



HIGH LEVEL SECTOR PLANS

This section provides an indication of alignment with sector plans such as the Spatial Development Framework, Integrated Transport Plan, Budget and Staff Structure

SECTION D

2016 Review



4.1 Spatial Development Framework

The Municipality has reviewed its Spatial Development Framework (SDF) during 2011/12.

4.1.1 Synopsis of the Reviewed District SDF

A District Municipality Spatial Development Framework is a mid to higher-level strategic spatial development planning instrument. In terms of the current institutional and development planning framework, it occupies a unique, in-between place between (1) the Provincial SDF, and (2) the SDFs prepared by the Local Municipalities in the area of jurisdiction to which it applies. As such it seeks to:

- Give expression in the municipal sphere to the strategic objectives as set in the national and provincial spheres with regards to sustainable development, natural resource management, regional economic investment, job creation and poverty alleviation;
- Provide a clear expression of the long-term sustainable economic development trajectory to be jointly pursued in the geographical area of the district by all three spheres of government, the private sector and the community;
- Act as a bridge between the broader, strategic, longer-term socio-political, economic and ecological long-term analysis, thinking and strategizing in the provincial sphere and the more detailed short-to medium term land-use and infrastructure investment planning, regulation and implementation by Local Municipalities;
- Act as conduit between the detailed spatial development analysis and planning done by Local Municipalities and that done in the provincial sphere, notably in the Premier's Office and in Sector Departments when preparing sector strategies, plans, programmes and budgets;
- Provide an indicative framework for (1) infrastructure investment and development spending in regionally-significant nodes and corridors, (2) integrated rural development, (3) economic sectors to be targeted, and (4) environmental management, informed by provincial and national analyses within which the more detailed spatial development planning of Local Municipalities can be located;
- Harmonize, coordinate and align the spatial development planning done in and by the Local Municipalities in the area of jurisdiction of the District Municipality;
- Highlight areas of (1) real development potential, (2) dire need/poverty and (3) bottlenecks in the realization of the development potentials and alleviation and eradication of poverty, in the district; and
- Provide high-level, strategic guidance with regards to desired land use patterns, intensities, densities and mixing in broad zones/categories.

(Source: JT Gaetsewe SDF, 2011/12 Review)



4.1.2 Vision of the SDF

The John Taolo Gaetsewe District Municipality will become a district in which all its residents...

- ... engage in viable and sustainable wealth-generating economic activities. This has resulted in the eradication of poverty, and a dramatic reversal in the unequal distribution of wealth and income and the skewed access to opportunities in the district. Viable, well-planned rural development initiatives have brought an end to the deep poverty and the destitution of the Joe Morolong Local Municipality. Due to well researched and tested desert-resistant agricultural practices, high-value rural products are being produced and over-grazing and soil erosion is no longer a problem. Serious investment in and exploitation of renewable sources of energy has not only resulted in the district becoming self-reliant in the generation of electricity, but seen it make a sizeable injection on the national electricity grid.
- ... live in **sustainable human settlements** that are safe, vibrant and in balance with the environment. Young people grow up with the prospect of a bright future, either in the district, or anywhere else in the world that the quality education they received, has prepared them for. Walking and cycling are the two most common modes of movement within towns and villages, while a safe and reliable minibus system provides transport between these settlements. Traffic management and road maintenance mean that mining trucks no longer pass through settlements and potholes a thing of the past. Water and energy-use, energy generation and the construction of housing, are examples of “best practice in Green design, building and living”. Due to proper, respected and wise land-use management, including the regulation of mining activities, uncontrolled settlement expansion does not take place and environmental damage is minimized.
- ... participate in the governance of the district, including settlement formation and expansion, economic development, education, and the provision of basic services. Plans are prepared with full participation of all interested and affected parties, are based on accurate information and are implemented. Elected politicians and officials serve the people and corruption and misappropriation of funds are rare occurrences. Traditional leaders serve on a civil society advisory body that is consulted on all strategic decisions by the elected politicians. Decisions that affect the public are based on evidence, and only taken after careful consideration and deliberation of all the positions and perspectives in the district.

(Source: JT Gaetsewe SDF, 2011/12 Review)

4.1.3 Development Strategies

Following on from the **Spatial Development Objectives** six Development Strategies aimed at their realization, were prepared. These Development Strategies, the Spatial Development Objectives they seek to achieve, the Local Municipalities they are to be deployed in, the role players to be involved, and the Development Indicators by which their effectiveness can be measured, are set out in this section:

- *Development Strategy 1:* The continued expansion of the mining industry, but in such a way that its negative impacts are minimised and better managed, and its benefits shared by all



- *Development Strategy 2:* The rejuvenation and expansion of the economies of Kuruman and Kathu, but within a complimentary, polycentric network of settlements
- *Development Strategy 3:* The development of a series of smaller economic growth centres around a series of existing, smaller towns
- *Development Strategy 4:* The development of a polycentric network of “Human Development Hubs” in the densely populated rural areas
- *Development Strategy 5:* The introduction of an economy based on intensive agricultural production and agro-processing in the densely populated rural areas
- *Development Strategy 6:* The retention and deepening of the game-farming and tourism-based economies in the less densely populated rural areas.

(Source: JT Gaetsewe SDF, 2011/12 Review)

4.1.4 Strengthening or regenerating existing nodes

- Focusing infrastructure investment and upgrading in nodal areas
- Instituting town-planning legislation and zoning regulations that allow for, and incentivize greater mixing of land uses, higher densities and in-fill development, in nodal areas
- Improving land use management, enforcement of building codes in nodal areas
- Promulgating legislation enabling the setting up of City/Business Improvement Districts in nodal areas and assisting the private sector with doing so
- Improving safety and policing in nodal areas
- Instituting supporting funding mechanisms, such as attractive rates and property tax reductions in nodal areas
- Providing for, but regulating and clearly demarcating informal trading zones/areas, in nodal areas
- Supporting informal traders in nodal areas with business and other skills-development programmes to enable them to make a decent quality of life and to move over into the more formal side of the economy
- Making special provision for attraction of young and creative people that could add to the liveliness of nodal areas, to these areas
- Making nodal areas more attractive through landscaping sidewalks and regular refuse removal
- Hosting festivals and/or regular special day/week events (e.g. “late shopping nights”) in nodal areas
- Focusing public works programmes in nodal areas
- Devising a branding and marketing strategy for nodal areas

(Source: JT Gaetsewe SDF, 2011/12 Review)



4.1.5 Creating or Strengthening Activity/Development Corridors

- Increasing accessibility in corridors without unnecessarily compromising mobility
- Reducing mobility by limiting travel speeds in corridors and increasing access on corridors
- Reducing the municipal rates and property taxes payable in corridors and increasing them in non-corridor areas
- Limiting or restricting movement on the corridor of vehicles that do not add to the development in the corridor, e.g. heavy trucks that transport raw materials from mines to harbours
- Improving the provision, quality and frequency of public transport services in the corridor
- Building connector roads to the corridor
- Using State-owned land in corridors to build high-density housing and/or to lever in private sector developments
- Expropriate land in corridors and use these to build high-density housing in corridors
- Improving traffic management and policing on the corridor
- Providing or constructing dedicated bus lanes in corridors
- Providing more facilities for non-motorised transport, e.g. pedestrian and bicycle paths
- Rewarding public transport users in corridors with food vouchers, education vouchers, etc.
- Subsidising fares for public transport to and in the corridor for a fixed period of time to attract people to the corridor
- Constructing pedestrian over-bridges in the corridor
- Devising a branding and marketing strategy for the corridor
- Focusing public works programmes in the corridor

(Source: JT Gaetsewe SDF, 2011/12 Review)

4.1.6 Creating New Nodes

- Limiting the approval of development rights in existing nodal areas
- Incentivizing the location of new activities in “new” nodes through infrastructure investment and lenient zoning regulations
- Reducing the municipal rates and property taxes payable in new nodes and increasing them in existing nodes
- Requiring that all new government buildings and services are located in “new” nodes
- Preparing detailed land development plans for “new” nodes and marketing these amongst local and international investors
- Placing requirements for “tied investment” in “new” nodes when investing in existing nodal areas
- Devising a branding and marketing strategy for “new” nodes
- Focusing public works programmes in new nodes



(Source: JT Gaetsewe SDF, 2011/12 Review)

4.1.7 Alignment of the SDF Objectives with the 2012-2017 IDP

Figure / Table 40: SDF Objectives (IDP Response)

SDF Objective	IDP 2012-2017 Response
District-Wide Spatial Development Objectives:	
<i>Objective 1:</i> To enforce environmental and land-use management regulations	<ul style="list-style-type: none"> The municipality does not have sufficient resources to achieve this objective during the 2012-2017 planning cycle, and no provision has therefore been made in the IDP for strategies to implement this objective Two of the local municipalities (Ga-Segonyana and Gamagara LMs) do have arrangements in place to enforce land use management regulations, but their Spatial Development Frameworks and Land Use Management Systems need urgent review. These two municipal areas are regarded as high priority areas. The Joe Morolong LM is now fully responsible for land use management in its area of jurisdiction. Although the Municipality has a recently approved Spatial Development Framework, it needs to be aligned to the Spatial Planning and Land Use Management Act (SPLUMA), 2013 (Act 16 of 2013). It also urgently needs a Land Use Management System that is applicable to the whole municipal area. All the Municipalities in the District will implement SPLUMA from 1 July 2015. The District Municipality will establish a District Municipal Planning Tribunal and District Appeals Authority to assist the Local Municipalities in deciding development applications and appeals respectively. Review of the District Spatial Development Framework to ensure compliance with SPLUMA will commence in the 2015/16 financial year. The delay in establishing provincial legislation and the expected review of the Provincial Spatial Development Framework is likely to influence processes in the District.
<i>Objective 2:</i> To institute/do proper traffic and freight management	<ul style="list-style-type: none"> Various initiatives are planned to improve the roads network, traffic and freight management capacity of the district. This include ambitious plans to extent the road network to optimize economic benefits through accessibility and to maintain roads by re-directing heavy vehicles not to damage streets in the main towns. Due to a lack of funds it is however not foreseen that these initiatives will materialize during the period 2012-2017, and the IDP does therefore not include such projects. The district's Integrated Transport Plan was reviewed during 2014/15 and the final plan will be considered by Council in the 2015/16 financial year. The local municipalities have included objectives related to traffic and freight management and controls in their IDPs; which will enhance the district's ability to achieve this SDF objective. The Rural Roads Asset Management Strategy will also further unfold in the 2015/16 financial year.
<i>Objective 3:</i> To attract new business,	<ul style="list-style-type: none"> This objective is also included in the District Municipality's LED Strategy, but a lack of funds is a



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SDF Objective	IDP 2012-2017 Response
especially manufacturers, to the district and retain existing ones	<p>serious stumbling-block.</p> <ul style="list-style-type: none"> In the case of the Ga-Segonyana LM, arrangements have been introduced to reduce rates and taxes to attract specific businesses to the area, and also to attract HDIs to establish businesses. The CSRDP is utilized by the Joe Morolong LM to promote the establishment of new businesses in its area of jurisdiction; with specific reference to cooperatives aimed at livestock farming. A meat processing plant is envisaged, but not included in this IDP at this stage. As soon as the project is adequately funded, it will be included as part of the annual IDP review processes. Unfunded projects will be included in the IDP to invite investments and funding where relevant.
<i>Objective 4:</i> To explore the viability of the Gamagara Corridor and a regional development corridor on the N14	<ul style="list-style-type: none"> The viability of the Gamagara corridor and a regional development corridor on the N14 was investigated, but not included in this IDP because no finalized projects are available, and no such initiatives are cash-backed at this stage. The District Municipality will however request the Minister for Rural Development to do a regional SDF.
Joe Morolong Local Municipality Spatial Development Objectives:	
<i>Objective 5:</i> To rationalise the fragmented, scattered settlement pattern and build a new intensive agriculture and agro-processing economy in the area	<ul style="list-style-type: none"> The Table underneath this one gives an overview of projects included in the IDP of the Joe Morolong Local Municipality that may contribute towards achieving these objectives. These are all part of the Comprehensive Agricultural Sustainable Programme.
<i>Objective 6:</i> To develop a limited number of villages along a public transport corridor into Human Development Hubs	<ul style="list-style-type: none"> Affordability considerations: No specific projects related to this objective have been included in the IDP
<i>Objective 7:</i> To develop Local Nodes in places such as Churchill, Bothithong, Heuningvlei, Blackrock, Hotazel, Mmamathane and Vanzylsrus	<ul style="list-style-type: none"> No specific projects related to this objective have been included in the IDP. Nodes were identified in the SDF of Joe Morolong.
<i>Objective 8:</i> To manage, protect and further develop the existing extensive game and cattle-farming and tourism area to the west of the mining belt	<ul style="list-style-type: none"> Capacity constraints: No specific projects related to this objective have been included in the IDP
Ga-Segonyana Local Municipality Spatial Development Objectives:	
<i>Objective 9:</i> To redevelop and rejuvenate the Regional Node of Kuruman	<ul style="list-style-type: none"> The Ga-Segonyana Local Municipality has included projects related to achieving this objective in its IDP. The Department of Rural Development is intending to establish an Agripark in Kuruman and it is envisaged that this will assist in strengthening Kuruman as the agricultural gateway of the District.
<i>Objective 10:</i> To develop Local Nodes in Mothibistad and Batlharos	<ul style="list-style-type: none"> Local nodes are planned in Mothibistad and Batlharos. A new hospital is planned for a venue on the Seodin road – on way to Churchill. It is however not



SDF Objective	IDP 2012-2017 Response
	<p>progressing and the District Executive Mayor is intending to drive this project politically.</p> <ul style="list-style-type: none"> • Ga-Segonyana has included initiatives aimed at providing 5,200 stands with bulk infrastructure and transport systems. • A processing plant to process ostrich meat is planned • A rural college is planned (to be funded by the Department of Education) • A multi-purpose center of R26 million is planned and included in the Ga-Segonyana IDP
Gamagara Local Municipality Spatial Development Objectives:	
<i>Objective 11:</i> To manage land use and settlement expansion in Kathu and Sishen, and amalgamate the two towns into a single Regional Node	<ul style="list-style-type: none"> • A business plan has been submitted to construct 16,000 houses during the 2013/14 financial year. • Development in Olifantshoek of 1,300 houses • There is a problem with the resettlement of some settlements in the municipality because the earmarked land where the resettlements must take place is privately owned land. An agreement has been reached that the mine will fund the resettlement, with the municipality to assist
<i>Objective 12:</i> To develop a Local Node in Olifantshoek	<ul style="list-style-type: none"> • The development in Westwood has been increased from 3,000 to 6,000 houses

(Source: JT Gaetsewe SDF, 2011/12 Review)

4.2 Local Economic Development Strategy

The current Local Economic Development (LED) Strategy called Project Khulis'umnotho was developed in 2009.

"It is important to realise that LED is an ongoing process, rather than a single project or a series of steps to follow. LED encompasses all stakeholders in a local community, involved in a number of different initiatives aimed at addressing a variety of socioeconomic ;2needs in that community."

(Source: Project Khulis'umnotho, 2009)

The following sectors were identified as priority economic sectors in the LED Strategy:

- Agriculture, forestry, and fishing
- Mining
- Manufacturing
- Wholesale and retail trade, tourism, catering, and accommodation
- Finance and business services
- Community, social, and other personal services



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- General government services

“The Mining sector is the only sector with a comparative advantage in the John Taolo Gaetsewe District. This means that this sector produces products in excess of the local demand; therefore, it exports a considerable share of its outputs to another region bringing income for the local economy.”

(Source: Project Khulis'umnotho, 2009)

Key Thrusts for John Taolo Gaetsewe District Municipality:

Thrust 1: Institutional Development for Investor Readiness

Thrust 2: SMME Development

Cutting across sectors, this is reflected in specific SMME opportunities. Some project examples include:

- ☐ Processing of iron-ore & manganese
- ☐ RDP housing backlog – Adobe houses
- ☐ Cultural village and events

Thrust 3: Agricultural Sector Development

This is reflected in the enabling public sector interventions and the implementation of new technologies as they become viable (such as new biotechnologies, irrigation techniques and so on). Some project examples include:

- ☐ Organic farming production & dung fertilizer
- ☐ Meat processing
- ☐ Hydroponic production
- ☐ Honey bees
- ☐ Wild silk
- ☐ Devil's Claw

Thrust 4: Mining Sector Development

Improving the mining sector and the implementation of new technologies. Some project examples include:

- ☐ Processing of iron-ore & manganese
- ☐ Clay manufacturing

Thrust 5: Industrial Development



Programmes relating to the manufacturing projects identified and the associated enabling public sector interventions. Furthermore, general improvement in living conditions, infrastructure (particularly transport) and overall economic growth should serve to boost potential in this sector, by addressing supply and demand side factors. Some project examples include:

- ☐ Package & storage facilities
- ☐ Goat dairy manufacturing plant
- ☐ Meat processing plant
- ☐ Leather tannery tunnel and shed netting production
- ☐ Solar energy plant
- ☐ Heavy minerals refining, processing and beneficiation cluster
- ☐ Biodiesel

Thrust 6: Tourism Development

The specific projects identified in the area, as well as SMME business opportunities and the enabling public sector interventions that will boost the economy and bring in more investments. Some project examples include:

- ☐ Increase in adventure and eco-tourism activities & facilities
- ☐ Desert astronomy
- ☐ Cultural villages and events

Thrust 7: Quality of Life Improvement

This is seen as an all-encompassing thrust with specific programmes aimed at improved infrastructure, overcoming backlogs in service delivery, providing education, health and safety services and so on. It should deal with the attractiveness of the area to investors in terms of quality of life and quality of labour and resources on the one hand, and the ability of locals to take advantage of economic opportunities on the other. Some project examples include:

- ☐ Skills, facilities and services provision for small emerging farmers
- ☐ Education and training for tour operators
- ☐ Develop a hub which provides information technology and communication technology and communication services
- ☐ Upgrade of roads
- ☐ RDP housing backlog – Adobe houses

(Source: Project Khulis'umnotho, 2009)



The Municipality commissioned a review of the LED Strategy during the 2014/15 Financial Year. A draft reviewed LED Strategy was compiled and will be concluded in the 2015/16 upon conclusion of the public consultation processes.

4.2.1 Alignment of the LED Strategy with the 2012-2017 IDP

How does the Plan relate to the status quo analysis?	<ul style="list-style-type: none">• Mining is still the biggest contributor to the District economy and has been dependent on it for a long time. Unfortunately mining activities are mostly related to extraction with limited to no value addition. The dependence is of the District on mining is leaving the District economy vulnerable to market fluctuations. The added dependence on fossil fuels for energy, especially in terms of transportation and the inability of Eskom to provide a consistent electricity supply to the District may result in disastrous consequences for the District Economy over the medium to long term. Even on the short term rising energy prices and availability is pressurizing the livelihood of residents. It is a given that crude oil production must decline and even dry up at some point, which leaves the District at risk, because of its' dependence on fossil fuels. Alternative means of energy and mixed modes of transport should be introduced to curb the impact of this risk. The added likelihood of a steep rise in temperatures towards the end of the century compounds this risk, as it will not only increase the demand for energy sources, but will also change the environmental conditions in the District. This will in turn affect the District economy in more ways than one.• There are some pockets of agricultural activity in the District but the focus is on primary agriculture and very little processing is taking place. The climate is too hot for most crops, but livestock, maize, fruits, Lucern and vegetables are produced in the District. Although water sources are available, it is scarce and mostly limited to groundwater. Mining activities and climate change may have a drastic impact on the availability of both water and land for agriculture.• There are various tourism attractions in or in close proximity to the District. It attracts thousands of tourists to the area and provides opportunity for certain niche markets such as with regard to accommodation.• Manufacturing activities are more resource based primarily linked to mining and agriculture.
Relation to strategic objectives	<p>The Draft LED Strategy relates to the District Strategic Objective "Local Economic Development" and the IDP Objectives</p> <ul style="list-style-type: none">• To promote local economic development• To facilitate optimal participation of Partners in the Economic Growth Initiatives of the District• To facilitate the co-ordination of CRDP To promote employment opportunities in the District• To facilitate increased LED capacity in the District• To enhance tourism development and Promote the District as a preferred Tourism Destination• To facilitate availability of land for Economic Development
Programmes and Projects	<p>The programmes and projects are discussed in Section C of the IDP. Funding remains a serious constraint to grow the District economy. The District focuses on strategic actions that will guide development on the one hand, as well as create an enabling environment for, but on the other hand directly intervenes to establish</p>



mechanisms through which strategic development priorities can be addressed. This includes inter alia the following:

- The review of the District Growth and Development Strategy.
- Review of the LED Strategy.
- Establishment of a Regional Development Agency (RDA) and it is envisaged that the RDA will develop a branding strategy not only to guide and prioritize development, but also to position the District as a global player.
- Establishment of District Farmers Markets to establish a dependable market platform for small, medium and large producers. The District intends to enter into agreements with major food outlets to procure at least a portion of their stock through the local producers.
- The District Municipality also plays a coordinating role in the Social and Labour Plans of the mining industry.
- Tourism promotion and the establishment of a District Tourism Association.
- Establishment of women and youth cooperatives.
- Support to small and upcoming farmers, through the commonage farms in the District.

4.3 Accelerated and Shared Growth Initiative for South Africa (AsgiSA) and the New Growth Path

The South African Government was mandated in 2004 to halve poverty and unemployment by 2014. These objectives are feasible – indeed we would hope to surpass them – because of steady improvement in the economy's performance and job-creating capacity.

Objectives of AgsiSA:

- In the first phase, between 2005 and 2009, the country seeks an annual growth rate that averages 4,5% or higher. In the second phase, between 2010 and 2014, we seek an average growth rate of at least 6% of gross domestic product (GDP).
- In addition to these growth rates, the social objectives are to improve the environment and opportunities for more labour-absorbing economic activities. More broadly, the country need to ensure that the fruits of growth are shared in such a way that poverty comes as close as possible to being eliminated, and that the severe inequalities that still plague the country is further reduced.
- The vision for the country's development path is a vigorous and inclusive economy where products and services are diverse, more value is added to our products and services, costs of production and distribution are reduced, labour is readily absorbed into sustainable employment, and new businesses are proliferate and expand.

The aims of AgsiSA are to –

- Obtain balanced growth in the country's economy and its employment profile;



- Invest in infrastructure as a way to stimulate economic growth and job creation, and lay the foundation for fast-tracking expansion of the national economy;
- Target specific sector strategies and initiatives to further stimulate economic growth and job creation;
- Invest in education and skills development;
- Eliminating the second economy, by expanding women's access to economic opportunities, promote SMMEs and BBBEEs, improve the small business regulatory environment and promote youth development; and
- Stimulate the macro-environment to promote expanded economic growth.

The New Growth Path: The framework

Government, under the leadership of Minister Ebrahim Patel, on 23 November 2010 released the Framework of the New Economic Growth Path aimed at enhancing growth, employment creation and equity. The policy's principal target is to create five million jobs over the next 10 years. This framework reflects government's commitment to prioritising employment creation in all economic policies. It identifies strategies that will enable South Africa to grow in a more equitable and inclusive manner while attaining South Africa's developmental agenda.

Central to the New Growth Path is a massive investment in infrastructure as a critical driver of jobs across the economy.

- The framework identifies investments in five key areas namely: energy, transport, communication, water and housing. Sustaining high levels of public investment in these areas will create jobs in construction, operation and maintenance of infrastructure.
- The new growth path sees the infrastructure programme as a trigger to build a local supplier industry for the manufacture of the components for the build-programme.
- Specific measures, particularly changes to procurement policy and regulations, are identified to ensure that this is achieved. Risks include the still fragile global recovery; competition and collaboration with the new fast-growing economies; and competing interests domestically.

The New Growth Path identifies five other priority areas as part of the programme to create jobs, through a series of partnerships between the State and the private sector.

- Green economy: expansions in construction and the production of technologies for solar, wind and biofuels are supported by the draft Energy on Integrated Resource Plan. Clean manufacturing and environmental services are projected to create 300 000 jobs over the next decade.
- Agriculture: jobs will be created by addressing the high input costs and up scaling processing and export marketing. Support for small holders will include access to key inputs. Government will explore ways to improve working and living conditions for the country's 660 000 farm workers. The growth path also commits the Government to unblocking stalled land transfers, which constrain new investment.



- Mining: calls for increased mineral extraction and improving infrastructure and skills development. It focuses support for beneficiation on the final manufacture of consumer and capital goods, which can create large-scale employment. It foresees the establishment of a state mining company concentrating on beneficiation and enhanced resource exploitation in competition with a strong private mining sector.
- Manufacturing: calls for re-industrialisation in the South African economy based on improving performance through innovation, skills development and reduced input costs in the economy. The document targets a doubling of South Africa's research and development investment to 2% of gross domestic product by 2018.
- Tourism and other high-level services: hold employment potential and the framework calls for South Africa to position itself as the higher education hub of the African continent.

4.3.1 Alignment with the 2012-2017 IDP

How does the Plan relate to the status quo analysis?	• Relate to LED Situation Analysis
Relation to strategic objectives	• Inform the LED strategic objectives
Programmes and Projects	• Inform the LED development objectives, programmes and projects

4.4 Comprehensive Sustainable Rural Development Programme

The CRDP aims to eliminate rural poverty and food insecurity by maximising the use and management of natural resources to create vibrant, equitable and sustainable rural communities. The objectives of the Programmes are as follows:

- To establish an institutional mechanism for managing rural development within National, Provincial and local government.
- To establish a rural development role/function and funding for rural development within National, Provincial and local government
- To provide for establishment of partnerships and collaborations in implementing rural development and funding.
- To establish a special support programme for development of emerging farmers by end of financial year.
- Renegotiate and redesign a funding model for rural development with Institutions like Ngonyama Trust, Land Bank, IDC etc
- Mainstream rural development into the National, Provincial and local government
- Align with government policy and programmes at all levels



A successful **strategy** for rural development should include the following key elements:

- A vision of the growth process in rural areas;
- A mechanism for integrating existing programs;
- Suggestions for new programmes if needed;
- A defined locus of decision making;
- A meaningful role for local government;
- Clarification of financial flows and channels;
- Key performance indicators or a process for generating them internally to the strategy;
- Procedures to monitor the indicators;
- Sequencing of actions that should take place in the short, medium, and long term.

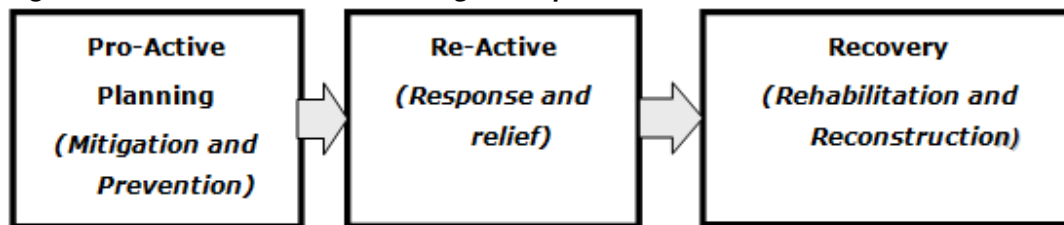
(Source: Publication of the Department of Rural Development regarding the CRDS, 2010)

Wards 1 – 3 of the Joe Morolong Local Municipality has been identified as part of the CSRP and the municipality will be supported to participate pro-actively, and according to the programmes and projects in its IDP, in the Programme.

4.5 Integrated Disaster Management Plan

The field of disaster risk management covers a broad spectrum and affects a range of role players. There are three main phases to disaster risk management. These main phases are illustrated below.

Figure / Table 41: The disaster management phases



(Source: Disaster Management Framework, JT Gaetsewe District)

The scope of disaster risk management as envisaged in the Act, therefore broadly entails:

- ❑ **Disaster Planning and Mitigation:** The disaster risk planning activities generally take the form of preventative or "fore-warning" actions and include *inter alia*:



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- Hazard identification
- Risk assessment
- Prevention and mitigation planning strategies and activities
- Response, recovery and contingency planning
- Monitoring of disaster risk planning's KPIs
- ❑ **Disaster Response:** This takes place during a disaster occurrence and include *inter alia*:
 - Monitoring and evaluation of hazardous and potential disastrous events
 - Possibly declaring a state of disaster
 - Activating response and contingency plans
 - Informing other relevant disaster risk management role players and institutions, such as the PDMC, NDMC, neighbouring Municipalities and Provinces, etc.
 - Deploying response resources to the scene
 - Managing the resources deployed
 - Monitoring of disaster intervention activities
 - Reporting.
- ❑ **Disaster Recovery:** Disaster recovery activities take place after the disaster occurrence and include:
 - Disaster recovery activities
 - Monitoring of disaster recovery activities
 - Documentation of disaster occurrences and actions taken
 - "Post-mortem" analysis to improve systems, plans and methods
 - Reporting.

(Source: Disaster Management Framework, JT Gaetsewe District)

In terms of the Disaster Management Framework of the district, the organisational arrangements for combatting disasters in the district are as follows:

- ❑ The focal point of all efforts in disaster risk management lies in the DMC. The centre is required to fulfill numerous important disaster risk management functions, namely planning, resource management, reporting, etc.
- ❑ Due to the importance of the functions of the Head of the DMC, with particular reference to this position's requirements in the Act, this position must be incorporated in the John Taolo Gaetsewe District Municipal organogram and the position must be located at senior managerial level, with direct access to the Municipal Manager, Head of the Portfolio Committee and Mayor.
- ❑ The John Taolo Gaetsewe District DMC in its entirety must execute, facilitate and promote an integrated, coordinated and uniform approach to the disaster management continuum (prevention, mitigation and recovery) in the Municipality. This disaster management approach involves, and must take cognisance of, national, provincial and municipal organs of state, statutory functionaries, private sector, communities and other role-players involved in disaster management.



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- ❑ The Disaster Management Forum must consult regarding and co-ordinate actions pertaining to matters relating to disaster risk management in the Municipality. The established John Taolo Gaetsewe District DMAF must be furthered to ensure effective inputs and effective disaster risk management in the Municipality.
- ❑ In terms of section 58 of the Act, Local Municipalities are not excluded from establishing a unit of volunteers. The John Taolo Gaetsewe District will formally establish such a unit and ensure that it can function effectively throughout its municipal area, once the regulations with regard to volunteers, currently drafted by the NDMC, have been published. The requirements and processes relating to volunteers must be in accordance with the Act, its regulations and the NDMF. Different categories of volunteer units, as envisaged by the NDMF, should be established. The National Regulations pertaining volunteers should be utilized as the basis for management of the unit.

4.5.1 Alignment with the 2012-2017 IDP

How does the Plan relate to the status quo analysis?	<ul style="list-style-type: none">• Risks that faces the district include veld fires and other fires, motor vehicle accidents, collapse of mud houses and floods
Relation to strategic objectives	<ul style="list-style-type: none">• Integrated institutional capacity for Disaster Management• Disaster management plan to be reviewed• Risk reduction programmes• Response and recovery
Programmes and Projects	<ul style="list-style-type: none">• Maintain a fully operational Disaster Management Centre• Review the Disaster Management Framework and Plan of the District• Conduct training session for volunteers and staff• Logistical preparation for disasters

4.6 Integrated Environmental Management Plan

The fundamental objectives of these programmes are to:

- (a). Provide the Local Municipalities in the John Taolo Gaetsewe area with a decision support tool to evaluate the outcomes of the IDP process, CRDP and other related development programmes and projects in terms of its environmental implications.
- (b). Contribute to a clean, healthy and safe environment by ensuring that strategic environmental issues are identified and that potential environmental requirements for future projects are taken into account during decision-making.



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- (c). Serve as a tool providing planners and managers with the assurance that all development strategies and projects within their area of jurisdiction are optimised as far as environmental requirements are concerned.
- (d). Guide future investors in terms of environmental considerations and serve as an indication of the Municipalities' commitment in terms of conserving the biological diversity of the area.

4.6.1 Alignment with the 2012-2017 IDP

How does the Plan relate to the status quo analysis?	<p>John Taolo Gaetsewe District Municipal Area is faced with a fairly negative environmental reality assessment; mainly due to:</p> <ul style="list-style-type: none">• An unacceptably high rate of unemployment and consequent poverty.• Ignorance regarding the role and importance of the environment as basic life support system.• High levels of asbestos pollution.• A lack of a sense of, or a general reluctance in taking responsibility for activities which may negatively affect the environment.• A general ignorance regarding current environmental legislation.• Increased mining production, establishment of new mines with consequent town expansion and densification.• Inadequate or non-existent land use management systems and inadequate or non-existent enforcement and control
Relation to strategic objectives	<ul style="list-style-type: none">• Low water levels• Environmental pollution• Manpower (inadequate to address all issues in the district)• Air quality control• Properly established and licensed landfill sites and waste recycling capacity• Illegal sand mining to be addressed• Climate change• Solar energy and other alternative energy sources (For future purposes)• Water quality management
Programmes and Projects	<ul style="list-style-type: none">• To provide effective Municipal Health Services as determined by the NHA to the total district• Absorb all EHPs from local municipalities to the district• To promote health awareness in the district



4.7 Integrated Transport Plan

The public transport situation was recorded for the John Taolo Gaetsewe District Municipality in 2005 produced the following results:

- ❑ *Demand for public transport:* all information was obtained about the volumes of passengers and the conditions under which passengers access the public transport modes.
- ❑ *Supply of public transport services:* routes, facilities and vehicle capacities were recorded.
- ❑ Prepare an ITP according to the requirements of the NLTTA, including the following:
 - The land transport vision, goals and objectives, consistent with the National and provincial policy;
 - A prioritised list of projects with budgets for the next five years;
 - Include all modes and infrastructure;
 - A detailed land transport budget for the next financial year;
 - A Public Transport Plan;
 - A strategy for the provision, improvement and maintenance of roads and transport infrastructure.
 - Currently no passenger services serve the district. According to Spoornet officials there are no plans to introduce such services to these settlements given that the demand for such services is too low.

Currently the ITP provide guidance for the planning of future transport and road-infrastructure related initiatives in the district, and is an essential instrument for achieving the objectives of the SDF. However, a lack of adequate resources severely limits the capacity of the district to effectively implement it. The ITP needs urgent review to address current day realities and forward planning.

The District Municipality commissioned an Integrated Transport Plan for the District in the 2014/15 Financial Year. A draft ITP was compiled and the public consultation processes will unfold in the 2015/16 financial year. Upon conclusion of the public consultation processes the ITP will be submitted to Council.

The draft ITP suggests a Transport Vision similar to that of the National Department of Transport, namely:

“Provide safe, reliable, effective, efficient, and fully integrated transport operations and infrastructure which will best meet the needs of freight and passenger customers at improving levels of service and cost in a fashion which supports government strategies for economic and social development whilst being environmentally and economically sustainable”

This Vision will complement the District Vision of “A better life for all in the District” but also add the aspects of accessibility and safety.



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The proposed goals of the Draft ITP are as follows:

How does the Plan relate to the status quo analysis?	<p>John Taolo Gaetsewe District Municipal Area is faced with a fairly negative environmental reality assessment; mainly due to:</p> <ul style="list-style-type: none"> • 94.6% of roads are unsurfaced. • Roads are mostly access roads and streets, with the majority in Joe Morolong area. • In the areas of Ga-Segonyana and Gamagara there are fewer local access roads, but there is a higher degree of concentration around settlements. • The road network consists of national, provincial and municipal roads and thus responsibility for road maintenance and constructions rests three authorities. • The District has the lowest number of paved kilometers in the Northern Cape Province with 247.55km. • "The John Taolo Gaetsewe District Municipality contains 5% of the Northern Cape's unpaved roads. Of these unpaved roads, 65.8% are District roads and 34.2% are Main Roads." • No passenger railway transport. • Limited bus and other public transport facilities. • Inadequate rail freight infrastructure, causing the transportation of ore and mining related freight on roads and consequently putting severe pressure on existing road and street infrastructure. • Inadequate planning and law enforcement by local municipalities causing freight traffic to move through the central business areas and through residential areas. 	
Relation to strategic objectives	1. Transport Infrastructure	To co-ordinate, facilitate and provide efficient and effective transport infrastructure for all private, public passenger and freight transport.
	2. Financial Framework	To ensure a sustainable financial dispensation for the transport function.
	3. Institutional Framework	To ensure that transport is managed within a sound institutional framework.
	4. Planning and Co-ordination	To ensure that municipal transport planning and co-ordination procedures are developed and applied.
	5. Transport Service Provision	To co-ordinate, implement, monitor and regulate efficient and effective public transport services and facilities within a balanced market demand and supply framework.
	6. Regulation and Competition	To ensure that freight transport can be provided in a free competitive market environment, but within an orderly technical regulated system that would protect transport infrastructure and other users.
	7. Traffic Control and Safety	To improve traffic management and safety through co-ordinated planning, maintenance, education and law enforcement actions.
	8. Social and Customer Care	To minimise the constraints to the mobility of customers, maximising speed and service, while allowing customers the choice of transport mode or combination of transport modes where it is economically and financially viable to offer a choice of modes.
	9. Environmental Sensitivity	To commit to an integrated environmental management approach in the provision of transport so as to minimise damage to the physical and social environment, inter-alia through atmospheric or noise pollution, ecologic damage, and severance in providing transportation infrastructure, operations and services.
Programmes and Projects	Programmes and projects will be included in the next (2016) review of the IDP	



(Source: Draft Integrated Transport Plan, 2015)

4.8 Integrated Waste Management Plan

The waste management framework of the John Taolo Gaetsewe district municipality, as reflected in its Integrated Waste Management Strategy, could be captured as follows:

- ❑ The National Environmental Management Act (NEMA) provides for co-operative governance by establishing principles and procedures for decision-makers on matters affecting the environment. An important function of the Act is to serve as an enabling Act for the promulgation of legislation to effectively address integrated environmental management. Some of the principles in the Act are – Accountability; Affordability; Cradle to Grave Management; Equity; Integration; Open Information; Polluter Pays; Subsidiary; Waste Avoidance and Minimisation; Co-operative Governance; Sustainable Development; and Environmental Protection and Justice.
- ❑ Provision has been made for the establishment of the Committee for Environmental Co-ordination (CEC). The objective of the committee is to promote the integration and co-ordination of environmental functions by the relevant organs of state and in particular to promote the achievement of the purpose and objectives of environmental implementation plans and environmental management plans.
- ❑ The district conducts its waste management activities and systems within the context of national and provincial requirements: National government require that municipalities must have waste management responsibilities and every province must develop environmental implementation plans (EIPs) every four years and an environmental management plan (EMP). Local government is obliged to exercise its responsibilities in accordance with these plans and to report annually within four months from the end of its financial year on implementation of the environmental management plan or environmental implementation plan. Provincial government must ensure that municipalities adhere to the relevant environmental implementation and management plans within its province, as well as the principles in the preparation of any policy, programme or plan, including the establishment of Integrated Development Plans (IDPs) and Land Development Objectives (LDOs).

4.8.1 Alignment with the 2012-2017 IDP

How does the Plan relate to the status quo analysis?	<ul style="list-style-type: none">• Refuse removal in the JT Gaetsewe District area is not currently on the level required by national and provincial planning and development plans and strategies.
Relation to strategic objectives	<ul style="list-style-type: none">• Access to refuse removal services; especially in the Joe Morolong municipal area, need to be extended.
Programmes and Projects	<ul style="list-style-type: none">• Landfill sites need to be registered and licensed. (Responsibility of local municipalities)• The impact of hazardous illegal dumping sites and practices must be addressed before it impact negatively on the district's ability to achieve sustainable human settlements.



4.9 Integrated Human Settlements Sector Plan

The District Municipality completed an Integrated Human Settlements Sector Plan during the 2014/15 Financial Year, providing for the period 2014-19. The human settlements vision adopted through this plan is as follows:

“By 2030, human settlements will have transformed to sustainable and efficient human settlements offering the residents access to adequate housing on well-located land, affordable services in better living environments, within a more equitable and functional residential property market.”

This Vision is aligned to the District Vision of a “Better life for all in the District” and will contribute to achieving this Vision. The Human Settlements Vision adds sustainability and efficiency, as well as adequacy, affordability, equity and functionality to the District Vision.

“The Integrated Human Settlements Sector Plan aims to provide the strategic direction for transforming human settlements in the John Taolo Gaetsewe District aligned to the Provincial Department. This transformation relate to accelerating human settlement delivery on well-located land, that provide opportunities to beneficiaries to access the property market and have sufficient access to social amenities and economic opportunities. This transformation will further support the integration of communities and the spatial restructuring of the towns and villages in the Municipal area.”

(Source: Integrated Human Settlements Sector Plan, 2014)

4.9.1 Alignment with the 2012-2017 IDP

How does the Plan relate to the status quo analysis?

- “During the Census 2011 count, 13,780 households (22.7%) in the District were recorded as household’s resident in inadequate dwellings and 46,961 households (77.3%) as household’s residing in adequate dwellings. Inadequate dwellings refer to informal dwellings (backyard and those in informal/squatter settlements), traditional dwellings and caravans/tents. The number of households resident in inadequate dwellings represents the households’ resident in the Municipality that are in need of housing and as such the municipal housing backlog for 2011. However, more than 15% of these households earn household incomes within the middle and high income bracket, and may not qualify for housing instruments.”
- The number of households living in traditional dwellings decreased with 2,905 households (29%). This decrease confirms the positive impact of the delivery of housing subsidies in the District. Unfortunately, the number of households living in inadequate housing increased from 2001 to 2011. This increase could be attributed to the increase in households living in informal backyard dwellings that increased dramatically from 758 in 2001 to 2,979 in 2011 (293% increase translating to an increase of 2,221 households). Households living in an informal dwelling in an informal/squatter settlement, although less significant than informal backyard dwellings, also experienced an



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	increase (58% increase translating to increase of 1,312 households).
Relation to strategic objectives	<p>The Integrated Human Settlements Plan, 2015 objectives not only relates to the National Outcome 8, but also to the District Priority of “Integrated Human Settlements” and the District IDP Objective of “To provide adequate housing to the residents of the District”. The objectives set out in the plan are as follows:</p> <ul style="list-style-type: none">• To address the short and medium term needs of households within informal settlements and backyards.• To manage and eradicate informal settlements and land invasions• Implementation of NUSP at Gamagara and Ga-Segonyana Municipalities• To strengthen the institutional capacity and increase the accreditation level of the District Municipality• To efficiently provide Project Management and Implementation Support to housing project implementation• To ensure coordinated and efficient human settlement planning aligned to Municipal SDF and IDP.• Efficient land and resource utilisation through provision of affordably priced rental accommodation.• Acquisition and development of well-located land and buildings for human settlements that supports spatial restructuring of settlements.• Optimal and efficient use of existing state owned land.• To provide a wider range of housing opportunities and funding options to potential beneficiaries
Programmes and Projects	<p>Programmes are addressed in Section C of the IDP under Basic Services and Infrastructure Development. The uncertainty in funding allocations is severely limiting the inclusion of programmes and projects into the IDP. This uncertainty will prevail until the Provincial Department gazettes the human settlement allocation in the annual Division of Revenue Act. The Integrated Human Settlements Plan, 2015 proposes that funding be allocated as follows:</p> <ul style="list-style-type: none">• 80% of allocations to be reserved for projects that address the housing backlog, including the upgrading of informal settlements and backyard dwellers and low income groups.• 15% of allocations should be towards beneficiaries in the gap market segment.• 5% of allocations should specifically be dedicated to Vulnerable Groups. Additional allocations to vulnerable groups may be included in the allocations to address the backlog and gap market, to achieve a higher allocation to vulnerable groups per year.



4.10 Infrastructure Investment Programme

The Integrated Infrastructure Plan of the Municipality analyse the current needs and capacity of the Municipality in terms of infrastructure requirements of the district. It then provides the following implementation guidelines to facilitate adequate provision of infrastructure in the district:

Step 1: Immediate impact:

- Address current backlogs to address the urgent 2012-2017 targets, as well as addressing maintenance backlogs that are seriously affecting the ability to provide the necessary services, and
- Create financial viability by improving the revenue generation functions (if these are not successful at present), focusing on water and electricity

Step 2: Medium term:

- Build internal skills & capacities of staff, and
- Address refurbishment needs of dilapidated assets

Step 3: Longer term:

Once a successful income base has been established, use external financing (via banks – DBSA or commercial) to develop additional infrastructure

The District Municipality's Infrastructure Investment assistance almost exclusively takes the form of administrative assistance to locals with the preparation of MIG or infrastructure related business plans, project management assistance and related supporting initiatives. The municipality has very little funds to spend on large-scale infrastructure-related projects. The Municipality will commence with an Integrated Infrastructure Plan for the whole District and will in this manner assist the Local Municipalities with infrastructure development. In addition the Municipality will conclude a Section 78 Assessment process in the 2015/16 process with regard to bulk water service provision as the Municipality is intending to take charge of bulk water service provision in the District.

4.11 Institutional Improvement Programme

It is the policy of the JT Gaetsewe District Municipality to annually review its staff establishment to make sure that it reflects the requirements of the IDP. The latest reviewed organisational structure, on a macro organisational level, makes provision for a political structure that focuses on the positions of the Speaker, the Executive Mayor and the Mayoral Committees.

The organogram allows for the required separation of duties between the political and administrative branches of local government. Provision has been made for six (6) senior positions (created in terms of section 57 of the Municipal Systems Act, 2000). These are for Corporate Services, for



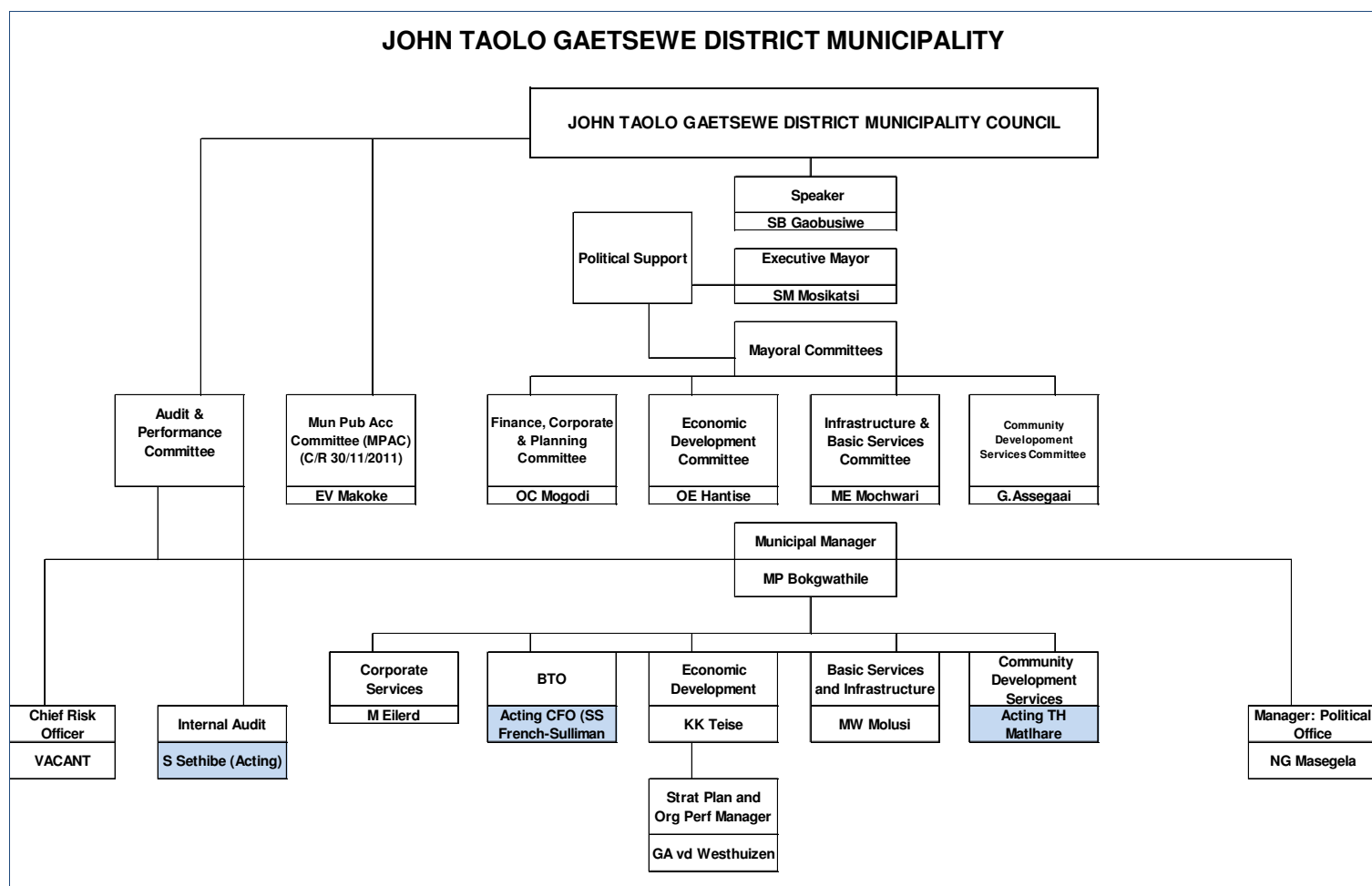
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the Budget and Treasury Office, for Economic Development, for Basic Services and Infrastructure, Internal Audit and for Community Development Services. The managers responsible for IDP/PMS and risk management are not section 57 managers, but report directly to the Municipal Manager; although, in the case of risk management and internal auditing, there are matrix reporting responsibilities to the Audit Committee and Risk Management Committee respectively.

Figure / Table 42: *Macro Structure*



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4.11.1 Performance Management System

A municipality's performance management system entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, review and reporting and improvement will be conducted, organised and managed, including determining the roles of the different role-players. The Municipality adopted an Organisational Performance Management (OPMS) Framework that guides



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performance management at the strategic level and improves the Municipality's ability to report and to account, as well as for oversight processes to unfold. This Framework is complimented by the Individual Performance Management Policy that guides performance reporting and assessment of individuals. Both the Framework and the Policy provides the policy framework for performance management in the Municipality with due consideration of the legislation that it relates to as well as National Treasury Guidelines.

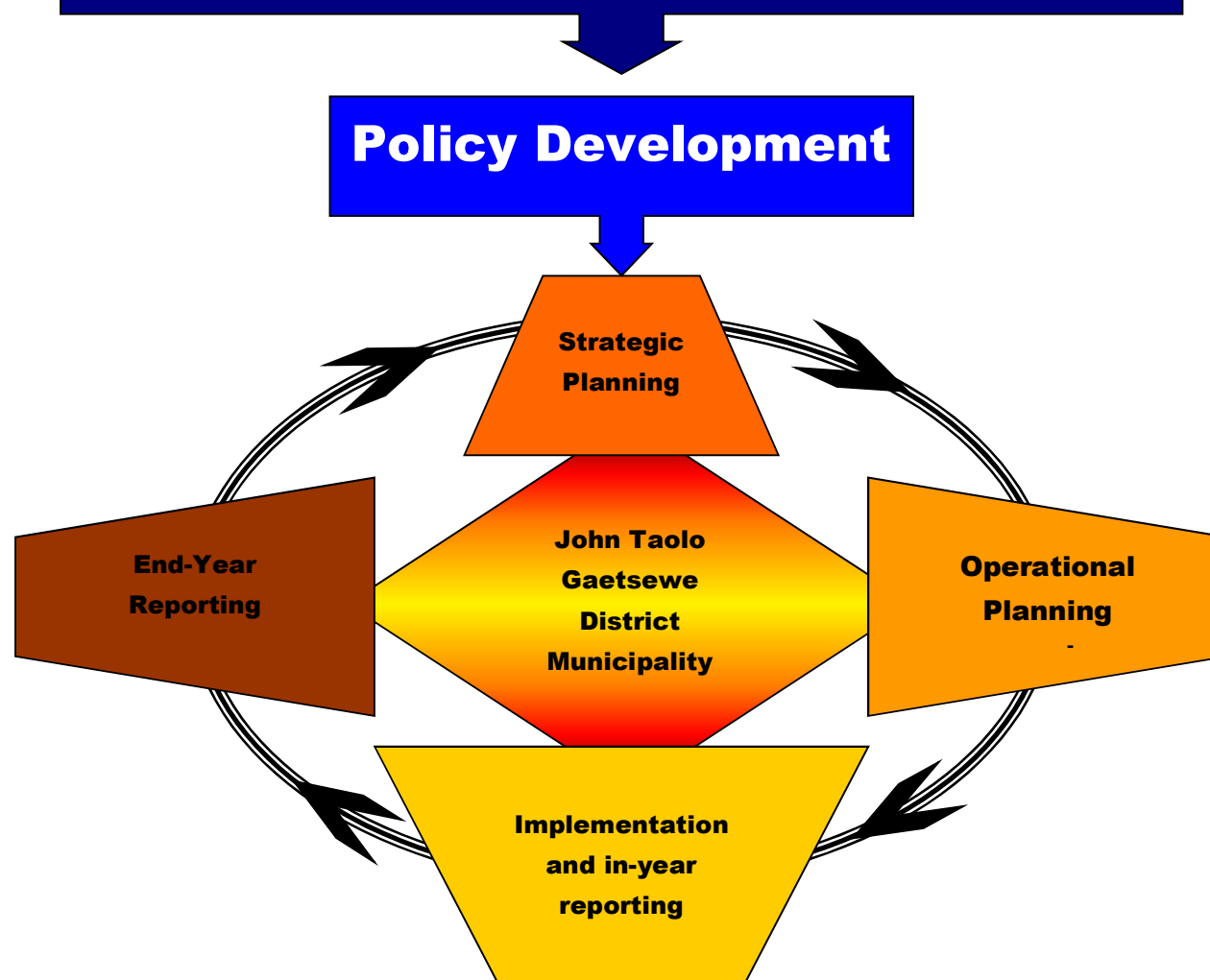
The objectives of the Strategy are to:

- Facilitate increased accountability
- Facilitate learning and improvement
- Provide early warning signals
- Facilitate decision-making

Planning, reporting and oversight processes can be illustrated in the planning cycle as follows:



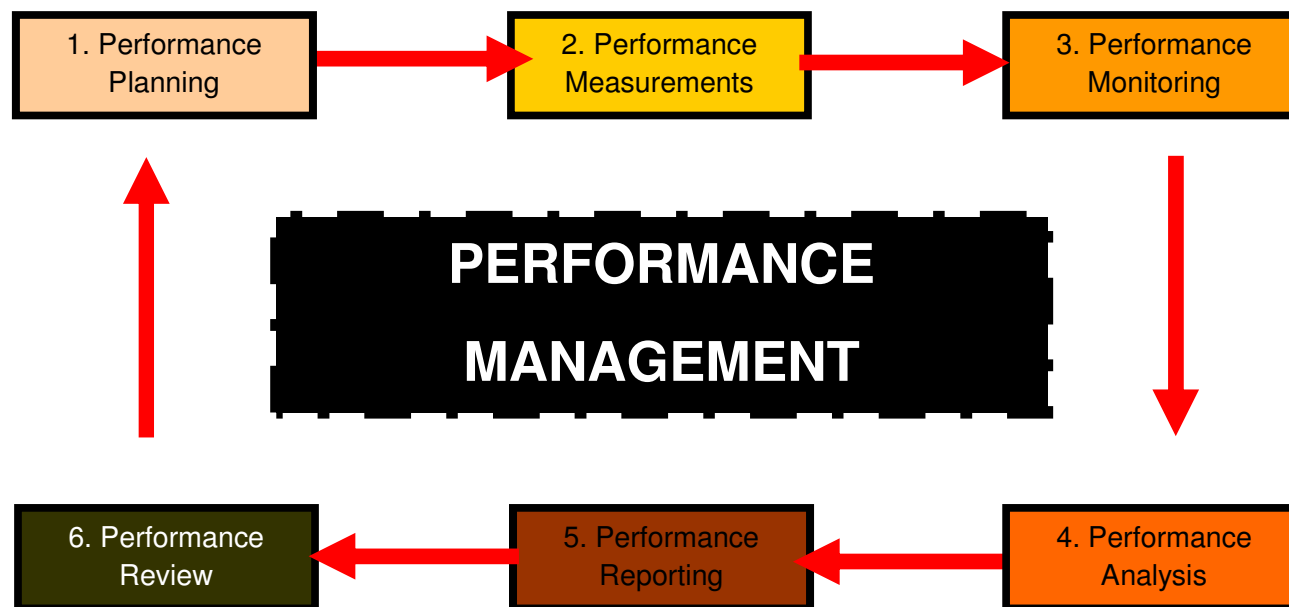
Oversight by Municipal Council



(Source: OPMS Framework, 2015)



The components of the Performance Management Framework can be illustrated as follows:



(Source: OPMS Framework, 2015)



Figure / Table 43: *Performance Management System for the Municipal Manager and Section 57 managers*

Objective	Indicator	Target	Responsibility
Performance Planning in line with legislation	IDP compiled	Annually before the end of June	IDP manager Municipal Manager Heads of departments to provide inputs
	SDBIP compiled	Before 1 May annually	CFO IDP manager Municipal Manager Heads of departments to provide inputs
	Compile performance plan Ensure that the performance contract are in place Personal development plan updated	After approval of the SDBIPs	Mayor Municipal Manager Section 57 Managers
Ensure effective monitoring of performance	Continuous monitoring must be done to ensure that the employee copes with the demands of the post and the objectives set	Continuously	Mayor Municipal Manager
Informal reviews to be done in line with the approved policy	Informal review sessions held	After quarter 1 and after quarter 3	Mayor Municipal Manager Section 57 Managers
Formal evaluation of performance against the set objectives as set in the SDBIP	Formal evaluations	After quarters 2 and 4	Prescribed panels Municipal Manager Section 57 Managers
Rewarding outstanding performance	Should an employee qualify for a performance bonus or reward, the reward to be paid in line with the policy	After approval that the specific manager qualifies for the bonus	Human Resources Salaries
Ensure that specific development needs in line with the Job Description	Personal Development plan updated	After each evaluation session/ quarterly	Mayor Municipal Manager Section 57 Managers

In the instance of non-section 57 employees, performance is now also linked to pay. Currently the employee receives an annually bargained increase determined by the South African Local Government Bargaining Council (SALGBC). These Employees must receive rewards for performance, but these Employees will now receive non-cash and rewards. The latter is linked to increases in the salaries of employees. Performance is measured against a performance plan i.e. previously established agreed performance standards as well as the Code of Conduct. A Score is calculated according to prescribed key performance areas and Code of Conduct. The reward/s will be determined by the total score.



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The OPMS Framework provides for a balanced scorecard that “is a multi-dimensional framework designed to make an organisation think about every aspect of its work and make action to improve it.”

The balanced scorecard is constructed as follows:

Perspective	Definition	Leading Question
Customer	The municipality must focus on how to meet services required by community.	Is the organization delivering the services communities or its customers want?
Financial	The municipality must focus on how to meet service needs in an efficient manner.	Is the service delivered at a good price?
Internal Business	The municipality needs to focus on those critical operations that enable them to satisfy citizens.	Can the organisation improve upon a service by changing the way a service is delivered?
Innovation, Learning and Growth	The organization's ability to improve and meet citizen demands ties directly to the employees' ability to meet those demands.	Is the organisation maintaining technology and employee training for continuous improvement?

(Source: OPMS Framework, 2015)

4.11.2 Employee Wellness

Employee wellness initiatives of the municipality focus on:

- ☐ Implement National and Departmental Wellness Guidelines, Policies and Strategies and ensure compliance.
- ☐ Ensure implementation of interventions to promote the Health and Wellness of employees and their family members.
- ☐ Provide effective counselling /consultation services to diverse clients in a professional and confidential manner.
- ☐ Design, implement, monitor behaviour management programmes and evaluate its impact.
- ☐ Ensure intra, inter- collaboration and celebration of Health and Wellness programmes and events.
- ☐ Manage the effective referral and confidential record keeping system and monitor the statistical/directed reports



Safe working environment

As part of employee wellness, it is important that the Municipality ensure a safe work environment for all employees.

The following aspects are taken into consideration:

- ☐ Provide suitable working space and work stations
- ☐ Keep premises clean and avoid overcrowding
- ☐ Provide suitable and sufficient lighting and ventilation
- ☐ Provide emergency lighting
- ☐ Provide adequate and clean sanitary facilities
- ☐ Provide wash hand basins with hot and cold water, soap, and towel
- ☐ Ensure that there are safe easy to open skylights and windows
- ☐ Supply clean and wholesome drinking water
- ☐ Sedentary workers must have suitable seating
- ☐ Provide adequate and clean eating facilities
- ☐ Keep floors, passages and stairs clear
- ☐ Fence dangerous machinery and put safety devices on them
- ☐ Provide safety signs and safety information
- ☐ Supply facilities for clothing storage
- ☐ Ensure the minimum workroom temperature after the first hour is 18 degrees centigrade
- ☐ Remove refuse regularly
- ☐ Avoid trailing wires
- ☐ Send staff on proper training courses
- ☐ Service machinery and equipment regularly
- ☐ Provide and use personal protective equipment
- ☐ Provide safe vehicle and pedestrian routes ¹

¹ The Royal Borough of Kensington and Chelsea (http://www.rbkc.gov.uk/EnvironmentalServices/HealthAndSafety/hs_essentials.asp)



HIV AND AIDS

HIV and AIDS is one of the biggest challenges we face as a country. The rate of infection is rapidly increasing and more and more people are getting ill and dying from AIDS. Of all the people living with AIDS in the world, seven out of every ten live in Sub-Saharan Africa. South Africa has one of the fastest growing rates of infection in the world.²

South Africa is currently experiencing one of the most severe AIDS epidemics in the world. By the end of 2005, there were five and a half million people living with HIV in South Africa, and almost 1,000 AIDS deaths occurring every day.

The impact of HIV and Aids in terms of service delivery cannot be neglected. Currently there are lots of one-person households due to death. Illness in households also contributes to lots of time off.

Employee Assistance Programme

The municipality's employee assistance programme caters for:

- ☐ Implement National and Departmental Wellness Guidelines, Policies and Strategies and ensure compliance
- ☐ Ensure implementation of interventions to promote the Health and Wellness of employees and their family members
- ☐ Provide effective counselling /consultation services to diverse clients in a professional and confidential manner
- ☐ Design, implement, monitor behaviour management programmes and evaluate its impact
- ☐ Ensure intra, inter- collaboration and celebration of Health and Wellness programmes and events
- ☐ Manage the effective referral and confidential record keeping system and monitor the statistical/directed reports

Women Support Programmes and Initiatives

The South African government has passed a number of laws to create an enabling environment to promote gender equality and to eradicate the legacy of sexism and discrimination. The Constitution characterises South Africa as a sovereign, non-racial, non-sexist state and makes provision for gender equality in the Bill of Rights, as well as in Section 187.

The BPFA specifies 12 critical areas of concern considered to represent the main obstacles to women's empowerment and which require concrete action by government and civil society:

- ☐ Women and Poverty
- ☐ Education and Training of Women
- ☐ Violence Against Women
- ☐ Women and Armed Conflict
- ☐ Women and the Economy
- ☐ Women in Power and Decision Making
- ☐ Institutional Mechanisms for the Advancement of Women
- ☐ Human Rights of Women
- ☐ Women and the Media

² Local Government in South Africa



- ☐ Women and the Environment
- ☐ The Girl Child

4.11.3 Human Resource Management and Development Strategy

The municipality will not be able to succeed in reaching the objectives as set in the Integrated Performance Plan without the support of our employees. It is important that the values of the municipality must be aligned with that of our employees in order to have people who are motivated and committed to do their work. One of the critical success factors for the municipality going forward is to get the balance between work life and private life right.

In order to ensure that the municipality's personnel utilization and remuneration practices are in line with the requirements of the Basic Conditions on Employment Act, 1997 (No 75 of 1997) it is important that the Municipality should develop and adopt appropriate systems and procedures to ensure fair, efficient, effective and transparent personnel administration. This will be exercised in line with the requirements of section 67 of the Local Government Municipal Systems Act.

Human Resources Strategies are developed to ensure that Human Resource practices are in line with prescribed legislation.

The academic basis for the compilation of this HR Strategy is neatly summarised in the following extract from the article on the web-site³ of the University of the Witwatersrand, quoted below⁴:

"Recall the definition of human resource strategy:

Human resource strategy...

...is the pattern of planned human resource deployments and activities intended to enable the (Municipality) to achieve its goals.

Human resource planning (or HRP for short) is all about the first (underlined) function in the definition above. It is the absolutely vital function that looks firstly at strategy, and then deploys the necessary human capital (people) where it is called for in the (Municipality) by the strategy.

HRP therefore falls into the wider area of employee resourcing (planning for, acquiring and allocating the desired human resources for the (Municipality)). Employee resourcing is an arm of the HR function.

HRP entails knowing in advance what the staffing needs of the (Municipality) will be, assessing the supply of the relevant workers in the (Municipality) and labour market, and finding ways to fulfill the staffing needs of the (Municipality).

(Municipality) s are greatly affected by their demand for labour, and therefore by the supply of labour. Firstly, formulating a strategy can only happen after you have knowledge of the strengths and weaknesses of the workforce, which will include these issues. Imagine, for example, if you are going to attempt a growth strategy into more rural areas. You may need a marketing workforce that has far more experience and contact with the black African customer base. If your SWOT analysis shows that your marketing team is too Western, then your HRP will have shown a demand weakness that needs to be overcome. Your strategy formulation has been greatly affected by HRP.

³ uamp.wits.ac.za/sebs/downloads/2007/05__reading_4_hr_planning.doc

⁴ University of the Witwatersrand, Johannesburg (selectively amended to reflect the requirements of this document)



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Secondly, strategic plans can only be implemented successfully if the (Municipality) is staffed with the right number and type of human resources to provide the necessary skills, knowledge, abilities etc. Remember that staffing falls into one of the six implementation “musts” of strategy (Reading 2). Imagine, for instance, that your strategy includes divestment of some unprofitable factories. HRP will be involved in the implementation, because the major task will be either re-allocating the employees of those factories or retrenching them.

Successfully planning for and handling labour needs can thus be a competitive advantage or disadvantage. Companies who make and implement better HRP strategies than others will adjust better to environmental changes and have the most suitable workforces.

It is important to note that increasingly, human resource planning, as with many HR practices, will not necessarily be done by a central HR department. Often it is the ‘line’ managers (i.e. managers of operational departments) who will do a large part of the planning for their workforce requirements. A central HR department may be involved in the process in varying degrees (or, indeed, may do all the planning). This is why we see this course as being more of a management course than a specialised HR course - many of our students become general or operations managers in companies because what we teach you are (Municipality)al skills.

Strategic human resources management, which is also called strategic human resources planning, links HR management directly to the strategic plan of the organization. Municipalities have a strategic plan (IDP) which guides the institution in successfully meeting its mission. Based on the strategic plan, the Municipality develops a strategic human resource strategy, which will guide them in making human resources management decisions now to support the future direction of the municipality.

Strategic Human Resource Management

The overall purpose of strategic human resources management is to:

- ☐ Ensure adequate human resources to meet the strategic goals and operational plans of the Municipality – the right people with the right skills at the right time.
- ☐ Keep up with social, economic, legislative and technological trends that impact on human resources in the Municipal area and in the voluntary sector.
- ☐ Remain flexible so that the Municipality can manage change if the future is different than anticipated.

(Source: HR Council for Voluntary / Not-for-Profit Organisations. Adapted from http://www.hrvc-rhsbc.ca/hr_overview/pg003_e.cfm.)

The HR strategy of this Municipality is driven by the following **commitments**:

- Our commitment to the delivery of high quality services to other components of the municipality and to the development and maintenance of a strong internal capability across the municipality.
- The acknowledgement of the strong link between excellent service delivery and strong, committed human resources.



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- Our continuing commitment to widening participation and fair access in our human resource Management practices.

Within our **strategic goals** we seek, amongst other things:

- To provide equal opportunities, particularly through our Employment Equity Plan.
- To deliver our HR Strategy, which supports our strategic goals and demonstrates through the opportunities, flexibility, support and rewards offered that we value our staff, its commitment and responsiveness.

In turn, the delivery of this core strategy is explained through the following **HR priorities**:

- 1.1 Plan, provide and evaluate staff development to meet the Municipality's evolving needs, to support individuals' personal and career development, to equip managers and supervisors with the necessary skills and abilities and to meet emerging municipal and regional developments.
- 1.2 Ensure that the planning and disposition of human resources is integrated into service delivery, alongside financial, planning;
- 1.3 Refine methods and approaches to the attraction, recruitment and selection of staff that are consistent with best practice, well understood, effective and flexible, and which enable the Municipality to fulfill its mandate.
- 1.4 Ensure that performance expectations are clear to staff and those arrangements are in place to support them in meeting those expectations;
- 1.5 Recognise and reward contributions to, and achievement in, support of the Municipality's strategic goals and priorities.
- 1.6 Ensure that the Municipality's commitment to equal opportunities is incorporated in the review, development and operation of human resource policies and practice in order to reflect the Municipality's core values;
- 1.7 Monitor HR policies and their delivery to ensure that they remain consistent with best practice and relevant to the Municipality's strategic aims;
- 1.8 Maintain a framework within which managers are committed to the delivery of a safe and healthy working environment and the wellbeing of staff.

The Human Resource Management Function

Human Resources have the following main functions to be executed within the Municipality:

- ☐ Recruitment and Selection
- ☐ Service Benefits
- ☐ Termination of Services
- ☐ Staff Development and Training
- ☐ Labour Relations

Strategies are developed in terms of all these functions, to give direction in terms of service delivery in line with appropriate legislation.

Recruitment, Selection and Induction

Recruitment and Selection of Staff for the Municipality are of vital importance to the functioning of the Municipality.



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In order to reach the strategic goals and objectives as set by the Council, it is important that the correct staff be appointed in the municipality and that they are correctly placed and that an appropriate induction process be followed in line with the policy.

The Employment Equity Act, 55 of 1998 requires the Manager HR and Corporate Services to advise the Municipal manager and management, and report on the achievement of employment equity targets in the Municipality; including the compilation of the Employment Equity Plan for the municipality and the annual update thereof.

Employee benefits

- ☐ In order to ensure that **leave** is well managed and administered the Municipality will develop a leave policy in line with Section 51 of the Local Government Municipal Systems Act in conjunction with Section 57.
- ☐ In line with the Basic Conditions of Employment act, a policy for the compensation of **overtime** to employees has been developed. It is important that overtime remuneration only be granted should employees qualify according to the approved policy and sufficient funds are available. Overtime remuneration can be in the form of compensation or time off.
- ☐ As part of service benefits, the Municipality contributes toward the medical benefits of the employees of the Municipality.
- ☐ Participation in the Essential Car Usage Scheme is determined and limited by cost advantages and economic considerations. It is the responsibility of the Municipalities to determine to what extent private transport is to be utilized for official purposes.
In order to ensure effective management and control of the Essential Car User Scheme the municipality has developed a policy for the implementation thereof. Approval of Vehicles allowances is subject to the availability of sufficient funds and whether the employee qualifies according to the policy (when employees are required to utilize private transport in the execution of their duties) and prior agreement was made with the Municipality.
- ☐ An appropriate policy to regulate **housing benefits** to employees is in place.
- ☐ An appropriate policy to regulate **bursaries** to employees is in place.

Termination of Service

The Municipality has a policy in place to regulate termination of services in instances of resignation, Ill health, death, pension/ retirement, expiring of contract or forced termination of services due to misconduct.

Staff Development and Training

In order to reach the objectives as set in the Integrated Performance Plan of the Municipality, the municipality strive towards developing the staff to ensure that the objectives are reached.

The Municipality strives towards employing and developing employees to ensure that they are --

- ☐ experts in what they do
- ☐ regarded as leaders in their fields or who have the capacity to become leaders in their field
- ☐ given direction to the working environment



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- ☐ willing to go the extra mile
- ☐ willing to challenge the norms or objectives as set
- ☐ creative in thought and innovative
- ☐ entrepreneurs
- ☐ self-motivated
- ☐ outcome/result driven
- ☐ dynamic
- ☐ energetic

Development of human resource capacity is in line with Section 68 of the Municipal Systems Act.

The municipality has an induction manual that is used to familiarise new employees of the Council with its policies and related important information.

Labour Relations

Labour Relations in the Municipality is guided by its Labour Relations Policy.

HR and related policies

The Council has a number of HR policies in place to regulate HR matters including *inter alia*:

- ☐ A leave policy.
- ☐ A travel and subsistence policy.
- ☐ A telephone and cellphone policy.
- ☐ A recruitment and selection policy.
- ☐ Training and development policies.
- ☐ Policy to regulate issues related to extra-mural activities.
- ☐ A Performance Management Policy.
- ☐ A Study Assistance Policy.
- ☐ Vehicle allowance policy
- ☐ A dress code policy.
- ☐ A policy that regulates conditions of service in the municipality.
- ☐ A disciplinary code and grievance procedures.
- ☐ An organisational rights agreement
- ☐ Code of Conduct for Employees and Councillors.



4.11.4 Employment Equity

Table / Figure 44: *EE targets 2016-2017*

	Black		Coloured		White	
Post Level	Male	Female	Male	Female	Male	Female
Post Level 0-1	3	2	1	1	-	1
Post Level 3	5	4	1	2	2	1
Post Level 4	2	1	-	1	1	-
Post Level 5	-	-	-	-	-	-
Post Level 6	10	10	3	3	3	3
Post Level 7	3	5	1	2	1	2
Post Level 8	3	4	1	2	1	1
Post Level 9	1	1	-	1	-	1
Post Level 10	8	9	2	3	2	3
Post Level 11	1	1	-	1	-	-
Post Level 12	-	1	-	1	-	-
Post Level 13	1	-	-	-	-	-
Post Level 15	3	4	1	2	2	1

(Source: Employment Equity Plan: JT Gaetsewe DM)



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Table / Figure 44: Employment Equity (Actuals) 2015-2016

	Black		Coloured		White		Vacancies
Post Level	Male	Female	Male	Female	Male	Female	
Post Level 0-1	2	1	1	-	-	-	1
Post Level 3	3	1	-	1	2		7
Post Level 4	2	-	-	-	1	-	-
Post Level 5	-	-	-	-	-	-	-
Post Level 6	8	12	-	2	3	2	6
Post Level 7	2	2	-	1	1	2	1
Post Level 8	4	11	2	-	-	-	-
Post Level 9	-	-	-	-	-	-	-
Post Level 10	6	10	-	1	1	1	1
Post Level 11	-	2	-	-	-	-	-
Post Level 12	-	-	-	-	-	-	-
Post Level 13	1	-	-	-	-	-	-
Post Level 15	7	5	-	-	-	-	-

(Source: Employment Equity Plan: JT Gaetsewe DM)



4.11.5 Skills Development

Training and Skills Development interventions in the area of ...	General (GET) band	Further Education and Training			Higher Education and Training			
	Up to NQF Level 1	Up to NQF Level 2	Up to NQF Level 3	Up to NQF Level 4	Up to NQF Level 5	Up to NQF Level 6	Up to NQF Level 7	Up to NQF Level 8
ABET	0	0	2					
Basic Service Delivery & Infrastructure Dev			3	4		2		1
Municipal Transformation and Institutional Dev		2	5	6	6	1		
Municipal Financial Viability & Management			3	5		5		

4.12 Financial Strategy

The John Taolo Gaetsewe District Municipality's financial strategy is broadly based on two key considerations; which are –

- (1) Direct assistance to local municipalities in its area of jurisdiction to achieve the district's, provincial and/or national service delivery and/or institutional targets; and
- (2) Indirect assistance, in the form of creating a conducive environment for service delivery and/or economic growth, with the aim of creating sustainability in the ability of the district to meet the demands of its communities.

4.12.1 Revenue Enhancement Strategy

The district municipality is almost completely dependent on equitable share and grants.

Long-term Strategies:

At the heart of the district's long-term financial strategies lies the quest for sustainability. In this regard, the strategies of the district centre on the following key interventions:



- (1) Assist the local municipalities to improve their institutional response capacity in terms of financial viability and management; and
- (2) Link long-term service delivery planning to the real needs of the area as a whole, linked to the availability of resources and funds.

Medium Term Strategies:

The municipality's MTREF budget and expenditure planning framework is informed by the following issues and considerations:

- ☐ Infrastructure and service planning according to the IDP, SDF, Water Services Development Plan and other relevant, related plans and strategies.
- ☐ The medium term priorities and service requirements of the local municipalities in the JT Gaetsewe municipality's area of jurisdiction.
- ☐ Rates and increases, taking into consideration the need to address infrastructure backlog;
- ☐ Maintain best practice logic within the planning context always taking into consideration the balanced budget constraint;
- ☐ Analysis of performance trends in terms of operational and capital budget elements, with specific attention being given to underperforming functions/strategic units of the municipalities and the local municipalities.

In terms of planned amendments to the municipality's medium financial strategies, the following have been identified as key interventions:

- (1) Improved alignment between the IDP, SDBIPs and the MTREF budget.
- (2) Incorporation of the principle of performance budgeting into the budgeting methodologies of the municipality; with specific reference to the principle that budget allocations will increasingly be linked to the results of comprehensive performance evaluations.
- (3) Assistance to local municipalities to formalise and adequate structure financial management systems and procedures.
- (4) Increased emphasis on financial accountability – with specific reference to the streamlining of reporting mechanisms (including the monthly section 71 reports, the mid-year budget and performance (section 72) report and the annual and oversight reports).

Short-term Strategies:

The JT Gaetsewe DM has the following financial policies in place:

- ☐ Accounting and Financial Policies
- ☐ Bank reconciliation
- ☐ Books of Account
- ☐ Fixed Assets
- ☐ Asset Management
- ☐ Creditors System
- ☐ Receipt, depositing and control over cash funds
- ☐ Cash Management & Investment
- ☐ Sundry Creditors
- ☐ Trade debtors
- ☐ Credit control
- ☐ Overtime



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- ☐ Budgeting Procedures and control
- ☐ Travel and Subsistence
- ☐ Inventory
- ☐ Statutory funds, trust funds and reserves etc.
- ☐ Supply Chain Management
- ☐ Risk Management
- ☐ Tariff

The Financial By-laws of the Municipality was published in the NC Provincial Gazette dated 30 January 2002, No 7 of 2002, and addresses the following arrangements:

- (1) Principles and norms governing the compilation, review and reporting in terms of budgets of the municipality;
- (2) The handling of financial inputs and plans;
- (3) Guidelines regarding the handling of reports affecting finances;
- (4) The handling of issues related to municipal income and expenditure;
- (5) Recovery of losses;
- (6) The handling of issues related to credit ratings;
- (7) Guidelines for dealing with procurement matters, tenders and contracts;
- (8) Guidelines for dealing with goods and materials;
- (9) Guidelines for dealing with payments;
- (10) Guidelines for dealing with salaries, wages and allowances;
- (11) Guidelines for dealing with loans;
- (12) Guidelines for dealing with investments;
- (13) Guidelines for dealing with insurance;
- (14) Guidelines for dealing with accounting;
- (15) Guidelines for dealing with the audit committee for the district;
- (16) Guidelines for dealing with internal audit matters;
- (17) Guidelines for dealing with assets;
- (18) Guidelines for dealing with alienation of immovable properties; and
- (19) Guidelines for dealing with municipal information systems



4.12.2 Asset Management Strategy

The objectives with the asset management strategies are to –

- ☐ effectively manage and safeguard municipal assets;
- ☐ ensure that asset purchases and disposals are properly authorized and carried out in accordance with core policy, legislation and regulations;
- ☐ maintain accurate and timely asset information for decision-making and reporting purposes; and
- ☐ encourage efficient and economic use of government assets.

Figure / Table 46: Response of the JT Gaetsewe DM in respect of the requirements of MFMA for asset and liability management

Legislative Requirement (Section 63 of the MFMA)	Compliance	Explanations
The accounting officer of a municipality is responsible for the management of -- (a) the assets of the municipality, including the safeguarding and the maintenance ...	✓	An appropriate asset register is in place, was audited and no material deficiencies were found.
The accounting officer of a municipality is responsible for the management of -- (b) the liabilities of the municipality.	✓	Operational controls to prevent losses and irregularities are in place.
The accounting officer must for the purposes of subsection (1) take all reasonable --- (a) that the municipality has and maintains a management, accounting and information system that accounts for the assets and liabilities of the municipality; (c) that the municipality has and maintains a system of internal control of assets and liabilities, including an asset and liabilities register, as may be prescribed.	✓	The required systems and procedures, suitable for the type and size of the institution, is in place, was audited and no material deficiencies were found
The accounting officer of a municipality is responsible for the management of -- (b) that the municipality's assets and liabilities are valued in accordance with standards of generally recognised accounting practice: and	✓	Part of the asset management systems and methodologies.



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The municipality acknowledges the principle of life-cycle planning, maintenance and operating of its fixed assets, and its asset management policies and procedures subsequently makes provision for –

- (1) The purchased through Supply Chain Management processes of the municipality, and the proper recording or accounting of such assets in the municipality's accounting records.
- (2) Municipal departments must implement adequate safeguarding techniques for assets commensurate with the asset value and usefulness in service delivery. As soon as the municipal asset register is properly updated, tangible assets must be physically verified at least annually, any significant discrepancies investigated and any losses reported.
- (3) Information stored on municipal data-bases must be handled and controlled according to the municipality's record-keeping policies and with due regard to its confidentiality and security arrangements. It must also ensure the availability of records for auditing and related reporting purposes.
- (4) The disposal or transfer of assets must be recommended by the Accounting Officer (Municipal Manager) and could only be approved by Council.

In terms of the published financial by-laws of the municipality –

- ☐ the responsibility for adequately maintaining and securing any fixed asset under the control of a department shall vest in the Head of the Department concerned;
- ☐ The Municipal Treasurer shall maintain an adequate asset management system (asset register) to account for all fixed assets under control of a department;
- ☐ Overall accounting control of all fixed assets shall be exercised by the Municipal Treasurer who will determine the appropriate records, charges for the use of such assets and other incidental matters in consultation with the Head of the Department concerned.
- ☐ In accordance with the relevant legislative provisions each Head of a Department shall be responsible for an annual inventory within each financial year of furniture, equipment and other movable property with a life expectancy of more than one year under departmental control showing quantities and values.

4.12.3 Strategies to promote cost-effectiveness

Cost-effective is determined by the manner in which it obtains the resources required to render services, utilises these resources in service rendering and infrastructure creation and maintenance, and dispose of assets and strategies that have outlived its natural usefulness, and have started costing more to maintain than to change or replace. In striving to achieve this and optimise the input-output ratios in its service rendering initiatives, the municipality has identified the following strategic principles to optimise value-for-money:



Figure / Table 47: Theoretical approach towards achieving value-for-money



- ❑ Achieving **economy** by ensuring that appropriate procurement mechanisms and control measures are in place to obtain resources (the required inputs to the management process) at the right quality and quantity at the cheapest possible price (cost);

Practical measures introduced by the municipality to promote economy:

Implementation and compliance with preferential procurement policies of government; analysis of skills requirements for service delivery, competitive and comparative bidding.

- ❑ Achieving **efficiency** by putting in place and ensuring the application of institutional control that promote the effective utilisation of and supervision over the activities of resources required to perform (or enable the municipality to perform) the activities required to achieve its IDP goals and objectives; and

Practical measures introduced by the municipality to promote economy:

Operating supervision, proper store and stock control, recording of assets, control over liabilities, operational budget and performance controls.

- ❑ Achieving **effectiveness** by measuring progress towards goal-achievement and putting in place appropriate performance assessment and monitoring and evaluation mechanisms to measure the extent of goal-achievement.

Practical measures introduced by the municipality to promote economy:

Municipal Performance Management System, monitoring and evaluation, performance reporting.

- ❑ The per capita spending in the district could be aligned with the priority development areas identified in the SDF and IDP.
- ❑ Per capita budget patterns could indicate unequal distribution of available resources – which could then inform future planning decisions in the district.
- ❑ Per capital budget patterns could inform applications for MIG and other grant funding.
- ❑ Per capita budgeting patterns could inform negotiations with the mines in the planning of LED and infrastructure initiatives.



Value for money is defined as the best combination of whole-life costs and quality, to meet the public sector organisation's needs. When considering value for money institutions are looking to purchase goods at the:

- ☐ right price / whole life cost
- ☐ right quality
- ☐ right quantity
- ☐ right time
- ☐ right place

Value-for-money focus on three manageable concepts, which are:

- (a) Economy (defined by the Office of the Auditor-General as the procurement of the right quality in the right quantities at the right time and place at the lowest possible cost);
- (b) Efficiency (defined by the Office of the Auditor-General as achieving the optimal relationship between the output of goods, services or other intended results and the resources used to produce them); and
- (c) Effectiveness (defined by the Office of the Auditor-General as the achievement of policy objectives, operational goals and other intended effects).

The three Es of VFM.

The assessment of economy, efficiency and effectiveness should be a part of the normal management process of any organisation, public or private.

- (a) Management should carry out *performance reviews* as a regular feature of their control responsibilities.
- (b) Independent assessments of management performance can be carried out by 'outsiders', perhaps an internal audit department, as value for money audits. (VFM audits)

The term 'value for money' is used to cover all three aspects of measuring performance.

In NFP (not-for-profit) organisations, the effectiveness of performance could be measured in terms of whether targeted non-financial objectives have been achieved, but there are several problems involved in trying to do this.

Value for money can often only be judged by *comparison*. In searching for value for money, present methods of operation and uses of resources must be compared with alternatives. Usually there will exist some alternative that gives better value for money. It is important that present arrangements are challenged and seen to be justified in the face of proposed alternatives.

Alternatives to present arrangements can be uncovered and critically evaluated by a process of performance review by management.

(Source: A text book titled "BPP CIMA Study Text – 1993. Management Accounting – Control and Audit. BPP Publishing", as well as a performance audit report of the Auditor-General titled "Report of the Auditor-General on the Summarized Findings of Performance Audits conducted at certain Provincial Departments of Education" [2003] have been used on the compilation of this section).

Linking Budget Planning to Performance Reviews



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Clear priorities, strong accountability and effective performance management are fundamental to ensuring that increased resources result in higher standards across public services.

The municipality will refine its integrated systems of annual IDP and SDBIP reviews with the annual budget reviews. If these reviews could be aligned with the review of sector plans (and then specifically key planning documents, such as the Spatial Development Framework and the Water Services Development Plan), it could inform inputs to the municipal strategy and projects formulation.

In this regard, the link to the results of quarterly, mid-year and annual performance and budget reviews are essential. This process will inform the money about areas of inefficiencies and ineffectiveness, and would grant it the opportunity to correct such deficiencies in a timely manner. It could also provide the framework for institutional efficiency improvements.

The main activity in this regard will be to improve the synergy and integration between municipal planning systems and processes and its monitoring and evaluation (PMS) systems and processes.



4.12.4 Analysis of the 2016/17-2018/19 MTREF Budget

DC45 John Taolo Gaetsewe - Table A1 Budget Summary

Description	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousands										
Financial Performance										
Property rates	—	—	—	—	—	—	—	—	—	—
Service charges	—	—	—	—	—	—	—	—	—	—
Investment revenue	1 848	2 789	2 718	2 917	2 917	2 917	—	1 459	729	768
Transfers recognised - operational	58 581	67 305	71 073	72 318	81 414	81 414	—	74 449	75 667	81 274
Other own revenue	6 750	8 040	7 196	33 318	5 840	5 840	—	5 099	378	388
Total Revenue (excluding capital transfers and contributions)	67 179	78 134	80 988	108 553	90 171	90 171	—	81 007	76 774	82 430
Employee costs	42 832	50 555	49 097	53 761	50 614	50 614	—	59 595	63 766	68 230
Remuneration of councillors	3 820	3 904	4 767	7 024	4 714	4 714	—	4 675	4 932	5 193
Depreciation & asset impairment	2 741	2 741	1 848	966	2 116	2 200	—	2 321	2 444	2 574
Finance charges	1 738	2 116	2 683	279	279	279	—	307	338	371
Materials and bulk purchases	—	—	—	—	—	—	—	—	—	—
Transfers and grants	—	—	—	8 285	6 309	6 309	—	3 083	3 187	3 406
Other expenditure	14 341	24 880	32 797	29 157	44 774	44 690	—	26 748	26 198	27 138
Total Expenditure	65 472	84 196	91 193	99 472	108 806	108 806	—	96 728	100 865	106 912
Surplus/(Deficit)	1 707	(6 062)	(10 205)	9 081	(18 634)	(18 634)	—	(15 721)	(24 091)	(24 482)
Transfers recognised - capital	—	—	—	—	—	—	—	—	—	—
Contributions recognised - capital & contributed assets	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & contributions	1 707	(6 062)	(10 205)	9 081	(18 634)	(18 634)	—	(15 721)	(24 091)	(24 482)
Share of surplus/ (deficit) of associate	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) for the year	1 707	(6 062)	(10 205)	9 081	(18 634)	(18 634)	—	(15 721)	(24 091)	(24 482)
Capital expenditure & funds sources										
Capital expenditure	4 906	3 170	—	1 204	1 237	1 237	1 237	4 100	30	30
Transfers recognised - capital	3 886	—	—	—	—	—	—	—	—	—
Public contributions & donations	—	—	—	—	—	—	—	—	—	—
Borrowing	—	—	—	—	—	—	—	—	—	—
Internally generated funds	1 020	3 710	—	1 204	1 237	1 237	1 237	4 100	30	30
Total sources of capital funds	4 906	3 710	—	1 204	1 237	1 237	1 237	4 100	30	30
Financial position										
Total current assets	44 881	45 924	32 890	8 704	13 390	13 390	—	10 926	10 926	10 926
Total non current assets	84 411	73 931	79 451	74 689	77 888	77 888	—	79 667	77 253	74 709
Total current liabilities	13 780	13 663	19 226	—	17 304	17 304	—	32 592	54 547	76 790
Total non current liabilities	23 336	28 727	26 124	—	25 618	25 618	—	25 366	25 088	24 783
Community wealth/Equity	92 177	77 464	66 991	9 081	48 356	48 356	—	32 635	8 544	(15 938)
Cash flows										
Net cash from (used) operating	5 816	457	(9 271)	(17 602)	(14 343)	(14 343)	—	(13 164)	(21 397)	(21 646)
Net cash from (used) investing	(1 008)	(2 903)	(7 518)	(1 204)	(637)	(637)	—	(4 100)	(30)	(30)
Net cash from (used) financing	12	(595)	59	(400)	(444)	(444)	—	(505)	(253)	(278)
Cash/cash equivalents at the year end	37 659	34 618	17 888	7 419	2 464	2 464	—	(15 305)	(36 985)	(58 938)
Cash backing/surplus reconciliation										
Cash and investments available	37 659	34 618	17 888	7 419	2 464	2 464	—	(15 305)	(36 985)	(58 938)
Application of cash and investments	3 903	9 403	15 499	(258)	5 368	5 368	—	5 604	5 853	6 116
Balance - surplus (shortfall)	33 756	25 215	2 389	7 677	(2 903)	(2 903)	—	(20 909)	(42 838)	(65 054)
Asset management										
Asset register summary (WDV)	84 411	73 931	79 451	74 689	77 888	77 888	79 667	79 667	77 253	74 709
Depreciation & asset impairment	2 741	2 741	1 848	966	2 116	2 200	2 321	2 321	2 444	2 574
Renewal of Existing Assets	—	—	—	—	—	—	—	—	—	—
Repairs and Maintenance	—	—	—	—	—	—	—	—	—	—
Free services										
Cost of Free Basic Services provided	—	—	—	—	—	—	—	—	—	—
Revenue cost of free services provided	—	—	—	—	—	—	—	—	—	—
Households below minimum service level										
Water:	—	—	—	—	—	—	—	—	—	—
Sanitation/sewerage:	—	—	—	—	—	—	—	—	—	—
Energy:	—	—	—	—	—	—	—	—	—	—
Refuse:	—	—	—	—	—	—	—	—	—	—



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DC45 John Taolo Gaetsewe - Table A6 Budgeted Financial Position

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand											
ASSETS											
Current assets											
Cash		–	–								
Call investment deposits	1	37 659	34 618	17 888	7 419	2 464	2 464	–	–	–	–
Consumer debtors	1	7 223	7 229	10 926	1 285	10 926	10 926	–	10 926	10 926	10 926
Other debtors		–	–								
Current portion of long-term receivables											
Inventory	2		4 076	4 076							
Total current assets		44 881	45 924	32 890	8 704	13 390	13 390	–	10 926	10 926	10 926
Non current assets											
Long-term receivables											
Investments		–									
Investment property		5 730	6 795	7 460		7 460	7 460		7 460	7 460	7 460
Investment in Associate											
Property, plant and equipment	3	75 118	62 252	66 530	74 689	65 619	65 619	–	67 448	65 084	62 591
Agricultural		–	–								
Biological		3 235	4 525	5 095		4 495	4 495		4 495	4 495	4 495
Intangible		329	358	366		313	313		263	213	163
Other non-current assets											
Total non current assets		84 411	73 931	79 451	74 689	77 888	77 888	–	79 667	77 253	74 709
TOTAL ASSETS		129 293	119 854	112 341	83 393	91 278	91 278	–	90 593	88 179	85 635
LIABILITIES											
Current liabilities											
Bank overdraft	1								15 305	36 985	58 938
Borrowing	4	1 022	1 563	1 817	–	1 878	1 878	–	1 626	1 651	1 678
Consumer deposits		–	–								
Trade and other payables	4	12 758	12 100	17 409	–	15 425	15 425	–	15 662	15 911	16 173
Provisions			–								
Total current liabilities		13 780	13 663	19 226	–	17 304	17 304	–	32 592	54 547	76 790
Non current liabilities											
Borrowing		2 414	1 977	2 043	–	1 538	1 538	–	1 285	1 008	703
Provisions		20 922	26 750	24 080	–	24 080	24 080	–	24 080	24 080	24 080
Total non current liabilities		23 336	28 727	26 124	–	25 618	25 618	–	25 366	25 088	24 783
TOTAL LIABILITIES		37 115	42 390	45 350	–	42 922	42 922	–	57 958	79 635	101 573
NET ASSETS	5	92 177	77 464	66 991	83 393	48 356	48 356	–	32 635	8 544	(15 938)
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		50 207	35 494	25 021	9 081	6 386	6 386		(9 335)	(33 426)	(57 908)
Reserves	4	41 970	41 970	41 970	–	41 970	41 970	–	41 970	41 970	41 970
		(0)				0	0.00		0	0	0
TOTAL COMMUNITY WEALTH/EQUITY	5	92 177	77 464	66 991	9 081	48 356	48 356	–	32 635	8 544	(15 938)



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DC45 John Taolo Gaetsewe - Table A7 Budgeted Cash Flows

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates, penalties & collection charges									-	-	-
Service charges									-	-	-
Other revenue		7 182	6 056	1 830	6 692	5 840	5 840	-	5 099	378	388
Government - operating	1	60 023	66 632	70 515	72 318	81 414	81 414	-	74 449	75 667	81 274
Government - capital	1	-			-	-	-	-	-	-	-
Interest		-	2 789	2 718	2 917	2 917	2 917	-	1 459	729	768
Dividends		-			-	-	-	-	-	-	-
Payments											
Suppliers and employees		(59 650)	(49 639)	(56 141)	(90 965)	(97 926)	(97 926)	-	(90 781)	(94 647)	(100 299)
Finance charges		(1 738)	(23 488)	(25 771)	(279)	(279)	(279)	-	(307)	(338)	(371)
Transfers and Grants	1		(1 892)	(2 422)	(8 285)	(6 309)	(6 309)	-	(3 083)	(3 187)	(3 406)
NET CASH FROM/(USED) OPERATING ACTIVITIES		5 816	457	(9 271)	(17 602)	(14 343)	(14 343)	-	(13 164)	(21 397)	(21 646)
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		211	267			600	600		-	-	-
Decrease (Increase) in non-current debtors									-	-	-
Decrease (increase) other non-current receivables									-	-	-
Decrease (increase) in non-current investments									-	-	-
Payments											
Capital assets		(1 218)	(3 170)	(7 518)	(1 204)	(1 237)	(1 237)		(4 100)	(30)	(30)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(1 008)	(2 903)	(7 518)	(1 204)	(637)	(637)	-	(4 100)	(30)	(30)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans									-	-	-
Borrowing long term/refinancing		432	2	699					-	-	-
Increase (decrease) in consumer deposits									-	-	-
Payments											
Repayment of borrowing		(420)	(597)	(641)	(400)	(444)	(444)		(505)	(253)	(278)
NET CASH FROM/(USED) FINANCING ACTIVITIES		12	(595)	59	(400)	(444)	(444)	-	(505)	(253)	(278)
NET INCREASE/ (DECREASE) IN CASH HELD											
Cash/cash equivalents at the year begin:	2	4 821	(3 040)	(16 731)	(19 206)	(15 424)	(15 424)	-	(17 769)	(21 680)	(21 954)
Cash/cash equivalents at the year end:	2	32 838	37 659	34 618	26 626	17 888	17 888		2 464	(15 305)	(36 985)
		37 659	34 618	17 888	7 419	2 464	2 464	-	(15 305)	(36 985)	(58 938)



4.13 Communication and Public Participation Strategy

The community participation strategy of the Municipality focuses on compliance with the requirements of the Municipal Systems Act, 2000 and the Municipal Planning and Performance Management Regulations, 2001 in the manner in which the municipality organises its engagement structures and processes. In this regard, overall aim of the Municipality's participation strategy is to develop a culture of municipal governance that complements formal representative government with a system of participatory governance. In this regard, the objectives of the Municipality's participation processes are as follows (related to the requirements of s. 16 of the Systems Act, 2000):

- Encourage, and create conditions for, the local community to participate in the affairs of the municipality, including the preparation, implementation and review of its integrated development plan; the establishment, implementation and review of its performance management system; the monitoring and review of its performance, including the outcomes and impact of such performance; the preparation of its budget; and strategic decisions relating to the provision of municipal services.
- Contribute to building the capacity of the local community to enable it to participate in the affairs of the municipality; councillors and staff to foster community participation; and use its resources, and annually allocate funds in its budget, as may be appropriate for the purpose of implementing the IDP, PMS and community engagement initiatives.

The purpose of communication in local government is to fulfill the mandate and duty to consult with and inform the public about services impacting on their daily lives. Councillors, managers and the public should understand the chain of events in a municipality's communication system and they should be sensitive to all conditions that impact on the environment in which they are operating.

The function of communication in municipalities is directly linked to the function of meeting the information needs of society. Therefore, all councillors and employees should perform their functions with the knowledge that the purpose of all messages is to satisfy the community's most urgent expectations.

Communication in local government is a process aiming at the sharing of information between a municipality and all its stakeholders. It requires the establishment of an interactive process that should be aligned with the Integrated Development Plan of a municipality. To ensure that the flow of communication is effective and efficient, it is essential that a communication strategy is developed. The purpose of a municipal communication strategy is to convey correct, clear and simple messages on a regular basis to all internal and external stakeholders in a transparent manner. This will, on the one hand, ensure that councillors and career officials:

- Are familiar with the expectations of the stakeholders;
- Convey clear messages to all relevant stakeholders;
- Identify and apply appropriate communication methods; and
- Frequently communicate with all the stakeholders.



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On the other hand it would ensure that community members are informed about the processes available to them to participate in local government affairs and to play a watchdog role in the level and quality services that they are getting from their municipality.

In addition to the theoretical foundation for communication in a municipal setup, there is also a comprehensive policy framework comprising of national government legislation and other policy documents. It is essential that any municipality's communication strategy is aligned with the directives stipulated in the legislation and the relevant policy documents.

The Municipality's Communication and Public Participation Strategies will give further effect to the community and stakeholder involvement in the affairs of the municipality. Several communication and public participation initiatives are provided for in Section C of the IDP. Public participation is prioritized in the Back to Basics approach adopted by the National Government and to which the Municipality has responded by adopting its' own Back to Basics Action Plan.