

8. SECTOR PLANS AND PROGRAMMES

8.1. Introduction

The Plans/Programmes presented in this phase should be read in conjunction with the projects as presented in the projects phase. They should also be read in line with the objectives as outlined in the objectives phase. They are presented as summaries and detailed documents are available on request. The Plans that are to be found in this document are:

- Financial Viability and Sustainability Plan
- Spatial Development Framework
- Local Economic Development
- Tackling HIV/AIDS and TB
- Integrated Environmental Management
- Integrated Transport Plan
- Integrated Waste Management Strategy
- Contingency Plan (Disaster Management)
- Performance Management System

8.2. FINANCIAL VIABILITY AND SUSTAINABILITY PLAN

8.2.1. Introduction and Background

The Finance Department aims to fully comply with prevailing municipal financial legislation to ensure sound financial governance. It is important that the financial affairs of the municipality are managed in such a manner that financial resources are generated and utilised optimally to ensure sustainable service delivery.

The Finance Department is managed by the Executive Manager Finance, who is also the Chief Financial Officer, with the assistance of the Senior Manager Finance, followed by three divisions, each with a divisional manager, namely the Budget Office, Treasury Office and Supply Chain Unit.

Therefore, the financial department strives to maximize the available financial resources to ensure long term financial viability through the following actions:

- Ensure transparency and accountability;
- Manage revenue, expenditure, assets and liabilities in a responsible manner;
- Good budgetary and financial planning processes in line with Budget and Reporting Regulation;
- Set affordable limits for borrowing;
- Effective supply chain management;
- Effective cash flow management;

- Institute full credit control measures within the borders of legislation and fairness to prevent an escalation in non recoverable outstanding debt.
- Ensure public information on the budget and enable public inputs;
- Set a comprehensive, fair and uniform basis for the levying of assessment rates;
- Ensure compliance with prescribed accounting standards and legislation; and
- Achieve levels of compliance according to the regulation on minimum competency levels.

The Multi-Year Annual Budget is based on the priorities, programmes and projects of the IDP and implemented according to the Service Delivery and Budget Implementation Plan (SDBIP) to ensure delivery on the IDP key performance indicators.

8.2.2. Financial Strategy Framework

The Steve Tshwete Local Municipality is a developing and growing municipality striving for service delivery excellence. Therefore many challenges are faced with regards to financial planning and are ever changing due to the dynamic setting of local government.

As mentioned above the priority from the financial perspective is the viability and sustainability of the municipality. The financial plan and related strategies will need to address a number of key areas in order to achieve this goal. These strategies are detailed below:

8.2.2.1 Revenue Enhancement Strategy

The following actions are considered:

- To seek alternative sources of funding.
- Expand income base through implementation of new valuation roll.
- The ability of the community to pay for services.
- Identification and pursuance of government grants.
- Tightening credit control measures and debt collection targets.
- Improve customer relations and promote a culture of payment.
- Realistic revenue estimates.
- The impact of inflation, the municipal cost index and other cost increases.
- Create an environment which enhances growth, development and service delivery.

8.2.2.2 Asset Management Strategies

The managing of the assets must address the following:

- The implementation of a GRAP compliant asset management system.
- Adequate budget provision for asset maintenance over their economic lifespan.
- Maintenance of assets according to an infrastructural asset maintenance plan.
- Maintain a system of internal control of assets to safeguard assets.
- Ensure all assets owned and/or controlled except specific exclusions are covered by insurance.

8.2.2.3 Financial Management Strategies

The strategies are:

- To maintain an effective system of expenditure control including procedures for the approval authorisation, withdrawal and payment of funds.
- Prepare risk register and apply risk control.
- Implement controls, procedures, policies and by-laws to regulate fair, just and transparent transactions.
- Training and development of senior financial staff to comply with prescribed competency levels.
- Implement new GRAP standards as gazetted by National Treasury.
- Prepare annual financial statements timeously and review performance and achievements for past financial year.

8.2.2.4 Operational Financing Strategies

The strategies are:

- Effective cash flow management to ensure continuously a sufficient and sustainable cash position.
- Enhance budgetary controls and financial reporting.
- Direct available financial resources towards meeting the projects as identified in the IDP.
- To improve supply chain management processes in line with regulations.

8.2.2.5 Capital Financing Strategies

The strategies are:

- Ensure service delivery needs are in line with long term financial plan.
- Careful consideration/prioritisation on utilising available resources in line with IDP.
- Analyze feasibility and impact on operating budget before capital projects are approved.
- Determine affordable limits for borrowing.
- Source external funding in accordance with affordability.
- Improve capital budget spending.
- Maximising of infrastructural development through the utilisation of all available resources.

8.2.2.6 Cost-Effective Strategy

To ensure an effective, efficient municipality rendering affordable, accessible and quality services. The cost-effectiveness strategy is very important. This provides guidance on how to structure the Annual Multi-Year Budget within affordable levels. The strategies are:

- Invest surplus cash not immediately required at the best available rates.
- Restrict capital and operating expenditure increases in relation to the inflation rate taking into consideration the macro economic growth limit guideline and municipal cost increases.
- To remain as far as possible within the following selected key budget assumptions:
 - Provision for bad debts of 2%.
 - Overall cost escalations to be linked to the average inflation rate.
 - Tariff increases to be in line with inflation plus municipal growth except when regulated.
 - Maintenance of assets of at least 6% of total operating expenditure.
 - Capital cost to be in line with the acceptable norm of 18%.
 - Outstanding external debt not to be more than 50% of total operating revenue less government grants.

- Utilisation of Equitable Share for indigent support through Free Basic Services.

8.2.2.7 Measurable Performance Objectives for Revenue

The key performance indicators for the Finance Department are:

- To maintain the debtors to revenue ratio below 10%.
- To maintain a debtors payment rate of above 98%.
- To ensure that the debtors return remain under 40 days.
- To keep the capital cost on the Operating Budget less than 18%.

8.2.3 Financial Management Policies

8.2.3.1 The purpose of financial policies is to provide a sound environment to manage the financial affairs of the municipality. The following are key budget relating policies:

8.2.3.2 Tariff Policy – the policy prescribes the procedures for calculating tariffs. This policy is required in terms of Section 74 of the Local Government Municipal Systems Act, Act 32 of 2000.

8.2.3.3 Rates Policy – a policy required by the Municipal Property Rates Act, Act 6 of 2004. This policy provides the framework for the determining of rates.

8.2.3.4 Free Basic Services and Indigent Support Policy – to provide access to and regulate free basic services to all indigent households.

8.2.3.5 Credit Control and Debt Collection Policy – to provide for credit and debt collection procedures and mechanisms to ensure that all consumers pay for the services that are supplied.

8.2.3.6 Writing Off of Bad Debts Policy – to ensure that all long outstanding debt is evaluated and debtors are not overstated in the year-end statements. The policy aims to set down principles for the writing off of bad debts.

8.2.3.7 Budget Policy – this policy set out the principles which must be followed in preparing a Medium Term Revenue and Expenditure Framework Budget. It further ensures that the budget reflects the strategic outcomes embodied in the IDP and related strategic policies.

8.2.3.8 Investment Policy – this policy was compiled in accordance with the Municipal Investment Regulation R308 and ensures that cash resources are managed in the most efficient and effective manner possible.

8.2.3.9 Asset Management Policy – the objective of the policy is to prescribe the accounting and administrative procedures relating to property, plant and equipment (assets).

8.2.3.10 Accounting Policy – the policy prescribes the basis of presentation of the Annual Financial Statements in accordance with the General Recognised Accounting Practices and Accounting Standards.

8.2.3.11 Supply Chain Management Policy – this policy is developed in terms of Section 111 of the Municipal Finance Management Act, Act 56 of 2003. The principles of this policy is to give effect to a fair, equitable, transparent, competitive and cost-effective system for the procuring of goods and services, disposing of goods and selecting of contractors in the provision of municipal services.

8.2.3.12 Transport and Subsistence Policy – this policy regulates the reimbursement of travelling and subsistence cost to officials and councillors attending official visits.

8.2.3.13 Short Term Insurance and Known Risks and Liabilities Policy – the objective of the policy is to ensure the safeguarding of Council’s assets and to protect Council against public liabilities.

8.2.4 **Revenue and Medium Term Expenditure Framework Forecast**

The outcome of the required Integrated Development Plan is the alignment of the planning process and resources to the strategic direction. The result is the compilation and approval of the Annual Multi-Year Budget.

The Annual Multi-Year Budget contains the priorities and strategies as identified through the IDP process. Proposed capital programmes over the medium term framework are only considered once the full projected and future operational costs have been determined and the sources of funding are available.

8.2.4.1 Revenue Framework by Source

The projected revenue for the municipality is reflected in the table below. It is important that anticipated revenue levels are realistic for each revenue source and consistent with expenditure and collection experience.

Municipalities must table a balanced and credible budget. The needs of the communities have to be met within the financial capacity and resource constraints of the municipality.

The South African economy is slowly recovering from the economic downturn and it will still take some time for municipal revenues to increase through local economic growth.

Consequently cash flows are expected to remain under pressure for 2010/11 and a conservative approach is followed to project expected revenues and cash receipts.

The revenue forecast for the 2010/2011 financial year reflects an increase of 19,2% from the 2009/2010 financial year.

The revenue forecast over the medium term reflects an increase from R639,9-million in 2009/2010 to R1,2-billion in the 2014/2015 financial year.

In average service charges jointly comprise 51% of the total revenue, property rates 17% and government grants 16%, whilst other revenues constitute 16%. Other revenues mainly consist out of sale of erven, surface rentals, interest earned and so forth.

National and provincial allocations are contained in the Division of Revenue Act which are recognised under government grants and consist of the following allocations over the medium term:

	2009/2010	2010/2011	2011/2012	2012/2013
<u>Operating Grants</u>				
• Finance Management Grant	750 000	1 000 000	1 250 000	1 500 000
• Municipal Systems Improvement Grant	735 000	750 000	790 000	800 000
• Equitable Share	54 393 492	70 395 000	80 174 000	88 591 000
<u>Capital Grants</u>				
• Municipal Infrastructure Grant	23 048 000	25 739 000	30 957 000	37 460 000
• Integrated National Electricity Programme	7 624 000	10 000 000	10 000 000	10 000 000

8.2.4.2 Tariff setting

Tariff setting plays a major role in ensuring certain levels of revenue according to affordability and to accommodate the consideration of basic services in the IDP Strategic Plan.

The affordability of tariffs is already hindered by the sharp electricity increases from Eskom in the 2009/2010 financial year of 34% and will continue to increase by 24,8%, 25,8% and 25,9% from the 2010/2011 financial years. The sale of electricity is the largest source of revenue and contributes 35% to total revenue. This is a clear indication of the effect the high electricity increases have on the municipal account.

In addition the water tariffs for 2010/2011 are also under pressure due to the implementation of the mine water project to purchase purified water for the Hendrina Township to ensure sustainable water provision over the long term. Water tariffs must be fully cost-reflective and includes the cost of maintenance, renewal of purification plants, new water networks and cost of new infrastructure etc.

This resulted in an additional amount of R4,8-million that had to be sought from tariffs to purchase purified bulk water for Hendrina. This on its own contributed to an increase of approximately 13% in the water tariffs. Once fully implemented it is expected that the water tariffs will slightly normalize until the increased in the water demand for Middelburg is addressed which is

currently under investigation. Despite these anticipated increases the water tariffs for the municipality remain low in comparison with other municipalities.

Another contributing factor is the envisaged upgrade of the Boskrans sewerage purification plant. The planned capital outlay is in the vicinity of R130-million and will be constructed in phases over a period of 5 years. A new external loan will have to be sought for this capital expenditure resulting in projected capital cost of approximately R8,2-million per annum when fully constructed. For the 2010/2011 financial year additional capital cost to the amount of R2,2-million planned is contributing to an increase of 9% on the sewerage tariff alone. The sewerage tariff will remain under pressure and for the next five years and increase of between 15% – 18% is forecasted.

The new valuation roll has successfully been implemented from 1 July 2009 which provides for a uniform basis of taxation. From the 2010/2011 financial year all newly rated properties will be phased in and will expand the revenue base of the municipality. Increased revenue from these properties will slightly relieve the pressure on the property tax tariff.

8.2.4.3 Credit Control and Debt Collection

The implementation of the Credit Control Policy and continuous strict actions taken in terms of the policy resulting in a collection rate of 100,6% for the 2008/2009 financial year and the trend has continued during the 2009/2010 financial year. It is however envisage that with the pressure on tariff increases to fund the medium term budget, the payment rate will become under pressure and special attention must be paid on managing all revenue and cash streams especially debtors.

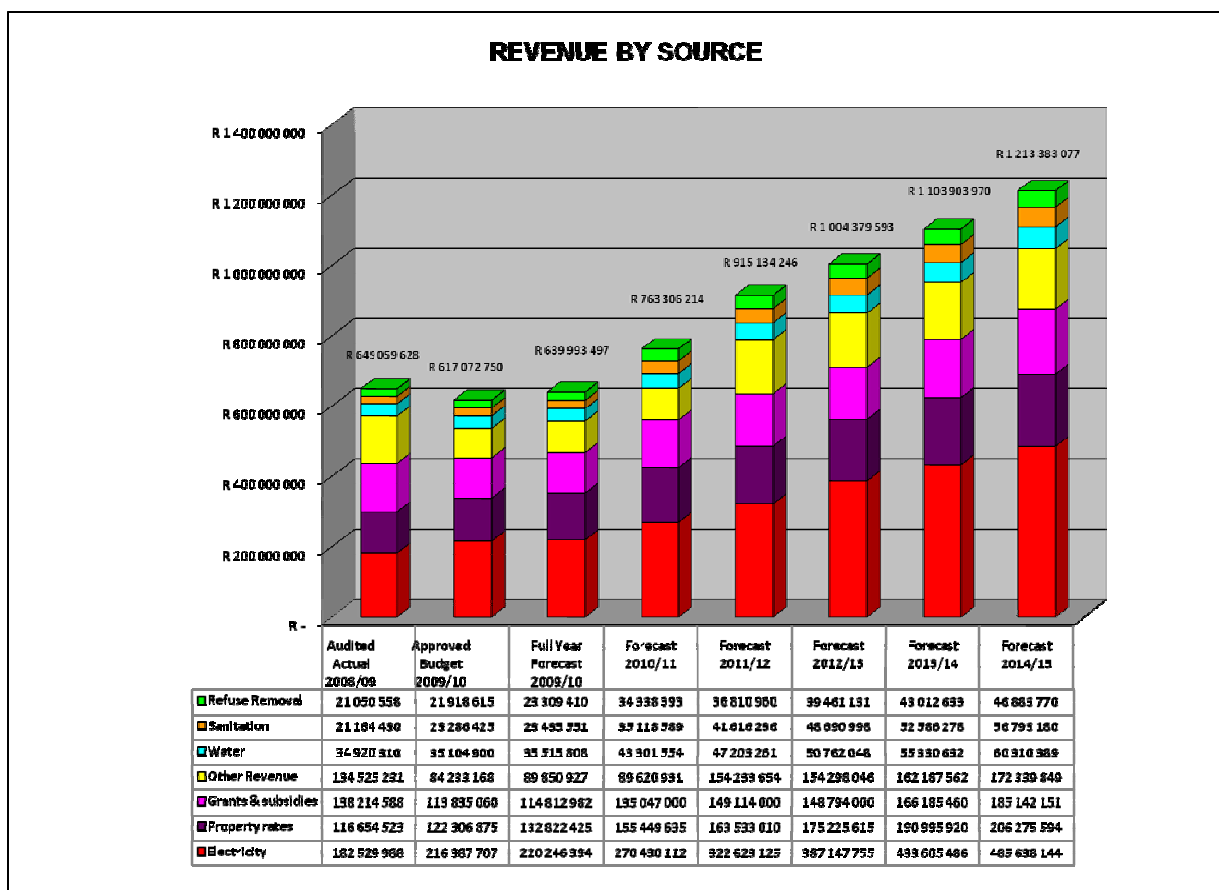
8.2.4.4 Indigents and Free Basic Services

The Equitable Share allocation is mainly used to provide free basic services to approximately 14 500 indigents. Indigent support provided is as follows:

	<u>Per Household</u>	<u>Amount</u>
Free basic electricity per month	50 kWh	R 31,00
Free basic water per month	10 kl	R 38,00
Free refuse and sewerage per month	Free	R 105,00
Free assessment rates per month	Free	R 30,00
	Total	R 204,00

The municipality continuously strives to ensure that national economic, tax and fiscal policy objectives are not undermined through excessive municipal charges and that growth parameters not be misinterpreted in the expansion of municipal services and infrastructure capacity be pressurized.

TABLE 13 REVENUE BY SOURCE	Preceding Year		Current Year Performance		Medium Term Financial Plan				
	Audited	Actual	Approved	Full Year	Forecast	Forecast	Forecast	Forecast	Forecast
	2008/2009		Budget		2010/2011		2012/2013		2014/2015
	A	B	C	D	E	F	G	H	
Property rates	116 654 523	122,306,875	132,822,425	155 449 635	163 533 010	175 225 615	190 995 920	206 275 594	
Service charges:									
Electricity revenue from tariff billings	182 529 988	216 387 707	220 246 394	270 430 112	322 623 125	387 147 755	433 605 486	485 638 144	
Water revenue from tariff billings	34 920 310	35 104 900	35 515 808	43 301 554	47 203 261	50 762 048	55 330 632	60 310 389	
Sanitation revenue from tariff billings	21 164 430	23 286 425	23 435 551	35 118 589	41 616 236	48 690 998	52 586 278	56 793 180	
Refuse removal from tariff billings	21 050 558	21 918 615	23 309 410	34 338 393	36 810 960	39 461 131	43 012 633	46 883 770	
Rental of facilities and equipment	1 639 111	8 735 498	4 978 311	11 584 315	11 980 315	12 379 630	13 184 306	14 041 286	
Interest earned – external investments	57 012 025	35 750 000	30 400 000	32 250 000	29 750 000	28 250 000	25 000 000	23 400 000	
Interest earned – outstanding debtors	2 709 464	2 113 270	1 761 500	1 666 870	1 629 372	1 598 690	1 672 903	1 791 635	
Fines	4 842 970	4 999 600	3 078 500	4 120 000	4 361 000	4 614 000	4 797 000	4 826 800	
Licenses and permits	5 477 018	5 066 700	5 066 700	5 117 500	5 426 185	5 751 180	6 158 600	6 466 500	
Income from Agency Services	6 810 452	6 500 000	7 000 000	7 550 000	8 003 000	8 483 180	8 878 500	9 115 000	
Government grants and subsidies – Operating	57 382 978	60 825 060	63 203 212	77 124 000	88 204 000	97 207 000	109 955 630	123 851 637	
Government grants and subsidies – Capital	80 831 610	53 010 000	51 609 770	57 923 000	60 910 000	51 587 000	56 229 830	61 290 515	
Other revenue	55 998 128	20 818 100	37 115 916	26 859 746	92 611 282	92 748 866	102 023 753	112 226 128	
Gain on disposal of property, plant and equipment	36 063	250 000	450 000	472 500	472 500	472 500	472 500	472 500	
Total Revenue by Source	649 059 628	617 072 750	639 993 497	763 306 214	915 134 246	1 004 379 593	1 103 903 970	1 213 383 077	



8.2.5. Expenditure by Vote

The table below indicates the Medium Term Expenditure Plan until 2014/2015 financial year based on departmental budget forecasts aligned to the IDP. The medium term projections reflected an average growth of 12% over the next five years.

The operating expenditure has increased by 22% against the adjusted budget in the 2009/2010 financial year. The operating expenditure forecast equates to R815,3-million in the 2010/2011 financial year and escalates to R1,186-billion in the 2014/2015 financial year.

Revenue raising services constitute 65% of total operating expenditure whilst community and rates services constitute 35%.

Bulk electricity purchases remain the main increasing factor on operating expenditure with increases of R36-million, R47-million and R60-million respectively over the medium term.

Capital charges increase from R39,2-million in the 2009/2010 financial year to R60,7-million in the 2011/2012 financial year and constitute 6,2% of operating expenditure.

The other main contributing factor is employee related costs which remain between 28%-32% of total operating expenditure.

General expenses reflect a growth of 6% and constitute 10% of the forecasted operating expenditure.

As a result of the change in accounting standards the Eskom connection fees payable of R34,2-million for the new substations to increase the maximum demand may no longer be capitalized. This means that it must be allocated to the operating budget which will have major implications on the electricity tariff. To supplement this expenditure a cash contribution was made from the accumulated surplus to the 2010/2011 financial year.

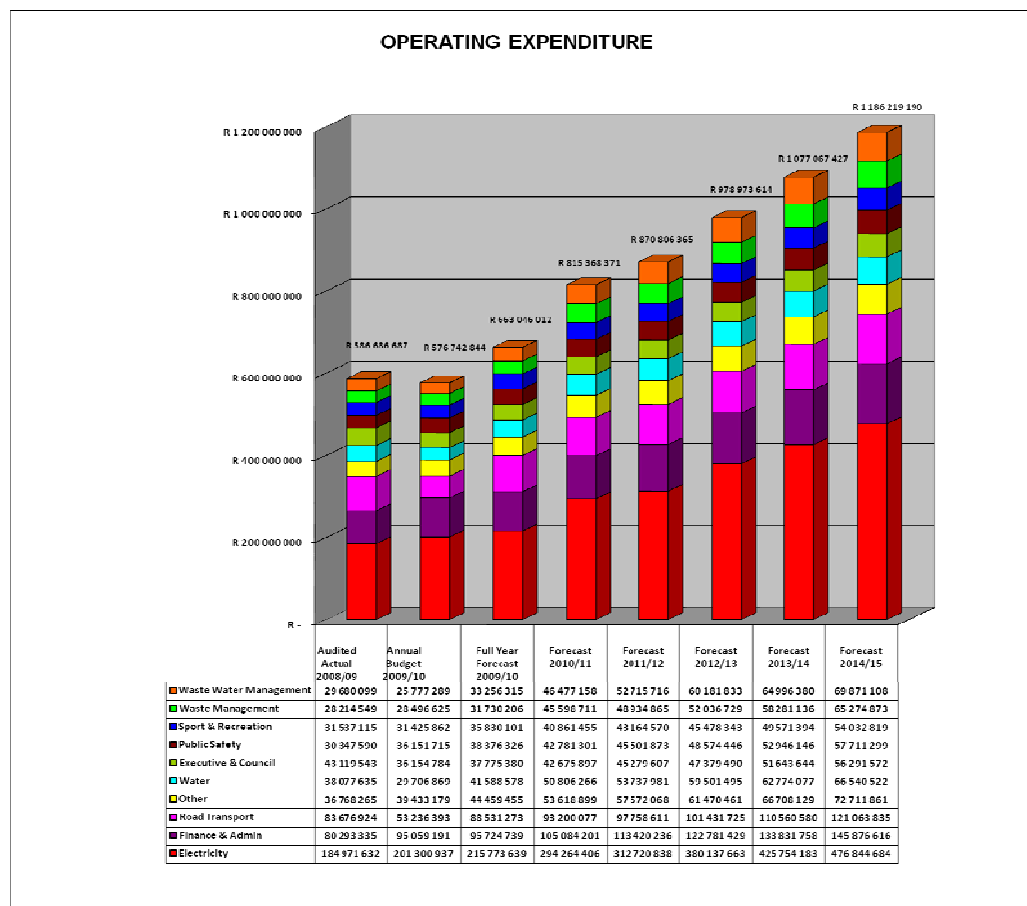


TABLE14 OPERATING EXPENDITURE BY VOTE	Preceding Year	Current Year Performance		Medium Term Financial Plan				
	Audited Actual 2008/2009	Approved Budget 2009/2010	Full Year Forecast 2009/2010	Forecast 2010/2011	Forecast 2011/2012	Forecast 2012/2013	Forecast 2013/2014	Forecast 2014/2015
	A	B	C	D	E	F	G	H
Executive and Council	43 119 543	36 154 784	37 775 380	42 675 897	45 279 607	47 379 490	51 643 644	56 291 572
Finance and Admin	80 293 335	95 059 191	95 724 739	105 084 201	113 420 236	122 781 429	133 831 758	145 876 616
Planning and Development	6 560 115	8 368 883	8 244 295	8 534 045	9 201 428	9 752 705	10 630 448	11 587 189
Health	14 068 631	15 289 048	17 431 164	20 512 899	21 896 473	23 347 721	25 449 016	27 739 427
Community and Social Services	11 399 003	12 385 830	14 996 617	17 028 935	18 331 423	19 644 878	21 118 244	23 018 886
Housing	4 740 516	3 389 418	3 787 379	7 543 020	8 142 744	8 725 157	9 510 421	10 366 359
Public Safety	30 347 590	36 151 715	38 376 326	42 781 301	45 501 873	48 574 446	52 946 146	57 711 299
Sport and Recreation	31 537 115	31 425 862	35 830 101	40 861 455	43 164 570	45 478 343	49 571 394	54 032 819
Environmental Protection	-	-	-	-	-	-	-	-
Waste Management	28 214 549	28 496 625	31 730 206	45 598 711	48 934 865	52 036 729	58 281 136	65 274 873
Waste Water Management	29 680 099	25 777 289	33 256 315	46 477 158	52 715 716	60 181 833	64 996 380	69 871 108
Road Transport	83 676 924	53 236 393	88 531 273	93 200 077	97 758 611	101 431 725	110 560 580	121 063 835
Water	38 077 635	29 706 869	41 588 578	50 806 266	53 737 981	59 501 495	62 774 077	66 540 522
Electricity	184 971 632	201 300 937	215 773 639	294 264 406	312 720 838	380 137 663	425 754 183	476 844 684
Total Operating Expenditure by Vote	586 686 687	576 742 844	663 046 012	815 368 371	870 806 365	978 973 614	1 077 067 427	1 186 219 190
OPERATING SURPLUS/(DEFICIT)	62 372 941	(40 329 906)	23 052 515	52 062 157	(44 327 881)	(25 405 979)	(26 836 543)	(27 163 887)
Other adjustments and transfers (changes in net assets)								
Capital Replacement Reserve	89 390 011	40 955 900	52 702 113	51 334 000	114 027 060	113 580 800	120 124 032	125 928 993
Capitalisation Reserve (depreciation)	(108 239)	(35 390 314)	(123 358 636)	(122 602 565)	(125 873 486)	(132 297 247)	(141 558 054)	(151 759 328)
Government Grant Reserve (depreciation)	-	(18 546 159)	(4 278 254)	(4 728 151)	(5 204 115)	(7 953 058)	(8 470 007)	(8 978 207)
Self Insurance Reserve	1 027 400	250 000	250 000	349 655	360 480	371 880	396 052	421 796
Other transfers				(34 520 000)				
Change to unappropriated surplus/(deficit)	27 936 326	(53 060 479)	(51 632 262)	(58 104 904)	(61 017 942)	(51 703 604)	(56 344 520)	(61 550 633)

8.2.6. Capital Requirements and Sources of Funding

The capital requirements are reflected in the table below for the next five years. These figures are based on the projects identified through the IDP process project phase and reflect estimated amounts based on the availability of funding.

It is planned that for the 2010/2011 – 2012/2013 financial years the capital projects be approved as part of a consolidated capital programme.

As reflected in Table 3 below it can be seen that the IDP needs for the next five years are equivalent to R1,8-billion whilst the forecasted capital expenditure based on the availability of funding sources equates to only R1,3- million.

The projected sources of funding over the medium term have been carefully considered and can be summarised as follows:

	2010/2011	2011/2012	2012/2013
Government grants	34 453 000	39 410 000	45 587 000
Other Grants	2 470 000		
District Municipality	21 000 000	21 500 000	6 000 000
External loans	115 541 000	117 580 000	98 115 000
Cash backed internal reserves	108 410 000	98 372 445	90 585 900
	281 874 000	276 862 445	240 287 900

According to the above table capital expenditure financed through government grants constitutes 12%, the District Municipality 7%, cash backed internal reserves 38% and external loans 38% respectively.

As forecasted in the previous financial year the Council's internal reserves are rapidly being depleted resulting in more external funding needed to be obtained to supplement the capital budget and address the huge demands in the IDP and to allow for essential expanding and upgrading of bulk infrastructure. For the next three years a new external loan of R330-million must be secured. It is forecasted that the capital charges will approximately amount to R23,6-million per annum once fully taken up. It is projected that the outstanding external loans will amount to R427,3-million by 30 June 2013 which constitute 44,8% of total projected operating revenue. This is a clear indication that the municipality will be at maximum external loan capacity by 30 June 2013 which will place enormous pressure on future capital budgets.

It therefore imperative that capital budgets are prioritize to reflect consistent efforts to address backlogs in basic services and the refurbishment and expanding of existing infrastructure.

Cognizance should also be given that National Government has prioritized the quality of drinking water and failures in the management of waste water through the blue drop and green drop performance ratings.

Measures have to be taken over the MTREF to implement these strategies to ensure that existing water supply and waste water comply with these requirements.

From the above it is clear that for the next five years many challenges lie ahead to appropriate capital expenditure towards available sources of funding and to obtain alternative funding sources to address the needs as identified in the IDP. Table 4 provides more details on the proposed sources of funding.

Table 3 indicates forecasted capital expenditure by vote. It is important to realise that these figures are only indicative of the different services and may vary as priorities change. In terms of infrastructure development and to reach the government service delivery targets. 87% of the capital programme has been allocated for this purpose. It can further be noted that 19% of the capital expenditure is allocated to the electricity services, 7% for water, 22% for roads and storm water and approximately 18% for sewerage services whilst the balance of 34% is for community and institutional requirements.

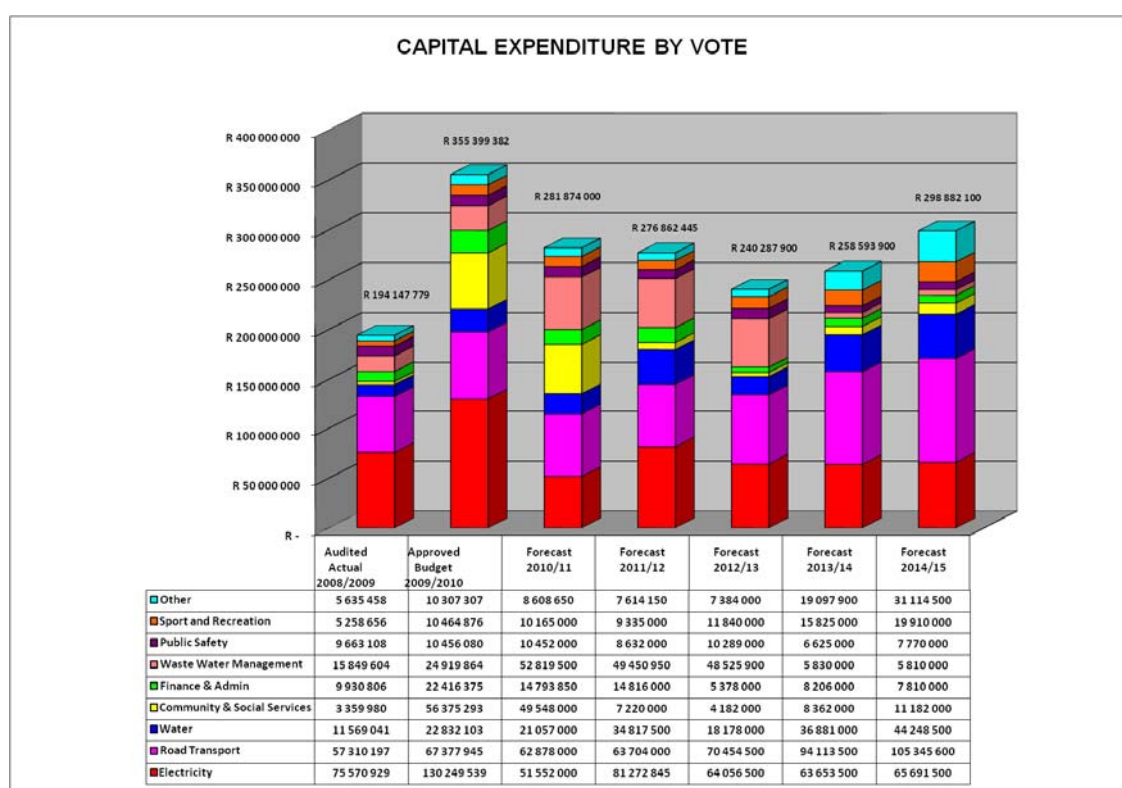


TABLE 15 CAPITAL EXPENDITURE BY VOTE	Preceding Year	Current Year Performance		Medium Term Financial Plan				
	Audited Actual 2008/2009	IDP Requests 2010/2011 2011/2012	Approved Budget 2009/2010	Forecast 2010/2011	Forecast 2011/2012	Forecast 2012/2013	Forecast 2013/2014	Forecast 2014/2015
	A	B	C	D	E	F	G	H
Executive and Council	1 409 449	2 276 300	3 188 300	755 650	580 650	845 000	260 000	595 000
Finance and Admin	9 930 806	115 683 125	22 416 375	14 793 850	14 816 000	5 378 000	8 206 000	7 810 000
Planning and Development	969 860	5 000 000	1 300 000	1 400 000	1 500 000	1 500 000	1 700 000	1 800 000
Health	625 107	9 490 963	2 214 007	1 503 000	1 053 500	1 194 000	1 489 000	1 244 000
Community and Social Services	3 359 980	86 966 000	56 375 293	49 548 000	7 220 000	4 182 000	8 362 000	11 182 000
Housing	38 912	140 000	55 000	20 000	10 000	5 000	65 000	5 000
Public Safety	9 663 108	35 609 000	10 456 080	10 452 000	8 632 000	10 289 000	6 625 000	7 770 000
Sport and Recreation	5 258 656	65 473 000	10 464 876	10 165 000	9 335 000	11 840 000	15 825 000	19 910 000
Environmental Protection	-	-	-	-	-	-	-	-
Waste Management	2 592 130	39 540 000	3 550 000	4 930 000	4 470 000	3 840 000	15 583 900	27 470 500
Waste Water Management	15 849 604	202 362 400	24 919 864	52 819 500	49 450 950	48 525 900	5 830 000	5 810 000
Road Transport	57 310 197	524 426 000	67 377 945	62 878 000	63 704 000	70 454 500	94 113 500	105 345 600
Water	11 569 041	237 618 000	22 832 103	21 057 000	34 817 500	18 178 000	36 881 000	44 248 500
Electricity	75 570 929	552 272 265	130 249 539	51 552 000	81 272 845	64 056 500	63 653 500	65 691 500
Total Capital Expenditure by Vote	194 147 779	1 876 857 053	355 399 382	281 874 000	276 862 445	240 287 900	258 593 900	298 882 100
Total Capital Expenditure Forecast								1 356 500 345

TABLE 16 CAPITAL FUNDING BY SOURCE	Preceding Year		Current Year Performance		Medium Term Financial Plan				
	Audited	Actual	Approved	IDP Requests	Forecast	Forecast	Forecast	Forecast	Forecast
	2008/2009	2009/2010	2010/2011	2013/2014	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
	A	B	C	D	E	F	G	H	
National Government									
Municipal Infrastructure Grant (MIG)	17 765 129	21 886 000	172 105 000	24 453 000	29 410 000	35 587 000	45 168 000	54 201 600	
Integrated National Electricity Programme (INEP)	1 020 000	7 624 000	15 690 000	10 000 000	10 000 000	10 000 000	7 000 000	6 000 000	
Sub-Total: Grants – National Government	18 785 129	29 510 000	187 795 000	34 453 000	39 410 000	45 587 000	52 168 000	60 201 600	
Provincial Government									
Other	452 870	409 770	2 640 000	2 470 000	-	-	-	-	
Vuna Awards	-	-	-	-	-	-	-	-	
Sub-Total: Grants – Provincial Government	452 870	409 770	2 640 000	2 470 000	-	-	-	-	
District Municipality									
Amounts allocated for that year	909 955		28 500 000	21 000 000	21 500 000	6 000 000	-	-	
Sub-Total: Grants – District Municipalities	909 955		28 500 000	21 000 000	21 500 000	6 000 000	-	-	
Total Government Grants and Subsidies	20 147 954	29 919 770	218 935 000	57 923 000	60 910 000	51 587 000	52 168 000	60 201 600	
Public Contributions and Donations									
Other	60 606 390	460 000	500 000						
Cash backed Internal Reserves									
Capital Replacement Reserve	29 774 121	251 270 513	644 467 253	108 410 000	98 372 445	90 585 900	90 780 900	130 880 500	
External Loans	83 619 317	73 749 099	1 012 954 800	115 541 000	117 580 000	98 115 000	115 645 000	107 800 000	
Total Funding of Capital Expenditure	194 147 782	355 399 382	1 876 857 053	281 874 000	276 862 445	240 287 900	258 593 900	298 882 100	

8.2.7. **Conclusion**

From the above it can be determined that the Medium Term Revenue and Expenditure Framework is under pressure to remain within affordable levels with realistic and credible revenue and expenditure without resulting in higher levels of non-payment and increased bad debts.

Therefore new imaginative ways needs to be explored on the structuring of tariffs for the utility services to encourage more efficient use of these services and to generate the required resources to maintain, renew and expand infrastructure.

It is imperative that the municipality continues with sound and sustainable management of its fiscal and financial affairs and to build on the unqualified audit reports issued by the Auditor-General from the 2003/2004 financial year onwards. Corrective steps for matters of administration are dealt with immediately and are contained in the oversight report to Council.

Good financial governance is marked by many important aspects from a higher expectation by the public of fair delivery of service, more effective community consultation and greater levels of transparency and accountability in all interactions.

By approving three-year budgets linked to long term IDP's, more futuristic and better-informed approaches can be adopted and better judgments about future priorities for capital development and service delivery to the communities can be made.

The IDP and Annual Budget with their expected outcomes ensure that the Council is in the right direction to become the best local municipality rendering affordable, accessible, efficient and available services whilst at the same time maximising infrastructural development through the utilisation of all available resources.

8.3. SPATIAL DEVELOPMENT FRAMEWORK

The Spatial Development Framework for the Steve Tshwete Local Municipality area forms part of the Steve Tshwete Integrated Development Plan. The SDF as one of the operational strategies of the IDP, is closely linked and should function with the other operational strategies, i.e. Water Services Plan, LED Programme, Environmental Programme, Disaster Management Plan, etc.

This framework further gives effect to Council's vision for development and Council's objectives and strategies with respect to Land Development and Land Use Management.

The preparation of the Steve Tshwete SDF is guided mainly by the MSA and its regulations; the IDP which identifies the relevant concerns, problems, issues and opportunities through a multi-sectoral approach; and new policies documents such as the NSDP, MPGDS, and the MRDP. Hence, the process is aimed at identifying the opportunities inherent to the area, and to make recommendations as to how these can be utilised and expanded to address the areas' weaknesses.

In order to achieve an effective implementation of the planning process, it is critical that the planning approach ensures that the product, policies and plans are:

- Focussed on strategic issues;
- Action orientated;
- Integrated with other aspects of administration and environment management;
- Capable of implementation;
- Reflects the need and opinions of stakeholders;
- Uphold the interest of the community as a whole;
- Sustainable;
- Integrated with other operational strategies;
- Equitable and transparent; and
- Reflects the needs and context of the study area.

The spatial form, strategic approach and objectives that give effect to the desired spatial form are guided by a number of policy directions, and national legislative initiatives. The most important with respect to the desired spatial form are the Nkangala District Municipality Spatial Development Plan and the General principles as contained in Chapter 1 of the Development Facilitation Act.

The general policy direction for the spatial for should include the principles of:

- Sustainable land use;
- Improved environmental management;
- Integrated development; and
- Efficient land development.

Towards this end, the desired spatial form for STLM is based on the following principles:

- The need to conceptualise the hierarchy, importance and sustainability of settlements in the region;
- The need to focus on what is achievable in development terms and how this relates to spatial development proposals;
- The need to direct investment towards areas of highest impact and return and to distinguish between different levels of investment;
- To accept the need for cost effective investment on all levels;
- To accommodate urban development and population growth in the most cost effective and sustainable way possible;
- To adequately prioritise investment of scarce resources;
- Stimulate and focus on developing nodes and corridors where economic opportunities and resources exist;
- Link, integrate and co-ordinate investment to maximise benefit and achieve a co-ordinate effort; and
- To link spatial expenditure (basic infrastructure) with spin-offs from economic development wherever possible.

8.3.1. Development Objectives

The following broad development objectives for spatial development and land use management in the municipal area are outlined in the SDF.

8.3.1.1. Efficient and Integrated Land Development

Policy, administrative practise and town planning regulations should promote efficient and integrated land development by:

- Promoting the integration of the social, economic, institutional and physical aspects of land development;
- Promoting integrated land development in rural and urban areas in support of each other;
- Promoting the availability of residential and employment opportunities in close proximity to or integrated with each other;
- Optimising the use of existing resources including such resources relating to agriculture, land, minerals, bulk infrastructure, roads, transportation and social facilities;
- Promoting a diverse combination of land uses, also at the level of individual erven or subdivisions of land;
- Discouraging the phenomenon of “urban sprawl” in urban areas and contribute to the development of more compact towns and cities;
- Contributing to the correction of the historically distorted spatial patterns of settlement in the Republic, and to the optimum use of existing infrastructure in excess of current needs,
- Encourage environmentally sustainable land development practices and processes.

8.3.1.2. Sustainable Development

The municipality should ensure that development or land use plans meet the needs of the current population. Planning should ensure that development does not cause irretrievable loss to significant natural, historical, cultural and archaeological resources or other important environmental assets.

The municipality should further ensure that its planning does not prejudice the ability of future generations to meet their needs or enjoy a quality of life at least equivalent to that available to people today.

Where the demand for development will breach the principles of sustainable development it should not be approved. Where there is uncertainty about the impacts of a development the precautionary principle should be applied. The precautionary principle means that if there is uncertainty about potential environmental constraints, a more cautious position is adopted.

This may result in more onerous conditions being placed on the development. Where knowledge gaps exist, these are noted and where appropriate, recommendations made for further studies. The precautionary approach means avoiding risk through a cautious approach to development and environmental management.

In implementing this guideline the municipality should ensure that policy, administrative practice and town planning regulations promote sustainable development at the required scale in that they should:

- Promote land development which is within the fiscal, institutional and administrative means of the Municipality;
- Promote the establishment of viable communities;
- Promote sustained protection of the environment;
- Meet the basic needs of all citizens in an affordable way; and
- Ensure the safe utilization of land by taking into consideration factors such as geological formations, mining land and areas susceptible to flooding.

8.3.1.3. Discourage Illegal Land Use

The Steve Tshwete Local Municipality should discourage the illegal use of land. Illegal land use results in a fragmented land use pattern, creates conflict and infringe on land use rights.

As people are protected from being illegally evicted, the Municipality should focus on ways to prevent illegal land use practices. Sound planning guidelines and speedy land developments are key mechanisms to prevent illegal land use practices.

8.3.1.4. Efficient Public Participation and Capacity Building

The objective requires that the Municipality should introduce mechanisms to ensure that the public, and in particular communities affected by land development, have opportunities to influence planning decisions.

The objective furthermore suggests that there are opportunities for the development of skills among community members of disadvantaged groups. These opportunities should be exploited.

8.3.1.5. Facilitating Developer Interaction with the Municipality

This objective is to ensure that the full resources of the region are utilized in facilitating land development. The underlying idea is a public-private sector partnership because neither sector on its own has the skills or capacity to do the job on their own.

8.3.1.6. Clear Guidance, Procedures and Administrative Practice

Guidelines, procedures and administrative practice relating to land development should:

- Be clear and generally available to those likely to be affected thereby;
- In addition to serving as regulatory measures, also provide guidance and information to those affected thereby;
- Be calculated to promote trust and acceptance on the part of those likely to be affected thereby; and
- Give further content to the fundamental rights set out in the Constitution.

The purpose of this objective is to encourage a positive and constructive relationship between the public authority and those outside of government who are involved in land development. Rather than public authorities just acting as regulators, the objective requires them to prepare legislation and procedures and adopt administrative approaches in a way that helps others who are involved in land development.

This requires user-friendly information that facilitates development, not sets of rules that indicate all the things that cannot be done. Also, the reasons for decisions should be made available to the public in a way that is easy to understand.

8.3.1.7. Speedy Land Development

All policies, administrative practices and regulations for land development written by the Municipality should focus on ways of making planning and development processes quick. The slow processes of the past discouraged the private and non-government sectors from participating in land development. Slow processes make the costs of development projects much higher.

8.3.1.8. No one land use is more important than any others

Each proposed land development area should be judged on its own merits and no particular use of land, such as residential, commercial, conservational, industrial, community facility, mining, agricultural or public use, should in advance or in general be regarded as being less important, or desirable than any other use of land.

This guideline states that no one land use is more important than any other, so no land use should be favored above any others. Decisions about land uses must be based on sound planning where a number of different factors, such as population projections, economic growth strategies, the environment and other factors are taken into account. The reason for this guideline is that in the past it was assumed that mining, conservation or agricultural land uses were the most important for the country. This resulted in enormous constraints to developing land for other uses. This guideline recognizes that not all necessary activities are protected by the mechanism of the land market. It therefore requires the Municipality to consider a full range of possible activities and the suitability of the land when they draw up plans.

8.3.1.9. Security of Tenure

This objective requires that the tenure that is provided through the land development process must meet certain criteria. Firstly, it should be secure. This means it must be possible to register the title to the land. Secondly, there should be a range of choices about the type of tenure to include options for communal or group tenure. Sometimes the upgrading of informal settlements might mean that people who have settled informally may have to move. The third criterion says that in informal settlement upgrading schemes where people are deprived of the land on which they have settled, they should be offered an alternative such as other accommodation or financial compensation.

8.3.1.10. Co-ordination of Land Development

The objective is to clarify that it is the Municipality's responsibility to co-ordinate the interests of different sectors, interest groups and stakeholders in land development. The Municipality must also ensure that the outcomes of land development processes benefit the public at large, rather than one particular sector or interest group. In doing so they must also make sure that any public resources that are committed benefit the public at large. For example, the decision to build a new road may not just benefit a few people. More than anything else, it calls for the Municipality to engage in strategic planning.

The Municipality must take a lead in resolving or conflicts that arise between the different sectors and interest groups around land development projects.

8.3.1.11. Promotion of Open Markets and Competition

This objective recognizes that to encourage and facilitate the Municipality's involvement in land development, it should not interfere in the normal operations of the market. For example, it would not be appropriate to make laws about prices for developed land. So any regulations,

policy positions and frameworks prepared by the Municipality should recognize market principles.

However, unless there is true competition, the market will be dominated by a small number of businesses which will be able to set high prices. The policies and development frameworks which are formulated by municipal officials must try to prevent price-fixing and other forms of monopolistic control of the market and always encourage competition,

Council should also not interfere with the free market by subsidizing the development of land thereby competing unfairly with private developers. Therefore, serviced stands should e.g. be sold at market related prices so as to ensure that Council will be in a position to replace the stands sold. Furthermore, Council should rather focus on Public Private Partnerships, thereby optimizing the inputs from the private sector developing the spatial environment jointly.

NB. A more detailed SDF is obtainable from Municipal Offices.

8.4. Housing Development Plan (Housing Chapter)

Context and Objectives

The Municipal Housing Chapter is a summary of the housing planning undertaken by the municipality. Like the IDP, the Housing Chapter is a 5-year plan which needs to be reviewed annually and this should be done with the review of the IDP. The Housing Chapter is done as part of the IDP process and is a chapter in the IDP of a municipality.

The Steve Tshwete Municipal Housing Chapter is therefore a strategic management tool to assist the Municipality in focusing its energy to ensure that all activities are working towards same goals, of providing quality housing for all and creation opportunities for accessing housing benefits to all its citizens. The Housing Chapter is a necessary tool which will assist the Municipality to focus its attention towards all components of Housing delivery in pursuit of integrated development. The main objective of the development of the Housing Chapter is to assist this Municipality to plan and provide quality housing to its citizens as well as promoting the development of sustainable human settlements in its area of jurisdiction as prescribed by the Millennium Development Goals.

1.1. Purpose of the Municipal Housing Chapter

The main purpose of the Municipal Housing Chapter is as follows:

- To ensure effective allocation of limited resources, financial and human, to a wide variety of potential development initiatives;
- To provide guidance in prioritising housing projects in order to obtain consensus for the timing and order of their implementation;
- To ensure more integrated development through co-ordinating cross-sector role players to aligning their development interventions in one plan;
- To provide effective linkages between the spatial development framework and the project locations of physical implementation of a range of social, economic, environmental and infrastructure investments;
- To ensure that there is a definite housing focus in the IDP and SDF with clear direction for the future housing delivery across all social and economic categories and locations in the municipality. The scope of the Housing Chapter is not just for those people and developments related to government's subsidised housing programmes;

- To provide the IDP process with adequate information about the housing plan, its choices, priorities, benefits, parameters as well as strategic and operational requirements;
- Ensuring that the contents and process requirements of planning for housing are adequately catered for in the IDP process; and
- To ensure that there is indicative subsidy budgeting and cash flow planning at both the municipal and provincial levels.

1.2. The Methodology in the Compilation of the Housing Chapter of the Steve Tshwete Local Municipality

The method used in compiling the Housing Chapter was adopted from the Sustainable Human Settlement Planning, A Resource Book on Housing Chapters, which prescribes the 5 broad phases namely;

Phase 1: Status Quo Analysis which required that information about the status of Housing delivery within the Municipality be sought and be analysed from the IDP, SDF and other relevant sources.

Phase 2: Strategy which required that strategies be devised to address the set objectives as reflected in the IDP.

Phase 3: Project planning which required that project proposals be formulated and negotiations be undertaken with relevant stakeholders to reach agreement on project proposals.

Phase 4: Integration which required that confirmed housing delivery projects be integrated with other affected sectors within the municipality.

Phase 5: Approval which requires that the draft Housing Chapter be approved by the Municipality

The identified Housing Voice which constitutes the IDP Technical Committees of the Municipality and the officials in the Housing Unit of the Municipality were extensively consulted to obtain relevant information and data regarding housing in the municipal area.

NB. A detailed Housing Development Plan is obtainable from Municipal Offices.

8.5. LOCAL ECONOMIC DEVELOPMENT STRATEGY

8.5.1 REVISED LOCAL ECONOMIC DEVELOPMENT STRATEGY

EXECUTIVE SUMMARY

The objective of an LED Strategy is to provide a framework for the formulation of local SMME development, social restructuring, pilot project initiation and capacity building.

The strategy is also aimed at creating an enabling environment for economic growth which in turn will assist in eradicating poverty while promoting the redistribution of wealth.

A revised Local Economic Development Strategy of the Steve Tshwete Local Municipality which is in line with that of the Nkangala District Municipality has just been completed but was not available for inclusion in this IDP.

VISION

The objective is to facilitate the creation and utilization of opportunities which in turn will promote sound, sustainable economic growth & development while alleviating poverty and unemployment in the Steve Tshwete Municipal area.

8.5.2 KEY ECONOMIC SECTORS

The active presence of the following sectors allow for the diversifications of the local economy of Steve Tshwete Local Municipality for which committees that report to the LED Forum have been established:

- Public sector
- Private sector
- Agriculture
- Tourism
- Non-Governmental sector
- Primary and Secondary Industries.

8.5.3 PUBLIC PARTICIPATION

The council recognizes the importance of public participation in promoting Local Economic Development and for such purpose a Local Economic Development Forum is created consisting of the following representatives:

- Three representatives from Busmid
- Two representatives from organised labour
- Two representatives from the Hendrina business community

- Three representatives from the Farming (Agriculture) Community
- Two representatives from the Trade Unions.
- Four representatives from Religious Organisations.

Which is compiled as follows:

One from the Jewish Religious group.
 One from the Christian Religious group.
 One from the Islam Religious group.
 One from Hindu Religious group

Two representatives from the Transport Organisations which is compiled as follows:

- One from the Taxi Association
- One from the Bus Companies
- One representative from the Department of Education.
- Representatives from any other organizations as recognized by the forum.

8.5.4 KEY ISSUES

It should be noted that Council itself cannot implement strategies that roster economic growth and development, but it should rather focus on providing an enabling environment within which economic growth and development occurs.

The following are however key issues to economic development/expansion which also must get the rural poor, women, youth and NGO etc.

- Investment promotion
- Spatial Development initiatives
- Provision and maintenance of municipal/infrastructure

8.5.5 SUPPORT BY THE COUNCIL FOR LOCAL ECONOMIC DEVELOPMENT

The Council recognizes that Local Economic Development will only be successful if it receives tangible support from the Council as the local authority.

■ Administrative Support

The following administrative support is provided by the office of the Manager: Corporate Services:

The Secretarial Services to the Local Economic Development forum

To receive proposals for projects

- To ensure that projects are evaluated and the applications for funding are processed
- To market the councils Local Economic Development efforts

■ **Financial Support**

Direct financial support to Local Economic Development initiatives will be provided by Council to the extent that such support can be afforded

- As in direct financial support land for projects will be made available by Council wherever possible
- As further indirect financial support bookkeeping services for the establishment of projects is to be provided where necessary.

■ **Procurement**

In order to stimulate Local Economic Development the Council's Procurement Policy which makes provision for preference to local entrepreneurs is diligently applied.

The Council's tender documents are to include a requirement that only local labour may be used by successful tenderers.

Incentives for the sale and Development of Land

Incentives for the purchasing of industrial erven and certain business erven can be negotiated with the council.

Municipal Tariffs:

It is a basic principle of the Steve Tshwete Local Council that tariffs for municipal services shall at all times be more favorable than those of competing municipalities.

NB. A detailed Local Economic Development Strategy is obtainable from Municipal Offices.

8.6 HIV/AIDS AND TB

8.6.1 BACKGROUND

- The HIV/AIDS epidemic does not have colour, age and sex and it is not a health problem alone. The monster has a massive impact on the socio-economic status of the country.
- Later the said breadwinners who are supposed to maintain the families and pay the rates in Municipality fail to do so in the long run. Many families are now headed by children due the impact of HIV/AIDS.
- The poverty existing in the community has increased leading to the mushrooming of commercial sex workers.
- People die in silence due to the stigma attached to HIV/AIDS sufferers.
- The sexually transmitted infections lead to HIV/AIDS if not treated in time.
- Due to the low resistance of the body to infection TB becomes a partner to HIV/AIDS.

8.6.2 POLICY PRINCIPLES TO RESPOND TO HIV/AIDS

Prevention

- To conduct awareness campaigns with the community structures and private sectors.
- To ensure safe and clean environment to prevent breeding places for rashes and proper disposal of sharp and fluid/blood contaminated materials.
- To make provision of barrier method for both sexes e.g. male and female condoms.
- To draw and implement the plan.

Stigmatisation and openness

- To ensure the culture of creation of openness.
- To ensure protection of human rights regarding confidentiality.

Testing and Counselling

- To provide facilities for voluntary counselling and testing.

Management of the infected and affected

- To ensure availability of treatment for sexually transmitted diseases, TB opportunistic infections and anti-retroviral drugs.
- Making provision for victims unable to pay rates especially the child headed families.
- Provision of sites for poverty alleviation projects at an affordable rate.

- To support the home base care and peer educators groups.
- To allocate adequate budget to implement the health programmes.
- Interaction with the community to fight the epidemic by utilizing all available strategies and approaches for support and care.
- Interaction with the other governmental and non governmental structures in the battle of HIV/AIDS, STI & TB.

8.6.3. SERVICES AVAILABLE TO HANDLE INFECTED AND AFFECTED

- Voluntary counselling and testing in the clinics of pregnant and non-pregnant clients.
- Availability of drugs to manage TB, STI and opportunistic infections and ARV drugs.
- Training of staff to be competent to manage the conditions effectively and efficiently.
- Provision of barrier method to prevent sexually transmitted infections e.g. condoms.
- Capacity building in the community to prevent infection and spread of HIV/AIDS, STI & TB.
- Provision of Dot Support in the community.
- Provision of prevention – mother-to-child transmission programme.
- Implementation of National Health Programme to fight HIV/AIDS, STI & TB.
- Food supplement programme.
- Referrals to Social Services for social grants.

8.6.4 WAYFORWARD

- Continuity of community and staff awareness formal and informal.
- Continuity in the capacity building in the service providers.
- Interaction with governmental & non-governmental structures through HIV/AIDS Local Council.
- Implementation of National Health Programmes to fight HIV/AIDS, STI & TB.
- Monitoring of health programmes with support of the National, Provincial Department of Health.
- Participation of clinics in the rolling out of ARV drugs.

8.7 INTEGRATED ENVIRONMENTAL MANAGEMENT

8.7.1 BACKGROUND

In the past the environment issue/problems were managed by different Departments in silos. In order to address this gap the Department of Environmental Affairs and Tourism decided to draw the National Environmental Management Act which currently in place.

Again the environment was treated in isolation from socio-economic aspect and people, forgetting that people and socio-economic aspect impact on environment negatively and positively. Therefore it is important to have plans in place to control development taking place in our area e.g. Spatial Development Plan and Integrated Development Plan.

The majority thought environmental problem/issues belong to Environmental Department only and is not like that, environment include, water, soil, heritage, air, socio-economic aspect sustainable development etc. All these aspects are covered under NEMA.

8.7.2. ESTABLISHMENT OF INTEGRATED ENVIRONMENTAL MANAGEMENT COMMITTEE & FORUM

This was one prescription decided by the new Act NEMA that all the municipalities must establish the Integrated Environmental Management Committee and Forums where the stakeholders and communities can have input regarding the environmental issues. There was no prescription of composition of the committee.

On the 03/06/2004 after consultation with the Provincial Department of Agriculture and Land Administration the committee was formulated in our municipality comprised of:-

- Health Services
- Solid Waste Disposal Services
- Parks & Recreation Services
- Fire & Rescue Services
- Traffic Services
- Library Services
- Municipal Building Services
- Town Planning Services
- Housing and Squatter Control Services
- Local Economic Development Services
- Public Relation Services
- Occupational Health & Safety
- Town Engineer

8.7.3 OBJECTIVES OF THE ENVIRONMENTAL MANAGEMENT

- To promote sustainable municipal service delivery.
- To protect the environment and its species.
- To promote sustainable development.
- To support the National, Provincial Environmental Strategy.
- To implement National & Provincial Acts, Regulations and Policies.
- To encourage community participation.
- To ensure that the community needs inform the Integrated Development Plan.
- To monitor and report our activities regarding Environmental Impact.
- To ensure safe and non-harmful environment for the community.
- To draw and implement the by-laws and Interim Environmental Management Plan addressing the environmental impact.
- Participating in the Nkangala District Council Project on State of Environmental Report as municipalities.

8.7.4 ACHIEVEMENTS IN INTEGRATED ENVIRONMENTAL MANAGEMENT

- Integrated Environmental management Committee and Forum formulated.
- Report on Interim Integrated Environmental Management Committee and Forum Initiated and to be served before the Council.
- The following documents are in place:
 - Interim Integrated Environmental Management Plan/Programme.
 - Interim Integrated Environmental Management policy.
 - Guidelines for Air Pollution Implementation.
 - National Environmental Management Act.
 - Air Quality Management Act.
- The Chief Health Services attend the course on Environmental Management comprised of modules.
- The Environmental Management issues on the IDP document.
- The Air Quality Officer nominated to monitor and coordinate air quality in our area.
- The budget is put of R5000 was put aside for community awareness and ducation.
- Air Pollution monitoring station at the cost of ±R3444 986.80 with additional of R320 935 were purchased. Dust analyser of R9952.77 was also purchased.
- The Environmental Management Meetings are held including the other departments like Department of Agriculture and Land Administration, Department of Health, Private companies like Samancor and Columbus Community structures.
- Collated information on hotspots of illegal dumping and Environmental Education house-to-house was done where were visited.
- Information on dumping site operation was collated.

- Survey on causes of illegal dumping was done and report was written. Some issues were addressed through the survey e.g. community education on Radio GMFM.
- Sustainable prevention of illegal dumping programme was drawn with DALA.
- The Arbor Day was celebrated with Ekwazini Secondary School where trees were planted.
- Presenting formal community education on different aspects of the environment.
- The regional Health Inspector attended the course on Measuring Techniques and other Health Inspectors will also get an opportunity to attend.
- Attending Project Management Meeting where different departments are participating.
- Currently participating in (State of the Environment Report) SoER by the Nkangala District Municipality.

WAYFORWARD

- Ongoing community education and awareness on Radio GMFM.
- Formal community education and awareness.
- Continue with sustainable prevention of illegal dumping programme.
- Initiating a recycling project of “collect-a-can” for schools.
- Re-enforcing law by doing overtime to monitor illegal dumping and Roaming around of livestock.
- Involvement of community members in the Integrated Environmental Management Forum Meetings.
- Participating in the Cleanest Town Competition.
- Budgeted for the second air monitoring station.
- Re-enforcing law by doing overtime to monitor illegal dumping and roaming around of livestock.

8.8 INTEGRATED TRANSPORT PLAN

8.8.1 DRAFT REPORT ON STUDY

The Steve Tshwete Local Municipality does not have a unit or Department that is dedicated to transport management matters. This function is currently allocated to the Public Service Section. As of now, the Municipality has not as yet formulated an Integrated Transport Management Plan of its own. A study was, however, undertaken in 2003 with the support of the Nkangala District Municipality to focus on the Middelburg Central Business District taxi rank Development Strategy. The report released subsequent to the study states that:

Generally speaking local government institutions are responsible to develop and maintain sufficient transfer and ranking facilities for public transport vehicles to ensure an effective and well-controlled public transport system for the entire operational area of any particular municipality.

This responsibility is entrenched as a statutory obligation by the national constitution and specifies in more detail through specific provisions contained in various local government & transport related legislation, referring particularly to the National Land Transport Transition Act.

To fulfill this responsibility there should be a development framework contained in an approved Integrated Transport Plan of the District Municipality that includes a process of consultation with the industry. Accordingly an investment and development program can be implemented without the risk of exclusivity and fruitless capital expenditures.

The need to respond to this responsibility is emphasized by a long history of disagreement and, in some instances, more serious conflict between the taxi industry and local government, business and other institutions about matters such as:

- The position where Municipalities provide ranking facilities
- Positions where Taxi operators choose and occupy land to serve as a base for services and ranking, with some negative impacts on surrounding neighbours
- The routes that are followed by operators
- The control over the ranks and accessibility for all operators
- Over supply and under capacity problems

8.8.2 TERMS OF REFERENCE

Regarding this aspect, the report indicates that with the broader national and local situation presented above as background, an investigation was initiated to address the issue in the Greater Middelburg area(now Steve Tshwete Local Municipality), with emphasis on the CBD. Accordingly Mawn Projects, with the assistance of Econ e Pele Consultants, was appointed for a study to determine the long Taxi rank development framework for the Greater Middelburg Municipality.

The focus of the study was to evaluate the current profiles of minibus Taxi operations and infrastructure in the CBD of Middelburg specifically and, taking into account the expected requirements for operations(passenger volumes, routes, destinations, ranking needs etc.) to provide for a long-term Taxi rank development framework.

The purpose of the study was to advise the Steve Tshwete Local Municipality on the following:

■ **Taxi Facilities**

- The capacity and conditions of existing taxi facilities
- The need for new or upgraded and amended facilities
- The use of and accessibility to facilities by local and long distance operators
- Compliance of the facilities to requirements and standards
- The location of the facilities relative the demand requirements
- The potential for expansion in the future
- Impact of the facilities on adjacent land uses
- Which routes and destinations will be served best by which ranks

■ **Taxi Operations and Routes**

- The routes followed by local and long distance operators
- The extent of operations relative to the demand for ranking, referring to passenger numbers and vehicle trips per destination
- The on-route facilities for pick-up and drop purposes
- The ranking requirements per route on a rank

■ **General Taxi Matters**

- The control over Taxi ranking at the facilities by various Taxi Associations
- The role of the Municipality in this respect
- Law enforcement matters
- Priorities
- Competition and rivalry amongst Taxi operators
- How to deal with current “illegal” Taxi ranks or loading areas

The draft report on the Integrated Transport Plan was compiled so as to be in line with national, provincial and District guidelines for an Integrated Transport Plan. Full details on the Integrated Transport Plan are available at the Municipality on request.

There are also various bus companies operating in the area. The focus of this program/plan has been on the Taxi industry. It is hoped that a fully fledged Integrated Transport Management Plan will include all modes of transport that are found in the Steve Tshwete Local Municipality.

8.9 INTEGRATED WASTE MANAGEMENT PLAN

8.9.1 Introduction

The Steve Tshwete Local Municipality comprises the settlements of Middelburg, Mhluzi, Pullenshope, Hendrina, Kwazamokuhle, Rietkuil, Komati and Presidentsrus. The Municipal area also includes numerous rural villages, mines and mining towns.

All services with respect to waste are coordinated from Middelburg. Middelburg and Hendrina are the two main service centres for waste disposal services. The current strategy of the Steve Tshwete Local Municipality is to establish transfer stations to serve the areas on the outskirts of the Municipal area to assist with the waste transfer, compaction and transport to the Middelburg Landfill.

The Integrated Waste Management Plan (IWMP) for Steve Tshwete Local Municipality explains in detail the future long and short term plans of the Department in order to cater for future development. The document also provides guidance in terms of which section of the Department needs urgent attention and the helps the municipality to be on the alert with regard to future changes or needs.

The Solid Waste Management Division has been structured into three departments as shown in the diagram below with the actual projects presented under Refuse Removal and Waste Management on page 82 of this document:

The structure of the Department: Solid Waste Management of the Steve Tshwete Local Municipality

**SOLID WASTE
MANAGEMENT**

**REFUSE REMOVAL
(Household &
Business)**

**STREET
CLEANSING**

**WASTE DISPOSAL
FACILITIES**

8.9.2 MEDICAL WASTE

The Municipality has identified the disposal of Bio-hazardous Medical Waste as an area of great concern. Medical practitioners and all those who generate medical waste are required by law to sign an agreement with the Municipality for the removal of their waste except in the case where proof can be provided of an alternative arrangement with a recognized hazardous or medical waste removal company. A contract has been entered into between SanuMed and the Municipality regarding the supply, collection and removal of medical waste containers to and from a central point that is regulated by the Municipality. The Municipality issues and collects the containers to and from all registered users and monitors the exact location and usage of these containers.

8.9.3 INDUSTRIAL AND MINING WASTE

The Middelburg area has numerous mines and power stations which generate volumes of waste. The Steve Tshwete Local Municipality does not, however, provide a waste removal service to any of these mines and power stations. Some of them do make use of the Middelburg landfill for the disposal of general waste. It is envisaged that in future the mining and power station towns will be proclaimed whereupon service delivery including waste disposal would be extended to include them.

8.9.4 OBSERVATIONS

From the Integrated Waste Management Plan it can be observed that the Municipality:

- has a comprehensive waste management strategy and solid waste management service in place;
- currently has sufficient capacity to provide in the service requirements of the area;
- has under its jurisdiction a landfill which is generally in a good condition and licensed;
- has refuse removal vehicles that are in good condition and suitable for collection purposes and general waste services;
- has already identified all concerns, risks and future needs and planned for them;
- Improving regarding waste minimization and recycling strategies.

Details on the Integrated Waste Management Plan can be obtained from the Municipality on request.

8.10. DISASTER MANAGEMENT PLAN/ CONTINGENCY PLAN

8.10.1. AIM

The different roles and responsibilities of stakeholders during a disaster needs to be effected in a coordinated manner to minimize duplication of resources and ensure optimal effectiveness.

Consultation between the relevant role players and the Disaster Management Office will enhance the decision making in the declaration of a disaster.

8.10.2 PHASES

There are 3 phases how the implementation of the Disaster plan can be set in motion

- Initial phase
- Deterioration phase
- Disaster phase

a) INTIAL PHASE

Information received indicates that a situation can deteriorate into a situation of emergency.

b) DETERIORATION PHASE

Indicates the deterioration of the existing situation and incase a drastic improvement does not set in an emergency situation will develop.

c) **DISASTER PHASE**

It indicates that an emergency situation exists and that actions should be taken as ordered.

8.10.3. PROCEDURAL PLAN

The following procedural plan will therefore guide the process of implementation from the onslaught of a disaster until the termination of the disaster.

a) **INITIAL PHASE**

The DMO (Disaster Management Officer), after being notified will man the DOC (Disaster Operation Centre) and bring it into operational readiness. He/She will notify the MM (Municipal Manager) who will issue the instruction to assemble the DOC. (See attached Annexure A). Executive Managers will immediately take the following steps:

- Notify HOD's (Head of Departments) that all officials must be ready and see that their equipment are in order;
- Arrangements must be made for the care of their families for an indefinite period;
- The DMO will bring about channels for the necessary communications.

b) **DETERIORATION PHASE**

By the implementation of the deterioration phase, the Head of DM (Disaster Management) / MM will give all Executive Managers instructions per radio or other means to report as soon as possible. Executive Managers will at the same time give all their officials instructions to report at their respective work stations. Medical staff must report to the clinic. Care must be taken that all officials can be identified to enable them to obtain access to the Forward Command Post (FCP), Mobile Command Centre or disaster area. Control room personnel will immediately report to the DOC.

The deputy coordinator, Executive Manager Public Services (EMPS) and the Chief Fire Services (CFS) will on instruction of the Head of DM/ MM depart to the disaster scene to observe and to notify the DOC of the exact situation and to indicate what precautions must be taken temporarily. The DMO will immediately man the radio room. The head of DM / MM will liaise with the Nkangala District Municipality Disaster Management Centre (NDMDMC) and the Provincial Disaster Management Centre (PDMC) in order to declare a local disaster. If necessary the Head of DM / MM communicate with other role players.

c) **DISASTER PHASE**

With the implementation of the Disaster phase the emergency plan will be brought into operation and the entire organization will go into action on the instruction of the Head of DM/MM.

8.10.4. COMMAND AND CONTROL

Command and Control during actions will be as contained in the Hazard specific mobilization chart. (Annexure B)

- a) After declaring the disaster the EMPS and the CFS will raise a FCP and take charge of control and command. If the disaster is of a criminal nature, the command and control will be handed to the responsible person of the SAPS as soon as they arrive on scene.
- b) All Executive Managers will command and control their respective departments, equipment and supplies from the DOC except EMPS. All requests for assistance will be issued from the FCP at the scene to the DOC and directly attended to, through Executive Managers, for actions taken by relevant departments.
- c) The EMPS will send a detailed situation report of the disaster scene to the DOC as soon as possible and there after on a regular basis. The reports of the disaster scene will be kept at and updated by both the DOC and FCP.
- d) The Head of DM/MM will monitor all radio reports and requests and issue the necessary commands from the DOC.
- e) All radio reports must be recorded and instructions and requests must be logged by the DOC. Outstanding reports must be attended to.
- f) If any disaster leads to injuries or casualties, the Head Medical Services must notify the Superintendent of Hospitals. The Chief Ambulance Services must immediately effect a line of communication to the DOC. The Disaster Medical Practitioner must immediately report to the FCP at the disaster scene and take control of medical services.
- g) The Executive Manager Finances will establish a supply chain for the provision of resources.
- h) The Executive Manager Corporate Services will be responsible for provision of personnel, transport of affected persons to safe havens, accommodation and food supply. Record must be kept of transported affected persons.

All information relating to the disaster and affected persons must be compiled by the Manager Corporate Services and approved by the Head of Disaster Management/ Municipal Manager before communicated to the media or families.

NB. A more detailed Disaster Management Plan is obtainable from Municipal Offices

8.11. PERFORMANCE MANAGEMENT SYSTEM

8.11.1 Introduction

The Performance Management System within the Steve Tshwete Local Municipality is intended to provide a comprehensive, step by step planning design that will help the municipality manage the process of performance planning and measurement effectively.

The municipality requires a PMS that will be constituted as the primary mechanism to monitor, review and improve the implementation of the municipality's IDP. This system should therefore fulfill the following:

- facilitate increased accountability;
- facilitate learning and improvement;
- provide early warning signals, and;
- facilitate decision making.

The citizens of the Steve Tshwete Local Municipality like all other citizens in South Africa, have high expectations with regard to service delivery by the Municipality. Elected representatives and the Administration are continuously challenged to demonstrate that all levels of government are capable and committed to manage and utilize public resources in a way that will benefit all the citizens. The Municipality, which is where the tyre hits the tar of service delivery, is challenged to show its ability to execute both basic as well as enabling services crucial for social and economic growth and development. This challenge is best illustrated by the requirement that the Municipality is expected to report on its performance and that of its employees.

The Performance Management System in the Steve Tshwete Local Municipality was adopted by Council as early as 2002 in terms of Section 39(c) of the Local Government: Municipal Systems Act, 2002. Refer to resolution: M08/10/2002.

8.11.2 Defining Performance Management

Performance Management is the setting and measurement of desired outcomes and activities of the Municipality, its individual components and its staff that contribute to the achievement of the strategic vision of the Municipality. It starts with an overall strategy and cascades to individual performance appraisal. It also encompasses the monitoring, measurement and reporting on performance.

Legal and regulatory

The following are the building blocks of the Steve Tshwete Local Municipality's approach to performance management:

- Development and formal adoption of a system that complies with the Municipal Systems Act and the Municipal Performance Management Regulations of 2001. The system represents the municipal's cycle and processes of performance planning, monitoring, measurement, review and reporting and improvement.
- Development of key performance indicators including input, output, baseline and outcomes indicators and targets. These indicators are reviewed, refined and changed annually when there is a need to do so.
- Establishment of formal mechanisms to monitor, measure and review performance.

8.11.3 Reviewing Performance Management

According to Section 41 of the Systems Act Municipalities are required to review and measure performance at least once a year. During the 2002/2003 financial year the Steve Tshwete Local Municipality introduced the balanced scorecard model to planning and performance management. This led to the development of the Scorecards for all top level managers. A review of the process has highlighted the following:

- That the development of performance indicators and targets and the understanding thereof should be given more attention
- That a need exists for a common understanding on how the system works and how it links up with the IDP and the budget.
- Regular and timeous monitoring of progress on performance and IDP implementation
- The performance measurement tool for monitoring and evaluating performance which came as part of the adopted performance management system be utilized consistently

8.11.4 Status of the Performance Management System in the Municipality

In 2002 the Municipal Council approved a performance management system which provided for performance implementation, monitoring and evaluation at organizational as well as individual level.

The municipal Performance Management Framework needs to be revised and adopted by council.

Organizational Level

It is a legislative requirement to revise the municipal key performance indicators at organizational level; hence, the 2007/2008 key performance indicators were revised and aligned to the 2008/2009 financial budget, objectives and strategies.

Regular monitoring and evaluation at this level still needs to be conducted as required. This process is expected to culminate in drawing up of a performance report of the organization.

Individual Level

Over the past three financial years the Municipality has been implementing a performance management system for all its senior managers. This has led to a specific focus on service delivery and means that:

- Each manager has to develop a scorecard which is based on the balanced scorecard model.
- At the beginning of each financial year all the senior managers (Section 57 employees) sign Performance Agreements
- Evaluation of each manager's performance has taken place at the end of each quarter.

The Municipality has planned to bring on board other levels on the performance management system beginning with that of the heads of department. Moves are already afoot to begin to cascade the system to this level.

8.11.5 Key Performance Indicators (KPIs)

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

Every year, as required by Section 12 (1) of the Regulations to the Systems Act, the Municipality also set performance targets for each of the key performance indicators.

Table 17: Municipal Performance Plan for 2010/2011

KPA: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT											
Objective	KPI	Baseline Indicators	Target	Quarterly Target				Input Indicators	Output Indicators	Outcome Indicator	Priority Issue
				Q1	Q2	Q3	Q4				
To promote productivity in the workplace.	* % of a Municipality's budget actually spent on implementing its workplace skills plan.	R699 252 out of a budget of R516 206 069 i.e.0.14% of the Municipal Budget.	1% of payroll budget to be spent by June 2011 on workplace skills plan.	1/4	1/3	1/2	1%	Adequate funds. Personnel	Productive workforce and councilors	Transformed and productive workforce	Organizational Development (Human Resource Development)
	Amount of money spent for councilors training.	R73 000 utilized on councilors training.	R92 800,00 to be spent by June 2011.			R46 400.00	R46 400.00	Adequate funds Personnel			
To ensure compliance with the EEA.	% of employees with - disability - female - blacks	0.8% disability (9) 31,98% female (363) Blacks 91%(1034)	0.9% disability (10) 33% female (375) 91.5% blacks (1038)		-		0.9% 33% 91.5%	Adequate funds Personnel	Recruitment reflects the inclusion of marginalized groups	Transformed workforce	Municipal Transformation (Human Resource Development)
	* Number of employees from EE target groups employees in the three highest levels of management in compliance with the approved EEP	22 out of 29 posts in the three highest levels of management filled by employees from Employment Equity target groups	25 out of 29 employees from EE Targets groups i.e. additional 6 appointed by June 2011		23	24	25	EEP as a guideline Municipal personnel			
To monitor, correct and reward good performance in order to unleash human potential	Submission of annual report to DOL		Submit annual report to Dept. of Labor by 1 October 2010		x			Personnel	Compliance with the legislation	Approved performance and development of employees	Organizational Development (Human Resource Development)
	Implementation of performance appraisal system for lower levels	Draft approval system policy	Personnel appraisal policy adopted by 31 October 2010. Policy implemented in respect of all levels by 31 March 2011		x		x	Personnel			

KPA: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT											
Objective	KPI	Baseline Indicators	Target	Quarterly Target				Input Indicators	Output Indicators	Outcome Indicator	Priority Issue
				Q1	Q2	Q3	Q4				
To maintain a personnel structure that will ensure effective and efficient service delivery	Align the organizational structure with the objectives of the municipality	Current organizational structure that is not fully aligned to the municipal objectives	Review the current organizational structure Filling of existing vacant posts				x	Personnel Budget	Personnel structure that is aligned to strategic objectives	Municipal objectives achieved	
To promote productivity in the work place	% of recommendations of corporate cultural survey implemented	Corporate cultural survey in process	50% of the recommendations of the corporate cultural survey implemented by 30 June 2011	-	10%	30%	50%	Personnel Budget	Improved organizational culture	Improved service delivery	Organisational Development (Human Resource Development)
To support and promote the total well being of the staff	Develop and implementation a holistic EWP (Employee Wellness Program)	EAP (Employee Assistance Program) in place	Developed and implemented EWP			x		Personnel Budget	Total well being of the employees	Improved employee performance	Organisational Development (Human Resource Development)
To capacitate employees in order to enhance service delivery	Equip employees with necessary skills	Implemented previous WSP (Workplace skills plan)	Conduct and prepare the WSP and implement				x	Personnel Budget	Capacitated workforce	Improved service delivery	Organisational Development (Human Resource Development)
To reduce staff turnover	% by which staff turnover is reduced	%staff turnover from 2009/2010 financial year	Reduction of staff turnover by 5%as at 30 June 2011	5%	5%	5%	5%	Personnel Budget	Reduction of staff turnover	Consistence service delivery	
To maintain healthy relationship with labour	Number of LLF Meetings, number of bi-lateral meetings with individual unions	Functional LLF and sub-committees	12 LLF Meetings 6 Bi-lateral meetings				x	Personnel Budget	Healthy relations with labor	Reduction of labor unrests	
To create safe and healthy working environment for staff, councillors and community	% increase of number of incident free days	Number of incident free days for the 2010/2011 financial year	Number of incident free days increased by 10%		x			Personnel Budget	Safe and healthy working environment Implementation of the OHS policy	Effective service delivery	

KPA: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT											
Objectives	KPI	Baseline Indicators	Target	Quarterly Target				Input Indicators	Output Indicators	Outcome Indicator	Priority Issue
				Q1	Q2	Q3	Q4				
To ensure clear municipal planning and monitoring.	Complete 2011/2012 IDP approved by council.	2010/2011 IDP document.	Complete 2011/2012 IDP approved by March 2011.			100%		Adequate funding. Adequate personnel.	Clear municipal objectives, targets and indicators.	Improved and informed planning and reporting processes.	Municipal Transformation (Integrated Development Planning and Performance Management)
	Development of 2011/2012 municipal/ corporate and departmental SDBIPs.	2010/2011 SDBIPs	2011/2012 SDBIPs developed by June 2011.				100%	Adequate personnel.			
	Number of 2011/12 performance agreements for Section 57 managers developed and submitted to council.	2010/2011 departmental SDBIPs	2011/2012 performance agreements for all S 57 managers signed and submitted to council by June 2011.				4	Adequate personnel.			
	Number of performance reports developed and submitted to audit and council.	2010/2011 performance report.	4 quarterly performance reports submitted to council by 31 June 2011	1	2	3	4	Adequate personnel.	Clear performance measurements and achievements.		
To ensure legal compliance	% of compliance with legal prescriptions	Draft legal compliance audit has been developed	100% compliance with legal prescriptions	100%	100%	100%	100%	Personnel Budget	Effective & efficient service delivery	Structured monitoring of legal compliance	Good governance
To implement the fraud prevention plan and policy	% implementation of Fraud Prevention Plan	The fraud prevention plan reviewed	100% compliance with the fraud prevention plan	100%	100%	100%	100%	personnel	Reduction of possible fraud	Improved confidence from the community	Good governance
To ensure proper coordination of municipal events	% of implementation of the Events Calendar	Events management policy developed	Full implementation of events in accordance with the Events Calendar	100%	100%	100%	100%	Personnel	Event Diary & adopted events management policy	Structured co-ordination of events	Good Governance
To provide effective administrative support to Council	Time by when implementation of council resolutions are to be commenced with.	Secretariat support unit established and functioning.	Implementation of all council resolutions to be commenced within 10 days from the date of the council meetings.	x	x	x	x	Personnel Budget	Ensure that secretarial services are rendered	Adhere to legislative requirements	Governance

KPA: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT											
Objectives	KPI	Baseline Indicators	Target	Quarterly Target				Input Indicators	Output Indicators	Outcome Indicator	Priority Issue
				Q1	Q2	Q3	Q4				
To maintain and manage a proper records structure	Number of monthly reports produced on outstanding correspondence,	Records policy approved,	12 monthly reports produced on outstanding correspondence.	3	6	9	12	Personnel Adequate funding	Municipal records kept safe	Effective service delivery	Organizational development
To promote a culture of customer care	% improvement of customer satisfaction according to customer satisfaction survey	Community survey conducted during 2009 /10	5% improvement of customer satisfaction according to customer satisfaction survey					Personnel Budget	Community inputs obtained and addressed by relevant departments	A well informed and participating community	Governance
To ensure effective and efficient Information Communication and technology services	Response time to diagnose reported faults	No recorded proceedings and signed SLAs	All faults to be attend to within 2 hours from time of reporting.	X	x	x	x	Personnel	Reliable network and satisfied users	Stability of ICT infrastructure resources and business continuity	Good Governance
To promote the municipal programmes and projects world wide	Number of media sources utilized to promote municipal programmes.	Media sources utilized in 2008/09: Website News papers Radio stations	4 media sources utilized. Website News papers Radio stations Notice Board	4	4	4	4	Incidents management system	Informed community on municipal services and activities	Positive response and participating community in municipal matters	Organizational development
To promote the municipal programmes and projects world wide	Number of media sources utilized to promote municipal programmes.	Media sources utilized in 2008/09: Website News papers Radio stations	4 media sources utilized. Website News papers Radio stations Notice Board	4	4	4	4	Adequate funding	Informed community on municipal services and activities	Positive response and participating community in municipal matters	Organizational development

KPA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION												
Objective	KPI	Baseline Indicators	Target	Quarterly Target				Input Indicators	Output Indicators	Outcome Indicators	Priority Issues	
				Q1	Q2	Q3	Q4					
To ensure regular consultation between council and the community.	Number of training provided to Ward Committees, CDW's & Councillors.	2 trainings provided	2 trainings		1	2	3	Adequate funding Municipal Personnel	Ward, CDW's & ward councillors Committees capacitated	A well informed and participating community in local government matters through capacitated ward committees, CDW's & councillors.	Public Participation	
	% implementation of community participation strategy by June 2011	Draft adopted by Portfolio Committee	100% implementation of the community participation strategy.	100%	100%	100%	100%	Personnel Adequate funding				
To liaise with CDW's & Ward Committee members regarding community needs & problems to be identified & reported	Number of door to door visits conducted by Community Development Workers (CDWs).	15 (average) door to door visits conducted	25 door to door visits conducted by CDW per week.					Adequate funding Municipal Personnel	Community needs captured in detail & addressed.			
	Number of door to door visits by Ward Committee members	New	35 door to door visits per month by ward committee members				35	Personnel Adequate funding				
	Number of informative meetings with organized businesses.	Previously not properly captured	6 informative meetings with organized businesses.	1	3	5	6	Personnel	Informed organized businesses on municipal matters.	Participatory organized businesses.		
	Number of community meetings for the purpose of community participation	4 ward community meetings per ward held	6 ward committee meetings per ward by June 2011	1	3	4	6	Personnel	Full council engagement with the local community.	A well informed and participating community in local government matters		
	Number of ward community meetings per ward per year.	Meetings conducted on an ad-hoc in other wards.	6 ward community meetings per ward per year.	1	3	5	6	Personnel	Full council engagement with the local community.			
	Number of Mayoral outreach meetings conducted.	3 mayoral outreach meetings.	6 mayoral outreach meetings conducted by June 2011.	-	2	4	6	Personnel	Full council engagement with the local community.			
To promote the municipal programmes and projects world wide	Number of media sources utilized to promote municipal programmes.	Media sources utilized in 2008/09: Website News papers Radio stations	5 media sources utilized.	5	5	5	5	Adequate funding Personnel	Informed community on municipal services and activities	Positive response and participating community in municipal matters.	Organisational development.	
			News letters Media briefings News papers Radio stations Notice Board									

KPA: INFRASTRUCTURE DEVELOPMENT AND SERVICE DELIVERY

Objective	KPI	Baseline Indicators	Target	Quarterly Target				Input Indicators	Output Indicators	Outcome Indicator	Priority Issue
				Q1	Q2	Q3	Q4				
To maintain and upgrade existing municipal buildings and ensure compliance with health, safety and building regulations.	Number of municipal buildings/ facilities maintained and upgraded.	106 facilities continuously maintained and 20 facilities upgraded as at June 2010.	106 facilities continuously maintained. 30 facilities upgraded as at June 2011.	106	106	106	106	Adequate funding	Safe, conducive work environment & user friendly public buildings/ facilities.	Extended lifespan of buildings/ facilities. Healthy and safe buildings/ facilities	Buildings
				5	15	25	30	Personnel.			
								Maintenance Plan.			
To create additional facilities that will be accessible and suitable for community needs	Number of new building facilities constructed.	Construction of 2 new facilities as at June 2010.	2 new complete and operational facilities by June 2011.		1		2	Personnel.	Services closer to communities Social upliftment Satisfied communities.	Improved standards of living.	Buildings
								Contractors.			
								Building Drawings.			
To enhance security by installing burglar fences in all municipal facilities.	Number of facilities to be fenced.	3 facilities fenced off as at June 2010.	5 buildings to be fenced off by June 2011.	1	2	3	5	Personnel	Safe and properly secured buildings.	Reduced vandalism and theft.	Buildings
								Equipment			
To contribute towards the mitigation of climate change impacts.	% of globes replaced with energy saving ones.	50% of energy saving globes replaced as at June 2010.	100% usage of energy saving globes by June 2011.	100 %	100 %	100 %	100 %	Personnel	Implementable energy saving strategies.	Minimised negative impacts on the environment. Reduced power usage	Buildings
	Switching off lights and air conditioners in all municipal buildings.	Some lights, air conditioners and geysers switched off.	Lights, air conditioners and geysers in municipal buildings switched off after hours.	All	All	All	All	Municipal personnel assigned to switch off per building			
	Awareness campaigns conducted.	1 awareness campaign conducted.	2 awareness campaigns conducted.		1		2	Personnel			
								Campaign material			
To improve quality service delivery	*Percentage of households earning less than R1 100 per month with access to all Council's Free Basic Services.	14483 out of 14590 HH earning less than R1100 per month i.e. 99.2% received free basic services as at Jan 2010.	100% HH earning less than R1 100 per month received free basic services by June 2011.				100 %	Application forms on free basic services	Indigent community gain access to free basic services	Relief to poverty stricken HH as a result of free basic services	Water Sanitation Electricity Solid Waste Removal
								Updated indigent register.			
								Personnel			

KPA: INFRASTRUCTURE DEVELOPMENT AND SERVICE DELIVERY											
Objective	KPI	Baseline Indicators	Target	Quarterly Target				Input Indicators	Output Indicators	Outcome Indicator	Priority Issue
				Q1	Q2	Q3	Q4				
To ensure sustainable supply of electricity by developing new infrastructure while upgrading and maintaining existing networks throughout the MP313 area.	* % of HH with access to electricity.	95.78% proclaimed households electrified in the STLM as at June 2010 i.e. 36504 houses out of 37391 houses	98.11% proclaimed households electrified in the STLM by June 2011 i.e. 37391 houses out of 38112 houses.	96.20 %	96.85 %	97.73 %	98.11 %	As built plans on infrastructure & consumer records 2007 Community Survey.	New electrified formal households	Improve standards of living	Electricity
	% of area outages successfully restored within 4 hours.	85% of area outages successfully restored within 4 hours.	90% of area outages to be successfully restored within 4 hours.	90%	90%	90%	90%	Equipment Personnel.	Satisfied community. High revenue income.		
	KM redundant medium voltage cable replaced.	2.2KM medium voltage cable installed as at June 2010.	2.2KM medium voltage cable to be replaced by June 2011.	0.8KM	1.9KM	2.2KM	0 KM	Improved electricity networks.	Satisfied clients. Reduction of power outages.		
To ensure energy efficiency and conservation.	MWH reduction of energy purchased.	418 MWH purchased from Eskom as at June 2010.	7 MWH reduction of energy purchased by June 2011.	3	5	6	7	Business plan for energy reduction.	Reduction in energy consumption.	Reduction in the carbon footprint.	
To ensure an effective free basic electricity service.	Number of free basic services consumers registered for free basic electricity.	9 860 of registered free basic services consumers.	300 free basic services consumers registered for free basic electricity.	50	100	200	300	Consumer records.	Free basic electricity.	Improved standard of living.	
To provide refuse removal services to existing and new settlements and to reduce the amount of waste disposed at landfill site.	* % of HH with access to solid waste removal.	93.6% of HH provided with refuse removal services i.e. 47223 out of 50449HH have access to refuse removal services.	94.5% of HH provided with refuse removal services i.e. additional 500 out of 3226 HH serviced by June 2011.	93.8	94	94.2	94.5	Adequate funding.	Improved cleanliness at household.	Clean and healthy environment for the wellbeing of citizens.	Solid Waste Management.
								Personnel. Integrated Waste Management Plan (IWMP).			

KPA: INFRASTRUCTURE DEVELOPMENT AND SERVICE DELIVERY											
Objective	KPI	Baseline Indicators	Target	Quarterly Target				Input Indicators	Output Indicators	Outcome Indicator	Priority Issue
				Q1	Q2	Q3	Q4				
To provide refuse removal services to existing and new settlements and to reduce the amount of waste disposed at landfill site.	Number of new settlements with access solid waste removal services.	Doornkop 1 has access to refuse removal services.	Mafube and Doornkop 2 to be provided with refuse removal services by June 2011.		1		2	Adequate funding. Personnel. IWMP.	Improved cleanliness at household.		
	Quantity increase in tonnes of recyclable material reclaimed from the landfill site.	250 tonnes of recyclables reclaimed at the landfill site per month.	Quantity increased to 350 tonnes of recyclables reclaimed from the landfill site per month.	1050	2100	3150	4200	Buyback centre Community involvement Reclamation at landfill site	Socio economic upliftment.		
To curb illegal dumping and improve public relations between personnel and the Public	Number of mini waste transfer stations constructed.	Eleven mini waste transfer stations constructed in Mhluzi, Nasaret and Extension 24.	Ten (10) mini waste transfer stations constructed at Kwazamokuhle Ten (10) in Mhluzi by June 2011.	5	10	15	20	Adequate funding Suitable land	Increased cleanliness at HH	Clean and Healthy Environment for the well being of citizens	Solid Waste Management
	Number of transfer stations constructed.	3 Transfer stations constructed at Komati, Hendrina and Rietkuil.	Two transfer stations constructed at Doornkop and Bankfontein by June 2011.			1	2	Adequate funding IWMP Suitable land	Increased cleanliness at HH	Clean and Healthy Environment for the well being of citizens	Solid Waste Management
	Number of Environmental awareness campaigns carried out.	10 Environmental awareness campaigns done in conjunction with EHPs.	12 Environmental awareness campaigns carried out by June 2011.	3	6	9	12	Adequate funding Personnel	Increased cleanliness at HH	Clean and Healthy Environment for the well being of citizens	Solid Waste Management
To contribute towards the mitigation of	Number of projects initiated on the reduction of	New indicator.	1 project on the extraction of methane gas from				1	Adequate funding	Increased cleanliness at HH	Clean and Healthy Environment	Solid Waste Management

KPA: INFRASTRUCTURE DEVELOPMENT AND SERVICE DELIVERY											
Objective	KPI	Baseline Indicators	Target	Quarterly Target				Input Indicators	Output Indicators	Outcome Indicator	Priority Issue
				Q1	Q2	Q3	Q4				
climate change impacts	greenhouse gases emissions.		the landfill site initiated by June 2011.					Appropriate technology		for the well being of citizens	
To provide new facilities while upgrading and maintaining existing sport and recreation facilities parks, open areas and cemeteries according to prioritized community needs.	Number of new basic sporting facilities developed.	24 Graded soccer fields developed as at June 2010	1x (Phase 1) New Graded soccer field Mafube village, 1x Basic multipurpose facility developed in Ward 23 (Doornkop) by June 2011		1		2	Adequate funds. Personnel. Community involvement.	Increased capacity of sport facilities.	Healthy lifestyles.	Sports and Recreation facilities.
	Number of cemeteries upgraded.	10 cemeteries in need of upgrading. (Reseal and development of roads, replacement of fences and landscaping). 970m fence erected in 4 cemeteries as at 2009/2010	900m new fence erected in 3 Cemeteries 2000m2 Road resealed in 1 Cemetery by June 2011		300	300	300	Adequate funds Personnel Community involvement	Improved quality of cemeteries Accessible and dignified burial facilities for all	Community appreciation and coition	
To provide new facilities while upgrading and maintaining existing sport and recreation facilities parks, open areas and cemeteries according to prioritized community needs.	Number of parks and open spaces developed or upgraded.	78 parks and open spaces developed as at June 2010.	2 parks and open spaces developed and 2 existing upgraded by June 2011(Upgrade of landscaping, planting of trees, placing/ replacing of playing equipment, fencing & amenities like braai, receptacles and benches).			2	4	Adequate funds	Increased capacity of parks and open spaces	Social upliftment.	Parks & Playing equipment.
								Personnel	Developed parks and open areas closer to communities	Safe and healthy leisure environment for all.	
	Number of trees planted and	Planting of 5000 trees and	6000 trees planted and 8000 propagate		2000	4000	6000	Adequate funding	Healthy and aesthetically	Social upliftment	Parks & Playing

KPA: INFRASTRUCTURE DEVELOPMENT AND SERVICE DELIVERY											
Objective	KPI	Baseline Indicators	Target	Quarterly Target				Input Indicators	Output Indicators	Outcome Indicator	Priority Issue
				Q1	Q2	Q3	Q4				
	propagated in the MP313 area.	propagated 7000 trees annually.	trees by June 2011.	2000	5000	7000	8000	Personnel Community involvement	acceptable environment	Safe and healthy leisure environment for all	equipment
	% of housing Units completed and occupied.	79% (2450 of 3088) housing units allocated by the Province as at February 2010 are complete and occupied.	100% of housing units received from the Province completed in line with the time frames set by the Provincial Department of Human Settlements by June 2011.	100%	100%	100%	100%	Personnel Well located land Management tools.	Improved standards of living through the provision of sustainable human settlement.	Informal settlements eradicated.	Housing.
To facilitate housing delivery and allocate subsidies in a fair and equitable manner in order to address housing demand and eradicate of informal settlements.	% of subsidies received from Province or any public private partnership allocated to beneficiaries while priority is given to designated groups.	97% subsidies received from the Province since 2006 have been allocated to beneficiaries. i.e. 2996 of 3088 subsidies allocated.	100% of subsidies received from the Province or any other public private partnership allocated by June 2011 as follows Disabled - 10% Pensioners- 10% Single Parents with dependants - 10% Orphans and child headed families- 10% Others - 60%	100%	100%	100%	100%	Personnel Allocation list Appropriate systems and procedures.	Improved standards of living through the provision of sustainable human settlement.	Informal settlements eradicated.	Housing.

KPA: INFRASTRUCTURE DEVELOPMENT AND SERVICE DELIVERY											
Objective	KPI	Baseline Indicators	Target	Quarterly Target				Input Indicators	Output Indicators	Outcome Indicator	Priority Issue
				Q1	Q2	Q3	Q4				
To ensure orderly spatial planning and sustainable development in the municipal area.	Reduction in number of illegal land uses.	66 recorded major illegal activities exist within the MP 313 area of jurisdiction at June 2010.	40 recorded major illegal activities stopped by June 2011.	5	15	25	40	Illegal land use register.	Organised development .	Improved standards of living.	Land use Management.
								Personnel.	Safe living environment.		
								Policy for spot fines	Reduction in nuisance.		
								Town Planning Scheme.	Harmonious living environment.		
	Number of townships proclaimed to create additional stands.	6 designated areas (Middelburg Extension 42, Kwazamokuhle Extensions 1 and 8, Middelburg Extension 49 Industrial Township, Aerorand South, Rockdale North) with approved township layout plans.	6 townships proclaimed to create additional stands by June 2011.	2	0	4	5	Funding	Newly created stands	Satisfied community and investors	Land use Management
									Productive use of land.		
To ensure security of tenure to farm dwellers.	Number of pieces of land identified for the establishment of a rural villages.	3 rural villages established.	1 piece of land secured for the establishment of a rural village by June 2011.				1	Personnel	Identified suitable land for rural villages.	Secured tenure for farm dwellers.	
								Adequate funding			
To ensure provision of new water Infrastructure while maintaining and upgrading existing Infrastructure	* % of HH with access to water services.	Currently 99.8% of STLM total HH's have access to water services (June 2010) 49 900 of 50449 HH with access to water.	100% HH provided with access to water services by June 2011.i.e. 549 without access will have access to water services.	99.85 %	99.90 %	99.95 %	100%	Adequate funding	Sustainable service provision to all consumers at affordable tariffs	Access to potable water for all STLM citizens	Water
								Human Resources			
								Water Service Development Plan			
To ensure provision of new sanitation Infrastructure while maintaining and upgrading	* % of HH with access to sanitation.	93.26% of HH have access to sanitation services (June 2010). 47052 of 50449 HH with access to	93.53% HH provided with sanitation by June 2011 i.e. additional 136 out of 3397 HH		93.28 %	93.3%	93.53 %	Adequate funding.	Diseases free Environment for all residents in the MP 313	Provision of Sustainable Sanitation facilities for all citizens.	Sanitation
								Population Statistics.			
								2007 Community Survey.			

KPA: INFRASTRUCTURE DEVELOPMENT AND SERVICE DELIVERY											
Objective	KPI	Baseline Indicators	Target	Quarterly Target				Input Indicators	Output Indicators	Outcome Indicator	Priority Issue
				Q1	Q2	Q3	Q4				
existing Infrastructure		sanitation.	without access will have access to sanitation.					Human Resources	area.		
To ensure the achievement of BLUE Drop Status on water quality	Number of compliant water systems developed.	3 Blue drop compliant water systems exist as at June 2010.	7 blue drop compliant water systems developed by June 2011	3	4	6	7	Human Resources Water Quality monitoring program	Sustained BLUE drop status up to June 2011 and beyond	Community appreciate good drinking water	Water
	Number of test results done annually on water quality.	392 tests annually on water quality as at June 2010.	392 test results on water quality by June 2011.	98	196	294	392	Compliant audit	To meet SANS 241 requirement for water quality		Water
To ensure provision of new road Infrastructure while maintaining and upgrading existing Infrastructure	Number of km of new tarred roads constructed.	23.4 km of new roads tarred as at June 2010.	10.5 km of new tarred roads constructed by 30 June 2011.	1.5 km	4.5 km	8 km	10.5 km	Adequate funds.	Access and pedestrian movement.	Improved road safety and access to all residents.	Roads.
	Number of KM of gravel roads graded.	32.8 KM of gravel roads graded in rural areas as at June 2010.	80 KM of gravel roads in rural areas graded by June 2011.	10K M	30 KM	50 KM	80 KM	Adequate Personnel	Improve riding quality		Roads
To improve the free flow of traffic.	% increase in number of existing traffic signals upgraded and installed.	70% of traffic signals upgraded and installed.	80% of traffic signals upgraded and installed by June 2011.	71%	74%	78%	80%	Adequate funds. Personnel.	Improved traffic signals	Free flowing traffic	Safety and Security.
To promote a safe trading environment for hawkers.	Number of stalls and well demarcated sites allocated to hawkers.	32 stalls were allocated as at June 2010.	100 sites to be allocated to hawkers by June 2011.	25	50	75	100	Available sites. Personnel.	Improved environment for informal traders.	Safe trading environment for hawkers	
To enhance safety and security at all	Development of safety and security	No security plan in place.	Developed safety and security plan				x	Personnel.	Improved safety and	Safe and secured working	

KPA: INFRASTRUCTURE DEVELOPMENT AND SERVICE DELIVERY											
Objective	KPI	Baseline Indicators	Target	Quarterly Target				Input Indicators	Output Indicators	Outcome Indicator	Priority Issue
				Q1	Q2	Q3	Q4				
municipal buildings and facilities	plan.		by June 2011					Adequate funds.	security measures.	environment	
To create an effective and efficient law enforcement within the Municipal area.	Reduction in the number of motor vehicle accidents in urban areas in relation to the number of vehicles registered in STLM expressed as a figure over 10 000	Collisions as at December 2009/2010 financial year	421 collisions per 40 000 registered vehicles reduced by June 2011	100	220	320	421	Personnel finding	Safe traffic environment within the municipality area	Reduced accidents	Efficient and effective law enforcement
	Number of arrive alive campaigns conducted within the municipal area.	20 campaigns conducted as at 31 December 2009.	30 arrive alive campaigns to be conducted by June 2011.	5	15	23	30	Personnel funding	Arrive alive campaigns conducted	Well informed community	Efficient and effective law enforcement

KPA: INFRASTRUCTURE DEVELOPMENT AND SERVICE DELIVERY											
Objective	KPI	Baseline Indicators	Target	Quarterly Target				Input Indicators	Output Indicators	Outcome Indicator	Priority Issue
				Q1	Q2	Q3	Q4				
To enhance education through the provision of educational facilities and material.	Number of information dissemination sessions conducted on library services.	Information dissemination sessions conducted at 4 old age home, 3 schools and Middelburg Hospital	4 information dissemination sessions conducted on library services by June 2011.	1	2	3	4	Library material	Effective use of library facilities within the municipal area.	Educated and well informed community.	Education and Libraries.
	Increase in number of people visiting to make use of library facilities.	150 000 people visited to make use of library facilities.	160 000 i.e. additional 10 000 people visiting to make use of library facilities.	2500	5500	8500	10000	Adequate funding			
To improve the quality of health service delivery.	% of community health nurses approved posts filled for the duration of the year	77.3% of community health nurses approved posts are filled.	100% of community health nurses approved posts filled for the duration of the year				100%	Adequate funding.	Sufficient staffing in municipal clinics.	Improved quality of health care.	Health and Environment
	% availability of required medical equipment in all municipal clinics.	Inadequate supply of medical equipment.	Availability of required medical equipment in all municipal clinics maintained at 100%.	100%	100%	100%	100%	Adequate funding.	Sufficient medical equipment.	Improved quality of health care.	Health and Environment
To address the spread of HIV, AIDS, STI and TB.	Number of awareness campaigns conducted on HIV, AIDS, TB and STI.	10 awareness campaigns on HIV, AIDS & TB conducted.	8 awareness campaigns of 50+ people conducted by June 2011.	3	7	10	13	Health Promotion Material Personnel	Prevention, treatment, care and support provided to communities	Citizens with knowledge and information.	Health and Environment
To ensure safe and healthy environment for the community.	Development of an environmental management policy.	New Indicator.	An environmental management policy developed by June 2011.				x	Environmental regulations.	Clear guidelines on environmental management	Safe and healthy environment.	Health and Environment

KPA: INFRASTRUCTURE DEVELOPMENT AND SERVICE DELIVERY											
Objective	KPI	Baseline Indicators	Target	Quarterly Target				Input Indicators	Output Indicators	Outcome Indicator	Priority Issue
				Q1	Q2	Q3	Q4				
	Number of samples collected on air and water pollution.	Air Pollution 730	Air Pollution 800.	200	400	600	800	Adequate funding	Availability of results on samples collected.	Safe and healthy environment.	Health and Environment
		Water 600 samples collected.	Water 800 samples to be collected by June 2011.	200	400	600	800	Sufficient staff			
	Number of community awareness programs conducted on safe and healthy environment.	5 awareness programs conducted.	7 community awareness programs conducted by June 2011.	1	3	5	7	Adequate funding	Information provided to the community.	Well informed community members.	Health and Environment
								Sufficient staff			
To create environment with clear regulatory framework for the implementation of gender and social development programs.	Number of developed Terms of Reference for the mainstreaming of gender and social development issues.	Partly functioning committees and structures in place.	2 Terms of References developed by Dec 2011.	-	2	-	-	Adequate funding	Informed decision making on gender and social development issues.	Improved wellbeing of citizens.	Gender and Social Development
								National Strategic Policy			
								Sufficient Personnel			
To ensure quality life through integrated welfare services for the children, women, elderly persons, people with disability, HIV and AIDS	Number of established structures dealing with transversal issues.	5 structures developed and functional.	2 structures dealing with transversal issues developed by March 2011.		1	2		National Strategic Policy	Improved municipal intervention on transversal issues.	Improved wellbeing of citizens.	
								Sufficient Personnel			

KPA: : LOCAL ECONOMIC DEVELOPMENT											
Objective	KPI	Baseline Indicators	Annual Target	Quarterly Target				Input Indicators	Output Indicators	Outcome Indicator	Priority Issue
				Q1	Q2	Q3	Q4				
To create conducive environment for business investment.	Number of LED related summits coordinated.	New indicator.	2 LED related summits coordinated by June 2011.		1		2	Personnel. Adequate Funds. LED Strategy.	Sound Economic Development.	Sustainable Economic Growth and development.	Local Economic Development and Job Creation.
	Number of skills development programs initiated.	1 skills development programs initiated.	2 Skills development programs initiated by June 2011.		1		2	Personnel. Adequate Funds. LED Strategy.	Socio Economic Development.		
	Number of related LED strategy developed.	LED Strategy.	2 LED related strategies developed by Mar 2011.	1		2		Personnel. Adequate Funds. LED Strategy.	Sound Economic Development.		
	Number of sites identified for implementation of LED projects.	3 sites were identified for implementation of LED projects.	3 sites identified for implementation of LED projects by June 2011.		1	2	3	SDF. Adequate Funds. LED Strategy.	Increased number of job opportunities in the municipal area.		
To promote participation of SMME's and informal traders in the mainstream economy of STL.M.	Number of programs to capacitate SMME's to develop their business.	4 seminars were conducted for SMME's development.	4 workshops/ seminars for SMMEs development conducted by June 2011.		2		4	Personnel. Adequate Funds. LED Strategy.	Socio Economic Development.	Job Creation and poverty alleviation.	
	Number of projects for SMME's development initiated.	New indicator.	2 SMME's development Projects initiated by June 2011.		1		2	Personnel Adequate Funding. LED Strategy.	SMME Development.		
	Number of facilities availed for SMME's development in manufacturing sector.	New indicator.	2 facilities availed for SMME's development in manufacturing sector by June 2011.	1			2	Adequate Funding. LED Strategy.	Increased number of job opportunities in the municipal area.		

KPA: FINANCIAL VIABILITY AND MANAGEMENT

Objective	KPI	Baseline Indicators	Target	Quarterly Target				Input Indicators	Output Indicators	Outcome Indicator	Priority Issue
				Q1	Q2	Q3	Q4				
To ensure compliance with prescribed accounting standards and legislation.	% compliance to GRAP reporting framework be maintained.	Gazetted accounting standards. Compliant annual financial statements for 2009/2010.	100% compliance to GRAP reporting framework per government gazette 31021 and 28095 maintained at 100%.	100 %	100 %	100 %	100 %	GRAP GAP Analysis & Annual Financial Statements	Fully compliant Financial Statements.	Sound Financial Management.	Financial viability
To prevent an escalation in non-recoverable outstanding debt.	% decrease in doubtful outstanding debts.	% doubtful debts of total debtors' book as at 30 June 2010 i.e 25.8%	Uncollectible outstanding debts i.e. 150 days and older reduced by 4% by June 2011.	1%	2%	3%	4%	Implement Credit control policy Monthly reporting on outstanding debts.	Decreasing doubtful debts.	Improved Financial Sustainability	
	Control debtors' collection rate above 95%.	Average payment rate for financial year as at June 2010.	Average payment rate maintained at above 99%.	> 99 %	> 99 %	> 99 %	> 99 %				
	% of debtors to revenue ratio improved at below 9%.	% debtors' turnover ratio as at June 2010.	Debtors to revenue ratio improved at below 9%.	< 9%	< 9%	< 9%	< 9%				
To ensure tariffs for all services remain affordable.	% increase in tariffs for municipal services in relation to inflation rate excluding electricity.	Increase in tariffs for 2009/2010 excluding electricity Water – 12% Sewerage – 12% Refuse – 9% Property Tax–10%.	Tariffs increased by not more than 6% above the inflation rate.			x	x	Sliding scale tariffs according to affordability and CPI	Affordable accounts to local communities	Acceptable standards of services at reasonable rates.	
To ensure efficient, effective and economical monetary management to sustain a sound financial position	% of municipality capital budget actually spent on capital projects identified for 2009/2010 financial year in terms of IDP	80% of capital budget actually spent on projects identified in IDP as estimated capital expenditure as at June 2010.	85% of funding provision invested in Capital projects identified in the 2009/10 IDP.	10 %	35 %	60 %	85 %	2010/2011 IDP & Approved Capital Budget. Quarterly Budget Reports. Supply Chain Management.	Effective financial management of projects.	Improved living standards.	

KPA: FINANCIAL VIABILITY AND MANAGEMENT											
Objective	KPI	Baseline Indicators	Target	Quarterly Target				Input Indicators	Output Indicators	Outcome Indicator	Priority Issue
				Q1	Q2	Q3	Q4				
To expand the municipal revenue base	% of property taxes implemented based on supplementary valuations.	New indicator	90% of property taxes based on supplementary valuations implemented within 60 days from the notice receipt.	90%	90%	90%	90%	Rates Policy and Valuation roll.	Develop system to ensure that interim valuations are timely done.	Increased Tax based of the municipality.	Financial viability
To ensure compliance with budget and reporting regulations.	Number of compliant In-year reports submitted on time.	12 Monthly reports 4 Quarterly reports 1 Mid-year budget and performance assessment report.	12 Monthly reports 4 Quarterly reports 1 Mid-year budget and performance assessment report which are compliant and submitted on time.	4	4	5	4	Month end financial information.	Sound budgetary and financial reporting processes	Efficient, effective and economical financial management	
	% Compliance to budget & reporting regulation framework.	2010/2012 Annual Budget submitted according to regulations.	100% compliant and funded Annual Budget submitted by May 2011.				100%	Departmental budget input & Budget Steering Committee resolution.			
To apply a Strategic Risk Management Programme for Council.	% of Identified Risk Mitigation requirements implemented.	80% of Identified Risk Mitigation requirements implemented. Approved under item C17/09/2009 on 29 Sept 2009.	90% of Identified risk mitigation requirements implemented by June 2011.				90%	Risk management programme and register.	Effective Risk Management Strategy and Management System.	Well managed and controlled administrative structure.	
To manage, control and maintain all assets of the municipality.	% of Municipal Budget actually spent on maintenance	6.25% allocated for maintenance on the 2009/2010 budget	6% of expenditure actually spent on maintenance				6%	Maintenance Budget on individual services	Maintain economic life of assets	Provide high level of service delivery.	

KPA: FINANCIAL VIABILITY AND MANAGEMENT											
Objective	KPI	Baseline Indicators	Target	Quarterly Target				Input Indicators	Output Indicators	Outcome Indicator	Priority Issue
				Q1	Q2	Q3	Q4				
To increase access payment facilities to the community.	Number of new consumer payment facilities.	Three prepaid electricity offsets.	4 additional consumer payment facilities.		2	4		Service level agreements.	Extended payment facilities.	Improved service delivery.	Financial viability
To improve existing financial operations and procedures to provide an efficient functionality.	Number of improved controls, procedures and systems instituted.	Development / upgrade of three management systems by 30 June 2010 i.e Valuation roll, e-service for debtor's statements, Tariff and data cleansing for erf master debtors data base.	3 new management systems for controls and procedures develop.		1	2	3	Development of: Fuel Management system, Timely creditor payments, Erf Master debtor's base.	Adequate control systems and procedures.	Efficient, effective and economical financial management.	
To comply with the municipal minimum competency level.	% increase of compliant senior personnel with minimum competency levels.	% personnel not compliant to municipal minimum competency levels as at June 2010.	5% increase of compliant officials as at 30 June 2011.				5%	Gap Analysis and training programme.	Better skilled and productive employees.	Transformed and productive workforce.	
To fully comply with Supply Chain Regulation and National Treasury Guide on procurement processes.	Number of days to adjudicate tenders.	Tender adjudication 120 days from closure date at 30 June 2010.	Reduce period for tender evaluation and adjudication to 90 days.				90 days	Tender specifications and document aligned with MBD forms.	Dissemination of information on municipal tender proceedings.	Efficient and effective acquisition of services and material.	
To identify and investigate excessive water consumptions.	Number with consumers with deviations in water consumption larger than 10% investigated.	Number of meter reading deviations monthly followed up and faulty meters reported for repairs.	10% increase in the number of deviations to be followed up monthly.	2%	5%	8%	10%	Monthly deviation schedules on meter reading deviations.	Increased follow up instructions and repair orders monthly.	Reduced arrear water bills.	Financial Viability

KPA: FINANCIAL VIABILITY AND MANAGEMENT											
Objective	KPI	Baseline Indicators	Target	Quarterly Target				Input Indicators	Output Indicators	Outcome Indicator	Priority Issue
				Q1	Q2	Q3	Q4				
To ensure compliance with National Energy Saving Policy.	Amount of grant funds sourced for introduction of policy.	New Baseline.	Source of any possible grant funds available and provide in 2011/2012 Budget.			x	x	The 2011/12 Multi Year Budget.	Policy and strategy on Energy Saving	Adequate Energy Utilizing.	
To protect the electricity revenue base once RED 6 is establish.	% of profit on electricity services to be maintained.	Percentage of surplus on electricity services as at 30 June 2010	Maintain the percentage of surplus on electricity services once taken over by REDS.				x	Agendas and minutes of workshops held by SALGA and COGTA	A uniform decision on % of profit levies on electricity services by RED 6	Retain electricity revenue base.	