



DITSOBOTLA LOCAL MUNICIPALITY

2025/2026 INTEGRATED DEVELOPMENT PLAN

Adopted: 30 May 2025

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FOREWORD BY THE MAYOR, CLLR. WITNESS MORUTSE

Ditsobotla Local Municipality acknowledge the critical role that basic services play in enhancing the quality of life for our communities. In line with national government's priorities, our Integrated Development Plan (IDP) focuses on addressing the pressing challenges of water, electricity, roads, and stormwater management. These fundamental services are not only essential for human dignity but also crucial for economic growth and development.

Access to clean and reliable water is a fundamental human right. However, many of our communities still face significant water challenges, including inadequate infrastructure, water losses, and poor water quality. To address these challenges, our municipality is committed to partnering with provincial government and the district municipality towards investing in water infrastructure development, upgrading existing water treatment plants, and implementing water conservation and demand management strategies. Our goal is to ensure that all communities have access to clean and reliable water, thereby improving their health and well-being.

Electricity is a critical component of modern life, powering homes, businesses, and industries. However, our municipality faces electricity challenges, including aging infrastructure, high maintenance costs, and inadequate power supply. To address these challenges, we are working to upgrade our electricity infrastructure, and increase energy efficiency by implementing the 20MVA Lichtenburg Substation. Our objective is to provide reliable and sustainable electricity services that support economic growth and development.

Good roads are essential for economic development, public safety, and social mobility. However, many of our roads are in a state of disrepair, causing inconvenience to residents and impacting negatively on our economy. To address these challenges, our municipality is prioritizing road infrastructure development, maintenance, and rehabilitation through the implementation of various MIG funded projects.

Effective stormwater management is critical for preventing flooding, protecting infrastructure, and ensuring public safety. However, many of our communities are vulnerable to stormwater-related challenges, including flooding, as evidenced by the recent torrential rainfalls that caused damage to healthcare infrastructure in Lichtenburg. To address these challenges, our municipality is investing in stormwater infrastructure development, upgrading existing drainage systems, and implementing sustainable urban drainage solutions. Our objective is to reduce the risk of flooding, protect our infrastructure, and ensure that our communities are safe and resilient.

Building on the outcomes of the week-long Municipal Strategic Planning Session held from 26 to 29 May 2025, we are committed to developing and implementing various strategies aimed at ensuring sustained service delivery and good corporate governance. In this regard, several corporate policies were reviewed and adopted to ensure financial viability and organizational stability. Furthermore, the municipality is engaging with strategic partners in the business sector to leverage existing resources and continuously improve infrastructure within our communities.

SECTION A: INTRODUCTION & OVERVIEW

1. Background

The Integrated Development Plan (IDP) is the primary strategic planning document guiding and informing all planning, development, and decision-making within the municipality. As a central planning tool for government, the IDP embodies local government developmental goals and a comprehensive service delivery programme.

The IDP facilitates horizontal and vertical coordination and integration across national, provincial, and local spheres of government. Furthermore, it necessitates community participation and stakeholder involvement in the affairs of the municipality. Consequently, the integrated development planning process is crucial for the success of every South African municipality's endeavour to establish responsive, developmental, and accountable local government. Additionally, the IDP binds the municipality in the exercise of its executive authority.

Ditsobotla Local Municipality (DLM) adopted its fifth generation Integrated Development Plan in May 2022 in line with the provisions of the Local Government: Municipal Systems Act No.32 of 2000 for the 2022 – 2027 council term. Section 34 of the MSA requires a municipality to review the adopted IDP annually informed by changing circumstances. This review represents the third annual review of the Ditsobotla IDP following the one conducted in May 2024.

The review takes place at a time when the municipality is already placed under mandatory provincial intervention in terms of section 139(5) of the Constitution of the Republic of South Africa, 1996 – placing a strategic focus on the municipal financial recovery while also addressing pertinent governance and institutional challenges. Evidently the intervention underscores the prevalence of a challenging socio-economic environment which constrain municipal revenue and negatively impacts sustainable service delivery.

As part of the current review process the municipality has taken into account both national and provincial support towards ensuring municipal financial recovery and the stimulation of the local economy through multi-pronged sectoral interventions implemented through various intergovernmental relations platforms. It is essential to identify and integrate all government and private sector initiatives focused on developing DLM through the current IDP review process. This will help minimize duplication of efforts and optimize overall development.

1.1. Overview of Ditsobotla Local Municipality

The Ditsobotla Local Municipality is a Category B municipality situated within the Ngaka Modiri Molema District in the North West Province. It is one of the five municipalities in the district, making up almost a quarter of its geographical area. The seat of the local municipality is Lichtenburg. The municipality was established through the amalgamation of the former Lichtenburg, Coligny, and Biesiesvlei transitional councils.

The Ditsobotla Local Municipality comprises two main towns, Lichtenburg and Coligny, and four semi-urban areas (townships): Itsoseng, Tlhabologang, Itekeng, and Boikhutso.

The municipality is surrounded by numerous rural areas (villages), including Bodibe, Matile, Springbokpan, Verdwaal, Bakerville, Ga-Motlatla, and Putfontein. According to StatsSA (2022), the municipality has an estimated population of 164,176.

Lichtenburg, established in 1873, serves as the economic and administrative hub of the municipality and holds significant historical importance in the old Transvaal Republic. The town experienced a diamond rush in the mid-1920s following the discovery of rich deposits. Today, the primary economic activity in Lichtenburg is maize production, as it lies at the heart of the country's main production area, known as the "maize triangle." Additionally, within an 80km radius of the town, there are three major cement producers.

1.2. Legislative Context

The Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) stipulates that each municipal council must adopt a single, inclusive, and strategic plan for the municipality's development within a prescribed period after the start of its elected term. This plan must:

- Link, integrate, and coordinate plans, while considering proposals for municipal development.
- Align municipal resources and capacity with the plan's implementation.
- Serve as the policy framework and general basis for annual budgets.

1.3. Annual Review of the IDP

On 31 August 2024, the council of Ditsobotla Local Municipality adopted the 2025/2026 IDP and Budget Process Plan. The IDP is reviewed annually in accordance with an assessment of its performance measurements and in response to changing circumstances.

This review process serves as an institutional learning opportunity, allowing stakeholders to discuss the previous year's performance and refine plans based on internal and external environmental changes. Consequently, the review and amendment of the IDP further develop it, ensuring it remains the municipality's principal management tool and strategic instrument.

As previously indicated, the review does not replace the 5-year IDP nor does it alter the municipality's long-term strategic direction to accommodate new demands. Section 34 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) prescribes the following:

“34. Annual review and amendment of integrated development plan.

A municipal council – must review its integrated development plan –

annually in accordance with an assessment of its performance measurements in terms of section 41; and to the extent that changing circumstances so demand; and may amend its integrated development plan in accordance with a prescribed process.”

In line with the above provision, read together with Section 21 of the Local Government: Municipal Finance Management Act 56 of 2003, Ditsobotla Local Municipality has reviewed its Integrated Development Plan, which is supported by the 2025/2026 to 2027/2028 Medium-Term Revenue and Expenditure Budget.

The purpose and objectives of the review exercise are to:

- Reflect and report on the progress made in implementing the institutional and development targets set in the previous financial year.
- Evaluate the appropriateness of the development strategies outlined in the 5-year plan and make adjustments where necessary, considering external and internal changes.
- Determine annual targets and action plans for the next financial year to stay on track with implementing the 5-year plan.
- Inform the municipality's annual budget and improve efficiency to maximize the impact of available resources.
- Confirm the Council's strategic objectives and medium-term service delivery and development agenda.
- Review the prioritization of key programs and projects in each municipality, ensuring all projects align with achieving the strategic objectives.
- Address the recommendations outlined in the assessment report from the CoGTA provincial government's assessment of the previous financial year's municipal IDP review.

1.4. Process Followed

Section 28 of the Municipal Systems Act stipulates that a municipal council must adopt a written process to guide the planning, drafting, adoption, and review of its Integrated Development Plan (IDP) within a prescribed period after the start of its elected term. This process plan plays a crucial role in ensuring good governance and service delivery by streamlining municipal planning activities. It establishes clear structures for planning, including roles and responsibilities, and provides mechanisms for public participation and process monitoring.

In compliance with this provision, Ditsobotla Local Municipality adopted its Process Plan in August 2024 (attached as Annexure A) and implemented various activities as part of the IDP review, which include:

- A consultative meeting between Ditsobotla Local Municipality and Ngaka Modiri Molema District Municipality (district municipality) was held on 29 October 2024 to align municipal programmes in compliance with items 2(5) and (6) of the Municipal Planning and Performance Regulations, 2001, which require that both the district municipality and local municipalities within its area consult each other

on proposed amendments to their respective integrated development plans and take into consideration all comments submitted to one another before taking a final decision on the proposed amendments.

- The municipality undertook the first round of community consultations from 9 to 12 December 2024 as part of providing mid-term performance feedback, determining existing levels of community development, and reprioritizing. The issues raised during these consultations are summarized below.
- Mid-year performance reviews and adjustments: The mid-year performance and budget reports for 2024/2025 were also used as a baseline for the review of the integrated development plan.
- An Intergovernmental IDP Working Session was held on 24 February 2025 in Mahikeng, focusing on demographic updates and sector projects planned for the medium term.
- On 31 March 2025, the draft 2025/2026 IDP was tabled before the council for consideration and public comments. A public notice inviting written comments was placed on the municipal website and complemented through ward community meetings from 14 to 22 May 2025.
- The District IDP Representative Forum Meeting was held on 8 May 2025 at Maseru Resort, Mahikeng, to further engage with various communities and ward committees on both the district and municipal IDPs, with a specific focus on planned capital projects and draft budgets.
- The final IDP document was adopted by the Council on 30 May 2025, in line with the relevant provisions of the Municipal Systems Act 32 of 2000, read together with the Municipal Finance Management Act 56 of 2003.

1.5. Strategic Overview of the IDP

The current political leadership took office following the dissolution of the previous council and the subsequent by-election on 14 December 2022. The municipality is also under mandatory provincial intervention in terms of Section 139(5) of the Constitution of the Republic of South Africa, 1996, to facilitate its financial recovery and ensure it meets its obligations. In the context of this intervention, part of the Council's strategic intent is to address the financial, service delivery, and governance challenges that led to the previous council's dissolution and reposition Ditsobotla Local Municipality as an organ of state capable of delivering sustainable services to the community.

Based on the overall performance for the period under review council reaffirmed the following strategic focus areas:

- Building a financially viable and resilient municipality capable of providing sustainable services;

- The appointment of senior managers and staff with the requisite skills, knowledge and competencies;
- A government underpinned by principles of accountability, transparency and good governance;
- A government that is responsive to the needs of the community and better positioned to create a conducive environment for economic growth; and
- Fighting corruption, patronage, nepotism and self-enrichment.

1.6. Structure of the IDP Document

This document is structured into various sections, preceded by foreword by both the Mayor and the Municipal Manager that sets the strategic direction for the Integrated Development Plan. The vision, mission, and strategic objectives of the municipality remain unchanged.

The sections of this generation of IDP can be summarized as follows:

Section A: Introduction and Overview which looks broadly at the legal framework guiding the IDP and the alignment of the municipal plans with those of other spheres of government with emphasis on the District Development Plan and also explaining the five-year IDP process and the key timeframes followed.

Section B: Situational Analysis which provides a municipal development profile with an overview of the municipal area and highlights the key socio-economic data that informs the development needs in Ditsobotla Local Municipality also the physical perspective of the Ditsobotla municipal area.

Section C: Municipal Vision and Mission, which reflects on the Vision and Mission of the municipality, the institutional arrangements in the municipality. The section also gives the municipal priorities for the next five years and the input by the community in the process of developing the IDP.

Section D: Spatial Development Framework - The primary purpose of the Spatial Development Framework is to present the spatial development goals of the municipality that result from the integrated consideration and sifting of spatial implications and of different sectoral issues. It provides decision-makers with a clear frame of mind on how and where development should occur within identified resource frames. The Municipal Spatial Development Framework applies to the entire municipal area of Ditsobotla. The overall SDF serves an informant of the local spatial development frameworks contained in this section.

Section E: Objectives, Strategies, Indicators, Targets and Projects which states the municipality's strategic objectives, annual performance indicators and targets including the projects earmarked for the implementation over the mid-term framework.

Section F: Medium Term Revenue and Expenditure Framework Budget 2025/2026 – 2027/2028.

Section G: Operational Plan which provides brief outline on the municipality's political structures, Ward Committees, Portfolio Committees of Council including the political and administrative interface.

Section H: Performance Management which legal framework on performance management and the municipal performance management model.

SECTION B: SITUATIONAL ANALYSIS

2. Demographic and Socio-economic Profile

This section outlines the environment in which the Ditsobotla Local Municipality operates, reflecting on both the socio-economic and internal factors, such as service delivery, financial, institutional, and spatial development, as well as other developmental considerations. An analysis of the technological and cross-cutting issues is conducted to identify constraints and develop intervention mechanisms to address them.

The situational analysis, and thus the basis for priority review, is derived from a rigorous process of community participation, internal engagement, and data analysis compiled. The internal sources used to verify the current situation include planning documents prepared for the Ngaka Modiri Molema District Municipality on service delivery, infrastructure backlogs, the Statistics South Africa (2022 Census), and other planning documents of the Ditsobotla Local Municipality.

2.1. Demographics

An understanding of changes in population structure is crucial for developing planning responses to increasing pressures on food, energy, water, jobs, and social support for the country's citizens. Understanding how total fertility rates, age-specific fertility rates, sex ratios at birth, life expectancies, and international migration affect respective population groups, ages, and genders is essential for effective spatial planning.

The following statistics provide an overview of the economic, demographic, and socio-economic environment of Ditsobotla Local Municipality within the context of the Ngaka Modiri Molema district, North West Province, and South Africa.

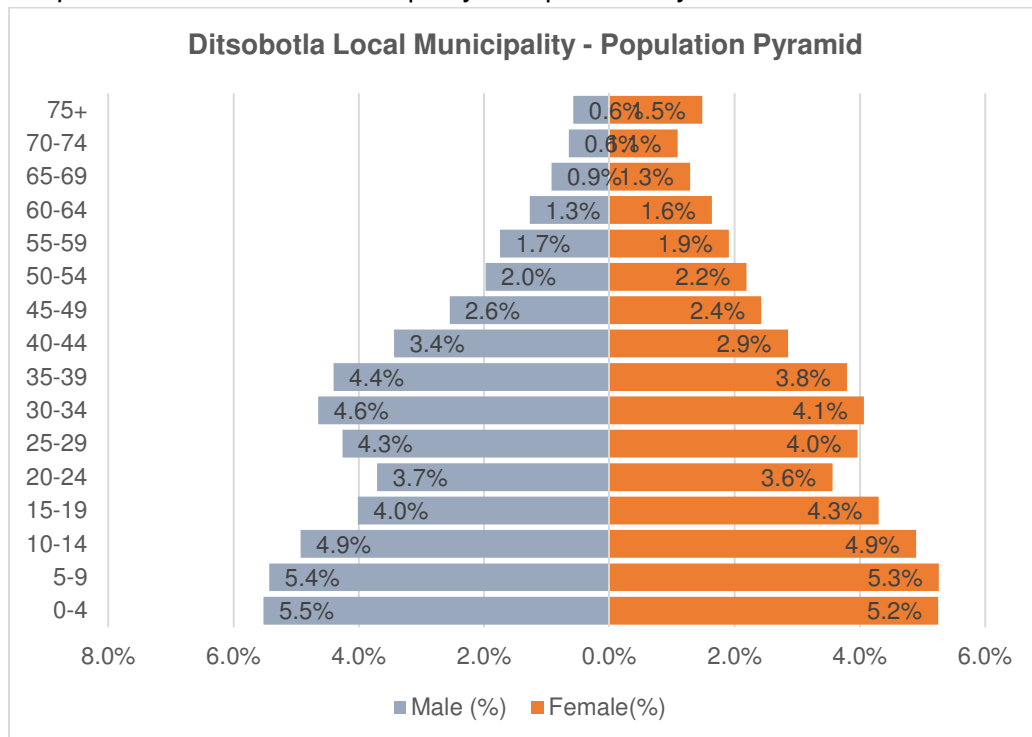
2.1.1. Population Trends

The Mid-Year Population Estimates 2024 (Statistics South Africa) places the population of Ditsobotla Local Municipality at 191 738, up from 164 176 recorded during the 2022 Census. The population distribution by gender reveals 95,979 males and 95,759 females. The male-to-female ratio is approximately 1.0, with males slightly outnumbering females.

2.1.2. Age Profile

The largest share of the population is found in the youth category (15-34 years), which constitutes 62 357 individuals or 32.5% of the population. This is followed by the category of children (0-14 years), which makes up 59 991 individuals or 31.3%. The adult category (35-64 years) accounts for 57 876 individuals or 30.2%, while the age category with the least number of people is the retired/old age group (65 years and older), which stands at 11 514 individuals (6%).

Graph: Ditsobotla Local Municipality – Population Pyramid



Source: StatsSA, Mid-Year Population Statistics 2024

2.1.3. Population by Group

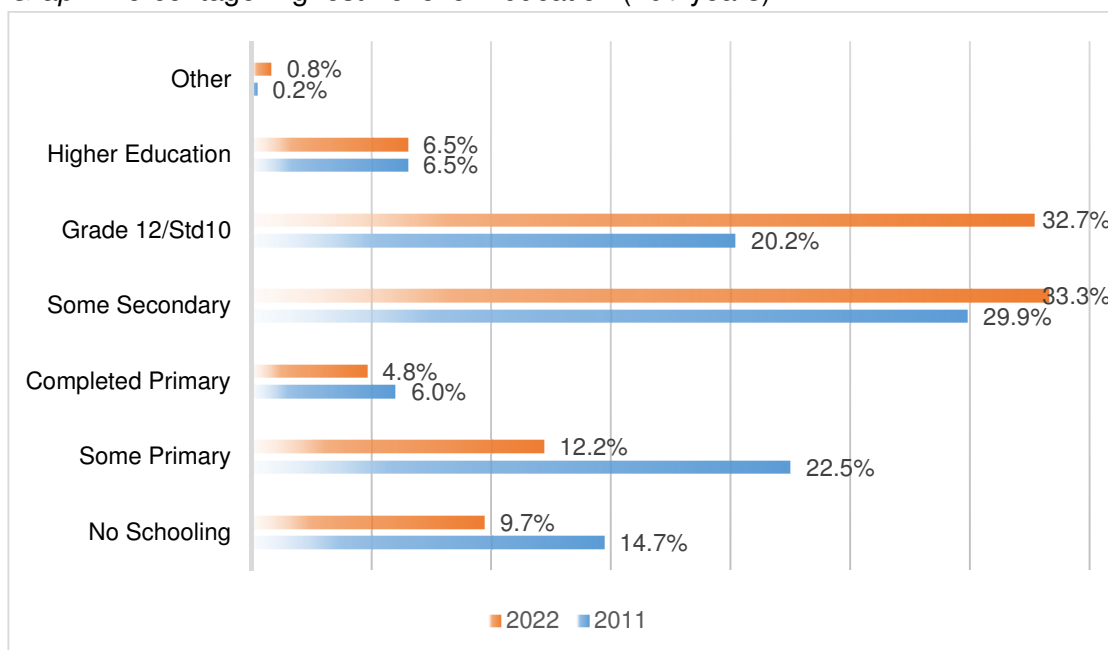
According to the StatsSA Census 2022 figures, the Ditsobotla Local Municipality's population is constituted of 91.7% African (150 600), 6.5% White (10 642), 1.6% Coloured (2 572), 0.1% Asian (97) people.

2.1.4. Education

An assessment of the highest levels of education in Ditsobotla is provided in the graphic representation below.

It reveals that the proportion of people without any schooling decreased by an annual average of 0.46%, from 14.7% to 9.7%, between 2011 and 2022. The percentage of those with Grade 12 increased from 20.2% to 32.7% during the same period, representing an average annual increase of almost 1% and highlighting an improved functional literacy rate. The percentage of people with higher education remained steady at 6.5% over the same period.

Graph: Percentage Highest Level of Education (20+ years)



Source: StatsSA, Census 2011 & 2022

2.1.5. HIV/Aids Estimates

HIV and Aids can have a substantial impact on the growth of a particular population. However, there are many factors affecting the impact of the HIV virus on population progression: adult HIV prevalence rates; the speed at which the virus progresses; age distribution of the virus; the mother-to-child transmission; child treatment; adult treatment; and the percentage by which the virus decreases total fertility. ARV treatment can also prolong the lifespan of people that are HIV+. In the absence of any treatment, people diagnosed with HIV live for approximately 10 years before reaching the final stage of the disease (called AIDS). When patients reach this stage, recovery is highly unlikely (Quantec, 2022).

The table below provides the HIV programmes outcomes for Ditsobotla and Ngaka Modiri Molema District.

Table 5: HIV Treatment Indicators 2016 – 2019

Patients remaining on ART				
	2016	2017	2018	2019
Ditsobotla	109 034	134 485	143 024	158 203
Ngaka Modiri Molema	576 691	631 078	685 204	768 653

Patients starting ART				
	2016	2017	2018	2019
Ditsobotla	2 451	2 441	2 104	2 074
Ngaka Modiri Molema	10 382	10 204	10 031	9 393

The HIV prevalence in Ditsobotla increased from 109 034 to 158 203 between 2016 and 2019 while the number of people starting ART decreased from 2 451 to 2 074

during the same period. The number of people on ART in Ditsobotla constituted 18.9% of the district and increased to 20.58% in 2019.

2.1.6. Crime

The crime statistics are important in the municipal planning process as they influence urban designs aimed at promoting the social, cultural and economic resilience of the communities and residents. Crime has a negative impact on communities which prompts a proactive planning approach anchored around national crime prevention strategies and interventions. The figures presented below outlines the number of crime incidences in Ditsobotla for the financial year 2022/2023.

Table: Crime Statistics for Ditsobotla - 2022/2023

Category	Figures
Commercial crime	825
Drug-related crime	644
Stock-theft	588
Theft out of or from motor vehicle	392
Theft of motor vehicle and motorcycle	294
Burglary at business premises	235
Burglary at residential premises	234
Malicious damage to property	224
Robbery with aggravating circumstances	162
Sexual crimes - Total	157
Common assault	150
Assault with the intent to inflict grievous bodily harm	43
Attempted murder	26
Murder	22

Source: S&P Global, 2025

2.2. Economic Analysis

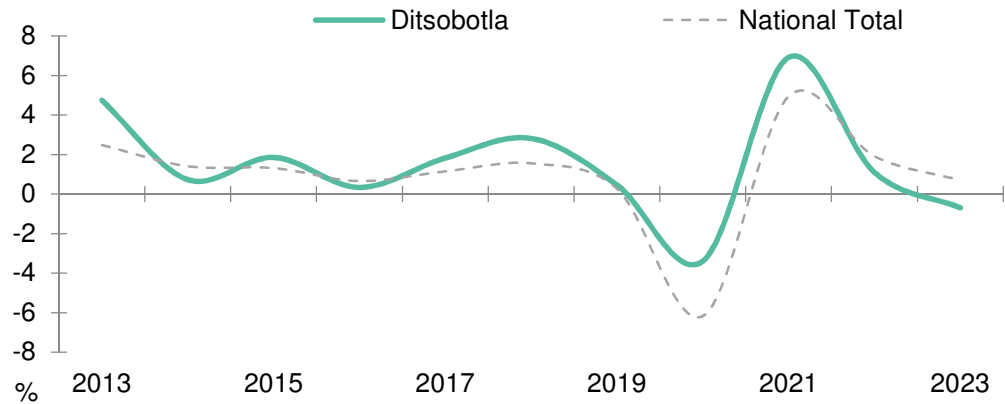
The statistical information and analysis of the economic profile for Ditsobotla Local Municipality are based on a study undertaken by the National Treasury, which resulted in municipal socio-economic profiles for 227 municipalities in South Africa, excluding the Western Cape. Other sources used include S&P Global (2025), as provided by the Provincial Treasury, and statistics on the labour market issued by Statistics South Africa.

2.2.1. Gross Domestic Product

With a GDP of R17.4 billion in 2023 (up from R9.22 billion in 2013), the Ditsobotla Local Municipality contributed 19.82% to the Ngaka Modiri Molema District Municipality's GDP of R87.6 billion in 2023, contributing 4.20% to the North-West province's GDP and 0.25% to the South African GDP. The municipality achieved an

annual growth rate of 0.68%, and it is expected that the average annual rate will grow by 1.50% from 2023 to 2028.

Figure: Economic growth: 2013-2023

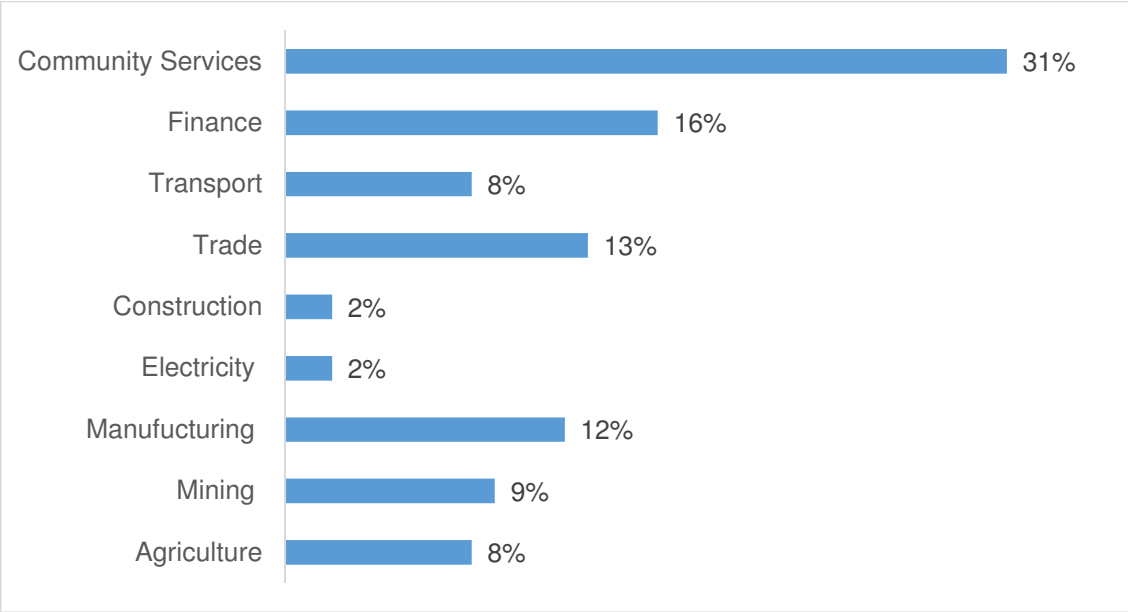


Source: The Presidency, DPME

In 2023, the community services sector was the largest, accounting for R4.68 billion or 30.8% of the total Gross Value Added (GVA) in the local municipality's economy. The sector that contributes the second-most to the GVA is the finance sector at 15.7%, followed by the trade sector with 12.9%. The sector that contributes the least to the economy is the electricity sector, with a contribution of R262 million or 1.72%. Between 2013 and 2023, the agriculture sector experienced its highest positive growth in 2017, with an average growth rate of 23.5%, and the mining sector reached its highest point of growth of 25.8% in 2021.

The diagram below reflects the share of GDP contributed by each sector in Ditsobotla Local Municipality:

Graph: Sector Composition



Source: The Presidency, DPME

2.2.2. The unemployment rate for Ditsobotla

Statistics South Africa defines an economically active person as one who is available for work and is aged between 15 and 65 years of age, regardless of whether that person is employed or not. According to Statistics South Africa (2004), an employed person is defined as one who works for remuneration, profit or family gain. The definition includes employers and employees, as well as those who are self-employed or a working family member. This includes both the formal and informal sector.

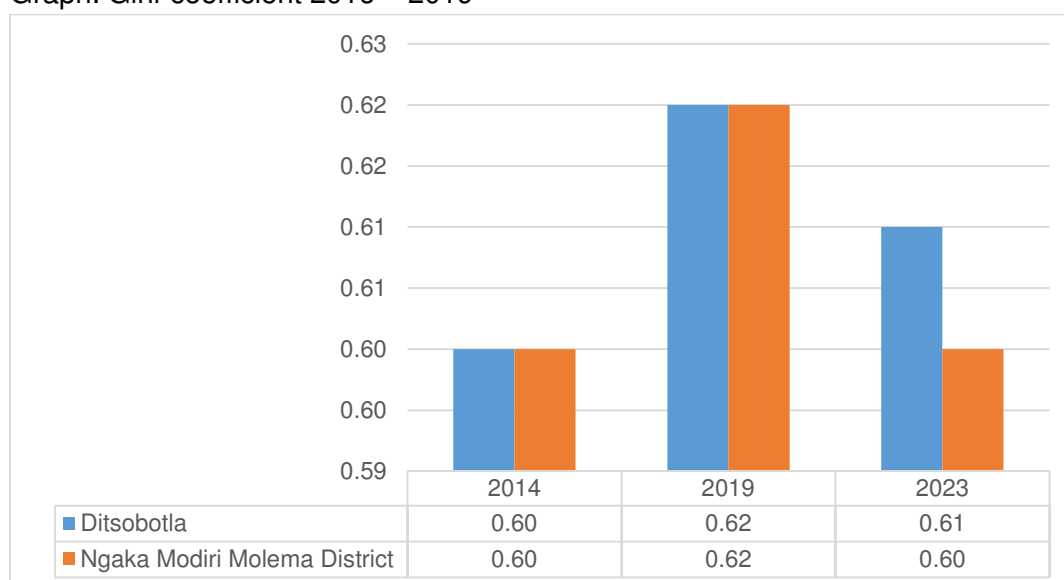
According to Statistics SA's narrow definition, the unemployment rate is the proportion of the labour force who are unemployed. The labour force participation rate shows the proportion of the working-age population (15 to 64) who are economically active, while the labour absorption rate indicates the proportion of working-age people who are employed. Based on the Quarterly Labour Force Survey (QLFS) Q4: 2024 results from Statistics South Africa statistics the unemployment rate of Ditsobotla stands at **41.3%**, the labour force participation rate is **56.6%** and the absorption rate is **33.2%**.

The employment status by gender reveals that a higher proportion of women (49.3%) is unemployed compared to 34.9% male.

2.2.3. Gini-coefficient

The Gini coefficient is a measure of income inequality. The Gini coefficient measures the deviation of the distribution of income among households from a perfectly equal distribution. A value of 0 represents absolute equality while a value of 1 represents absolute inequality.

Graph: Gini-coefficient 2016 – 2019



Source: S&P Global, 2025

In 2019, the Gini coefficient in the Ditsobotla Local Municipality was 0.62 with a slight reduction to 0.61 during 2023. This indicates that income inequality is lower compared to that of the Ngaka Modiri Molema District. The figure is comparatively similar to that

of the district which stood at 0.60 during 2023 highlighting unfavourable income inequalities amongst the population.

2.2.4. The Human Development Index (HDI)

The HDI combines three dimensions: a long and healthy life, knowledge, and a decent standard of living. The indicator used to measure a long and healthy life is life expectancy, which the World Bank (2009) defines as the number of years a new-born infant would live if prevailing mortality patterns at the time of birth remained the same throughout its life. The two indicators for knowledge are mean years of schooling and expected years of schooling. Lastly, a decent standard of living is measured in terms of Gross National Income (GNI) per capita.

According to S&P Global (2025), the HDI for Ditsobotla Local Municipality increased from 0.54 in 2019 to 0.61 in 2023 and was slightly higher than that of the Ngaka Modiri Molema district, which stood at 0.59.

2.2.5. Household Income

The average household income for Ditsobotla in 2019 was R372 which is lower than the district and national average of R1 795 and R166 641. However, the average monthly household income growth for Ditsobotla (1.88%) was slightly higher than the national average of 1.83% during the period 2016 – 2019 (National Treasury, MSEP).

Table: Average Household Income

	Average Household Income	Average Household Income growth (2016 – 2019)
Ditsobotla	R372	1.88%
Ngaka Modiri Molema	R1 795	2.04%
South Africa	R166 641	1.83%

Source: Quantec, 2020

2.2.6. Dependency Ratio

The dependency ratio is explained as the ratio of dependents (people younger than 15 years and older than 65 years) to the working-age population (15 – 64 years). The dependency ratio for Ditsobotla Local Municipality declined from 61.5% during 2011 to 55% in 2022. This means that there are about 55 dependents for every 100 people of working age. Comparatively, for the period 2011 and 2022 the dependency ratio for Ditsobotla is slightly lower to that of the district municipality as per table below.

Table: Dependency Ratio 2001 – 2022 Census

	2001	2011	2022
Ditsobotla	58.8	61.5	55.3
Ngaka Modiri Molema	66.2	64.5	58.5

Source: Statistics South Africa

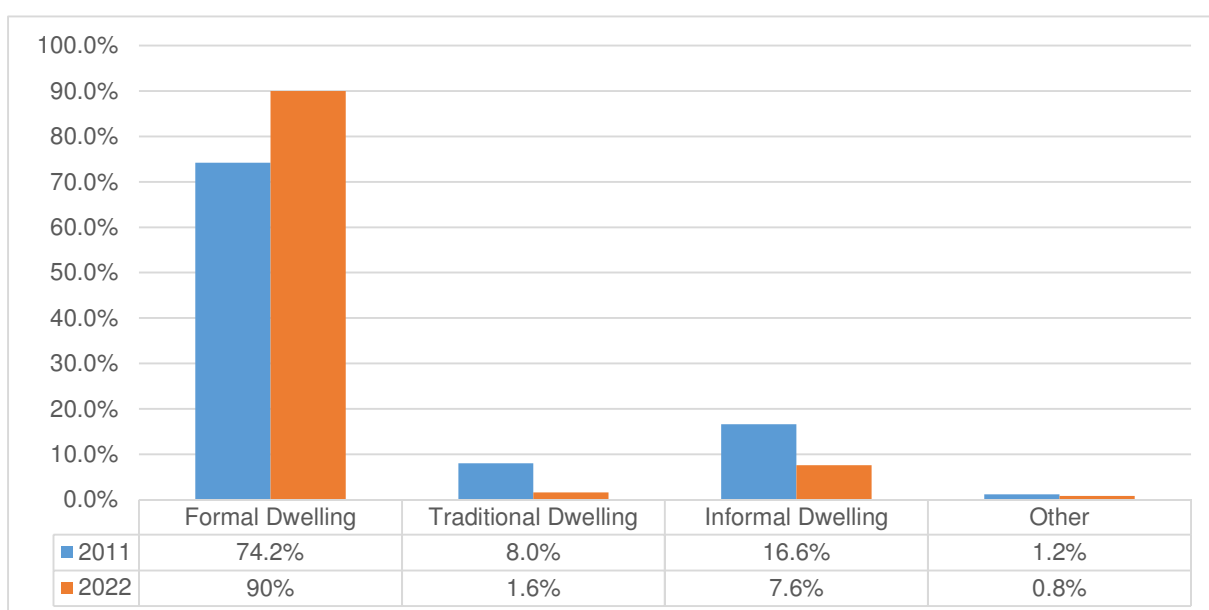
2.3. Households

The total number of households for Ditsobotla is 45 328 with an average household size of 3.9 (StatsSA, Mid-Year Population 2024). The statistics further indicates reveal that 46.5% of households are headed by females compared to 53.5% male. About 0.93% (421) of household heads are children aged 0 – 14 years while 18% (8 106) are youth aged 20 – 34 years.

2.3.1. Dwelling Profile

The number of households residing in formal dwellings increased from 33 025 or 74.2% in 2011 to 38 169 or 90% during 2022. Conversely, the number of households residing in traditional and informal dwellings (shacks) declined from 8% and 16.6% to 1.6% and 7.6% respectively. The graph below provides a comparative analysis of the dwelling by type for Ditsobotla Local Municipality between 2011 and 2022.

Graph: Dwelling by Type



Source: StatsSA, Census

2.3.2. Access to Services

2.3.2.1. Water Services

In terms of current powers and functions, Ngaka Modiri Molema District Municipality is a water services authority, and Ditsobotla Local Municipality is a water services provider. The municipality is responsible for providing water services in towns, while Ngaka Modiri Molema District Municipality provides water services to other areas.

The main sources of water are extracted from boreholes, springs, and rainwater. The Lichtenburg Water Treatment Works Plant is old and requires proper management to limit unnecessary maintenance and repairs. The larger water supply system in the municipality's jurisdiction involves raw water extracted from surface water resources and purified at the plant, which then supplies reservoirs that feed internal water reticulation systems, predominantly in towns, largely disadvantaging rural households.

As a water services authority, Ngaka Modiri Molema District Municipality is responsible for the bulk water supply (boreholes, pumping mains, and reservoirs) and also operates the entire value chain of water supply schemes in rural areas. The district municipality has appointed Magalies Water to operate and maintain the Itsoseng Water Scheme.

Municipal water provision is divided into the following twelve (12) water schemes:

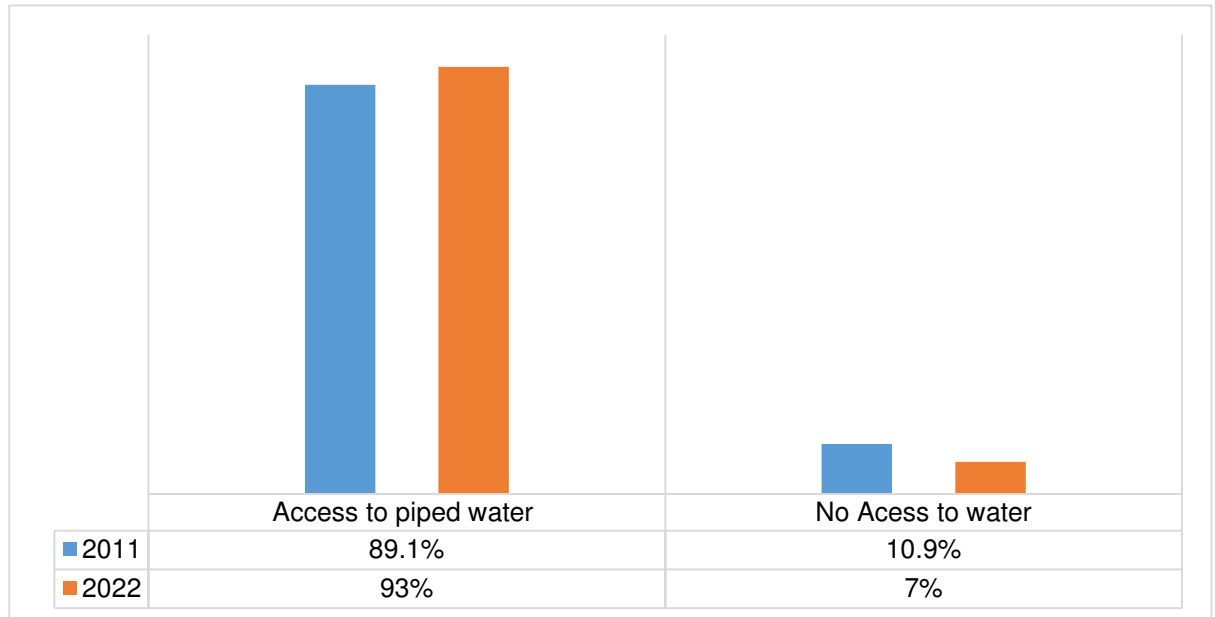
Scheme	Description
Lichtenburg Scheme	The scheme consists of 21 boreholes of which 17 is situated at Klipveld (Lichtenburg) and 7 in Boikhutso. The district municipality is responsible for the maintenance of boreholes (bulk supply) and Ditsobotla performs the internal reticulation functions.
Coligny Scheme	It has 26 boreholes of which 6 are operational.
Itsoseng Scheme	Operated by <i>Magalies Water</i> , the scheme has 14 boreholes of which 11 are operational.
Biesiesvlei Scheme	The scheme has six boreholes
Springbokpan, Putfontein, Verdwaal, Sheila, Bodibe, Opraap, Stompie and Ga-Maloka	All rural schemes operated by Ngaka Modiri Molema District Municipality as a water service authority.

The municipality is experiencing erratic and unreliable water supply in all its schemes. Consumers are experiencing low water pressures or no water from its schemes. In all the schemes the water is sourced from the boreholes. There is a need to upgrade the potable water scheme capacity to meet the demand of the connected consumers.

Number of households with access to water

Significant progress has been made in providing potable water to municipal communities. According to the 2022 Census, an estimated 18 873 households (44.5%) have access to piped water inside their dwellings, while 13 912 households (32.8%) have piped water inside the yard. Additionally, 6 670 households (15.7%) have access to water on community stands, and 2 961 households (7%) have no access.

Graph: Access to water



Source: Statistics South Africa, Census 2011 & 2022

Water backlogs stem from the emergence of unplanned (informal) settlements in Boikhutso (Jerusalem Informal Settlement), Itekeng, Blydeville, and Tlhabologang. Currently, indigent households receive 25 litres of water per day or 6,000 litres free per month. However, some parts of the Boikhutso township and rural areas do not receive water at all, and residents rely on communal tankers.

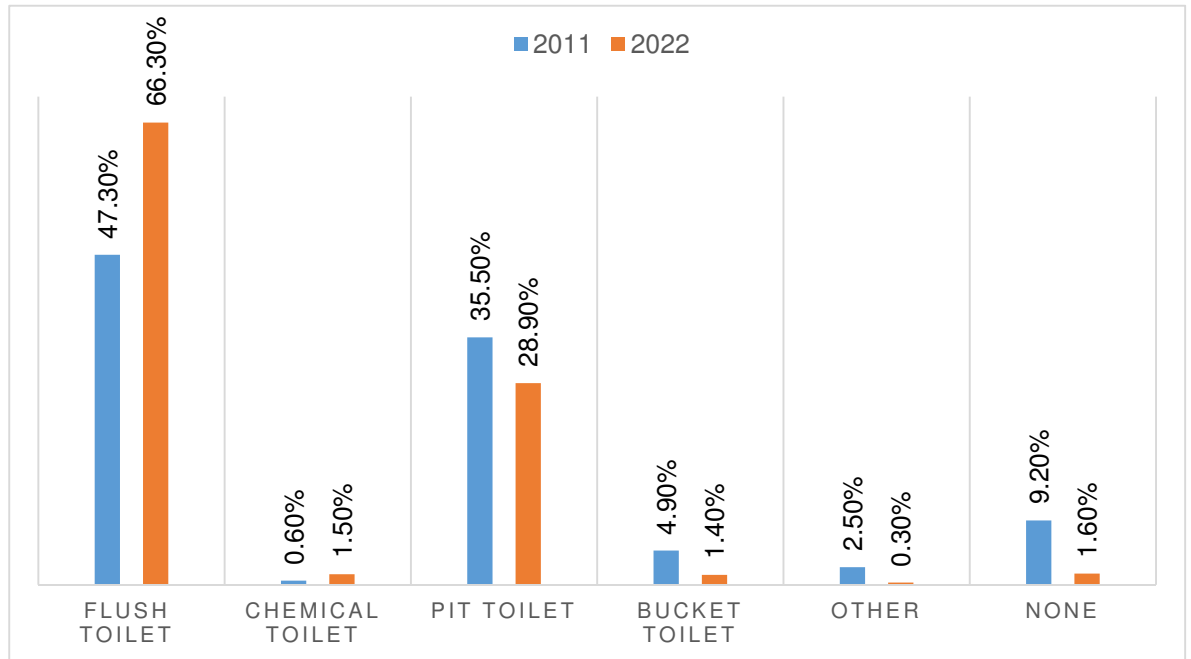
To serve the community, the municipality plans to implement water conservation and demand management strategies, conduct a water audit, and undertake an infrastructure leakages index through preventative maintenance of water supply schemes. Additionally, a water services legal framework and associated policies need to be adopted and implemented.

The municipality lacks sufficient underground water infrastructure. The challenge is that water is supplied in limited slots, and aging infrastructure affects water distribution, as the lifespan of meters is impacted. Furthermore, the existing infrastructure does not cope with the growing population. These old pipes, made of asbestos, are prone to leaks and require attention.

2.3.2.2. Sanitation

The proportion of households with access to sewer and sanitation increased from 47.3% to 66.3% between 2011 and 2022 (Census, 2022). This trend is consistent with a general decline on the proportion of households dependant on other types of sanitation. Notably, the proportion of households without access to sanitation reduced from 9.2% to 1.6% during the same period.

Graph 9: Access to Sanitation



Source: Statistics SA, Census 2022

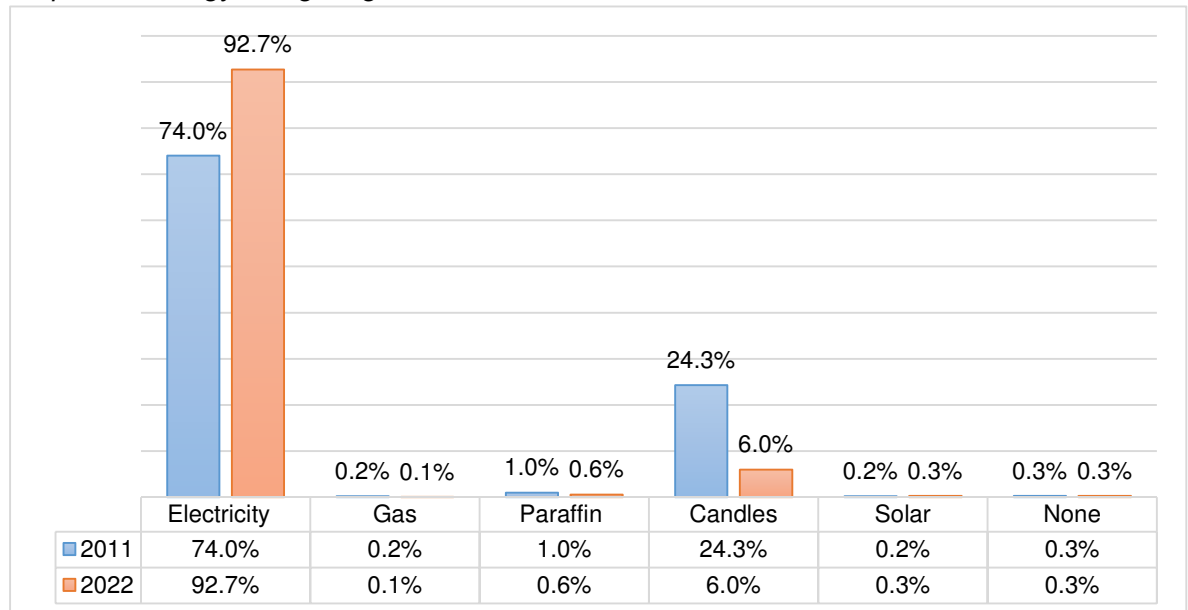
The spatial distribution of access to sanitation indicates that most formal towns, such as Lichtenburg, Boikhutso, Coligny, Tlhabologang, and Itsoseng, have access to waterborne sanitation systems. In contrast, villages mostly rely on pit latrines and chemical toilets.

The sewer network has an outdated design with small pipes, which causes leakages due to the pressure on the pipes that have limited capacity to accommodate the growing population. In townships, there are no sewer networks. Furthermore, the community sometimes blocks the pipes by disposing of rubbish in the sewer system, resulting in damage to the plant at high cost and risk.

2.3.2.3. Electrical Services

The municipality is licensed to provide electricity in the urban centres of Lichtenburg, Blydeville, and Coligny. More than 80% of Ditsobotla residents in areas where the municipality provides electricity have prepaid meters. Eskom provides services to all other villages and townships.

Graph 10: Energy for lighting



Source: Statistic SA, Census 2011 & 2022

Ditsobotla has approximately 39 330 households (Census 2022) connected to the electricity grid, representing a significant increase from the 32 933 recorded during the 2011 Census, and translating to approximately 92.7% connectivity. The estimated 7.3% backlog (3 096 households) is largely reflective of informal settlements in Itekeng, Blydeville, and Boikhutso.

The municipality faces major challenges, including illegal connections, faulty meters, and aged infrastructure. Overloading and burning of cables also result in losses. The total electricity infrastructure for the Lichtenburg and Coligny areas urgently needs upgrading, as it experiences a maximum demand problem.

The following is a summary of the key electricity challenges identified:

- Aging network;
- Most switch stations without ceilings;
- Current sub-station buildings require upgrading due to structural damages;
- Sub-station transformers are overloaded +/- 95 to 100% capacity. **The immediate commercial demand is estimated at approximately 3 900 kVA;**
- HT cable feeders are inadequate and underground cables in service over 40 years;
- Lack of continued maintenance of the high-mast lights;
- Streetlights are more than 35 to 50 years old, and are non-energy efficient, and a huge risk to the public.

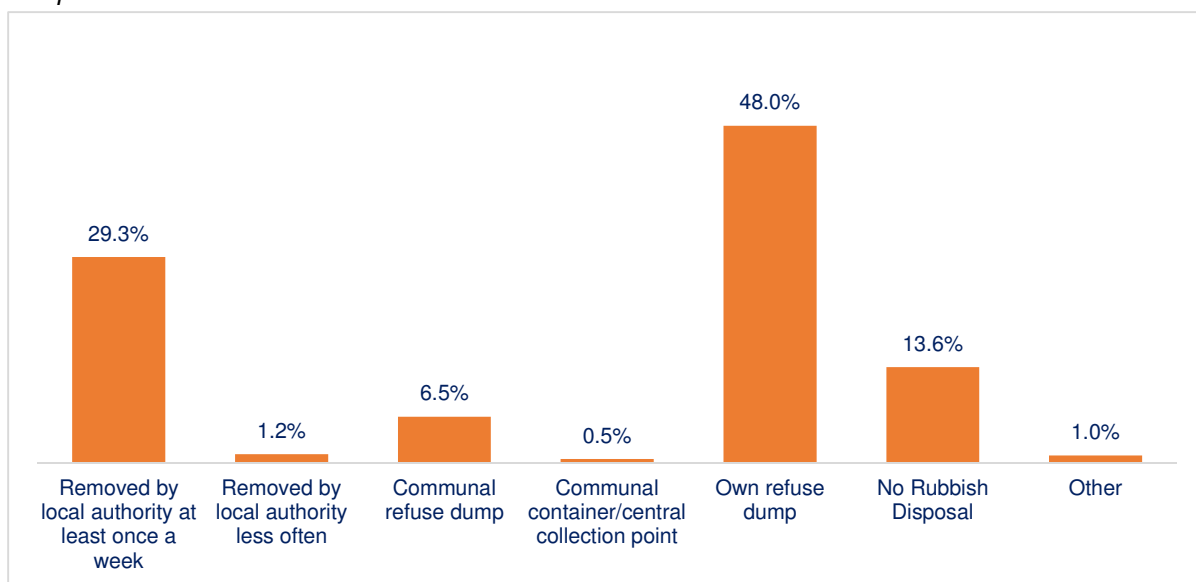
2.3.2.4. Waste Collection / Refuse Removal¹

The Environmental Health Services Unit is responsible for providing waste management functions in the Ditsobotla Local Municipality, which includes refuse removal, transportation, and disposal; cleansing services; garden and bulk refuse removal services; and environmental awareness. The unit faces various challenges, including obsolete and unreliable fleet and equipment, a shortage of skilled staff, especially at supervisory levels, and the designation of waste management officers.

The Ditsobotla Local Municipality's waste collection service is provided by two compactor trucks with capacities of 12m³ and 10m³, respectively. The frequency of waste removal in Lichtenburg, Boikhutso, Blydeville, and Shukran is once a week for residential and business areas. The Lichtenburg waste site needs to be upgraded to standard, including fencing the area and implementing entrance control.

Other communities within the municipality use informal communal dumping sites and manage their own waste disposal. This typically involves digging a pit near the residence, where waste is discarded and burned regularly. The Afrimat, Sephaku, and AfriSam cement industries within the municipal area manage their waste independently and have recycling initiatives that contribute to waste minimization.

Graph: Access to Refuse Removal



Source: StatsSA, Census 2022

The figure above illustrates access to refuse removal (in percentages) in Ditsobotla Local Municipality. According to StatsSA, Census 2022, 30.5% of waste is removed by the local authority once a week, 48% of waste is disposed of at residence-owned refuse dumps, 13.6% has no rubbish removal, 6.5% uses

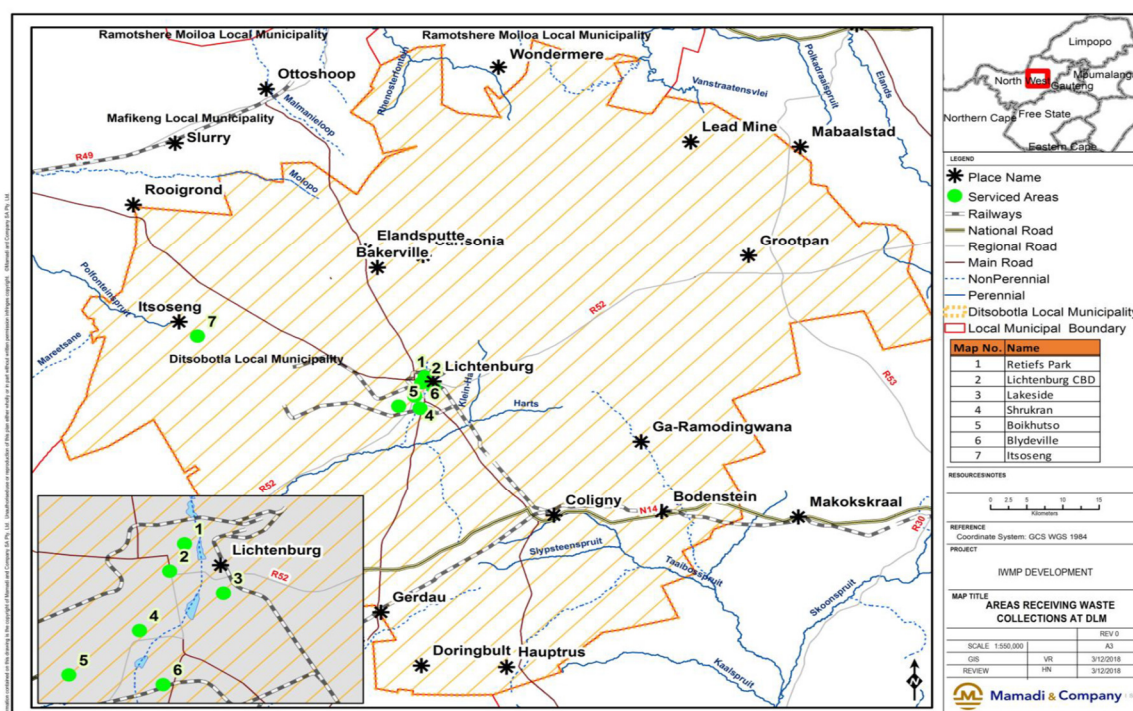
¹

Sourced from Ditsobotla IWMP with statistical modification

communal refuse dumps, and 1.2% is removed by the local authority at less frequent intervals.

According to StatsSA, Census 2022, Ditsobotla Local Municipality has a total of 42 416 households, with 12 447 households receiving refuse removal services from the municipality, while 22 189 households utilize communal or own dumping stands. A total of 5 756 households do not have any form of access to refuse removal services. The total number of indigent people within Ditsobotla Local Municipality is 6 178, and the number of indigent individuals receiving free waste management services in terms of the FBRR is unknown.

Map: Areas receiving refuse removal services



Source: Ditsobotla IWMP, 2018 – 2023

The spatial distribution of refuse removal clearly indicates that the provision of formal refuse removal services by the municipality occurs only in the formal towns/residential areas of Lichtenburg, Blydeville, Boikhutso, Coligny, Tlhabologang, Itsoeng, and Itekeng.

Some residential areas receive weekly refuse removal services. Furthermore, general waste from the Central Business District is also collected on a weekly basis. AfriSam disposes of general waste at the Lichtenburg landfill site on a weekly basis. The challenge facing the municipality is to extend the refuse removal service to rural and village communities in the long term and to initiate waste recycling projects.

Ditsobotla Local Municipality also provides street sweeping and litter picking services. Clean-ups are also conducted for illegally dumped waste.

2.3.2.4.1. Waste Disposal Sites

Ditsobotla Local Municipality has four registered landfill sites, as per the Minimum Requirements for Waste Disposal by Landfill (DWAF, 1998) and its amendments, namely: Lichtenburg, Itsoseng, Tlhabologang, and Biesiesvlei. The Itsoseng, Tlhabologang, and Biesiesvlei landfill sites have been issued with waste management licenses for closure and rehabilitation. However, the Lichtenburg landfill, which is currently operational, does not meet any of the minimum requirements for a landfill site and thus operates as a dumpsite. Ditsobotla Local Municipality does not have any waste transfer stations or buy-back centres.

Table: State of Landfill Sites

Name of site	Licence No	Status
Lichtenburg Landfill	B33/ 2/330/3/P5B	Waste Licence for Landfill Site Licence from Department of Water Affairs and Forestry
Itsoseng Landfill	NWP/WM/NM3/2012/07	Decommissioning and Closure of Landfill Site Licence from North West Department of Economic Development, Environment, Conservation and Tourism (READ)
Biesiesvlei Landfill	NWP/WM/NM3/2012/08	Decommissioning and Closure of Landfill Site Licence from READ.
Tlhabologang Landfill	NWP/WM/NM3/2014/02	Decommissioning and Closure of Landfill Site Licence from READ.

Lichtenburg Waste Disposal Site

The Lichtenburg Waste Disposal Site is located 8km outside town on the Deelpan road on the farm Elandsfontein 34IP. The Lichtenburg waste site is registered but does not fully satisfy the required standards. The landfill is not fenced and access to the site is not controlled. There are no structures or landfill infrastructures such as ablution facilities, water source, weighbridge, electricity or boreholes for ground water monitoring.

The following issues at the landfill site were identified as major concerns/challenges:

- There are no ground water monitoring boreholes;
- There are people illegally residing at the landfill site;
- Reclaimers do not have PPE;
- Financial Constrains in the site management;
- Lack of Human Recourses;
- Health and Safety issues;
- No Landfill Maintenance Service;

- There is a lot of waste that should not be disposed at the landfill site, such as recycled e.g. glass, garden waste.
- There is difficulty in controlling the illegal re-claimers; and
- Broken-down waste management fleet.

2.4. Financial Viability and Management Analysis²

This financial viability and management analysis is an adaptation of the diagnosis contained in the Financial Recovery Plan (30 March 2023). The issues identified remain prevalent and are at the centre of the mandatory provincial intervention strategies.

2.4.1. Liquidity

Ditsobotla Local Municipality is faced with severe liquidity challenges. The municipality has significant creditor balances, estimated to exceed R1.49 billion by the end of 2022/23, which are growing exponentially. The inability to pay creditors is exacerbated by a breakdown in revenue generation and/or collection and the complete lack of oversight over the revenue value chain, which is the lifeblood of the municipality. This has led to an estimated cash shortfall of approximately R1.42 billion as of 30 June 2023.

2.4.2. Financial Planning

The municipality lacks a financial plan in terms of a credible and realistic Medium-Term Revenue and Expenditure Framework budget. The municipality has continuously adopted unfunded budgets over the last few years. Additionally, budget amounts are escalated based on inflation targets and do not closely resemble actual results. This is further compounded by the lack of credible and reliable information required to make accurate and reasonable projections.

2.4.3. Revenue Enhancement

There is a lack of management and oversight over the entire revenue value chain, which includes, but is not limited to: approval of tariffs that are not reflective of the costs of delivering the service; poor meter management, leading to consumers not being billed for consumption; inaccurate billing due to financial system complications and/or incomplete input data; inability to implement effective debt collection practices; poor credit control and indigent management processes; and over-reliance on government grants and subsidies.

Insufficient planning and budgeting for the maintenance of critical service delivery assets and ageing infrastructure are contributing to the rapid deterioration of the municipality's already frail infrastructure and pose a risk to the municipality's revenue generation capabilities.

² See Financial Recovery Plan Prepared for Ditsobotla Local Municipality (May 2023). Available from www.ditsobotla.gov.za

The financial challenges in the municipality stem from various inefficiencies, which should be viewed and evaluated holistically to enable sustainable financial recovery. The financial difficulties are impacted by a combination of factors as contained in the Diagnostic Report of the Financial Recovery Plan (attached).

2.5. Environmental Analysis

2.5.1. Climate and Topography of Ditsobotla Local Municipality

2.5.1.1. Temperature

Ditsobotla Local Municipality experiences significant temperature variations, ranging from +/-7.8°C in winter to 40.6°C during the December/January months.

2.5.1.2. Rainfall

The municipality receives most of its rainfall in January, with an average monthly rainfall of approximately 118mm. The winter months are the driest periods, with less than 5mm of rain per month on average.

2.5.1.3. Air Quality

Cement manufacturing companies are likely the primary cause of air pollution in Ditsobotla. However, these companies are monitoring the issue as part of their environmental monitoring process.

2.5.1.4. Topography

Ditsobotla topography is mostly flat, with some hills and ridges in the northern boundary exceeding 5°. The southern area has hills that do not exceed 5°. The urban area lacks significant hills or ridges that could hinder development. Given Ditsobotla vulnerability to climate variations, the municipality's agricultural sector, which primarily focuses on maize production, may face challenges due to changing weather patterns.

2.5.1.5. Surface Water

The surface water drainage pattern in Ditsobotla reveals that the main drainage areas are located in the southern, western, and northern parts of the municipality. Important rivers within the area include the following:

- The Hartsrivier and Groot Hartsrivier drain in a south-western direction from Itsoseng and Biesiesvlei. This river originates in the areas east and south of Lichtenburg. An important tributary of the Hartsrivier is Tweelingspruit, which joins the Hartsrivier north of Biesiesvlei.

- The **Taaibosspruit** (draining into and from the Taaibosspruit dam) is located in the south eastern parts of the Ditsobotla and drains in a south eastern direction. The Taaibosspruit as well as its main tributary, the Sypsteenspruit has its origins in the area around Coligny. The Taaibosspruit then drains into the Skoonspruitriver.
- The droë Molopo River and the **Moloporiver** is located in the north-western parts of Ditsobotla and drains in a western direction. The Molopo river which originates at the **Molopo Eye**. Of specific importance is the fact that the major water supply scheme to the Mafikeng Local Municipality (i.e. the Molopo/Grootfontein supply scheme) is partly supplied by water from the Molopo Eye.
- The most important river in the northern part of the study area is **Ribbokfontein se Loop** and the **Klein Marico River** which drains in a north western direction (Source: Ditsobotla SDF, 2005).

2.5.2. Ecological Systems

The Ditsobotla Local Municipality is located within the Grassland biome. The topography of this biome is mainly flat and rolling, but includes the escarpment itself with altitudes varying from near sea level to 2 850m above sea level. Grasslands are dominated by a single layer of grasses. The amount of grass cover depends on rainfall and grazing intensity. Trees are absent, except in a few localized habitats. Geophytes are often abundant.

Frosts, fire, and grazing maintain grass dominance and prevent the establishment of trees. There are two main categories of grasses: sweet grasses and sour grasses. Sweet grasses have lower fibre content, maintain their nutrients in the leaves during winter, and are therefore palatable to stock. Sour grasses, on the other hand, have higher fibre content and tend to withdraw their nutrients from the leaves during winter, making them unpalatable to stock. Sour grasses prevail in areas with higher rainfall and more acidic soils, with 625mm per year being the threshold above which unpalatable grasses predominate. The C4 grasses dominate throughout the biome, except at the highest altitudes, where C3 grasses become prominent.³

Overgrazing tends to increase the proportion of pioneer, creeping, and annual grasses. Careful management is required in the transition zones between sweet and sour grass dominance to maintain the abundance of sweet grasses. The Grassland Biome is the cornerstone of maize crops, and many grassland types have been converted to this crop.

³ C3 plants are adapted to establishment and growth in cool seasons, in either wet or dry environments. On the other hand, C4 plants are more adapted to warm or hot seasonal conditions under moist or dry environments. C3 grasses are more tolerant of frost compared to C4 grasses

Sorghum, wheat, and sunflowers are also farmed on a smaller scale. The Grassland Biome is considered to have extremely high biodiversity, second only to the Fynbos Biome. Rare plants are often found in the grasslands, especially in the escarpment area. These rare species are often endangered, comprising mainly endemic geophytes or dicotyledonous herbaceous plants.

Very few grasses are rare or endangered. High hyper-diversity areas are mainly confined to the northern parts of the Ditsobotla Local Municipality, as well as the areas immediately surrounding perennial and non-perennial rivers and pans.

A breakdown of the total land area according to the various biodiversity classes is summarized in the table below.

Table: Classes of Biodiversity

Biodiversity Categories		
Biodiversity Categories	Area (km ²)	Percentage of total municipal area
High hyper-diversity	180.3	2.8%
High priority habitats	398.4	6.2%
Medium-High hyper-diversity	24.3	0.4%
Other areas	5865.0	90.7%
Total	6467.9	100%

This information indicates that more than 180km² of the Ditsobotla Local Municipality is classified as high biodiversity areas, 24.3km² as medium-high hyper diversity areas and 398km² as high priority habitat. These three categories jointly represent 9.4% of the total land area within the Ditsobotla Local Municipality.

2.5.2.1. Vegetation Types

The vegetation of Ditsobotla is mostly Vaal-Vet Sandy Grassland (46%), Western Highveld Sandy Grassland (21%), Rand Highveld Grassland (11%), and Highveld Alluvial Vegetation, especially along the Groot Harts River. In the northern part of the Ditsobotla municipal area, Moot Plains Bushveld (6%) is found. In the vicinity of Itsoseng, Klerksdorp Thornveld (9%) can be found.

2.5.2.2. Geology and Mineral Deposits

The geology, mineral deposits, and dolomite in Ditsobotla indicate that the northern area of the municipality is underlain by dolomite, with the same portions of land having deposits of the Malmani Supergroup. At the northern boundary of the municipality, Vaalian Erathem can be found along the Ribbokfontein se Loop and the Klein Marico River. The central part of the municipality, surrounding Lichtenburg town, is underlain by the Dwyka Group, Karoo Supergroup.

The limestone deposits located near Dudfield, northwest of Lichtenburg-Boikhutso, as well as the deposits found in the Bodibe, Welverdiend/Meetmekaar area, are

commercially utilized. Mineral deposits include manganese deposits in the areas north of Bakerville, and Lead, Fluorspar, and Zinc deposits in the extreme northern parts of the municipality. These formations are composed mainly of quartzite, shale, basalt, andesite, conglomerate, iron, jaspilite, dolomite, chert, diamictite, porphyritic rocks, and amygdaloidal rocks.

The southern section of the Bodibe, Welverdiend/Meetmekaar, Springbokpan cluster, and Coligny-Tlhabologang cluster is mainly underlain by sand, limestone, conglomerate, clay, alluvium, calcrete, siltstone, silcrete, calcarenite, dune sand, and aeolianite. The Itekeng-Biesiesvlei cluster is underlain by geology from the Ventersdorp formation, consisting mainly of andesite, conglomerate, sandstone, dacite, quartz porphyry, shale, and tuff.

2.6. Tourism and Cultural Heritage

Lichtenburg was established in 1873, by Commandant H.A. Greeff, who named the town after his farm near Durbanville in the Cape Province. The town has a social-historical museum and an agricultural museum with a collection of antique tractors and many other interesting objects.

2.6.1. Ampie Bosman Cultural History Museum⁴

This museum provides an introduction to the history of Lichtenburg (1873). Exhibits include the founding and development of the town, the discovery of the local diamond fields, General J.H. De la Rey, and the siege of Lichtenburg during the Anglo-Boer War (1899-1902).

2.6.2. North West Agricultural Museum

This museum exhibit a collection of farm implements and tractors form the earliest history of mechanised agriculture in the region. Exhibits of blacksmith tools, a horse mill form the last century and old steam engines can also be seen.

2.6.3. Lichtenburg Diggings Museum

The main museum focuses on the alluvial diamond diggings in the region from 1925 to 1935, which were then the richest public diggings in the world. The largest pure red diamond ("pigeon blood red") in the world was found here in 1927. The biggest diamond rush in history took place in March 1927 on the farm Grasfontein near Lichtenburg, when 25,000 people rushed to peg their claims.

From May 1926 to the end of 1927, there were 45 more proclamations on 8 farms. The vastness of the diggings became evident, stretching 36 kilometres long and 1.6

⁴ The Museum burnt down and need to be resuscitated together with the Lichtenburg Town Hall.

kilometres wide. By 1945, when production on the diggings was on the same scale as in 1925, 104 diggings on 13 farms were proclaimed.

A "City of Shacks" rose within a year or two, housing approximately 150 000 people. Bakers, named after the owner Albert Baker and later known as Bakerville, was the "main town". The main business centre housed as many as 250 diamond buyers' offices, as well as dining places, bioscopes, even a merry-go-round, and about 60 cafes, shops, barbers, butcheries, and other businesses. The school, one of the 17 on the diggings, had 15 classrooms.

At Grasfontein, where the biggest rush in world history took place on 4 March 1927, more than 2 million carats were found. More than 1.5 million carats were found on each of the farms of Uitgevonden (where Bakerville is situated) and Welverdiend. Between 1926 and 1945, more than 7 million carats were found, with a value of £14.6 million.

2.6.4. Art Gallery

The art gallery which is one of the biggest in the country side of Southern Africa, housing a valuable collection of paintings by well-known South African artists, is situated in a wing of the Civic Centre, Lichtenburg.

Painting of Gregorie Boonzaaier, Irmin Henkel, Irma Stern, Louis Steyn, Watler Batiss, Dirk Meerkotter, F Claerhout, Bettie Cilliers-Barnard, Johannes Meintjies, and Hennie Potgieter form part of the collection.

2.6.5. Monuments

The following monuments are found on the Square in front of the Lichtenburg Town Hall:

- A twice life size statue of General De la Rey mounted on his horse;
- The Burger Monument engraved with the names of 87 burghers of Lichtenburg and district who fell during the Anglo-Boer War;
- Memorial erected during 1938 Symbolic Ox Wagon Trek; and
- The Afrikaans Language Monument designed by Hennie Potgieter and erected during the 1975 language centenary festival.

Other significant monuments include:

- The Greef memorial at Witklop 20km north east of Lichtenburg in commemoration of the founder of Lichtenburg, HA Greef.
- Lichtenburg Graveyard with the graves of General De la Rey. Also 113 British graves from the Anglo-Boer War and several graves from the early days of the town with beautiful examples of Boer Volk Art can be seen.
- A small Voortrekker monument is erected on Elandsfontein.

- A historical cattle dip on the farm Elandsputte, 20km north of Lichtenburg was declared a national monument.
- The Gruisfontein battlefield 24km east of Lichtenburg, where a monument has been erected in honour of the burghers who died.

2.6.6. Historical Buildings

- The Dutch Reformed Church in Gerrit Maritz Street erected in 1890 (National Monument).
- The old Magistrate's Building dates back to 1895.
- General De la Rey's home, 3km west of town, was demolished during the Anglo Boer War and rebuilt on the original foundations.
- The home of the founder, HA Greef, built on Manana 10km east of Lichtenburg.
- An old plantation house, home of the pioneer in dry-land farming, Colonel H du Toit, erected in 1910 south of town.

SECTION C: MUNICIPAL VISION AND MISSION

This section provides a summary of municipal-wide priorities that need to be focused on as part of the municipality's development agenda over the next five years. It is a culmination of a holistic assessment of the performance of the municipality during the previous financial years and proposes key strategic issues, which must inform all interventions in the short to long-term period.

3. Key Informants

Municipal planning is informed by a range of national and provincial government policy documents focused on economic and infrastructure development. These policies serve as key informants for municipal strategic envisioning, providing a framework for aligning local priorities with broader national and provincial objectives.

3.1. The National Development Plan 2030 and implications for Ditsobotla LM

The National Development Plan (NDP) 2030 has several key targets relevant to municipalities. One of the primary objectives is to achieve economic growth and job creation. The NDP aims to increase the employment rate from 41% in 2010 to 61% by 2030, creating 11 million new jobs and achieving an average annual economic growth rate of 5%. This will require strategic investments in infrastructure, education, and skills development to support entrepreneurship and job creation.

Another critical target is poverty reduction. The NDP aims to reduce the poverty rate from 39% in 2010 to zero poverty by 2030, eradicating income poverty and reducing inequality. Ditsobotla Local Municipality is required to play a crucial role in implementing programs and services that address poverty and inequality, such as social welfare services, job creation initiatives, and access to basic services like water, sanitation, and electricity.

The NDP also emphasizes the importance of infrastructure development, including investments in energy, transport, water, and sanitation infrastructure. This will not only support economic growth but also improve living standards for all South Africans. Ditsobotla Local Municipality need to prioritize infrastructure development and maintenance, ensuring reliable electricity supply, improving connectivity, and promoting sustainable urban planning.

In addition, the NDP highlights the potential of agriculture and rural development to drive economic growth and reduce poverty. Ditsobotla Local Municipality, through its LED Strategy, can support small-scale farmers, improve access to markets, and promote sustainable farming practices. The NDP also recognizes the importance of tourism and manufacturing in driving economic growth, and municipalities can play a role in developing sustainable tourism infrastructure and supporting local industries.

Finally, the NDP emphasizes the importance of good governance and institutional capacity in achieving its objectives. Municipalities will need to strengthen their institutions, promote good governance, and improve coordination between government departments to ensure effective implementation of the NDP's objectives. By working together, municipalities can play a critical role in achieving the NDP's vision for a prosperous and equitable South Africa.

3.2. The North West Provincial Growth and Development Strategy (PGDS)

The North West Provincial Growth and Development Strategy (PGDS) serves as a framework for integrated and sustainable growth and economic development in the province over the next ten years. Its primary objective is to harmonize and align economic growth and social development initiatives, ensuring a cohesive approach to development. The PGDS aims to achieve sustainable development outcomes through coordinated allocation of national, provincial, and local resources, as well as private sector investment. Municipalities play a crucial role in implementing the PGDS, and as such, must align their Integrated Development Plans (IDPs) with provincial priorities. By doing so, municipalities can leverage the PGDS to inform Local Economic Development (LED) strategies, promoting place-based initiatives that drive economic growth and development.

The North West Provincial Government guides and coordinate the implementation of the PGDS, tracking progress and engaging with stakeholders to ensure collaborative implementation. Through this collaborative approach, municipalities and the provincial government can harness the potential of the PGDS to drive economic growth, reduce poverty, and improve living standards for the people of North West Province.

3.3. The District Development Model and One Plan

The District Development Model (DDM) and One Plan are distinct yet interconnected concepts in development planning. The DDM serves as a guiding framework for district-level development, emphasizing integrated planning across government spheres and sectors. In contrast, the One Plan is a specific output of the DDM process, representing a comprehensive development plan tailored to a district or metropolitan municipality.

While the DDM provides the overarching structure, the One Plan translates this framework into actionable strategies and objectives. In essence, the DDM outlines the approach, and the One Plan is the resulting development plan, crafted through collaborative planning and stakeholder engagement, serving as a blueprint for district development.

4. Vision Statements

“A developmental municipality dedicated to the social and economic upliftment of its communities.”

5. Mission Statement

“Sustainable service delivery through: transparent administration; dedicated staff; implementation of municipal programmes; and consultation with communities.”

6. Key Priorities of the Municipality

The dissolution of council of Ditsobotla resulted in a coalition government entered into between various parties following the 14 December 2022 by-elections. The following are some of the broad priorities identified by council:

- Building a financially resilient and viable municipality capable of providing sustainable services.
- The appointment of senior managers and staff with the requisite skills, knowledge and competencies;
- Professionalization of the municipal administration based on a decentralized service delivery model to meet the priority household infrastructure of water, sanitation, electricity, and solid waste management.
- A government underpinned by principles of accountability, transparency and good governance;
- A government that is responsive to the needs of the community and better positioned to create a conducive environment for economic growth;
- Fighting corruption, patronage, nepotism and self-enrichment.

7. Municipal-wide Priority Issues & Proposed Intervention

Based on the situational analysis and informed by the above priorities the following may be refined as immediate service delivery needs of the community of Ditsobotla:

- Water and sanitation;
- Electricity;
- Roads and Storm-water;
- Housing;
- Refuse Removal;
- Local Economic Development;
- Disaster and Emergency Responses; and
- Sports and Recreation Facilities.

At an administrative (institutional level) the immediate priority of the current administration is to adopt and implement the revenue enhancement strategies and financial management policies aimed at placing the municipality on a sustainable financial path. Part of the commitment would entail focusing on the implementation of the financial recovery plan.

SECTION D: SPATIAL DEVELOPMENT FRAMEWORK

8. Spatial Analysis and Human Settlements

8.1. Ditsobotla in Context⁵

The Ditsobotla Local Municipality is a Category B municipality situated within the Ngaka Modiri Molema District in the North West Province. It is one of the five municipalities in the district, making up almost a quarter of its geographical area. The seat of the local municipality is Lichtenburg.

The municipality was established through the amalgamation of the former Lichtenburg, Coligny, and Biesiesvlei Transitional Councils. It comprises an area of 6 500 km² and includes the towns of Lichtenburg, Boikhutso, Bodibe, Itsoseng, Coligny, and Tlhabologang. A number of rural settlements and commercial farming activities also surround it. According to StatsSA (2022), an estimated 164 176 people live in the municipality.

Lichtenburg is the economic and administrative heart of the municipality. Established in 1873, it played a significant role in the history of the old Transvaal Republic. During the mid-1920s, the town became the centre of a diamond rush following the discovery of rich deposits.

Today, the main economic activity is maize production. Lichtenburg lies in the heart of the "maize triangle," a primary production area in the country. Within an 80km radius of the town, there are also three major cement producers.

8.2. Legislative Framework Guiding Spatial Rationale

8.2.1. Spatial Planning and Land Use Act (SPLUMA)

8.2.1.1. Purpose of SPLUMA

The purpose of the Spatial Planning and Land Use Management Act (SPLUMA) is to empower municipalities to regulate land use within their jurisdiction and ensure that properties are being used in accordance with zoning laws and approved building plans. It aims to develop a new framework to govern planning permissions and approvals, set parameters for new developments, and provide for different lawful land uses in South Africa. SPLUMA is a framework law, meaning the law provides broad principles for a set of provincial laws that will regulate planning.

SPLUMA requires each municipality to take responsibility for spatial planning and land use management within its jurisdiction. It mandates municipalities to make administrative decisions that are lawful, reasonable, and procedurally fair.

⁵

8.2.1.2. SPLUMA Implementation Process

The municipality must categorize applications to determine which are decided by the Municipal Planning Tribunal and which are determined by the accounting officer. In the case of Ditsobotla Local Municipality, the responsibility of the accounting officer is delegated to the Senior Manager: Planning and Local Economic Development, in terms of existing bylaws.

The Act also provides for the processes to be followed for land development applications. The municipality must determine the following in terms of land development applications:

- The manner and format in which a land development application must be submitted,
- Timeframes applicable to each phase of the application,
- The level of participation required, and
- The nature and extent of intergovernmental participation as part of the land development application.

8.2.1.3. Establishment of Municipal Planning Tribunals

According to section 35 of SPLUMA, municipalities must establish a Municipal Planning Tribunal (MPT) to determine applications within their area. The Ditsobotla Municipal Planning Tribunal was established in 2022 for a prescribed period of five years. It is composed of six external members and four internal members who are employees of the municipality.

Ditsobotla Local Municipality has also established an Appeals Authority comprised of the executive committee of Council. The Appeals Authority is responsible for hearing appeals arising from the decisions of the MPT.

8.3. Spatial Development Framework (SDF)

A Municipal Spatial Development Framework (MSDF) can be defined as a framework that guides the spatial development of a municipality. It provides a current and future spatial vision for the municipality. The MSDF supports the Integrated Development Plan (IDP) in terms of future spatial planning. The IDP serves as the budgetary guide for the entirety of the municipality's spending and determines allocations.

The Spatial Development Framework (SDF) is a legally mandated municipal planning tool, guided by national, provincial, and local legislation. The national legislative framework is based on the Municipal Systems Act No.32 of 2000 (MSA) and the Spatial Planning and Land Use Management Act No.16 of 2013 (SPLUMA). Ditsobotla Local Municipality adopted its Spatial Development Framework in 2020, which is due for review in 2025.

8.3.1. Ditsobotla By-Laws on Spatial Planning and Land Use Management

The Ditsobotla municipality is legally obligated to have developed a local "Spatial Planning and Land Use Management Bylaw" and has promulgated it in the Provincial Government Gazette dated 17 March 2017. The Bylaw applies to all land within the municipal jurisdiction of Ditsobotla, including state-owned land. The Bylaw binds every owner and their successor in title, as well as every user of land, including the state.

8.3.2. Ditsobotla Land Use Scheme

Sections 24-30 of SPLUMA apply to any land use scheme developed, prepared, adopted, and amended by the municipality. Ditsobotla Local Municipality has adopted and published its Land Use Scheme in the Provincial Gazette (Gazette No. 8155) on 20 October 2020.

The purpose of a Land Use Scheme, as stipulated in section 25(1) of the Act, requires the municipality to determine the use and development of land within the municipal area to which it relates, in order to promote –

- a) harmonious and compatible land use patterns;
- b) aesthetic considerations;
- c) sustainable development and densification; and
- d) the accommodation of cultural customs and practices of traditional communities in land use management; and a healthy environment that is not harmful to a person's health.

8.4. Municipal Land Analysis

8.4.1. Land Claims Analysis

The following portions of land in the jurisdiction of Ditsobotla Local Municipality have claims that are lodged on them and have been confirmed by the Land Claims Commission. The title deed of the subject properties is vested with Ditsobotla Local Municipality.

- Portion 81 Lichtenburg; and
- Portion 61 Lichtenburg.

8.4.2. Land Availability Analysis

The Ditsobotla Local Municipality's land availability analysis is provided for in the Spatial Development Framework (2020). Formal erven refer to registered land parcels within the municipality's jurisdiction. According to the above information, the demand for land in the municipal area exceeds the supply. This has necessitated land acquisitions as a remedial measure to address the demand.

Residential Assessment	
Formal erven	22 000
Backyard shacks and second dwellings	1 000
Informal dwellings in and around urban areas	1 700
Traditional/Tribal Authority dwellings	16 700
Farm dwellings	11 600
Collective living quarters	100
Small holdings	0
Miscellaneous dwellings (commercial, etc.)	200
Sub-Total	53 400
Demand	
Bonded housing	
FLISP housing required	3 440
Subsidy housing required	1 890
Total demand for formal erven	5 330
Supply	
Vacant erven (bonded market)	1 080
Infill opportunity (bonded market)	440
Infill via backyard rental market on new stands	250
Total erven and gross space to be provided for in SDF which includes:	3 560 erven

According to a desktop analysis, the Land Audit reveals that out of approximately 22 000 land parcels, only 945 are municipally-owned, which translates to around 4%. The remainder is state-owned and privately-owned land.

8.4.3. Land Acquisitions

It is the responsibility of the municipality to identify suitable land parcels for development in accordance with the Spatial Development Framework (SDF). The municipality is currently engaging with the Department of Human Settlement through the Housing Development Agency to purchase portions of land for future settlement developments. About five portions of land have been submitted to the Department for inclusion in the North West Provincial Land Acquisition pipeline.

8.5. Ditsobotla Spatial Analysis

8.5.1. Hierarchy of Settlements

In terms of the Provincial Spatial Development Framework (2008), Ditsobotla has been classified into a hierarchy of higher-order nodes, with Lichtenburg designated as a Priority 1 investment area and Coligny as a Priority 3 investment area.

A need also exists to determine rural clusters of settlements and a possible hierarchy of clusters and/or rural settlements. To identify such a hierarchy, it is proposed that criteria reflecting the prospects of 'sustainability' be used, including number of residential units per settlement, accessibility of settlements, proximity to larger centres of employment, settlement status, status of housing type, and number of social facilities.

Based on the outcome of applying these sustainable parameters, a priority list of settlements has been developed, ranging from higher-order to lower-order settlements: Itsoseng/Bodibe cluster, Itekeng, Springbokpan, Wilverdiend, Matile, Bakerville, Ga-Motlatla, Grasfontein, Carlsonia, and Ga-Ramodingwana.

The provision of spatial guidelines for rural intervention and development is an important tool that can assist the Local Municipality in revising the IDP process and setting development priorities. The North West Spatial Development Framework provides specific guidelines for the restructuring and upliftment of communities. While restructuring rural development may be a politically sensitive issue, addressing imbalances created by past policies requires attention to these spatial guidelines.

8.5.2. Ditsobotla Spatial Proposals

8.5.2.1. Lichtenburg – Boikhutso Cluster

The Lichtenburg-Boikhutso cluster consists of multiple smaller areas divided by the early beginnings of the Molopo River, smaller streams, dolomitic areas, and open space systems. As such, the spatial form is guided and influenced by these systems and dolomitic areas in the north, which has led to the cluster developing towards the south. The main areas of the cluster are Lichtenburg, Boikhutso, Blydeville, and the industrial and cement processing area in the north.

The cluster is characterized by the largely formal and older areas of Lichtenburg and the formalized areas of Boikhutso and Blydeville. However, the latter areas feature informal areas that have developed over the last decade and a half. The cluster has a relatively large population, with approximately 26 000 people and 7 500 households in Lichtenburg and Blydeville, and 19 000 people and 5 200 households in Boikhutso.

8.5.2.1.1. Residential development

Three areas have been identified for future residential development: Lichtenburg Ext 4, located south of the town on both sides of the Coligny road; Boikhutso Ext 3, along the northern and western boundaries; and a proposed security complex known as Lichtenburg Ext 8. Since the previous Spatial Development Framework (SDF), development in the area has generally followed the proposed locations. However, informal settlements have emerged along the river in Blydeville.

Additional informal settlements are located north of Boikhutso, with this settlement moving closer to the waste dumping area and buffer zone. Two significant areas where development has occurred in recent years are the expansion of Boikhutso to the west (2011 onwards) and Blydeville to the west (2019 onwards). There is also ongoing formalization of Blydeville Extension 4 and the upcoming formalization of Boikhutso (Ward 1), which consists of approximately 2 500 informal households.

8.5.2.1.2. Retail and business development

The Lichtenburg Central Business District (CBD) is influenced by two main roads: Nelson Mandela Drive and President Thabo Mbeki Drive, which also serves as the main route for heavy vehicles between Coligny and Mahikeng. It is proposed that business development be allowed along both major roads.

The northern boundary of the CBD is proposed between Bantjies and Swart Streets, and the eastern boundary is proposed at Church Street. Retail development should be encouraged within the defined area, while also providing certainty to existing residents regarding the residential characteristics of the area. Notwithstanding this, retail development has occurred outside the defined area and is sporadic in the south of Lichtenburg.

Retail development can also take place along Beyers Naude Drive (between 8th and 1st Avenues). The Council has earmarked a portion of the farm Lichtenburg Town, east of Nelson Mandela Drive, for retail development. This land is located outside the proposed CBD boundaries but is regarded as a committed future development area.

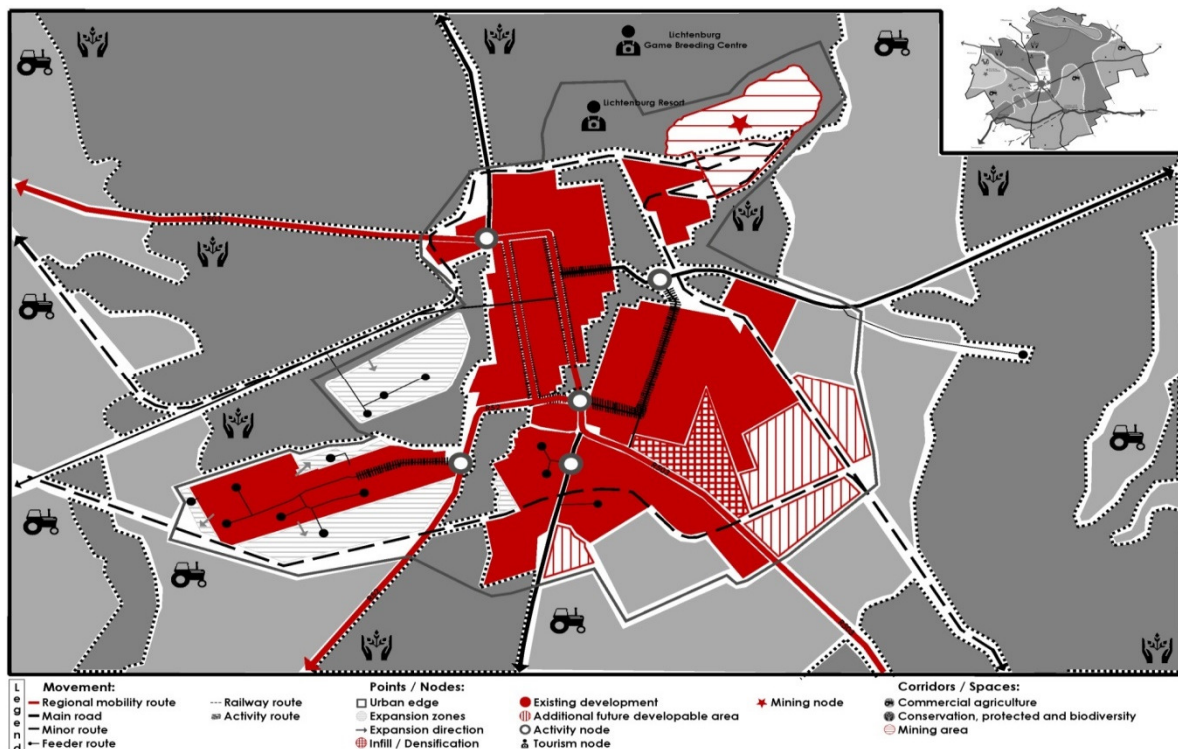
8.5.2.2. Industrial and commercial development

Based on predicted future growth, it is unlikely that there will be significant new demand for industrial and commercial land in the cluster. The available industrial space in the MC van Niekerk Industrial Park should be sufficient to accommodate future demand. Little to no development has occurred in this area over the last ten years, which serves as a good indicator of the health of the sectors that utilize these spaces.

8.5.2.3. Social facilities

The land use budget indicates a need for seven schools and six clinics. However, the Spatial Development Framework (SDF) notes that there are seven vacant school sites available, which could partially address the need for land. The Integrated Development Plan (IDP) provides for projects across the larger Lichtenburg, Boikhutso, and Blydeville areas, such as community halls, park improvements, and cemetery upgrades.

Map: Lichtenburg – Boikhutso Cluster



Source: Ditsobotla SDF, 2020

8.5.2.4. Key considerations

Lichtenburg is ranked as a Priority 1 order investment node in terms of the North West Provincial Spatial Development Framework. It is located centrally on the new Potchefstroom-Lichtenburg-Mahikeng development corridor and functions as a central place within the municipal and regional context.

However, the area faces several challenges. The occurrence of dolomite and environmentally protected areas restricts expansion to the north. Additionally, prospects for integrating Boikhutso with Lichtenburg are limited due to natural open space systems. Boikhutso lacks a strong business node, and the existing node does not have the potential to be upgraded.

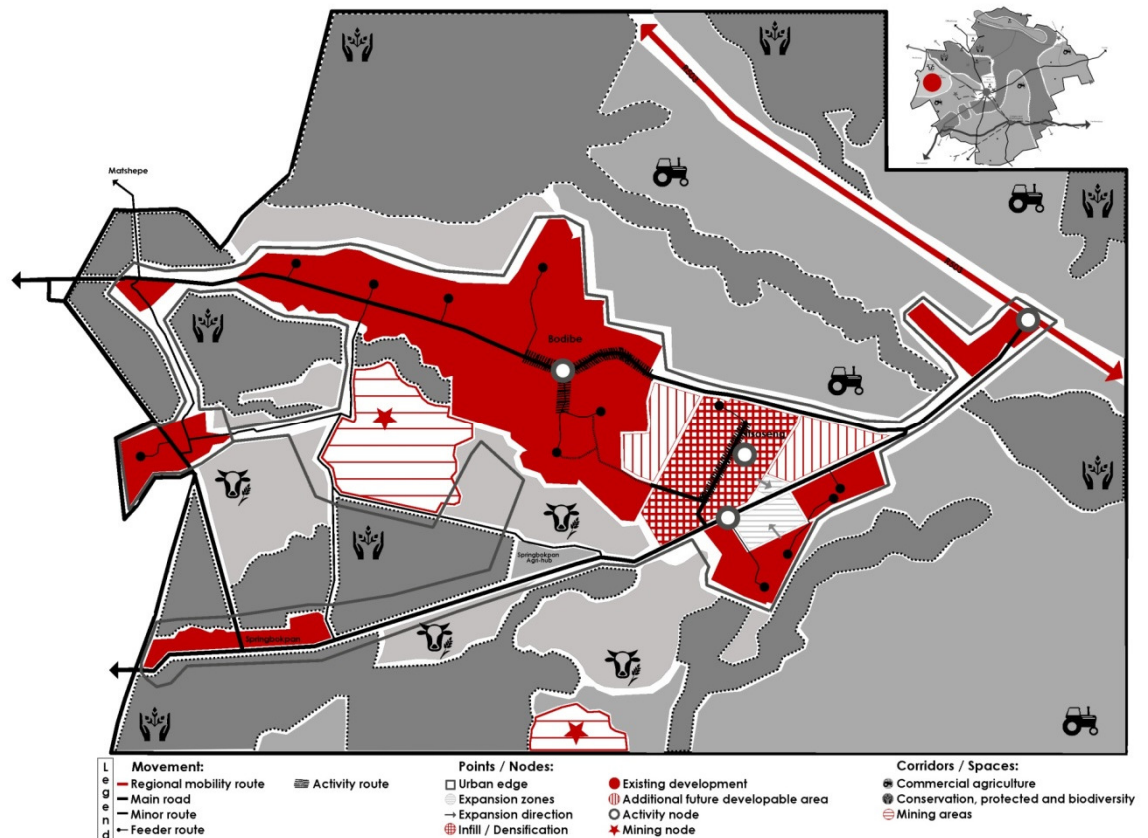
Informal settlement is taking place to the north and east of Boikhutso, which can complicate future expansion. A new "gateway project" is in the planning phase on the Mahikeng-Lichtenburg corridor. Furthermore, low-density residential development makes service provision difficult, particularly in Boikhutso and Blydeville. The open space system, specifically the Molopo River, remains unutilized and is still used as a divider between areas.

8.5.3. Bodibe – Itsoseng Cluster

The Bodibe-Itsoseng cluster is a contrasting area in terms of its spatial form and overall development. The cluster features two main settlements, with three smaller settlements, all located around the Afrimat Tswana Lime mine. Bodibe is largely

characterized by its organic development, spread out over a large area and following a small stream running from east to west. As of 2011, Bodibe had a population of approximately 21 700 and 5 000 households. In contrast, Itsooseng and Verdwaal (with 8 100 people and 1 900 households as of 2011) have a largely inorganic spatial form, with regular grids and some road hierarchy. The area is wedged between two main roads that determine its spatial form. Both areas are priorities for the current Integrated Development Plan (IDP), with each featuring upgrades to water, parks, roads, and social services over a five-year period.

Map: Bodibe-Boikhutso Cluster



Source: Ditsobotla SDF, 2020

The area also features smaller villages and settlements. Springbokpan is located south of Bodibe and Itsooseng. This area has grown over the last 15 years but has maintained its linear spatial form, albeit expanding further north towards Bodibe. As of 2011, the settlement had a population of 2 100 and 630 households. Matile is another prominent small settlement, located east of the main cluster. This settlement has also grown over the past 10 years, with a large number of infill developments occurring, and has maintained a regular spatial form. As of the 2011 census, Matile had a population of 1 400 and 350 households.

The settlement of Welverdiend is located west of Bodibe and is the smallest of the settlements in the cluster, with a population of 890 and 220 households as of 2011. The settlement's spatial form has changed over the last 10 years, with it growing towards the east. The final settlement is Sheila, located north of Bodibe and Itsooseng. It has changed little in its spatial form, which is reflected in its population of 1,680 as

of 2011. All of these settlements have been allocated IDP projects similar to those seen in Bodibe and Itsoseng.

8.5.3.1. Residential development

The Bodibe rural housing project provides for the construction of 250 housing units at the extreme northwest boundary. There is also a project-linked subsidized housing project for 300 units within Itsoseng, and the Verdwaal rural housing project will provide in-situ upgrading of 300 units.

Bodibe has seen additional housing developments occur within it, primarily infill-type developments not linked to any state-provided housing. The residential footprint of Bodibe has remained largely the same over the last 10 to 15 years.

Itsoseng, together with Verdwaal, have had some residential developments in recent years. In Itsoseng, development has occurred in the eastern area connecting to Bodibe. In Verdwaal, development has occurred in the northern portion along the main road dividing Itsoseng and Bodibe.

Proposed future residential developments to accommodate future land requirements include a possible eastward extension of Itsoseng, new development between the western areas of Itsoseng Zones 1 and 2 and the eastern boundary of Bodibe, and a proposed expansion area in Springbokpan that takes into account an environmentally sensitive area.

8.5.3.2. Business / Retail Development

The projected required space in this cluster is 6 000m² for retail space and 2 000m² for private office space. Existing activity is mostly concentrated in Itsoseng, with a number of informal businesses scattered throughout other villages. It is proposed that the existing centre in Itsoseng be strengthened.

The commercial area at the centre of Itsoseng remains largely unchanged, with limited expansion or new developments having occurred over the last 10 years. The area around the new health centre can become the nucleus of an integrated service delivery centre.

A local business and service delivery centre should be located close to the Bodibe clinic. Bodibe does not have a clearly defined nodal area, with only sporadic business and retail developments throughout the settlement, and these are largely informal in nature.

8.5.3.3. Social Facilities

Future demand for facilities includes two schools, thirteen clinics, and two community centres. This can be partly addressed through the construction of the new health centre in Itsoseng and a new clinic at Springbokpan. Two new

community nodes are proposed, one west of Itsoseng and another between Verdwaal 1 and 2.

A portion of the farm De Hoop 51 IP, specifically Portion 7, has been identified as the new proposed Itsoseng Cemetery. All studies have been completed on the land, and it is ready to be used.

8.5.3.4. Roads and transportation

The road network within the cluster is based around a ring that connects all the settlements. Within the settlements, the type of roads differs between tarred and gravel (unsurfaced) roads. The Integrated Development Plan (IDP) has outlined a number of internal road improvement and upgrading projects across all the settlements. The upgrading of several roads is proposed, including:

The main road linking the Itsoseng-Bodibe road with the Springbokpan road has been re-tarred. Additionally, roads within the Bodibe area that function as access collector roads can contribute to the future densification process. A proposed new road would link the southern extensions of Itsoseng with Bodibe, replacing the current informal gravel roads.

8.5.3.5. Key considerations

The area is situated close to the western boundary of the municipality and functions mostly as a dormitory township. The smaller villages are located too far apart to consider integrating the settlements. It does not have good access from secondary roads, despite being only 5km away from the Mahikeng-Lichtenburg road. Existing businesses are not well-located in relation to roads.

A possible lower-order gateway development should be considered on the R305, and a multi-use neighbourhood node should be encouraged in Bodibe. Additionally, areas between Itsoseng and Bodibe, as well as between Itsoseng and Verdwaal, should be considered for infilling.

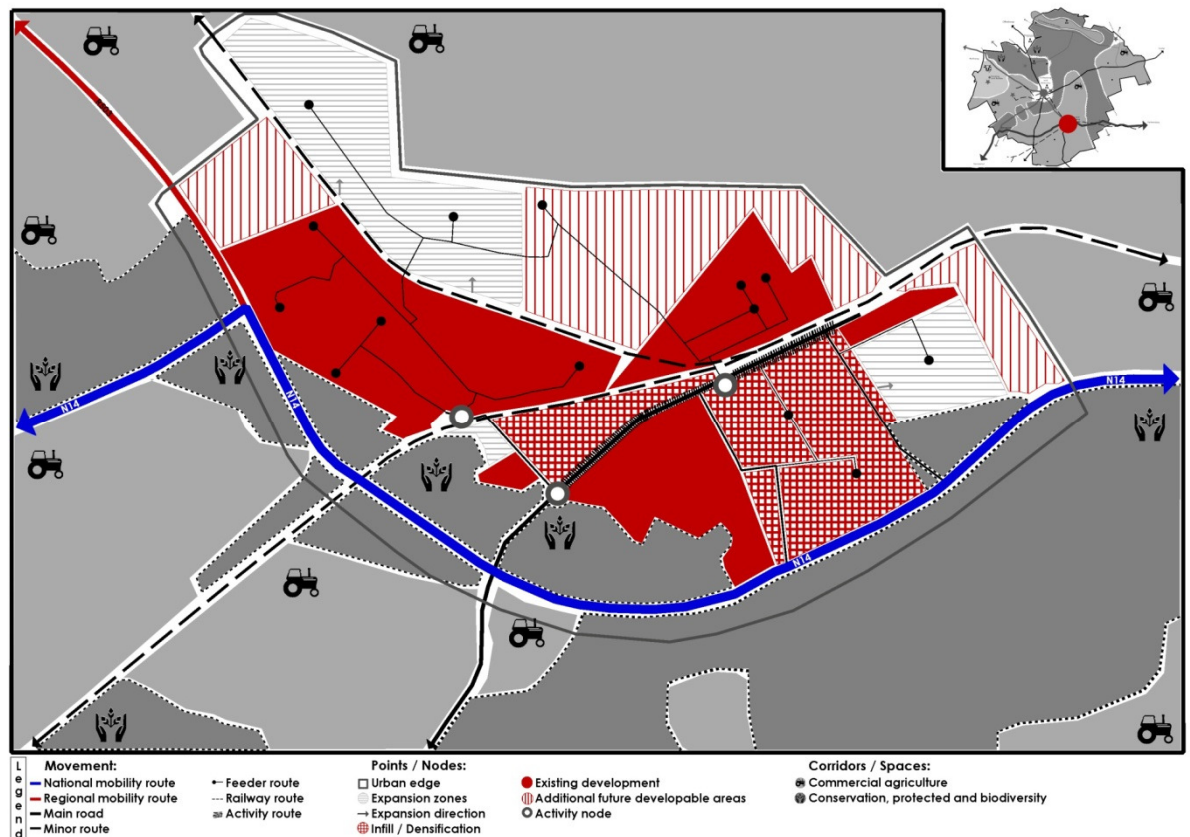
8.5.4. Coligny – Tlhabologang Cluster

The Coligny-Tlhabologang cluster consists of two settlement areas divided by a railway line. The Coligny spatial form is characteristic of an older area with more established neighbourhoods. In contrast, the Tlhabologang area is spatially varied, having been formalized through in-situ development.

The cluster's growth is guided by the railway line and the national road (N14). As of 2011, the cluster had a population of 2 270 people and 740 households in Coligny, whereas Tlhabologang had a population of 15 000 people and 3 750 households. IDP projects are primarily based in Tlhabologang, focusing on

electrification, roads, stormwater management, community halls, waste management, and sanitation.

Map: Coligny-Tlhabologang Cluster



Source: SDF 2020

8.5.4.1. Residential development

According to the land use budget, the future land requirement is estimated at 130 hectares. Committed future developments include areas to the west of Tlhabologang town. The development, known as Tlhabologang Extension 8, began in 2015 and has been finalized. However, the development is isolated from the rest of the cluster due to the railway line.

Future residential development can take place in a northwesterly direction (Syferpan 78IP) and northerly (Rietvlei 70IP). The latter option is preferred because it will create a more compact urban structure with improved access to existing services for residents.

As indicated above, one of the key residential developments is Tlhabologang Extension 8, which has been finalized. Additionally, Tlhabologang Extension 9 is nearing completion. However, Portion 202, which forms part of Tlhabologang Extension 9, is currently outside the urban edge and will be included in the 2025 review of the Spatial Development Framework (SDF).

Expected future residential growth in Coligny is very limited. The existing vacant stands, as well as possible densification, should be sufficient to meet future demand. An area located south of the Central Business District (CBD) has been earmarked for residential densification. Future residential development of 62 stands, known as Coligny CBD, is currently being undertaken by the Housing Development Agency. The area, located south of the railway line and east of the existing CBD, was previously earmarked for industrial development.

8.5.4.2. Business/retail development

Future demand is estimated at 2,000m² of retail space and 600m² of private office space. Future development should take place within the existing Central Business District (CBD), as well as the southward expansion of the CBD boundary up to Frances Street. This area has seen some level of development over the last 10 years, with warehouses and retailers emerging.

The area north of Voortrekker Street up to the railway line can also be considered for future retail and business expansion. Such development can contribute to improved integration between Coligny and Tlhabologang and enhance access to business opportunities for residents.

8.5.4.3. Commercial/industrial development

There is no commercial or industrial area located within the cluster. It is proposed that an area south of the railway line and east of the existing Central Business District (CBD) be earmarked for such purposes. Additional development can take place at Coligny Extension 4, located between the N14 and Andries Pretorius Street. However, little to no development has occurred in this regard. Notably, the portion of land mentioned here is designated for the proposed Coligny CBD stands.

8.5.4.4. Public Open Space

The primary natural feature is the tributary of the Taaibosspruit Dam. Areas along the river and adjacent dams have been identified as high environmental control zones that should be protected from future development. The areas surrounding these zones should be reserved as public open spaces. However, the Tlhabologang section of the Taaibosspruit has seen increased informal development moving closer to it.

8.5.4.5. Social facilities

According to the land use budget, future needs will include one primary school and three clinics. It is also proposed that the existing cemetery be extended.

8.6. Urban Growth

Urban growth refers to the potential growth and development trajectories of towns and settlements within municipalities. It aims to determine the future growth and decline of settlements across South Africa, relating these directly to the projected changes due to climate change. Growth estimates for the entire municipality were also developed, based on 2011 Statistics South Africa data, and then projected forward to 2030 and 2050, respectively.

Additionally, two growth scenarios were developed: a medium and high growth scenario. The medium-growth scenario estimates population growth if South Africa experiences moderate levels of urban migration towards major towns and urban regions. The high-growth scenario estimates population growth if South Africa experiences high levels of urban migration towards major towns and urban regions. A high-growth scenario would result in increased populations within towns and settlements, with increased rural migration to these areas, as well as towards larger urban centres outside the municipality (CSIR, 2019).

Table: Ditsobotla Population Growth Scenario

Pressure	2011	2016	2025	2030	2050
Medium Growth Scenario	168 852	181 865	227 743	248 776	306 188
High Growth Scenario	168 852	181 865	214 157	230 338	274 952

Source: Ditsobotla Spatial Development Framework, 2020

8.7. Geographical Information System (GIS)

The Ditsobotla Local Municipality is currently using ArcGIS 10, which is hosted on the NW Cadastral Servers and requires an update. It is recommended that the planning staff receive training on the GIS program.

8.8. Human Settlements

8.8.1. Priority Human Settlements and Housing Development Areas

The Minister for Human Settlements, through Government Gazette No. 43316 dated 15 May 2020, declared Lichtenburg as one of the Priority Human Settlements and Housing Development Areas (PHSHDAs). The PHSHDAs aim to advance Human Settlements Spatial Transformation and Consolidation by ensuring that housing delivery is used to restructure and revitalize towns and cities, strengthen the livelihood prospects of households, and overcome apartheid spatial patterns by fostering integrated urban forms. The following areas form part of the Lichtenburg PHSHDA:

- Retief's Park,
- Shukran,
- Boikhutso,
- Blydeville,
- MC Van Niekerk Park,

- Steward Bay, and
- Burgersdorp.

SECTION E: OBJECTIVES, STRATEGIES, INDICATORS, TARGETS AND PROJECTS

9. Key Performance Areas

9.1. KPA 1: Municipal Institutional Development and Transformation

Human Resources Analysis: • The municipality has adopted the Service Delivery and Budget Implementation Plan. • The municipality has commenced the organisational redesign process • The municipality has the Employment Equity Plan and Workplace Skills Plan in place. • There is no Occupational Health and Safety Committee in place. • Council and its subcommittees are stable and meeting regularly. • The Local Labour Forum functional	Labour Matters: Analysis: • The relationship between trade unions and management is not of the required standard and need to improve. • There is an established Local Labour Forum which is constituted by both the unions and management which serves as a bargaining forum at the workplace. • The Training Committee and OHS Committee needs to be established and trained on their functions. Challenges: • Lack of cascading the performance management to individual employees within the municipality. • Non-payment or late payment of skills development levies. • Training not done regularly in terms of the Workplace Skills Plan. • The municipality does not have the Occupational Health and Safety Plan and the committee is not meeting regularly.
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NATIONAL GOVERNMENT STRATEGIC OBJECTIVES	Building a developmental state including improvement of public services and strengthening democratic institutions.		
10 POINT PLAN	• Restore the institutional integrity of the municipality. • Develop and strengthen a politically and administratively stable system of municipalities. • Uprooting of corruption, nepotism, maladministration in our system of local government.		
NATIONAL PRIORITY OUTCOMES	Outcome 5: • A skilled and capable workforce to support an inclusive growth path.	Role of Local Government: • Ensure councils behave in ways to restore community trust in local government • Continue to develop performance monitoring and management system.	
	Outcome 12: • An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship.		
DITSOBOTLA LOCAL MUNICIPALITY'S OBJECTIVES	• To build and enhance the human resource capacity of the municipality. • To ensure that there is a good, sound industrial relationship between the employer and employees. • To create safe working environment for all employees. • To enhance corporate image of the municipality.		
STRATEGIES	• Develop and implement the Service Delivery and Budget Implementation Plan. • Provision of accessible basic skills, basic formal education, including adult basic education to municipal employees. • Ensure a functional and effective Local Labour Forum. • Develop and implement Occupational Health and Safety Plan. • Develop a marketing plan for the municipality. • To encourage career growth and personal development of employees.		

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
- To build and enhance the human resource capacity of the municipality. - To ensure that there is a good, sound industrial relationship between the employer and employees. - To create safe working environment for all employees. - To enhance corporate image of the municipality.	10 officials trained in 2024/25	Opex	Number of officials capacitated in accordance with the Workplace Skills Plan	40 officials capacitated in accordance with the Workplace Skills Plan by 30 June 2026.	Q1	10 officials capacitated in accordance with the Workplace Skills Plan by 30 September 2025.
					Q2	10 officials capacitated in accordance with the Workplace Skills Plan by 31 December 2025.
					Q3	10 officials capacitated in accordance with the Workplace Skills Plan by 31 March 2026.
					Q4	10 officials capacitated in accordance with the Workplace Skills Plan by 30 June 2026.
	Workplace Skills Plan in place	Opex	Workplace Skills Plan submitted to LGSETA	Workplace skills plan submitted to LGSETA by 30 April 2026.	Q1	Consultation with employees to identify trainings needs by 30 September 2025
					Q2	Analysis and consolidation of training needs submitted by 31 December 2025.
					Q3	Presentation of the 2025/2026 Workplace Skills Plan to Training Committee/LLF by 31 March 2026.
					Q4	Workplace Skills Plan submitted to LGSETA by 30 April 2026.

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
- To build and enhance the human resource capacity of the municipality. - To ensure that there is a good, sound industrial relationship between the employer and employees. - To create safe working environment for all employees. - To enhance corporate image of the municipality.	Draft HR Strategy and Plan in place	Opex	Approved HR Strategy and Plan by 31 December 2025	Approved HR Strategy and Plan by 31 December 2025	Q1	Consultation with stakeholders on draft HR strategy and Plan by 30 September 2025
					Q2	Approved HR Strategy and Plan by 31 December 2025
					Q3	None
					Q4	None
	1 Local Labour Forum meeting held	Opex	Number of Local Labour Forum meetings held	4 Local Labour Forum meetings to be held by 30 June 2026	Q1	1 Labour Forum meeting by 30 September 2025.
					Q2	1 Local Labour Forum meeting by 31 December 2025
					Q3	1 Local Labour Forum meeting by 31 March 2026
					Q4	1 Local Labour Forum meeting by 30 June 2026
	New KPI	Opex	Compliance to Municipal Staff Regulations 2021 – Chapter 4 (PMDS)	Compliance with Municipal Staff Regulation 2021 – Chapter 4 (PMDS) by 30 June 2025	Q1	Consultation with stakeholders on Municipal Staff Regulations 2021– Chapter 4 (PMDS) by 30 September 2025
					Q2	Adoption of PMDS Policy by council by end of 31 December 2025.
					Q3	Implementation of the Municipal Staff Regulations 2021 – Chapter 4 (PMDS) by 31 March 2026
					Q4	Implementation of the Municipal Staff Regulations 06.2021– Chapter 4 (PMDS) by 31 June 2026

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
- To build and enhance the human resource capacity of the municipality. - To ensure that there is a good, sound industrial relationship between the employer and employees. - To create safe working environment for all employees. - To enhance corporate image of the municipality.	0 reports submitted on the implementation of the Occupational Health and Safety	Opex	Number of reports on the implementation of Occupational Health and Safety Policy submitted	4 Reports on the implementation of the Occupational Health and Safety Report submitted by 30 June 2026.	Q1	1 report on the implementation of the Occupational Health and Safety Report submitted by 30 September 2025.
					Q2	1 report on the implementation of the Occupational Health and Safety Report submitted by 31 December 2025.
					Q3	1 report on the implementation of the Occupational Health and Safety Report submitted by 31 March 2026.
					Q4	1 report on the implementation of the Occupational Health and Safety Report submitted by 30 June 2026
	New KPI	Opex	Percentage of fraud and corruption cases concluded	100% of fraud and corruption cases concluded by 30 June 2026.	Q1	25% of fraud and corruption cases concluded by 30 September 2025.
					Q2	50% of fraud corruption cases concluded by 31 December 2025
					Q3	75% of fraud corruption cases concluded by 31 March 2026.
					Q4	100% of fraud corruption cases concluded by 30 June 2026

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
- To build and enhance the human resource capacity of the municipality. - To ensure that there is a good, sound industrial relationship between the employer and employees. - To create safe working environment for all employees. - To enhance corporate image of the municipality.	New KPI	Opex	Percentage of disciplinary cases concluded in the municipality	100% Percentage of disciplinary cases concluded in the municipality by 30 June 2026.	Q1	25% of disciplinary cases concluded by 30 September 2025.
					Q2	50% of disciplinary cases concluded by 31 December 2025 31 December 2025.
					Q3	75% of disciplinary cases concluded by 31 March 2026.
					Q4	100% of disciplinary cases concluded by 30 June 2026
	Draft Organisational Structure tabled in council on the 31 May 2025	Opex	Council-approved final Organisational Structure	Approved Organizational Structure by Council by 31 December 2025	Q1	Consultation with stakeholders on structure by 30 September 2025
					Q2	Approved organisational structure by council by 31 December 2025
					Q3	None
					Q4	None
	13 Ordinary council sittings held	Opex	Number of ordinary council sittings held	4 Ordinary Council meetings held	Q1	1 ordinary council sitting held by 30 September 2025..
					Q2	1 ordinary council sitting held by 31 December 2025
					Q3	1 ordinary council sitting held by 31 March 2026.
					Q4	1 ordinary council sitting held by 30 June 2026

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
- To build and enhance the human resource capacity of the municipality. - To ensure that there is a good, sound industrial relationship between the employer and employees. - To create safe working environment for all employees. - To enhance corporate image of the municipality.	No ICT Governance Policy	Opex	Timely approval and adoption of the ICT Governance Policy	Approve and adopt the ICT Governance Policy by 30 June 2026	Q1	Produce the Draft ICTPF by 31 September 2025.
					Q2	Presentation to subcommittee by 31 December 2025.
					Q3	Presentation to council and approval by 31 March 2026.
					Q4	Implementation of approved Information and Communication Technology Governance Policy by 30 June 2026.
	New KPI	Opex	Timely approval and adoption of the Communication Strategy	Approve and adopt the Communication Strategy by 30 June 2026	Q1	Development of a Draft Communication Strategy by 30 September 2025.
					Q2	Presentation to subcommittee by 31 December 2025.
					Q3	Presentation to the council and approval by 31 March 2026.
					Q4	Implementation of approved Information and Communication Technology Governance Policy by 30 June 2026.

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
- To build and enhance the human resource capacity of the municipality. - To ensure that there is a good, sound industrial relationship between the employer and employees. - To create safe working environment for all employees. - To enhance corporate image of the municipality.	New KPI	Opex	Timely approval and adoption of the Corporate Identity Manual	Approve and adopt the Corporate Identity Manual by 30 June 2026	Q1	Submit the draft to the MM's office for noting and approval by 30 September 2025.
					Q2	Submit the draft to the LLF and other employees for inputs by 30 December 2025.
					Q3	Present the draft at the Sub-committee meeting by 31 March 2026.
					Q4	Submission to council for approval and adoption by 30 June 2026.
	New KPI	Opex	Number of Quarterly Organisational Performance Reviews performed	4 Quarterly organisational Performance Reviews performed by 30 June 2026	Q1	1 Quarterly organisational Performance Reviews performed by 31 July 2025.
					Q2	1 Quarterly organisational Performance Reviews performed by 30 October 2025.
					Q3	1 Quarterly organisational Performance Reviews performed 31 January 2026.
					Q4	1 Quarterly organisational Performance Reviews performed 30 April 2026.

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
- To build and enhance the human resource capacity of the municipality. - To ensure that there is a good, sound industrial relationship between the employer and employees. - To create safe working environment for all employees. - To enhance corporate image of the municipality.	New KPI	Opex	Number of monthly management meetings held	12 monthly management meetings held by 30 June 2026	Q1	3 monthly management meetings by 30 September 2025.
					Q2	3 monthly management meetings by 31 December 2025.
					Q3	3 monthly management meetings by 31 March 2026.
					Q4	3 monthly management meetings by 30 June 2026.
	New KPI	Opex	Number of Quarterly progress reports on the implementation of the Financial recovery (FRP) plan to Council	4 Quarterly progress reports on the implementation of the Financial recovery (FRP) plan to Council by 30 June 2026.	Q1	1 Quarterly progress reports on the implementation of the Financial recovery (FRP) plan to Council by 30 September 2025.
					Q2	1 Quarterly progress reports on the implementation of the Financial recovery (FRP) plan to Council by 31 December 2025.
					Q3	1 Quarterly progress reports on the implementation of the Financial recovery (FRP) plan to Council by 31 March 2026.
					Q4	1 Quarterly progress reports on the implementation of the Financial recovery (FRP) plan to Council by 30 June 2026.

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
- To build and enhance the human resource capacity of the municipality. - To ensure that there is a good, sound industrial relationship between the employer and employees. - To create safe working environment for all employees. - To enhance corporate image of the municipality.	New KPI	Opex	implementation of the financial recovery plan by 30 June 2026	80% implementation of the financial recovery plan by 30 June 2026	Q1	20% implementation of the financial recovery plan by 30 September 2025
					Q2	40% implementation of the financial recovery plan by 31 December 2025.
					Q3	60% implementation of the financial recovery plan by 31 March 2026.
					Q4	80% implementation of the financial recovery plan by 30 June 2026.
	New KPI	Opex	Percentage implementation of Council resolutions	100% implementation of Council resolutions by 30 June 2026.	Q1	100% Council resolutions implemented by 30 September 2025.
					Q2	100% Council resolutions implemented by 31 December 2025.
					Q3	100% Council resolutions implemented by 31 March 2026.
					Q4	100% Council resolutions implemented by 30 June 2026.

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
- To build and enhance the human resource capacity of the municipality. - To ensure that there is a good, sound industrial relationship between the employer and employees. - To create safe working environment for all employees. - To enhance corporate image of the municipality.	New KPI	Opex	Number of Circular 88 reports submitted to council	4 MFMA Circular 88 reports submitted to council by June 2026.	Q1	Circular 88 reports submitted to council by 30 September 2025.
					Q2	Circular 88 reports submitted to council by 31 December 2025.
					Q3	Circular 88 reports submitted to council by 31 March 2026.
					Q4	Circular 88 reports submitted to council by 30 June 2026.
	1 IDP Representative Forum meeting held	Opex	Number of IDP Representative Forum meeting held	2 IDP Representative Forum meeting held	Q1	1 IDP Representative Forum meetings held by 30 September 2025.
					Q2	None
					Q3	1 IDP Representative Forum meeting held by 31 March 2026.
					Q4	None
	Reviewed 2024/25 IDP submitted	Opex	Timely adoption of the Integrated Development Plan for 2026/2027	Adoption of final IDP by council by 31 May 2026.	Q1	Adoption of IDP Process plan by 31 August 2025.
					Q2	Implementation of key deadlines as per Process Plan by 31 December 2025.
					Q3	Tabling of the Draft IDP by 31 March 2026.
					Q4	Adoption of final IDP by council by 31 May 2026.

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
- To build and enhance the human resource capacity of the municipality. - To ensure that there is a good, sound industrial relationship between the employer and employees. - To create safe working environment for all employees. - To enhance corporate image of the municipality.	New KPI	Opex	% of finalized litigation cases instituted by the municipality by 30 June 2026.	100% of finalized litigation cases instituted by the municipality by 30 June 2026.	Q1	100% of finalized litigation cases instituted by the municipality by 30 September 2025.
					Q2	100% of finalized litigation cases instituted by the municipality 31 December 2025.
					Q3	100% of finalized litigation cases instituted by the municipality by 31 March 2026.
					Q4	100% of finalized litigation cases instituted by the municipality by 30 June 2026.
	New KPI	Opex	% of finalized litigation cases instituted against the municipality	100% of finalized litigation cases instituted against the municipality by 30 June 2026.	Q1	100% of finalized litigation cases instituted against the municipality by 30 September 2025.
					Q2	100% of finalized litigation cases instituted against the municipality 31 December 2025.
					Q3	100% of finalized litigation cases instituted against the municipality by 31 March 2026.
					Q4	100% of finalized litigation cases instituted against the municipality by 30 June 2026.

9.2. KPA 2: FINANCIAL VIABILITY AND MANAGEMENT

Description	Current Status	Backlogs	Challenges	Plans to address the challenges
Tariff Policy	Tariff Policy in place	None	None	Policy will be reviewed annually
Rates Policy	Rates Policy in place	None	None	Policy will be reviewed annually
Supply Chain Management Policy	Supply Chain Management Policy in place	None	None	Policy will be reviewed annually
Staffing of Budget and Treasury Office	The Budget and Treasury Office is adequately staffed and critical positions that need to be filled is that of the Chief Finance Officer	Vacant CFO position need to be filled	Legal compliance and business continuity	The position will be advertised by 30 June 2026
Payment of creditors	The municipality has challenges in paying major creditors such as Eskom, Auditor General and the South African Revenue Service)	Declined revenue collection	Cash-flow problems	Improvement of revenue collection and making payment arrangements with creditors
Auditor General's findings	Disclaimer of Opinion for the 2023/2024 financial year	Financial and governance deficiencies	Poor financial planning and management	Develop and implement a Post Audit Action Plan
Financial Management System	The municipality has an operational FMS	Billing problems	Impacts on revenue collection	Review the operational efficiency and use (transacting) on the system

KEY PERFORMANCE AREA		Financial Management and Administrative Capacity	
NATIONAL GOVERNMENT STRATEGIC OBJECTIVES		• Building a developmental state including improvement of public services and strengthening democratic institutions. • Restore the institutional integrity of the municipality. • Develop and strengthen a politically and administratively stable system of municipalities. • Uprooting of corruption, nepotism, maladministration in our system of local government. • Build and strengthen the administrative, institutional and financial capabilities of the municipality, and all municipalities should have clean audits by 2019.	
10 POINT PLAN			
NATIONAL PRIORITY OUTCOMES	Outcome 12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship.	Role of Local Government: • Comply with legal financial reporting requirements. • Review municipal expenditure to eliminate wastage.	
DITSOBOTLA LOCAL MUNICIPALITY'S OBJECTIVES	Build and strengthen the financial management of the municipality to enhance service delivery and achieve clean audit by 2026		
STRATEGIES			
EFFICIENT AND EFFECTIVE FINANCIAL MANAGEMENT • Review and adoption of finance policies. • Financial reporting and in-year reporting. • Budget management. • Medium Term Revenue and Expenditure Framework Plan. • Budget management. • Ensure alignment of financial system with GRAP/Budget format. • Develop a five-year integrated financial management plan. • MFMA Implementation reform. • Develop project-based funding model. • Development of the asset registers as prescribed by GRAP.			
EXPENDITURE AND BUDGET MANAGEMENT • Payments be effected within 30 days. • Submission of both expenditure and budgets reports timely. • Timely creditors' reconciliation. • Implement budget reforms as per MFMA. • Capacity building. • Safeguard of the supporting documents. • The development of a comprehensive Inventory and Stores Management Policy. • Annual budget compilation. • Cash flow management. • Investment management.			

STRATEGIES

BUDGET AND TREASURY MANAGEMENT

- Manage revenue section.
- Manage supply chain management unit.
- Manage credit control and debt collection unit.
- Manage expenditure and budget management unit.
- Finance Interns capacitation.

REVENUE ENHANCEMENT

- Tariff setting.
- Billing.
- Meter reading.
- Debtor reconciliation.
- Revenue management.
- Distribution of accounts.
- Grant funding management.
- Development of cost recovery strategic plan.
- Manage and maintain updated valuation roll.

CREDIT CONTROL AND DEBT COLLECTION

- Indigent Management.
- Review and maintain credit control and debt collection procedures.
- Maintain the cut off, restriction, and disconnection and re-connection.
- Reducing the number of collection of debt to 30 days.

SUPPLY CHAIN MANAGEMENT

- Review and update of the Supply Chain Management Policy.
- Capacitate the Supply Chain Management Unit.
- Contract Management (compliance).
- Maintain updated service provider database

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
Build and strengthen the financial management of the municipality to enhance service delivery and achieve better audit outcomes by 2026	2024/2025 Budget adopted	Opex	Timely adoption of the 2026/2027 mSCOA Budget	2026/2027 mSCOA Budget adopted by council by 31 May 2025.	Q1	Submission of budget time table to council by 30 September 2025.
					Q2	Submission of Sec. 72 (Mid-term assessment) report to council by 31 December 2025.
					Q3	Submission of the draft budget to council by 31 March 2026.
					Q4	Adoption of budget by council by 31 May 2026
	4 Reports on the financial state of the municipality submitted to council	Opex	Number of reports on the financial state of the municipality submitted to council (Section 52(d))	4 reports on the financial state of the municipality submitted to council (Sec 52 (d)) by 30 June 2026.	Q1	None
					Q2	Report on the financial state of the municipality submitted to council (Sec 52 (d)) by 31 October 2025.
					Q3	Report on the financial state of the municipality submitted to council (Sec 52 (d)) by 28 February 2026.
					Q4	Report on the financial state of the municipality submitted to council (Sec 52 (d)) by 31 May 2026.

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
Build and strengthen the financial management of the municipality to enhance service delivery and achieve better audit outcomes by 2026	No Adjustment Budget	Opex	Timely adoption of the 2025/2026 Adjustment Budget	Adjustment Budget approved by Council by 28 February 2026	Q1	None
					Q2	None
					Q3	Adjustment Budget approved by Council by 28 February 2026
					Q4	None
	12 Reports submitted	Opex	Number of monthly Budget Statements submitted to council (Section 71)	12 monthly Budget Statements submitted to council (Section 71) by 30 June 2026.	Q1	3 Section 71 reports submitted to council by 30 September 2025.
					Q2	3 Section 71 reports submitted to council 31 December 2025.
					Q3	3 Section 71 reports submitted to council by 31 March 2026.
					Q4	3 Section 71 reports submitted to council by 30 June 2026.
	1 Asset Register Submitted	Opex	Number of 2025/26 GRAP Compliant asset register submitted	3 2025/26 GRAP Compliant asset register by submitted by 30 June 2026.	Q1	None
					Q2	1 2025/26 GRAP Compliant Asset Register submitted by 31 October 2025.
					Q3	1 2025/26 GRAP Compliant Asset Register submitted by 31 January 2026.
					Q4	1 2025/26 GRAP Compliant Asset Register submitted by 31 May 2026.

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
Build and strengthen the financial management of the municipality to enhance service delivery and achieve better audit outcomes by 2026	4 Reports on Unauthorized expenditure compiled	Opex	Number of Reports on Unauthorized expenditure	4 Reports on Unauthorized expenditure by 30 June 2026.	Q1	1 Report on unauthorized expenditure by 31 July 2025.
					Q2	1 Report on unauthorized expenditure by 31 October 2025.
					Q3	1 Report on unauthorized expenditure by 31 January 2026.
					Q4	1 Report on unauthorized expenditure by 31 May 2026.
	2021/22, 2022/23 and 2023/24 AFS submitted	Opex	Timely submission of the AFS to council	2024/25 AFS submitted to council by 31 August 2025.	Q1	2024/25 AFS submitted to council by 31 August 2025.
					Q2	None
					Q3	None
					Q4	None
	New KPI	Opex	Percentage of municipal payments made within 30 days of complete invoice receipt made to service providers	50% municipal payments made within 30 days of complete invoice receipt made to service providers by 30 June 2026	Q1	50% by 30 September 2025.
					Q2	50% by 31 December 2025.
					Q3	50% by 31 March 2026.
					Q4	50% by 30 June 2026.

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
Build and strengthen the financial management of the municipality to enhance service delivery and achieve better audit outcomes by 2026	New KPI	Opex	Number of Reports Fruitless, and wasteful expenditure	4 Reports on fruitless and wasteful expenditure by 30 June 2026.	Q1	1 Report on fruitless and wasteful expenditure by 31 October 2025.
					Q2	1 Report on fruitless and wasteful expenditure by 31 January 2026.
					Q3	1 Report on fruitless and wasteful expenditure by 30 April 2026.
					Q4	1 Report on fruitless and wasteful expenditure by 31 July 2026.
	MFMA Sec 65(2)(f) Reports submitted to the Accounting Officer	Opex	Number of Monthly VAT reconciliation reports submitted within 25 working days of the following month	12 Monthly VAT reconciliation reports submitted within 25 working days of the following month by 25 April 2026.	Q1	3 Monthly VAT reconciliation reports submitted within 25 working days of the following month by 25 July 2025.
					Q2	3 Monthly VAT reconciliation reports submitted within 25 working days of the following month by 25 October 2025.
					Q3	3 Monthly VAT reconciliation reports submitted within 25 working days of the following month by 25 January 2026.
					Q4	3 Monthly VAT reconciliation reports submitted within 25 working days of the following month by 25 April 2026..

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
Build and strengthen the financial management of the municipality to enhance service delivery and achieve better audit outcomes by 2026	59% collection rate	Opex	Percentage revenue collection rate achieved	60% revenue collection rate achieved by 30 June 2026.	Q1	60% Revenue Collection rate by 30 September 2025.
					Q2	60% Revenue Collection rate by 31 December 2025.
					Q3	60% Revenue Collection rate by 31 March 2026.
					Q4	60% Revenue Collection rate by 30 June 2026.
	New KPI	Opex	Timely approval of the Revenue Enhancement Strategy	Approval of the Revenue Enhancement Strategy by 31 March 2026	Q1	Draft Strategy submitted to council by 30 September 2025.
					Q2	Approval of revenue enhancement strategy by council by 31 December 2025.
					Q3	Approval of the Strategy by 31 March 2026.
					Q4	None
		Opex	Number of accurate Monthly Billing reports done by the 30 th of each month	12 accurate Monthly Billing reports done by 30 th of each month by 30 June 2026 June	Q1	3 Billing Reports done by 08 th of each month by 8 October 2025.
					Q2	3 Billing Reports done by 08 th of each month by 08 January 2026.
					Q3	3 Billing Reports done by 08 th of each month by 08 April 2026.
					Q4	3 Billing Reports done by 08 th of each month by 08 July 2026.

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
Build and strengthen the financial management of the municipality to enhance service delivery and achieve better audit outcomes by 2026	New KPI		Number on debtors and creditors' age analysis reports submitted monthly within 30 working days after the end of each month	12 reports on debtors and creditors' age analysis reports submitted monthly within 30 working days after the end of each month by 30 June 2026	Q1	3 Reports on debtors and creditors' age analysis reports submitted monthly within 30 working days after the end of each month by 30 October 2025.
					Q2	3 Reports on debtors and creditors' age analysis reports submitted monthly within 30 working days after the end of each month by 31 January 2026.
					Q3	3 Reports on debtors and creditors' age analysis reports submitted monthly within 30 working days after the end of each month by 30 April 2026.
					Q4	3 Reports on debtors and creditors' age analysis reports submitted monthly within 30 working days after the end of each month by 31 July 2026.

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
Build and strengthen the financial management of the municipality to enhance service delivery and achieve better audit outcomes by 2026	New KPI	Opex	Number of households in the municipal area registered as indigents	10 000 households in the municipal area registered as indigents by 30 June 2026.	Q1	2 500 households in the municipal area registered as indigents by 30 September 2025.
					Q2	2 500 households in the municipal area registered as indigents by 31 December 2025.
					Q3	2 500 households in the municipal area registered as indigents by 31 March 2026.
					Q4	2 500 households in the municipal area registered as indigents by 30 June 2026.
	No Procurement Plan	Opex	Approved 2025/26 Procurement plan	Approved 2025/26 Procurement Plan by 31 May 2026	Q1	None
					Q2	None
					Q3	Tabling of Draft Procurement Plan by 31 March 2026.
					Q4	Approved 2024/25 Procurement Plan by 31 May 2026.

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
Build and strengthen the financial management of the municipality to enhance service delivery and achieve better audit outcomes by 2026	4 No MFMA Sec 32 Reports on deviation, fruitless and irregular expenditure submitted to Council	Opex	Number of Reports on Irregular expenditure	4 Reports on Irregular expenditure by 30 June 2026	Q1	Number of Reports on Irregular expenditure by 30 September 2025
					Q2	Number of Reports on Irregular expenditure by 31 December 2025.
					Q3	Number of Reports on Irregular expenditure by 31 March 2026.
					Q4	Number of Reports on Irregular expenditure by 30 June 2026.
	New KPI	Opex	Percentage procurement spend on local SMMEs and local contractors	30% procurement spend on local SMMEs and local contractors by 30 June 2026.	Q1	5% procurement spends on local SMMEs and local contractors by 30 September 2025.
					Q2	15% procurement spends on local SMMEs and local contractors by 31 December 2025.
					Q3	20% procurement spends on local SMMEs and local contractors by 31 March 2026.
					Q4	30% procurement spends on local SMMEs and local contractors by 30 June 2026.

9.3. KPA 3: LOCAL ECONOMIC DEVELOPMENT

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
Create a conducive business environment by implementing flexible regulations, expanding access to finance and markets, upgrading infrastructure facilities, and providing business support services, with the goal of increasing local economic growth	Outdated LED Strategy	Opex	Timely approval of the LED Strategy aligned to the provincial and national LED Strategy	Approval of the LED Strategy aligned to the provincial and national LED Strategy by 30 June 2026	Q1	Advertisement to source service provider Economic Performance Study by 30 September 2025.
					Q2	Appointment of suitable service provider by 31 December 2025.
					Q3	Strategy Review process by 31 March 2026.
					Q4	Approval by Council of the LED Strategy aligned to the provincial and national LED Strategy by 30 June 2026.
	4 LED intergovernmental Platforms convened	Opex	Number of municipal LED intergovernmental platform meetings convened	4 municipal LED intergovernmental platform meetings convened by 30 June 2026.	Q1	1 municipal LED Intergovernmental platform meetings convened by 30 September 2025.
					Q2	1 municipal LED Intergovernmental platform meetings convened by 31 December 2025.
					Q3	1 municipal L.E.D Intergovernmental platform meetings convened by 31 March 2026.
					Q4	1 municipal LED Intergovernmental platform meetings convened by 30 June 2026.

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
Create a conducive business environment by implementing flexible regulations, expanding access to finance and markets, upgrading infrastructure facilities, and providing business support services, with the goal of increasing local economic growth	1 004 work opportunities created through CWP	Opex	Number of work opportunities created through Community Works Programme	1 000 work opportunities created through Community Works Programme by 30 June 2025	Q1	1 000 work opportunities created through CWP by 30 September 2025.
					Q2	1 000 work opportunities created through CWP by 31 December 2025.
					Q3	1 000 work opportunities created through CWP by 31 March 2026.
					Q4	150 work opportunities created through CWP by 30 June 2026
	No LED Forum	Opex	Timely establishment of the LED Forum	Establishment of a multi-stakeholder LED Forum by 31 March 2026.	Q1	Advertisement calling for nomination of stakeholders in the local newspaper by 30 September 2025.
					Q2	Confirmation of LED Forum and reporting to Council by 31 December 2025.
					Q3	Establishment of a multi-stakeholder LED Forum headed by Mayor by 31 March 2026.
					Q4	None

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
Create a conducive business environment by implementing flexible regulations, expanding access to finance and markets, upgrading infrastructure facilities, and providing business support services, with the goal of increasing local economic growth	100 jobs created through the municipality's local economic development initiatives including capital project	Opex	Number of jobs created through the municipality's local economic development initiatives including capital projects	100 jobs created through the municipality's local economic development initiatives including capital projects by June 2025	Q1	25 Jobs Created through the municipality's local economic Development initiatives including capital projects by 30 September 2025.
					Q2	25 Jobs created through the municipality's local economic development initiatives including capital projects by 31 December 2025.
					Q3	25 Jobs Created through the municipality's local economic development initiatives including Capital projects by 31 March 2026.
					Q4	25 Jobs created through the municipality's local economic development initiatives including Capital projects by 30 June 2026.

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
Create a conducive business environment by implementing flexible regulations, expanding access to finance and markets, upgrading infrastructure facilities, and providing business support services, with the goal of increasing local economic growth	New KPI	Opex	Number of business licences issued/renewed	5 000 Business licences issued/renewed by 30 June 2026.	Q1	1 250 business licenses issued/renewed by 30 September 2025.
					Q2	1 250 business licenses issued/renewed by 31 December 2025.
					Q3	1 250 business licenses issued/renewed by 31 March 2026.
					Q4	1 250 business licenses issued/renewed by 30 June 2026.
	No trainings conducted	Opex	Number of SMME`s / Cooperatives Training Programmes Conducted.	60 SMME`s /Cooperatives Training Programmes Conducted by 30 June 2026.	Q1	15 SMME`s/Corporative training programme conducted by 30 September 2025.
					Q2	15 SMME`s /cooperative training programmes conducted by 31 December 2025.
					Q3	15 SMME`s /Cooperative Training Programme conducted by 31 March 2026.
					Q4	15 SMME`s /cooperative Training Programme Conducted by 30 June 2026.

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
Create a conducive business environment by implementing flexible regulations, expanding access to finance and markets, upgrading infrastructure facilities, and providing business support services, with the goal of increasing local economic growth	New KPI	Opex	4 reports on the implementation of mining SLP (Social Labour Plans) by 30 June 2026.	Number of reports on the implementation of mining SLP (Social Labour Plans)	Q1	1 Report on implementation of mining SLP by 30 September 2025.
					Q2	1 Report on implementation of mining SLP by 31 December 2025.
					Q3	1 Report on implementation of mining SLP by 31 March 2026.
					Q4	1 Report on implementation of mining SLP by 30 June 2026.

9.4. KPA 4: BASIC SERVICES AND INFRASTRUCTURE DEVELOPMENT

NATIONAL GOVERNMENT STRATEGIC OBJECTIVES	Massive programme to build social and economic infrastructure Sustainable resource management and use	
10 POINT PLAN	Improve the quantity of basic services for all people in terms of water, sanitation, electricity, waste management, roads and disaster management (infrastructure services).	
NATIONAL PRIORITY OUTCOMES	Outcome 6: An efficient, competitive and responsive economic infrastructure network.	Role of Local Government: • Ring-fencing water, electricity and sanitation functions so as to facilitate cost-reflective pricing of these services. • Ensure urban spatial plans provide for commuter rail corridors, as well as other modes of public transport. • Maintain and expand water purification works and waste water treatment works in line with growing demands. • Improve maintenance of municipal road network. • Develop and implement water management plans to reduce water losses. • Ensure effective maintenance and rehabilitation of infrastructure. • Run water and electricity saving awareness campaigns. • Ensure proper management of municipal commonage and urban open spaces. • Ensure development does not take place on wetlands.
	Outcome 10: Environmental assets and natural resources that are well protected and continually enhanced	
DITSOBOTLA OBJECTIVES	To deliver sustainable essential services such as water, sanitation, electricity, and roads for the Ditsobotla communities.	
STRATEGY(IES)	A partnership should be established between the relevant spheres of government, private sector and the respective communities to co-plan and co-fund massive social and economic infrastructure in Ditsobotla Local Municipality.	

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
To deliver sustainable essential services such as water, sanitation, electricity and roads for the communities of Ditsobotla Local Municipality	New KPI	Opex	Number of new water connections (piped tap water)	40 of new water connections to piped (tap) water by 30 June 2026	Q1	10 new water connections (piped tap water) by 30 September 2025.
					Q2	10 new water connections (piped tap water) by 31 December 2025.
					Q3	10 new water connections (piped tap water) by 31 March 2026.
					Q4	10 new water connections (piped tap water) by 30 June 2026.
	28 453 households provided with water	Opex	Number of households provided with access to water with pipe line reticulation system	2 000 households provided with access to water with pipe line reticulation	Q1	500 Households provided with access to water with pipe line reticulation system by 30 September 2025.
					Q2	500 Households provided with access to water with pipe line reticulation system by 31 December 2025.
					Q3	500 Households provided with access to water with pipe line reticulation system by 31 March 2026.
					Q4	500 Households provided with access to water with pipe line reticulation system by 30 June 2026.

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
To deliver sustainable essential services such as water, sanitation, electricity and roads for the communities of Ditsobotla Local Municipality	New KPI	Opex	Percentage of water callouts responded to within 48 hours	100% of water callouts responded to within 48 hours by 30 June 2026.	Q1	100% of water callouts responded to within 48 hours by 30 September 2025.
					Q2	100% of water callouts responded to within 48 hours by 31 December 2025.
					Q3	100% of water callouts responded to within 48 hours by 31 March 2026.
					Q4	100% of water callouts responded to within 48 hours by 30 June 2025.
	New KPI	Opex	Number of new sewer connections to consumer units	40 new sewer connections to consumer units by 30 June 2026.	Q1	10 new sewer connections to consumer units by 30 September 2025.
					Q2	10 new sewer connections to consumer units by 31 December 2025.
					Q3	10 new sewer connections to consumer units by 31 March 2026.
					Q4	10 new sewer connections to consumer units by 30 June 2026.

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
To deliver sustainable essential services such as water, sanitation, electricity and roads for the communities of Ditsobotla Local Municipality	New KPI	Opex	Percentage of sanitation/wastewater callouts responded to within 48 hours	100% sanitation/wastewater callouts responded to within 48 hours by 30 June 2026.	Q1	100% sanitation/wastewater callouts responded to within 48 hours by 30 September 2025.
					Q2	100% sanitation/wastewater callouts responded to within 48 hours by 31 December 2025.
					Q3	100% of sanitation/wastewater callouts responded to within 48 hours by 31 March 2026.
					Q4	100% of sanitation/wastewater callouts responded to within 48 hours by 30 June 2026.
	New KPI	Opex	Number of new residential supply points energised by the municipality	40 residential supply points energized by the municipality by 30 June 2026.	Q1	10 residential supply points energized by the municipality by 30 September 2025.
					Q2	10 residential supply points energized by the municipality by 31 December 2025.
					Q3	10 residential supply points energized by the municipality by 31 March 2026.
					Q4	10 residential supply points energized by the municipality by 30 June 2026.

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
To deliver sustainable essential services such as water, sanitation, electricity and roads for the communities of Ditsobotla Local Municipality	New KPI	Opex	Number of households provided with access to electricity	2 000 households provided with access to electricity by 30 June 2026.	Q1	500 Households provided with access to electricity by 30 September 2025.
					Q2	500 Households provided with access to electricity by 31 December 2025.
					Q3	500 Households provided with access to electricity by 31 March 2026.
					Q4	500 Households provided with access to electricity by 30 June 2026.
	New KPI	Opex	Percentage of unplanned outages that are restored to supply within 24 hrs	100% unplanned outages that are restored to supply within 24 hrs by 30 June 2026.	Q1	100% unplanned outages that are restored to supply within 24 hrs by 30 September 2025.
					Q2	100% unplanned outages that are restored to supply within 24 hrs by 31 December 2025.
					Q3	100% unplanned outages that are restored to supply within 24 hrs by 31 March 2026.
					Q4	100% unplanned outages that are restored to supply within 24 hrs by 30 June 2026.

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
To deliver sustainable essential services such as water, sanitation, electricity and roads for the communities of Ditsobotla Local Municipality	New KPI	Opex	Number of maintenance jobs for planned or preventative maintenance	20 Maintenance jobs for planned or preventative	Q1	5 Maintenance jobs for planned or preventative maintenance by 30 September 2025.
					Q2	5 Maintenance jobs for planned or preventative maintenance by 31 December 2025.
					Q3	5 Maintenance jobs for planned or preventative maintenance by 31 March 2026.
					Q4	5 Maintenance jobs for planned or preventative maintenance by 30 June 2026.
	New KPI	Opex	Percentage of pothole complaints resolved within 5 days after being reported	100% of pothole complaints resolved within 5 days after being reported by 30 June 2025.	Q1	100% of pothole complaints resolved within 5 days after being reported by 30 September 2025.
					Q2	100% of pothole complaints resolved within 5 days after being reported by 31 December 2025.
					Q3	100% of pothole complaints resolved within 5 days after being reported by 31 March 2026.
					Q4	100% of pothole complaints resolved within 5 days after being reported by 30 June 2026.

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
To deliver sustainable essential services such as water, sanitation, electricity and roads for the communities of Ditsobotla Local Municipality	New KPI	Opex	Number of kilometres of surfaced road network rehabilitated	4 kilometres of surfaced road network rehabilitated by 30 June 2026.	Q1	1 kilometre of surfaced road network rehabilitated by 30 September 2025.
					Q2	1 kilometre of surfaced road network rehabilitated by 31 December 2025.
					Q3	1 kilometre of surfaced road network rehabilitated by 31 March 2026.
					Q4	1 kilometre of surfaced road network rehabilitated by 30 June 2026.
	New KPI	Opex	Kilometres of municipal road lanes resurfaced and resealed	8 kilometres of municipal road lanes resurfaced and resealed by 30 June 2026.	Q1	2 kilometres of municipal road lanes resurfaced and resealed by 30 September 2025.
					Q2	2 kilometres of municipal road lanes resurfaced and resealed by 31 December 2025.
					Q3	2 kilometres of municipal road lanes resurfaced and resealed by 31 March 2026.
					Q4	2 kilometres of municipal road lanes resurfaced and resealed by 30 June 2026.

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
To deliver sustainable essential services such as water, sanitation, electricity and roads for the communities of Ditsobotla Local Municipality	New KPI	Opex	Kilometres of municipal road graded	40 kilometres of municipal road graded by 30 June 2026.	Q1	10 Kilometres of municipal road graded by 30 September 2025.
					Q2	10 Kilometres of municipal road graded by 31 December 2025.
					Q3	10 Kilometres of municipal road graded by 31 March 2026.
					Q4	10 Kilometres of municipal road graded by 30 June 2026.
	New KPI	Opex	Meters of storm water drainage systems are maintained.	800m of storm water drainage systems maintained by 30 June 2026.	Q1	200m of storm water drainage systems maintained by 30 September 2025.
					Q2	200m of storm water drainage systems maintained 31 December 2025.
					Q3	200m of storm water drainage systems maintained 31 March 2026.
					Q4	200m of storm water drainage systems maintained by 30 June 2026.

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
To deliver sustainable essential services such as water, sanitation, electricity and roads for the communities of Ditsobotla Local Municipality	10% construction completed	R23 278 513.44	Percentage completion of the road project	Achieve 90% construction completion of Blydeville Roads Network by 30 June 2026	Q1	30% Construction progress by 30 September 2025.
					Q2	50% Construction progress by 31 December 2025.
					Q3	70% Construction progress by 31 March 2026.
					Q4	90% Construction progress by 30 June 2026.
	90% construction completed	R8 846 375.00	Percentage completion of the community hall project	Achieve 100% construction completion of the Putfontein Community Hall by 30 June 2026	Q1	100% Construction progress by 30 September 2025.
					Q2	Defect liability period
					Q3	Close-out report
					Q4	None
	60% construction completed	R9 970 500.00	Percentage completion of the Highmast light project	Achieve 100% construction completion of Bodibe Highmast Lights by 30 June 2026	Q1	100% Construction progress by 30 September 2025.
					Q2	Defect liability period
					Q3	Close-out report
					Q4	None
	85% construction completed	R3 000 000.00	Percentage completion of the Highmast light project	Achieve 100% construction completion of Putfontein Highmast Lights by 30 June 2026	Q1	100% Construction progress by 30 September 2025.
					Q2	Defect liability period
					Q3	Close-out report
					Q4	None

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
To deliver sustainable essential services such as water, sanitation, electricity and roads for the communities of Ditsobotla Local Municipality	70% construction completed	R18 899 000.00	Percentage completion of the road project	Achieve 100% construction completion of Upgrading of Roads Network and Stormwater in Itsoseng by 30 June 2026	Q1	100% Construction progress by 30 September 2025.
					Q2	Defect liability period
					Q3	Close-out report
					Q4	None
	70% construction completed	R4 252 286.91	Percentage completion of the road project	Achieve 100% construction completion of Tlhabologang Short Streets by 30 June 2026	Q1	100% Construction progress by 30 September 2025.
					Q2	Defect liability period
					Q3	Close-out report
					Q4	None
	95% construction completed	R18 522 791.35	Percentage completion of the sports stadium	Achieve 100% construction completion of Sports Stadium in Itsekeng by 30 June 2026	Q1	Close-out Report
					Q2	None
					Q3	None
					Q4	None
	Contractor appointed in January 2025	R8 534 150.00	Percentage completion of the community hall	Achieve 100% construction completion of Community Hall in Itsekeng by 30 June 2026	Q1	30% Construction progress by 30 September 2025.
					Q2	50% Construction progress by 31 December 2025.
					Q3	70% Construction progress by 31 March 2026.
					Q4	100% Construction progress by 30 June 2026.

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
To deliver sustainable essential services such as water, sanitation, electricity and roads for the communities of Ditsobotla Local Municipality	Contractor appointed in January 2025.	R15 999 662.49	Percentage completion of the stormwater network project	Achieve 100% construction completion of Upgrading of Boikhutso Storm-water Network by 30 June 2026.	Q1	30% Upgrade progress by 30 September 2025.
					Q2	50% Upgrade progress by 31 December 2025.
					Q3	70% Upgrade progress by 31 March 2026.
					Q4	100% Upgrade progress by 30 June 2026.
	Contractor appointed in January 2025.	R23 278 513.44	Percentage completion of the roads network project	Achieve 50% construction completion of Boikhutso Road Network Phase 2 (Ward 3) by 30 June 2026.	Q1	10% Construction progress by 30 September 2025.
					Q2	20% Construction progress by 31 December 2025.
					Q3	30% Construction progress by 31 March 2026.
					Q4	50% Construction progress by 30 June 2026.
	Contractor appointed in January 2025.	R4 000 000.00	Percentage completion of the Highmast lights project	Achieve 100% construction completion of Sheila Highmast Lights by 30 June 2026.	Q1	50% Construction progress by 30 September 2025.
					Q2	100% Construction progress by 31 December 2025.
					Q3	Defect liability period
					Q4	Close-out
	Contractor appointed in January 2025	R4 000 000.00	Percentage completion of the Highmast lights project	Achieve 100% construction completion of Ga-Motlatla Highmast Lights by 30 June 2026.	Q1	50% Construction progress by 30 September 2025.
					Q2	100% Construction progress by 31 December 2025.
					Q3	Defect liability period
					Q4	Close-out

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
To preserve a clean environment	5 Environmental campaigns held during	Opex	Number of Environmental campaigns held	7 Environmental campaigns held by 30 June 2026.	Q1	2 Environmental campaigns held by 30 September 2025.
					Q2	2 Environmental campaigns held by 31 December 2025.
					Q3	2 Environmental campaigns held by 31 March 2026.
					Q4	1 Environmental campaigns held by 30 June 2026.
	6 Maintenance programmes conducted	Opex	Number of Maintenance programmes of landfill sites	8 maintenance programme of landfill sites by 30 June 2026.	Q1	2 Maintenance Programmes per landfill site by 30 September 2025.
					Q2	2 Maintenance Programmes per landfill site by 31 December 2025
					Q3	2 Maintenance Programmes per landfill site by 31 March 2026.
					Q4	2 Maintenance Programmes per landfill site by 30 June 2026.
Enhanced sustainable parks & recreation facilities	Lichtenburg Park maintained	Opex	Development of a maintenance plan for parks, gardens, cemeteries, open spaces and sport facilities	1 Development of a maintenance plan for parks, gardens, cemeteries, open spaces and sport facilities by 31 December 2025.	Q1	1 Development of a maintenance plan for parks, gardens, cemeteries, open spaces and sport facilities by 30 September 2025.
					Q2	Submission of the draft maintenance plan to council for adoption by 31 December 2025.
					Q3	None
					Q4	None

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
Enhanced sustainable parks & recreation facilities	New KPI	Opex	Reviewed and adopted bylaws (Parks & Gardens, Street Tree; Caravan & Camping; Cemetery and Recreation Facility	Reviewed and adopted bylaws (Parks & Gardens; Street Tree; Caravan & Camping; Cemetery and Recreation Facility By-laws by 30 June 2026.	Q1	Submission of Parks & Gardens bylaw; Street Tree By-law; Caravan & Camping By-law; Cemetery By-law; Recreation Facility By-law to community services sub-committee by 30 September 2025.
					Q2	Tabling of draft Parks & Gardens by-law; Street Tree By-law; Caravan & Camping By-law; Cemetery By-law; Recreation Facility By-law to council by 31 December 2025.
					Q3	Submission of draft Parks & Gardens bylaw; Street Tree By-law; Caravan & Camping By-law; Cemetery By-law; Recreation Facility By-law for public participation by 31 March 2026.
					Q4	Reviewed and adopted Parks & Gardens by-law; Street Tree By-law; Caravan & Camping By-law; Cemetery By-law; Recreation Facility By-law by 30 June 2026.

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
Enhanced sustainable parks & recreation facilities	100% burials recorded	Opex	Percentage burials recorded in serviced areas	100% of burials recorded in serviced areas by 30 June 2026.	Q1	100% of burials recorded in serviced areas by 30 September 2025.
					Q2	100% of burials recorded in serviced areas by 31 December 2025.
					Q3	100% of burials recorded in serviced areas by 31 March 2026.
					Q4	100% of burials recorded in serviced areas by 30 June 2026.
Strengthen community learning	Unknown	Opex	Number of Library Review Forum Meetings held per quarter	4 Quarterly Library Review forum meetings held by 30 June 2026.	Q1	1 Library review forum meeting held by 30 September 2025.
					Q2	1 Library review forum meeting held by 31 December 2025.
					Q3	1 Library review forum meeting held by 31 March 2026.
					Q4	1 Library review forum meeting held by 30 June 2026.

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
Strengthen community learning	0	Opex	Number of maintained sports facilities	9 maintained sports facilities by 30 June 2026.	Q1	2 maintained sports facilities by 30 September 2025.
					Q2	4 maintained sports facilities by 31 December 2025.
					Q3	6 maintained sports facilities by 31 March 2026.
					Q4	9 maintained sports facilities by 30 June 2026.
To ensure community safety	4 Community Safety awareness campaign held	Opex	Number of Community Safety awareness campaign conducted	4 Community Safety Awareness Campaigns conducted by 30 June 2026.	Q1	1 Community safety awareness campaign conducted by 30 September 2025.
					Q2	1 Community safety awareness campaign conducted by 31 December 2025.
					Q3	1 community safety awareness campaign conducted by 31 March 2026.
					Q4	1 Community safety awareness campaign conducted by 30 June 2026.

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
To ensure community safety	12 Joint Roadblocks conducted with other stakeholders.	Opex	Number of Joint Roadblocks conducted	12 Joint Roadblocks to be conducted by 30 June 2026	Q1	3 Joint Roadblocks conducted by 30 September 2025.
					Q2	3 Joint Roadblocks conducted by 31 December 2025.
					Q3	3 Joint Roadblocks conducted by 31 March 2026.
					Q4	3 Joint Roadblocks conducted by 30 June 2026.
	4 Scholar patrols trained	Opex	Number of scholar patrols trained	8 Scholar Patrols trained by 30 June 2026	Q1	2 scholar patrols trained by 30 September 2025.
					Q2	2 scholar patrols trained by 31 December 2025.
					Q3	2 scholar patrols trained by 31 March 2026.
					Q4	2 scholar patrols trained by 30 June 2026.
	2 200 Learners licences tested	Opex	Number of learners licences tested	10 000 Learners licences tested by 30 June 2026	Q1	300 Learners' licences tested by 30 September 2025.
					Q2	250 Learners licences tested by 31 December 2025.
					Q3	200 Learners licences tested by 31 March 2026.
					Q4	250 Learners licences tested by 30 June 2026.

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
To ensure community safety	400 drivers licence tested	Opex	Number of drives licenses tested	1 200 Drivers Licences tested (NRTA 93 of 196 STANDARD) by 30 June 2026.	Q1	300 drivers' licences tested by 30 September 2025.
					Q2	300 drivers' licences tested by 31 December 2025.
					Q3	300 drivers' licences tested by 31 March 2026.
					Q4	300 drivers' licences tested by 30 June 2026.
	15	Opex	Number of vehicles tested for roadworthiness	600 Vehicles Tested for roadworthiness by 30 June 2025	Q1	150 Vehicles tested for roadworthiness by 30 September 2025.
					Q2	150 Vehicles tested for roadworthiness by 31 December 2025.
					Q3	150 Vehicles tested for roadworthiness by 31 March 2026.
					Q4	150 Vehicles tested for roadworthiness by 30 June 2026.

9.5. KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

KEY PERFORMANCE AREA	Governance, Public Participation and Intergovernmental Relations
NATIONAL GOVERNMENT STRATEGIC OBJECTIVES	• Municipalities that have reliable and credible Integrated Development Plans that are used as a guide for every development, programmes and projects within that municipality.
STRATEGIC OBJECTIVES	• Municipalities that have reliable and credible Integrated Development Plans that are used as a guide for every development, programmes and projects within that municipality. • Develop a coherent and cohesive system of governance and a more equitable intergovernmental fiscal system. • Build and strengthen the administrative, institutional and financial capabilities of municipality. • All municipalities should have clean audits by 2025. • The creation of a single window of coordination, support, monitoring and intervention as to deal with uncoordinated interaction by other spheres of government with municipalities including unfunded mandates.
10 POINT PLAN	
NATIONAL PRIORITY OUTCOMES	Outcome 9: Responsive, accountable, effective and efficient local government system.
DITSBOTLA LOCAL MUNICIPALITY'S OBJECTIVES	• To ensure good governance; • To project Ditsobotla Local Municipality as a preferred area to invest, live and work; • To inform the community about services rendered and have an effective communication system; • To provide the necessary strategic support for the implementation of the SDBIP; • To encourage and ensure public participation through ward committees. • To ensure participation of sector departments and other stakeholders on integrated development planning.

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
To ensure good governance through compliance with applicable governance frameworks and legislation as measured through quarterly reporting	Schedule of Portfolio Committee meetings developed	Opex	Number of Section 79 committee meetings held	12 Section 79 committee meetings held by 30 June 2026.	Q1	3 Section 79 committee meetings by 30 September 2025.
					Q2	3 Section 79 committee meetings by 31 December 2025.
					Q3	3 Section 79 committee meetings by 31 December 2026.
					Q4	3 Section 79 committee meetings by 31 March 2026.
	240 Ward committee meetings held	Opex	Number of ward committee meetings held	240 Ward committee meetings held by 30 June 2026.	Q1	60 Ward committee meetings held by 30 September 2025
					Q2	60 Ward committee meetings held by 31 December 2025.
					Q3	60 Ward committee meetings held by 31 March 2026.
					Q4	60 Ward committee meetings held by 30 June 2026.

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
To ensure good governance through compliance with applicable governance frameworks and legislation as measured through quarterly reporting	No council Oversight Report submitted	Opex	Timely submission of the Oversight Report submitted to council	Municipal Council Oversight Report submitted to council by 30 June 2026	Q1	None
					Q2	None
					Q3	Municipal Council Oversight Report submitted to council 31 March 2026.
					Q4	None
	New KPI	Opex	Number of MPAC Meetings held	4 MPAC Meetings held by 30 June 2026.	Q1	1 MPAC meeting held by 30 September 2025.
					Q2	1 MPAC meeting held by 31 December 2025.
					Q3	1 MPAC meeting held by 31 March 2026.
					Q4	1 MPAC meeting held by 30 June 2026.
	New KPI	Opex	Number of ward councillor community meetings convened	80 ward councillor's community meetings convened by 30 June 2026.	Q1	20 ward councillor's community meetings convened by 30 September 2025.
					Q2	20 ward councillor's community meetings convened by 31 December 2025.
					Q3	20 ward councillor's community meetings convened by 31 March 2026.
					Q4	20 ward councillor's community meetings convened by 30 June 2025.

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
To ensure good governance through compliance with applicable governance frameworks and legislation as measured through quarterly reporting	New KPI	Opex	Number of councillors that have declared their financial interests	39 councillors that have declared their financial interests by 30 June 2026.	Q1	39 councillors that have declared their financial interests by 30 September 2025.
					Q2	None
					Q3	None
					Q4	None
	60 meetings	Opex	Number of Council Portfolio Committee meetings held	72 Council Portfolio Committee meetings held by 30 June 2026.	Q1	18 Portfolio Committee meetings held by 30 September 2025.
					Q2	18 Portfolio Committee meetings held by 31 December 2025.
					Q3	18 Portfolio Committee meetings held by 31 March 2026.
					Q4	18 Portfolio Committee meetings held by 30 June 2026.
	12 Exco meetings	Opex	Number of Executive Committee meetings held	12 Executive Committee meetings held by 30 June 2026.	Q1	3 Exco meetings held by 30 September 2025.
					Q2	3 Exco meetings held by 31 December 2025.
					Q3	3 Exco meetings held by 31 March 2026.
					Q4	3 Exco meetings held by 30 June 2026.

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
Create employment and capacity building	43 EPWP work opportunities created	Opex	Number of work opportunities provided by the municipality through the Expanded Public Works Programme	50 work opportunities provided by the municipality through the Expanded Public Works Programme by 30 June 2026	Q1	50 work opportunities provided by the municipality through the Expanded Public Works Programme by 30 September 2025.
					Q2	50 work opportunities provided by the municipality through the Expanded Public Works Programme by 31 December 2025.
					Q3	50 work opportunities provided by the municipality through the Expanded Public Works Programme 31 March 2026.
					Q4	50 work opportunities provided by the municipality through the Expanded Public Works Programme 30 June 2026.
Promote awareness and outreach	New KPI	Opex	Number of events held on 16 Days of activism against women and children abuse, Gender Based Violence	1 events held on 16 Days of activism against women and children abuse, Gender Based Violence	Q1	None
					Q2	1 event on 16 Days of activism against women and children abuse, GBV by 31 December 2025.
					Q3	None
					Q4	None

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
Promote awareness and outreach	New KPI	Opex	Number of sporting activities for youth including Easter tournaments	1 Sporting Activities for youth including Easter Tournament by 31 March 2026.	Q1	None
					Q2	None
					Q3	1 Sporting Activities for youth including Easter Tournament by 31 March 2026.
					Q4	None
	New KPI	Opex	Number of schools issued with sanitary towels and school shoes	5 schools issued with sanitary towels and school shoes by 31 March 2026.	Q1	None
					Q2	None
					Q3	5 schools issued with sanitary towels and school shoes by 31 March 2026.
					Q4	None
	New KPI	Opex	Number of career exhibitions held	1 of Career Exhibition held by 31 December 2025.	Q1	None
					Q2	1 of Career Exhibition held by 31 December 2025.
					Q3	None
					Q4	None
	New KPI	Opex	Number of HIV & AIDS awareness campaigns held	1 HIV & AIDS Campaign held by 31 December 2025.	Q1	None
					Q2	1 HIV & AIDS Campaign held by 31 December 2025. .
					Q3	None
					Q4	None
	New KPI	Opex	Number of LGBTQI+ campaigns held	1 LGBTQI+ Campaign held by 31 December 2025.	Q1	None
					Q2	LGBTQI+ Campaign held by 31 December 2025.
					Q3	None
					Q4	None

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
Promote awareness and outreach	New KPI	Opex	Number of drug awareness campaigns held	1 Drug Awareness Campaign held by 31 March 2026.	Q1	None
					Q2	None
					Q3	1 Drug Awareness Campaign held by 31 March 2026.
					Q4	None
	New KPI	Opex	Number of support programs to people living with disabilities, older people held	1 support program to people living with disabilities, older people held by 31 March 2026	Q1	1 support program to people living with disabilities, older people held by 30 September 2025..
					Q2	None
					Q3	None
					Q4	None
	New KPI	Opex	Number of morale generation programme	1 Morale Regeneration programme conducted by 30 September 2025.	Q1	1 Morale Regeneration programme conducted by 30 September 2025.
					Q2	None
					Q3	None
					Q4	None

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
Promote awareness and outreach	New KPI	Opex	100% Audit Coverage	100% Audit Coverage by 30 June 2026.	Q1	100% Audit Coverage by 30 September 2025.
					Q2	100% Audit Coverage by 31 December 2025.
					Q3	100% Audit Coverage by 31 March 2026.
					Q4	100% Audit Coverage by 30 June 2026.
	New KPI	Opex	Number Compliance Audit reports completed	4 Compliance Audit reports completed by 30 June 2026.	Q1	1 Compliance Audit report completed by 30 September 2025.
					Q2	1 Compliance Audit report completed by 31 December 2025.
					Q3	1 Compliance Audits report completed by 31 March 2026.
					Q4	1 Compliance Audit report completed by 30 June 2026.
	New KPI	Opex	Number of risk assessment reports on fraud	4 risk assessment reports on fraud completed by 30 June 2026.	Q1	1 risk assessment reports on fraud completed by 30 September 2025.
					Q2	1 risk assessment reports on fraud completed r by 31 December 2025.
					Q3	1 risk assessment reports on fraud completed by 31 March 2026.
					Q4	1 risk assessment reports on fraud completed by 30 June 2026.

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
Improving and maintaining municipal audit outcomes	New KPI	Opex	Number of reports on the implementation of Post Audit Action Plan	4 reports on the implementation of Post Audit Action Plan by 30 June 2026.	Q1	1 reports on the implementation of Post Audit Action Plan by 30 September 2025.
					Q2	1 reports on the implementation of Post Audit Action Plan by 31 December 2025.
					Q3	1 reports on the implementation of Post Audit Action Plan by 31 March 2026.
					Q4	1 reports on the implementation of Post Audit Action Plan by 30 June 2026.
	New KPI	Opex	Number of Internal Audit reports completed and submitted	4 Internal Audit reports completed and submitted by 30 June 2026.	Q1	1 Internal Audit report completed and submitted by 30 September 2025.
					Q2	1 Internal Audit report completed and submitted by 31 December 2025.
					Q3	1 Internal Audit report completed and submitted by 31 March 2026.
					Q4	Number of IA reports completed and submitted by 30 June 2026.

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
Improving and maintaining municipal audit outcomes	New KPI	Opex	Number of Audit Committee meetings held	4 Audit Committee meetings held by 30 June 2026.	Q1	1 Audit Committee meeting held by 30 September 2025.
					Q2	1 Audit Committee meeting held by 31 December 2025.
					Q3	1 Audit Committee meeting held by 31 March 2026.
					Q4	1 Audit Committee meeting held by 30 June 2026.
	New KPI	Opex	Number of Probity audits conducted	4 Probity audits conducted by 30 June 2026.	Q1	1 Probity audit conducted by 30 September 2025.
					Q2	1 Probity audit conducted by 31 December 2025.
					Q3	1 Probity audit conducted by 31 March 2026.
					Q4	1 Probity audit conducted by 30 June 2026.
	New KPI	Opex	Number of Revenue enhancements initiatives audit	Two (2) Revenue enhancements initiatives audit by 30 June 2026.	Q1	None
					Q2	One (1) Revenue enhancements initiatives audit
					Q3	None
					Q4	One (1) Number of Revenue enhancements initiatives audit

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
Improving and maintaining municipal audit outcomes	New KPI	Opex	Number of External quality assurance reports done	4 External quality assurance reports done by 30 June 2026.	Q1	1 External quality assurance report done by 30 September 2025.
					Q2	1 External quality assurance report done by 31 December 2025.
					Q3	1 External quality assurance report done by 31 March 2026.
					Q4	1 External quality assurance report done by 30 June 2026.
	2024/25 PMS Policy Framework adopted by council	Opex	Timely review of the PMS Policy Framework for 2025/26 financial year and submit to Council for approval	Review PMS Policy Framework for 2025/26 Financial year and submit to Council for approval by 30 June 2025.	Q1	None
					Q2	None
					Q3	None
					Q4	Review PMS Policy Framework for 2025/26 financial year and submit to Council for approval by 30 June 2025.
	2024/25 PMS Standard Operating Procedures adopted by council		Timey review PMS Standard Operating Procedures (SOP) for 2025/26 financial year and submit to Council for approval	Review PMS Standard Operating Procedures (SOP) for 2025/26 financial year and submit to Council for approval by 30 June 2025.	Q1	None
					Q2	None
					Q3	None
					Q4	Review PMS Standard Operating Procedures for 2025/26 financial year and submit to Council for approval by 30 June 2025.

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
To provide the necessary strategic support to the implementation of the service delivery and implementation plan	2021/22, 2022/23 and 2023/24 Annual Performance Report submitted	Opex	2024/25 Annual Performance Report developed in compliance with Section 46 of MSA no.32 of 2000	2024/25 Annual Performance Report developed in compliance with Section 46 of the Municipal Systems Act by 31 August 2025.	Q1	2024/25 Annual Performance Report developed in compliance with Section 46 of MSA no.32 of 2000 by 31 August 2025.
					Q2	None
					Q3	None
					Q4	None
	4 Performance Agreements Signed	Opex	Number of signed performance agreements by the Municipal Manager and managers directly accountable to the municipal manager	6 signed performance agreements by the MM and managers directly accountable to the MM 30 June 2026.	Q1	6 signed performance agreements by the MM and managers directly accountable to the MM by 30 September 2025.
					Q2	None
					Q3	None
					Q4	None
	2024/2025 SDBIP adopted by council	Opex	Timely approval of the 2025/26 SDBIP	Approved 2025/26 SDBIP by 30 June 2026.	Q1	None
					Q2	None
					Q3	None
					Q4	Approved 2025/26 SDBIP by 30 June 2025.

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
To provide the necessary strategic support to the implementation of the service delivery and implementation plan	2024/25 Mid-term Report adopted by council	Opex	Timely Mid-term performance assessment and SDBIP review and submission to council	Mid-term performance assessment conducted and submitted to council by 25 January 2026.	Q1	None
					Q2	None
					Q3	Mid-term performance assessment and SDBIP review conducted and submitted to the council by 25 January 2026.
					Q4	None
	4 Quarterly performance reports submitted to the council	Opex	Number of quarterly performance reports submitted to Council	4 Quarterly performance reports submitted to the council by 30 June 2026.	Q1	1 quarterly performance report submitted to Council by 30 July 2025.
					Q2	1 quarterly performance report submitted to Council by 31 October 2025.
					Q3	1 quarterly performance report submitted to Council by 31 January 2026.
					Q4	1 quarterly performance report submitted to Council by 30 April 2026.

9.6. KPA 6: SPATIAL PLANNING AND HUMAN SETTLEMENTS

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
To promote spatial planning and proper land use	10 Building Plans Approved	Opex	Number of building plans applications approved	40 Building plans applications approved by 30 June 2026	Q1	10 of building plans applications approved by 30 September 2025.
					Q2	10 of building plans applications approved by 31 December 2025.
					Q3	10 of building plans applications approved by 31 March 2026.
					Q4	10 of building plans applications approved by 30 June 2026.
	15 Building inspections conducted	Opex	Number of building inspections conducted	60 Building inspections conducted by 30 June 2026.	Q1	15 Building inspections conducted by 30 September 2025.
					Q2	15 Building inspections conducted by 31 December 2025.
					Q3	15 Building inspections conducted by 31 March 2026.
					Q4	15 Building inspections conducted by 30 June 2026.

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
To promote spatial planning and proper land use	New KPI	Opex	Number of building plans less than 500 square meters adjudicated	12 building plans less than 500 square meters adjudicated by 30 June 2026.	Q1	3 building plans less than 500 square meters adjudicated by 30 September 2025.
					Q2	3 building plans less than 500 square meters adjudicated by 31 December 2025.
					Q3	3 building plans less than 500 square meters adjudicated by 31 March 2026.
					Q4	3 building plans less than 500 square meters adjudicated by 30 June 2026.
	New KPI	Opex	Number of land parcels acquired	4 Land parcels acquired by 30 June 2026.	Q1	1 Land parcel acquired by 30 September 2025.
					Q2	1 Land parcel acquired by 31 December 2025.
					Q3	1 Land parcel acquired by 31 January 2026.
					Q4	1 Land parcel acquired by 30 June 2026.
	Draft Policy not reviewed	Opex	Timely approval of policy on Management of Informal Settlement and Land Invasion	Council approved policy on Management of Informal Settlement and Land Invasion by 30 June 2026.	Q1	Council approved policy on Management of Informal Settlement and Land Invasion by 30 September 2025.
					Q2	None
					Q3	None
					Q4	None

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
To promote spatial planning and proper land use	No policy on management of municipal-owned residential stock	Opex	Timely approval of policy on management of municipal-owned residential stock	Council approved policy on management of municipal-owned residential stock by 30 September 2025.	Q1	Council approved policy on management of municipal-owned residential stock by 30 September 2025
					Q2	None
					Q3	None
					Q4	None
	No Policy on allocation of housing	Opex	Timely approval of Policy on allocation of housing	Council approved policy on allocation of housing by 30 September 2025.	Q1	Council approved policy on allocation of housing by 30 September 2025
					Q2	None
					Q3	None
					Q4	None
	Unknown	Opex	Number of title deeds issued to beneficiaries	400 title deeds issued for beneficiaries by 30 June 2026.	Q1	100 title deeds issued for beneficiaries by 30 September 2025.
					Q2	100 title deeds issued for beneficiaries by 31 December 2025.
					Q3	100 title deeds issued for beneficiaries by 31 March 2026.
					Q4	100 title deeds issued for beneficiaries by 30 June 2026.

Strategic Objectives	Baseline	Budget	Key Performance Indicator	Annual Target	Quarterly Projections	
To promote spatial planning and proper land use	New KPI	Opex	Number of consumer education programmes	8 Housing Consumer education programmes conducted by 30 June 2026.	Q1	2 Housing consumer education programmes by 30 September 2025.
					Q2	2 Housing consumer education programmes by 31 December 2025.
					Q3	2 Housing consumer education programmes by 31 March 2026.
					Q4	2 Housing consumer education programmes by 30 September 2025.

9.7. Capital Projects: Ditsobotla Local Municipality

#	Project Description	2025/2026 Allocation	2026/2027 Allocation	2027/2028 Allocation
1	Upgrading of Boikhutso Stormwater Network	R15 999 662.49	R7 200 000.00	R15 000 000
2	Boikhutso Roads Network Phase 2 (Ward 3)	R23 278 513.44	R0	R0
3	Construction of Community Hall in Itekeng	R8 534 150.00	R0	R0
4	Ga-Motlatla Highmast Lights	R4 000 000.00	R0	R0
5	Sheila Highmast Lights	R4 000 000.00	R0	R0
6	Sheila Community Hall	R0	R6 000 000.00	R0
7	Rehabilitation & Upgrade of Lichtenburg Landfill Site	R0	R4 000 000.00	R8 512 000
8	Boikhutso Highmast Lights	R0	R4 000 000.00	R0
9	Construction of Internal Roads: Verdwaal	R0	R18 133 000.00	R8 000 000.00
10	Construction of Matile Community Hall	R0	R6 000 000	R0
11	Fencing of Verdwaal 2 Cemetery	R0	R3 049 000	R0
12	Construction of Internal Roads: Tlhabologang Ext 8	R0	R0	R9 000 000.00
13	Construction of Blydeville Hall	R0	R0	R10 000 000.00
	MIG Allocation	R44 709 000.00	R48 382 000	R50 512 000

#	Project Title	Implementing Agent	Project Costs	Status	Budgeted 2025/26
1	Bodibe Ward 17 Water Reticulation	NNMDM	R243 780 318	Design	R69 780 318
2	Ditsobotla Rural Sanitation Programme	NMMDM	R322 448 231	Construction	R60 000 000
3	20 MVA Lichtenburg Substation (INEP Funding)	Ditsobotla	R55 000 000	Preplanning	
4	Installation of Smart metering (Water and Electricity)	Ditsobotla	TBD	Concept	TBD
5	Rehabilitation of Lichtenburg Landfill Site	Ditsobotla	TBD	Concept	0

9.8. Projects Funded through Social and Labour Plans

Funding Company: Afrimat				
Project	Budget	Location	Status	Comments
Bodibe Multipurpose Centre and Rebuilding of Tribal Authority office	R4 000 000	Bodibe	Not completed	- The project started with the construction of boundary wall with steel palisades in 2018. The wall is now Partially dilapidated due to theft and vandalism. Land surveying done and awaiting approval from the DMRE before the Architect starts drafting the building plans. - Submitted section 102 to merge budget to R4 500 000 with that of the Skills project – awaiting DMRE approval.
Skills Development Project (Brick Making)	R500 000			A section 102 was submitted to DMRE in December 2024 for approval to reallocate the funds for this project towards the above mentioned infrastructure project.
Phase 1: Taletso Resource Centre	R964 246	Lichtenburg	Completed	This is a backlogged project. Construction commenced in 2024. This is a collaboration between <i>Afrimat</i>, <i>Sephaku</i> and <i>Afrisam</i>. Each company committed R964 246. The project included refurbishing the centre, installing computers and new furniture.
Phase 2: Building of Auditorium	R3 984 715		Not completed	Construction of the Auditorium will commence in 2026.

Funding Company: AfriSam SLP Cycle 2022 – 2026 Projects (LED and Enterprise Development)							
Project Name	Project Type	Description	Budget Allocated	Exp.	Challenges	Action Required	Completion/ Progress
Water Project	LED	Invest into remedying water challenges in Ditsobotla	R2 000 000	R0	Project not implemented due to not the municipality's inability to identify challenged community/areas that need assistance with water	Municipality to identify areas to be assisted.	No progress
Taletso TVET College Resource Centre		Support by setting up and equipping Taletso TVET College Resource Centre, supply and install Computer Equipment, CCTV, Alarm System & Furniture. This is a collaboration project between <i>AfriSam</i> Cement Manufacturing.	R964,246	R361,996	No challenges, project implemented and completed, no intervention or co-operation needed from the municipality	None	Project completed, handover and DMRE inspection underway
		Construction/Building of an Auditorium at Taletso TVET College. This is a collaboration project between AfriSam and two other cement manufacturers.	R3,984,715	R0	Project does not need involvement from Ditsobotla Municipality. To be implemented	None	To be implemented
Establish Brickmaking Project – Upgrade roads in Ditsobotla	ED	Set up a brickmaking project to manufacture brick/paving materials to upgrade internal roads in Ditsobotla area. Though this project will depend on land availability identified and provided by the municipality.	R758,009	R0	The municipality is to provide land, have not being able to engage with the municipality	Municipality to provide land, then Implement	Not started
SMME Development	ED		R1,000,000	R403,037	None	None	In progress
Total			R8,706,970	R765,033			

**SEPHAKU DEVELOPMENT (PTY) LTD - SUMMARY REPORT ON THE IMPLEMENTATION OF THE SOCIAL AND LABOUR PROJECTS
GENERATION ONE SLP – 2014 – 2018**

Project Name	Summary Description/Background	Budget	Project Status	Beneficiaries	Spend	Challenges	Current Status and Future Plans
Refurbishment of the Springbokpan Clinic	There is no formal healthcare facility in Springbokpan, and the community relies on a mobile clinic for healthcare needs. Healthcare services are provided twice a week; however, the mobile clinic often fails to arrive due to mechanical breakdowns. As a result, the service is generally considered unreliable. As a result, members of the community are forced to travel to Matile and Itsoseng for healthcare services, with an average distance of approximately 10km.	R690,000	Completed - 2015	Springbokpan Community	R690,000	The Department of Health changed its strategy and refused to take over the clinic as a fully functional healthcare facility, stating that it did not meet the new standards. Consequently, the Department of Health requested Sephaku to hand the facility over the community. The community now uses it as awaiting area for the mobile clinic. Additionally, the community has repurposed the building as a drop-in centre and a coordination centre for home-based care activities.	The need for a fully functional clinic remains the highest priority for the Springbokpan community, a need that has been confirmed by the Department of Health. An agreement was reached between Sephaku, the Department of Health, and the Springbokpan community to construct a new clinic that will meet National Health Insurance (NHI) standards.

Project Name	Summary Description/Background	Budget	Project Status	Beneficiaries	Spend	Challenges	Current Status and Future Plans
	In the late 1990s, the Springbokpan community began constructing a healthcare facility but was unable to complete it due to a lack of funding. In 2013, the community requested Sephaku to refurbish the structure as part of its SLP. The Department of Health committed to taking over the operation of the clinic once completed and would provide the necessary staffing.						A resolution was signed by the Springbokpan community on 31 October 2024, requesting Sephaku to engage the DMRE to build the clinic as part of the SLP Generation 2 Financial Provision, as some of the previous projects could not be implemented. The procurement process has been completed, and the report has been submitted to the boards of Torosesha Non-Profit Company (NPC) and Sephaku for approval. Torosesha NPC is a company established by Sephaku Development, holding 15% shareholding for the benefit of the Verdwaal and Springbokpan communities. The project is scheduled to commence in April 2025 and is expected to be completed by December 2025. The estimated budget for the project is R11 million.

Project Name	Summary Description/Background	Budget	Project Status	Beneficiaries	Spend	Challenges	Current Status and Future Plans
Verdwaal Healthcare Infrastructure/Centre	Like Springbokpan, there is no formal healthcare facility in Verdwaal, and the community relies on a mobile clinic for healthcare services. In 2015, the Verdwaal community requested Sephaku to provide healthcare infrastructure so they could access healthcare services daily. The resolution for the Verdwaal healthcare project was facilitated by the ward councillor, with the community insisting that it be included in the Social and Labour Plan (SLP).	R900 000	Completed - 2016	Verdwaal community	R900 000	Sephaku engaged with the Department of Health, but they advised Sephaku not to proceed with building the clinic or healthcare centre, citing a lack of budget to provide staff for the centre. As a result, Sephaku built a community centre/hall, allowing the community to use it as a waiting area for the mobile clinic.	The need for a fully functional clinic remains the highest priority for the Verdwaal community, a need that has been confirmed by the Ditsobotla Local Municipality during the Integrated Development Plan consultation processes over the past few years. This need has become even more urgent since the closure of the Thusong Hospital, which had been in a dilapidated state. To further support the mobile healthcare service, Sephaku and Torosesha NPC built another community centre in 2024 at Verdwaal 2, with a budget of R2 million.

Project Name	Summary Description/Background	Budget	Project Status	Beneficiaries	Spend	Challenges	Current Status and Future Plans
Verdwaal Healthcare Infrastructure/Centre							The completion of the project has been delayed due to community disruptions, with certain community members requesting sub-contracting opportunities despite the contractor being based in Itsoseng, approximately 10 km from Verdwaal. It is anticipated that the project will be completed 25% above budget, as the contractor has applied for a variation order to complete the project.
Verdwaal Bakery	This is a job creation project aimed at supporting local economic development in the area. Beneficiaries were trained by Sephaku Development as part of the New Venture Creation Learnership Programme.	R1 176 682	Completed - 2016	Verdwaal Community	R1,6 million	The sustainability of the project remains a concern. Sephaku continues to fund water and electricity costs totalling R120,000 per annum.	The project is operational and employs five permanent staff members from the Verdwaal community. The bakery supplies the Sephaku canteen with bread, rolls for breakfast, and other special events.

Project Name	Summary Description/Background	Budget	Project Status	Beneficiaries	Spend	Challenges	Current Status and Future Plans
Pallet Handling and Repair Centre	This is a job creation project aimed at supporting local economic development in the area. The project is currently managed by MacDonalds, a non-local logistics company that assisted Sephaku in establishing the project. There are currently 12 local community members employed on the project	R996 139	Completed - 2016	Ditsobotla Communities	R1,2 million	The project currently only repairs Sephaku pallets that are used at the Dangote Cement SA-owned cement factory. Local SMMEs that were assessed did not have the capacity to manage the project since its completion in 2016. A local SMME identified for training to manage the project did not complete the training.	A community member from Verdwaal, a MacDonalds supervisor at the project, is being trained to take over the project within the next 24 months (by 2027). A Training Development Programme has been signed with him

SECTION F: FINANCIAL PLAN

10. Introduction

The aim of this chapter is to present a coherent financial plan towards the achievement of the municipal vision. The intention of this report is to link, integrate and co-ordinate development plans for DLM which is aligned with national, provincial and district development plans and planning requirements binding on the municipality in terms of legislation.

The key service delivery priorities, as reflected in the Integrated Development Plan (IDP), informed the development of the Budget, including the need to maintain the Municipality's financial sustainability.

This budget is prepared during a time in which the collection rate has been reported to be at its lowest, as illustrated in other structures of Council. The table below present that the municipality's Medium-Term Revenue and Expenditure Framework (MTREF) budget reveals a challenging financial landscape. Despite a steady increase in total revenue from R535.9 million in 2025/26 to R598.7million by 2027/28, operational expenditure is projected to outpace revenue growth, resulting in significant budget deficits. The municipality's financial position is further strained by a substantial decline in surplus, from a deficit of R171.8 million in 2024/25 to R53.1 million in 2027/28.

10.1. Reasons for decline

The decline in surplus is largely attributed to the escalating operational expenditure, which is driven by rising personnel costs, and bulk purchases expenses. To address this challenge, the municipality must implement stringent cost-containment measures, such as optimizing staff structures and less spending in non-core expenditures. Furthermore, the municipality should explore innovative revenue enhancement strategies, including improving billing efficiency, expanding its revenue base through economic development initiatives.

		MTREF		
Description	Original Budget 24/25	Budget Year 25/26	Budget Year 26/27	Budget Year 26/27
Operating revenue	497 221 000	491 280 000	511 535 200	545 102 721
Capital transfers(grants)	46 499 000	44 709 000	51 363 000	53 621 183
Total operating revenue for	543 720 000	535 989 000	562 898 200	598 723 904
Operating revenue	543 720 000	535 989 000	562 898 200	598 723 904
Less Operating expenditure	- 715 488 000	- 635 600 000	- 649 658 002	- 651 844 210
Total Capital Grants (deficit)	-R 171 768 000.00	- 99 611 000	- 86 759 802	- 53 120 306

10.2. Key amendments to the Policies

As part of the 2025/2026-2027/2028 Medium Term Revenue and Expenditure Framework, the municipality is reviewing and refining its budget-related policies to ensure alignment with strategic objectives. This review encompasses existing policies, such as HR policies, Virement, Asset Management, and Supply Chain Management, while introducing new policies, including the Smart Meter Policy and Cell Phone Policy, aimed at enhancing revenue generation, efficiency, and responsible resource utilization.

10.3. Overview of the Annual Budget Process

Section 53 of the Municipal Finance Management Act (MFMA) requires the Mayor to provide general political guidance in the budget process and setting of priorities that guide the preparation of the budget. In addition, Chapter 2 of the Municipal Budget and Reporting Regulations stipulates that the Mayor must establish a Budget Steering Committee to provide technical assistance in discharging these responsibilities.

The Budget Steering Committee, chaired by the Mayor and comprising the Municipal Manager and senior officials, aims to ensure that the budget compilation process complies with legislation and good budget practices. It also ensures proper alignment between the municipality's Integrated Development Plan (IDP) policy and service delivery priorities and the budget, while protecting the municipality's financial sustainability.

Furthermore, the Committee ensures that revenue and tariff setting strategies secure the necessary cash resources for service delivery and that spending priorities of different municipal departments are properly evaluated and prioritized in resource allocation. In accordance with Section 21 of the MFMA, the Mayor is required to table a time schedule in Council ten months before the start of the financial year, outlining the IDP and budget preparation process.

10.4. Overview of the IDP Review Process

The Integrated Development Plan (IDP) review process aims to align the municipality's development agenda with key council priorities, informing municipal budgeting and achieving strategic objectives outlined in the Municipal Finance Recovery Plan. This process involves reviewing and updating sector plans, such as the Spatial Development Framework, Housing Sector Plan, and Integrated Waste Management Plan, to address the developmental needs of Ditsobotla Local Municipality.

The IDP review process will also involve updating the status quo analysis report with new statistical data, reviewing objectives and strategies to align with national performance targets, and developing a priority list of capital and operational projects. Furthermore, stakeholder engagements will be facilitated to incorporate community needs and concerns, ensuring the municipality's development agenda aligns with the District Development Model (DDM) – One Plan. This will enable the municipality to effectively address the needs of its community and achieve its strategic objectives.

10.4.1. Overview of alignment of annual budget with Integrated Development Plan

NW384 Ditsobotla - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Supporting Table on Recommendation 10: Strategic Objectives and Budget (continued)													
Strategic Objective	Goal	Goal Code	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28	
R thousand													
Information Technology	A comprehensive, responsive and sustainable social protection system	13	–	(18 145)	(18 804)	(20 183)	(29 500)	–	–	(27 825)	(29 100)	(30 380)	
Information Technology	Responsive, accountable, effective and efficient local government	9	–	316 466	295 288	363 286	(471 648)	–	–	(468 599)	(488 106)	(518 031)	
Comply with financial reporting requirements as outlined in the MFMA	Responsive, accountable, effective and efficient local government	9	–	2 684	7 603	9 910	6 032	–	–	6 032	6 309	6 593	
Ensure collection of funds due to the municipality and specify optimal procedures in respect of non-collection	A comprehensive, responsive and sustainable social protection system	13	–	(0)	(0)	(0)	(7)	–	–	(7)	(8)	(8)	
Ensure collection of funds due to the municipality and specify optimal procedures in respect of non-collection	Responsive, accountable, effective and efficient local government	9	–	32 027	28 749	58 569	34 740	–	–	34 740	36 336	37 974	
Solid waste removal	Responsive, accountable, effective and efficient local government	9	–	–	4	–	–	–	–	–	–	–	
To provide access and facilitate vehicular movement in Umhlabyalingana	Responsive, accountable, effective and efficient local government	9	–	8 958	5 476	20 033	–	–	–	–	–	–	
Allocations to other priorities				2									
Total Revenue (excluding capital transfers and contributions)				1	341 990	318 316	431 615	(460 384)	–	–	(455 659)	(474 569)	(503 852)

10.4.2. Overview of Budget-related Policies

As part of the Medium-Term Revenue and Expenditure Framework (MTREF) for the 2025/2026–2027/2028 period, the municipality is undertaking a comprehensive review of its budget-related policies. This review is in line with the Municipal Budget

and Reporting regulations and aims to ensure that the municipality's financial management framework is aligned with its strategic objectives.

The review will cover existing policies, including HR policies, Virement, Rates, Tariff, Credit Control and Debt Collection, Asset Management, Supply Chain Management, Indigent, and Overtime & Standby policies. In addition, two new policies will be introduced: The Smart Meter Policy and the Cell Phone Policy. The Smart Meter Policy is designed to enhance revenue generation, reduce illegal connections and high volumes of losses, and promote efficient electricity management.

The Cell Phone Policy will provide guidelines for municipal officials' cell phone usage, ensuring responsible and cost-effective communication. To ensure transparency and collaboration, a policy workshop will be convened with stakeholders to discuss amendments and new policies. Following the workshop, the policies will be made available on the municipal website.

10.5. Overview of the budget assumptions

The following macro-economic forecasts must be considered when preparing the 2024/25 MTREF municipal budgets. **MFMA Circular No. 129 & 130**

The Ditsobotla Local Municipality's budget for the 2025/26 financial year underwent revisions between the draft and final budgets. The draft budget was initially anticipated to be R538.8 million, with capital transfers from National Treasury expected to amount to R47.7 million. This comprised R44.46 million for the Municipal Infrastructure Grant (MIG) and R4 million for the Integrated National Electrification Programme (INEP). However, the final budget was adjusted to R535.9 million, with capital transfers from National Treasury revised to R44.7 million, solely consisting of MIG funding, as the R4 million INEP grant was discontinued for the year under review.

Table: Macroeconomic performance and projections, 2024 – 2028

Fiscal year	2023/24	2024/25	2025/26	2026/27	2027/28
Actual		Estimate		Forecast	
CPI Inflation	6.0%	4.4%	4.3%	4.6%	4.4%

Source: National Treasury Budget Review 2025

The municipality has been operating under a Financial Recovery Plan (rescue phase) for two and a half years. Despite slow implementation, notable progress has been made in reducing the deficit over the Medium-Term Revenue and Expenditure Framework (MTREF) period. Furthermore, the municipality has supplemented the Financial Recovery Plan with a funding plan, which is expected to yield positive results and ultimately lead to a more stable financial position.

Service	Percentage Increase
Water	4.3%
Sanitation	4.3%
Refuse	4.3%
Electricity	10% (On average depending on various customer categories, subject to NERSA approval and cost of supply)

The Capital Budget for the Medium-Term Revenue and Expenditure Framework (MTREF) period will be primarily funded through government grants and subsidies, as the municipality currently lacks the financial capacity to generate sufficient income to supplement its capital budget.

10.5.1. Budget Principle Guidelines and Challenges

When compiling the budget, several key principles and guidelines were taken into consideration. These included forecasted headline inflation predictions for certain revenue streams, adherence to the National Electricity Regulator of South Africa (NERSA) guidelines, and alignment with the priorities and targets outlined in the Integrated Development Plan (IDP) for key strategic focus areas. Furthermore, it was determined that budget allocations for nationally and provincially funded projects would only be made if the requisite grants to the municipality were duly reflected in the national and provincial budgets and had been officially gazetted in accordance with the annual Division of Revenue Act.

The compilation of the 2025/2026 budget was marked by several persisting challenges. Notably, the credibility of data was compromised due to limitations in the financial system, which contributed to a decline in revenue. Furthermore, electricity disruptions, shortages of raw materials, and rising input costs are expected to constrain output in the short to medium term. The increase in bulk electricity costs exceeding the consumer price index (CPI) also posed a significant challenge. Additionally, aging infrastructure for essential services such as water, roads, and electricity presented concerns. Lastly, the implementation of the Financial Recovery Plan (FRP) and funding plan progressed at a slower pace than initially anticipated.

10.5.2. Operating Revenue Framework

NW384 Ditsobotla - Financial Performance (revenue)										
Description	2021/22	2022/23	2023/24	Budget Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Revenue										
Exchange Revenue										
Service charges - Electricity	132 036	92 342	50 102	135 914	135 914	135 914	82 380	134 690	148 159	162 975
Service charges - Water	33 593	25 601	5 429	39 684	39 684	39 684	8 369	13 943	14 584	15 226
Service charges - Waste Water Ma	27 734	24 629	22 047	30 897	30 897	30 897	15 025	23 949	25 051	26 153
Service charges - Waste Managem	(39 780)	18 084	8 561	14 733	14 733	14 733	13 153	20 536	21 478	22 423
Sale of Goods and Rendering of S	(31 861)	429	299	-	-	-	560	1 107	1 158	1 209
Agency services	2 647	-	8	5 000	5 000	5 000	-	2 500	2 615	2 730
Interest	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	16	-	(10 472)	500	500	500	79 921	1 000	1 046	1 529
Interest earned from Current and	548	622	891	509	509	509	209	200	209	218
Dividends	-	-	-	-	-	-	-	-	-	-
Rent on Land	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets	160	411	422	281	281	281	4	4	4	4
Licence and permits	(43)	36	-	10 000	10 000	10 000	2	6	6	6
Special rating levies	-	-	-	-	-	-	-	-	-	-
Operational Revenue	436	(508)	-	-	-	-	-	500	523	546
Non-Exchange Revenue										
Property rates	73 137	77 442	83 202	84 453	84 453	84 453	59 301	92 750	97 000	101 268
Surcharges and Taxes	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	1 831	906	-	7 000	7 000	7 000	51	3 000	3 138	3 276
Licences or permits	172	2 065	2 078	-	-	-	1 546	2 500	2 615	2 730
Transfer and subsidies - Operatio	97 694	34 427	180 537	172 176	172 176	172 176	141 036	194 595	193 426	204 264
Interest	-	-	-	-	-	-	-	-	-	-
Fuel Levy	-	-	-	-	-	-	-	-	-	-
Operational Revenue	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets	-	-	-	-	-	-	-	-	-	-
Other Gains	-	-	-	-	-	-	-	-	-	-
Discontinued Operations	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital tr	298 320	276 485	343 103	501 148	501 148	501 148	401 558	491 280	511 012	544 557

10.5.2.1. Exchange Revenue: Service Charges

Electricity accounts for the largest portion of the budget at 27.1% of the overall revenue. Although there is a minimal decline of 0.90% from R135 914 000 in the 2024/25 financial year to R134 690 217.20 in the 2025/26 financial year, the municipality is optimistic that revenue will improve through interventions from Eskom and the installation of smart meters.

The **water service** charge constitutes a relatively small percentage of the budget at 2.8%. The significant reduction of 64.85% in the water budget is largely attributed to losses, illegal connections, and low payment morale among clients, highlighting the need for improved revenue collection and management strategies.

Wastewater management services account for 4.8% of the budget, indicating a notable investment in maintaining and upgrading these essential services. There is a 22.49% decrease in the wastewater management budget, emphasizing the need for enhanced revenue protection and collection measures. The waste

management service charge represents 4.1% of the budget, demonstrating the municipality's commitment to maintaining clean and hygienic environments. The significant increase of 39.37% in the waste management budget may be attributed to efforts to enhance waste collection and disposal services.

10.5.2.2. Non-Exchange Revenue: Property Rates

Property rates contribute a significant 18.7% to the total budget, amounting to R92 748 654. This is largely attributed to the approval and implementation of the new General Valuation Roll (GVR).

Transfers and subsidies for operational purposes account for a substantial 39.2% of the total budget, totalling R194 595 000. This allocation is entirely funded by the National Treasury and Provincial government, enabling the municipality to deliver essential services and support its operational expenditures.

Other revenue sources, including sales of goods and services, agency services, interest earned, fines, and licenses, contribute a modest 2.3% to the total budget, amounting to R11 407 404. These supplementary revenue streams support the municipality's operational expenditures.

Summary: Average collection rate of 60%				
		Proposed	Collection %	Amount
Exchange Revenue				
Service charges - Electricity		134 690 217	0.8	107 752 174
Service charges - Water		13 946 130	0.6	8 367 678
Service charges - Waste Water Management		23 948 527	0.6	14 369 116
Service charges - Waste management		20 533 301	0.9	18 479 971
		193 118 176		148 968 939
Non-Exchange Revenue				
Property rates		92 748 654.01	0.9	83 473 788.61
Total budget		285 866 830.06		232 442 728.01

The municipality aims to enhance its revenue collection to an average rate of 60% through targeted interventions outlined in the funding plan. This projected improvement is expected to yield an anticipated revenue of R232 442 728 from service charges. Notably, each service charge has been individually assessed, as their collection rates vary, ensuring a tailored approach to optimizing revenue collection.

10.5.3. Operating Expenditure Framework

NW384 Ditsobotla - Budgeted Financial Performance (expenditure)										
Description	2021/22	2022/23	2023/24	Budget Year 2024/25				2025/26 Medium Term Revenue & Expenditure		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Expenditure										
Employee related costs	222 807	285 071	292 799	295 680	295 680	295 680	209 807	300 000	313 800	327 607
Remuneration of councillors	15 695	14 657	16 511	20 187	20 187	20 187	11 126	18 000	18 828	19 656
Bulk purchases - electricity	188 318	156 867	172 363	203 754	203 754	203 754	106 936	200 000	209 200	218 405
Inventory consumed	4 506	5 060	4 328	9 000	9 000	9 000	3 128	3 000	3 130	3 270
Debt impairment	642 206	-	-	-	-	-	-	-	-	-
Depreciation and amortisation	591 188	(551 082)	39 289	32 000	32 000	32 000	-	32 000	32 000	30 000
Interest	38 461	63 987	53 108	-	-	-	12 419	-	-	106
Contracted services	68 931	19 879	67 258	27 600	27 600	27 600	12 597	27 600	27 600	27 600
Transfers and subsidies	-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off	-	1 349	-	122 266	122 266	122 266	-	53 000	43 000	23 000
Operational costs	11 278	19 793	4 108	5 000	5 000	5 000	9 470	2 000	5 230	5 470
Losses on disposal of Assets	(370 311)	-	-	-	-	-	-	-	-	-
Other Losses	53	2 370	-	-	-	-	-	-	-	-
Total Expenditure	1 413 132	17 951	649 764	715 488	715 488	715 488	365 482	635 600	652 788	655 114
Surplus/(Deficit)	(1 114 812)	258 533	(306 661)	(214 340)	(214 340)	(214 340)	36 076	(139 176)	(132 452)	(103 433)

Employee-related costs constitute the largest portion of the budget, accounting for 47.2% and totalling R300 000 000. Bulk purchases of electricity make up a substantial 31.4% of the budget, amounting to R200 000 000.

Remuneration of councillors accounts for a relatively small percentage of the budget at 2.7%, totalling R18 000 000. Depreciation and amortization expenses account for 5% of the budget, amounting to R32 000 000.

Contracted services account for 4.3% of the budget, totalling R27 600 000, highlighting the municipality's reliance on external services to support its operations. Irrecoverable debts written off account for 8.3% of the budget, totalling R53 000 000.

Operational costs account for a small percentage of the budget at 0.3%, totalling R2 000 000, ensuring sufficient resources for day-to-day operations. Additionally, inventory consumed is expected to amount to R3 000 000 for the year under review.

10.6. Overview of budget funding

The municipality generates operational revenue through the provision of essential services, including water, electricity, sanitation, and solid waste removal. Additional revenue streams are derived from property rates, operating and capital grants from government institutions, and minor charges such as building plan fees, licenses, and permits.

However, the municipality has been operating under a Financial Recovery Plan for two and a half years, facing challenges in improving revenue collection. As a result, the Council has been approving unfunded budgets, and the municipality lacks reserves. This budget aims to reduce the deficit.

On a positive note, the municipality anticipates achieving a 60% collection rate, which is expected to alleviate some financial pressures. To further address funding challenges, the municipality is participating in a debt relief scheme introduced by National Treasury, specifically designed for Eskom debt.

To move forward, the municipality plans to focus on several key areas. Firstly, improving revenue collection will be crucial, and this will be achieved by enhancing revenue collection systems and implementing effective credit control and debt collection policies. Secondly, the municipality will re-evaluate budget allocations to ensure alignment with critical service delivery needs and financial sustainability.

Furthermore, building reserves is a key priority, and strategies will be implemented to achieve this goal. This initiative is expected to commence in the second quarter of the new financial year, following a review of revenue performance in the first quarter. By building reserves, the municipality aims to gradually transition away from approving unfunded budgets and towards achieving financial sustainability.

It is also worth noting that the municipality is required to acknowledge the debt relief amount as part of other gains, which is a non-cash item. This adjustment increases the bottom line to R888 million, and it will be disclosed accordingly until the municipality meets the minimum requirements set by National Treasury to qualify for the debt write-off.

NW384 Ditsobotla - Financial Performance (revenue)								2025/26 Medium Term Revenue & Expenditure Framework		
Description	2021/22	2022/23	2023/24	Budget Year 2024/25				Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome			
Revenue										
Exchange Revenue										
Service charges - Electricity	132 036	92 342	50 102	135 914	135 914	135 914	82 380	134 690	148 159	162 975
Service charges - Water	33 593	25 601	5 429	39 684	39 684	39 684	8 369	13 943	14 584	15 226
Service charges - Waste Water Ma	27 734	24 629	22 047	30 897	30 897	30 897	15 025	23 949	25 051	26 153
Service charges - Waste Managem	(39 780)	18 084	8 561	14 733	14 733	14 733	13 153	20 536	21 478	22 423
Sale of Goods and Rendering of S	(31 861)	429	299	-	-	-	560	1 107	1 158	1 209
Agency services	2 647	-	8	5 000	5 000	5 000	-	2 500	2 615	2 730
Interest	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	16	-	(10 472)	500	500	500	79 921	1 000	1 046	1 529
Interest earned from Current and I	548	622	891	509	509	509	209	200	209	218
Dividends	-	-	-	-	-	-	-	-	-	-
Rent on Land	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets	160	411	422	281	281	281	4	4	4	4
Licence and permits	(43)	36	-	10 000	10 000	10 000	2	6	6	6
Special rating levies	-	-	-	-	-	-	-	-	-	-
Operational Revenue	436	(508)	-	-	-	-	-	500	523	546
Non-Exchange Revenue										
Property rates	73 137	77 442	83 202	84 453	84 453	84 453	59 301	92 750	97 000	101 268
Surcharges and Taxes	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	1 831	906	-	7 000	7 000	7 000	51	3 000	3 138	3 276
Licences or permits	172	2 065	2 078	-	-	-	1 546	2 500	2 615	2 730
Transfer and subsidies - Operatio	97 694	34 427	180 537	172 176	172 176	172 176	141 036	194 595	193 426	204 264
Interest	-	-	-	-	-	-	-	-	-	-
Fuel Levy	-	-	-	-	-	-	-	-	-	-
Operational Revenue	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets	-	-	-	-	-	-	-	-	-	-
Other Gains	-	-	-	-	-	-	-	396 830	-	-
Discontinued Operations	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital tr	298 320	276 485	343 103	501 148	501 148	501 148	401 558	888 110	511 012	544 557

10.7. Expenditure on allocations and grant programmes

NW384 Ditsobotla - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand										
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year										
Current year receipts		(6 690)	(6 419)	(6 419)	3 000	-	-	5 000	5 000	5 129
Repayment of grants										
Conditions met - transferred to revenue		46 983	2 204	163 312	(162 823)	-	-	(189 068)	(190 426)	(198 614)
Conditions still to be met - transferred to liabilities		(53 673)	(8 623)	(169 731)	165 823	-	-	194 068	195 426	203 743
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts		260	260	260	-	-	-	1 169	1 223	1 276
Conditions met - transferred to revenue		260	260	260	-	-	-	2 338	2 446	2 551
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	(1 169)	(1 223)	(1 276)
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		834	834	834	4 000	-	-	3 300	2 981	3 109
Conditions still to be met - transferred to liabilities		(834)	(834)	(834)	(4 000)	-	-	(3 300)	(2 981)	(3 109)
Total operating transfers and grants revenue		48 077	3 298	164 406	(158 823)	-	-	(183 430)	(184 999)	(192 954)
Total operating transfers and grants - CTBM	2	(54 507)	(9 457)	(170 565)	161 823	-	-	189 599	191 222	199 359
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year										
Current year receipts		-	-	-	43 712	-	-	43 673	46 111	48 180
Conditions met - transferred to revenue		(13 078)	(11 078)	(4 621)	(39 130)	-	-	(39 130)	(40 930)	(44 388)
Conditions still to be met - transferred to liabilities		13 078	11 078	4 621	82 842	-	-	82 803	87 041	92 568
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		(271)	(3 247)	(5 814)	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		271	3 247	5 814	-	-	-	-	-	-
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts		3 907	5 407	5 407	43 712	-	-	43 673	46 111	48 180
Conditions met - transferred to revenue		3 907	5 407	5 407	43 712	-	-	43 673	46 111	48 180
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Total capital transfers and grants revenue		(9 441)	(8 918)	(5 028)	4 582	-	-	4 543	5 181	3 791
Total capital transfers and grants - CTBM	2	13 348	14 325	10 435	82 842	-	-	82 803	87 041	92 568
TOTAL TRANSFERS AND GRANTS REVENUE		38 636	(5 619)	159 379	(154 241)	-	-	(178 887)	(179 818)	(189 163)
TOTAL TRANSFERS AND GRANTS - CTBM		(41 159)	4 868	(160 130)	244 665	-	-	272 402	278 263	291 927

Description	Budget Year 24/25 (Current)	MTREF		
		Budget Year 25/26	Budget Year 26/27	Budget Year 26/27
Equitable Share	184 896 000	188 959 000	191 216 000	199 888 000
FMG	3 000 000	3 000 000	3 000 000	3 100 000
EPWP	1 213 000	1 467 000	-	-
Library Grant	1 140 000	1 169 000	1 223 000	1 275 589
Total Operating Grants	189 109 000	194 595 000	193 426 000	204 263 589
MIG	42 499 000	44 709 000	48 382 000	50 512 000
INEP	-	-	2 981 000	3 109 183
Total Capital Grants	46 499 000	44 709 000	51 363 000	53 621 183
Total Grants	235 608 000	239 304 000	244 789 000	257 884 772

The municipality's revenue budget is significantly reliant on grants, with transfers and subsidies accounting for 39% of the total revenue. A detailed breakdown of the capital

and operational grants allocated to the municipality for the 2025/26 to 2027/28 financial years is outlined in the table below, as per the Division of Revenue Bill (DoRB).

It is noteworthy that the reconciliation sheet for grants attached to this document does not include the Financial Management Grant (FMG), resulting in an understatement of the allocated amount. This discrepancy has been reported to the system provider and will be rectified in the final budget. To address this issue, a supplementary table has been provided to ensure accurate representation of the grant allocations.

10.8. Allocations and grants made by the municipality

The municipality does not make any allocations nor transfer grants to any organ of state.

10.8.1. Councilor and board member allowances and employee benefits

NW384 Ditsobotla - Supporting Table SA22 Summary councillor and staff benefits										
Summary of Employee and Councillor remuneration	Ref	2021/22	2022/23	2023/24	Budget Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages	1	—	—	12 117	16 682	16 682	16 682	13 254	13 863	14 473
Pension and UIF Contributions		—	—	49	161	161	161	4 712	4 928	5 145
Medical Aid Contributions		—	—	32	14	14	14	—	—	—
Motor Vehicle Allowance		—	—	2 726	2 123	2 123	2 123	—	—	—
Cellphone Allowance		—	—	1 588	1 207	1 207	1 207	35	36	38
Housing Allowances		—	—	—	—	—	—	—	—	—
Other benefits and allowances		—	—	—	—	—	—	—	—	—
Sub Total - Councillors		—	—	16 511	20 187	20 187	20 187	18 000	18 828	19 656
% increase	4		—	—	22.3%	—	—	(10.8%)	4.6%	4.4%
Senior Managers of the Municipality										
Basic Salaries and Wages	2	5 927	5 723	5 956	5 723	5 723	5 723	8 600	8 996	9 069
Pension and UIF Contributions		648	1 074	931	1 074	1 074	1 074	6 985	7 408	7 845
Medical Aid Contributions		(57)	—	—	—	—	—	—	—	—
Overtime		—	—	—	—	—	—	—	—	—
Performance Bonus		219	351	431	351	351	351	—	—	—
Motor Vehicle Allowance	3	474	442	446	442	442	442	126	126	126
Cellphone Allowance	3	46	6	4	6	6	6	—	—	—
Housing Allowances	3	9	12	12	12	12	12	12	13	13
Other benefits and allowances	3	42	47	49	47	47	47	—	—	—
Payments in lieu of leave		229	—	—	—	—	—	—	—	—
Long service awards		—	—	—	—	—	—	—	—	—
Post-retirement benefit obligations	6	—	—	—	—	—	—	—	—	—
Entertainment		—	—	—	—	—	—	—	—	—
Scarcity		—	—	—	—	—	—	—	—	—
Acting and post related allowance		24	—	17	—	—	—	—	—	—
In kind benefits		—	—	—	—	—	—	—	—	—
Sub Total - Senior Managers of Municipality		7 561	7 654	7 845	7 654	7 654	7 654	15 723	16 543	17 053
Other Municipal Staff										
Basic Salaries and Wages		187 696	210 348	214 532	215 348	215 348	215 348	230 000	240 425	251 080
Pension and UIF Contributions		27 702	31 871	33 406	36 871	36 871	36 871	41 740	44 281	46 900
Medical Aid Contributions		9 918	11 041	11 885	11 041	11 041	11 041	795	804	809
Overtime		2 440	2 038	1 408	2 647	2 647	2 647	—	—	—
Performance Bonus		32 621	13 246	14 450	13 246	13 246	13 246	10 250	10 250	10 250
Motor Vehicle Allowance	3	6 444	7 296	7 401	7 296	7 296	7 296	756	756	756
Cellphone Allowance	3	6	6	—	6	6	6	—	—	—
Housing Allowances	3	485	804	509	804	804	804	36	38	39
Other benefits and allowances	3	(53 623)	49	50	49	49	49	150	152	160
Payments in lieu of leave		900	289	844	289	289	289	—	—	—
Long service awards		214	84	72	84	84	84	—	—	—
Post-retirement benefit obligations	6	—	—	—	—	—	—	—	—	—
Entertainment		—	—	—	—	—	—	—	—	—
Scarcity		—	—	—	—	—	—	—	—	—
Acting and post related allowance		442	345	486	345	345	345	550	552	560
In kind benefits		—	—	—	—	—	—	—	—	—
Sub Total - Other Municipal Staff		215 246	277 417	285 044	288 026	288 026	288 026	284 277	297 257	310 554
% increase	4		28.9%	2.7%	1.0%	—	—	(1.3%)	4.6%	4.5%
Total Parent Municipality		222 807	285 071	309 400	315 867	315 867	315 867	318 000	332 628	347 264
			27.9%	8.5%	2.1%	—	—	0.7%	4.6%	4.4%
TOTAL SALARY, ALLOWANCES & BENEFITS										
		222 807	285 071	309 400	315 867	315 867	315 867	318 000	332 628	347 264
% increase	4		27.9%	8.5%	2.1%	—	—	0.7%	4.6%	4.4%
TOTAL MANAGERS AND STAFF	5,7	222 807	285 071	292 889	295 680	295 680	295 680	300 000	313 800	327 607

10.8.2. Monthly targets for revenue, expenditure and cash flow

NW384 Ditsobotla - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2025/26												Medium Term	Revenue and Expenditure Framework	
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Revenue																
Exchange Revenue																
Service charges - Electricity		11 224	11 224	11 224	11 224	11 224	11 224	11 224	11 224	11 224	11 224	11 224	11 224	134 690	148 159	162 975
Service charges - Water		1 162	1 162	1 162	1 162	1 162	1 162	1 162	1 162	1 162	1 162	1 162	1 162	13 943	14 584	15 226
Service charges - Waste Water Management		1 996	1 996	1 996	1 996	1 996	1 996	1 996	1 996	1 996	1 996	1 996	1 996	23 949	25 051	26 153
Service charges - Waste Management		1 711	1 711	1 711	1 711	1 711	1 711	1 711	1 711	1 711	1 711	1 711	1 711	20 536	21 478	22 423
Sale of Goods and Rendering of Services		92	92	92	92	92	92	92	92	92	92	92	92	1 107	1 158	1 209
Agency services		208	208	208	208	208	208	208	208	208	208	208	208	2 600	2 616	2 730
Interest		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		83	83	83	83	83	83	83	83	83	83	83	83	1 000	1 046	1 529
Interest earned from Current and Non Current Assets		17	17	17	17	17	17	17	17	17	17	17	17	200	209	218
Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licence and permits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Special rating levies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		42	42	42	42	42	42	42	42	42	42	42	42	500	523	546
Non-Exchange Revenue																
Property rates		7 729	7 729	7 729	7 729	7 729	7 729	7 729	7 729	7 729	7 729	7 729	7 729	92 749	97 000	101 268
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		250	250	250	250	250	250	250	250	250	250	250	250	3 000	3 138	3 276
Licences or permits		208	208	208	208	208	208	208	208	208	208	208	208	2 500	2 615	2 730
Transfer and subsidies - Operational		16 646	16 646	16 646	16 646	16 646	16 646	16 646	16 646	16 646	16 646	16 646	16 646	199 750	199 630	208 128
Interest		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fuel Levy		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and expenditure)		41 369	41 369	41 369	41 369	41 369	41 369	41 369	41 369	41 369	41 369	41 369	41 369	496 424	517 206	548 411
Expenditure																
Employee related costs		25 000	25 000	25 000	25 000	25 000	25 000	25 000	25 000	25 000	25 000	25 000	25 000	300 000	313 800	327 607
Remuneration of councillors		1 500	1 500	1 500	1 500	1 500	1 500	1 500	1 500	1 500	1 500	1 500	1 500	18 000	18 828	19 656
Bulk purchases - electricity		16 667	16 667	16 667	16 667	16 667	16 667	16 667	16 667	16 667	16 667	16 667	16 667	200 000	209 200	218 405
Inventory consumed		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt impairment		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation and amortisation		2 667	2 667	2 667	2 667	2 667	2 667	2 667	2 667	2 667	2 667	2 667	2 667	32 000	32 000	30 000
Interest		-	-	-	-	-	-	-	-	-	-	-	-	-	-	106
Contracted services		2 300	2 300	2 300	2 300	2 300	2 300	2 300	2 300	2 300	2 300	2 300	2 300	27 600	27 600	27 600
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		4 417	4 417	4 417	4 417	4 417	4 417	4 417	4 417	4 417	4 417	4 417	4 417	53 000	43 000	23 000
Operational costs		417	417	417	417	417	417	417	417	417	417	417	417	5 000	5 230	5 470
Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		52 967	52 967	52 967	52 967	52 967	52 967	52 967	52 967	52 967	52 967	52 967	52 967	635 600	649 658	651 844
Surplus/(Deficit)		(11 598)	(11 598)	(11 598)	(11 598)	(11 598)	(11 598)	(11 598)	(11 598)	(11 598)	(11 598)	(11 598)	(11 598)	(139 176)	(132 452)	(103 433)
Transfers and subsidies - capital (monetary allocations)		3 538	3 538	3 538	3 538	3 538	3 538	3 538	3 538	3 538	3 538	3 538	3 538	42 460	46 111	48 180
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(8 060)	(8 060)	(8 060)	(8 060)	(8 060)	(8 060)	(8 060)	(8 060)	(8 060)	(8 060)	(8 060)	(8 060)	(96 716)	(86 341)	(55 254)
Income Tax		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		(8 060)	(8 060)	(8 060)	(8 060)	(8 060)	(8 060)	(8 060)	(8 060)	(8 060)	(8 060)	(8 060)	(8 060)	(96 716)	(86 341)	(55 254)
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(8 060)	(8 060)	(8 060)	(8 060)	(8 060)	(8 060)	(8 060)	(8 060)	(8 060)	(8 060)	(8 060)	(8 060)	(96 716)	(86 341)	(55 254)
Share of Surplus/Deficit attributable to Associate Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	1	(8 060)	(8 060)	(8 060)	(8 060)	(8 060)	(8 060)	(8 060)	(8 060)	(8 060)	(8 060)	(8 060)	(8 060)	(96 716)	(86 341)	(55 254)

10.9. Annual budgets and service delivery and implementation internal departments

In accordance with section 53(1)(c)(ii) of the Municipal Finance Management Act (MFMA), the Service Delivery and Budget Implementation Plan (SDBIP) serves as a comprehensive plan for implementing the municipality's service delivery and annual budget. The SDBIP includes monthly projections of revenue to be collected and operational and capital expenditure, as well as service delivery targets and performance indicators for each quarter.

As stipulated in Section 53 of the MFMA, the Mayor is required to approve the SDBIP within 28 days after the final approval of the budget. Furthermore, the Mayor must ensure that the revenue and expenditure projections, service delivery targets, and performance indicators outlined in the SDBIP are made public within 14 days after approval.

The SDBIP gives effect to the Integrated Development Plan (IDP) and budget of the municipality, outlining service delivery targets and performance indicators for each quarter. These targets form the basis of performance agreements for Directors, facilitating oversight over the municipality's financial and non-financial performance. This enables the Municipal Manager to monitor the performance of Directors, the Mayor and Council to monitor the performance of the Municipal Manager, and the community to monitor the municipality's performance.

The SDBIP for the 2025/26 financial year will be approved by the Mayor following budget approval, on or before the end of May 2024.

10.10. Contracts having future budgetary implications

The municipality has allocated funds for contractual services, including security, financial systems, and credit control vendors. Notably, none of these contracts exceed three years in duration, and some are yet to be formalized with the municipality. Consequently, these contracts do not have significant budgetary implications for future years.

10.11. Capital expenditure details

#	Project Description	2025/2026 Allocation	2026/2027 Allocation	2027/2028 Allocation
1	Upgrading of Boikhutso Stormwater Network	R15 999 662.49	R7 200 000.00	R15 000 000
2	Boikhutso Roads Network Phase 2 (Ward 3)	R23 278 513.44	R0	R0
3	Construction of Community Hall in Itsekeng	R8 534 150.00	R0	R0
4	Ga-Motlatla Highmast Lights	R4 000 000.00	R0	R0
5	Sheila Highmast Lights	R4 000 000.00	R0	R0
6	Sheila Community Hall	R0	R6 000 000.00	R0
7	Rehabilitation & Upgrade of Lichtenburg Landfill Site	R0	R4 000 000.00	R8 512 000

8	Boikhutso Highmast Lights	R0	R4 000 000.00	R0
9	Construction of Internal Roads: Verdwaal	R0	R18 133 000.00	R8 000 000.00
10	Construction of Matile Community Hall	R0	R6 000 000	R0
11	Fencing of Verdwaal 2 Cemetery	R0	R3 049 000	R0
12	Construction of Internal Roads: Tlhabologang Ext 8	R0	R0	R9 000 000.00
13	Construction of Blydeville Hall	R0	R0	R10 000 000.00
	MIG Allocation (DoRB)	R44 709 000.00	R48 382 000	R50 512 000

10.12. Legislation compliance status

This budget has been compiled in accordance with various Municipal Finance Management Act (MFMA) Circulars, including Circular 129 and 130 issued by National Treasury in December 2024 and March 2025, respectively. The annual budget also takes into consideration the inputs made by Provincial Treasury through municipal budget and benchmarking engagements, with the key objective of assisting municipalities in tabling a funded budget as directed by National Treasury.

The Medium-Term Revenue and Expenditure Framework (MTREF) for 2025/26 to 2027/28 has been compiled in accordance with relevant legislation, including the Constitution of the Republic of South Africa, 1996, the Municipal Structures Act 117 of 1998, the Municipal Systems Act 32 of 2000, the Municipal Finance Management Act 56 of 2003, the Municipal Budget and Reporting Regulations promulgated on 17 April 2009, and the 2024 Division of Revenue Bill.

10.13. Budget Principle and Guidelines

The compilation of the 2025/26 Medium-Term Revenue and Expenditure Framework (MTREF) was informed by the following budget principles and guidelines.

The declining collection rate was a key consideration, as previously noted. The priorities and targets outlined in the Integrated Development Plan (IDP), particularly those relating to key strategic focus areas, also played a significant role in shaping the budget. Furthermore, the need to improve the municipality's revenue base was a crucial factor.

The implementation of the Financial Recovery Plan and Municipal Funding Plan was also taken into account. Additionally, the level of property rates and tariff increases was carefully considered to ensure the delivery of services on a financially sustainable basis.

It is also a requirement that new projects included in the budgeting process must be accompanied by a comprehensive Business Plan, detailed Cash Flows, and a Procurement Plan.

SECTION G: GOVERNANCE MODEL

11. Introduction

This chapter outlines the governance structure and institutional arrangements, reflecting on the current governance model or operational structure. It also explores the administrative reforms, specifically the proposed organisational redesign, to conform to the requirements of the Municipal Staff Regulations 2021.

11.1. The Political Structures

The Ditsobotla Local Municipality operates under a collective executive committee system. This system enables the effective exercise of executive authority through an executive committee, which collectively holds leadership responsibility, promoting collaborative decision-making and governance. The Mayor, Single Whip of Council, and Speaker are designated as full-time Councillors.

11.1.1. Council

The municipal council comprises 39 elected councillors, consisting of 20 ward councillors and 19 proportional representation councillors. In accordance with the Local Government: Municipal Systems Act No.32 of 2000, the council's role is to facilitate informed and meaningful discussions on matters pertaining to the municipality's development. As the apex decision-making body, Council is responsible for exercising all powers and performing all functions of the municipality.

To ensure effective governance, council delegates specific powers and functions to various political structures, office bearers, councillors, and municipal staff, while maintaining oversight and accountability. The table provides a breakdown of council composition:

Table: Council Composition

Party	Seats
African Heart Congress	1
African National Congress	16
Democratic Alliance	6
Economic Freedom Fighters	10
Forum 4 Service Delivery	2
Patriotic Alliance	2
Save Ditsobotla Movement	1
Vryheid front Plus	1
Total	39

Council retains certain non-delegable functions, including the approval of municipal by-laws, the Integrated Development Plan (IDP), budget, and tariffs, ensuring that these critical decisions are made at the highest level. Additionally, through its various

committees, council exercises robust oversight, monitoring and scrutinizing the delivery and outputs of the executive branch to ensure accountability and transparency.

In line with the Local Government: Municipal Structures Act No.117 of 1998, council prioritizes public participation, facilitating meaningful stakeholder and community engagement in municipal affairs. This commitment to inclusivity ensures that the needs and concerns of the community are heard and addressed, fostering a responsive and accountable local government.

11.1.2. Section 79 Committees

Established in terms of Section 79 of the Local Government: Municipal Structures Act No. 117 of 1998, these committees assist the council in performing its oversight role. Ditsobotla Local Municipality has the following committees:

- Municipal Public Accounts Committee
- Ethics/Disciplinary Committee
- Rules Committee

11.1.3. The Executive Committee

The Executive Committee is elected from among the members of the council and chaired by the Mayor. It performs the powers and functions as determined in Section 44 of the Local Government: Municipal Structures Act No. 117 of 1998. The Executive Committee may, within the council-approved system of delegations, delegate some of its powers and functions to the Mayor or Accounting Officer. The Mayor presides over the meetings of the executive committee and performs ceremonial duties.

11.1.4. The Section 80 Committees

The Portfolio Committees are established in terms of Section 80 of the Local Government: Municipal Structures Act to assist the executive committee in the performance of its functions (exercising oversight over the administration). These committees are chaired by members of the executive committee. The following Portfolio Committees are established:

- Finance;
- Infrastructure;
- Community Services;
- Planning and Development;
- Corporate Services; and
- Local Economic Development.

11.1.5. Ward Committees

Sections 72-78 of the Local Government: Municipal Systems Act (Act No. 32 of 2000) require the establishment of ward committees as a means of complementing representative governance with participatory democracy. In response to this requirement and the underpinning notion of making developmental government work through meaningful participation of the diverse municipal constituencies, the Ditsobotla Local Municipality has established 20 ward committees. These committees serve as an important link between the Council and the community on matters such as municipal budgeting, integrated development planning, consideration of policies and by-laws, and other matters directly affecting communities.

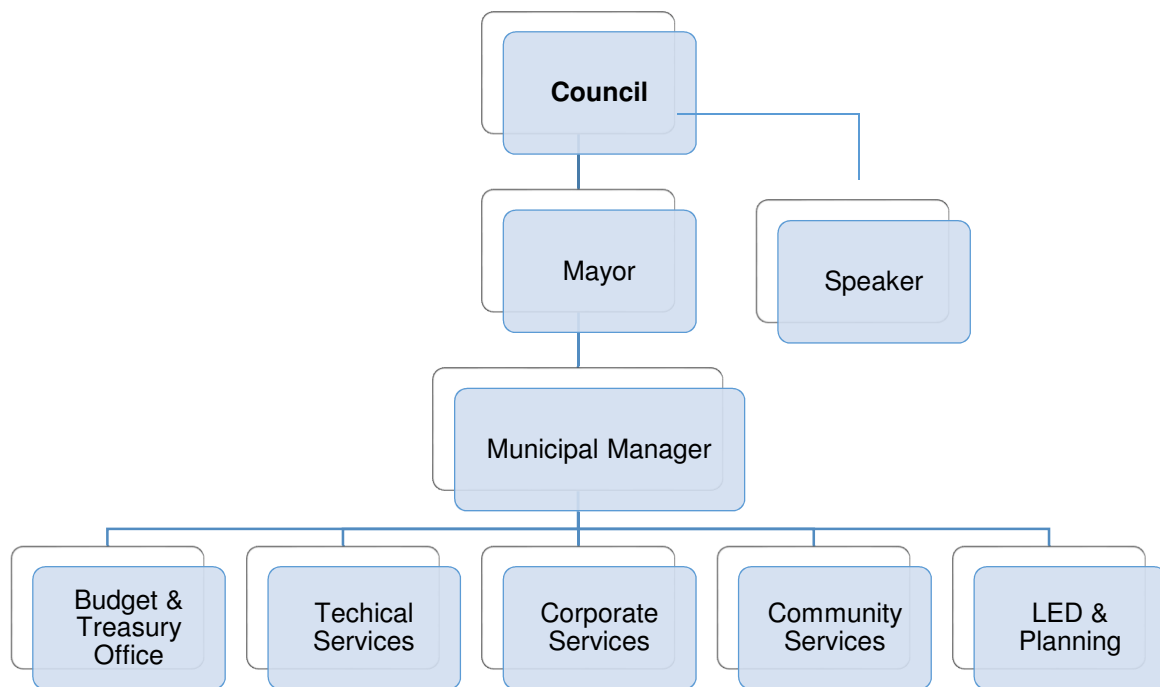
Community Development Workers complement the work of ward committees and, through their unique skills base, communicate and respond to challenges faced by vulnerable sectors of the municipal community, such as the disabled, women, and the aged.

11.2. The Ditsobotla Local Municipality's Administration

The Municipal Manager is the head of the administration and accounting officer, as per the Municipal Structures Act 117 of 1998 and the Municipal Finance Management Act 56 of 2003, respectively. The responsibilities of the Municipal Manager include managing the financial affairs and service delivery of the municipality. The administration consists of the following directorates and offices:

- Office of the Municipal Manager
- The Budget and Treasury Office (BTO)
- Directorate: Corporate Services
- Directorate: Technical Services
- Directorate: Local Economic Development and Planning
- Directorate: Community Services

Graph: Macro Structure of the Ditsobotla Local Municipality



Except for the position of Municipal Manager, all senior management positions are currently vacant. The municipality has produced a first draft of the organisational redesign for MEC comments prior to final approval (attached), in line with the Municipal Staff Regulations that came into effect on 1 July 2022.

SECTION H: PERFORMANCE MANAGEMENT

12. Performance Management

Ditsobotla Local Municipality has adopted a Performance Management Framework Policy aimed at clarifying performance management implementation processes, ensuring legislative compliance, defining roles and responsibilities of stakeholders, promoting accountability, and reflecting linkages between key development cycle activities of the municipality, including the Integrated Development Plan, Budget, and Performance Management System.

Performance management is a crucial process in municipalities that measures the implementation of strategic objectives by setting measurable Key Performance Indicators (KPIs) and monitoring performance against them. It ensures efficiency, effectiveness, and impact of service delivery, enabling municipalities to deliver value for money and identify areas for improvement.

By linking long-term goals to day-to-day performance, performance management promotes accountability, transparency, and informed decision-making, ultimately enhancing service delivery to communities. Effective performance management also facilitates resource allocation, monitoring, and reporting, allowing municipalities to recognize excellent performance and take corrective action where needed.

12.1. Scope

The Performance Management Policy applies to all employees within Ditsobotla Local Municipality and aims to ensure consistent implementation of the performance management system across the municipality.

12.2. Regulatory Framework for Performance Management

The performance management system of municipalities is informed by various pieces of legislation, including:

- The Constitution of the Republic of South Africa, 1996
- The Local Government: Municipal Systems Act (Act No.32 of 2000)
- Municipal Planning and Performance Management Regulations (2001)
- The Local Government: Municipal Finance Management Act (Act No.56 of 2003)

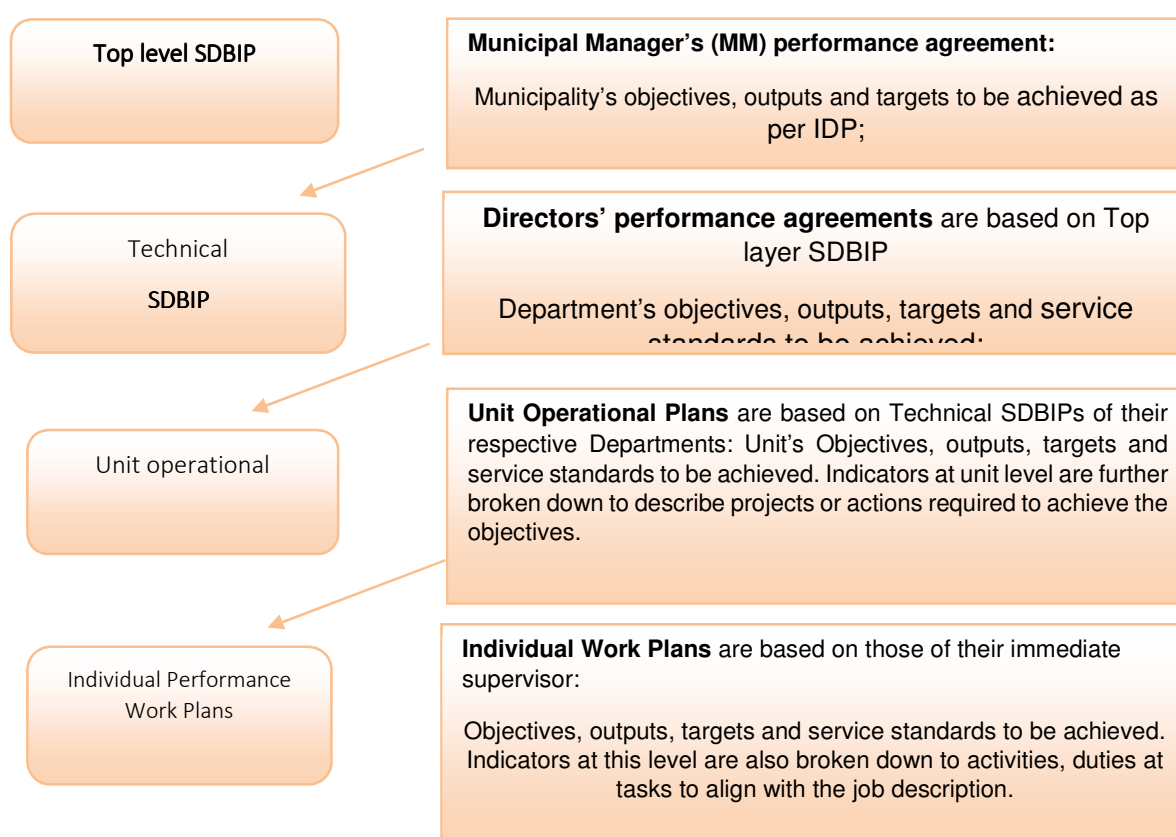
These legislations require municipalities to, among others, establish a performance management system, set key performance indicators (KPIs) and measurable performance targets, monitor and review performance regularly and report on performance to the council, public, and other stakeholders.

The Service Delivery and Budget Implementation Plan (SDBIP) is a key tool for implementing the IDP and budget, and for monitoring performance. It sets out service delivery targets and outcomes, responsibilities and outputs for senior managers, resources and deadlines for activities.

The SDBIP enables the Municipal Manager to monitor performance, the Mayor to monitor the Accounting Officer, and the community to monitor the municipality's performance.

12.3. Organisational Performance Linkage to Individual Performance

Performance management in the municipality is a multi-level process that cascades from the overall strategy to organizational, departmental, and individual employee levels. This vertical cascade linkage connects municipal process outputs with individual performance planning, monitoring, and evaluation, ensuring alignment and coherence across different levels of the organization. The process starts with strategic planning at the organizational level and flows down to operational levels, focusing on individual performance and accountability.



12.4. Performance Management Model

Ditsobotla Local Municipality has adopted the Balance Scorecard as its performance management model. The Balanced Scorecard is a performance measurement model that combines financial and non-financial indicators to provide a balanced view of an organization's performance. It groups indicators into four perspectives: Financial, Customer, Internal Processes, and Learning and Growth. This approach provides managers with a comprehensive understanding of performance, enabling informed decision-making and strategic planning. By using scorecards, organizations can assess internal results and external factors, driving improvement and growth.

By integrating five Key Performance Areas (KPAs) into a municipal scorecard with perspectives on Municipal Development, Service Delivery, Institutional Development, Financial Management, and Governance Process, Ditsobotla Local Municipality established a robust framework for evaluating and enhancing their overall performance.

12.4.1. Developing the Organizational Scorecard and Outlining the Scorecard Concepts

The Ditsobotla Local Municipality has formulated a corporate vision and mission, Key Performance Areas (KPAs), development objectives, and Key Performance Indicators (KPIs) through its IDP process. To further institutionalize performance management, the municipality will develop an organizational scorecard to measure performance across relevant areas. This scorecard will be reviewed and updated annually, following the adoption of the IDP and budget, and evaluation of the previous year's performance.

12.4.2. Performance Management Process for Ditsobotla Local Municipality

The performance management process for Ditsobotla Local Municipality involves eleven steps, which are outlined below:

Step 1: Setting out National Key Performance Areas (KPA's)

The municipality outlines thematic areas around National Key Performance Areas, including Municipal Transformation and Institutional Development, Municipal Financial Viability and Management, Local Economic Development, Basic Service Delivery and Infrastructure Development, and Good Governance and Public Participation.

Step 2: Defining Strategic Focus Areas (SFA's) that fall under each KPA

The municipality clusters elements within each KPA under Strategic Focus Areas. For example, under the Basic Service Delivery KPA, Strategic Focus Areas may include water and sanitation, electricity, etc.

Step 3: Formulating Appropriate Development Objectives

The municipality designs high-level objectives per Strategic Focus Area. An objective is a measurable statement of intent, measurable either quantitatively or qualitatively. For example, "To provide every dwelling with a weekly door-to-door refuse collection service by July 2025."

Step 4: Developing Suitable Key Performance Indicators (KPIs)

The municipality determines KPIs that define what needs to be measured to gauge progress towards achieving development objectives. KPIs must be measurable, relevant, simple, and precise. The municipality uses KPIs to communicate achievements and results, determine whether it is delivering on its developmental mandate, and promote accountability.

Step 5: Indicate the Types of Indicators (KPIs)

The municipality identifies the types of indicators, including input indicators, process indicators, output indicators, and outcome indicators. Each type of indicator serves a distinct purpose in performance measurement.

Step 6: Provide Baseline Information for each KPI

The municipality determines the baseline indicator for each set KPI, which is the value or status quo of the indicator prior to the period over which performance is to be monitored and reviewed.

Step 7: Set Annual Targets for each KPI

The municipality sets annual performance targets for each identified KPI. Performance targets should comply with the SMART principles (Specific, Measurable, Achievable, Realistic, and Time-related).

Step 8: Outline Quarterly Targets

The municipality unpacks each annual target and divides them into quarterly targets. Provision must be made in the organizational scorecards for targets to be met in respect of the first, second, third, or fourth quarter.

Step 9: Allocating Responsibility

The municipality decides who takes responsibility for what actions. Responsibility is allocated to a Department or individual, and the allocation of responsibility should be consistent with the employees' duties and functions.

Step 10: Deciding on Frequency of Reporting

The municipality determines the frequency of reporting, which could be monthly, quarterly, bi-annually, or annually.

Step 11: Indicate the Structure Mandated to Receive Progress Reports

The municipality identifies the structure that is mandated to play an oversight or executive role or to manage that particular performance area and the structure that will receive the reports on that KPA and SFA.

By following these 11 steps, the Ditsobotla Local Municipality effectively manage and monitor its performance, make informed decisions, and drive service delivery improvements.

12.5. Generic Management Indicators

The Ditsobotla Local Municipality has faced challenges, including disclaimer of opinions, poor management, and inadequate integration between management and portfolio committees. To address these issues, the municipality will incorporate specific management functions into the Directors' scorecards.

The municipality will report on National Key Performance Indicators (KPIs) as prescribed in terms of Section 43 of the Municipal Systems Act (MSA) and Outcome 9. These KPIs will be reviewed annually as part of the performance review process, in accordance with Section 54(1) of the Municipal Finance Management Act (MFMA). Reviews will also occur whenever the municipality amends its Integrated Development Plan (IDP) in terms of Section 34 of the MSA. This will ensure alignment and accountability in achieving municipal objectives.

12.6. Score-card Integration

The municipality ensures integration between the Top Layer Service Delivery and Budget Implementation Plan (SDBIP) and individual performance plans by incorporating all key performance indicators (KPIs) and targets from the Top Layer SDBIP into senior management's individual scorecards. To achieve this integration, the municipality takes the following steps:

- Includes all relevant KPIs and targets from the Top Layer SDBIP in individual performance agreements.
- Clearly captures the interdependence of achieving KPIs and targets to ensure integrated deliverables and municipal performance.
- The Municipal Manager communicates the interdependence to all affected role players.
- Ensures all KPIs and targets from the Top Layer SDBIP are included in individual scorecards.
- Sets interdependency features and standards, and ensures directors and managers have a common understanding.
- Amends and integrates various scorecards accordingly.

This integrated approach enables the municipality to achieve its objectives and ensures accountability among senior management.

12.7. Process of Managing Organisational Performance

The Ditsobotla Local Municipality's Performance Management System (PMS) is a critical tool for achieving its objectives. The Municipal Systems Act (2000) places responsibility for adopting a PMS on the Council, with the Mayor overseeing its development and management. This responsibility is delegated to the Municipal Manager.

The Office of the Municipal Manager is responsible for coordinating the PMS, with the PMS Unit playing a key role in implementing and managing the system. The Unit's core activities include coordinating development and implementation, ensuring legislative compliance,

facilitating review and refinement, providing support and capacity building, and compiling performance reports.

The municipality will implement its Performance Management System (PMS) through a five-phase process plan, which includes Planning for Performance, Performance Monitoring and Managing Performance Information, Performance Measurement and Analysis, Performance Review and Improvement, and Performance Reporting.

Each phase is designed to ensure a comprehensive and integrated approach to performance management, enabling the municipality to achieve its objectives and improve service delivery.

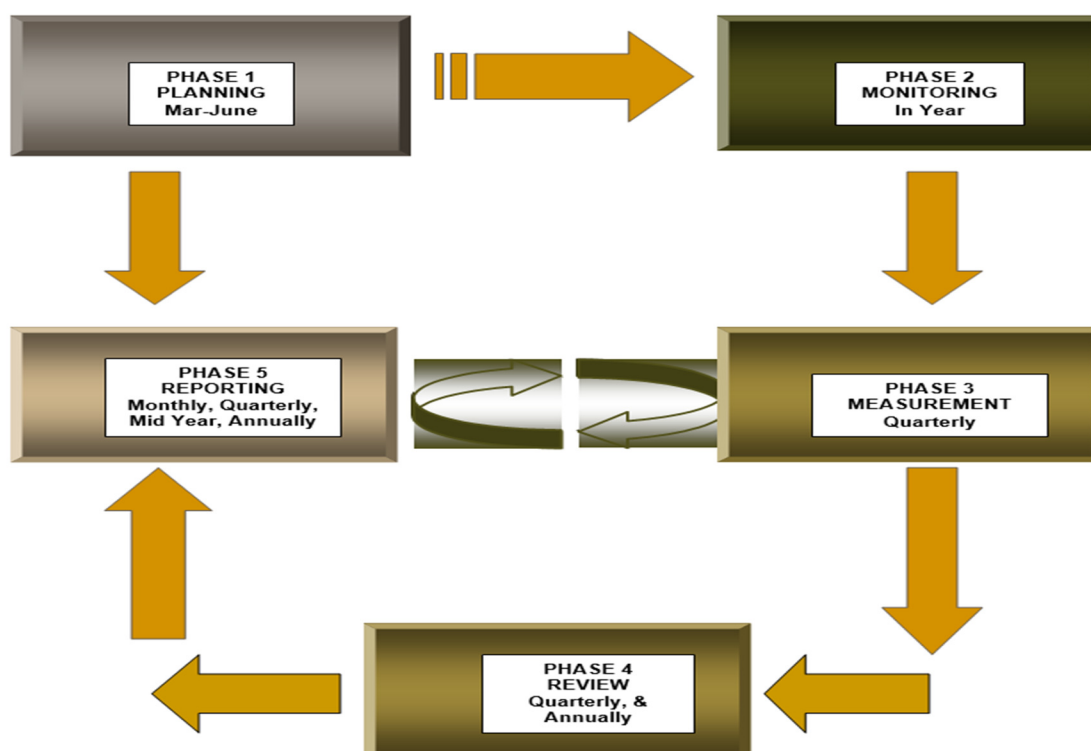


Figure: The Performance Management Cycle

Summary of the Performance Management Cycle

Phase 1: Planning for Performance

The Ditsobotla Local Municipality's performance planning process is a comprehensive and integrated approach that involves several key steps.

The municipality's Integrated Development Plan (IDP) is a 5-year strategic plan that is reviewed annually in consultation with communities and stakeholders. The IDP delivers several key products, including a long-term development vision, delivery priorities and objectives, internal transformation strategies, programmes and projects, and high-level Key Performance Indicators (KPIs) and performance targets.

The municipality also develops a Service Delivery and Budget Implementation Plan (SDBIP), which gives effect to the IDP and budget of the municipality. The SDBIP serves as a contract between the administration, council, and community, expressing the goals and objectives set by the council as quantifiable outcomes that can be implemented by the administration over the next twelve months.

The organizational scorecard of the Ditsobotla Local Municipality will group its indicators and targets under five perspectives and will monitor and measure its performance against achievements and improvement within the 5 perspectives. The scorecard will inform departmental scorecards and business plans, which in turn will inform individual scorecards for Section 57 Managers and other employees.

The municipality will also attend to governance and compliance issues, including signing performance agreements between the Mayor and Municipal Manager, and between the Municipal Manager and Managers directly accountable to them. The Mayor will publicize the SDBIP, organizational scorecard, and Municipal Manager's Performance Agreement through various public platforms.

Overall, the municipality's performance planning process is designed to ensure that it achieves its objectives and improves service delivery to the community. The process is aligned with the Municipal Systems Act and Municipal Finance Management Act, and is intended to promote accountability, transparency, and good governance.

Phase 2: Monitoring

The Ditsobotla Local Municipality's performance monitoring and measurement process is a critical component of its Performance Management System. The municipality uses a paper-based and report-based monitoring mechanism to track performance throughout the year, parallel to the implementation of the Integrated Development Plan (IDP).

The monitoring system places responsibility on each department, division/section, and individual employee to collect relevant data and information to support the monitoring process. Evidence of performance is gathered, stored, and presented to substantiate claims of meeting performance standards. The roles and responsibilities for monitoring are allocated to various stakeholders, including:

- Section Managers: responsible for monitoring and reporting on each indicator in their departmental scorecards;
- Admin Officers: responsible for managing indicator information files and collating information for submission of performance reports;
- Departments/Teams: receive progress reports on implementation of departmental scorecards and discuss performance at management meetings;
- Management Team: discusses departmental performance progress and suggests corrective action;
- Section 79 Committees: monitors performance of respective services against departmental scorecards;
- Mayor: receives quarterly progress reports on organizational scorecard indicators;

- Municipal Council: receives mid-term and annual performance reports.

Phase 3: Measurement Analysis

The municipality also conducts performance measurement and analysis to assess performance against set targets and indicators. The Revised Municipal Balanced Scorecard is used to analyse performance information and assess performance levels within the 5 Key Performance Areas.

The performance measurement process ensures that the municipality's performance is aligned with its IDP and budget, and that corrective action is taken when necessary to address poor performance

Phase 4: Performance Reviews

The Ditsobotla Local Municipality's performance review process is a critical component of its Performance Management System. The municipality assesses its performance against the Integrated Development Plan (IDP) and evaluates whether it is achieving its objectives.

The municipality uses a "best value review" approach to conduct performance reviews, which involves comparing current performance with past performance using baseline indicators, conducting customer perception surveys to assess community perceptions of municipal performance, and benchmarking with other similar municipalities to compare performance.

The reviews are conducted quarterly and annually, and the results are used to identify areas for improvement and develop response strategies. The responsibility for conducting reviews is allocated to various stakeholders, including section managers, senior management team, mayor, council, and the public.

The municipality identifies potential causes of poor performance, including poor systems and processes, inadequate structure, lack of skills and capacity, and inadequate organizational culture. To improve performance, the municipality will analyse the causal and contributory reasons for poor performance and develop response strategies, such as restructuring, process and system improvement, training, and change management.

The performance review process is designed to ensure that the municipality is accountable to its stakeholders and that it is taking steps to improve its performance and service delivery. By regularly reviewing its performance, the municipality can identify areas for improvement and take corrective action to ensure that it is meeting its objectives and delivering quality services to the community.

Phase 5: Reporting on Performance

The Ditsobotla Local Municipality's reporting phase involves presenting key performance areas, objectives, indicators, targets, measurements, and analysis in a simple and accessible format. The municipality will use a uniform reporting template that captures relevant information, including performance measurements, analysis, and corrective action.

The annual report will be a consolidated report reflecting results on performance across the 5 perspectives of the Revised Municipal Scorecard model, including:

- Municipal Development Perspective (socio-economic development);
- Service Delivery Perspective (basic and infrastructural services);
- Financial Management Perspective (financial management and viability);
- Institutional Development Perspective (human resources, strategic planning, performance management); and
- Governance Process Perspective (governance structures and stakeholder engagement).

The annual report will provide a comprehensive overview of the municipality's performance, highlighting achievements, challenges, and areas for improvement.

The Ditsobotla Local Municipality's reporting process follows the lines of accountability, with reports submitted to various stakeholders, including the Municipal Council, Mayor, Municipal Manager, Heads of Departments, and employees. The Performance Management System (PMS) Unit coordinates the reporting process, ensuring that reports are submitted on time and in the correct format.

The municipality publishes performance reports through various channels, including the municipal website, press releases, pamphlets, local radio programs, and ward committee meetings. Public feedback is obtained through IDP review processes, annual customer surveys, and ward committee meetings.

To ensure the credibility and legitimacy of the performance management system, performance reports are audited internally and externally. The Internal Audit Unit assesses the functionality of the performance management system, compliance with the Municipal Systems Act, and the reliability of performance measurements. The Performance Audit Committee reviews quarterly reports, assesses the performance management system, and makes recommendations to the Municipal Council.

The municipality's annual report is submitted to the Auditor-General for auditing and then to the MEC for local government in the province for review and consolidation. The Performance Audit Committee plays a critical role in ensuring the effectiveness and efficiency of the performance management system, and its recommendations inform decision-making and improvements to the system.

12.8. Public Participation

The Ditsobotla Local Municipality involves the community in the development of its Performance Management System, setting of Key Performance Indicators (KPIs), and performance targets. Community participation is facilitated through Representative Forum meetings, which are held at a central venue within the municipal area. Stakeholders represented on the forum have a two-week period to report back to their constituents or forward feedback, ensuring that community voices are heard and incorporated into the

performance management process. This approach promotes transparency, accountability, and inclusivity in municipal governance.

12.9. Institutional Arrangements

Ditsobotla Local Municipality has developed a Performance Management Unit headed by a PMS Specialist and supported by two PMS Practitioner. The Unit manages the development of the performance management system within the legislative framework, identifying stakeholders and establishing necessary structures. It assesses current planning, implementation, and monitoring processes, identifying gaps between the Integrated Development Plan (IDP) and performance management requirements.

The Performance Management System (PMS) Framework of Ditsobotla Local Municipality outlines the roles and responsibilities of various internal and external stakeholders in the performance planning and management process.

Approved Policies And Sector Plans

POLICY DESCRIPTION	STATUS
Contract Management Policy	Approved
Supply Chain Management Policy	Approved
Virement Policy	Approved
Unauthorised, Irregular, Fruitless and Wasteful Expenditure Policy	Approved
Unauthorised, Irregular, Fruitless and Wasteful Expenditure Reduction Strategy	Approved
Cost-containment Policy	Approved
Fixed Assets Management Policy	Approved
Municipal Land Disposal Policy	Approved
Credit Control, and Debt Collection Policy	Approved
Rates Policy	Approved
Indigent Management Policy	Approved
Performance Management and Development System Policy	Draft
Performance Management System Framework Policy	Approved
Employment Equity Policy	Approved
Job Evaluation Policy	Approved
Leave Policy	Approved
Overtime Allowance Policy	Approved
Placement Policy	Approved
Promotion, Transfer, Secondment and Acting Appointments Policy	Approved
Recruitment, Selection, and Appointment Policy	Approved
Skills Development Policy	Approved
Occupational Health and Safety Policy	Approved

SECTOR PLANS	STATUS
Spatial Development Framework 2020 – 2025	Available
Integrated Transport Plan	Under review
Integrated Waste Management Plan	Need to be reviewed
Human Settlement Plan	Need to reviewed
Workplace Skills Plan	In place
Employment Equity Plan	In place
Municipal Organizational Structure	First draft completed
Local Economic Development Strategy	Under review – SALGA support
Electricity (Energy) Master	Not available
Roads and Stormwater Management Master Plan	Not available