundation based on consultation with all stakeholders as guided by the founding principles of continuous mobilization of resources, to inform, to educate and to empower its communities.

Being a municipality that is developmental in nature, community participation and engagement has been placed at the heart of all our activities. The backlog in infrastructure development far exceeds the resources or budget that is available to deal with all at once. This compels us to make tough and difficult choices in line with the demands by the communities. We have to reach common ground to set priorities that would tackle the most of fundamental needs in the municipality. As part of our oversight responsibility, we have provided the direction into the budget and IDP process and priorities.

Our focus will be on improving our current road network, develop tarred roads to replace gravel, installation and maintenance of street lights to ensure a safer environment, housing and installation of new infrastructure to ensure sustainable electricity and water provision. We are focusing on stepping up the sanitation programme, provision of water throughout the municipality, new ways of dealing with roads maintenance and provision of electricity. We continue to put in place innovative and sustainable measures to deliver on our strategic mandate from how we maintain strategic infrastructure, maximize revenue collection, improving Auditor General's Reports and institutional development.

Honest and robust consultations with our communities on what is possible and what is not possible puts us in a good space to deliver fast paced and immediate response in delivery of services to our communities. The effort to ensure communities receive services at their cluster centres is in full swing and this continues to be improved in order to guarantee community involvement to a greater extent and the provision of improved services. The Municipality is geared towards holding open and honest consultations with all stakeholders. We appreciate participation by all stakeholders during various planning stages. Bold leadership and oversight must be provided to ensure that this IDP's vision and objectives are realised. I call upon all the people of Magareng to join hands with us as we continue in our journey to build a better and developed Magareng. We have started and we are focused on the goal. We are building Magareng.



Cllr: Neo L Mase.
Mayor: Magareng Local Municipality



The Integrated Development Plan (IDP) is the principal strategic planning instrument which guides and informs all planning, budgeting, management and decision – making processes in a municipality. It is with great pleasure to present to the communities of Magareng Local Municipality a 2021/22 Integrated Development Plan (IDP). The Republic of South Africa's Constitution of 1996 places great responsibility on us local government, to provide services to the people in our municipal area. Ours is therefore to ensure provision of sustainable services to our communities, community involvement and participation in matters of local government. The following provisions in the Constitution sum up our key responsibilities as local government. The Republic of South Africa's Constitution, 1996, section 153 refers to the developmental duties of municipalities as follows:

a) A municipality must structure and manage its administration and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community, and
b) Participate in national and provincial development programs.

The process of developing Integrated Development Plans aims to make these constitutional provision a reality, hence as a municipality we have undertaken a consultative process with our communities.

Backing the Constitution of the Republic of South Africa is the Local Government: Municipal Systems Act 32, 2000 which mandates Municipalities to review Integrated Development Plans annually in accordance with an assessment of its performance measurements. Consequently, this IDP for 2021/22 was compiled in accordance with section 34 of the Municipal Systems Act.

Sound financial management remains at the core to execute our service delivery priorities. The future financial sustainability of the municipality is a key priority and the cost saving measures already instituted will be intensified moving forward.

My sincere appreciation to Council, the administration, and all external role-players for your valued contribution to this 2021/22 IDP.

E M Moncho
Municipal Manager: Magareng Local Municipality

SECTION 1

A. EXECUTIVE SUMMARY

The main purpose of this executive summary is to compile an analysis expose' of the Magareng Local Municipality. This analysis provides relevant information to enlighten the decisions upon which the 4th generation Integrated Development Plan Review (IDP) of MLM for 2021/2022 will be informed.

The existing level of development and challenges in Magareng Local Municipality can be summarized as follows:

- Water
- Deteriorating roads
- Unemployment
- Housing

The above will call for concomitant action to improve delivery of the needed services for socio and economic development in Magareng Local Municipality.

This IDP used information from the following sources, IDP 2020/2021, Ward Plans, Community Survey 2016, Census 2011, Stats SA based on households,

Section 26(b) of the Local Government: Municipal System Act 32 of 2000 (MSA), requires that the Integrated Development Plan (IDP) of a municipality must reflect an assessment of the existing level of development, which must include an identification of communities which do not have access to the basic municipal services be conducted every year.

This current exercise is critical as the key challenge for the municipal management is to focus on the relevant aspects of the current developmental situation. This allows municipalities to know the required outputs to arrive at strategic and implementation-oriented decisions on how to make best use of their scarce resources.

The Constitution of the Republic of South Africa outlines the kind of local government needed in the country. According to the Constitution (sections 152 and 153), local government is in charge of the development process in municipalities, and notably is in charge of planning for the municipal area.

The constitutional mandate gives a clear indication of the intended purposes of municipal integrated development planning:

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

The Constitution also demands local government to improve intergovernmental coordination and cooperation to ensure integrated development across the neighbouring communities.

The legislation governing the development, implementation and review of the IDP has been conceived in the constitutional spirit of a developmental state. In terms of the provisions of Local Government: Municipal Systems Act of 2000, each council must, within the prescribed period after the start of its elected term, adopt a single, inclusive, strategic plan for the development of the municipality.

Section 25(3) (a) prescribes that a newly elected council, may adopt the IDP of the previous council.

In order to develop the IDP, Local Government: Municipal Structures Act, 117 of 1998 prescribes in section 56(2) that "The executive mayor must-

(a) identify the needs of the municipality

(b) review and evaluate those needs in order of priority;

(c) recommend to the municipal council strategies, programmes and services to address priority needs through the integrated development plan, and the estimates of revenue and expenditure, taking into account any applicable national and provincial development plans;"

In terms of Section 24, of the Local Government: Municipal Finance Management Act, (Act 56 of 2003) municipal council should, at least 30 days before the start of the of a budget year, consider approval of the annual budget.

B. The Planning Process

Institutional Arrangements, Roles and Responsibilities in the IDP Process:

The Mayor:

- Will chair the IDP Representative Forum meetings and ensure compliance to legislation with regard to all IDP & PMS processes.
- Table all relevant documentation as legislated to Council, where applicable to take notice and where applicable to be approved.

The Municipal Council:

- Considers and adopt the IDP process plan.
- Responsible for the adoption of the Draft and Final IDP & Budget.

The IDP Representative Forum:

- Will be chaired by the Mayor,
- Form a structured link between the municipality and representatives of the public.
- Represent the interests of various constituencies in the IDP review process.
- Provide a means to transfer and clarify information between all the stakeholder representatives including the municipality.
- Provide an organizational mechanism for discussion, negotiation and decision-making between the stakeholders and municipality.
- Coordination and alignment in planning and service delivery.
- Monitor the performance of the planning and implementation process.
- Consider and discuss all recommendations and input from the IDP & Budget Steering Committee and Performance presentations of Directors.
- Recommend the Final IDP to the Council for approval.

The Ward Councillors & Ward Committees:

- Facilitate identification and conceptualization of community needs and compile Ward Plans.
- Will be the key-role-players to communicate all information to the communities, to ensure that all needs and issues will be included in the IDP Document.
- Oversight role on Programme and Project implementation.

The Portfolio Committees (Project Task Teams)

- Will be part of Project Task Teams relevant to the sector and the portfolio for technical assistance on programmes and projects.
- Co-opt resource persons to serve on the PTTs.
- Consider input from Senior Management and/or Management Committee.
- Recommend to the IDP Steering Committee , the Priority CBP Issues, Objectives, Strategies, Performance Indicators, ***Programmes & Projects*** with budget allocation for implementation.

The Municipal Manager:

- Will chair the IDP Steering Committee
- Will ensure compliance, as delegated in the Delegation Framework, with regard to all relevant IDP and PMS regulations and legislation.

PMS/IDP Manager:

- Responsible for the preparation of the Process Plan.
- Will manage and co-ordinate the IDP Process and PMS processes.
- Do research that will inform the IDP.
- Responsible for the daily coordination of the planning process and day to day activities.
- Ensure that the planning process involves all relevant role players, is strategic and implementation focus.
- Respond to comments.
- Adjust IDP in accordance with MEC and IDP Assessment proposals.
- Compile the Draft and Final IDP.
- Compile the Draft and Final Top Layer SDBIP.
- Compile the Consolidated Quarterly Reports, Bi-Annual Assessment Report, Section 46 and Annual Report.

Management Committee (Senior Management Meetings)

Will be chaired by the Municipal Manager, and consist of senior officials who will take responsibility for and assist in:

- the drafting of the process plan;
- do research and analysis on status quo information;
- the Portfolio Committee (PTT) to formulate objectives, strategies and performance indicators to be finally discussed at the IDP Rep Forum;
- provision of relevant sector information;
- provision of budget information;
- prepare and integrate programmes & project proposals as determined by the PTT
- development of Core Components of the IDP as legislated;
- development of Integrated Sector, Financial and Other Programmes and Plans as determined in the IDP methodology;
- preparing the Top Layer SDBIP and Technical SDBIPS;
- signing of all Performance and Contract related documents;

The IDP & Budget Steering Committee (Extended Exco):

- Will be chaired by Mayor and consist of EXCO members and senior management.
- Will consider and discuss the input and recommendations of the Portfolio Committees (PTTs).
- Will prepare recommendations to the IDP Rep Forum.

C. Legal and Policy Context

The IDP Review process was informed by the following legislative and policy documents:

- The Constitution [Chapter 7]
- White Paper on Local Government
- The Reconstruction and Development Programme
- Municipal Structures Act, No. 117 of 1998: Chapter 1 & 5
- Municipal Systems Act, No. 32 of 2000: Chapter 4 & 5
- Municipal Finance Management Act, No. 56 of 2003: Section 2 and Chapter 5
- The Development Facilitation Act, of 1995

D. IDP Process Plan

Introduction

The 2021/22 IDP and Budget Process heralds the second review of the municipality's adopted 2016-2021 IDPs. The Integrated Development Plan (IDP) is a single and inclusive strategic planning instrument that is intended to promote Local Economic Development, Spatial Development, Infrastructure Development, Institutional Transformation and Budget Alignment of a municipality.

Legislative Framework

The Municipal Systems Act (Act 32 of 2000) hereinafter referred to as the Act, prescribes that municipalities must adopt and follow a process to draft, consider and adopt an Integrated Development Plan. Parallel to the Act, the Local Government: Municipal Finance Management Act (Act 56 of 2003) states in section 21

(a) that a "the mayor of a municipality must co-ordinate the processes for preparing the annual budget and for reviewing the municipality's integrated development plan and budget -related policies to ensure that the tabled budget and any revisions of the integrated development plan and budget-related policies are mutually consistent and credible;

(b) At least 10 months before the start of the budget year, table in the municipal Council a time schedule outlining key deadlines for.

Background

This plan therefore seeks to provide the timeframes, mechanisms and procedures that must be followed by Magareng Local Municipality in the IDP for the 2021/22 as well as the approval of annual budget financial year in question.

Elements of the IDP Process Plan

The IDP process plan entails the following elements;

- Time frame
- Mechanisms and procedures for alignment;
- Mechanisms for Public Participation.

- Binding plans and Planning requirements at Provincial and National level
- Procedures and principles for monitoring the planning process and amendments.

IDP PROCESS PLAN 2021/2022

MONTH	ACTIVITY/TASK	RESPONSIBLE DEPARTMENT	TARGET DATE
July 2020	Section 71(MFMA) Reports	Budget and Treasury	31 July 2020
July 2020	MFMA Quarterly SCM Reporting	CFO/SCM	31 July 2020
July 2020	MTREF and Evaluation checklist	Mayor (S 53)	31 July 2020
August 2020	Annual Financial Statements 2019/2020	Finance Department	31 August 2020
August 2020	Annual Performance Report 2019/2020	IDP/PMS	31 August 2020
August 2020	IDP/Budget Process Plan 2020/2021	IDP/Budget and Treasury	30 August 2020
September 2020	Section 71(MFMA) Reports	Budget and Treasury	30 September 2020
September 2020	IDP Steering committee	IDP/BUDGET	30 September 2020
October 2020	Section 71 (MFMA) Reports	Budget and Treasury	29 October 2020
October 2020	Section 52(MFMA) Reports	Budget and Treasury	29 October 2020
October 2020	First Quarter Performance Report	IDP/PMS	15 October 2020
November 2019	Section 71(MFMA) Reports	Budget and Treasury	13 November 2020
November 2020	IDP/Budget Review Public Consultation Meeting(Ward 5)	IDP/MM/Mayor's office	23 November 2020
November 2020	IDP/Budget Public Consultation Meeting(Ward 1)	IDP/MM/Mayor's office	24 November 2020
November 2020	IDP/Budget Public Consultation Meeting(Ward 2)	IDP/MM/Mayor's office	25 November 2020
November 2020	IDP/Budget Public Consultation Meeting(Ward 3)	IDP/MM/Mayor's office	26 November 2020
November 2020	IDP/Budget Public Consultation Meeting(Ward 4)	IDP/MM/Mayor's office	27 November 2020
November 2020	Second quarter IDP Steering committee	IDP/Budget and Treasury	30 November 2020
December 2020	Strategic Planning	IDP/PMS	1, 2, 3 December 2020

	2020/2021		
December 2020	Section 71(MFMA) Reports	Budget and Treasury	15 December 2020
January 2021	Section 52 MFMA Report	Budget and Treasury	11 January 2021
January 2021	Section 71(MFMA) Reports	Budget and Treasury	11 January 2021
January 2021	Second Quarter Performance Report	IDP/PMS	15 January 2021
January 2021	Section 72 (MFMA) Report, Mid-Term Performance Review 2019/2020	IDP/Budget and Treasury	24 January 2021
January 2021	Annual Report 2019/2020	IDP/PMS	28 January 2021
January 2021	Section 71(MFMA) Report	Budget and Treasury	15 February 2021
February 2021	Section 52(MFMA) Report	Budget and Treasury	12 March 2021
March 2021	Third Quarter IDP Steering Committee	IDP/PMS	12 March 2021
March 2021	Section 52 (MFMA) Report	Budget and Treasury	15 March 2021
March 2021	Section 71(MFMA) Report	Budget and Treasury	12 March 2021
March 2021	Draft IDP and Budget 2020/2021	IDP/Budget and Treasury	31 March 2021
March 2021	Oversight Report	IDP/PMS	31 March 2021
April 2021	Advertisement of Draft IDP/Budget 2020/2021	IDP/Budget and Treasury	05 April 2021
April 2021	Submission of Draft IDP/Budget to sector departments	IDP/Budget and Treasury	06 April 2021
April 2021	Draft Budget/IDP Public Consultation Meeting (Ward 5)	Budget and Treasury/Mayor's Office	06 April 2021
April 2021	Draft Budget/IDP Public Consultation Meeting (Ward 1)	Budget and Treasury/Mayor's Office	07 April 2021
April 2021	Draft Budget/IDP Public Consultation Meeting(Ward 2)	Budget and Treasury/Mayor's Office	08 April 2021
April 2021	Draft Budget/IDP Public Consultation Meeting(Ward 3)	Budget and Treasury/Mayor's Office	09 April 2021
April 2021	Draft Budget/IDP Public Consultation Meeting(Ward 4)	Budget and Treasury/Mayor's Office	12 April 2021
April 2021	Section 52 (MFMA) Report	Budget and Treasury	13 April 2021
March 2021	Section 71(MFMA) Report	Budget and Treasury	16 April 2021
April 2021	Third Quarter Performance Report	IDP/PMS	16 April 2021
April 2021	Section 71(MFMA) Report	Budget and Treasury	14 May 2021

May 2021	IDP Representative Forum	IDP/Budget and Treasury/MM's Office	14 May 2021
May 2021	Final IDP/Budget 2020/2021 Adoption	IDP/Budget and Treasury	28 May 2021
June 2021	Advertisement of Final IDP/Budget 2020/2021	Budget and Treasury	04 June 2021
June 2021	Submissions of Final IDP/Budget to Sector departments	IDP/Budget and Treasury	04 June 2021
June 2021	Section 71(MFMA) Report	Budget and Treasury	18 June 2021
June 2021	Draft SDBIP	IDP/PMS/MAYOR/MM	18 June 2021
June 2021	Final SDBIP	IDP/PMS/MAYOR/MM	26 June 2021
June 2021	Section 71(MFMA) Report	Budget and Treasury	28 July 2021
June 2021	Section 52 (MFMA) Report	Budget and Treasury	28 July 2021

E. DEMOGRAPHIC PROFILE OF THE MUNICIPALITY

Warrenton, the administrative Centre of Magareng Municipality, is situated approximately 75 km north of Kimberley on the banks of the Vaal River. The N12 national road between Kimberley and Christiana as well as the N18 route to Vryburg passes through the centre of Warrenton.

The Railway line, that connects Gauteng with the Northern and Western Cape Province, runs through Magareng Municipality with a railway station at Warrenton and Windsorton station. The railway line also connects the Northern Cape and North West Province. The municipal area comprises an urban node, villages and farms. The urban node consists of Warrenton, Warrenvale and Ikhutseng while small agricultural villages have been establish throughout the municipal area of which Bullhill, Fourteen Streams, Sydney's Hope, Windsorton Station, Moleko's Farm, Nazareth and Hartsvallei Farms are the most prominent.

The rest of the area comprises mainly mixed farming. The area of jurisdiction is approximately 1542 km² in extent and accommodates approximately 24,042 people (StatsSA – 2011). 72% of the total population is Black, 17, 5% Coloured while the White population represents only 10% of the total population. The Indian and Asian population is insignificantly small to impact on the proportional representation. The municipal area is divided into 5 wards. Wards 1 to 3 constitute Ikhutseng, the former Black residential area,

while Warrenvale, the former Coloured residential area constitutes Ward 4. Ward 5 is made up of Warrenton town, which was previously a predominantly White area, and the surrounding rural areas.

F. HOUSEHOLD COMPOSITION

Magareng Local Municipality has a total of 6120 households with an average size of 4.0. This indicates that there is an average of 4 people per household. The majority of the household are headed by females, representing 41.7% of the population. Below is a table indicating the type and number of dwellings that exist in municipality (*Statistics SA: Municipal Fact Sheet, 2011)*

TABLE2: DWELLING TYPE

DWELLING TYPE	MAGARENG	DIKGATLONG	PHOKWANE	SOL PLAATJIE	FRANCES BAARD	GRAND TOTAL
House or brick/concrete block structure on a separate stand or yard or on a farm	**5061**	9193	13938	44414	72607	145213
Flat or apartment in a block of flats	**30**	52	262	1569	1912	3824
Traditional dwelling/hut/structure made of traditional materials	**36**	169	211	184	599	1197
House/flat/room in backyard	**44**	50	261	940	1296	2591
Informal dwelling (shack; in backyard)	**117**	536	395	2532	3580	7160
Informal dwelling (shack; not in backyard; e.g. in an informal/squatter settlement or on a farm)	**626**	1482	2029	7845	11982	23964
Room/flat on a property or larger dwelling/servants quarters/granny flat	**7**	8	21	317	354	707
Caravan/tent	**1**	15	27	77	120	241
Other	**10**	375	187	445	1019	2037
Grand Total	**5932**	**11881**	**17330**	**58325**	**93468**	**186935**

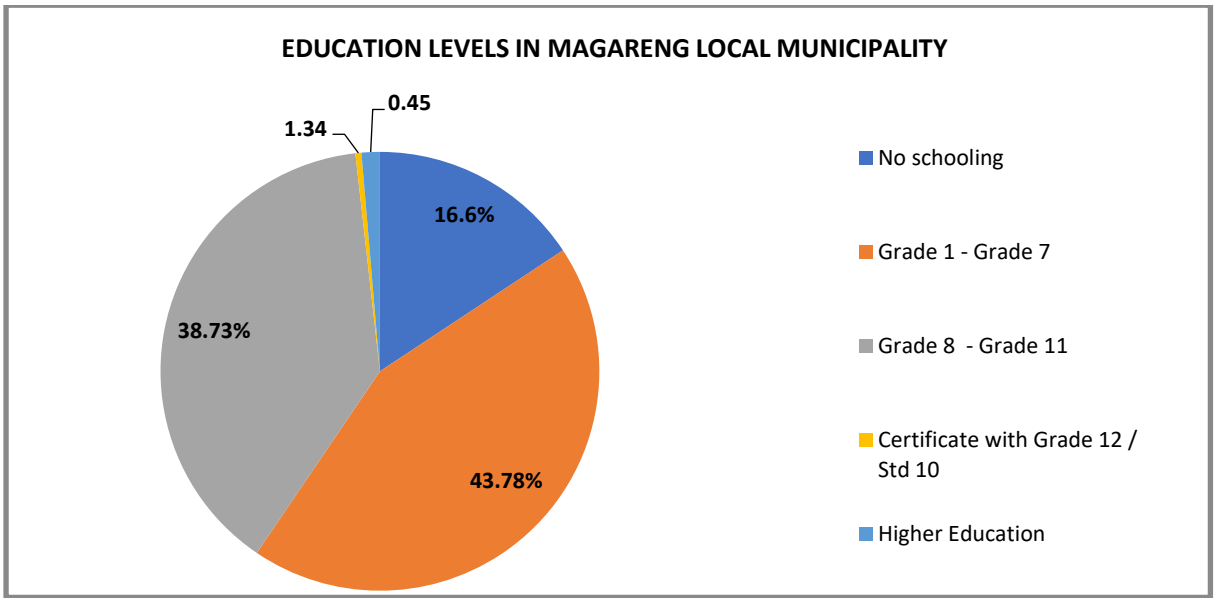
Source: Statistics SA, 2011

Magareng Local Municipality has only 5061 housing structures, which is the lowest as compared to the other local municipalities in the district. In addition the eradication of informal dwelling is the lowest in the district compared to other local municipalities.

G. EDUCATION LEVEL

It is alarming to note that the municipal area is performing poorer than the average of the municipalities in the district in terms of literacy levels. The graph below indicates the education levels in the municipal area. In the municipal area only 17% of persons aged 20 years and older has no formal education while 18% has some primary education. 32% of this segment of the population in the municipality had some secondary qualification while 18% completed Grade 12. 7% of this proportion of the population had some higher education qualification.

Figure 3: Education Levels



Source: Statistics SA, 2011

H. DEVELOPMENT STRATEGIES AND INTEGRATED PROGRAMMES

The Municipal Vision, Mission and Values

The following Vision, Mission and Values were developed and adopted by the 4th generation of council:

VISION

"Striving to deliver sustainable and quality municipal services with hope and diligence to the community"

MISSION

The municipality strives to achieve its vision through:-

- ***Provision of democratic and accountable government to local communities***
- ***Ensuring provision of cost effective services to communities in a sustainable manner***
- ***Promotion of socio-economic development***
- ***Promotion of a safe and healthy environment***
- ***Promotion of community participation in matters of Local Government;***
- ***and to have a motivated and representative municipal workforce with high ethical standards, which is empowered to render optimal services to the community.***

Values

The community is our inspiration and our workforce is our strength in the quest for community development and service delivery. We therefore value the following cores:

- ***Teamwork***
- ***Mutual Respect***
- ***Service excellence and commitment***
- ***Integrity***
- ***Loyalty and honesty***
- ***Accountability***

I. Magareng Local Municipality Powers & functions

The MEC for Cooperative Governance and Traditional Affairs gave notice in terms of Section12 of the Municipal Structures Act, No. 117 of 1998 in the Government Gazette for the establishment of Magareng Local Municipality in accordance with the Municipal Demarcation Act, No. 27 of 1998. Magareng is a category C with a plenary executive system.

Section 156 of the Constitution assigns executive authority to municipalities in respect of, and the right to administer the local government matter listed in Part B of Schedule 4 and Part B of Schedule 5 and
any other matter assigned to it by national or provincial government.

STRATEGIES

Both the National and Provincial Government provide policy guidelines on handling service delivery issues/priority matters. The IDP representative forum assists the institution to formulate jointly objectives on all priority issues and means of attaining the goals set, the targeted matters must be in line with the vision of the Municipality, the same structure will ensure that a list of projects emanate from the strategy. Magareng Local Municipality forms part of Frances Baard District Municipality IDP Steering Committee, Strategic Planning and IDP Representative Forum.

The IDP Guide Pack of 2002 defines and describes the following phases in the IDP process
Phase 1: Analysis: This phase of the process comprises the livelihood analysis through community participation. This process needs to be completed by mid -September.
Phase 2: Strategies: This phase will commence towards the end of September and will again entail the development of strategies associated with each of the priority issues raised in Phase 1. The provincial/national departments and other state owned enterprises will be involved in the strategy phase of the IDP. It is anticipated that the strategy phase should be completed by end September. The strategies phase is also informed by the strategic goals of the individual municipality and those of the specific department or unit of the municipality.

Phase 3: Projects: In October-November the projects emanating from the strategies and priority issues will be revised and confirmed where necessary, additional information on projects will be obtained.

Phase 4: Integration: In January-February the District IDP Steering Committee will then focus on integrating components of the Integrated Development Plans of the five local municipalities. The District IDP Office will have to be informed by local municipalities about their IDP Steering Committee and IDP Representative Forum meetings.

Phase 5: Approval: The Draft Integrated Development Plan (or Reviewed Draft) of MLM must be completed and published for comments in March-April-May, subsequent to the completion of the local municipalities' phases. A period of at least 21 days must be allowed for comments in terms of Section 3 (4) (b) of the Local Government: Municipal Planning and Performance Management Regulations, promulgated under Notice R796 dated 24 August 2001.

The completed Integrated Development Plans of the local municipalities must be tabled for consideration by the municipality on time to ensure that the Integrated Development Plan of MLM is adopted on time. This will again lead the way for budgeting processes for the following financial year to proceed according to legislative requirements.

Community participation is a fundamental part of the Integrated Development Plan process and Local Municipalities must conduct community participation programmes, both in terms of monitoring the implementation of Integrated Development Plans, as well as the review of the Integrated Development Plans. The results and findings from the implementation process will continuously feed into the various phases of the Integrated Development Plan.

J. SWOT ANALYLIS

INTERNAL	
HELPFUL	HARMFUL
STRENGHTS - IDP that has an expression of the state-wide planning - Political stability - Good policies in place - Human Resource Development programmes - Creation of Work Opportunities	WEAKNESSES - Lack of Capacity(70% of staff) - Financial systems not efficient enough - Weak Budget and Treasury Office - Weak Engineering Department - Poor communication - Poor vision and mission - Not adhering to timelines in terms of reporting- especially on grant funding - Not implementing decisions and targets that we have set on time - Weak internal relations and participation - Scattered satellite offices/location - Policies and Council Resolutions not fully and timeously implemented - Abuse of limited resources - Appointment of unqualified Officials
EXTERNAL	
OPPORTUNITIES	THREATS
- Marketing/Branding of the municipality - Available LED opportunities - Training opportunities - Government funded priorities (national and provincial) - Funded mandates/powers and functions.	- Leaking of Information/data collection - Inadequate Financial support/allocation - Lack of cooperation among some of the staff members - Non-payment of services by community - Overdependence on financial support by National Government - Epidemics/disasters etc- - Unfunded mandates - Incompetent Management or Staff members - Strikes by community members - Attack by concerned groups within communities - Non-compliance and reporting on time - Dishonesty and looting of municipal resources - Non-payment of creditors - Debtors dishonoring their payment arrangements

K. NEEDS IDENTIFIED BY COMMUNITIES IN VARIOUS WARDS

Ward Programme System

GEOGRAPHICAL INFORMATION SYSTEM (GIS) OF MAGARENG LOCAL MUNICIPALITY

Ward	**1**
Councillor	**Mr Thapelo Mokola**
Ward Committee Members	**10**



Ward 1 Priority List 2021/2022	
1. Water	9. Youth Development
2. High School	10. Safety
3. Sanitation	11.
4. Roads	
5. Clinic	
6. Housing	
7. High Mast Lights	
8. Unemployment	

Ward	**2**
Councillor	**Mr Kgosietsile George Freddie**
Ward Committee Members	**10**



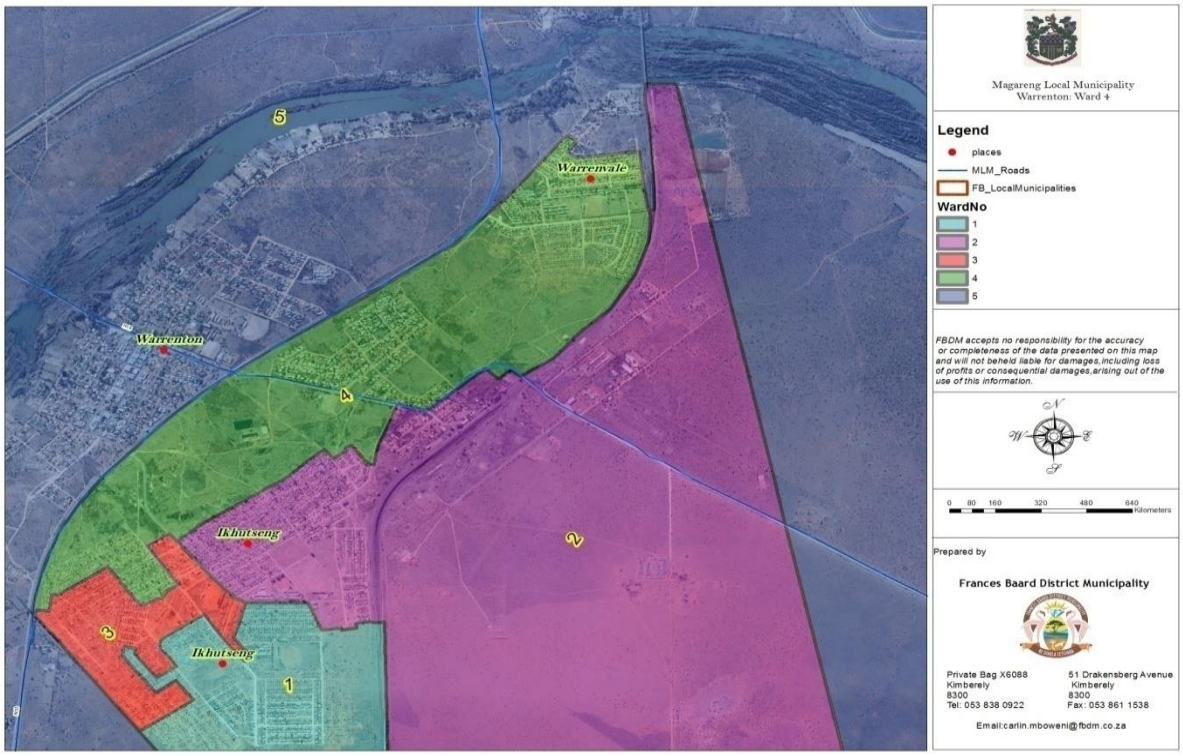
Ward 2 Priority List 2021/2022
1. Water
2. High School
3. Roads
4. Housing
5. Unemployment
6. Youth Development
7. Health Facility
8. Community Radio Station
9. Safety
10. Sanitation

Ward	**3**
Councillor	**Ms Julia Dipuo Tshekedi**
Ward Committee Members	**10**



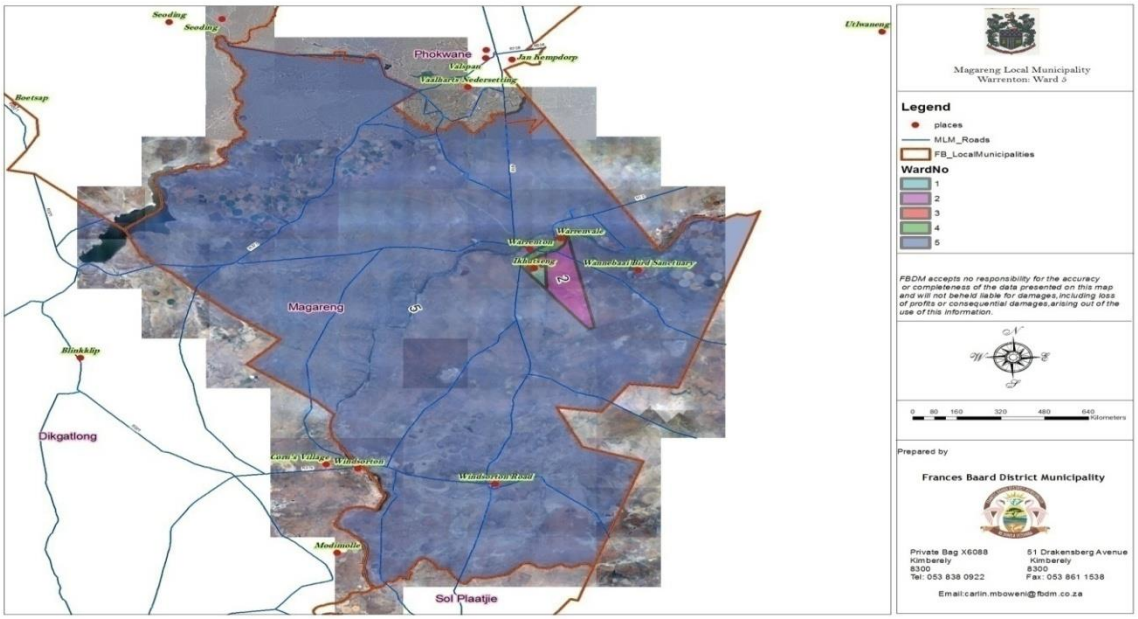
Ward 3 Priority List 2021/2022
1. Water and Sanitation
2. Roads
3. Unemployment
4. FET College and Youth Development
5. Land Development
6. High Mast Lights
7. Health and Environment
8. Parks and Recreation
9. Library
10. Orphanage Home
11. Safety
12. Local Economic Development

Ward	**4**
Councillor	**Mr Kadia Zalisa**
Ward Committee Members	**10**



Ward 4 Priority List 2021/2022
1. Water
2. High School
3. Unemployment
4. Roads
5. Housing
6. Clinic
7. Electricity
8. High Mast Lights
9. Sanitation
10.

Ward	5
Councillor	Mr Willem Potgieter
Ward Committee Members	10



Ward 5 Priority List 2021/2022
1. Electricity
2. Water
3. Tarred roads/paved streets
4. Unemployment
5. Toilets
6. Housing
7. Sports Ground
8. High Mast Lights
9. Library
10. Clean Town
11. Stands
12. Clinic
13. Sewage in the River
14. Crèche

CONSOLIDATED MAGARENG LOCAL MUNICIPALITY IDP PRIORITY 2021/2022

1. Water
2. Roads
3. Sanitation
4. Electricity
5. High Mast Lighting
6. Housing
7. Sports & Recreational Facilities
8. Unemployment
9. Youth Development
10. Clinic
11. Safety
12.High School

SECTION 2:

DEVELOPMENT STRATEGIES, PROGRAMMES AND PROJECTS PER DEPARTMENT

2. KPA: **Service Delivery and Infrastructure Development**

The Department Technical Services is devoted to improve the quality of life of its community by providing efficient, sustainable and affordable infrastructure specifically in terms of:

- water and sanitation
- Roads and Storm water
- Electricity, and
- Housing
- Effectively utilizing the available resources, and
- Identifying the best option that would maximize the output.

Expanded & accelerated economic investment and availability of reliable economic infrastructure. Section 229 of the Constitution allows municipalities to impose property rates and service charges. This obligation requires strict financial management and accountability to the public.

The provision of basic services is one of the Key Performance Areas as contemplated in Sect 152(1) of the Constitution. The National Minister in conjunction with the MEC for local government take their marching orders from the State of the Nation Address to continuously improve service delivery and assist local municipalities in meeting community needs.

Council conducted an audit of its indigent register to migrate as many deserving beneficiaries as possible. This will enhance our capacity to control and monitor our age analysis and ensure proper credit control and revenue collection.

2.1.1 Water and sanitation

- Planning the provision of water and sanitation services (Master planning),
- Operation and maintenance of the water and sanitation assets and resources
- Manage the provision of capital infrastructure related
- Project management and
- Policies, procedure and standards for the provision of the service

2.1.2 Roads and Storm water

- Planning the provision and upgrading of adequate roads and storm water
- Maintenance of the existing infrastructure
- Manage the provision of capital infrastructure
- Project management

2.1.3 Electricity

- Plan and manage the distribution of electricity
- Operation and maintenance
- Manage the provision of capital infrastructure
- Project management
- Policies, procedures and standards for the provision of the services

2.1.4 Housing

- Plan the provision of housing to the needy by the Province
- Assist the Province in coordinating the housing delivery strategies
- Enforce the provincial policies on housing matters, and
- Assist the province in the managing of contractors and the projects
- Provide guidance to the community on housing matters
- Maintain database of housing beneficiaries waiting list

2.2 Electricity

2.2.1 Introduction To Electricity

Bulk Electrical Supply

Eskom supplies 11kv bulk supply to a substation situated in Warrenton. From there the 11kv supply is distributed to 11kv transformers which steps it down to 380V networks in Warrenton CBD, Warrenton residential, Warrenvale and the surrounding plots. Supply in Warrenvale is by means of prepaid metering system and Warrenton CBD and residential is by means of credit meters. Some residences in Warrenton have also changed to pre-paid system. Municipality is planning to review to policy to standardise the electricity metering system.

Moleko's farm gets the bulk supply from Eskom and the municipality distributes it by means

of a pre-paid system. The following areas get both the bulk and low tension supply directly from Eskom: Ikhutseng, Bull Hill, Sydney's Hope and Hartsvalley. Windsorton station and Majeng have not yet been electrified. Windsorton station previously was supplied by Transnet. Transnet gets the bulk 11kv supply from the municipality and further distribute this to their own transformers and networks. The electrical network also is very old therefore needs to be upgraded.

Internal Reticulation

The municipality is responsible for electricity distribution to Warrenton, Warrenvale and Moleko's farm. The municipality is planning to upgrade existing and construct the electricity new mainline for the new developments as well as its electrification. Cost needed.

BACKLOGS IN ELECTRICAL SUPPLY

Most of the backlogs in electrical supply relates to the rural areas not yet serviced by Eskom as well as problem of ageing infrastructure.

- Majeng 200 sites

2.2.2 Sanitation

The sewer outfall works is situated in the centre of the urban node. Due to the relatively flat topography, all sewerage must be pumped to the outfall works. The outfall works is 12 years old and was designed to treat 2 Ml/day of raw sewerage. The treated effluent of the sewer outfall works drains via a natural watercourse through sections of Warrenton to the Vaal River. The quality of treated effluent is still good, although the present rate of inflow is 2, 4 Ml/ day. Extensions to the sewer outfall works is thus essential and it is proposed that a new plant be erected to accommodate both future demand but also to reduce the negative impact of the present locality of the plant on future developments.

Warrenton town is serviced by either septic tanks or French drains. These systems require that the municipality empty these tanks on a regular basis. The effluent from these septic tanks is transported by tanker to the sewer outfall works. All sewage from Warrenvale drains to a single sewer pump station that pumps the sewage to the sewer outfall works. A small sewer pump station receives the sewage from the southern areas of Ikhutseng and then pumps it into one of the main gravity sewer lines. All the sewage of Ikhutseng then drains to a single pump station that pumps the sewage to the sewer outfall works.

Groundwater contamination is presently experience with the septic and French drains

operational in Warrenton. Urgent attention will therefore have to be paid to ensure that the drinking water is not affected so the septic tanks will have to be replaced to curb the problem.

Currently only indigent residents of Magareng excluding farming areas receive 6kl of water free and Majeng area is getting water from the borehole and jojo tanks.The Municipality has requested for funding to erect solar panel water pumps to the farming areas.

2.2.3 Catchment area

Magareng produces on average 2.4ML/day of wastewater which ends up in the Warrenton waste water treatment works. The design capacity of the works is 2 Ml/day. The works uses both mechanical and activated sludge treatment methods. Despite running over-over capacity the plant still produces fairly good quality effluent which is discharged into the Vaal River via the storm water channel. The Municipality is authorised to discharge 730 Ml/year of purified effluent into the Vaal River. The waste water is either transported with a sewer tanker from individual septic tanks to the treatment works or conveyed via sewer network by being pumped from low points and by gravity from higher places.

The Municipality is busy expanding water treatment plant to accommodate extra inflow as well as future flows

2.2.4 Sewer Collection and Reticulation

Raw domestic sewage is received at the treatment works via both sewer tanker outfall sewers.

2.2.5 Treatment Facility

All the erven in Warrenton have either a French drain or a septic tank. All erven in Warrenvale have waterborne sewerage. The informal settlement called Rabaadjie and (558 households) have recently been serviced with the Urine Diversion Toilet System which will in future be converted into waterborne toilet system.

2.3 ROADS

2.3.1 INTRODUCTION TO ROADS AND STORM WATER

INTRODUCTION TO ROAD TRANSPORT

Magareng Municipality has the Integrated Transport Plan (ITP), the plan has been prepared by the Frances Baard District Municipality.

Proper road signs and markings:

Road signs and markings are done. In some areas the signs have been vandalised orremoved by accidents and are been replaced. The markings on the road surfaces are also in a poor condition. Pedestrian crossings are indicated which leads to a decrease in road accidents.

Proper road infrastructure:

Some areas do not have proper road infrastructure. The Municipality has hugely embarked on Constructing new tar roads as well as paving roads in Ikhutseng and Warrenvale since this two town-ships had a huge back-log, here the Municipality is entirely dependent on MIG. Funds to progress.

Maintenance of road infrastructure:

With the assistance of funds from other spheres of government i.e. Frances Baard District Municipality and Department of Public Works the Municipality is continuously maintaining all its existing tar roads for adequate access and improvement.

Storm water problems:

Storm water problems still remain a problem. In areas where storm water systems have been installed, poor maintenance leaded to insufficient handling of storm water run-off. The increase in storm water runoff also leads to soil erosion in some areas. The Municipality is planning to compile roads and storm water master plan to be able to address these challenges in the short, medium and long term.

SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Strategies that will address the provision and maintenance of municipal services such as water, electricity, solid waste, roads and sanitation

Item A	Institutional Assessments	Institutional Strategy
1) Organizational Structures	The relationship between the municipality and politicians is good; however there is a lack of decisiveness and limited knowledge of the water business.	Undertake a council or WC induction programme to capitalize on the existing relationship and build a communication bridge between the municipality and the customers.
	The department has an approved organogram in place but lacking human capacity with skills; There is a low staff turnover at mid management and senior level	Build on the existing skills base by instituting a mandatory training programme for technical staff. Invest in team building and workshop sessions incorporating the councilors and municipal management to ensure continuing high staff morale.
	The water and sanitation department has limited technical skills such as technicians, artisans and qualified plumbers;	Advertise and fill the identified critical vacant posts.
	Currently, the operation and maintenance is largely performed by general workers and are not easily trained	Institute a mandatory WC training programme for the general workers as well as ABET training if required to improve the literacy and skills levels for the O&M staff.
	There is a significant lack of vehicles and limited spares to do maintenance.	Engage with the Department of Finance and allocate an adequate budget for the critical spares. Allocate a specific person who will be responsible for expediting equipment orders and managing quality control in terms of the procurement process.
	There is a good relationship between the department of finance and technical; Lack of functional standing committees to discuss water related issues.	Establish a NRW steering committee comprising representatives from the technical, communications and finance departments to improve communication and access to Information. Institute monthly reporting meetings to facilitate coordinated

		planning and Implementation of projects.
Item B	Financial Assessments	Financial Strategy
3) Billing 2) Meter reading	According to the municipality meter reading is not conducted to its full potential The meter reading is captured manually and there are no audits taking place to verify the data; The municipality is using internal staff to conduct meter reading and meters are read on monthly basis; The proposal has been accepted to move the meter readers under finance department supervision to the technical department.	Clarify and establish the minimum requirements for the appointment of meter readers and ensure that the literacy levels of the meter readers are appropriate for capturing the vital billing information. Provide a mandatory induction meter reading training course and undertake periodic spot checks to improve the accuracy of the meter reading.
	The major challenge facing the municipality is record keeping, and there are no proper water balance reports generated on monthly basis;	Through monthly monitoring and capture of the bulk meter readings, develop a basic monthly water balance with the necessary NRW KPI's included which must be developed with representatives from department of Finance. This will aid improved management of revenue and NRW.
	Limited training is given to meter readers. Meter readers do report leakage encountered on site;	Include WC training for the meters readers to facilitate their understanding of the water business. Include infrastructure leakage reporting as part of the employment profile for the meter readers to facilitate passive and cost effective leak detection.
	It was mentioned that due to technical glitches in the system, the municipality has not send out bills in 3 consecutive	Appoint a qualified IT service provider to review the current system and make recommendations. Consider the

	months.	procurement of an alternative system and ensure that the people operating the system obtain the necessary training before utilising the system.
	The billing is informative, two months of data can be seen on the bill;	Consider including water conservation tips and information in the water bill. It is also recommended to display 6 months graphical consumption data on the bill to aid consumers in effectively monitoring water use.
	The indigents gets free basic water of 6Kl there after they pay for the usage;	Monitor the frequency and accuracy of the meter reading. Undertake a community survey to determine the effectiveness of the municipalities mentor programme and where the short falls are in aiding people to better understand the water business and the billing system.
	The bill is usually sent to consumers using the post and hand delivery methods;	Consider alternative electronic means of sending water bills such as SMS to improve the immediacy of the bill and to assist people in remembering to pay for the services.
	In some areas where meters are buried it is assumed that estimates and flat tariffs are utilised;	Undertake an infrastructure cleaning programme. Utilise the opportunity to create local ward based employment and improve asset management. This process will improve the accessibility of the meters which are the cash register of the municipality and simultaneously garner community support for cost recovery programmes.

4) Customer Queries and Complaints System	Billing and metering complaints are referred through the municipality's reception office; The billing and metering complaints are captured manually; The technical department does receive exception reports from the finance department.	Establish the customer care centre and support the personnel with WC training to ensure that they are equipped to efficiently and competently assist the consumers; Obtain an electronic system to capture and monitor the queries referred and to track the resolution of the queries.
5) Tariffs	The department is using step tariffs; Consumers generally consider water affordable.	Ensure that the rising block tariff is sufficiently differentiated in cost at each level to promote WC/WDM with the highest tariff at least twice the amount of the lowest tariff.
6) Cost Recovery	It was mentioned that the poor water supply in Ikhutseng area has resulted in low cost recovery in the area. The cost recovery is estimated to be (75% in town, 5% in Ikhutseng Township and 95% in the Industrial area)	Utilise the positive relationship with the councilor to promote payment for services at public meetings and other public forums.
6.1) Levels of Payment	Consumers usually prefer paying for services at the municipal offices while some consumers are using the EFT method.	Undertake mandatory WC/WDM training for the finance personnel responsible for receiving payment. Utilize the preference of consumers to pay directly and showcase professional customer care and ensure that the personnel can advise consumers on reducing water losses and where to refer queries.

6.2) Methods of payment	There are bylaws in place but they do not address WCWDM related issued. The municipality does not have credit control policy in place.	Review the existing bylaws and ensure that they address water efficiency legislation. Develop partnerships with the credit control and legal departments as well as the SAPS and put appropriate bylaw enforcement mechanisms in place.
6.3) Policies and Bylaws	No enforcement mechanism is taking place	Once established, utilised the NRW steering committee to address enforcement of the credit control policy. Keep a clear record of the consumers on which enforcement was enacted and the progress made in this regard which should form part of the monthly cost recovery report.
6.4) Policy Enforcement	Social Assessment	Social Strategy
Item C	Bulk metering is taking place in most area. There are no monthly reports generated which is the results of poor record keeping.	Read bulk meters on a monthly basis and capture the readings on a spread sheet which can be updated. Monitor input volumes and other Non-Revenue Water key performance indicators.
7) Consumer Profile	All non-domestic and most domestic consumers are metered.	Periodically undertake a meter audit particularly for the non-domestic consumers to ensure that the meters are in proper working order, and that the consumers are billed accurately for water use.

8) Community Awareness	There are meter audits taking place but there is no systematic plans to continue with the programme ; The municipality does not have a maintenance programme in place for the existing installed meters; Majority of the meters are inside the properties in the old areas and outside properties in the newly developed areas; A significant number of the meters appear not to be read on a regular basis and are covered with soil.	Budget and implement meter replacement programmes particularly for bulk and non-domestic consumers. Ensure that all new meter installations where practicable are outside the properties to improve accessibility for meter reading personnel. Monitor and undertake spot checks for meter readers to ensure that the meter reading takes place regularly and accurately to improve consumer confidence in the metering and billing process.
9) Schools awareness	The bulk meters that are installed ranges between Kent Helix and Sensus WPD meters Domestic and non-domestic meters are mostly (Kent Meters)	Take monthly meter readings and capture the data on a monthly basis.
Item D	Bulk meters are newly installed between (10-20 years old); Domestic meters are ranging between 5 and 15 years;	Conduct an annual audit on the bulk meters and ensure that they are in proper working order. Undertake a meter replacement programme for domestic and non-domestic meters older than 10 years commencing with the replacement of non- domestic meters.

10) Metering	Bulk meters are mostly belowground installations and easy to access; The domestic installations vary, some are installed inside properties while others are outside properties; Domestic meters vary from below ground and above ground installations. Some are secured in meter boxes whilst some are covered with sand.	Construct proper enclosures or chambers for the exposed bulk meters recently installed to protect the investment and to ensure accurate readings. Where practicable, current and future meter installations should be above ground and outside the properties to improve visibility and access to the meters.
	The system network has the average pressure of 2-3,4bars; There is no pressure management taking place in the area. There are no zone metering installed currently	Maintain the satisfactory operating pressure and ensure that operating pressures never exceed the DWA regulatory standard of 9 bar. Sectorise the water supply system into manageable sized areas or zones to enable improved monitoring of the system. Install zone meters and ensure that they are read on a monthly basis. The readings must be captured on a spread sheet.

TABLE 1

2.3.2 WARD PROGRAMME SYSTEM

Programmes and projects that will support the delivery of services

Background

Magareng Municipality consists of five wards

- Ward programme system is the system in which conscious efforts have been applied to create and support strategies, policies, and structures as well as to institutionalize values, and practices that promote cooperation among different parties in the Magareng Municipality
- In order to achieve organizational goal. A high level of collaborative capacity will enable more effective work at the short, medium and long-term levels

2.3.2 Budgeted Projects to be implemented in 2021/2022 Financial Year.

DESCRIPTION		SERVICES TYPE	FUNDER	CURRENT /PROPOSED PROJECT FUNDING		
PROJECT NUMBER	**NAME & DESCRIPTION**			**2021/2022**	**2022/2023**	**2023/2024**
01	New Internal Water Reticulation Network in Ditshotshwaneng, Rabaki and Sonderwater	Water	Water Services Infrastructure Grant	**R 5 000 000**	**R 8 750 000**	**R 9 030 000**
02	Upgrading of Magareng Multipurpose Sporting Facility (Ikhutseng)	Sports Infrastructure	Municipal Infrastructure Grant		**R 8 362 263.78**	-
03	Upgrade of Internal Water Reticulation Network in Chris Hani, Richblock, Las Vegas, Warrenvale and Warrenton	Water	Municipal Infrastructure Grant	**R 11 000 000**	**R 13 900 000**	**R 14 200 000**
04	Warrenton: Upgrading of Water Treatment Plant	Water	Regional Bulk Infrastructure Grant	**R 40 000 000**	-	-
05	Upgrade of Electrical Network	Electricity	FBDM Grant	**R 2 000 000**		
06	3 Bakkies 1 Sedan	Fleet	Magareng	**R 1 500 000**		
07	High Velocity Sewer Cleaning Machine	Fleet	Magareng	**R 350 000**		
08	Feasibility Study For The Upgrade Of The Warrenton WWTW and Related Bulk Outfall Lines	Sanitation	Magareng	**R 500 000**	**R 500 000**	
09	Construction Of New Office Space	Building	Magareng	**R 2 000 000**	**R 3 000 000**	**R 4 000 000**
10	Construction of Storage Facility	Building	Magareng	**R 500 000**	**R 650 000**	
11	2 Water Tankers	Fleet	Magareng	R 3 200 000		

12	Upgrade Of Electricity Bulk Supply	Electricity	INEP		**R2 000 000**	**R2000 000**
13	Electrification Of Military Veterans and Warrenvale	Electricity	INEP			**R 15 000 000**
14	Rehabilitation And Reseal Of Internal Roads	Roads	Magareng	**R 10 000 000**	**R 15 000 000**	**R 20 000 000**
15	Water Supply and Demand Management 1.7 pipeline	Water	MIG	**R 4 000 000**		
16	Pipe Replacement and Leakage Repair of Water pipelines in Magareng	Water	MIG	**R 1 211 200**		

CAPITAL PROJECTS MAP 2021/2022



Description: Detail Electrical Project Lists		Services Type	Programme type	Project Primary Class	Current /Proposed project funding (RM)		
Project number	**Name & Description**				**21/22**	**22/23**	**23/24**
		Electricity supply	Maintenance of Electricity infrastructure	B-Basic H-Higher S-System Improvement	Total	Total	Total
001	Upgrading of Medium Voltage Electrical Network (Substations and Numbering/Labelling of MV structures and feeder lines) as per the Electrical Master Plan	Electricity supply	Operation and Maintenance	S	R3mil	R6mil	R12mil
002	Erection of High mast lights in Warrenton	Area lighting	New	S	R1.2mil	R1.2mil	R1.2mil
003	Refurbishment of Electricity Infrastructure in Warrenton as per electricity master plan	Routine Maintenance	Maintenance	S		R10.0mil	R19.0mil
004	None Grid Electrification in Majeng	Electricity supply	New Infrastructure	B	0	R2.0mil	R1.0mil

Description Detail of waste management Project Lists		Services Type	Programme type	Project Primary Class	Current /Proposed project funding (RM)		
Project number	**Name & Description**				21/22	22/23	23/24
		Waste Management and cleansing	-Dumping site -Integrated Waste - Management plan -Transfer Stations -Buy back and recycling center -Bull doser	B-Basic H-Higher S - System Improvement	Total	Total	Total

001	Rehabilitation of a dumping site	Waste management	Waste Management	H	0	R5.0mil	R2,5 mill
002	Review of Integrated Solid Waste Management plan	Waste management	Waste Management	S	0	R500,000	0
003	Construction of Transfer Station	Waste management	Waste Management	B	0	R1.0mil	0
004	Construction of Buy back and recycling centre	Waste management	Waste Management	B	0	R350,000	0
005	Purchasing of Bulldoser	Waste management	Waste Management	B	0		
		Waste management	Waste Management			R2.5 mil	

Description: Detail water and sanitation Project Lists		**Services Type**	**Programme type**	**Project Primary Class**	**Current /Proposed project funding (RM)**					
Project number	**Name & Description**				**17/18**	**18/19**	**19/20**	**20/21**	**21/22**	**22/23**
		W:Water S: Sanitation	Water Services WIB: Internal Bulk WRB: Regional Bulk WT: Treatment WWT: Waste Water Treatment WR: Reticulation SS: Sanitation Service H: Housing O: Other	B-Basic H-Higher S-System Improvement	Total	Total	Total	Total	Total	Total

001	Warrenton: Bulk Water Supply in Ikhutseng.	Water Supply	Water Infrastructure Upgrade	S	R10mil	R10mil	R10mil	R10mil	R10mil	R10mil
002	Upgrading of Electricity Infrastructure	Electricity	Upgrade	B	R15 mil	R25mil	R50mil	-	-	-
003	New water network for 1298 low cost housing in Warrenton	Water Reticulation	Water Infrastructure New	B	0	R16 mil	R5mil	-	-	-
004	New sewer network for 1298 low cost housing in Warrenton	Sewer Reticulation	Sanitation infrastructure New	B	0	R18 mil	R5mil	-	-	-
005	Rehabilitation of Land-Fill site	Solid Waste	Upgrade	B	0	R5 mil	R10mil	R15mil	R25mil	-
006	Infill installation of UDS toilets to farm areas including Majeng	Internal Sanitation	Sanitation Infrastructure Upgrade	S	0	R1.5mil	0	R500	R500	-
007	94 Warrenton: Upgrading of Water Purification Plant	Water Treatment Works	Water Infrastructure Upgrade	H	R29 mil	R40 mil	0	-	-	-
008	Implementation of WC/WDM Strategies and cost recovery measures	Water Infrastructure System	Repairs	S	R10mil	R10mil	R10mil	-	-	-
009	539:Warrenton: relocation sewer purification	Internal Sanitation	Sanitation Infrastructure New	H	0	0	R25mil	R25mil	R25mil	R25mil

Description: Detail Housing and Buildings Project Lists		**Services Type**	**Programme type**	**Project Primary Class**	**Current /Proposed project funding (RM)**		
Project number	**Name & Description**				**21/22**	**22/23**	**23/24**
		Building of houses	Construction of infill RDP houses in Warrenton Renovation of Municipal Halls Renovation of Municipal Chambers Renovation of Municipal Library Construction of Multi-purpose centre Maintenance of all Municipal Building facilities	B - Basic H - Higher S - System Improvement	Total	Total	Total
001	Construction of 1000 infill RDP houses in Warrenton	RDP Houses	Housing	B	100 Houses	200 houses	300 houses
002	Renovation of Municipal Halls	Maintenance	Maintenance	S	R300.000	R300 000	R300.000
003	Renovation of Municipal Chambers	Maintenance	Maintenance	S	R250 000	0	0
004	Renovation of Municipal	Maintena	Maintenance	S	R50 000	R50 000	R50 000

	Library	nce					
005	Maintenance of all Municipal Building facilities including spots stadium	Maintenance	Maintenance	S	R350 000	R350 000	R350 000
005	Construction of Library centre in Warrenton	New	New	S	0	R8.0mil	0
006	Construction of Multi-Purpose Centre	New	New	S	0	R8.0mil	0

2.3.3 PROGRAMMES AND PROJECTS THAT WILL SUPPORT THE DELIVERY OF THE SERVICES 2021/2022

BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT								
Strategic focus area	**Strategic objectives**	**Key performance indicators**	**Baseline Status Quo as end 2016/17**	**IDP 5 year targets**				
				Year 1 2017/18	**Year 2 2018/19**	**Year 3 2019/20**	**Year 4 2020/21**	**Year 5 2021/22**
Water	Eradicate backlogs in order to improve access to services and ensure proper operations and maintenance	New water network for 1298 low cost housing in Warrenton	-	-	-	-	-	-
	Eradicate backlogs in order to improve access to services and ensure proper operations and maintenance	New sewer network for 1298 low cost housing in Warrenton	-	-	-	-	-	-
	Eradicate backlogs in order to improve access to services and ensure proper operations and maintenance	Rehabilitation of Land-Fill site	-	-	-	-	-	-
	Eradicate backlogs in order to improve access to services and ensure proper operations and maintenance	Infill installation of UDS toilets to farm areas including Majeng	-	-	-	-	-	-
	Eradicate backlogs in order to improve access to services and ensure proper operations and maintenance	Implementation of WC/WDM Strategies and cost recovery measures	-	-	-	-	-	-

BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT								
Strategic focus area	**Strategic objectives**	**Key performance indicators**	**Baseline Status Quo as end 2016/17**	**IDP 5 year targets**				
				Year 1 2017/18	**Year 2 2018/19**	**Year 3 2019/20**	**Year 4 2020/21**	**Year 5 2021/22**
Water	Eradicate backlogs in order to improve access to services and ensure proper operations and maintenance	Warrenton: Bulk Water Supply in Ikhutseng	-		N12 Crossing	N12 and Vaal River Crossing pipe	Complete the Project	-
Water	Eradicate backlogs in order to improve access to services and ensure proper operations and maintenance	Warrenton: Upgrading of Water Treatment Plant						
Roads and storm water	Eradicate backlogs in order to improve access to services and ensure proper operations and maintenance	Construction of Streets and Storm Water in Ikhutseng	-	-	-	-	-	-
Roads and storm water	Eradicate backlogs in order to improve access to services and ensure proper operations and maintenance	Construction of Streets and Storm Water in Ikhutseng	Construction of 2 roads	2 roads	-	-	-	-
Roads and storm water	Eradicate backlogs in order to improve access to services and ensure proper operations and maintenance	Compilation of the Roads and Storm water Master Plan	1	-	1	1	1	1
Electricity	Eradicate backlogs in order to improve access to services and ensure proper operations and maintenance	Upgrading of Electricity Infrastructure	-	Refurbishment of electrical infrastructure in Warrenton,	Refurbishment of electrical infrastructure in Warrenton,	Refurbishment of electrical infrastructure in Warrenton, Station Area	-	-

BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT								
Strategic focus area	**Strategic objectives**	**Key performance indicators**	**Baseline Status Quo as end 2016/17**	**IDP 5 year targets**				
				Year 1 2017/18	**Year 2 2018/19**	**Year 3 2019/20**	**Year 4 2020/21**	**Year 5 2021/22**
				Station Area and Warrenvale	Station Area and Warrenvale	and Warrenvale		
Sports Facilities	Eradicate backlogs in order to improve access to services and ensure proper operations and maintenance	Upgrading of Warrenton Sports Facilities (Ikhutseng)	-	-	-	Upgrading of Ikhutseng Stadium	Upgrading of Warrenvale Stadium	Upgrading of Station Stadium
		Construction of Magareng Multipurpose Sporting Facility(Cultural Resort)		-	-	Construction of Magareng Multipurpose Sporting Facility	-	-
EPWP	EPWP Labour intensive Programe for Job creation & Poverty Alleviation	Job Creation				1.Pothole Repairs 2.Cleaning of cemeteries and open spaces 3.Vacuum Sewer and Land fill sites		

3. KPA: Municipal Transformation and Institutional Development

3.1 Introduction

The Corporate Services Department is the portal of entry and exit from the Municipality and supports the functions of all the other departments in the Municipality. The Department provides support services and generally ensures that all administrative functions of the Municipality are properly coordinated. The Municipal Systems Act, MSA 2000 S67, requires municipalities to develop and adopt appropriate systems and procedures to ensure fair; efficient; effective; and transparent personnel administration in accordance with the Employment Equity Act 1998. In order to comply with the prescripts of the Municipal Systems Act No. 32 of 2000 the following strategic interventions, amongst others, have been invoked to ensure fair; efficient; effective; and transparent personnel administration.

Establishment of the Local Labour Forum (where Management and Organized Labour engage vigorously on matters relating to Conditions of Employment for employees), which is fully functional irrespective of the teething challenges, experienced. A number of workforce policies that forms part of the Human Resources Strategy were compiled and reviewed during the period under review and are to be tabled for adoption by Council after the Council members are work shopped on the policies. The policies will provide Management with strategic decision making and meeting the organization's strategic objectives.

3.2 CORPORATE SERVICES

This section is responsible for the smooth and efficient operation of Councils processes such as: Committee/Secretariat Services (the section is responsible for the compilation of agendas, minutes, reports, etc. of Council, ExCo, Portfolio Committees and ad-hoc committees), Registry and Records (the section that keeps and maintains all records of Council, both physical and electronic records), Councilor Support (the section that provides support services to Councillors),Delivery Services (the section that is responsible for the internal and external delivery and distribution of councils' communication material, be it agendas, reports, letters, notifications, etc.), Printing and Photocopy Services(the section that is responsible for the reproduction of all communication material), Fleet Control (The section is responsible for the internal control and allocation of Councils fleet vehicles and

Building Control(the section responsible for the upkeep and maintenance of council's buildings.

3.3 HUMAN RESOURCES MANAGEMENT SERVICES

Recruitment and Selection (This section is responsible for the recruitment and selection of staff. The achievement of the Employment Equity Plan of the organization is coordinated by this section.), Skills Development and Training (This section formulates the WSP and equips staff with the necessary skills to meet the demands of their jobs. The section also coordinates the formulation of the annual Skills Audit, compiles and submits the Workplace Skills Report. All training and development events, including Bursaries, Learnerships, and Learning Programs are handled by this section, as is all contact and liaison with external Providers.

Human Resource Administration; this section provides a service to its internal customers and assists with issues such as benefits, leave, allowances, subsidies, etc. That Section also ensures that all Human Resources Policies and Procedures are updated from time to time to ensure compliance with existing legislation and HR best practice. Occupational Health and Safety; this section monitors compliance with legislation and ensures that measures for a safe and healthy environment for employees are in place. It focuses on implementing corrective measures to eliminate hazards in the workplace, Employee Assistance; this program takes care of the emotional, physical, psychological, wellbeing of employees. It is a program that assists employees to deal with problems whether it is experienced at work or at home.

3.4 INFORMATION TECHNOLOGY

This section provides the IT infrastructure and systems to help the organization realize its goals and objectives by aligning IT services with the Integrated Development Plan. The Key Performance Areas includes: Email, Internet, Intranet and Document Management Services (DMS), Help-desk services, Provision of software and hardware, Disaster Recovery Systems and IT strategy and Master Systems Plan (MSP).

3.5 CORE RESPONSIBILITIES

The Corporate Services is the portal of entry and exit from the Municipality and supports the functions of all the other departments in the Municipality. The Department provides support services and generally ensures that all administrative functions of the Municipality are properly coordinated.

3.6 LEGAL SERVICES

The Legal Service's main purpose is to provide a professional legal advice and assistance service to the municipality to ensure the proper protection of the municipality's interests and compliance with its obligations.

Principles, Aims and Objectives:

- The provision of legal advice and assistance to the Council and the administration of the municipality to ensure the proper protection of the municipality's interests, and compliance by the municipality with its legal obligations and responsibilities.
- Compilation and promulgation of new and amendments to existing by-laws of the municipality to ensure that the municipality's by-laws cover all activities and areas that need regulation, are constantly reviewed and updated and properly.
- The establishment, implementation, updating and circulation of a Municipal Code containing all promulgated by-laws of the municipality to ensure the proper recording and availability of Council's by-laws.
- Handling of the litigation process for criminal or civil cases in which the municipality, councillors or officials may become involved in their official capacity to ensure that the municipality's interests are properly protected.
- Maintenance of a legal library to ensure that up to date and the latest legal information is available at any time.

3.7 LOCAL LABOUR FORUM

Municipalities are required to establish Local Labour Forum (where Management and Organized Labour engage vigorously on matters relating to Conditions of Employment for employees). Magareng Local Municipality's LLF is established and is fully functional.

3.8 REGISTRY

Registry office is responsible for controlling all channels of communication which also enables an organization to perform its functions properly. The Registry office keeps all the records developed and/or received by the Municipality. The registry policy serve as a guiding tool to all officials entrusted with the responsibility of creating correspondences within the institution. The manual is used to outline the correct procedure regarding treatment of incoming and outgoing correspondence. Like other resources of people, machinery and equipment, Magareng Local Municipality places a high regard for its information resource.

3.9 OCCUPATIONAL HEALTH AND SAFETY

To establish a uniform Health and Safety policy within Magareng Local Municipality that will be accomplished by complying with Legislation and Magareng Local Municipality resolutions pertaining to health and safety of people.

To ensure consistency with compliance to all related legislative provisions:

To provide and maintain a working environment that is without risk to the health and safety of its employees.

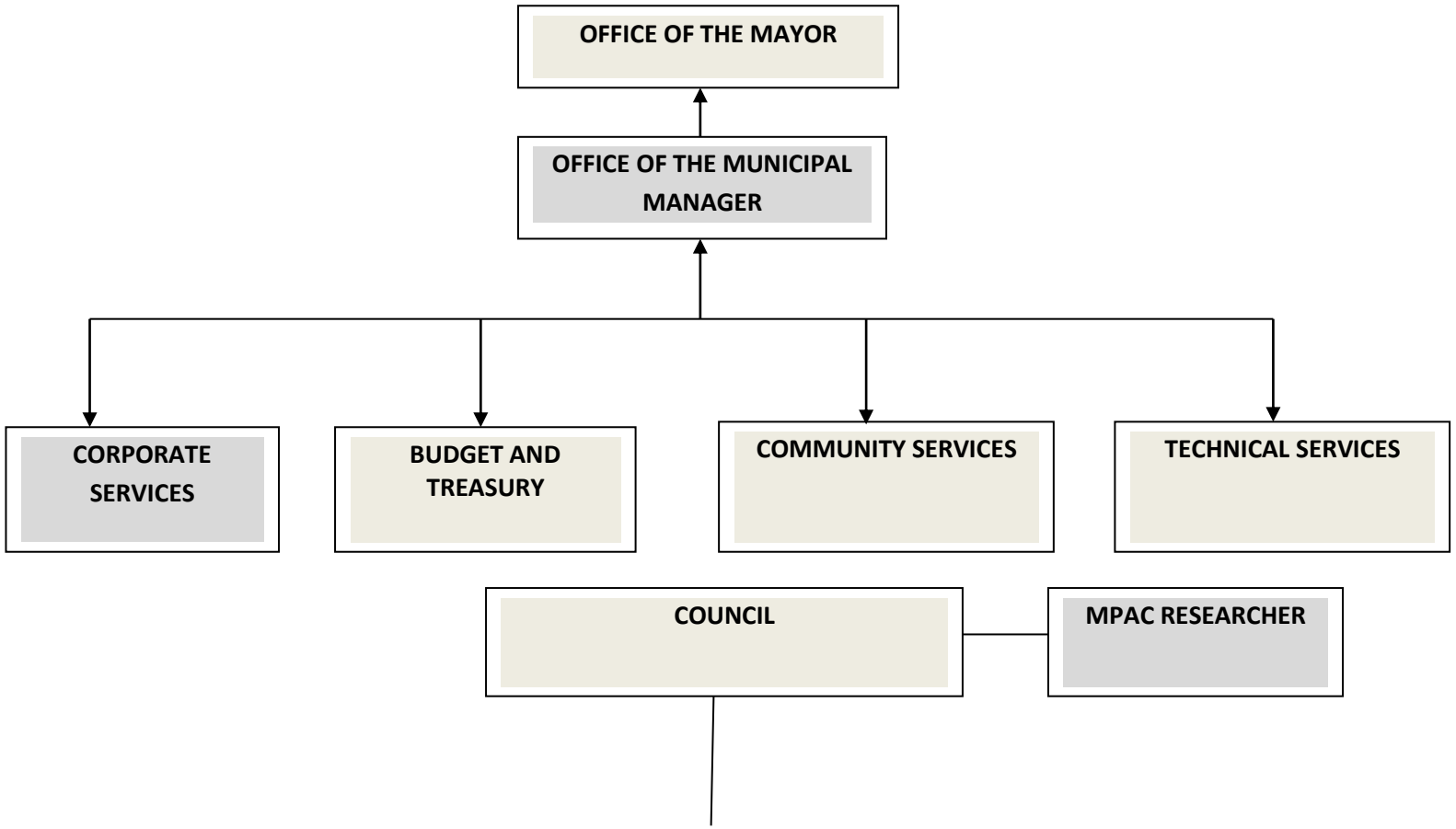
To create a general health and safety awareness by motivating employees against the risk pertaining to their health and safety, their basic rights and obligations relating to the Occupational Health and Safety Act and the Compensation for Injuries and Diseases Act.

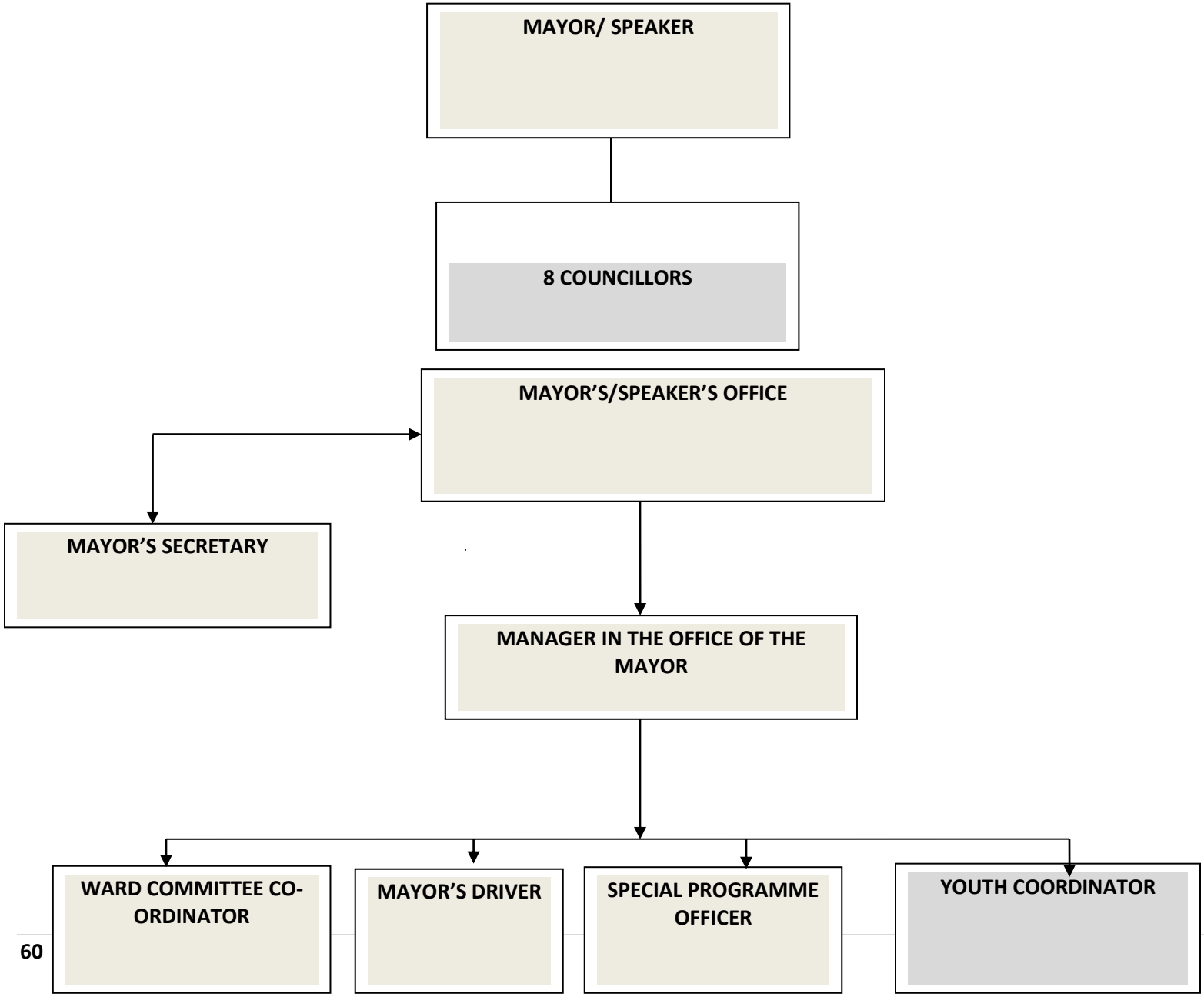
To strive to eliminate or minimise injuries and incidents, to protect municipal assets and employees through effective investigations and preventative measures.

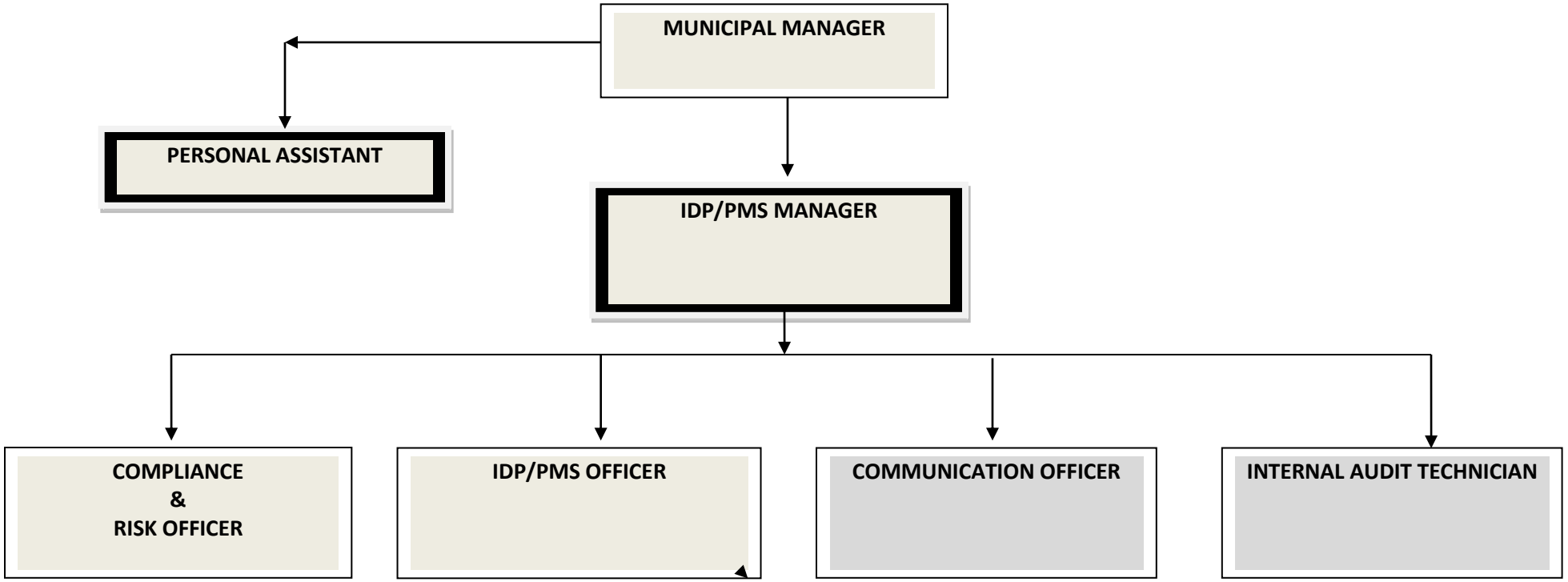
3.10 COUNCIL SUPPORT SERVICES

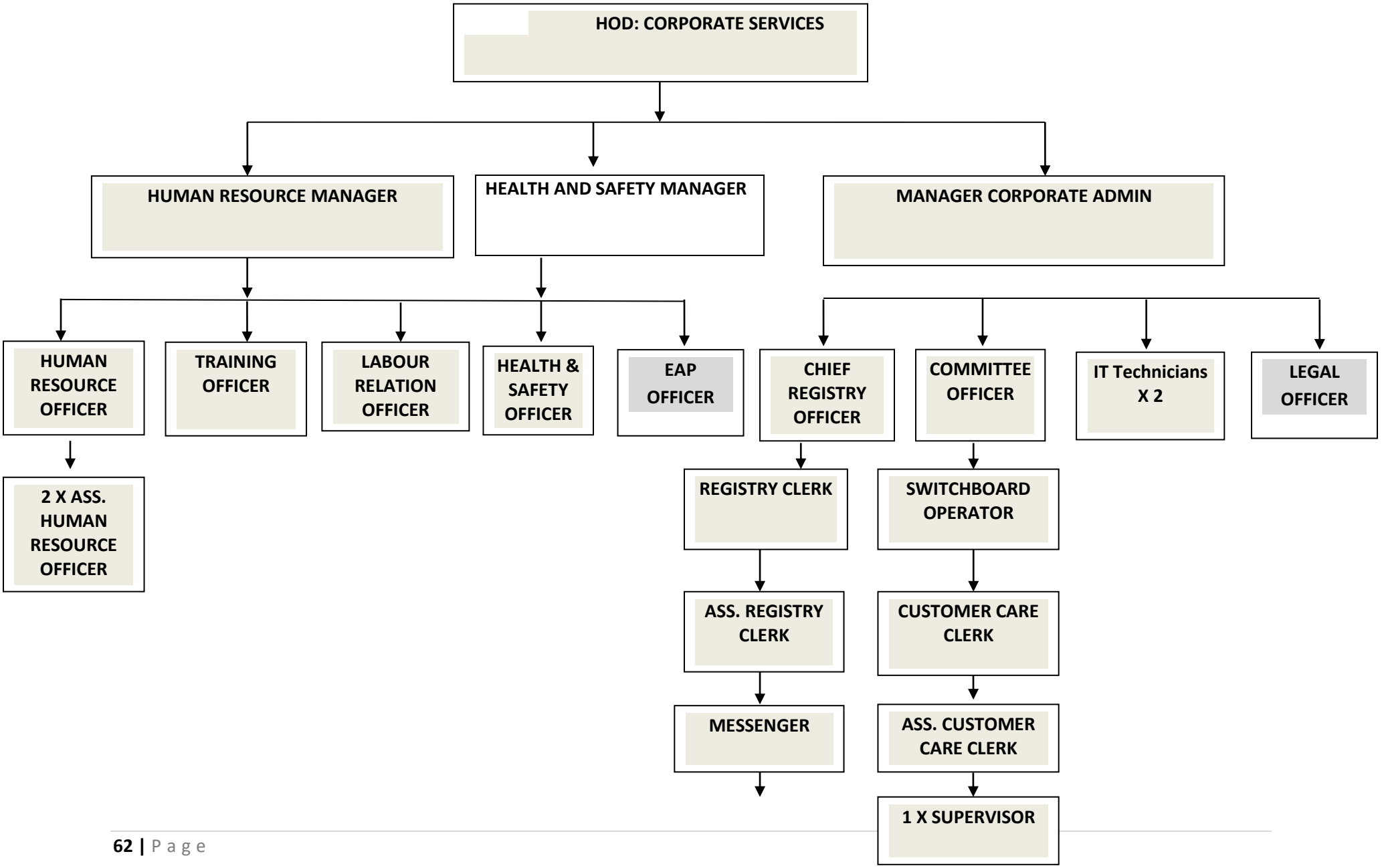
To achieve service excellence in rendering and managing a comprehensive, effective and professional secretariat support service to Management, Council and its committees.

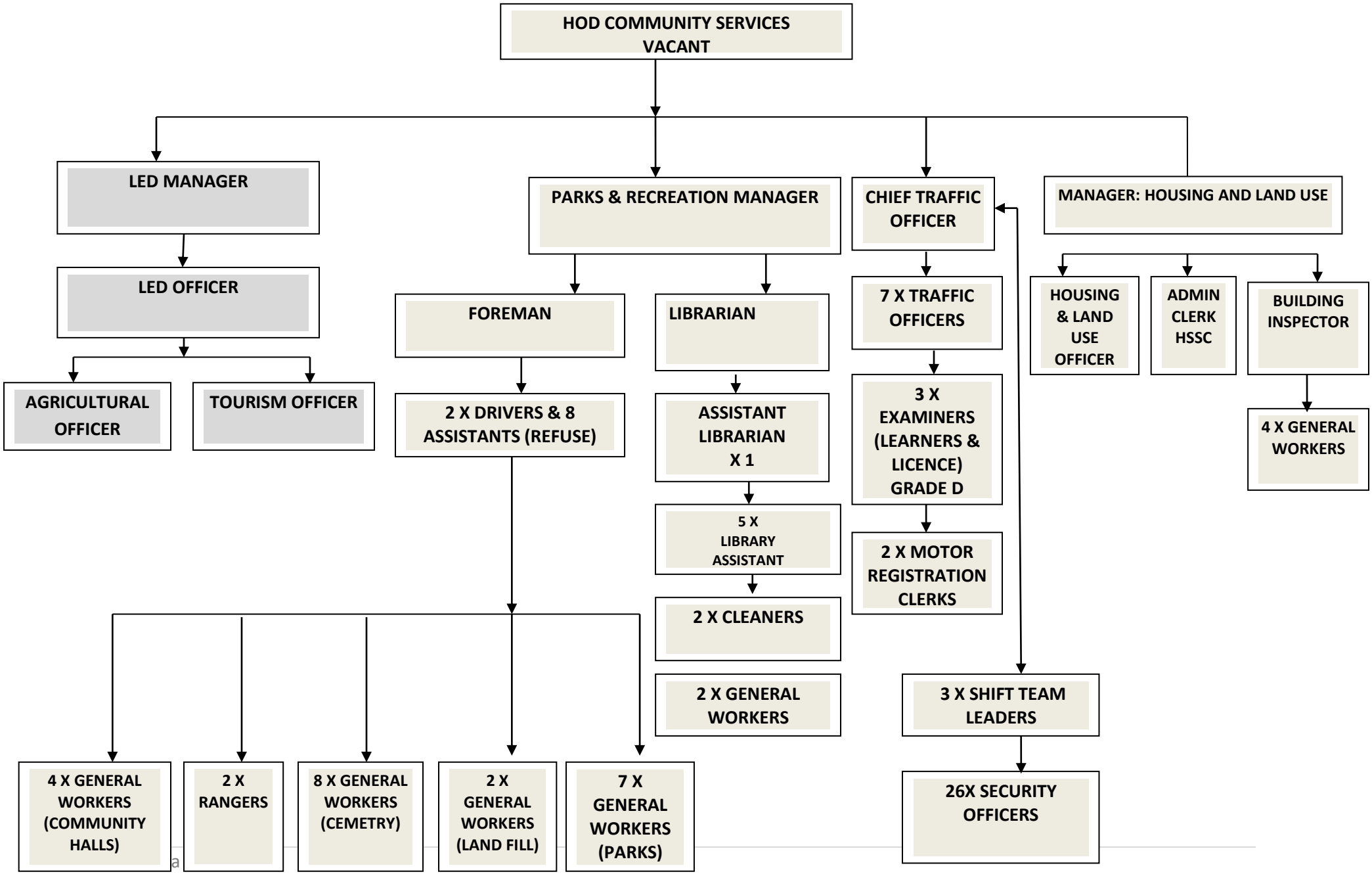
3.11 Organisational Structure

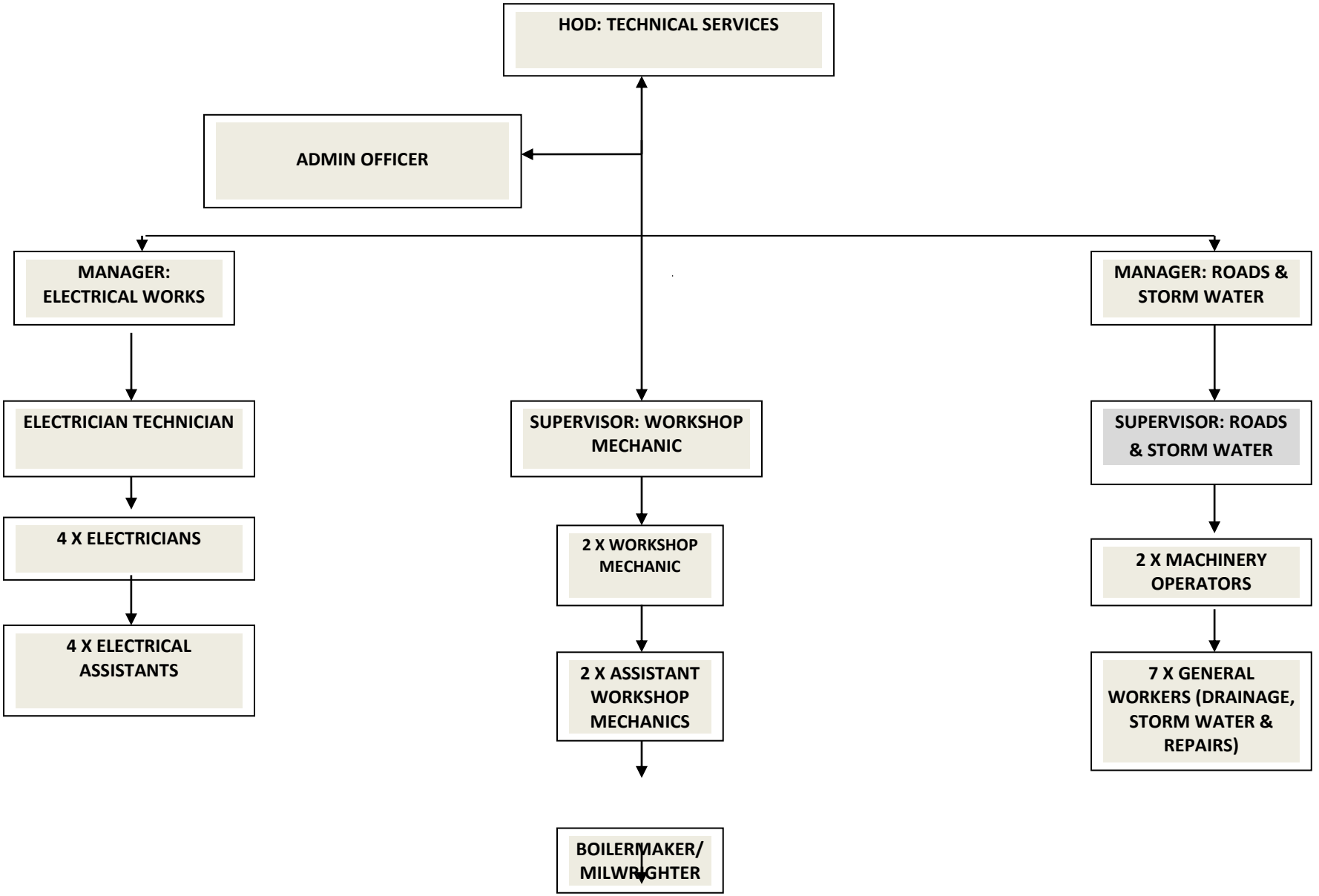


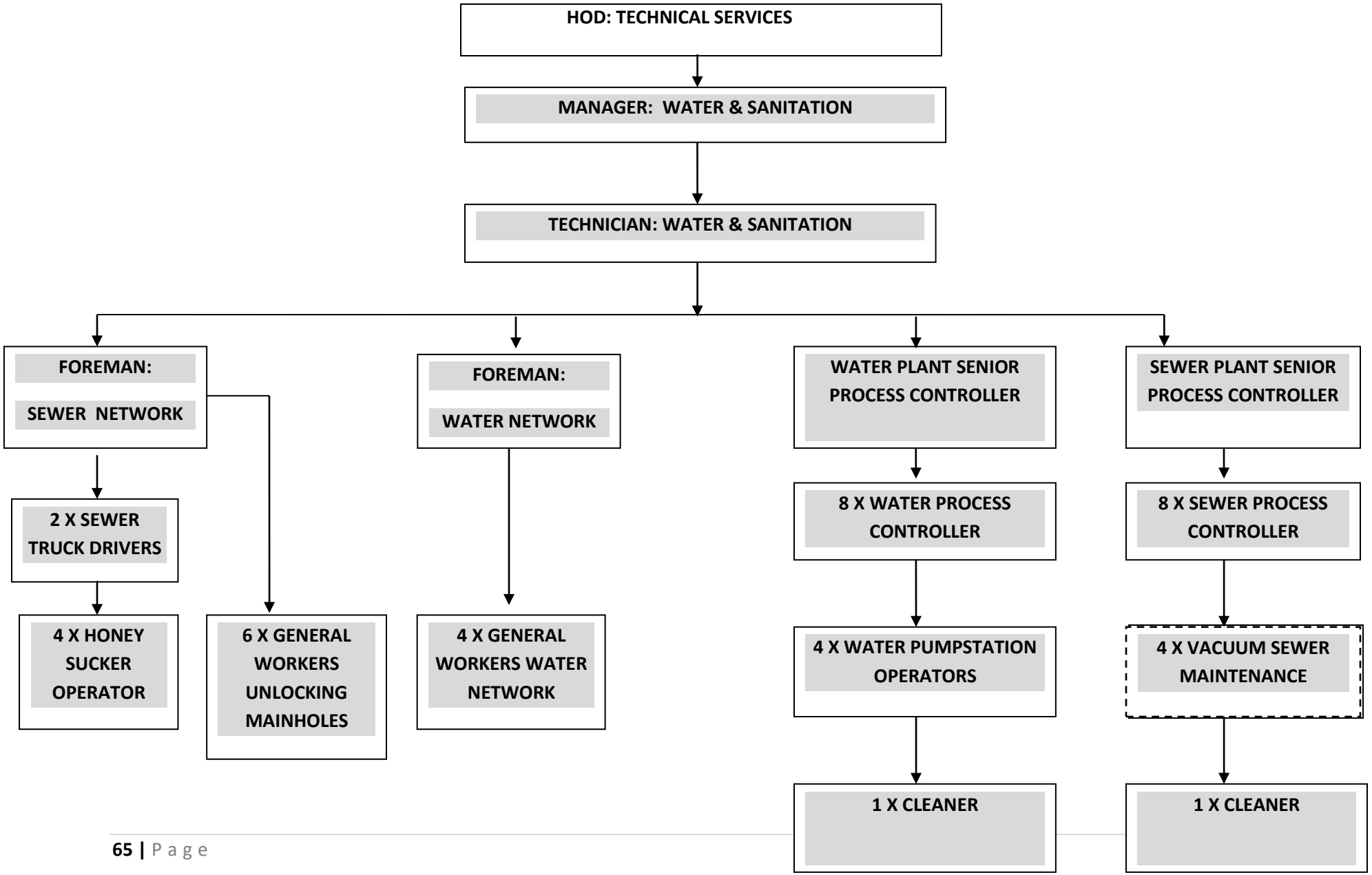

MAYOR/ SPEAKER
8 COUNCILLORS
MAYOR'S/SPEAKER'S OFFICE
MAYOR'S SECRETARY
MANAGER IN THE OFFICE OF THE MAYOR
WARD COMMITTEE CO-ORDINATOR
MAYOR'S DRIVER
SPECIAL PROGRAMME OFFICER
YOUTH COORDINATOR

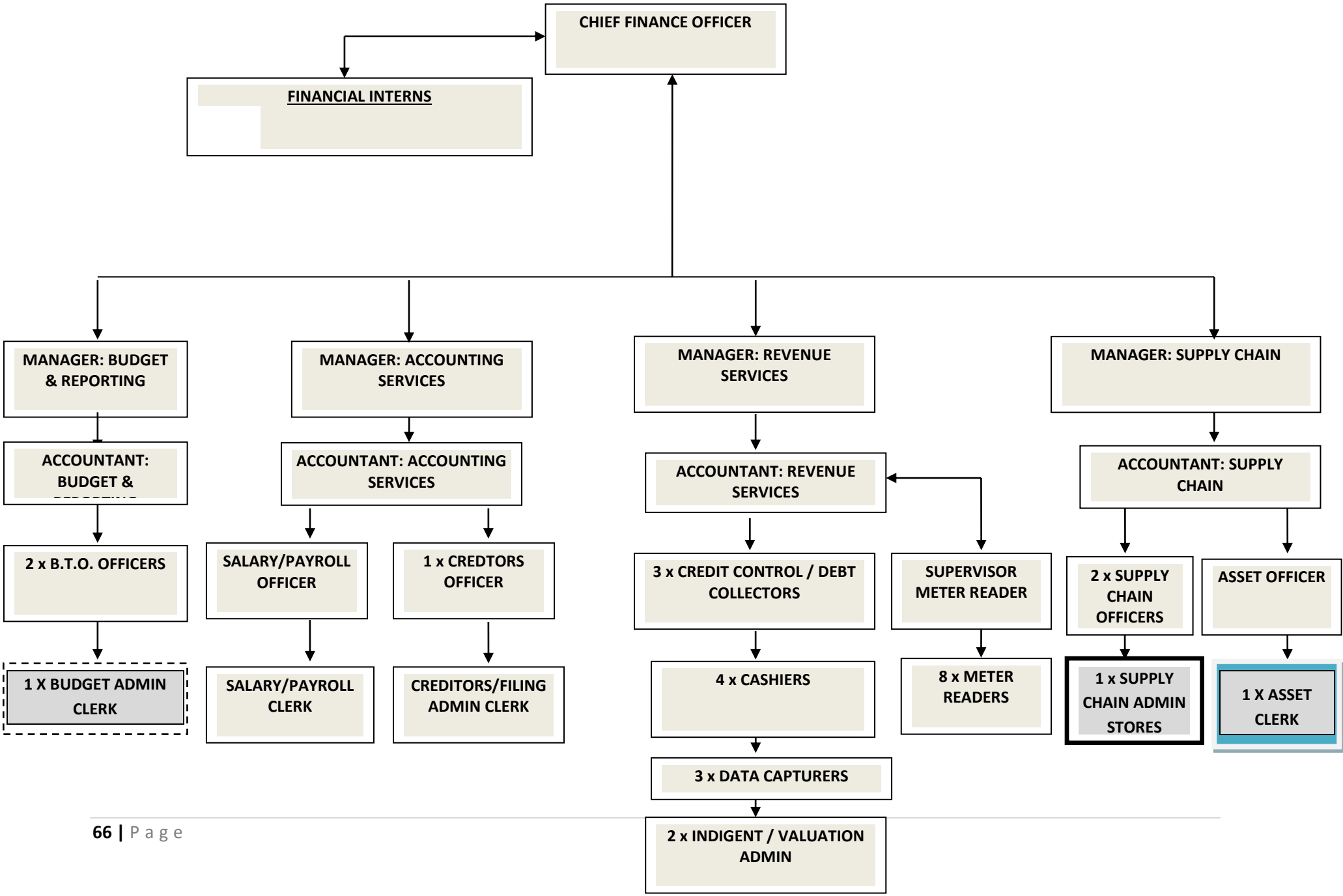

MUNICIPAL MANAGER
PERSONAL ASSISTANT
IDP/PMS MANAGER
COMPLIANCE
&
RISK OFFICER
IDP/PMS OFFICER
COMMUNICATION OFFICER
INTERNAL AUDIT TECHNICIAN


HOD: CORPORATE SERVICES
HUMAN RESOURCE MANAGER
HEALTH AND SAFETY MANAGER
MANAGER CORPORATE ADMIN
HUMAN RESOURCE OFFICER
TRAINING OFFICER
LABOUR RELATION OFFICER
HEALTH & SAFETY OFFICER
EAP OFFICER
CHIEF REGISTRY OFFICER
COMMITTEE OFFICER
IT Technicians X 2
LEGAL OFFICER
2 X ASS. HUMAN RESOURCE OFFICER
REGISTRY CLERK
SWITCHBOARD OPERATOR
ASS. REGISTRY CLERK
CUSTOMER CARE CLERK
MESSENGER
ASS. CUSTOMER CARE CLERK
1 X SUPERVISOR


HOD COMMUNITY SERVICES
VACANT
LED MANAGER
LED OFFICER
AGRICULTURAL OFFICER
TOURISM OFFICER
PARKS & RECREATION MANAGER
FOREMAN
2 X DRIVERS & 8 ASSISTANTS (REFUSE)
4 X GENERAL WORKERS (COMMUNITY HALLS)
2 X RANGERS
8 X GENERAL WORKERS (CEMETRY)
2 X GENERAL WORKERS (LAND FILL)
7 X GENERAL WORKERS (PARKS)
LIBRARIAN
ASSISTANT LIBRARIAN X 1
5 X LIBRARY ASSISTANT
2 X CLEANERS
2 X GENERAL WORKERS
CHIEF TRAFFIC OFFICER
7 X TRAFFIC OFFICERS
3 X EXAMINERS (LEARNERS & LICENCE) GRADE D
2 X MOTOR REGISTRATION CLERKS
3 X SHIFT TEAM LEADERS
26X SECURITY OFFICERS
MANAGER: HOUSING AND LAND USE
HOUSING & LAND USE OFFICER
ADMIN CLERK HSSC
BUILDING INSPECTOR
4 X GENERAL WORKERS


HOD: TECHNICAL SERVICES
ADMIN OFFICER
MANAGER: ELECTRICAL WORKS
ELECTRICIAN TECHNICIAN
4 X ELECTRICIANS
4 X ELECTRICAL ASSISTANTS
SUPERVISOR: WORKSHOP MECHANIC
2 X WORKSHOP MECHANIC
2 X ASSISTANT WORKSHOP MECHANICS
BOILERMAKER/ MILWRIGHTER
MANAGER: ROADS & STORM WATER
SUPERVISOR: ROADS & STORM WATER
2 X MACHINERY OPERATORS
7 X GENERAL WORKERS (DRAINAGE, STORM WATER & REPAIRS)


HOD: TECHNICAL SERVICES
MANAGER: WATER & SANITATION
TECHNICIAN: WATER & SANITATION
FOREMAN:
SEWER NETWORK
2 X SEWER TRUCK DRIVERS
4 X HONEY SUCKER OPERATOR
6 X GENERAL WORKERS UNLOCKING MAINHOLES
FOREMAN:
WATER NETWORK
4 X GENERAL WORKERS WATER NETWORK
WATER PLANT SENIOR PROCESS CONTROLLER
8 X WATER PROCESS CONTROLLER
4 X WATER PUMPSTATION OPERATORS
1 X CLEANER
SEWER PLANT SENIOR PROCESS CONTROLLER
8 X SEWER PROCESS CONTROLLER
4 X VACUUM SEWER MAINTENANCE
1 X CLEANER


CHIEF FINANCE OFFICER
FINANCIAL INTERNS
MANAGER: BUDGET & REPORTING
MANAGER: ACCOUNTING SERVICES
MANAGER: REVENUE SERVICES
MANAGER: SUPPLY CHAIN
ACCOUNTANT: BUDGET &
ACCOUNTANT: ACCOUNTING SERVICES
ACCOUNTANT: REVENUE SERVICES
ACCOUNTANT: SUPPLY CHAIN
2 x B.T.O. OFFICERS
SALARY/PAYROLL OFFICER
1 x CREDTORS OFFICER
3 x CREDIT CONTROL / DEBT COLLECTORS
SUPERVISOR METER READER
2 x SUPPLY CHAIN OFFICERS
ASSET OFFICER
1 X BUDGET ADMIN CLERK
SALARY/PAYROLL CLERK
CREDITORS/FILING ADMIN CLERK
4 x CASHIERS
8 x METER READERS
1 x SUPPLY CHAIN ADMIN STORES
1 X ASSET CLERK
3 x DATA CAPTURERS
2 x INDIGENT / VALUATION ADMIN

HUMAN RESOURCE IMPLEMENTATION PLAN FOR THE FINANCIAL YEAR 2021/2022								
KPA \ Planned Activities	**KPI \ Outcomes \ Measures (how will success be measured)**	**Baseline**	**Start**	**End**	**Responsible Person**	**Evidence**	**Resources**	**M & E Date of submission of progress report**
HR Strategic Goal 1: Strategic Alignment /								
Expand human resources efforts into a comprehensive programme that includes human resources planning, collaboration with line management and accountability for human resources operations.	Documented evidence of a HRM & HRD Strategy and Implementation Plan that includes goals and strategies	None	01 July 2021	30 June 2022	Manager: HR	HRM & HRD Strategy and Implementation Plan.	Line Management Human Capital	Quarterly Management Reports
Annual alignment of the organisational structure to the newly reviewed IDP and SDBIPs.	Documented Organisational Structure aligned to the IDP	20120 Structure	01 July 2021	30 June 2022	Manager: HR	Organisational Structure aligned to the IDP	Finance Human Capital	Quarterly Management Reports
HR Strategic Goal 2: Effective Human Resource Planning								
Effectively identify, attract and retain the best talent to	Recruitment & Retention Strategy, Policy	Recruitment and Selection Policy	01 July 2021	30 June 2022 (Ongoing)	Manager: HR Line Managers	Copies of Employment Contracts	Finance Human Capital	Quarterly Management Reports

help the municipality meet its IDP objectives								
Develop standardised job descriptions for all positions to be used as a basis for recruitment and career pathing	Documented Job Descriptions	Existing Job Descriptions	01 July 2021	30 June 2022 (Ongoing)	Manager: HR	Job Descriptions submitted	HC Line Management	Quarterly Management Reports
Conduct Skills Audit and Identify scarce and critical skills	Skills Audit Report and Register of scarce and critical skills	Skills Audit Report	01 July 2021	30 April 2022	Manager: HR	Skills Audit Report and	Finance	Quarterly Management Reports
HR Strategic Goal 3: Organisational Development								
Conduct exit surveys \ interviews to identify reasons for attrition and use the information to enhance or improve employee experience of the municipality	Documented proof of conducted exit interviews	Existing Exit Interview Tool	01 July 2021	30 June 2022(Ongoing)	Manager: HR	Report on conducted exit interviews	Line Management	Quarterly Management Report
HR Strategic Goal 4: Build and Sustain a Capable, Diverse, Well-Trained, Workforce And Enhance Retention Through Learning and Professional Development Opportunities								

Conduct an annual training needs assessment to ensure training is designed to improve organisational and individual performance.	WSP	WSP& Annual Training Report, Needs Analysis Tool	01 July 2021	30 June 2022	Manager: HR	WSP& Annual Training Report,	Line Management Finance	Quarterly Management Reports
Identify employees who need ABET up-skilling and implement relevant actions	Individual Development Plans	Existing Training Plan	01 January 2021	30 June 2022	Manager: HR	Individual Development Plans	Finance Human Capital	Quarterly Reports
HR Strategic Goal 5: Inculcate A Results-Oriented High Performance Culture								
Develop performance management Plan for the Municipal Manager and Managers Directly reporting to the Municipal Manager	Approved Performance Management Plans for the Municipality	Organisational PMS	01 July 2021	30 June 2022	Manager: HR Manager: IDP/PMS	Individual Performance Management Plans	Finance HC	Quarterly Management Reports

Monitoring of Performance Reports	Quarterly Performance Reports	Organisational PMS	01 July 2021	30 June 2022 (Ongoing)	Manager : HR Manager : IDP/PMS	Reports on Performance	Finance	
HR Strategic Goal 6: Reward and Recognise Performance								
Establish a Recognition and Reward Programme with both financial and non-financial incentives	Recognition and Reward Strategy & Policy	Long Service Awards	01 July 2021	30 June 2022 (Ongoing)	Manager: HR	Payment of Long Service Bonus	Finance HC	Quarterly Management Report
HR Strategic Goal 7: Sound Employee Relations & Human Resources Governance								
Conduct a review of HR Policies and Processes as and when required, ensuring alignment to legislative requirements and best practice	Documented Policies, Processes and Procedures aligned to best practice and compliant to prevailing legislation	Current Policies	01 July 2021	30 June 2022 (Ongoing)	Manager: HR	Reviewed Policies,	Human Capital	Quarterly Management Report
Capacitate line	Increased	Training	01 July	30 June 2022	Manager: HR	Attendance	Finance	Quarterly

management \supervisors through coaching and continuous training on grievances and disciplinary matters so that these are used as corrective and not punitive measures	number of effective dispute handling cases	conducted	2021			Registers,	HC	Management Report
HR Strategic Goal 8: Comprehensive Employee Wellness Programme								
Develop Employee Wellness Programmes	Documented Employee Wellness Programmes	None	01 July 2021	30 June 2022	Manager: HR	Programme Submitted	Finance	Quarterly Management Report
Develop a Covid 19 Implementation Strategy	Documented Strategy on Covid 19	None	01 July 2021	30 June 2022	All HOD`s All Managers	Approved Strategy	Finance	Quarterly Management Reports

MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT 2021/2022.

KPA 2 : Municipal Transformation and Organisational Development								
Strategic focus area	**Strategic objectives**	**Key performance indicators**	**Baseline**	**IDP 5 year targets**				
				Year 1 2017/18	**Year 2 2018/19**	**Year 3 2019/20**	**Year 4 2020/21**	**Year 5 2021/22**
Employment Equity (Recruitment)	Provide for an accountable clean effective governance and organisational development	Number of people from EE target groups employed in the three highest levels of management in accordance with approved Municipal Employment Equity Plan by end March 2019	1	2	1	2	2	3
Employment Equity	Provide for an accountable clean effective governance and organisational development	Progress report on EE submitted to DoL by 15 January 2019	1	1	1	1	1	1
Labour relations matters	Provide for an accountable clean effective governance and organisational development	Number of quarterly LLF meetings facilitated by end June 2019	4	4	4	4	4	4
Training & Development	Provide for an accountable clean effective governance and organisational development	No. of training programmes on officials and councillors implemented by end June 2019	150	10	19	50	50	50

4. KPA: LOCAL ECONOMIC DEVELOPMENT

4.1 Introduction.

Local Economic Development(LED) is an approach towards economic development which allows and encourages local people to work together to achieve sustainable economic growth and development thereby bringing economic benefits and improved quality of life for all residents in a local municipal area. As a programme, LED is intended to maximize the economic potential of the municipality and to enhance the resilience of the macro-economic growth through increased local growth, employment creation and development initiatives within the context of sustainable. The "local" in economic development points to the fact that the political jurisdiction at a local level is often the most appropriate place for economic intervention as it carries alongside it the accountability and legitimacy of a democratically elected body.

Local economic development (LED) is seen as one of the most important ways of decreasing poverty. Local economic development must aim to create jobs by making the local economy grow. This means that more businesses and factories should be started in the municipal area. As part of the IDP, key stakeholders in a municipality must come together to reach agreement and take decisions to make the economy grow and create income opportunities for more people, especially the poor.

National government makes policy and provides funds, research and other support for local economic development. Municipalities decide on LED strategies and the process of arriving at a LED strategy must be part of the Integrated Development Planning (IDP) process.

The LED strategies should be based on the overall vision outlined in the IDP and should take into account the result of the analysis done to identify problems and prioritise development projects. It should also look at things like integrating our residential and work areas, building development corridors between areas and supporting the economy with good public transport.

National and Provincial government provides support for municipalities in developing local economic strategies.

The Department of Provincial and Local Government has identified the following as key principles underlying LED:

- Poverty and unemployment are the main challenges facing South Africa. LED strategies must prioritise job creation and poverty alleviation.
- LED must target previously disadvantaged people, marginalised communities and geographical regions, black economic empowerment enterprises and SMMEs to allow them to participate fully in the economic life of the country.
- There is no single approach to LED. Each locality may develop an approach that is best suited to its local context.
- LED promotes local ownership, community involvement, local leadership and joint decision making.
- LED involves local, national, and international partnerships between communities, businesses and government to solve problems, create joint business ventures and build local areas.
- LED uses local resources and skills and maximizes opportunities for development.
- LED involves the integration of diverse economic initiatives in an all-inclusive approach to local development.
- LED relies on flexible approaches to respond to changing circumstances at local, national and international level.

4.2 Background

Magareng Local Municipality was identified as one of the Municipalities to be assisted with their Local Economic Development (LED) component by the Department of Economic Development. The methodology used in identification and selection of municipalities for assistance is: assessing the status of the LED through the Section 47, LED maturity Assessments of the Local Municipality and LED/IDP analysis.

The inclusion of the LED component in the IDP and the drivers or stakeholders who form part of the strategy is the final step in the alignment of the IDP with LED priorities.

4.3 LED Goals

"Poverty relief through effective basic service delivery and job creation, SMME development and tourism promotion. Form linkages in order to facilitate skills development, promote business and investment attraction and retention, assist with economic interventions in sector development (agricultural, mining, manufacturing, tourism, transport, trade and electricity)."

4. 4 Magareng Local Municipality LED Analysis and Profile

4.4.1 LED Definition

"Local Economic Development (LED) is an outcome: It is a continuous development process basedon local initiatives and driven by local stakeholders. It involves identifying and using local resources and skills to stimulate economic growth and development. Source: "Northern Cape Local Economic Development Manual (NCLEDM).

LED is about communities continually improving their investment climate and business enabling environment to enhance their competitiveness, retain jobs and improve incomes. Local communities respond to their LED needs in many ways, and a variety of approaches can be taken that include:

- Ensuringthatthelocalinvestmentclimateisfunctionalforlocalbusinesses;
- Supporting small and medium sized enterprises;
- Encouraging the formation of new enterprises;

Attracting external investment (nationally and internationally);

- Investing in physical (hard) infrastructure;
- Investing in soft infrastructure (educational and workforce development, institutional support systems and regulatory issues);
- Supporting the growth of particular clusters of businesses;
- Targeting particular parts of the city/town/region for regeneration or growth (areas based initiatives);
- Supporting informal and newly emerging businesses;
- Targeting certain disadvantaged groups.

4.4.2 LED Mandate

The legislation of Local Economic Development is based on the strategic frameworks outlined below:

"A municipality must structure and manage administration, budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of a community."(South African Constitution 1996).

Local economic development must be planned for, implemented and monitored within the context of the national, provincial, local government policy and LED planning framework. Legislation and policy provide a legal framework and therefore LED must be planned for within this legal framework. Legislation that impacts directly on LED planning includes (but is not limited to):

- Municipal Structures Act (No. 117 of1998)
- Municipal Systems Act (No. 32 of2000)
- Municipal Finance Management Act (No. 56 of2003)

In addition to legislation, the impact of important planning policies on a local municipal LED must be considered:

- ✓ NDP & NGP, PICC
- ✓ IPAP
- ✓ PGDS, DGDS, PSDF,DSDF,LSDF,SPLUMA,PLEDS,DLEDS,LLEDS

4.5 National LED Framework

The National Framework for Local Economic Development in South Africa was launched in 2014, and the main thrust of the framework is to promote a strategic approach to the effective and efficient development of local economies in order to foster job-creation and reduce poverty levels through the integration of different government policies and programs. Key is leveraging private sector commitment and spending on localities, concretizing partnerships and program coordination that will significantly contribute to shared growth initiatives as advocated through the National Development Plan (NDP), Industrial Policy Action Plan (IPAP), Northern Cape Provincial Growth and Development

Strategy (PGDS) and other government policies aimed at ensuring economic growth and transformation.

The LED policy framework therefore focuses on the following LED Policy Pillars/Thrusts:

- Building a Diverse Economic Base:
- Sectoral development (Manufacturing, Agriculture, Tourism, Green Economy, etc.)
- Metropolitan Economic Development
- Regional Economic Development
- Regional Industrial Development Programme
- Industrial Cluster Development Programme
- Developing Learning and Skillful Local Economies:
- Tackling basic skill Gap
- Developing workforce skills
- Developing an Enterprise and Entrepreneurship Culture
- Developing Leadership and Management Skills

4.6 Legal Status

Section 152 (1) (c) of the Constitution of the Republic of South Africa of 1996 states one of the objects of Local Government as "to promote social and economic development." Furthermore Section 153 (a) states that a Municipality must "structure and manage its administration and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community."

Municipal Systems Act, 2000, Section 26 (c) states that an Integrated Development Plan (IDP) must reflect the council's development priorities and objectives for its elected term, including its local economic development aims and its internal transformation needs;

Local Economic Development is one of the five Key Performance Areas (KPAs) for Local Government. As a key performance area, LED as an outcome, is strongly interrelated and dependent on the other four KPAs. These include: Municipal Transformation and Organizational Development, Basic Service Delivery, Municipal Financial Viability and Management, and Good Governance and Public Participation.

Local Economic Development is the creation of a platform and environment in order to engage stakeholders to implement municipal strategies and programmes for economic development.

It's a process whereby all economic forces in a municipality are brought on board to identify resources, understand needs and plan the best way of making the local economy fully functional and competitively productive.

4.7 ECONOMIC OVERVIEW

According to Statistics South Africa Census 2011, Magareng Local Municipality has a total Population of 20 204. The Gross Domestic Product for this Municipality is R808 Million, with the Primary Sector contributing 17%, Secondary Sector 8% and the Tertiary Sector contributing 75% to GDP. In relation to Industry, Agriculture and Mining combined contribute 16,86% to GDP; General Government contributes 16,34 %; Community, social and personal services contributes 11.09%; Business services 11,61%; Finance and Insurance 9,34%; Wholesale and Retail trade 13,59%. The picture that these statistics paint is that the economy of Magareng Local Municipality is large reliant on the Tertiary Sector and that there is virtually no manufacturing activities. Magareng has seen an economic growth rate of 1,08% over a period of 10 years.

There are a total of 6 239 Economically Active people in Magareng of which 41% of them are unemployed. In relation to youth unemployment (15 – 39 years), 49% are unemployed. The Educational levels of Magareng Local Municipality as described in the Situational Analysis at the beginning of this document are of great concern. Magareng LM needs to focus on manufacturing activities to stimulate job creation and further capitalize on downward and upward streams or value chains of leading sectors. However, pursuing this strategic objective with the current educational levels; the Municipality will be unable to sustain this development objective due to lack of skills.

4.8 LED Strategy

The Magareng Local Municipality has LED Strategy in place. The LED Strategy was adopted by the council in 2017. The strategy outline how the municipality will implement the LED plans to attract investors. The Frances Baard District Municipality played a vital role in drafting of the strategy.

The objective being to:

- Crystallize the Local Economic Vision;
- Identify our competitive advantage
- Create value chain in our leading Economic Sectors;
- Have implementable LED Programmes and Projects with clear outcomes;

LED Pillar Application

Pillar	Description	Activity	Opportunity
Building Diverse Base	Sectorial Development. Regional economic development, Regional industrial development, Industrial cluster development.	Agri Parks. Agriculture and Agro processing, Small scale Mining and Transport.	Fresh produce cluster – Agro processing Transport node with Linkages
Developing learning skilful economy	Developing an entrepreneurial Developing leadership management skills	Entrepreneurial Development and	SMME workshops and training, LED capacity building.
Developing Inclusive Economies	Township economic development, EPWP Informal economy	Community services Rural Development, Township revitalisation programs.	EPWP programs. Develop informal strategy.
Enterprise	SMMEs and	Retail and SMMEs.	SMME development

4.9 TOURISM

When the Frances Baard District Municipality developed its tourism strategy in 2009, there was mutual cooperation with the Magareng LM. Its purpose being to optimally co-ordinate, manage and develop the District's tourism sector as a vibrant tourism destination that facilitates sustainable economic growth, environment and social benefit within the district.

Given its strategic location along the river, two National Roads, and a railway line all connecting Magareng Local Municipality with areas in different directions; this Municipality has a comparative advantage in Tourism as far as transportation and the natural resource is concerned. Route development is another tourism activity that the Municipality aims to capitalize upon; these are the N12 Treasure Route and the N18 Route Development that Frances Baard District Municipality is currently busy with in collaboration with Magareng and Phokwane LM's.

The organization of Tourism role players within the locale is of importance to positioning Magareng Local Municipality as tourist destination and driving tourism programmes and projects in partnership with the Municipality, hence the efforts to establish a Tourism Association for Magareng Local Municipality.

4.10 Agriculture

Magareng Local Municipality has been identified as a prime location for the Agri-hub component of the Agri-Park. This facility or development will be characterized by Construction of storage/warehousing facilities; Agri-processing facilities; packaging facilities; logistics hubs; Agri-cultural technology demonstration parks; accommodation for extension support training; housing and recreational facilities for labourers.

This is an ideal opportunity for the Municipality to be able to capitalize on these resources to develop local Small Scale Farmers who are earmarked to own 70% of the Agri-Park and further diversify the Agricultural sector.

4.10.1 Agro-processing

Support for development of Agri-Park model for sustainable development and exploit the spin offs of the model.

Agri-Park Business Plan, identifies four vegetable Agro-processing Agri-Park model: - Frozen vegetable processing (business plan already developed), - Canned/bottled vegetable processing, vegetable juice (carrot in particular as it is in high demand) processing, dried vegetable processing.

Linkage with the Wildeklawer (PTY) LTD can promote Magareng area as prime producer and distribution hub of fresh produce**.**

4.11 Manufacturing

Manufacturing has the potential to create sustainable job opportunities albeit it has been on the decline in the District and non-existent in Magareng Local Municipality. However, with the investment attraction of a Milling Plant, Agi-hub and Arts and Crafts Centre, the Manufacturing sector has an opportunity to grow and benefit the greater community of Magareng as a whole with job opportunities, skills development and mentoring that will be presented by these LED Initiatives.

Incubation of Agricultural producers through the Agri-Park model that promotes local beneficiation of products such as Agro processing and promotion of Broad Based Black Economic Empowerment (BBBEE).

- Establishing a Milling plant in Magareng Local Municipality.
- Establish an arts and crafts centre in Warrenton to showcase local talent.
- The development of a silos facility

4.12 Retail

The maintenance and expansion of trade will create a sense of locality for the community, decreasing the expense of travel to Kimberley or Jan Kempdorp for purchases.

Formalising the informal traders and ensuring better regulation by introducing Informal traders' strategy.

Shopping complex on the N12 will stimulate the local economy

4.13 LED Policies

4.13.1 SMME SUPPORT AND DEVELOPMENT POLICY

Magareng Local Municipality must play an active role in supporting and developing local SMME's including Informal Businesses because these entities play a pivotal role in employment creation, improving household income and poverty reduction.

4.13.2 INVESTMENT INCENTIVES POLICY

Investment Incentives Policy Framework aims to inform and guide the provision of incentives for job creating investment within the Magareng Local Municipality. For any municipal administration, the question of how to design a comprehensive incentives strategy must be located within both a global and local context. For Magareng, the local context demands that the administration performs a careful balancing act. Whilst incentives packages can play a role in encouraging investment that is critical for driving economic growth and job creation, Magareng local municipality must also be cognizant of the revenue implications to address its other strategic policy priorities and service delivery.

4.14 LED Projects

LED Projects below are economic opportunities we have in Magareng. Most of these projects do not have funds. We urge potential investors to grab this opportunity and come invest in our community. The funding and implementation of these projects will make our local economy active and drive our economy into great heights. The implementation of these projects will create work and business opportunities. The municipality is making the environment conducive to the business sector.

LED PROJECTS FOR 2020/21 FINANCIAL YEAR.

PROJECT NAME	SHORT DESCRIPTION	BUDGET SOURCE
Economic Development Center/Business support Center	Refurbishment of the building to house the Business support center	FBDM SEDA NYDA etc. DTI
Business Incubation Center	Revitalisation of township economy	DTI Small Business Development dept. Private funding
Whey Protein Production	**Casein**, **D40 WHEY PROTEIN, Butter and Cream** processing plant	Private funding Dept of Agric
Lucern crop farming	Agricultural production	Agric Seda
Pecan Nut Farming	Cultivation of pecan nut	Dept Agriculture
Cold Asphalt manufacturing plant	Production of cold asphalt	Private funding DTI incentives
Development of industrial and commercial site	Urban land development for industrial and commercial use	Private DTI
Renovations to Kopano bakery	Renovations to make the facility ready for business	MIG Fund
Super chicken abattoir water system & Waste Incinerator	Infrastructure installation for compliance with legislation	MIG Fund Dept of Agriculture
Creative Technologies Institute	Establishment of a Limkomkwing Campus in Old Warrenton Doornhof Hostel	DHET Private funders
Tourism Information Center	Establishment of center, to stimulate creative sector	Neighbourhood development grant (NT)
Environmental Mosaic Sculpture Park	Fencing of the park done, second phase to include installations of sculptures	Lotto Environmental Affairs

Amusement Park Fencing & erection of ablution facility	Upgrade of the tourist attraction sites	Environmental Dept
Restoration of Block houses	Refurbishment of the old monuments, as part of heritage preservation	Heritage council Dept of Economic Affairs & Tourism DEAC
Establishment of Community Radio Station	The project aims to improve efforts to keep community informed, and improve community consultations	MDDA GCIS Premier's Office
Development of an Investment Incentive strategy	Revitalisation of the local economy requires a strategy	FBDM Magareng LM DTI
Epwp Cleaning & Greening Project	Cleaning of public leisure parks, to attract tourists, and keep our area clean	Dept of Economic Development & Tourism
Annual Cultural & Music Festival	Platform created to allow crafters and artist to showcase their talents	Private DSAC Magareng LM
Warrenton N12 Shopping Complex	Erection of a shopping complex, to create employment.	Private Funding
SOLAR POWER PLANT	Construction of 2400 Hectors of Photo Voltaic plant	Private Investment
PETROLEUM PLANT	Construction of Petroleum Plant dealing in Bulk Fuel supply	Private investment

4.15 PROGRAMMES AND PROJECTS THAT WILL BE IMPLEMENTED TO SUPPORT KPA: LOCAL ECONOMIC DEVELOPMENT

3. LOCAL ECONOMIC DEVELOPMENT								
Strategic focus area	**Strategic objectives**	**Key performance indicators**	**Baseline Status Quo as end 2016/17**	**IDP 5 year targets**				
				Year 1 2017/18	**Year 2 2018/19**	**Year 3 2019/20**	**Year 4 2020/21**	**Year 5 2021/22**
Tourism	Local Economic Development	Create an environment that promotes development of local economy and facilitate job creation	-	-	3	3	3	3
SMME'S	Create an environment that promotes development of local economy and facilitate job creation	Number of SMME'S supported through Skills, infrastructure development by end June 2019	-	-	4	4	4	4
Local Economic Development	Create an environment that promotes development of local economy and facilitate job creation	Number of LED Indaba held in Magareng by end June 2019	-	-	1	1	1	1

4.16 Privately Funded Projects

Name of the Project	**Service Type**

5. KPA: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

5.1 Introduction

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 municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low- to high-priority programmes so as to maintain sound financial stewardship. A critical review was also undertaken of expenditures on noncore and 'nice to have' items. Key areas where savings were realized were on telephone and internet usage, printing, workshops, national travel, accommodation, and catering.

The municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers.

Municipality get their revenue from three sources. First, they raise some of their own revenue by charging all people who own property such as land, houses and businesses rates based on the value of their property. The second way they raise revenue is by charging tariffs for services like water, electricity, refuse removal and the use of municipal facilities such as sports grounds. Some municipalities can generate a lot of revenue in this way, while poorer municipalities raise virtually nothing and are almost totally dependent on funding transfers from national government, which is the third source of revenue for municipalities.

5.2 Executive Summary

Section 16 (1) of the Municipal Finance Management Act (MFMA) stipulate that the Council of a Municipality must for each financial year approve an annual budget for the municipality before the start of the financial year. Section 16 (2) stipulate that in order to comply with subsection (1), the mayor of the municipality must table annual budget at the council meeting at least 90 days before the start of the budget year.

During the draft budget the policies were reviewed but not approved, they will be approved on the final budget for the financial year end 2021/2022.

The budget takes into account the input received from various stakeholders including guidelines from National Treasury. National Treasury issued MFMA Budget Circular No 107 on 4 December 2020 and MFMA Budget Circular No. 108 on 8 March 2021 to guide the compilation of the 2020/2021 MTREF.

The Final budget Expenditure for 2021/2022 amounts to R **125 632 958.**

- Provision for bulk purchase of electricity amounts to **R 25 570 733** -Eskom
- Provision for bulk purchase of water amounts to **R2 550 000** – Vaalharts Water
- 6.25% increase in salaries for municipal staff.
- Provision for depreciation on assets to the amount of **R13 318 384.**
- Provision for payment of Auditor General Fees of **R 1 200 000.**
- Provision for bad debts **R21 472 622**. The provision for the 2021/22 has been made considerably to provide for the writing off indigent debt the basis for the increase used was all outstanding debts as of 31st May 2021 outstanding for more than 90.
- An amount of **(R1 658 000)** that is reflecting under A4 expenditure by type (inventory consumed) will be corrected and will reflect as **R2 550 000** for Vaalharts Water.
- Repairs & Maintenance amounts to **R5 713 000**, refer to the table below.

Repairs and Maintenance

Repairs & maintenance	2021/22
Infrastructure	1 938 000
Office Equipment	320 000
Transport Assets	310 000
Furniture & Equipment	300 000
Other Assets	2 845 000
TOTAL	**5 713 000**

Although contribution to repairs and maintenance from council site is not up to the required standard an amount of **R 5 713 000** was budgeted plus **R 1 800 000 for O & M** which we will be receiving from the Frances Baard District Municipality.

TABLE INDICATING OPERATING EXPENSE PER TYPE

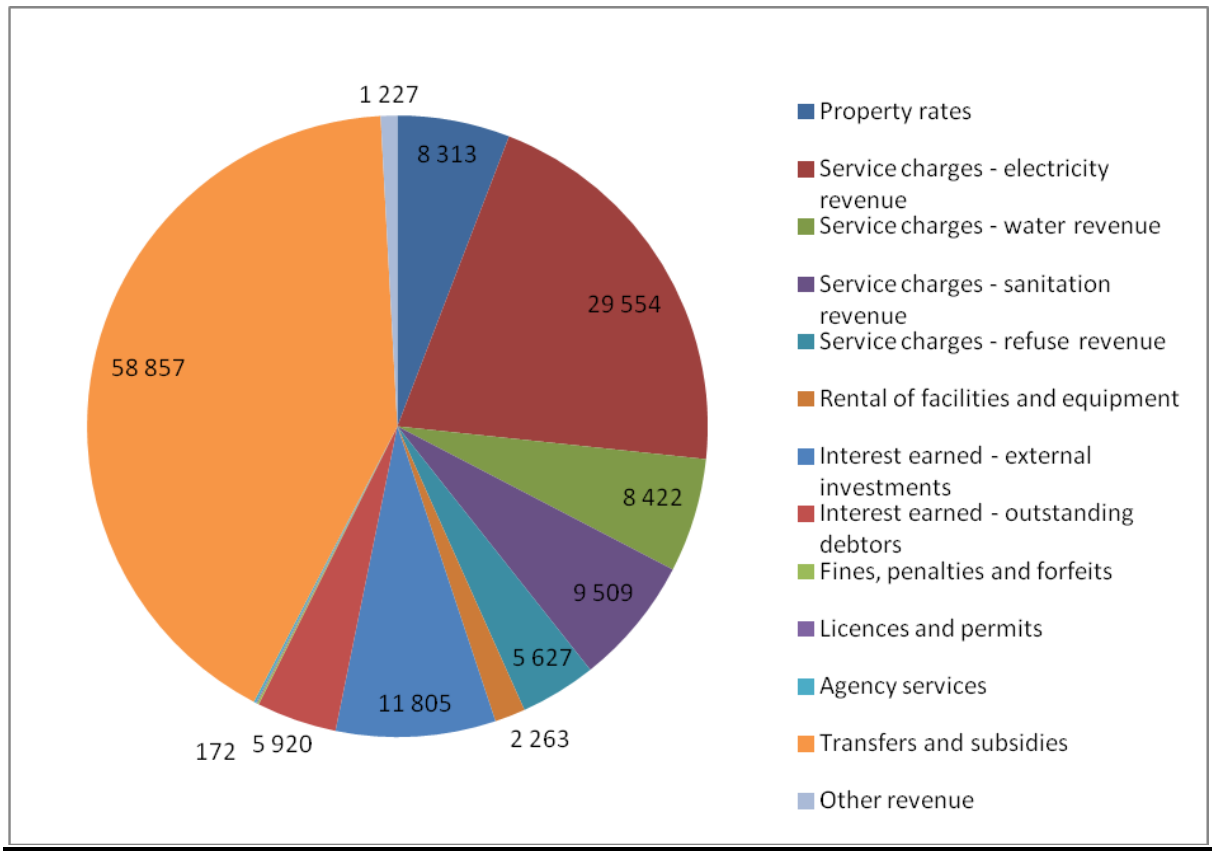
2021/22 OPERATING EXPENSE PER TYPE	
Employee Remuneration	R 47 281 873
Council Remuneration	R 4 696 580
Provision For Bad debt	R 21 472 622
Depreciation	R 13 318 384
Bulk Purchases- Electricity	R 25 570 733
Contracted Services	R 4 886 146
Inventory consumed	R - 1 657 500
Transfer and Subsidies	R 100 000
General Expenses	R 9 964 120
Total	**R 125 632 958**

- Employee related costs amounts to **R47 281 873** as a result of new posts that was budgeted for.

- Bulk purchases consist out of Eskom which amounts to **R25 570 733** which includes the arrangement of **R 500 000** per month on the outstanding Eskom debt.
- Vaalharts water amount to **R 2 550 000.**
- The Operational cost amounts to **R 9 964 120** and a break-down of this expense will be availed.

TABLE INDICATING OPERATING REVENUE PER TYPE

2021/2022 OPERATING REVENUE	
Property Rates	R 8 312 797
Service charges: Electricity	R 29 553 977
Service charges: Water	R 8 421 753
Service charges: Sanitation	R 9 509 411
Service charges: Refuse	R 5 627 364
Rent of facilities and equipment	R 2 262 666
Interest earned- external investment	R 299 134
Interest earned- outstanding debtors	R 5 919 626
Fines, penalties and forfeits	R 150 293
Licences and permits	R 79 423
Transfers and subsidies	R 58 307 000
Other Revenue	R 1 227 333
Agency Services	R 171 658
Total	**R 129 842 435**



The operational revenue budget for 2021/2022 amounts to **R129 292 435** including the grants and was compiled with the following increases on rates, tariffs and other revenue.

There are two budget circulars that was circulated by National Treasury on how municipalities should determine their increase on tariffs, and the municipalities should consider CPI of 3.9% therefore the municipality increased tariffs as follows:

- 3.9% increase :Water
- 3.9% increase : Sewerage
- 14.59% increase : Electricity
- 3.9% increase : Refuse

- Equitable share allocation amounts to **R 51 086 000** for 2021/2022 financial year
- Property Rates : as per valuation roll implemented from 1 July 2019

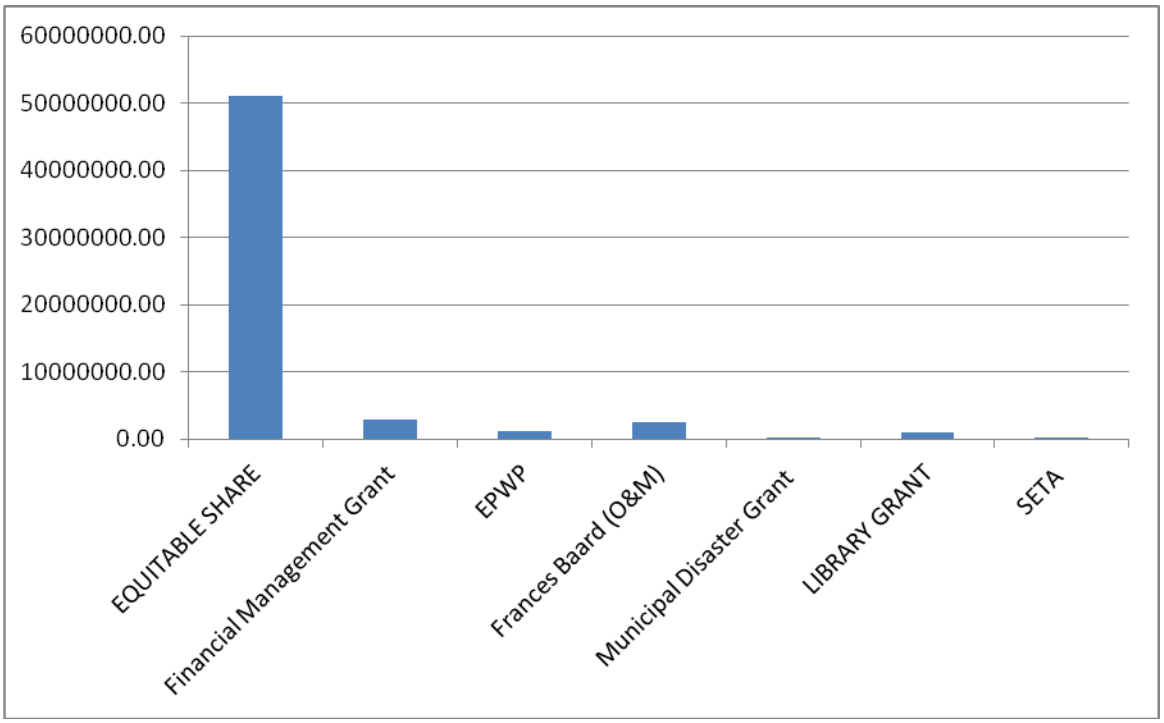
  Remained unchanged and they as follows:

MAGARENG MUNICIPALITY RATES AND TAXES	2020/2021 Current(4,5%)	2021/2022 Proposed(0%)
PROPERTY RATES	**2020/2021**	**2022/2022**
Residential on Market Value	0.01129	0.01129
Business on Market Value	0.02257	0.02257
State-Owned on Market Value	0.02257	0.02257
Agricultural Holdings on Market Value	0.00282	0.00282
Industrial	0.02257	0.02257
PSI- Public Service Infrastructure	0.00282	0.00282
PBO- Public Benefit Oganisations	0.00282	0.00282

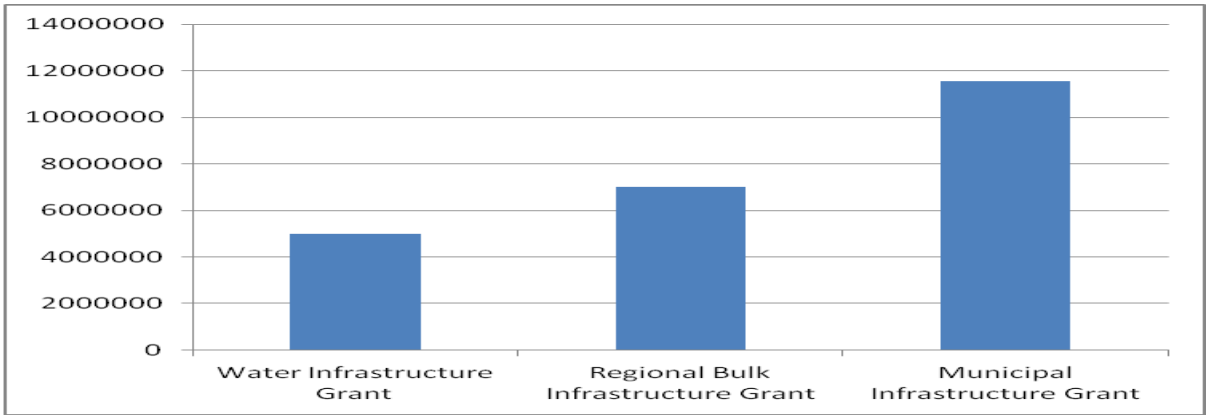
The first R15 000 of all residential properties are exempted from being taxable, the municipality did not increase tariffs on property rates.

The allocations of the municipal grants are allocated as per DoRA.

OPERATING GRANTS	2021/22
Equitable Share	R 51 086 000
Financial Management Grant	R 2 850 000
EPWP	R 1 121 000
Frances Baard (O&M)	R 1 800 000
Municipal Disaster Grant	R 250 000
Library Grant	R 1 100 000
SETA	R 100 000
Total	**R 58 307 000**



CAPITAL GRANTS	
Department of Water Affairs	R 5 000 000
Regional Bulk Infrastructure Grant	R 7 000 000
Municipal Infrastructure Grant	R 11 541 000
Frances Baard Capital Allocation	R 3 500 000
Total	**R 27 041 000**



5.12 PROGRAMMES AND PROJECTS THAT WILL BE IMPLEMENTED TO SUPPORT KPA: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT.

KPA 4 : Municipal Financial Viability and Management								
Strategic focus area	**Strategic objectives**	**Key performance indicators**	**Baseline**	**IDP 5 year targets**				
				Year 1 2017/18	**Year 2 2018/19**	**Year 3 2019/20**	**Year 4 2020/21**	**Year 5 2021/22**
Annual Financial Statement	To improve overall financial management in the municipality by developing & implementing appropriate Financial Management	Number of Annual Financial Statements submitted to AGSA by end August each year	1	1	1	1	1	1
Free Basic Services (Electricity)	Eradicate backlogs in order to improve access to services and ensure proper operations and maintenance	Number of households that received free basic electricity in MLM by end June 2019	12000	1200	2000	3000	4000	5000
Free Basic Services (Water)	Eradicate backlogs in order to improve access to services and ensure proper operations and maintenance	Number of households that received free basic water in MLM by end June 2019	1000	1000	1000	1000	1000	1000
Free Basic Services (Sanitation)	Eradicate backlogs in order to improve access to services and ensure proper operations and maintenance	Number of households that received free basic sanitation in MLM by end June 2019	1000	1000	1000	1000	1000	1000
Free Basic Services (Refuse)	Eradicate backlogs in order to improve access to services and ensure	Number of households that received free basic refuse removal in MLM	1000	1000	1000	1000	1000	1000

KPA 4 : Municipal Financial Viability and Management								
Strategic focus area	**Strategic objectives**	**Key performance indicators**	**Baseline**	**IDP 5 year targets**				
				Year 1 2017/18	**Year 2 2018/19**	**Year 3 2019/20**	**Year 4 2020/21**	**Year 5 2021/22**
	proper operations and maintenance	by end June 2019						
Revenue (Indigent Register)	To improve overall financial management in the municipality by developing & implementing appropriate Financial Management	Number of indigent households in Magareng registered on financial system by end September 2018	1200	1000	1200	2000	2500	4000

6. KPA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

6.1 Introduction

Magareng Local Municipality acknowledges and values the contributions of the community in achieving its service delivery, developmental and strategic objectives. The development of a policy that creates a framework, in line with the National Policy Framework 2007, within which public participation can be effected, serves to confirm the commitment of the Municipality to encourage structured community participation in the matters of the municipality and to create an environment conducive to the engagement of the public in its governance and performing the duties and obligations set out in legislation with regard to public participation.

The contents of this serve to provide mechanisms, processes and procedures to facilitate the achievement of the objectives and goals related to effective public participation. These mechanisms and processes will provide opportunities for the residents of the Magareng Local Municipality to gain direct access to information, participate in consultation and decision making processes and to make meaningful contributions to the planning, design and implementation of IDP and projects that directly or indirectly affect their lives.

6.2 Legislative framework

While there are several governments policy documents which require some form of public participation in local government there are a few laws which are central. These are the Constitution, the Systems Act, Structures Act, Municipal Finance Management Act and Municipal Property Rates Act. A brief introduction to aspects of these laws is important before proceeding.

The notion of public participation in all spheres of government is embedded in the Constitution of the Republic of South Africa, 1996.

The objects of local government in terms of Chapter 7, Section 152(1)(a) of the Constitution is to “encourage the involvement of communities and community organisations in the matters of local government.” Chapter 7 further prohibits the passing of by-laws, unless the proposed by-

law has been published for public comment in terms of Section 160(4). Section 162 restricts the enforcing of promulgated by-laws, unless they have been published in the official provincial government gazette and made accessible to the public by the municipality concerned. Chapter 10 expounds the basic values and principles that must govern public administration. Section 195(1)(e) stipulates that people's needs must be responded to, and the public must be encouraged to participate in policy-making", whilst Section 195(1)(g) stipulates that transparency must be fostered by providing the public with timely, accessible and accurate information." The Constitution further demands that enabling legislation be promulgated in order to give effect to the Bill of Rights and the values and principles enshrined in it.

The Structures Act allows as per Chapter 4 for a ward participatory system. The Structures Act sets up clear guidelines for ward committees. Hence section 72 states that the object of a ward committee is to enhance participatory democracy in local government.

An important and key feature of local government is the Ward Committee System. A ward committee consists of the councillor representing the ward who must also chair the committee, and not more than 10 other persons. Ward committees are seen as the vehicle for deepening local democracy and the instrument through which a vibrant and involved citizenry can be established. It is at the local level within wards that all development issues converge. Ward committees therefore have a crucial role to play as an interface between government and communities (not just local government).

The Systems Act defines "the legal nature of a municipality as including the local communities within the municipal area, working in partnerships with the municipality's political and administrative structures to provide for community participation".

According to Section 4 in the Systems Act council has the duty:

- To encourage the involvement of the local community
- To consult the community about the level quality, range and impact of municipal services provided by the municipality, either directly or through another service provider.

In Section 5 of the act, members of the community have the right:

- To contribute to the decision-making processes of the municipality and submit written or oral recommendations, representations and complaints to the council.
- To be informed of decisions of the council.
- To regular disclosure of the affairs of the municipality, including its finances.

Perhaps the clearest and most specific requirements for public participation in local governance are outlined in Chapter 4 of said act. Hence Section16 requires that: -The Municipality must develop a culture of municipal governance that compliments formal representative government with a system of participatory governance and must…

- Encourage and create conditions for the community to participate in the affairs of the municipality, including in the IDP, performance management system, monitoring and review of performance, preparation of the budget, strategic decisions.
- Contribute to building the capacity of the local community to participate in the affairs of the municipality and councillors and staff to foster community participation.

(section 42) through appropriate mechanisms, processes and procedures must involve the local community in the development, implementation and review of the municipality's performance management system, and in particular, allow the community to participate in the setting of appropriate key performance indicators and performance targets of the municipality.

The Municipal Finance Management Act was put in place to bring about transparent and effective financial management in municipalities and municipal public entities. The MFMA outlines ways in which the community can be informed of the financial situation of a municipality.

The Property Rates Act stipulates that the public must participate in decisions relating to municipal property rates.

6.3 External Communication

6.3.1 Public Participation vehicle

Public participation has been defined in various ways by different people, and for a variety of reasons. In this document public participation is defined as an open, accountable process through which individuals and groups within selected communities can exchange views and influence decision-making. It is further defined as a democratic process of engaging people, deciding, planning, and playing an active part in the development and operation of services that affect their lives.

The Magareng Local Municipality involve its community into affairs of the municipality. The mechanism that are used newspaper adverts, website and community consultation meetings. The office of the mayor drives the communication between the municipality and the community.

In giving effect to section 16 of the Systems Act and as set out in this policy, the Magareng Local Municipal ensures that:

The municipality encourages and creates conditions for the local community to participate in the affairs of the municipality, including in –

- The preparation, implementation and review of its IDP;
- The establishment, implementation and review of its performance management system;
- Determination, consideration and adoption of by-laws;
- The monitoring and review of its performance, including the outcome and impact of such performance;
- The preparation of its budget; and strategic decisions relating to the provision of municipal services.

6.3.2 Communication Forum

The Magareng Local Municipality is part of the Frances Baard District Municipality's communication Forum. The main objectives of the forum are to:

- Facilitate communications amongst the three spheres of government;
- Gather and compile relevant information for distribution amongst members;
- To encourage professionalism and collaboration of programmes between spheres of government; and
- To promote training and capacity building through workshops, conferences, study tours, presentations or any other means with regards to official matters

6.4 Internal Audit

The Magareng do not have internal audit in house. Magareng Local Municipality is assisted by the Frances Baard District Municipality with internal audit services. The support the District provides to the municipality is:

- Audit the performance reports
- Audit the MFMA compliances by the municipality
- Audit the IDP Documents
- Audit the Annual Report

6.5 Risk Management

Sections 38(1(a)(i) and 51(1)(a)(i) of the PFMA, which require the Accounting Officers/Authorities to ensure that their institutions have and maintain effective, efficient and transparency systems of risk management. Sections 62(1)(c)(i) and 95(c)(i) of the MFMA, which require the Accounting Officers to ensure that their municipalities have effective, efficient and transparency systems of risk management.

Magareng Local Municipality don't have risk management unit in the organisational structure. The risk management is a shared service with the Frances Baard District Municipality

6.6 Audit Committee

The Municipal Finance Management Act 56 of 2003 166(1) requires the establishment of an Audit Committee and as such is highlights the need for the municipalities to in South Africa to move towards more responsible corporate governance. The Audit Committee's primary duties and responsibilities are to:

- Serve as an independent and objective party to monitor the risk management processes necessary for the achievement of Municipal objectives
- Review the annual financial statements and other performance reporting to be made public; and
- Provide an open avenue of communications among the external auditors, Accounting Officer, the internal auditors and the Municipal council

In terms of section 166 of the Municipal Finance Management Act, the Audit Committee shall:

a) Advice the Municipal Council, the political office bearers, the accounting office and the management of the municipality, on matters relating to:

i. internal financial control and internal audit

ii. Risk management

iii. Accounting policies

iv. The adequancy, reliability and accuracy of the financial reporting and information

v. performance management

vi. Effective governance

vii. Compliance with the MFMA and any other applicable legislation

viii. Performance evaluation

ix. Any other issues referred to it by the municipality

b) Review the annual financial statements to provide the municipal council and the management with an authoritative and credible view of the financial position of the municipality, its overall level of compliance with MFMA or any other applicable legislation.

c) Respond to council on any issues raised by the Auditor General in the audit report

d) Carry out such investigations into the financial affairs of the municipality as requested by the municipal council

e) Perform such other functions as may be prescribed

The audit committee in Magareng Local Municipality is a shared service with the Frances Baard District Municipality. The audit committee sit four times per financial year.

6.7 Council Committees

Municipal Committees	Purpose of the Committee
Budget and Treasury Committee	To deal with all financial matters
Municipal Public Accounts Committee	To exercise oversight over the functionaries of council and to ensure good governance in the municipality
Community Services Committee	To deal with planning and development matters such as Spatial planning, IDP, LED
Health and Safety Committee	Is an oversight that evaluates and monitor the implementation of health and safety compliances in the municipality.
Local Labour Forum	Is an adversarial labour relations committee in the municipality?
Training Committee	Ensure that the organisation has a training policy and that it is in line with the regulations as laid by down by the skills development act. Ensure that the development and implementation of the workplace skills plan is aligned to the strategic mission and vision of the organisation
Technical Services Committee	Is the oversight of the Department of Technical. Recommend policies and business plans to council. Overview, monitors and evaluate the technical issues of the municipality
Corporate Services Committee	The committee is the oversight of Department of Corporate services. It monitors and evaluates the performance of the department. Recommends policies to council.

6.8 Performance Management System

As stipulated in Chapter 6 of the Municipal System Act 32 of 2000, every municipality must establish a PMS. The municipality is required:

- Develop a performance management system
- Set targets, monitor and review performance based on indicators to the integrated development plan

- Publish the annual report on performance management for the councillors, staff, the public and other spheres of government
- Incorporate and report on a set of general indicators prescribed nationally by the minister responsible for local government
- Conduct an internal audit on performance targets before tabling the report
- Have the annual performance report audit by the Auditor-General
- Involve the community in setting the indicators, indicators and reviewing municipal performance.

6.9 PROGRAMMES AND PROJECTS THAT WILL BE IMPLEMENTED TO SUPPORT KPA: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

KPA 5 : Good Governance and Public Participation								
Strategic focus area	**Strategic objectives**	**Key performance indicators**	**Baseline**	**IDP 5 year targets**				
				Year 1 2017/18	**Year 2 2018/19**	**Year 3 2019/20**	**Year 4 2020/21**	**Year 5 2021/22**
Special Programmes	Promote a culture of participatory & good governance	Number of special programmes hosted by the office of the Mayor		9	9	9	9	9
Performance management	To ensure effective integrated development planning and Performance management in the Municipality	Number of Annual performance Reports submitted to Auditor General end August each year	5	1	1	1	1	1
Performance management	To ensure effective integrated development planning and Performance management in the Municipality	Number of Top Layer SDBIP's submitted to the Mayor within 28 days after the approval of the final Budget	5	1	1	1	1	1

7. KPA: Sector Plan

7.1 Introduction

The purpose of these plans and programmes is to ensure fulfilment of sectoral planning requirements and compliance with sectoral principles, strategies and programmes, thereby providing basis for departmental operational planning and budgeting.

7.2 Environmental Management Framework

An EMF is a framework of spatially represented information connected to significant environmental (i.e. ecological, social and economic) parameters, such as ecology, hydrology, infrastructure and services. The main purpose of an EMF is to proactively identify areas of potential conflict between development proposals and critical/sensitive environments (DEAT, 1998). The Environmental Management Framework was prepared in 2010 and is incorporated with the Integrated Environment Plan which was adopted in 2004. The EMF was prepared to identify areas of natural resource importance, ecological sensitivity and other biophysical environments within the District, to reveal where specific land uses may best be practiced and to offer performance standards for maintaining appropriate use of such land.

The Framework intends to proactively identify areas of potential conflict between development proposals and critical/sensitive environments and to bridge the divide between development planning and environmental considerations by integrating environmental opportunities, constraints and critical resource management issues into land use and development endeavours.

7.3 Air Quality Management Plan

The Air Quality Management Plan was prepared and adopted in 2011, focus of plan is to ensure the management and operation of ambient monitoring networks (if required), the licensing of listed activities, and the development of emission reduction strategies to ensure air quality. The plan intends to protect the environment and human health through reasonable measures of air pollution control

7.4 Spatial Planning and land Use Management Act 16 of 2013 (SPLUMA).

The purpose of the Act that has been promulgated on 5 August 2013 is to provide a framework for spatial planning and land use management in the Republic, in that, it specifies the relationship between spatial planning and the land use management systems, and other planning that give directives to:

Principle: The basis of the system is principles and norms aimed at achieving sustainability, equality, efficiency, fairness and good governance in spatial planning, and land use management. The decisions of planning authorities, whether related to the formulation of plans such as IDPs, or the consideration of land development applications such as rezoning, must all be consistent with these principles and norms. A failure by an authority to affect this enables the Minister to intervene in the decision, either to require that it is reconsidered, or in extreme cases, to make the decision him or herself.

Land use regulators: The Act proposes a category of authorities able to take the different types of decisions falling into the realm of spatial planning and land use management: land use regulators. The most prevalent land use regulators will be municipalities. Each province will have a provincial land use tribunal and appeal tribunal that will be land use regulators in specified situations. Nationally, the Minister will be a land use regulator of last resort, only acting in cases where there has been neglect or flouting of the national principles and norms.

IDP-based local spatial planning: The Municipal Systems Act requires that part of each municipality's IDP must be a spatial development framework. SPLUMA spells out the minimum elements that must be included in a spatial development framework. It also proposes that the spatial development framework operate as an indicative plan, whereas the detailed administration of land development and land use changes, is dealt with by a land use management scheme, which will actually record the land use and development permissions accruing to a piece of land. The inclusion of the spatial development framework, with a direct legal link to the land use management scheme, is an essential step towards integrated and coordinated planning for sustainable and equitable growth and development.

A uniform set of procedures for land development approvals. Where a proposed development is not permissible in terms of the prevailing land use management scheme, then permission is required from the appropriate land use regulator.

7.5 Spatial Development Framework

The SDF is a development plan that provides the overall long-term development vision of a municipality. SDF should form the basis for developing a five-year IDP. It further provides strategic direction for developing all sector-specific plans that could contribute to the achievement of that vision - mainly with regard to spatial restructuring and integration of settlements to promote social cohesion and economic development. The Municipality has reviewed its Spatial Development Framework and it is adopted by council.

7.6 Integrated Zoning Scheme

The Integrated Zoning Scheme was prepared in 2015 and is available upon request.

7.7 Water Conservation Water Demand Management (WC/WDM)

The Municipality has prepared a WC/WDM strategy. This strategy also form an integral part of the IDP sector plans, The purpose of the WC/WDM is to optimize water use and ensures that the municipality if effectively managing both revenue and non revenue water and also to optimise management in order to maximize efficiency and minimize the associated water losses and financial costs water purchases and to improve the quality of life of inhabitants of the Municipality.

7.8 Integrated Waste Management Plan

The reviewed IWMP reflect on previous status quo and objectives set, as well as current conditions, limitation and challenges currently experienced by the local municipality. Furthermore the document reflects on the current legislation, policies and statements that could affect waste management in Magareng Local Municipality. The purpose of the IWMP is to optimize waste management in order to maximize efficiency and minimize the associated environmental impacts of waste generation and financial costs of waste disposal and to improve the quality of life of inhabitants of the Municipality.

7.9 Disaster Management Plan

The Disaster Management Plan was prepared in 2012 and is available upon request.

7.10 Integrated Transport Plan

The Integrated Transport Plan was prepared and is available upon request.

7.11 Water Services Development Plan

The Water Services Act requires of a Water Services Authority to compile Water Services Development Plans. There is presently a draft document that needs to be finalised and adopted by the Council. The Department of Water and Sanitation is assisting the district to continually review the plan

7.12 The New Growth Path

The New Growth Path is an important instrument to promote employment and growth in the economy. It identifies five other priority areas as part of the programme to create jobs, through a series of partnerships between the State and the private sector.

Green economy: expansions in construction and the production of technologies forsolar, wind and biofuels is supported by the draft Energy on Integrated Resource Plan. Clean manufacturing and environmental services are projected to create 300 000 jobs over the next decade.

Agriculture: jobs will be created by addressing the high input costs and up scalingprocessing and export marketing. Support for small holders will include access to key inputs. Government will explore ways to improve working and living conditions for the country's 660 000 farm workers. The growth path also commits the Government to unblocking stalled land transfers, which constrain new investment.

7.13 The Medium Term Strategic Framework (2014-2019)

This Medium Term Strategic Framework (MTSF) is Government's strategic plan for the 2014-2019 electoral term. It reflects the commitments made in the election manifesto of the governing party, including the commitment to implement the NDP. The MTSF sets out the

actions government will take and targets to be achieved. It also provides a framework for the other plans of national, provincial and local government.

7.14 National Development Plan

The NDP is seen as a guiding document for South Africa. It was released in 2011 and is positioned as a blueprint for tackling South Africa's challenges. In 2012, Cabinet adopted the NDP as a long-term vision and plan for the country. NDP aims: The NDP aims to eliminate poverty and reduce inequality by 2030. According to the NDP executive summary: "South Africa can realise these goals by drawing on the energies of its people, growing an inclusive economy, building capabilities, enhancing the capacity of the state, and promoting leadership and partnerships throughout society."

7.15 Provincial Growth and Development Strategy (PGDS)

The core purpose of the NCPGDS is to enable stakeholders from public, private and parastatal sectors together with labour and civil society to determine a plan for sustainable growth and development of the Northern Cape. The NCPGDS sets the tone for development planning and outlines the strategic planning direction in the province.

7.16 Provincial Spatial Development Framework.

The PSDF is a policy document that promotes a 'developmental state' in accordance with national and provincial legislation and directives. It aligns with the Northern Cape Provincial Growth and Development Strategy which has committed the Northern Cape to 'building a prosperous, sustainable and growing provincial economy which reduces poverty and improves social development'. Northern Cape Spatial Development Framework was completed on 31 July 2012.

7.17 The Frances Baard District Municipal Growth and Development Strategy (FBDMGDS)

The Frances Baard District Growth and Development Strategy was prepared and finalized in 2014 and adopted by Council on 23 March 2015.

7.18 Housing Sector Plan

7.18.1 SDF overview

The spatial vision for Magareng according to the 2014-2019 SDF is: “To enhance integrated socio-economic development through the uplift of communities in a sustainable manner”. The SDF states that development in Magareng must only be acceptable and in the public interest if it is socially equitable, economically viable and environmentally sustainable. The spatial issues in Magareng, as stipulated in the SDF, that are relevant to the housing sector plan are:

- Vast open areas and the strategic locality of the area should be used more effectively;.
- Dormitory towns should be integrated and where possible work opportunities should be created close to residential areas;.
- Integrated housing strategy;.
- Land claims should be properly planned and integrated with the rest of the area;.
- Curbing of urban sprawl;
- Development of an open space system;
- Enhance rural integration with Warrenton.

The Magareng HSP should align directly with Objective 4 of the Magareng SDF, which promotes the enhancing of living conditions of the communities. The strategies of these objectives include:

- Development in accordance with site-specific design and planning guidelines;
- Compact Urban Structure;
- Locate new housing development within rational urban structure and urban development boundary; and
- Locate housing development within reach of bulk municipal services.

The Magareng SDF further indicates that according to municipal data, there are various properties available for future residential development, within the boundaries of the urban edge. The Future Growth Management (FGM) policy stipulates that the municipality should avoid “Greenfields” residential developments that are detached from the existing network of human settlements.

MAGARENG List of Housing Projects			
MUNICIPALITY	**Project Location**	**Town**	**Number of Units**
MAGARENG			
MAGARENG	Ikhutseng	Warrenton	1000
	Military Veteran	Warrenton	150
	Warrenvale	Warrenton	558
	N12/Hospital Development	Warrenton	800
	Ikhutseng	Warrenton	1298
	Vaalhuis	Warrenton	57
	Majeng	Mageng	150

KPA 8. PERFORMANCE MANAGEMENT

8.1 INTRODUCTION

Performance Management is prescribed by chapter of the Municipal System Act, Act 32 of 2000 and the Municipal Planning and Performance Management Regulations, 796 of August 2001. Section 7 (1) of the aforementioned regulation states that "A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance, planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the responsibilities of the different role players". This framework, inter alia, reflects the linkage between the IDP, Budget, SDBIP and individual and service provider performance. The municipality adopted a performance management framework that was approved by council in November 2008. The PMS Framework was adopted in 2013. The Municipality adopted the framework again in July 2017.

The Integrated Development Plan enables the achievement of the planning stage of the performance management. Performance management then fulfills the implementation, management, monitoring and evaluation of the Integrated Development Plan. The performance of an organization is integrally linked to that of its staff. It is therefore vitally important for any organization to periodically review its own performance as well as that of its employees.

Performance Management System

The Performance Management System implemented at the municipality is intended to provide a comprehensive step by step planning system that helps the municipality to manage the process of performance planning and measurement effectively. The PM System serves as primary mechanism to monitor, review and improve the implementation of the municipality IDP and eventually the budget. The performance policy framework was approved by Council which provided for performance implementation monitoring and evaluation at organizational and individual levels.

Organisational Performance

The organization performance of the municipality is evaluated by means of a municipal scorecard (Top Layer SDBIP) at organizational level and through the service delivery budget implementation plan (SDBIP) at directorate and departmental levels. The Top Layer SDBIP set our consolidated service delivery targets and provides and overall picture of performance for the municipality as a whole, reflecting performance on its strategic priorities.

- **Organizational Performance**

The departmental SDBIP captures the performance of each defined department which reflects on the strategic priorities of the municipality. The SDBIP provides the detail of each outcome for which the senior management is responsible for, in other words, a comprehensive picture of the performance of each directorate/sub-directorate.

Individual Performance for Section 57 managers

- Each Head of Department has to sign Performance Agreements.

Individual Performance

Section 38 (a) of the Systems Act requires Municipalities to set appropriate key performance indicators as a yardstick for measuring performance, including outcomes and impact, with regard to the community development priorities and objectives set out in its Integrated Development Plan. Section 9 (1) of the Regulations of this Act maintains indicators, output indicators and outcome indicators in respect of each of the development priorities and objectives.

Every year, as required by Section 12 (1) of the Regulations to the Systems Act, the Municipality also set performance targets for each of the key performance indicators. The IDP process and the performance management process are therefore seamlessly integrated.

8.2 Performance Reporting

Performance is reported on a regular basis and it includes the evaluation of performance, the identification of poor performance and corrective actions to improve performance.

8.2.1 Quarterly Reports

Reports on the performance in terms of the Top Level SDBIP are generated from the system and submitted to Council. This report is published on the municipal website on a quarterly basis.

8.2.3 Mid-Year Assessment

The performance of the first six months of the financial year should be assessed and reported on in terms of Section 72 of the MFMA. This assessment must include the measurement of performance, the identification of corrective actions and recommendations for the adjustment of KPI's, if necessary.

The format of the report must comply with the section 72 requirements. This report is submitted to Council for approval before 25 January of each year and published on the municipal website.

8.2.4 Annual Assessment

The performance of the financial year should be assessed at year-end in terms of section 46 of the MSA. The performance in terms of the annual targets set will be documented in the Annual Performance Report and the report will be finalized and submitted to the Office of the Auditor General by 30 August annually. This report will be included in the Annual Report of the municipality. The Annual Report is submitted to Council for approval before 25 January of each year and published for comment on the municipal website.

8.3 Magareng Local Municipality process of managing performance

The five years process of managing the performance of the Magareng Local Municipality will include performance planning, measurement, analysis and reporting, performance reviews and performance auditing.

Co-ordination

Co-ordination of the implementation of the planning, measurement, reporting and review process will require a multi-disciplinary team, representative of the organisation and its key processes. The responsibility for performance management and integrated Development Planning should be located in one unit or section to ensure close alignment and co-ordination.

Roles and Responsibilities of Stakeholders

The following table sets out the roles and responsibilities of various role players in performance planning, measurement and analysis and performance reporting and review.

STAKEHOLDERS	INVOLVEMENT	BENEFITS
	COUNCIL	
Mayor	Facilitate the development of a long term vision regarding IDP and PMS	Promote public awareness and satisfaction
Portfolio Committee	➢ Manage the implementation of the strategy. ➢ Review and monitor the implementation of the IDP and the PMS	Facilitates the process of the benchmarking and collaboration with other municipalities
Council	➢ Adopt the PMS policy and approve the IDP ➢ Monitor Performance	Provide a mechanism for the monitoring implementation and review of PMS and IDP
	OFFICIALS	
Municipal Manager	➢ Ensure the implementation of the IDP and the PMS	Clarifies goals, targets and work expectations of the executive management

	➢ Communicate with the executive Mayor and Management team	team, other senior managers, line managers and individual employees
Management Team	Manage Departmental Business/ operational plans and performance	Facilitates the identification of training and development needs at different levels in the municipality.
Line Managers	Implement the departmental business operational plans and monitor the individual performance plan	Provides an objective basis upon which to the reward good performance correcting under-performance
Individual Employees	Executive individual performance plans	Mechanism for early warning indicators to the check and ensure compliance
Internal Audit	Assess the functionality and legal compliance of the PMS	➢ Enhance the credibility of the PMS and IDP ➢ Enhances the status and role of internal Audit
	COMMUNITY/PUBLIC	

Representative forum / Category B Municipality	➢ Inform the identification of community priorities ➢ Public involvement service delivery of the municipality	Provide a platform for the public/ communities to inform and communicates with council.
	OTHER PARTNERS	
Auditors General	Ensure legal compliance	Provide warning signals of under-performance, which can provide pro-active and timely intervention
Performance audit committee	Independent audit on legal compliance	Provide warning signals of under-performance
National Treasury	➢ Prescribed relevant legislation ➢ Provides PMS advise ➢ Evaluate PMS	Provides information and advise
DPLG	Support the implementation of PMS	Provides support to municipality

SALGA	➢ Facilitate compliance to the PMS requirements ➢ Provide advice ➢ Support municipalities	Support municipalities in support in the implementation of PMS
	➢	

8.4 Performance Planning

Performance is to be managed in terms of the integrated Development plan and the IDP process constitutes the process of the planning for performance. For this reason indicators and targets were developed for all the priorities and objectives as set out in the IDP.

The format for the corporate and individual score attached Appendix 4.

8.5 Measurement and analysis

For each indicator score card require that a responsible official, usually the respective line managers, be designated. While this official will not necessarily be accountable for performance on this indicator, they will be responsible for conducting measurement of that indicator, analysing and reporting first to the Municipal Manager on these for reviews.

Analyse requires that line managers compare current performance with targets past performance and possibly the performance of other municipalities, where data is available to determine whether or not performance is poor. They should also analyse the reasons for performance levels and suggest corrective actions where necessary. Municipal-wide outcome indicators will be co-ordinated centrally by the PMS Unit.

Prior to reviews taking place by management team and the Council, the corporate *performance*reporting will need to be tracked and co-ordinated by the IDP/PMS Managers.

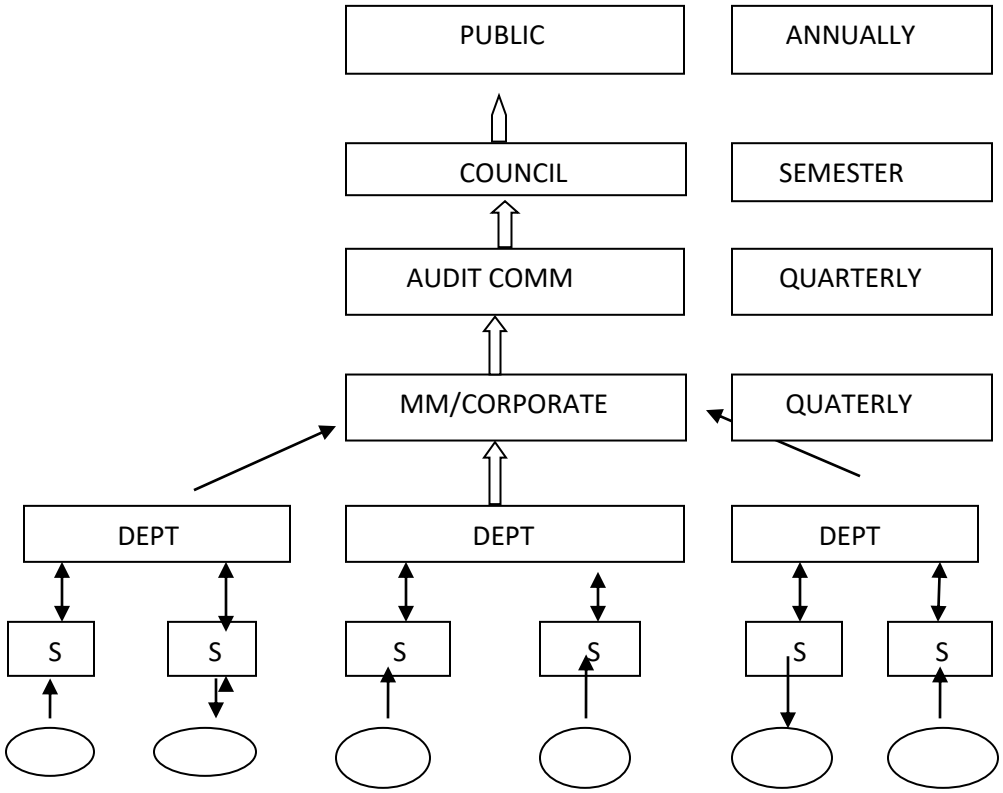
Therefore accumulative quarterly reports will be submitted to the Audit Committee by the IDP/PMS Manager.

It will also be useful to provide an overall analysis of municipal performance with respect to the corporate score cards and eventually also the departmental score cards to identify trends in performance over time and over all departments. The Municipal Manager will be responsible for this.

8.6 Performance Reporting & Reviews

The figure aims to provide a picture of the annual process of reporting and reviews

Figure 1: The annual process of reporting and reviews.



Departmental Reviews

It is intended that departments will review the performance of their individual staff and sections at least monthly, using their departmental score cards as references. This will immediately alert managers of any emerging failures to service delivery so that they could intervene if necessary. It is important that Departments use these reviews as an opportunity for

reflection on their goals and programmes and whether these are being achieved. Minutes/Reports of these reviews should be forwarded to the Municipal Manager. Changes in indicators and targets may be proposed at this meeting but can only be approved by the Council in consultation with the Municipal Manager.

Management Team Review

Departments will then need to report their performance in the service score cards format to the Municipal Manager. Additional indicators that occur in the corporate score cards will also be reviewed. The formulation of the corporate scorecards and the process of review will be co-ordinated by the performance management team.

The executive management team will need to reflect on whether targets are being achieved, what are the reasons for targets not being achieved where applicable and corrective action that may be necessary. Where targets need to be changed, the management team can endorse these for approval by the Council.

Portfolio Committee Reviews

Each portfolio committee will be required to review the performance of their perspective service against their departmental score card. The portfolio committee should appraise the performance of the service against committed targets. Where targets are not being met, portfolio committees should ensure that the reasons for poor performance are satisfactory and the sufficient, and the corrective strategies proposed are sufficient to address the reasons for poor performance. Changes in indicators and targets that do not appear in the corporate score cards may be proposed to and can only be approved by the Municipal Manager. Changes in indicators and targets that fall within the corporate score card will need to be approved by the council.

Council Reviews

It is obligatory for the Management team in terms of the Act to report to Council on municipal performance and the diagram for reporting and reviewing indicates that the Management Team will report biannually to Council in the required format. This reporting will be done by using the corporate score card in a biannual performance report format as per the Municipal

Systems Act. The annual performance report will form part of the Magareng Municipality's annual report as per section 121 of the Municipal Finance Management Act.

Public Review

The Municipal Systems Act as well as the Municipal Finance Management Act requires the public to be given the opportunity to review municipal performance. Section 127 of the MFMA requires that the accounting officer (Municipal Manager) must immediately after the annual report is submitted to Council make the report public and invite the local community to submit comments in connection with the annual report.

It is proposed that in addition to the annual report mentioned above and subject to the availability of funding, a user-friendly citizens' report should be produced for public consumption. The citizens' report should be a simple, easily readable and attractive document that translates the annual report and corporate score card for public consumption.

It is also proposed that a public campaign be annually embarked on to involve citizens in the review of municipal performance over and above the requirements of the MFMA. Such a campaign could involve the following methodologies:

- Various forms of media including radio, newspapers and billboards can be used to convey the citizens' report. The public should be invited to submit comment via telephone, fax, email and possibly also public hearings to be held in a variety of locations.

- The public reviews should be concluded by a formal review of the annual report by the IDP Representative Forum of Magareng.

8.7 Auditing and Quality Control

All auditing should comply with section 166 of the Municipal Finance Management Act and Regulation 14 of the Municipal Planning and Performance Management Regulations (2001)

Continuous Quality Control Co-ordination

The Municipal Manager will be required on an ongoing basis to co-ordinate and ensure good quality of reporting and reviews. It will be his/her role to ensure conformity to reporting formats and check the reliability of reported information, where possible.

8.8 Performance Investigations

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

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

While the internal audit function may be used to conduct these investigations, Council may also make use of external service providers, preferably academic institutions, who are experts in the area to be audited. However, when this option is pursue clear terms of reference will need to be adopted by the Mayoral Committee for each such investigation.

8.9 Internal Audit

Section 165 of the MFMA requires that each municipality must have an internal audit unit; however such function may be outsourced.

The municipality's internal audit function will need to be continuously involved in auditing the performance reports of services and the corporate score cards. As required by the regulations, they will be required to produce an audit report on a quarterly basis, to be submitted to the Municipal Manager and Audit Committee. If required, the capacity of the internal audit unit will need to be improved beyond the auditing of financial information.

The role of the Audit Committee will be to assess:

- The functionality of the municipality's performance management system

- The adherence of the system to the Municipal Systems Act
- The extent to which performance measurements are reliable

8.10 Audit Committee

The MFMA and the Municipal Planning and Performance Management Regulations require that the municipal council establish an audit committee consisting of a minimum of three members, where the majority of members are not employees of the municipality. No Councillor may be a member of an audit committee. Council shall also appoint a chairperson who is not an employee.

Legislation provides municipalities with the option of establishing a separate performance audit committee. However, the policy proposes only one audit committee regarding the financial and performance management matters of the municipality.

Legislation further requires the performance audit committee to:

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

In order to fulfil their function a Performance Audit Committee may, according to the MFMA and the Regulations,

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

8.11 Evaluation and Improvement of PM-System

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

- The adherence of the performance management system to the Municipal Systems Act the MFMA and the PMS Regulations
- The fulfillment of the objectives for a performance management system captured in section 3 of this policy document
- The adherence of the performance management system to the objectives and principles captured in section 4 of this policy document
- Opportunities for improvement and the adoption of an annual action plan.

It must once again be emphasized that there are no definitive solutions to managing municipal performance. The process of implementing a performance management system must be seen as a learning process, where we are continuously improving the way the system works to fulfill the objectives of the system and to address the emerging challenges from a constantly changing environment.

8.12 The Reward System

Municipalities are legally obliged to implement a remuneration and reward policy that sets out the link between performance and rewards for the Municipal Manager and the first level managers (Section 56 Employees) reporting directly to the Municipal Manager. Section 57 of the Municipal Systems Act (2002) and Section 32 of the Municipal Performance Regulations (01 August 2006) set the guidelines to follow in this regard. However, it is also recommended for a municipality to develop and implement a reward system for all its employees which is linked to the individual performance of every individual employee to encourage higher standards of

performance in the municipality.

In terms of the effective implementation of a reward system two categories have been identified which depends upon the manner in which an employee is employed.

Appendix 1 deals with the reward system regarding the two categories of employees.

8.13 Implementing Performance Management

Integrated Development Planning (IDP) and Performance Management are seamlessly integrated to the extent that the IDP process fulfils the planning stage of performance management and performance management fulfils the implementation management, monitoring and evaluation of the Integrated Development Plan (IDP). The sole performance of the municipality links inseparable to that of its staff component. If employees do not perform the municipality will fail. The time framework for implementation of the PMS in the municipality is to ensure that the IDP and the PMS are managed effectively and sufficiently to reach the goals and the objectives of the municipality.

8.14 Disputes

- Where a difference of opinion regarding an employee's performance in terms of his/her scores may arise, the parties hereto shall confer with the objective of resolving such difference of opinion. An unresolved difference of opinion shall be deemed to be cause for a dispute between the parties hereto.

- In the event that the employee is dissatisfied with any decision or action taken by the supervisor or the municipality in terms of his/her scores of performance, or where a dispute arises regarding the employee's achievement of the performance objectives and targets established in terms of the employee's performance plan, the employee may meet with the supervisor with the objective of resolving such issue.

- The employee may schedule such meeting by giving proper written notice to the supervisor. The supervisor is required to hold such meeting within 3 (three) working days (or such shorter time as may reasonably be required by the employee) of submission of such request. The employee may require the supervisor to have the proceedings of such meeting recorded and to provide written minutes thereof within 7 (seven) working days of such meeting.
- In the event that an employee is not satisfied with the outcome of that meeting, the employee may make written representations to the HOD of the department and in the case of a manager reporting directly to the HOD, to the Municipal Manager as the appeal authority. The HOD or the Municipal Manager may determine a dispute resolution process which shall allow the employee adequate opportunity to put his case. The HOD's or the Municipal Manager's decision shall be recorded in writing and be presented to the employee within 7 (seven) working days of the conclusion of such hearing. The HOD's or the Municipal Manager's decision, with regard to the dispute resolution process contemplated herein, is final. Should the employee not accept the HOD's or the Municipal Manager's decision, the matter then becomes a matter for arbitration in terms of the employee's contract of employment.

Appendix

In order for the PMS policy to be effectively applicable in the municipality the following appendices are crucial to the completeness of the policy and form an integral part of the municipality's PMS policy.

- The Reward System/Performance Bonuses
- Implementation Framework Plan
- Individual Performance Manual

- PMS Regulations – No. R. 805 – 01 August 2006
- Score Card Formats (examples)

APPENDIX 1

PMS REWARD SYSTEM FOR MAGARENG LOCAL MUNICIPALITY

The Reward System/ Performance Bonuses

Municipalities are legally obliged to have remuneration and reward policy that sets out the link between performance and rewards for the Municipal Manager and the first level managers reporting directly to the Municipal Manager (Section 56 Employees). Section 57 of the Municipal Systems Act (2002) and the PMS Regulations of 01 August 2006 set the guidelines to follow in this regard. However, it is also recommended for a municipality to develop and implement a reward system for all its employees which is linked to the individual performance of every individual employee to encourage higher standards of performance in the municipality. Two categories of municipal employees have been identified based on the manner in which an employee is employed.

Performance Bonus Scheme for first level Section 57 Managers

Section 57 Employees has been defined as employees employed under the provisions of Section 57 of the Municipal Systems Act of 2002 on a performance based fixed term employment contract. In Magareng Local Municipality, the Municipal Manager and the Heads of Departments reporting directly to the Municipal Manager are defined under this category. Theseemployees will be measured and evaluated in terms of the provisions of Section 26 and 27 of the PMS Regulations of 01 August 2006. Section 32 of the Regulations will be applicable in determining performance bonuses.

Rating Performance

Performance is measured against the performance indicators set nationally in the PMS Regulations of August 2006. These indicators must be unpacked and taken up in the

performance plans of the other Section 56 managers (HOD's) reporting directly to the municipal manager.

Bonuses will only be paid out after the expiring of the particular financial year and once the signed score cards have been internally audited and approved by Council. Employees starting during the financial year will only be eligible on a pro-rata basis from the date of employment.

Performance scores are added together to give an overall performance score and the amount of the bonus is determined by the total performance score, according to the performance bonus scheme base set out in Section 32 of the PMS Regulations.

The following table indicates the overall rating, calculated by using the assessment-rating calculator provided for in terms of Section 32 of the PMS Regulations:

Staff Level	Final Score	Bonus Amount
Municipal Manager and other first level Section 57 Managers.	**130 – 133**	**5% of Annual Package**
	134 -137	**6% of Annual Package**
	138 -141	**7% of Annual Package**
	142 – 145	**8% of Annual Package**
	146 -149	**9% of Annual Package**
	150 -153	**10% of Annual Package**
	153 – 157	**11% of Annual Package**
	158 -161	**12%of Annual Package**
	162 -165	**13%of Annual Package**
	166 and above	**14%of Annual Package**

- Performance scores below 60 will be unacceptable and intervention shall be brought into practice in terms of Section 32 (3) of the PMS Regulations.
- Bonuses will only be paid if it was fully budgeted for and if sufficient funding is available.

Performance Awards for Permanent and Other Contract Employees

Permanent employees are defined for the purpose of performance management as employees who are permanently employed by Council and thus covered by the Basic Conditions of Service. Employees employed by contract, other than the Municipal Manager and the first level Managers (HOD's), will be treated under the same criteria and conditions for performance management as the defined permanent employees of the Municipality. The new PMS Regulations of 06 August 2006 does not make provision for rewards or bonuses for this category of employees. Council therefore may consider the implementation of some non-financial rewards to individual staff from time to time.

Rating Performance

Individual performance is measured against the performance indicators set out in the Performance Plan of each individual employee. These indicators will be reviewed annually, but may be altered or amended in the course of the financial year only with the consent of the responsible Head of the Department and the Municipal Manager, provided that it will still be within the parameters of the SDBIP of the particular department. A performance score of an employee is calculated according to set Key Performance Indicators (KPI's) on a quarterly basis.

APPENDIX 2

Time Framework for Implementation of the PMS

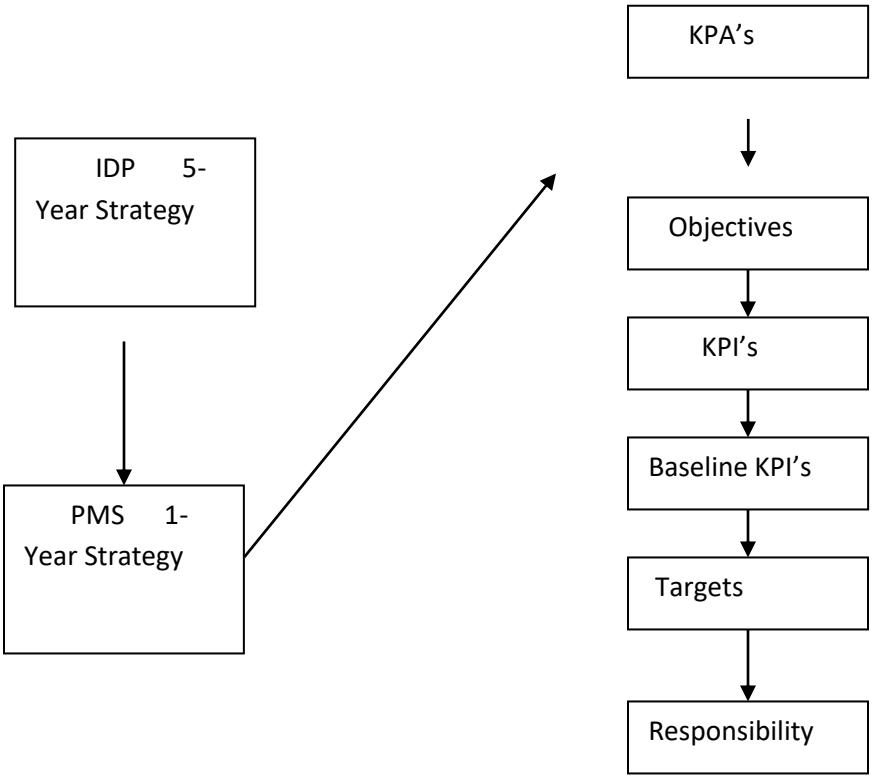
The practical implementation of the Performance Management System will be covered by the following steps:

- Planning for Performance
- Monitoring Performance
- Measuring Performance
- Reviewing Performance
- Reporting on Performance
- Auditing and Quality Control
- Improving Performance

The diagram below indicates the timeframes for the implementation of the PMS in the municipality:

Phase	Organisational Activity	Individual Activity	Time-Frame	Responsibility
Planning	Development of the SDBIP		14 June	**IDP/PMS Man. MM and Senior Managers.**
		Performance Agreements for Section 57 Managers.	14 June	**IDP/PMS Man. Ex M, MM and Senior Managers.**
		Performance Plans for all staff.	28 July	**HOD's/ Section Heads/ Supervisors.**
Monitor, Measure and Review	Monthly Monitoring.		Monthly	**All Managers and Supervisors.**
	Quarterly Reviews	Completion of questionnaires and score cards.	1st Week October January April	**All staff.**
		Annual Performance Appraisal.	14 July	**All staff.**
		Reward and Recognition.	31 August	**Ex M, MM and Senior Managers.**
Phase	**Organisational Activity**	**Individual Activity**	**Time-Frame**	**Responsibility**
Reporting	Quarterly Reports.	Annual Staff Performance Report.	1st Week: October January April	**HOD's, Managers and Supervisors.**
	Annual Report.		31 July	**Ex. M, MM, PMS Manager.**
Reporting	**Quarterly Reports.**		**1st Week: October January April**	**HOD's, Managers and Supervisors.**
	Annual Report.	**Annual Staff Performance Report.**	**31 July**	**Ex. M, MM, PMS Manager.**

The diagram below illustrates the link in planning between the IDP and the PMS:



The diagram above also indicates the flow of the SDBIP for the Financial Year.

Individual Performance Appraisal Guide-Lines

INDIVIDUAL PERFORMANCE
APPRAISAL GUIDE-LINES

HOW TO USE THESE GUIDE-LINES

Managers and supervisors are encouraged to study these guidelines carefully and in total in the first instance. Then revert to the concepts that are perhaps more difficult to grasp or that may be new to you. Study these in depth and if need be, discuss them with your fellow supervisors or your Human Resources Manager. Some of these guidelines may not apply to you personally. Many of them may be "old-hat" to you, but we hope every supervisor will find something helpful in it. Skip those suggestions with which you disagree or which are not compatible with

your own style of management or personality make-up. Be aware, however, that a watered down approach may not achieve the objectives set out below.

Before application, please ensure that you understand the concepts well. Do a "dummy run" or two with a fellow supervisor or even a tape recorder, for practice, and when you feel confident, apply your newly acquired knowledge and skills.

- **OBJECTIVES OF PERFORMANCE APPRAISALS AND PERFORMANCE APPRAISAL INTERVIEWS**

The main objective of the performance appraisal and performance appraisal interviewing system is to provide management with a sound basis for an objective performance evaluation of employees. It should also assist the employee, through discussion, to improve on his/her performance in his/her current job towards the overall improvement of the department or the municipality at large.

The main objective may be subdivided into the following subsidiary objectives:

- **Objectives of the Performance Appraisal**

• To provide supervisors with a job orientated performance appraisal system, enabling them objectively to appraise individual job performances;

• To provide supervisors with a guideline for conducting the performance appraisal interview

• To provide aid towards more readily identifying promotable people on a group basis;

• To identify training and development needs which require to be met on either an individual or collective basis;

• To serve as an input to salary/ bonus/ awarding recommendations.

- **Objectives of the Performance Appraisal Interview**

• To ensure that the employee knows where he/she stands;

• To assist supervisors in helping their subordinates to improve their job performance;

• To identify development needs of individuals;

• To give people the opportunity to discuss their performance and objectives and their future aspirations with their direct superiors, thus creating a better understanding between supervisor and subordinate;

• To serve as an outlet for cropped-up dissatisfactions and frustrations;

• To give the supervisor an opportunity to discuss his/her own performance with his/her subordinates and to assess how he/she can improve his/her managing of them.

THE PERFORMANCE APPRAISAL

The Performance Plan and Score Card Appraisal have been designed to give as much flexibility and to allow for as much original thinking as possible - without losing its effectiveness. The design allows for a job-orientated approach to performance appraisals and helps the supervisor:

• To focus on the most important areas of performance in a specific job, i.e. it identifies the areas where effective performance is necessary for the job objectives to be achieved. This refers to the "**Weighting"** column in the Performance Plan and Score Card. The supervisor and the employee should firstly agree on the weighting of each of the attributes (KPA's and KPI's) that are used for measurement, as it applies to the employee's job.

The weight should be allocated on the following basis:

The total score for the KPI's in a Performance Plan of an employee cannot exceed 100%. Once the weightings have been determined and KPI'S have been made "SMART", the performance plan and score card may be completed and signed by both the supervisor and the particular staff member.

• To be as objective as is humanly possible in evaluating the performance of subordinates and to identify areas of strengths, weaknesses, training needs and promotability.

• To give factual background data upon which a supervisor can base his/her performance appraisal interview.

Completing the "Questions" on the KPI's

Questions on the KPI's have been developed as part of the score card system in order to simplify the measurement of staff. More than one question may apply to the same KPI. Once the KPI's have been determined and the relevant questions have been formulated it cannot be changed without the consent of the supervisor, the staff member and the PMS Practitioner Responsible for the Individual PMS.

Rating Scale

Appraisal of performance should concentrate on how well the individual has met the results you expected him/her to achieve in the execution of his/her job. In considering the level of achievement, you should understand the rating scale definitions clearly and apply them consistently throughout your rating. In awarding a points rating to a particular attribute, consider each point of the rating scale and its definitions carefully. Always think of the results expected from the job as the standard then compare the individual's performance against this standard. In appraising performance, do not think compassionately. Also give consideration to your own standards of evaluation. Ask yourself the questions:

> "Are my standards realistic, or am I rating too leniently or too harshly?"
>
> "Do I apply the same standard consistently?"
>
> "Do I think of each attribute separately and in isolation, or do I tend towards an undesirable "halo effect?"

Weighting:

Ideally, the weighting should be reviewed every time the performance appraisal is discussed. In other words, a forward projection should be made of the areas for the ensuing year/ six or three months. The employee who is being apprised will then be fully aware of the key performance areas for his/her job and on what he/she is going to be appraised.

You will find it helpful first to review the results that you expect to be achieved in each key performance area or attribute and then measure the actual achievements in KPI's against these results.

- Excellently completed
- Well completed
- Satisfactorily completed
- Partially completed
- Incompletely or poorly completed.

By focusing your appraisal on the elements of job performance, you will avoid controversial things that normally result from appraising personality traits which are hard to define, let alone measure. By noting performance against agreed standards or expectations, you will be identifying points for discussion when you do the appraisal interview. Staff should keep reliable records to support their answers on the set questions mentioned earlier. Managers and supervisors must verify the given information before the scores be entered into the score cards.

Training and Development Needs

When considering training and development needs, you should, in the first instance, turn your mind to specific training the individual needs to improve his/her performance in his/her present job. Secondly, when you consider promotion or increased responsibility, you should think of what training and development is needed to accomplish this. It will help if the training needs are spelt out in the specific terms:

> "Training in accounting and finance for non-financial managers" as opposed to management training".

This information must be given quarterly at the applicable section provided for it on the score card system.

- **Promotion**

In further consideration of promotions of the individual, a broader view needs to be taken, i.e. consideration should not only be given to what promotional opportunities are immediately available in your sector, but also on a broader municipal career basis. Just as you would not like to think that your supervisor is standing in your way for promotion outside of your sector, so you should not stand in the way of your subordinates who may be promotable outside of your department. You should also turn your mind to the individual's ability to perform jobs in other career fields or disciplines as part of his/her overall development.

- **Comments by Rater**

A very brief summary of your views of the employee and his/her performance should be kept for later reference purposes.

Compassionate conditions that may affect the employee's performance, for example: ill health should also be mentioned and kept on record.

- **Timing of Performance Appraisals**

Ideally, performance appraisals should be done quarterly at least. The performance appraisal interview should be done very soon thereafter. In order not directly to link performance and salary increases in people's minds, it is necessary to keep the performance appraisal discussion and the salary increase advice separately. Performance, although a major factor, can under certain circumstances, only be one of the factors influencing salary increases.

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