

# WE ARE PLEASED TO PRESENT THE VICTOR KHANYE LOCAL MUNICIPALITY **INTEGRATED DEVELOPMENT PLAN FOR 2024/2025 REVIEW.**

The preparation of Integrated Development Plan (IDP) is a legislative requirement as entailed in terms of Section 25 of the Municipal Systems Act (MSA) Act (No 32) of 2000. An IDP is one of the key tools for Local Government to cope with its new developmental role. Furthermore, it seeks to facilitate strategic decisions on issues of Municipal budgets, Land Use Management Systems, Local Economic Development and Institutional transformation in a consultative and systematic manner.

The report focuses on the financial and operational plans for 2024/2025, documenting our milestones against the 2023/2024 performance and our progress against our Five-Year Delivery Plan. This report includes a shot of our performance and an overview of our outlook for the future, including our plans to ensure the delivery of services to our people. Further reflecting on Council's commitment to social, economic, environmental and sound governance principles that are important to our community.

The Municipality would never achieve this alone hence strives to maintaining strong relationships with state agencies, businesses and key stakeholders, to plan and shape the Municipal future. Thus, remaining focus during 2024/2025 will be the primary objective.

This report is intended to provide important information to a broad range of stakeholders including Victor Khanye residents and ratepayers, local businesses, nongovernment organizations, our partners and other government departments and agencies. It also provides information on how well we have performed over the year and what to expect in the coming year.

#### ACCESSING THIS REPORT

This report is available on the Municipal Website at:

#### www.vklm.gov.za.

You can also access copies of this document report at our Municipal Offices located at Corner Van Der Walt Street Samuel Road Delmas, or any of our libraries.

Tell us what you think

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Call the Acting Assistant Manager IDP on 013 665 6000. POWTH AND DEVELOPMENT

Or

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For the Attention of Municipal Manager

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# TABLE OF CONTENTS

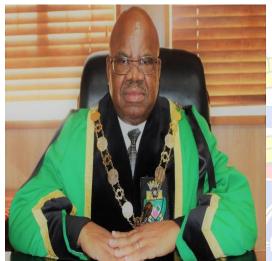
CONTACT DETAILS	
TABLE OF CONTENTS	4
TABLES	6
FIGURES	
FOREWORD BY EXECUTIVE MAYOR COUNCILLOR KV BUDA	
OVERVIEW BY THE MUNICIPAL MANAGER - MR TM MASHABELA	9
ACRONYMS	
CHAPTER 1: AN OVERVIEW OF THE IDP PROCES	13
1.1. INTRODUCTION	
1.2. THE SCOPE OF THE IDP	
1.3. THE IDP PROCESS	
1.3.1. PHASE 1: ANALYSIS	
1.3.2. PHASE 2: STRATEGIES	
1.3.3. PHASE 3: PROJECTS	
1.3.4. PHASE 4: INTEGRATION	
1.3.5. PHASE 5: APPROVAL	
1.4. THE IDP GOVERNANCE & INSTITUTIONAL ARRANGEMENT	
CHAPTER 2: MUNICIPAL DEVELOPMENT PROFILE (SITUATIONAL ANALYSIS)	36
2. INTRODUCTION	
2.1. ENVIRONMENTAL PROFILE	
2.1.1. Geographical Location	
2.2. KEY ALIGNMENT OF SPATIAL DEVELOPMENT FRAMEWORK	
2.3. PHYSICAL ENVIRONMENT SPACE	
2.3.1. Topology and Climate	
2.3.2. Geology	
2.3.3 Biodiversity & Vegetation	
A A A A A A A A A A A A A A A A A A A	
2.3.4. Soil & Air Quality	45
2.3.5 Demographic Indicators	ΔF
2.3.6. Socio-Demographic Indicators	
2.3.6.1. Level of Education	
2.3.6.2. Income Profile	
2.3.6.3. Economic Indicators	
2.3.6.4. Labour Indicators	
2.3.6.5. Household Infrastructure Index	
2.3.6.6. Access to Basic Services	
2.3.6.7. Housing	
2.3.6.8. Water and Sanitation	
2.3.6.9. Sanitation	84
2.3.6.10. Electricity and Street Lighting	85
2.3.6.11. Roads and Storm Water System	86
2.3.6.11. Roads and Storm Water System	87
2.4.1. Public Facilities: Cultural Sports and Recreation Centre	88
2.4.2. Primary Health Care and HIV and AIDS2.4.3. Traffic, Safety and Law Enforcement	88
2.4.3. Traffic, Safety and Law Enforcement	89
2.4.4. Emergency Services	91
2.4.5. Cemeteries and Crematoria	
2.4.6. Youth Development	92
2.4.7. Land Invasion	93
2.4.7.1 Monitoring of Land Invasion activities in Victor Khanye Local Municipality	93
2.4.8. Measures Taken by the Municipality to Prevent Unlawful Occupation of Land	d and
Mitigating Growth of Informal Settlements	94

2.4.8.1 Areas Prone For Land Invasion	
2.4.9. Rural Development Strategic Framework	
2.4.9.1 Different Projects and Priorities	
2.5. INSTITUTIONAL PROFILE	
2.5.1. Legislative Arm	
2.5.2. Executive Arm	
2.5.3. Key Roles & Responsibilities of Council Committees	
2.5.4. Establishment and Functionality of Ward Committees	
2.5.5. Administrative Arrangement/Structure	
2.5.6. Vacancy rate	
2.5.7. Employment Equity Plan	
2.5.8. Skills Development Planning	
2.5.9. Information Communication and Technology (ICT)	
2.5.10. Risk Management and Fraud prevention	
2.5.11. Complaint Management System	
2.5.12. BY-LAWS & POLICIES STATUS QUO	103
CHAPTER 3: MUNICIPAL DEVELOPMENT STRATEGIES	110
3. VISION, MISSION AND VALUES OF VICTOR KHANYE LM	
3.2. CORE PRINCIPLES IN EXECUTING THE GOALS	
3.2. CORE PRINCIPLES IN EXECUTING THE GOALS	1 1 1
CHAPTER 4: AUDITOR GENERAL (AG) REPORT AND MEC'S COMMENTS	112
4.1. INTRODUCTION	
Basis for the Qualified Audit Opinion	
2022/23 ACTION PLAN - VICTOR KHANYE LOCAL MUNICIPALITY	113
CHAPTER 5: FINANCIAL PLAN	
5.1 INTRODUCTION	
5.2 BUDGET ASSUMPTIONS AND OBJECTIVES	
5.3. BUDGET SUMMARY - VKLM	
5.4. Victor Khanye - Table A2 Budgeted Financial Performance (revenue and expenditure functional classification	
5.5. Victor Khanye - Table A3 Budgeted Financial Performance (revenue and expenditu	
municipal vote) and expenditu	
5.6. Victor Khanye - Table A6 Budgeted Financial Position	
5.7. Victor Khanye - Budgeted Cash Flows	
5.8. Victor Khanye - Asset Management	136
5.9. Victor Khanye - Basic service delivery measurement	138
olo: visios initially of Education visits and visits an	
CHAPTER 6: PERFORMANCE MONITORING AND EVALUATION	139
6.1. LEGISLATIVE FRAMEWORK FOR PERFORMANCE MANAGEMENT	140
6.2. SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN	
6.3. MONITORING AND EVALUATION OF THE MUNICIPAL AND INDIVIDUAL	
PERFORMANCE	141
6.4. ROLE PLAYERS IN THE MANAGEMENT OF PERFORMANCE MANAGEMENT	142
6.4.1. Internal Audit	142
6.4.2. Performance Audit Committee	142
6.4.3. Evaluation Panel	142
6.4.4. Executive Mayor and Members of the Mayoral Committee	142
6.4.5. Council and Section 80 Committees	
6.4.6. Community	
6.5. PERFORMANCE MANAGEMENT REPORTING	
6.6. ORGANIZATIONAL PERFORMANCE	146

CHAPTER 7: MUNICIPAL PROJECTS	147
7.1.2. IDENTIFY DDM CATALYTIC PROJECTS AND PROGRAMMES	_
7.2. FINANCIAL VIABILITY, GOOD GOVERNANCE, INSTITUTIONAL DEVELOPMENT AND	
TRANSFORMATION	156
7.2.1. POSSIBLE REVENUE ENHANCEMENT STRATEGY	
7.2.2. CIRCULAR 124: ESKOM DEBT RELIEF	
7.3. FINANCIAL VIABILITY, GOOD GOVERNANCE, INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION	
7.3.1. POSSIBLE REVENUE ENHANCEMENT STRATEGIES	
7.3.2. IDENTIFY DDM CATALYTIC PROJECTS AND PROGRAMMES	167
7.3.2. IDENTIL I DDIW CATALITIC PROJECTS AND PROGRAMMES	107
TABLES	
Table 1: Population Crowth Pate	10
Table 1: Population Growth Rate	۳۱ مد
Table 2. Population Composition by Aga and Conder	∠∪
Table 3: Population Composition by Age and Gender	∠∠
Table 4: Population Composition (per Ward and Gender)	
Table 5: Number of Households	
Table 6: Educational Indicators	
Table 7: Number of Households by Income Level	
Table 8: Distribution of Average Household Income (2001-2016)	
Table 9: Development and Income Indicators	
Table 10: Average Household Income	
Table 11: Poverty and Inequality	
Table 12: Economic indicators	
Table 13: Contribution by Local Municipality`s areas to Nkangala District Municipality	30
Table 14: Tourism Contribution by Local Municipal areas to Nkangala	
District Municipality	
Table 15: District Comparative Advantage	
Table 16: Labour Indicators	36
Table 17: Labour Indicators	
Table 18: Basic Service Delivery Indicators	
Table 19: Distribution of Households by Type of Main Dwelling	39
Table 20: Distribution of Households with Access to Piped Water	40
Table 21: Population Size Per Service: Sanitation	41
Table 21: Population Size Per Service: Sanitation         Table 22: Population Size Per Service: Electricity	42
Table 23: Population Size Per Service: Waste Removal	43
Table 24: Serious Crimes Reported by Local Municipalities to Mpumalanga Province	47
Table 25: Youth Population	48
Table 26: Composition and Roles of IDP Process within Victor Khanye Municipality	68
Table 27 Vital Stakeholders in the IDP Process	70
Table 28: Feedback from Ward 1: Cllr B Mbalati	71
Table 29: Feedback from Ward 2: Cllr BD Yeko	72
Table 30: Feedback from Ward 3: Cllr T Malomane	73
Table 31: Feedback from Ward 4 & 5: Cllr H Ngoma and Cllr ES Lebatsi	76
Table 32: Feedback from Ward 6: Cllr S Ngcobo	78
Table 33: Feedback from Ward 7: Cllr Z Ndlovu	
Table 34: Feedback from Ward 8: Cllr D Bath	80
Table 35: Feedback from Ward 09: Cllr. E Masilela	
Table 36: Identified Community Issues as per Municipal Function	84
Table 37: Identified Community Needs per Ward	87
Table 38: Number of Households with Access to Water	
Table 39: Number of Households with Sanitation	89

Table 40: Households Use Electricity	
<b>Table 41:</b> Distribution of Household by Source of Energy – Cooking & Lighting	
Table 42: Ward Refuse Removal	
Table 43: Households with Access to Waste Removal	
Table 44: KPA 1 - Basic Service Delivery and Infrastructure	
Table 45: KPA 2 - Financial Viability and Financial Management	
Table 46: KPA 3: Institutional Development and Transformation	
Table 47: Water Projects	
Table 48: Electricity Projects	123
Table 49: KPA 2: Financial Viability and Management	132
Table 50: KPA 2: Statement and Measurement of Financial Viability   Financial	
Management	
Table 51: Planning Statement and KPI for Good Governance	
Table 52: Good Governance and Public Participation Projects	
Table 53: Communication Projects	
Table 54: Public Participation Projects	
Table 55: Youth Development Projects	158
Table 56: KPA 5: Spatial Rationale	
Table 57: Spatial Proj	
Table 58: KPA 6: Statement and Measurement of Local Economic Development	
Table 59: Economic Growth and Development Projects	
Table 60: Youth Development Projects	
Table 61: Priority Projects 2023/2024 – Roads	198
Table 62: Priority Projects 2023/2024 – Water         Table 63: Priority Projects 2023/2024 – Sanitation	199
Table 64: Priority Projects 2023/2024 — Salid Wests/Environment	202
<b>Table 64:</b> Priority Projects 2023/2024 – Solid Waste/Environment	
<b>Table 65:</b> Priority Projects 2023/2024 - Sports	
Table 60:         23/24 Education Projects for Victor Khariye Education Projects for Victor Research Pr	
<b>Table 68:</b> Department of Public Works, Roads and Transport Projects	
Table 69: Department of Community Safety, Security & Liaison Projects	
Table 70: Department of Human Settlement Projects	
Table 16: Department of Flaman Octalement 1 Tojecto	200
FIGURES	
TIGUNES	
	10
Figure 1: Locality Map of the Municipality	
Figure 2: Population Contribution (2011 – 2016)	
Figure 3: Victor Khanye Population Contribution (2011 – 2016)	
Figure 4: Victor Khanye Population Demographics	
Figure 5: Victor Khanye Population by Broad Age Group	
Figure 6: Victor Khanye Population by Gender	
Figure 7: Victor Khanye Population Composition by Gender and Ward	24
Figure 8: Indicators: Sector Employment	31
Figure 9: Indicators: Sector Contribution, (Period 2016 – 2019)	33
Figure 10: Indicators: Unemployment by Gender	35
Figure 10: Indicators: Unemployment by Gender	36
Figure 12: Indicators: Distribution of Households by Type of Main Dwelling	
Figure 13: IDP Review Process	
- 15414 141 151 1101011 1 100000	

# FOREWORD BY EXECUTIVE MAYOR COUNCILLOR KV BUDA



It is my pleasure to present the reviewed Integrated Development Plan (IDP) for Victor Khanye Local Municipality for the 2024/2025 financial year. This document is compiled in terms of the Municipal Systems Act No. 32 of 2000, Chapter 4 and 5. It is a Strategic document for all planning, development and decisions by the Municipality in driving service delivery.

This document is compiled in accordance to the adopted process plan which includes thorough public consultation with all Stakeholders to inform the final document that is before us.

The programmes and projects contained in this IDP document will only be possible if as a Municipality we are able to maximise our revenue collection rate. This can only be possible if our community members can fulfil their side of the bargain by paying their accounts on a monthly basis without failure.

The Municipality will not be able to fulfil all the projects on its own hence we have to continue to engage sector departments and the private sector for their support in making sure that this document does not become a wish list, but is implemented to the latter.

From time to time, community priorities change as material conditions and the economy changes, we have aligned our planning to be able to respond to those changes. We take into consideration the rapid increase in the population of our town which needs adequate planning and servicing and maintenance of our infrastructure which is taking strain.

This will be coupled by a very resourced administration team that has the required skills and technical know-how. The administration of the municipality will play a crucial role in making sure that all the programmes and projects that are on this document are implemented in an effective and efficient manner.

Ours is to play an oversight role in the execution of the strategic plans of the institution and making sure that we full fil our constitutional mandate guided by the principles and policies of the Municipality.

We hope that the views of the anticipated outcome of the implementation of this IDP represent all people of this wonderful town called Victor Khanye, we will continue to give feedback to our communities with regards to the milestones that we have achieved and the challenges we are faced with.

Through the budget consultation process we will also identify the programmes that we have prioritised with the limited resources at our disposal.

Improving the lives of our communities for the better remains our main objective and will never detour from this strategic and fundamental goal.

CLLR. KV BUDA EXECUTIVE MAYOR

# OVERVIEW BY THE MUNICIPAL MANAGER - MR TM MASHABELA



Firstly, I would like to thank the staff, Councillors, members of the communities and stakeholders for the support and commitment shown in the 2023/24 financial year. As we prepare for the 2024/25 financial year; it is my great pleasure to present the Municipality's Integrated Development Plan (IDP) for the 2024/25 review.

Section 34 of the Municipal Systems Act 32 of 2000 mandates that the Victor Khanye Local Municipality review and amend the Integrated Development Plan every year. The communities have reaffirmed their needs through public engagement activities, and these needs include access to facilities, employment opportunities, SMME support, water, roads, energy, health, and educational resources.

In order to ensure that the needs of local communities are met, the Municipality must ensure that its planning activities are appropriately coordinated and integrated with the provincial and national spheres of government. To achieve the goal of attaining expediency in service delivery to our communities, the Integrated Development Plan should be viewed and, in fact, grow into the principal planning instrument for the three spheres of government.

Through this review, the Municipality will be tracking the projects included in this IDP attentively and evaluating each directorate's performance. The essential parties will work together to implement some of these projects. Our top priority will be to fortify our ties and alliances with the corporate community and other important Municipal stakeholders. The Municipality will investigate the economic prospects that might be unlocked in collaboration with the pertinent stakeholders as part of its duty to advance economic growth.

This document guides and provides information for all planning and development activities. It also forms the basis for the Medium Term Revenue & Expenditure Framework (MTREF). This is to ensure that development is implemented in a coordinated manner. The IDP must provide guidance to the MTREF budget, which must be linked to specific Service Delivery & Budget Implementation Plan (SDBIP) objectives.

Section 26(h) of the Municipal Systems Act, No. 32 of 2000 (MSA), indicates that "a financial plan, which must include a budget projection for at least the next three years" is a core component of the IDP, hence the Municipality established a linkage between the IDP and Budget at a Strategic level.

TM MASHABELA MUNICIPAL MANAGER

# **ACRONYMS**

ABET	Adult Based Education and Training		
AIDS	Acquired Immune Deficiency Syndrome		
CBO's	Community Based Organisations		
CETA	Construction Education and Training Authority		
CHBC	Community Home Base Care		
CIP	Comprehensive Infrastructure Plan		
CMIP	Consolidated Municipal Infrastructure Programme		
CPTR	Current Public Transport Record		
DBSA	Development Bank of South Africa		
DEAT	Department of Environmental Affairs and Tourism		
DAC	District AIDS Council		
DARDLA	Dep <mark>artment of Agriculture,</mark> Rural Development and Land Administration		
DDM	District Development Model		
DRDLR	Department of Rural Development and Land Reform		
DCOGTA	Department of Corporative Government and Traditional Affairs		
DoH	Department of Human Settlements		
DTI	Department of Trade and Industry		
DM	District Municipality		
DMA	District Management Area		
DME	Department of Minerals and Energy		
DoE	Department of Energy		
DPWR&T	Department of Public Works, Roads and Transport		
DWA	Department of Water Affairs		
ECA	Environmental Conservation Act		
EIA	Environmental Impact Assessment		
EIP	Environmental Implementation Plan		
EHS	Environmental Health Services		
EMP	Environmental Management Plan		
EMS	Environmental Management System		
EPWP	Expanded Public Works Programme		
FBS	Free Basic Services		
FBE	Free Basic Electricity		
FPA	Fire Protection Association		

GIS	Geographic Information System
HDI	Human Development Index
HOD	Head of Department
IDP	Integrated Development Plan
IGR	Intergovernmental Relations
IEM	Integrated Environmental Management
IMEP	Integrated Municipal Environmental Programme
IWMP	Integrated Waste Management Plan
INEPBPU	Integrated National Electrification Programme Business Planning Unit
IS	Information System
IT	Information Technology
ITP	Integrated Transport Plan
KPA	Key Performance Area
KPI	Key Performance Indicator
LED	Local Economic Development
LM	Local Municipality
LRAD	Land Redistribution for Agricultural Development
LTO	Local Tourism Organisation
LUMS	Land Use Management System
MAM	Multi-Agency Mechanism
MEC	Member of Executive Committee
MFMA	Municipal Finance Management Act
MHS	Municipal Health Services
MIG	Municipal Infrastructure Grant
MPCC	Multi-Purpose Community Centre
MSIG	Municipal Systems Improvement Grant
MSP	Master Systems Plan
NEMA	National Environmental Management Act
NEPAD	New Partnership for Africa's Development
NER	National Electricity Regulator

NGO	Non-Governmental Organization		
NSDP	National Spatial Development Perspective		
NWMS	National Waste Management Strategy		
OLS	Operating Licence Strategy		
PGDS	Provincial Growth and Development Strategy		
PHC	Primary Health Care		
PMS	Performance Management System		
PPP	Public Performance Areas		
REDS	Regional Electricity Distribution System		
RSC	Reg <mark>ional Service Council</mark>		
RTO	Reg <mark>ional Tourism Organis</mark> ation		
SABS	South Africa Bureau of Standards		
SACOB	South Africa Chamber of Business		
SALGA	South Africa Local Government and Administration		
SANAC	South African National AIDS Council		
SANCO	South Africa National Civic Organization		
SANRAL	South African National Roads Agency		
SAPS	South African Police Service		
SETA	Sector Education Training Authority		
SDF	Spatial Development Framework		
SLA	Service Level Agreement		
SOER	State of the Environment Report		
TSC	Thusong Services Centres		
WSA	Water Services Authorities		
IWSDP	Integrated Water Services Development Plan		

#### **CHAPTER 1: AN OVERVIEW OF THE IDP PROCES**

#### 1.1. INTRODUCTION

Section 34 of the MSA prescribes that a municipality –

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

The review process serves as an institutional learning process where stakeholders can meet to discuss the successes and frustrations of the previous year. It is not designed to interfere with the long-term Strategic objectives of the municipality. The review process is a strategic process to ensure the institution remains in touch with their intentions, informed of the varying needs of residents and up to date with the changing environment within which it functions. The priorities and actions identified in this IDP will seek to better inform the municipality's budget and streamline service delivery initiatives. This will ensure that the Victor Khanye Local Municipality remains on course to attain its strategic objectives.

Local municipalities in South Africa have to use "integrated development planning" as a method to plan future development in their areas. Apartheid planning left us with cities and towns that:

- Have racially divided business and residential areas
- Are badly planned to cater for the poor with long travelling distances to work and poor access to business and other services.
- Have great differences in level of services between rich and poor areas
- Have sprawling informal settlements and spread out residential areas that make cheap service delivery difficult.

Rural areas were left underdeveloped and largely unserviced. The new approach to local government has to be developmental and aims to overcome the poor planning of the past.

Integrated Development Planning is an approach to planning that involves the entire municipality and its citizens in finding the best solutions to achieve good long-term development.

#### 1.2. THE SCOPE OF THE IDP

The 2024-2025 IDP Review is comprised of seven (7) interlinked chapters that are mandatory for a credible IDP, in terms of the Department of Cooperative Governance and Traditional Affairs (DCOG) IDP framework and guidelines.

The first chapter provides an introductory overview of the process followed in compiling the IDP and in reviewing it annually. The process unfolded in various phases which includes the preparation, analysis, strategy, projects, integration and ultimately the approval phase of the IDP.

The second chapter is a situational analysis, aiming to give the reader a deep understanding of the context in which the IDP has been developed. It outlines the municipal development profile in terms of the institutional and external environmental scan. It captures the socio-

economic indicators which comprises amongst others the demographics, social analysis, economic analysis, spatial analysis, and access and lack of access to basic services within the Victor Khanye municipal area. It also gives an overview of the transversal programmes currently under implementation within the Municipality.

The third chapter details the municipal Development Strategies that will be employed by the Municipality to respond to its legislative mandate and its development and transformation needs. In this chapter, the Municipality's vision, mission, development objectives, development priorities, development strategies and five-year performance targets are clearly articulated. The alignment between the IDP and the municipal long-term strategy (Vision 2030) is explained, together with a short briefing on other policies and priorities at various governmental levels, which have an influence on the IDP.

The fourth chapter provides a brief summary of the Auditor-General (AG) audit findings and MEC for Department of Cooperative Governance and Traditional Affairs (COGTA) IDP assessment findings, and subsequent remedial measures taken to address these findings in compliance with statutory obligations.

The fifth chapter is the financial plan of the Municipality over the next Medium-Term Revenue and Expenditure Framework (MTREF). Items covered under this chapter includes *inter alia* estimate of revenue, capital expenditure, revenue enhancement, cash-flow statement for the medium-term as well as a brief explanation of policies that support the municipal budget. It also includes how this MTREF is linked to the Municipality's IDP.

The sixth chapter provides an outline of the performance management framework that guides how the municipality will monitor the progress made towards the achievement of the set IDP targets. Topics covered in this chapter include the legislative framework for performance management, role players in performance management, and the types of reports that are produced as a result of the performance management process. This chapter also outlines the performance of the Municipality is the previous financial years.

The last chapter (chapter seven) provides an outline of the Municipality's planned and budgeted projects to be implemented by the Municipality, and those that will be implemented by provincial and national sector departments. It also includes the projects that are implemented and funded by the private sector such as local mines as part of their Social Labour Plans. Most of these projects span out for the duration of the medium-term period (3 years). The planned projects form part of the municipal strategy to respond to the five-year development priorities of the Municipality.

## 1.3. THE IDP PROCESS

According to the MSA, every new council that comes into office after the local government elections has to prepare its own IDP that will guide them for the five years that they are in office. The IDP is therefore linked to the five-year term of office of Councillors. This does, however, not restrict all proposals in the IDP to five years.

Before starting the planning process, an **IDP Process Plan** must be drawn up. This plan is meant to ensure the proper management of the planning process.

This plan should outline:

- The structures that will manage the planning process
- How the public can participate and structures that will be created to ensure this participation

- Time schedule for the planning process
- Who is responsible for what
- How will the process be monitored

A clear distinction must also be made between the main IDP which is compiled every five years (or if a new council comes into power within the five-year period and does not accept the previous council's IDP) and the annual review of the IDP. The annual review is not a replacement of the five-year IDP and its purpose is not to interfere long-term strategic orientation of the. The annual review reflects and reports on progress made with respect to the five-year strategy (and strategic goals) and proposes adjustments to the strategy, if necessary, because of changing internal and external circumstances that impact on the appropriateness of the IDP.

Once the IDP is drawn up all municipal planning and projects should happen in terms of the IDP. The annual council budget should be based on the IDP. Other government departments working in the area should take the IDP into account when making their own plans.

It should take 6 to 9 months to develop an IDP. During this period service delivery and development continues. The IDP has to be drawn up in consultation with forums and stakeholders. The final IDP document has to be approved by the council

The process undertaken to produce the IDP consists of 5 phases:

#### 1.3.1. PHASE 1: ANALYSIS

During this phase information was collected on the existing conditions within the municipality. It focused on the types of problems faced by people of VKLM and the causes of these problems. Public Consultation meetings were held and this assisted the municipality to draw up a situational analysis.

During this phase the Municipality embarked on a Public Participation consultation; where all the 9 wards in VKLM were met and issues affected each Ward were noted and documented in preparation for the IDP. Local Government: Municipal Systems Act (Act 32 of 2000) states that a municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance, and must for this purpose encourage, and create conditions for the local community to participate in the affairs of the municipality, including in the preparation, implementation and review of its integrated development plan. The participation of communities is driven through a Ward Committee System managed by the Public Participation Unit located in the Office of the Speaker.

Public Participation Consultations were held as per the following schedule:

**Table: Public Consultation Meetings** 

WARD		COUNCILLOR	DATE OF MEETING
WARD 01		Cllr Blondie Mbalati	10 October 2023
WARD 02		Cllr BD Yeko	12 October 2023
WARD 03	G	Cllr T Malomane	27 September 2023
WARD 04	750	Cllr H Ngoma	28 September 2023
WARD 05		Cllr ES Lebatsi	PMI
WARD 06		Cllr S Ngcobo	11 October 2023
WARD 07		Cllr Z Ndlovu	23 September 2023
WARD 08		Cllr D Bath	15 October 2023
WARD 09		Cllr E Masilela	14 October 2023

Emanating from the above mentioned public consultation meetings; the following community needs were recorded per ward;

Table 28: Community Needs Ward 01: Cllr. Blondie Mbalati (10/10/2023)

Focus Area	Issues Raised
1. Housing	<ul> <li>There is a high demand for serviced stands to accommodate backyard dwellers.</li> <li>Removal of asbestos roof</li> <li>Back yard dwellers to be provided with RDP houses</li> <li>RDP houses occupied by mostly Foreigners</li> </ul>
2. Revenue	Reduction of flat rate for pensioners needed.
Collection	Approved indigents, but balances have not been cleared.
3. Unemployment	<ul> <li>Need for employment opportunities</li> <li>VKLM youth to be prioritised, for employment at the airport.</li> <li>EPWP Recruitment should not seem to be favouring the politically connected only but all.</li> <li>The Nkangala FET needs to start in order for youth to receive skills needed for them to be employable.</li> <li>Employed people should not be appointed as Ward Committee Members</li> </ul>
4. Roads & Electricity	<ul> <li>Potholes need to be fixed.</li> <li>Roads need to be maintained.</li> <li>Water drainage system to be revisited.</li> <li>In Stand No. 1965 Extension 1, the electric meter box is faulty.</li> <li>More street lights are needed</li> </ul>
5. Education/Skills  Development	<ul> <li>Skills Development Centre is needed.</li> <li>TVET College is also needed.</li> </ul>
6. Safety & Security	<ul> <li>The level of crime too high and the Community not safe</li> <li>CPF should be re-ignited</li> </ul>

Table 29: Community Needs Ward 2: Cllr BD Yeko (12/10/2023)

Focus Area	Issues Raised
Revenue Collection	<ul> <li>Fast-track registration and approval of indigent register.</li> <li>Community not happy about 60/40 policy.</li> </ul>
2. Housing and Asbestos Roofs	<ul> <li>A need for RDP houses for back yard dwellers</li> <li>Serviced stands in high demand.</li> <li>Removal of asbestos roof/s in Ward 02.</li> </ul>
3. Roads And Storm Water Drainage System 4. Waste Management	<ul> <li>Roads are full of potholes and must be fixed.</li> <li>Roads need to be maintained.</li> <li>Drainage System to be refurbished</li> <li>Illegal dumping is rife, and must be addressed urgently.</li> </ul>
5. Unemployment	<ul> <li>Request for employment for Mandela residence.</li> <li>The Nkangala Delmas FET needs to start working so Delmas youth can get skills needed for employment opportunities.</li> <li>EPWP/CWP recruitment should be fair.</li> </ul>
6. Water And Sanitation	<ul> <li>Need for additional communal taps at Mandela as the current ones are few.</li> <li>Blocked sewerage not attended to.</li> <li>Water meters' readings are not always recorded.</li> <li>Boreholes must be resuscitated.</li> </ul>
7. Electricity	<ul> <li>More Street lights are needed.</li> <li>Municipality to remove all illegal connections in Ward 2, especially in the Mandela area.</li> <li>Fixing high mast lights in the ward.</li> </ul>

8. Health/Social	Clinic to operate 24 hrs.
	Ambulances are not responding on time, when called
	for emergencies.
	<ul> <li>Need a fully functional Home Affairs office, not a</li> </ul>
	satellite office.
	A victim support centre is needed.
	<ul> <li>Proposal for a feeding scheme for the unemployed and</li> </ul>
	needy people.

Table 30: Community Needs Ward 03: Cllr T Malomane (27/09/2023)

Focus Area		Issues Raised	
1. Housing		<ul> <li>Request for housing, proper and fairly management of a waiting list.</li> <li>Request assistance in acquiring title deeds.</li> <li>Municipality to make residential stands available for sale.</li> <li>Request for the removal of heap of rocks.</li> </ul>	
2. Revenue Coll	lection	<ul> <li>Reading of water meters are not consistent.</li> <li>Wrong billing.</li> <li>Indigent applicants are not approved, and not updated on new developments/feedback.</li> <li>Residents not receiving accounts.</li> <li>Municipality must build Customer Care office for Ward 03.</li> </ul>	
3. Parks	GROW	<ul> <li>Request that landscaping be done along the N12.</li> <li>Erecting a fence along the N12 road to protect Botleng Ext.5 Community.</li> <li>Establishment of parks and recreational facilities.</li> </ul>	
4. Electricity		<ul> <li>Maintenance of high mast light behind the school.</li> <li>Request the installation of solar geysers.</li> <li>High mast lights and Street lights are needed.</li> </ul>	

5. Unemployment	Municipality need to attend to the following urgently:
o. onomploymone	<ul> <li>SMMEs be given opportunities by the municipality on</li> </ul>
	procurement.
	<ul> <li>Municipality to create job opportunities for young</li> </ul>
	people.
	<ul> <li>Proper monitoring of housing register.</li> </ul>
	Nepotism in recruitment of EPWP/CWP should stop.
	Municipality doesn't respond to complaints on time.
	<ul> <li>Drug abuse by young people remains a serious</li> </ul>
	challenge.
6. Health/Social	Need to have a 24hr clinic in the ward.
	There are members of the community with no IDs.
	Build a community hall in Botleng Ext.5.
	Build fully functional police station.
	Building of a fully functional library.
	Crime is escalating in the area.
	CPF should be revived and be visible.
7. Water and Sanitation	Inconsistent water supply to the community and water
	meters are leaking.
	Request that blocked sewerage pipes be unblocked
	speedily.
	• Installation of water meters in new houses (Botleng
	Ext. 5 -7)
8. Roads	Request to gravel the roads to allow for ease of access
	for emergency vehicles.
	Contractors are producing low-quality work, affecting
	the quality of life of the community.
YRO	<ul> <li>Tiling/paving of roads and construction of storm water drainages system.</li> </ul>
	<ul><li> Speed humps needed</li></ul>
	Ch 22 milling in 2000

9. Refuse	Consistent collection of refuse.
	<ul> <li>Removal of illegal dumping and putting of mass</li> </ul>
	containers.
	Distribution of dustbins.
10. Unemploym	<ul> <li>Need for employment opportunity, and clarity as to the recruitment processes of EPWPs.</li> <li>Projects in the community need to start recruiting locals</li> </ul>
	<ul> <li>to reduce unemployment rate.</li> <li>Request business opportunities for small businesses.</li> </ul>
1	

Table 31: Community Needs Ward 4 & 5: Cllr H Ngoma and Cllr ES Lebatsi (28/09/2023)

Focus Area	Issues Raised
1. Housing	<ul> <li>Assistance needed for rebuilding some PHP houses, or to fix cracked houses.</li> <li>Need for RDP houses (or bring back PHP).</li> <li>Prioritization of backyard dwellers on allocation of housing.</li> <li>Title deeds are needed</li> <li>Ma-wag area houses to be furnished with complete</li> </ul>
	infrastructure.
2. Electricity	Electricity maintenance and fixing street/high mast lights.



3. Roads and drainage system	<ul> <li>Storm water channelled to houses when it rains. This needs to be fixed and water channels to control water properly (for Ruth Mompati Drive).</li> <li>Need for speed humps on the road that is coming from the landfill site.</li> <li>Road maintenance in Wards 4 and 5 (patch potholes).</li> <li>Pave access roads.</li> <li>There are streets that are inaccessible, due to a heap of stones and soil left by the constructor. They request a passage in Ext.7.</li> <li>Skhosana Street should be tarred.</li> <li>Storm water drainage system to be prioritized.</li> <li>The passage leading to Ndinisa Street has been closed, since the construction of a Complex began. Request an alternative one.</li> <li>Road maintenance (fixing potholes)</li> </ul>
	<ul> <li>Speed humps at Marokoane and Nkabinde street</li> <li>Cleaning of storm water drainage systems.</li> <li>Gravelling of roads where there is no tar or paving.</li> <li>Pave access roads.</li> </ul>
4. Revenue collection	<ul> <li>No reading of water meters in other parts of the ward.</li> <li>Request constant updates of indigent register.</li> <li>A need for water connection in one of the churches around the area.</li> <li>Old library to be utilized as a satellite office for Municipal services payment.</li> </ul>
5. Education/Skill development	<ul> <li>A demand for Youth Development &amp; Information Centre.</li> <li>A demand for a TVET/ Technical College.</li> </ul>
6. Water and Sanitation	<ul> <li>Toilets in newly built RDP houses are not working.</li> <li>Provide sanitation for Ma-wag informal settlement and there are no services.</li> <li>Water meters are old and damaged.</li> <li>Municipality should distribute water to houses when there is funeral.</li> </ul>

7.	Refuse collection	A proper schedule for refuse collection should be given
		to residents.
		Removal of illegal dumping around Ma-wag area.
		Distribution of dustbins to those who never received
		any.
8.	Health/ Social	Ambulances delay to attend to emergencies.
		<ul> <li>Speed up the operation of Drug Rehabilitation Centre.</li> </ul>
		<ul> <li>Drug abuse by young people is a serious concern.</li> </ul>
		<ul> <li>Livestock causing disturbance and bad smell within the</li> </ul>
		community.
9.	Unemploym <mark>ent</mark>	High rate of unemployment in the area.
		• There is a request for EPWP & CWP recruitment be
		done fairly.

Table 32: Community Needs Ward 06: Cllr S Ngcobo (11/10/2023)

Focus Area	Issues Raised
1. Land	The selling of 500 stands should be properly managed and there must be transparency in the whole process.
2. Indigent Register	Ward Committee Members to work with Municipal staff for the registration of indigent people.
3. Youth Sports	There should be budget for Sports activities including tournaments.
4. Housing	<ul> <li>Need to provide houses for backyard dwellers.</li> <li>Need for more housing units.</li> <li>Cracked houses need to be fixed (Stand No. 449).</li> <li>Need title deeds.</li> <li>Unemployed people to be accommodated in housing scheme.</li> <li>Malita and Herfsland need an ongoing infrastructure maintenance.</li> </ul>
5. Waste Collection	<ul><li>Request the supply of dustbins.</li><li>Sweep main roads in the township, (not only in town).</li></ul>
6. Community hall	There is a need for a Community hall.

7	Water and	The sewerage is always blocked and overflowing.
	Sanitation	
	Santation	<ul> <li>Request to have sewerage pipes to be moved out of yards.</li> </ul>
		Replacing water meters around Delpark (fix leakages).
8.	Electricity	Replacement of vending machine at Delpark.
		Request to fix/maintenance of high mast lights.
9.	Roads	The roads need constant maintenance and attention,
		as they are in a bad state. (Patch potholes)
		Request a passage (48/207).
		Renovate or reconstruct houses that were damaged by
		the storm.
		Need more speed humps in Delpark.
		Paving of access roads in Delpark.
		Road markings in Uganda drive road needed.
10.	General	Municipality to rehabilitate environment, when the
		project is completed.
		Job opportunities for youth and women.
		Nepotism in recruiting EPWP/CWP displayed by some
		municipal staff, this should stop.
		Municipality doesn't respond to complaints on time.
		Drug abuse by young people, drug suppliers are not
		arrested.
		The Indian Plaza needs to be fenced.
		More Police visibility is needed around Delmas CBD.
	GA	Dumat Clinic needs urgent upgrades and
	TOM	maintenance. FR F
		Old Checkers area has become a truck yard and crime
		centre and there's a need for Law Enforcement to
		intervene and clean up our town.
		Robots need to be fixed.
		A mini landfill site near town in order to mitigate illegal
		dumping
Щ		

•	Speed humps in Delpark must be painted and visible.
•	Need more dustbins in Delmas CBD.
•	Ensure Business owners keep their premises and
	pavement <mark>s clean</mark> and tidy.
	Recycling programmes are needed.
	Ensure entrances to Delmas CBD are always clean and
	tidy.
•	The Dumat Building needs to be revamped or
	demolished as it is unsafe.
•	Foreign shop owners are still sleeping in their shops.
	Need health Inspectors to intervene.
•	The Delmas tennis Court must be re-instated.

Table 33: Community Needs Ward 07: Cllr Z Ndlovu

Focus Area	Issues Raised
1. Toilets	Supply of VIP Toilets to new informal settlement at Vukuzenzele
2. Water	<ul> <li>Water tankers do not reach all areas of Brakfontein/ Savannah, and this must be corrected.</li> <li>Installation of water meters at all residents using Municipal water.</li> <li>A suitable generator be installed at the Modder B substation to prevent water shedding due to load shedding</li> </ul>
3. Community Hall	There is a need for a Community Hall (Vukuzenzele area).
4. Clinic	Request for Mobile Clinic to reach all areas.
5. Community/Youth	Youth Development Centre is needed.
Development Centre	<ul> <li>Sundra Library needs proper fencing and Security</li> <li>Illegal buildings and illegal land use a big concern.</li> <li>The Municipality must provide adequate and on-time communication to the residents regarding service delivery matters.</li> <li>There is a need to have a fully functional Customer Service</li> </ul>

6. Electricity	Request electricity at Savanah.
	<ul> <li>Need working streetlights</li> </ul>
7. Safety and Security	Increase in crime, need more police visibility and CPF.
8. Waste Collection	<ul> <li>Need a mass bin for the Savannah area.</li> </ul>
	<ul> <li>Cleaning/ sweeping streets at Sundra.</li> </ul>
	Need more "NO DUMPING" boards in all strategic
	areas.
	Recycling programmes needed.
9. Parks	<ul> <li>Creation of park at Vukuzenzele, and gravelling of</li> </ul>
	sporting fields needed.
10. Roads	<ul> <li>A need for gravelling of roads (Access roads).</li> </ul>
	Patching of potholes (Provincial roads).
	Storm water maintenance must be prioritized.
	<ul> <li>A number of Road Signs are missing and need to be</li> </ul>
	replaced especially the tonnage boards and Stop
	signs.
	<ul> <li>Municipal roads need re-surfacing, grading and</li> </ul>
	ongoing maintenance.
11. Land	Request for municipality to buy land.
	Shannon Farm dept. to assist to stop farm evictions.
12. Unemployment	Request for job opportunities to reduce
	unemployment.
	<ul> <li>Nepotism in recruitment of EPWP/CWP. as well as</li> </ul>
	employing staff by the municipality
	Communities must be informed about the new and
	existing Mines in the area.
13. Housing	Request for the allocation of RDP houses for Savanah
	and Shannon Farms.
	<ul> <li>Incorrect billing still a problem and queries take long to</li> </ul>
	be sorted out.
	Increase in illegal immigrants

Table 34: Community Needs Ward 08: Cllr D Bath (15/10/2023)

Focus Area	Issues Raised
1. Land /Housing	There is a need for land to build RDP houses.
	A need for land and housing.
	<ul> <li>Electricity: owners of solar energy to sell electricity</li> </ul>
	back into the grid.
2. Road	<ul> <li>Patching and resurfacing of all potholes on the road,</li> </ul>
	(Sundra and Eloff).
	<ul> <li>Speed humps be painted and added on the main road,</li> </ul>
	Die Laan in Eloff.
	The road circle in Eloff needs upgrading.
	<ul> <li>Monthly storm water maintenance schedule must be</li> </ul>
	adhered to.
	<ul> <li>R555 needs a road marking from Sundra to Delmas.</li> </ul>
	<ul> <li>Provincial roads in the ward need re-surfacing.</li> </ul>
	<ul> <li>Roads in Mimosa need to be graded.</li> </ul>
	<ul> <li>Sewer connection to the mainline needed around Eloff</li> </ul>
Water And Sanitation	<ul> <li>Improve water supply for Eloff/Sundra/Rietkol</li> </ul>
	community.
	All asbestos pipes in the ward must be replaced
	urgently.
	<ul> <li>Jojo tanks for Mimosa informal settlement and</li> </ul>
	Tikkieline needed.
	<ul> <li>Installation of water meters in Mimosa and to all</li> </ul>
	residents.
	Engagements for connecting Persida Reservoir with
	Sundra Reservoir are needed.
	<ul> <li>Three more boreholes to be drilled in Eloff.</li> </ul>
G.	Modder B Pipeline to be upgraded.
GROW	Construction of VIP toilet in rural areas / Mimosa.
V	<ul> <li>Sewerage issue to be resolved in Eloff flats at Taylor</li> </ul>
	Street.
	<ul> <li>Illegal buildings and illegal land use a big concern.</li> </ul>
	Boreholes to be drilled in Sundra and Eloff to augment
	Rand Water.

		A suitable generator be installed at the Modder B
		substation to prevent water shedding due to load
		shedding.
		<ul> <li>Owners of boreholes to sell water into the water grid.</li> </ul>
		Silver of the state of the stat
4.	Revenue Collection	Constant update of indigent register.
		Residents not receiving accounts.
		<ul> <li>Incorrect billing still a problem and queries take long to</li> </ul>
		be sorted out.
		A satellite office for payment of services is needed,
		Eloff Hall proposed as a venue.
		Property tariff rates need to be revised in Eloff.
		Illegal building occupation and illegal land use is a big concern.
5.	Recreational	A need for more recreational facilities.
	Facilities	A mobile Library on a weekly basis.
		Grading of soccer field in Isaac farm. (Isaak)
6.	Waste	Street sweeping needed in Eloff town.
		Waste management system needed in Eloff.
		Re-cycling projects to be implemented.
		2 x skip bins are needed in Mimosa, and "NO
		DUMPING" signs in all strategic points.
		Refuse collectors leaving litter on streets after
		collecting.
		Illegal dumping is a problem.
		More toilets are needed in Isaak Farm, Tikieline and
		Mimosa
7.	Electricity	High mast/Street lights/ faulty and not working.
	GA	Electrification of Mimosa informal Settlement.
	MOM	Owners of solar to sell back into the grid.
8.	Parks And Cemetery	Cutting of grass in all empty stands.
		Maintenance of the graveyard in Sundra.
9.	Health/Clinic	Mobile clinic to reach all farms (Dept. of Health) and be
		well-equipped.
		Ambulance takes time to respond in rural areas.
		·

<ul> <li>CPF members harassing residents.</li> </ul>	
Upgrading of Sundra Police station needed.	
Satellite police station for Eloff community.	
Need more visible law enforcement on Provincial	
roads an <mark>d</mark> Mu <mark>ni</mark> cipal <mark>roads</mark> in Eloff and Rietkol.	
• Street trading and Health by-laws are not being	
enforced.	
Many street name boards and traffic signage are	
missing.	
<ul> <li>Illegal structures build next to the road on the Eloff</li> </ul>	
bridge must be removed- vehicles stopping and	
causing traffic jams.	
<ul> <li>Need more visibility of Law Enforcement for both</li> </ul>	
Municipal and Provi <mark>ncial.</mark>	
<ul> <li>Increase in crime- need more visible policing and CPF</li> </ul>	
Community meetings.	
Incorrect billing still a problem and queries take long to	
be sorted out.	
Need home-based care centres.	
<ul> <li>Urgent need a drug rehabilitation centre in Delmas.</li> </ul>	
<ul> <li>Need more dustbins at the parks, at the Eloff hall and</li> </ul>	
under the Eloff Bridge.	
<ul> <li>Farmer's market place needed where small scale</li> </ul>	
farmers could network and sell.	
Need Home Affairs to assist with ID'S	
Fencing of Rietkol Primary School.	
Fencing needed for Rietkol Primary.	
Build ablution block at Rietkol Primary school.	
Skills Development Centre is needed around Eloff.	
TH AND DEVELOP	

Table 35: Community Needs Ward 09: Cllr. E Masilela (14/10/2023)

Focus Area	s Ward 09: Clir. E Masilela (14/10/2023)  Issues
1. Land	<ul> <li>Request feedback on the land that was donated by Mr Truter, pertaining to the official handover. How far is the process?</li> <li>The Municipality to allocate stands to people, while waiting for Human Settlement Dept. to develop stands.</li> </ul>
2. Revenue Collection	<ul> <li>60/40 electric policy is a challenge.</li> <li>Constant update of indigent register by council.</li> </ul>
3. Water and Sanitation	<ul> <li>Construction of water reservoir at Arbor.</li> <li>Drilling of additional boreholes.</li> <li>Insufficient water supply by water tanker trucks.</li> <li>Water shortage is a challenge. It is alleged that there is an illegal water connection to the main pipe supplying the area.</li> <li>VIP/chemical toilets are almost full, and must be attended to.</li> <li>Request for water and taps connections (Arbor).</li> <li>Installation of VIP toilets in rural areas (Waaikraal and Mafensini).</li> <li>Installation of Jojo tanks in Waaikraal and other neighbouring farms.</li> </ul>
4. Health Dept.	<ul> <li>There is a need for a Mobile clinic to reach all areas.</li> <li>Request for a 24-hour clinic.</li> <li>Ambulances take time to respond/attend to rural calls.</li> </ul>
5. Education	<ul> <li>Request that Arbor school be upgraded from Grade R to Grade 12.</li> <li>Scholar transport for rural pupils.</li> <li>Skills Development Centre for people in rural areas.</li> </ul>

6. Parks	<ul> <li>Need for gravelling of sporting fields in rural areas.</li> <li>Creation of parks and recreational centres for rural communities.</li> <li>Cutting of grass on empty residential and business stands.</li> </ul>	
7. Housing	<ul> <li>Houses in Limpopo to be fixed, due to cracks.</li> <li>A Community Hall is needed.</li> <li>Suitable land needs to be allocated for the informal Modder East Orchads</li> </ul>	
8. Electricity	<ul> <li>Solar geysers requested in Limpopo.</li> <li>Electrification of Waaikraal and eMafensini settlement needed.</li> <li>Areas in question to be supplied with high mast lights.</li> </ul>	
9. Roads	<ul> <li>Request more speed humps, next a school in Argent.</li> <li>Gravelling of roads in rural areas.</li> <li>Construction of a weighbridge.</li> <li>Roads need to be graded in Modder East Orchards</li> </ul>	
10. Unemployment	<ul> <li>Job opportunities to be created and the youth in rural areas be prioritized.</li> <li>Nepotism in recruitment by Municipal Officials be stopped completely.</li> </ul>	
11. Waste Collection	Removal of illegal dumping (Arbor).	
12. Transport	Request a taxi rank to be built at Arbor.	



#### 1.3.2. PHASE 2: STRATEGIES

During this phase, the municipality worked on finding solutions to the problems assessed in phase one.

This entails:

#### Developing a vision -1

The vision is a statement of the ideal situation Victor Khanye Local Municipality would like to achieve in the long term once it has addressed the problems outlined in phase one. The following is VKLM's vision statement:

"Repositioned municipality for a better and sustainable service delivery for all"

## Defining development objectives

Development objectives are clear statements of what the municipality would like to achieve in the medium term to deal with the problems outlined in phase one.

For example: Provide access to clean water for all residents living in the informal settlement.

#### Development strategies

Once the municipality has worked out where it wants to go and what it needs to do to get there, it needs to work out how to get there. A development strategy is about finding the best way for the municipality to meet a development objective.

#### Project Identification

Once the municipality has identified the best methods to achieving its development objectives it leads to the identification of specific projects.

#### 1.3.3. PHASE 3: PROJECTS

During this phase the municipality worked on the design and content of projects identified during Phase 2.

Clear details for each project has to be worked out in terms of:

- Who is going to benefit from the project?
- How much is it going to cost?
- How is this project going to be funded?
- How long would it take to complete?
- Who is going to manage the project?

Clear targets were set and key performance indicators were worked out to measure performance as well as the impact of individual projects.

#### 1.3.4. PHASE 4: INTEGRATION

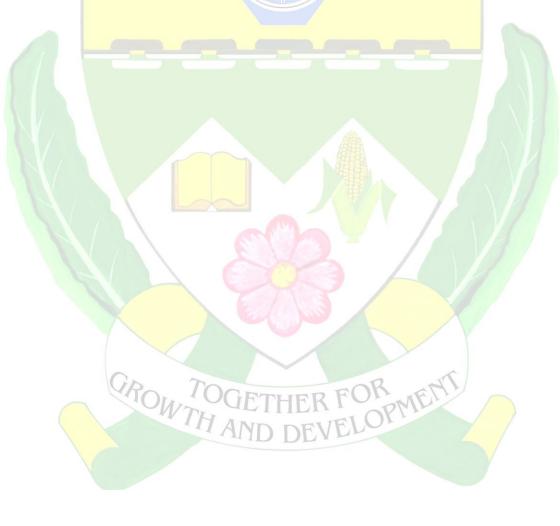
Once all projects were identified, the municipality had to check again if they contribute to meeting the objectives outlined in Phase 2. These projects will provide an overall picture of the development plans.

All the development plans now had to be integrated in this phase. The municipality should also have overall strategies for issues like dealing with AIDS, poverty alleviation and disaster management.

These strategies should be integrated with the overall IDP.

#### 1.3.5. PHASE 5: APPROVAL

The IDP is presented to the council for consideration and adoption during the final stage. The Council on its sitting on the 28<sup>th</sup> of March 2024 adopted the draft IDP for public comment before the approval of the finalised IDP.



# 1.4. THE IDP GOVERNANCE & INSTITUTIONAL ARRANGEMENT

The following institutional structures have been identified in the municipality's public participation strategy as key structures in the development of the IDP. These structures represent a wider audience of stakeholders which include organised business, labour, civil society, ward committees, Traditional Leaders, NGOs, CBOs, as well as members of the public.

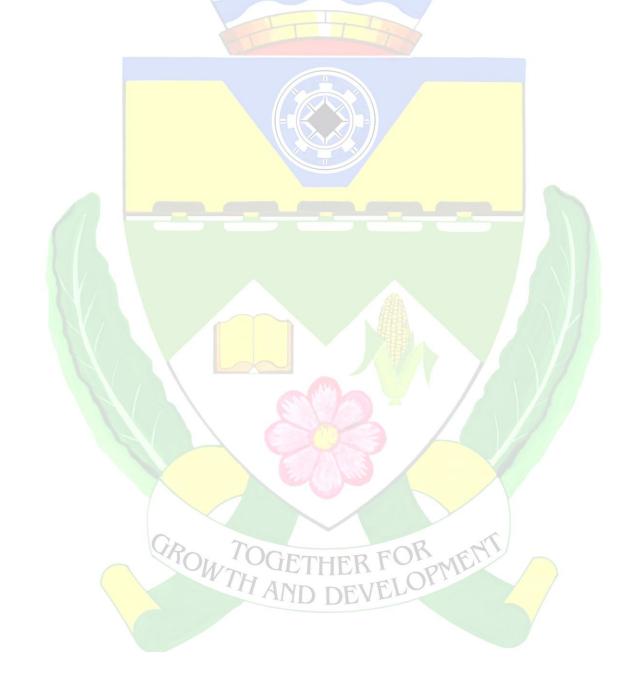
Table 26: Composition and Roles of IDP Process within Victor Khanye Municipality

STRUCTUR STAKEHOLD		COMPOSITION	ROLES AND RESPONSIBILITIES
Mayoral Comm	ittee	Executive Mayor     Members of the Mayoral     Committee  All Councillors	<ul> <li>Decide on the Process Plan and make firm recommendations to Council.</li> <li>Chair meetings of IDP Forum.</li> <li>Approve the Process Plan and the IDP.</li> </ul>
IDP Technica Committee		Municipal Manager     IDP/PMS Manager     LED Manager     PMU Manager     G&SD Manager     Four Executive     Managers     Communications     Manager     Departmental Heads	<ul> <li>Assess the level of development by among others, conducting the community and stakeholder issue analysis;</li> <li>In-depth analysis of priority issues through assessing context, causes, dynamics, resources and potential related to those issues;</li> <li>Provide technical expertise in the consideration and finalization of strategies and identification of projects;</li> <li>Make preliminary budget projections for the capital and operational budget allocations,</li> <li>Design project proposals and set project objectives, targets and indicators;</li> <li>Contribute to the integration of projects and sector programmes;</li> </ul>

Secretariat	Legal and administration	Record proceedings at IDP meetings
		Issue invites for all meetings.
		Distribute minutes and reports to all
		Stakeholders.
IDP Forum	Executive Mayor	Represent interests of their constituents
	IDP Technical	in the IDP process.
	Committee members.	Provide organizational mechanism for
	<ul> <li>Members of Mayoral</li> </ul>	discussion, negotiation and decision-
	Committee	making between the stakeholders.
	<ul> <li>Councillors</li> </ul>	Ensure communication between
	Traditional leaders	Stakeholder representatives including
	Ward Committees	mu <mark>nicipal governmen</mark> t
	• Community	Monitor the performance of the planning
	Development workers	and implementing process
	Government	
	Departments	
	Representatives of	
	organized Groups	
	<ul> <li>Stakeholder</li> </ul>	
	representatives	

Table 27: Vital Stakehold	ers in the IDP Process	3 / 1///
Community Stakeholder	<ul> <li>Mining Companies</li> <li>NGOs/ CBOs</li> <li>Agricultural Organizations</li> </ul>	Offer input from their perspective – from a business, community and welfare point of view.
Municipal Manager	Municipal Manager	Oversee the whole IDP process and to take responsibility.

IDP Manager	•	Manage the process of developing and revising the IDP.
		Assist in the organizing of public consultation and participation engagements.



# **CHAPTER 2: MUNICIPAL DEVELOPMENT PROFILE (SITUATIONAL ANALYSIS)**

#### 2. INTRODUCTION

This chapter provides a detailed summary of the municipality's development profile or situation analysis and is divided into two sections, namely, the environmental profile and institutional profile.

#### 2.1. ENVIRONMENTAL PROFILE

This section provides a situational analysis of Victor Khanye Local Municipality. The analysis ranges from demographic, social, economic, spatial, environmental as well as service delivery assessment. The aim of this Chapter is to provide detailed information on the status quo of all the various facets or conditions that make up and found within the VKLM municipal area. The results of these analysis are then used to devise means of intervention with a view to overcome the hindrance to development. This implies that the findings are used to inform future planning and also address the challenges and problems that exist within the communities in the municipal area. Own research, field studies and Victor Khanye Local Municipal lity – Final IDP Review 2023-2024

statistical resources such as StatsSA Census Surveys and Annual Performance Reports were used in conducting the analysis (situation).

# 2.1.1. Geographical Location

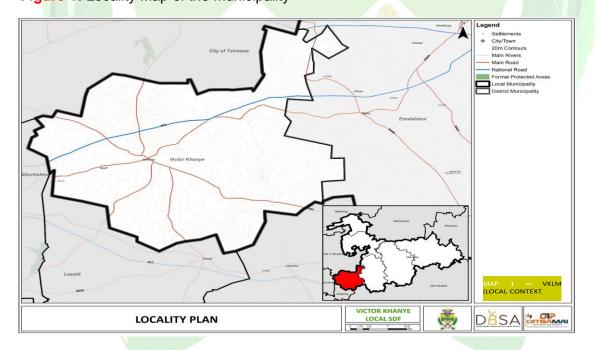


Figure 1: Locality Map of the Municipality

Source: 2022 SDF Map

Victor Khanye Local Municipality is strategically located in the provincial context, as it is located between Johannesburg in Gauteng and Nelspruit in Mpumalanga Province. It is also located close to the economically thriving metropolitan municipalities in Gauteng namely,

Ekurhuleni and Tshwane. It is 10km from the N12 Highway, which joins the N4 Maputo corridor, the main link between Gauteng Province, Mpumalanga Province and Mozambique. According to the StatsSA, (2016 Community Survey), the total population of Victor Khanye Local Municipality is approximately 106 149 persons, which amounts to 5.8% of the total Nkangala District Municipality population 1 445 624, and 1.9% of the Mpumalanga province population of 4 335 964.

The Municipality is very rural in nature and is a major maize producing area. The local towns and settlements have developed as service centres to the agricultural sector. These areas are namely; Delmas, Arbor, Argent, Botleng, Eloff and Sundra. The Municipal headquarters are in Delmas.

The Municipality is currently characterised by an increase in coal mining and related activities, the mining of silica sand is also done at large scale, and other important sectors in this area are agriculture, agricultural product processing, industrial and manufacturing. Natural resources make a significant and direct contribution to the municipality's economy.

The Spatial Development perspective of the municipality translates the IDP of the Municipality into spatial principles and strategies, and thus constitutes the spatial implementation of the IDP. The Spatial Development perspective focuses on integrating the fragmented spatial structure of the municipality with the emphasis of ensuring that all communities have equitable access to sustainable services. It also ensures that economic, cultural, recreational and educational activities and opportunities, reach communities in dispersed rural areas in an efficient manner.

#### 2.2. KEY ALIGNMENT OF SPATIAL DEVELOPMENT FRAMEWORK

The Spatial Development Framework also creates a spatially-based policy framework, where the change, needs and growth in the municipality is managed positively in a coordinated manner, to the benefit of all stakeholders. It focuses on effective, optimised land usage within the broader context of protecting the existing values of the municipality environs, i.e. as a tourism destination and a rich historical and cultural area. It protects the functioning of the current environmental ecosystems, and ensures that future developments take full cognisance of these factors and incorporates them in the strategies developed.

#### 2.3. PHYSICAL ENVIRONMENT SPACE

## 2.3.1. Topology and Climate

The most prominent natural feature of the Victor Khanye Local Municipality is the vast underground water reserves and amazing soil quality, rich in coal reserves. The topography of the area does not pose any significant obstacles to development. The landscape of the study area is characterized by flat to gentle topography of grassland and cultivated land. Steeper slopes are found to the north of Delmas in the direction of the Bronkhorstspruit Dam. The climate is typical Highveld with a mean annual rainfall of between 600 and 800 mm. Average maximum temperature ranges between 25°C and 29°C and the mean minimal temperature between -1.9°C and 2.0°C.

### **2.3.2.** Geology

The Victor Khanye Local Municipality (previously Delmas Local Municipality) is a Category B municipality strategically located within the Nkangala District in the Highveld of the Mpumalanga Province. It is situated on the border of the Gauteng Province, less than 100km

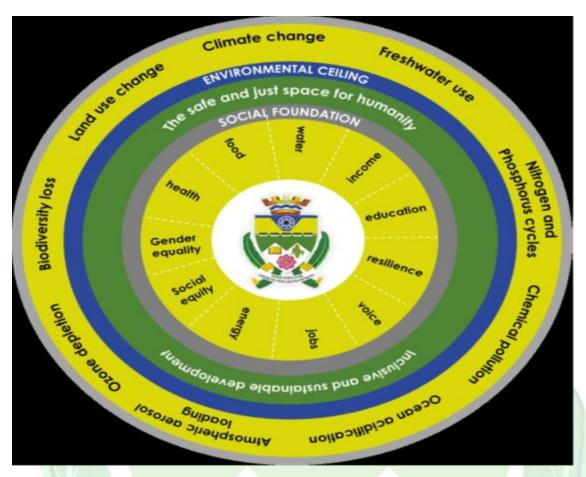
from Pretoria, Johannesburg, and Emalahleni. It is one of the smallest of six municipalities in the district. The municipality is linked by a major freeway, the N12, which was declared a Maputo Corridor. There is a railway line running through to the inner part of Mpumalanga and Mozambique. The municipality is regarded as a gateway to the Mpumalanga Province.

The Victor Khanye Local Municipality is situated on the Western Highveld of Mpumalanga Province, covering a geographic area of approximately 1,567 square kilometres. The prominent towns and settlements in the Municipality include Delmas, Botleng, Sundra, Eloff and Delpark. The Victor Khanye Local Municipality is well connected to both Gauteng and Mpumalanga. Regional access is provided via the N12, R555, R50 and R42.

The Municipality is strategically located in the sense that it borders the metropolitan areas of Tshwane and Ekurhuleni respectively to the west and which is an advantage in terms of transporting of agricultural and mining products to processing facilities and markets. The main centre of the Municipality is situated in Delmas. The Municipality is currently characterized by an increase in coal mining and related activities, the mining of silica sand is also done at large scale and other important sectors in this area are agriculture, agricultural product processing, industrial and manufacturing.

Natural resources make a significant and direct contribution to the Municipalities economy. The Municipality forms part of the Nkangala District Municipality which is a Category C municipality in the Province. It is the smallest District of the three in the province, making up 22% of its geographical area. Nkangala is at the economic hub of Mpumalanga and is rich in minerals and natural resources. A strength of the district is the Maputo Corridor, which brings increased potential for economic growth and tourism development. The proximity to Gauteng opens up opportunities for a larger market, which is of benefit to the district's agricultural and manufacturing sectors. The further potential inherent in exporting goods which provides opportunities that need to be investigated.

TOGETHER FOR THE AND DEVELOPMENT



**Sustainable Development** 

## The 5 Founding Principles set out in SPLUMA apply to the Victor Khanye SDF:

- o Spatial Justice: past spatial and other development imbalances must be redressed through improved access to and use of land by disadvantaged communities and persons.
- o **Spatial Sustainability**: spatial planning and land use management systems must promote the principles of socio-economic and environmental sustainability through encouraging the protection of prime and unique agricultural land, promoting land development in locations that are sustainable and limit urban sprawl, considering all current and future costs to all parties involved in the provision of infrastructure and social services to ensure for the creation of viable communities.
- o **Efficiency**: land development must optimise the use of existing resources and the accompanying infrastructure, while development application procedures and timeframes must be efficient and streamlined to promote growth and employment.
- O Spatial Resilience: securing communities and livelihoods from spatial dimensions of socioeconomic and environmental shocks through mitigation and adaptability that is accommodated by flexibility in spatial plans, policies, and land use management systems.
- o Good Administration: all spheres of government must ensure an integrated approach to land use and land development and all departments must provide their sector inputs and

comply with prescribed requirements during the preparation or amendment of SDFs. This principle is the basis of this framework, largely because the implementation of the spatial planning vision and objectives is not only highly dependent upon a strong coordinating role of the central government but is also predicated upon good governance mechanisms, incorporating meaningful consultations and coordination to achieve the desired outcomes across the various planning spheres and domains.

Chapter 4 of SPLUMA is divided into six parts, where Part A provides an extensive introduction to the purpose and role of SDFs and sets out the preparation requirements and expectations of the SDF process. These provisions of SPLUMA require that all SDFs must include the following segments, and these were taken into consideration with the Victor Khanye SDF:

- o Interpret and represent the spatial development vision of the responsible sphere of government and competent authority.
- o Be informed by a long-term spatial development vision.
- o Represent the integration and trade-off of all relevant sector policies and plans.
- o Guide planning and development decisions across all sectors of government.

Chapter 8 of the NDP, focuses on the country's spatial planning system (human settlement), it requires that: all municipal and provincial SDFs are translated into 'spatial contracts that are binding across national, provincial and local governments'; the current planning system should 'actively support the development of plans that cross municipal and even provincial boundaries', especially to deal with biodiversity protection, climate change adaptation, tourism and transportation; and every municipality should have an 'explicit spatial restructuring strategy' which must include the identification of 'priority precincts for spatial restructuring'.

Significance to the Victor Khanye LM:

#### Objective 1: (Economy that creates Jobs)

o Reduce the cost of living for poor households and costs of doing business through microeconomic reforms.

## Objective 2: (Economy Infrastructure)

- o Ensure that all people have access to clean, potable water and that there is enough water for agriculture and industry, recognising trade-offs in the use of water.
- o Ensure that all people have access to hygienic sanitation.
- o Improved productivity of infrastructure and increased levels of public and private investment.
- o Reduce water demand in urban areas.

## Objective 3: (Environmental Sustainability and Resilience)

- o Absolute reductions in the total volume of waste disposed to landfill each year.
- o All new buildings to meet the energy efficiency criteria set out in South African National Standard 204.
- o Carbon pricing, building standards, vehicle emission standards, and municipal regulations to achieve scale in stimulating renewable energy, waste recycling, and in retrofitting buildings.

# **Objective 4**: (Integrated and Inclusive Rural Economy)

- o Improved infrastructure and service delivery, a review of land tenure, service to small and micro farmers, a review of mining industry commitments to social investment, and tourism investments.
- o Create tenure security for communal farmers, especially women.
- o Investigate different forms of financing and vesting of private property rights to land reform beneficiaries that do not hamper beneficiaries with a high debt burden.

**Objective 5**: (Positioning South Africa in the Region and the World)

o Implement a focused regional integration strategy with an emphasis on road and rail infrastructure in the region.

Objective 6: (Transform Human Settlements and the National Space Economy)

- o Upgrade all informal settlements on suitable, well-located land by 2030.
- o Reform the current planning system for improved coordination.
- o Introduce mechanisms that would make land markets work more effectively for the poor and support rural and urban livelihoods.
- o Provide incentives for citizen participation for local planning and development of spatial compacts.
- o Provide SDF norms, including improving the balance between the location of jobs and people.

Objective 7: (Improve Education, Training, and Innovation)

o Improve access to Early Childhood Development Programmes.

Objective 8: (Promote Health Care for All)

o Strengthen the health system.

Objective 9: (Build Social Protection (social welfare))

- o Expand existing public employment initiatives to create opportunities for the unemployed.
- o All children should enjoy services and benefits aimed at facilitating access to nutrition, health care, education, social care, and safety.

Objective 10: (Build Safer Communities)

- o Increase community participation in crime prevention and safety initiatives.
- o Implement the National Rural Safety Strategy Plan in high-risk areas involving all roleplayers and stakeholders.

**Objective 11**: (Build a Capable and Developmental State)

o Improve relations between national, provincial, and local governments.

**Objective 12**: (Fight Corruption)

- o Develop clear rules restricting business interests of public servants.
- o All corrupt officials should be made individually liable for all losses incurred as a result of their corrupt actions.
- o Develop restraint-of-trade agreements for senior civil servants and politicians at all levels of government.

### Objective 13: (Nation Building and Social Cohesion)

- o Improve public services and spaces and build integrated housing and sport facilities in communities to ensure sharing of common spaces across race and class.
- o Promote citizen participation in forums such as Integrated Development Plans, Ward Committees, School Governing Boards and Community Policing Forums.

The NDP indicates that SDF's are a mechanism for binding municipalities and sector departments to implement the IDP objectives and projects, as the SDF has the legal backing to do so through SPLUMA.

## National Spatial Development Framework (NSDF,2022)

The NSDF is divided into 5 themes, aimed at protecting social, natural, and economic infrastructure. The NSDF guides by indicating the expected level of service delivery per settlement hierarchy.

Significance to the Victor Khanye LM:

Delmas is identified as a Rural Service Centre (whereby the nearest Regional Development Anchor is Secunda and Emalahleni as a National Urban Node), indicating it will need to provide more than just the basic services.

Key functions to be provided according to the definition of a Rural Service Centre include:

- o Core Municipal Services.
- o Social and Government services; and
- o Rural Logistics and Support

Victor Khanye LM falls within the Central Agricultural Hartland and National Innovation Belt. The N12 from Johannesburg, via Benoni to Emalahleni, has been prioritised as a key Regional and National Development corridor (Road and Rail).

Integrated Urban Development Framework (IUDF,2016) understanding that;

- 1) integrated urban planning forms the basis for achieving integrated urban development, which follows a specific sequence of urban policy actions:
- 2) integrated transport that informs
- 3) targeted investments into integrated human settlements, underpinned by
- 4) integrated infrastructure network systems and
- 5) efficient land governance, which all together can trigger
- 6) economic diversification and inclusion, and
- 7) empowered communities; all of the above will demand effective

- 8) governance and
- 9) financial reform to enable and sustain these policy actions. In support of the NDP's vision for spatial transportation, four overall strategic goals had been introduced in focusing on integrated development within urban spaces:
- o Spatial integration; to forge new spatial forms in settlements, transport, social and economic areas.
- o Inclusion and Access; To ensure that people have access to social and economic services, opportunities, and choices.
- o Growth; To harness urban dynamism for inclusive, sustainable economic growth and development.

Significance to the Victor Khanye LM:

As the Victor Khanye Local Municipality consists mainly out of one (1) Rural Service Centre with two other smaller towns, the IUDF will not directly impact the municipality but may need to align neighbouring municipal strategies that will be influenced by the IUDF (towards Emalahleni).

Key considerations for the SDF include:

- o Alignment of Spatial, Sectoral, and Strategic Plans.
- o Improving the quality of Municipal Spatial Plans.
- o Alignment of land-use and human settlement planning to transport planning.
- o Integrating spatial planning and urban resilience.
- o Support and strengthen capacity to implement SPLUMA.
- o Improving urban management.
- o Develop and strengthen instruments for creating compact cities and connected cities.
- o Maximise existing IGR structures as a mechanism for coordinating planning.
- o Expanding instruments for spatial intervention.

National Infrastructure Plan (NIP) 2012:

The NIP provides background on the cabinet's decision to establish a body to integrate and coordinate the long-term infra-structure build known as the Presidential Infrastructure Coordinating Council (PICC). The PICC presents the spatial mapping of infrastructure gaps which analyses future population growth, projected economic growth, and areas of the country which are not served with water, electricity, roads, sanitation, and communication. Based on this work, eighteen (18) Strategic Integrated Projects (SIPs) have been developed and approved to support economic development and address service delivery in the poorest provinces. Each SIP comprises many specific infrastructure components and programmes.

Significance to the Victor Khanye LM:

SIP 6 - which relates to Integrated Municipal Infrastructure Projects. SIP 6 serves to develop national capacity to assist the 23 districts with the fewest resources (19 million people) to address all the maintenance backlogs and upgrades required in water, electricity, and

sanitation bulk infrastructure. The road maintenance programme will enhance service delivery capacity thereby impacting positively on the population.

- SIP 8 Support sustainable green energy initiatives on a national scale through a diverse range of clean energy options as envisaged in the Integrated Resource Plan (IRP2010) and support bio-fuel production facilities.
- SIP 9 Electricity generation to support socio-economic development. Accelerate the construction of new electricity generation capacity in accordance with the IRP2010 to meet the needs of the economy and address historical imbalances. Monitor implementation of major projects such as new power stations: Medupi, Kusile, and Ingula.
- SIP 10 Electricity transmission and distribution for all.
- SIP 11 With regards to the unlocking of agri-logistics and rural infrastructure opportunities in the Free State Province.

# Key Strategies regarding SIP 11 include:

- o Facilities for storage (silos, fresh-produce facilities, and packing houses).
- o Transport links to main networks.
- o Fencing of farms.
- o Improved R&D on rural issues (including the expansion of agricultural colleges).
- o Processing facilities (abattoirs, dairy infrastructure).
- o Aquaculture incubation schemes.
- o Rural tourism infrastructure.
- SIP 12 Revitalisation of public hospitals and other health facilities.
- SIP 15 Expanding access to communication technology.

#### POLICY RELEVANT PRINCIPLES/ DIRECTIVES

o Governance: To enhance the capacity of the state and its citizens to work together to achieve spatial and social integration

The CRDP contextualises the Government's aim of comprehensive, integrated, and sustainable rural development by addressing the deep poverty and destitution in many of the country's rural areas, notably the former Bantustans, and creating sustainable rural communities throughout the country. In addition to this, it provides Government's wish to achieve social cohesion and development in rural communities through:

- (1) coordinated and integrated broad-based agrarian transformation;
- (2) an improved land reform programme; and
- (3) strategic investments in economic and social infrastructure in rural areas.

Botleng and Delpark have been developed on the land, referred to as erodible soil. This is a critical environmental concern for future developments in the area. The geology of the area is

dominated by sedimentary rocks including shale, sandstone and dolomite. The presence of dolomite in the area is both a positive and negative attribute.

On the positive side, dolomite is an important water carrier and functions as an underground water reservoir. However, on the negative side, dolomite is prone to sink holes and underground caning, which can result in structural damage to buildings and even loss of lives. Land Use Planning has to consider the risk factors posed by the presence of dolomite in the area.

#### 2.3.3 Biodiversity & Vegetation

Victor Khanye Local Municipality does not host much threatened flora, with only five Red Data plant species having been recorded in the municipal area. A number of small isolated pockets considered to be significant, and important biodiversity value is found throughout the municipality area.

Notably, there are no 'irreplaceable' hotspots in Victor Khanye Municipality. However, there are 'highly significant' patches - in terms of biodiversity, namely the north-eastern corner of the Municipality, the north-western corner, around Delmas, and finally a patch in the south of the municipal area.

There are concentrations of 'important and necessary' biodiversity, namely the north-western block, the north-eastern block, the area east of Argent, and the area along the southern municipal boundary. Conserving these areas is of extreme importance, as Victor Khanye LM is particularly threatened with the ecosystem collapse.

# 2.3.4. Soil & Air Quality

In November 2007, the Highveld was declared a priority area, referred to as the Highveld Priority Area, in terms of Section 18(1) of the National Environmental Management: Air Quality Act 2004 (Act No. 39 of 2004).

This implies that the ambient air quality within the Highveld Priority Area exceeds, or may exceed ambient air quality standards. Alternatively, if a situation exists within the Highveld Priority Area, which is causing or may cause a significant negative impact on air quality in the area, that area will require specific air quality management action to rectify the situation. The areas declared as such includes the entire area of Victor Khanye, Emalahleni and Steve Tshwete Municipalities, in Nkangala.

## 2.3.5 Demographic Indicators

It is important to analyse the size, spatial distribution, and composition and growth patterns of a municipality, in order to indicate future trends and to explain past occurrences.

When compiling the socio-economic analysis or overview, national census data is used. The objective of Statistics South Africa is to conduct a national census every five years. The data gathered during the census is used to provide a character profile of the South African population:

- The size of the population and growth rate
- The population group and broad age group
- The gender and urban-rural divide
- Access to services such as water, sanitation and electricity

- The level of household's income
- The level of education
- The level of poverty and health status and other characteristics.

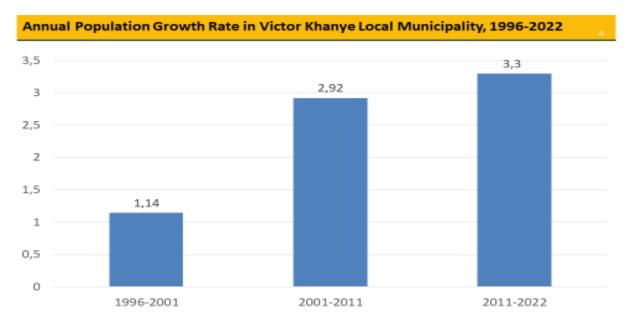
The demographic characteristics of Victor Khanye Local Municipality will have various influences on the socio-economic conditions of the locality. The population increase has future implications, such forward planning of basic amenities to sustain the inhabitants of the area is key. Every area has its own different characteristics, leading to none development in the same manner.

Fig 2: Population number per municipal area, 2011 & 2022

Local Municipal Area	·		population	Youth (0-34 years) share	(60+ years) share	Average annual population growth	Average annual economic growth
	2011	2022	2022	2022	2022	2011-22	2011-22
Chief Albert Luthuli	186 010	247 664	53.2%	54.5%	5.8%	<mark>2.8</mark> %	1.1%
Msukaligwa	149 <mark>377</mark>	199 314	51.3%	51.8%	4.9%	<mark>2.8</mark> %	1.5%
Mkhondo	171 <mark>982</mark>	255 411	53.1%	49.1%	4.3%	<mark>3.8</mark> %	0.8%
Dr Pixley Ka Isaka Seme	83 235	115 304	52.0%	50.1%	6.1%	3.2%	3.5%
Lekwa	115 662	119 669	51.3%	63.0%	7.6%	<mark>0.3</mark> %	1.3%
Dipaleseng	42 390	35 980	51.0%	77.2%	10.4%	-1.6%	4.0%
Govan Mbeki	294 538	310 1 <mark>17</mark>	<mark>49.9</mark> %	63.0%	5.6%	0.5%	-0.2%
Victor Khanye	<mark>75 452</mark>	<mark>106 149</mark>	<mark>49.2%</mark>	<mark>46.7%</mark>	<mark>5.4%</mark>	<mark>3.3%</mark>	<mark>3.2%</mark>
Emalahleni	395 466	434 522	49.2%	59.7%	5.4%	0.9%	0.5%
Steve Tshwete	229 831	242 031	50.3%	60.5%	6.5%	0.5%	0.6%
Emakhazeni	47 216	50 165	51.6%	61.7%	8.2%	0.6%	1.6%
Thembisile Hani	310 458	431 248	52.2%	49.5%	5.5%	3.2%	1.6%
Dr JS Moroka	249 705	324 855	52.6%	51.4%	8.6%	2.6%	1.3%
Thaba Chweu	98 387	109 223	50.5%	57.4%	6.7%	1.0%	0.4%
Nkomazi	393 030	591 928	53.0%	50.1%	3.8%	4.0 <mark>%</mark>	1.0%
Bushbuckridge	5 <mark>38 59</mark> 3	750 821	54.3%	53.1%	5.3%	3. <mark>2%</mark>	2.0%
City of Mbombela	658 604	818 925	51.7%	56.0%	5.1%	2.1%	1.0%
MPUMALANGA	4 039 938	5 143 324	50.5%	57.4%	6.7%	2.3%	0.9%

Sources: Stats SA - Census 2011 & 2022 S&P Global - ReX, October 2023

# Annual Population Growth Rate in Victor Khanye Local Municipality, 1996-2022





Source: Stats SA: Censuses 1996, 2001, 2011 & 2022



# Ranking of Municipalities by Population Size, 2022

Local Municipality	Population Size	Ranking
Emalahleni	434 238	1
Thembisile Hani	431 248	2
Dr JS Moroka	324 855	3
Steve Tshwete	242 031	4
Victor Khanye	106 149	5
Emakhazeni	50 165	6

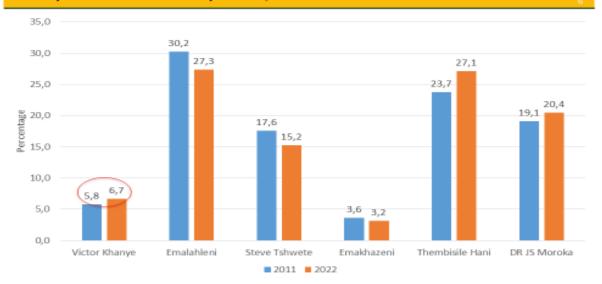


Source: Stats SA: Census 2022

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## Municipal Share to District Population, 2011 & 2022

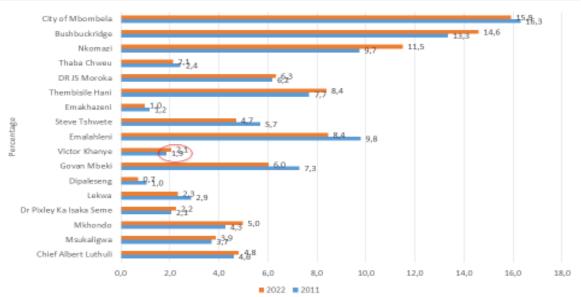




Source: Stats SA: Censuses 2011 & 2022



# Municipal Share to Provincial Population, 2011 & 2022





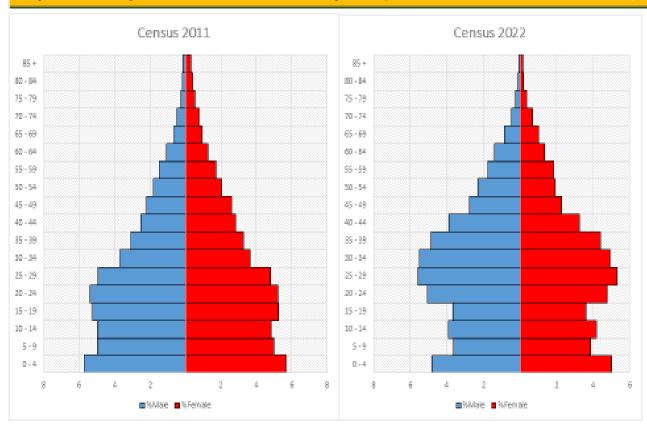


#### **Age- Sex Composition**



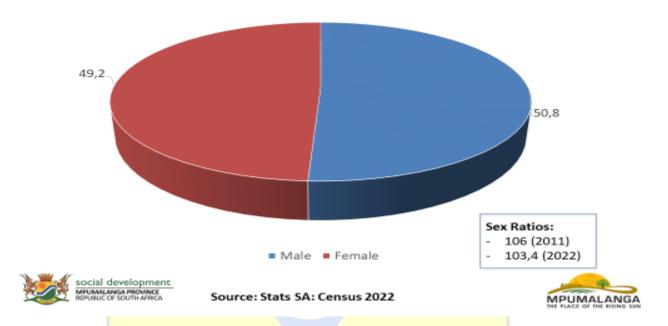


# Population Pyramids for Victor Khanye LM, 2011 & 2022

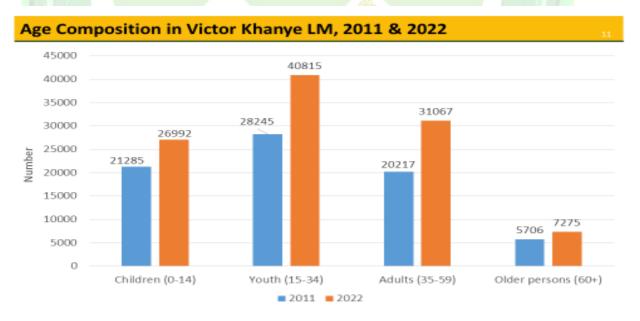








The figure above depicts that Victor Khanye Local Municipality has a higher male population in comparison to the female population which differs from the normal gender ratio in most populations. This is a result of the influx of males who settle in Victor Khanye due to employment and job opportunities by Industries and Companies in the area.





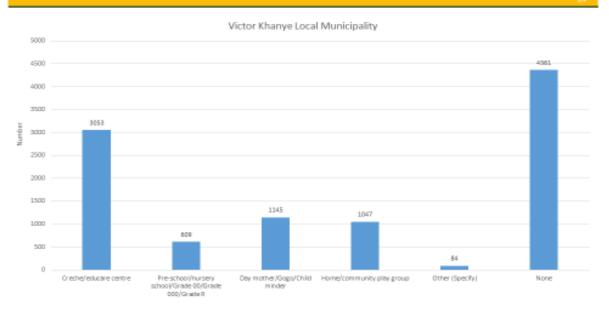


As depicted in the figure above, the overall population across all age groups increased between 2011 to 2022 in Victor Khanye, with the majority of the increase being from the youth age group, aged between 15 to 34, with a staggering 12 570 increase from 2011.

# **EARLY CHILDHOOD DEVELOPMENT**









Source: Stats SA: Census 2022

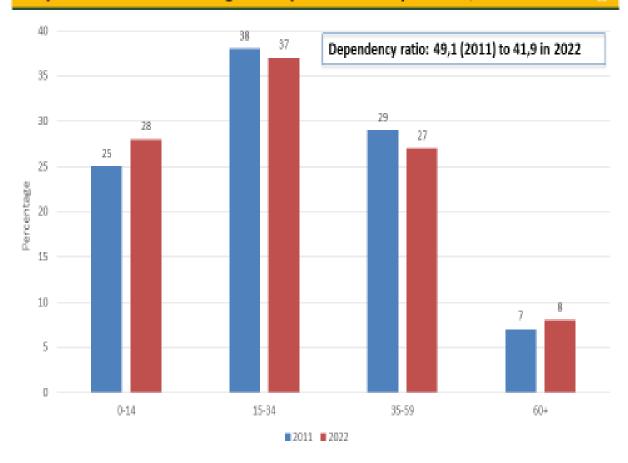


In terms of early childhood development, as depicted above; Victor Khanye recorded a number of 3053 children attending crèche, while 4561 children don't have any type of Early Childhood Development.

GROWTH



# Proportion of Different Age Groups to Total Population, 2011 & 2022









**Table 1:** Population Growth Rate

Demographic Indicators	StatsSA Census	StatsSA Census	Share of Nkangala's figure	Share of Mpumalanga's figure	Ranking: Highest (1) – Lowest (17)
Population number	106 149	112 354	5.8%	1.9%	15
Number of households	33 786	24 270	5.8%	2.0%	14
2 Area size (km)	1 589.9	1 589.9	9.4%	2.0%	17
2 Population per km	48	53			

Source: Census 2011, Community Survey, 2022

- The Census Community Survey 2022 indicates that the population growth is estimated to grow from 106 149 in 2022 to 112 354 by 2030.
- According to Stats SA (2022 Community Survey), the 106 149 population growth recorded in 2022 for Victor Khanye LM makes up for 2,3% of Nkangala's population.
- Population increased by 30 697 between 2011 and 2022, a population growth rate of 3.3% per annum (p.a.), which was slightly higher than the annual average economic growth rate over the same period. Third highest population growth rate of the 17 municipal areas in Mpumalanga.
- The number of households in Victor Khanye increased from 24 270 in 2016 to 33 786 households in 2022 an increase of 13 328 households & a growth of 4.8% per annual
- (p.a.), the third highest in Mpumalanga.
- The household size declined from 3.7 in 2016 to 3.1 in 2022.
- High population and household growth pressure on basic service delivery, education and health facilities and also economic/employment opportunities.
- Number of households 33 786 (3.5 people per household) 5.8% of Nkangala's households.

The population size is defined as the total number of households in a particular municipal area of which it also covers even the informal dwellers. This is key when determining service

provision requirement and infrastructure needs of local inhabitants. The growth rate of the population is of importance, in the sense that it enables the Municipality to do future projections. These projections are used to determine future needs and indicate outward or inward migration, which in turn has an effect on job creation or availability and economic growth.

According to 2022 Community Survey, the population size of Victor Khanye Local Municipality was around 106 149. The annualised population growth rate from the period 2011 to 2016 decreased from 2.92% to 2.5%. Victor Khanye population growth rate of 2.5% was higher than that of the Nkangala's District Municipality at 2.27%, and the Mpumalanga province of 1.6%. It was projected that the population growth would have reached 90 621 in 2019, and increase to 112 354 by 2030.

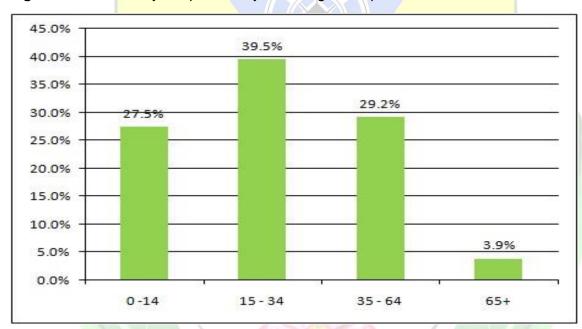


Figure 5: Victor Khanye Population by Broad Age Group

Source: Community Survey, 2016

• Of the population group, 63,9% of Victor Khanye's population is 34 years and younger.

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Males make up 51.88% of the population, and females make up 48.12%.

Table 3: Population Composition by Age and Gender

	2001			2011			2016		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
0-14	9008	8 984	17 992	10 75 <mark>4</mark>	10 531	21 285	12 020	11 096	23 116
15-64	17 745	18 235	35 980	<mark>26</mark> 51 <mark>6</mark>	24 089	50 605	30 074	27 707	57 781
65+	985	1 378	2 363	1 547	2 016	3 563	1 562	1 692	3 254
Total	27 738	28 597	56 335	38 816	36 636	75 452	43 656	40 495	84 151

Source: Census 2011, Community Survey, 2016

Figure 6: Victor Khanye Population by Gender



Source: Census 2011, Community Survey, 2016

Over the past 15 years, the percentage of the male population has been on the increase, which could be attributed to migration into the area, seeking job opportunities.

**Table 4:** Population Composition (per Ward and Gender)

Wards	Male	Female	Total	% Male	% Female
Ward 1	3721	3736	7457	49.9%	50.1%
Ward 2	3060	2916	5976	51.2%	48.8%
Ward 3	7684	7375	15059	51.0%	49.0%
Ward 4	3613	3389	7002	51.6%	48.4%
Ward 5	4256	4139	8395	50.7%	49.3%
Ward 6	4093	3901	7994	51.2%	48.8%
Ward 7	6464	5778	12242	52.8%	47.2%
Ward 8	3639	3162	6801	53.5%	46.5%
Ward 9	7076	6149	13225	53.5%	46.5%
Total	43 606	40 545	84 151	51.7%	48.3%

Source: Community Survey, 2016

Figure 7: Victor Khanye Population Composition by Gender and Ward



Source: Community Survey, 2016

From Figure 7, it can be seen that the population is dominated by males - especially in Ward 8 and Ward 9, followed by Ward 7 and Ward 4. These wards should be treated as priority areas. Programmes of the municipality should be designed in a manner that take into consideration the extent to which these communities can be reached.

The male population accounts for 50% of the population of Victor Khanye local municipality. Equally so, the population of Ward 8 and Ward 9 constitute of a total of 25 467 populations which is translated as a 30.26% of people live predominantly in rural areas. This poses a challenge in that these communities are in a way marginalised, in as far as service delivery is concerned.

Household number per municipal area, 2011 & 2022

	Households number		Average Annual household growth	Household	
	2011	2022	2011 - 2022	2011	2022
Chief Albert	705	63303	2.8%	3.9	3.9
Luthuli					
Msukalikwa	40932	67827	5.0%	3.6	2.9
Mkhondo	374 <mark>33</mark>	58504	4.4%	4.6	4.4
Dr Pixley Ka	198 <mark>38</mark>	32972	5.0%	4.2	3.5
Isaka Seme					
Lekwa	31071	38583	2.1%	3.7	3.1
Dipaleseng	12637	13129	0.4%	3.4	2.7
Govan Mbeki	83866	103864	2.1%	3.5	3.0
Victor Khanye	20548	33786	4.9%	3.7	3.1
Emalahleni	119873	164573	3.1%	3.3	2.6
Steve Tshwete	46966	80052	2.0%	3.5	3.0
Emakhazeni	13721	19613	3.5%	3.4	2.6
Thembisile Hani	75633	110563	3.7%	4.1	3.9
Dr JS Moroka	62162	74581	1.8%	4.0	4.4
Thaba Chweu	33352	43295	2.5%	2.9	2.5
Nkomazi	96202	134143	3.2%	4.1	4.4
Bushbuckridge	133559	167927	2.2%	4.0	4.5
City of	181966	215004	1.6%	3.6	3.8
Mbombela	MON		HER FOR		
Mpumalanga	1075466	1421721	2.7%	3.8	3.6

Source: StatsSA - 2016 - 2022

# 2.3.6. Socio-Demographic Indicators

#### 2.3.6.1. Level of Education

Education expands the range of options from which persons can choose, and provides the opportunity to develop one's life to the fullest.

Education not only satisfies the human needs for knowledge and development, it also provides a means to an end. Education and training provides the person with the needed skills to enter the labour market, or to become self-employed - leading to accelerated and sustainable development.

The baseline information employed to portray the educational profile of Victor Khanye Local Municipality is indicative of those individuals in the area, aged above 20 years of age. These figures show that only 5.6% of residents in the municipality are educated on a level higher than Grade 12.

Moreover, it also has to be mentioned that 11.1% of residents in Victor Khanye indicated that they had no formal form of schooling - this figure is relatively low in comparison to the 2001 and 2011 census.

**Table 6: Educational Indicators** 

Education per district	Grade 12 Pass Rate				Admission to B degree studies
	2014	2021	2022	2021-2022	2022
Bohlabela	76.8%	74.6%	79.3%	·	34.2%
Gert Sibande	77.1%	70.9%	77.7%	·	34.5%
Ehlanzeni	82.9%	74.5%	76.2%		34.4%
Nkangala	78.8%	74.6%	76.2%	·	31.1%

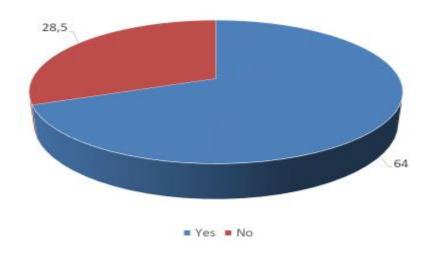
Source: Mpumalanga Department of Education, 2023

# Basic education data & performance per municipal area

Local municipal area	Grade 12 P	ass Rate		Trend	Admission to B degree studies
	2014	2021	2022	2021-2022	2022
Steve Tshwete	85.6%	82.2%	86.7%		46.6%
Dipaleseng	81.4%	76.6 <mark>%</mark>	83.9%		<mark>37.8</mark> %
Msukaligwa	80.6%	71.1%	83.6%		44.9%
Emalahleni	81.9%	79.6%	82.8%		36.3%
Thaba Chweu	81.1%	80.9%	82.2%		38.7%
Chief Albert Luthuli	80.1%	78.0 <mark>%</mark>	82.1%	•	37.3%
Lekwa	84.7%	<mark>75.9%</mark>	80.5%		30.6%
Bushbuckridge	76.4%	73.7%	79.1%		33.8%
City of Mbombela	80.5%	75.6%	<mark>78.</mark> 6%		36.6%
Govan Mbeki	76.3%	73.7%	73.5%		31.2%
Nkomazi	86.0%	75.5%	73.5%		32.0%
Mkhondo	70.9%	64.3%	72.7%		33.3%
Victor Khanye	74.6%	52.8%	72.5%		35.0%
Dr JS Moroka	73.8%	66.4%	70.3%		25.5%
Dr Pixley Ka Isaka Seme	68.1%	59. <mark>9%</mark>	<mark>69.7</mark> %	· ·	26.0%
Emakhazeni	85.7%	63.9%	69.2%		18.8%
Thembisile Hani	77.1%	71.6%	67.7%		26.1%



# Attendance at an Educational Institution (5 to 24 Years) in Victor Khanye LM, 2022





Source: Stats SA: Census 2022

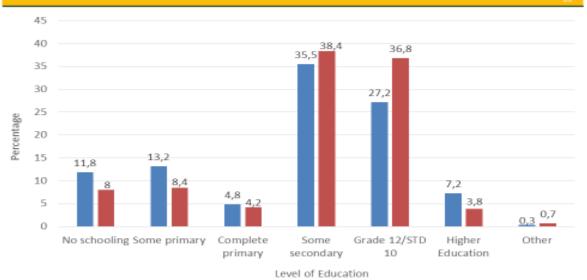


# **Snapshot of the Statistics**

- Population of about 28,5% do not attend any Educational Institution which comprised from the ages 5 – 24 years of age.
- Population of 20+ with matric & higher is 32.6%, which is decreasing and lower than the District and Provincial averages.
- The Matric pass rate was 78.2% in 2019. It has been improving since 2012, however it is lower than 2018 (81.5%) and ranked 12th. The university/degree admission rate was only 29.5% in 2019.
- The functional literacy rate (15+ and with Grade 7+) is increasing, but lower than the District and Provincial averages.









Source: Stats SA: Censuses 2011 & 2022



# 2.3.6.2. Income Profile

Table 7: Number of Households by Income Level

Level of income	Mpumalanga	Nkangala	Victor Khanye
R0 - R2 400	117	41	2
R2 400 - R6 000	2,285	774	41
R6 000 - R12 000	22,958	7,564	400
R12 000 - R18 000	45,556	14,726	843
R18 000 - R30 000	138,209	42,559	2,416
R30 000 - R42 000	143,204	44,984	2,664
R42 000 - R54 000	121,880	40,112	2,338
R54 000 - R72 000	137,038	45,543	2,687
R72 000 - R96 000	127,568	43,878	2,607
R96 000 - R132 000	120,651	43,631	2,626
132 000 - R192 000	116,023	43,378	2,508
R192 000 - R360 000	142,183	55,021	3,156
R360 000 - R600 000	84,044	33,587	1,971

R600 000 - R120 0000	51,604	21,173	1,296
R1 200 000 - R2 400 000	13,932	5,924	376
R2 400 000+	1,577	712	47
Level of income	Mpumalanga	Nkangala	Victor Khanye

Source: IHS and SERO, 2019

The table above indicates that 6366 (24.5%) of the households have a combined household income below R42 000.00 which qualifies them to be registered as indigent.

Table 8: Distribution of Average Household Income (2001-2016)

POWTH

2001	2011	2016
35 2 <mark>81</mark>	20 548	80 239

Source: Census, 2011

Household income is a vital determent of welfare and the standard level of living. In relation to this analysis, household income is a family's (households) ability to meet the basic needs in the acquisition of food, shelter, clothing and basic services such as water, electricity and sanitation. One of the most important poverty indicators is the Minimum Living Level.

The average household income has grown significantly from 35 281 in 2001, to 80 239 in 2011. This is attributed to the household size of the municipality increasing from 13 428 in 2001, to 20 548 in 2011.

Table 9: Development and Income Indicators

Indicators	Trend 2007	2011	Latest figure	Better (+) or worse (-) than Nkangala	Better (+) or worse (-) than province	9
HDI (0 worst to 1 best)		0.52	0.64	(=) (0.64)	(+) (0.62)	3
Per capita personal income per year (current prices)	R25 906	R32 334	R59 634	(+) (R57 773)	(+) (R49 671)	4
% of households below Poverty Line		32.5%	41.6%	(+) (42%)	(+) (47.3%)	4

Source: IHS and SERO, 2019

# **Snapshot of the Statistics**

- It has a DI of 0.64. This is a significant improvement between 2007 and 2019 equal to that of district, and higher than province.
- The per capita personal income has improved, and is higher than the district and the provincial averages.
- Unfortunately, 41.6% of households are earning below the poverty line. This is deteriorating compared to past figures, but it is better than that of the district and province.

Table 10: Average Household Income

Municipal area	2001	2012	2016	Ranking: highest (1) – lowest (17)
Steve Tshwete	R55 369	R134 026	xxx	xxx
Govan Mbeki	R47 983	R125 480	xxx	xxx
Emalahleni	R51 130	R120 492	xxx	xxx
Mbombela	R37 779	R92 663	xxx	xxx

Lekwa	R38 113	R88 440	xxx	xxx
Thaba Chweu	R35 795	R82 534	xxx	xxx
Msukaligwa	R31 461	R82 167	xxx	xxx
Umjindi	R35 244	R81 864	xxx	xxx
Victor Khanye	R35 281	R80 239	XXX	xxx
Emakhazeni	R36 170	R72 310	xxx	xxx
Dr Pixley Ka Isaka Seme	R23 399	R64 990	xxx	xxx
Dipaleseng	R19 454	R61 492	xxx	xxx
Mkhondo	R26 935	R53 398	xxx	xxx
Chief Albert Luthuli	R22 832	R48 790	xxx	xxx
Thembisile Hani	R18 229	R45 864	xxx	xxx
Nkomazi	R19 195	R45 731	xxx	xxx
Dr JS Moroka	R17 328	R40 421	xxx	xxx
Bushbuckridge	R17 041	R36 569	xxx	xxx

Table 11: Poverty and Inequality

Indicators	Trend		Latest figure	Better (+) or worse (-	1.1	Ranking: best (1) – worst (6) in the district
	2007	2011	2019	Nkangala	province	
Gini-coefficient (0 best to 1 worst)	0.67	0.56	0.60	(=)(0.60)	(=)(0.60)	6
Poverty rate	43.3%	41.0%	41.6%	(+) (42%)	(+) (47.3%)	4
Number of people in poverty	27 204	24 058	36 021			2
Poverty gap (R million)	R59	R77	xxx			xxx

Multiple Deprivation Index				
(100 most deprived to 1 least	15.2	XXX		
deprived)				

Source: IHS and SERO, 2019

# Snapshot of the Statistics

- The poverty indicator, the Gini-coefficient is at 0.60. It has improved from 2007 to 2011, but has deteriorated slightly, and is equal or similar to district and the province. It is the worst, when compared to other municipalities in the district.
- The poverty rate of 41.6% is 36 021 poor people (2.5% of Nkangala's poor). This is a decreasing trend.
- This poverty gap stands at R20 million, which is an increasing trend.
- Ranked 20th on the Multiple Deprivation Index of Oxford University.

#### 2.3.6.3. Economic Indicators

**Table 12: Economic indicators** 

Economic Indicators	Trend 1996-2018	Trend 2011 2016	Forecast 2018 - 2023	Better (+) or worse (-) the Nkangala		
GDP growth (%)	2.7% Trend	1.7%	-0.30%	(+) (-0.5%) Latest figure	(+) (-0.5%)	Ranking: best (1) – worst (17)
Contribution to	2001	2007	2011	2019		
Mpumalanga						
GVA (%)	2.0%	1.8%	1.8%	2.2%		12

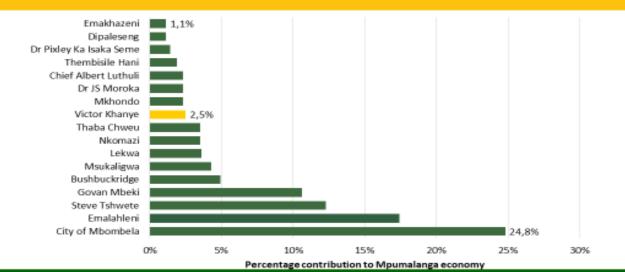
Source: IHS and SERO, 2019

Table 13: Contribution by Local Municipality's areas to Nkangala District Municipality





# Contribution to Mpumalanga's economy by municipal area in constant 2015-prices



Source: S&P Global - ReX, October 2023

Slide | 15

Industry	Victor Khanye	Emalahleni	Steve Tshwete	Emakhazeni	Thembisile Hani	Dr JS Moroka	Nkangala
Agriculture	21.6%	12. <mark>3%</mark>	39.4%	11.8%	9.8%	5.2%	100%
Mining	3.8%	57.9%	35.0%	2.1%	0.9%	0.3%	100%
Manufacturing	4.3%	29.2%	59.0%	2.6%	3.6%	1.3%	100%
Utilities	1.5%	64.5%	29.8%	0.9%	1.9%	1.4%	100%
Construction	77%	38.5%	29.9%	3.9%	12.9%	7.1%	100%
Trade	8.5%	39.1%	31.8%	4.3%	10.4%	5.9%	100%
Transport	12.3%	37.2%	29.7%	6.6%	8.8%	<b>5</b> .3%	100%
Finance	5.8%	35.1%	31.1%	3.1%	6.5%	18.4%	100%
Community services	6.9%	34.8%	32.3%	4.1%	12.1%	9.8%	100%
Total	5.5%	46.1%	36.0%	3.1%	4.9%	4.4%	100%

## **Snapshot of Data**

- It is expected to record a negative GDP growth rate of -0.3% per annum over the period 2019/2024, due to the COVID-19 pandemic outbreak. However, growth expected to be higher than that of District and Province. The historic average annual growth rate in the periods between 1996 2018 and 2011 2016 has been in decline from 2.7%, to 1.7% respectively.
- Victor Khanye Municipality contributed 2.2% to Mpumalanga economy in 2019. This is a relative increase between 2011 and 2019.
- The GVA in 2019 was R4.5 billion, at constant 2010 prices.
- The contribution to the Nkangala economy was only 5.5%, a relatively small economy.
- Agriculture contributed 21.6% to the district's agriculture industry.
- Transport contributed 12.3% to the district's transport industry, while other contributions were relatively small.

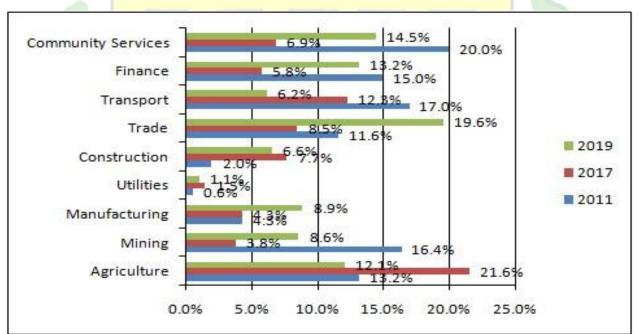


Figure 8: Indicators: Sector Employment

**Source:** IHS and SERO, 2011, 2017 & 2019

Comparing Labour absorption sector between 2011, 2016 and 2019:

- Leading industries, in terms of contribution to employment for the Victor Khanye economy in 2019, was Trade (19.6%), Community Services (14.5%), Finance (13.2%) and Agriculture (12.1%).
- There is an increasing role/share of Trade and Manufacturing, and decreasing role/share of Transport and Agriculture.





# Labour market indicators in Victor Khanye (in brief)

# 30.7%

- Official/strict unemployment rate (3<sup>rd</sup> highest in District)
- Deteriorated from 29.2% in 2019

# -0.9%

- Average annual employment decline 2019-22
- Worse than 1.6% p.a. growth 2014-19

# 38.0%

- Official female strict unemployment rate
- Deteriorated from 36.3% in 2019

# 2.3%

- Share of Mpumalanga's employment in 2022
- Need to create at least 2 000 new and sustainable job p.a.

# 43.8%

- Official youth (15-34 yr) unemployment rate (3<sup>rd</sup> highest in the District)
- Deteriorated from 40.4% in 2019

# 3 118

- Number of job gains in 2022
- 2 177 job losses in 2021
   & 2 130 losses in 2020

Source: S&P Global – ReX, October 2023
Note: 2021 & 2022 job losses calculated by applying employment shares to annual provincial job losses from Stats SA QLFS

Slide | 10







# **Employment by industry in Victor Khanye**

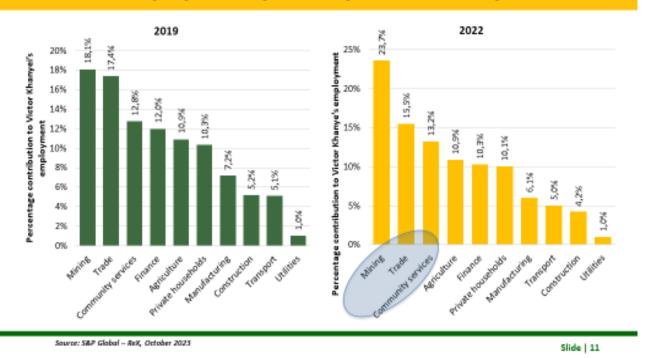


Table 14: Tourism Contribution by Local Municipal areas to Nkangala District Municipality

Municipality/District/Province	Tourism  Total Tourism Spend (R- million)  Tourism Spend as % of GDP (current prices)				Ranking: best (1) – worst (6)
	2014	2014 2019			
Nkangala District Municipality	4 222 759	5 184 081	3.7%	3.5%	
Victor Khanye	285 055	350 350887	4.7%	4.3%	3
Emalahleni	1 382 709	1 568 638	2.6%	2.3%	6
Steve Tshwete	1 520 786	1 958 117	3.9%	3.7%	4
Emakhazeni	438 947	585 715	13.8%	<mark>13.</mark> 6%	1
Thembisile Hani	406 140	511 637	7.1%	6.6%	2
Dr JS Moroka	189 122	209 087	3.6%	3.1%	5
Mpumalanga Province	15 969 985	22 055 457	5.5%	5.8%	

Source: IHS and SERO, 2019

In 2019, tourism spent in Victor Khanye totalled R351 million, which in a percentage form was only 4.3% of the local GDP. There is a concern about the decreasing percentage of tourism. However, the positive side is that Victor Khanye Municipality is the third largest contributor to Nkangala District Municipality tourism, in terms of spending.

**Table 15:** District Comparative Advantage

Ehlanzeni	Gert Sibande	Nkangala		
Agriculture: Sub-Tropical Fruit and Sugar Cane	Manufacturing: Petro- Chemical Industry	Coal Mining and Electricity Generation		
Gold & Chrome Mining	Agriculture: Crop and Livestock Farming	Manufacturing: Metals Fabrication		
Tourism: Scen <mark>ic Views and KNP</mark>	Coal Mining & Electricity Generation	Tourism: Trout-Triangle		
Ehlanzeni	Gert Sibande	Nkangala		
Forestry	Forestry	Agriculture: Crop and Livestock Farming		

Source: IHS and SERO, 2019

# Potential for Agriculture, Energy, 4IR, Agro-Processing, Tourism and Transport

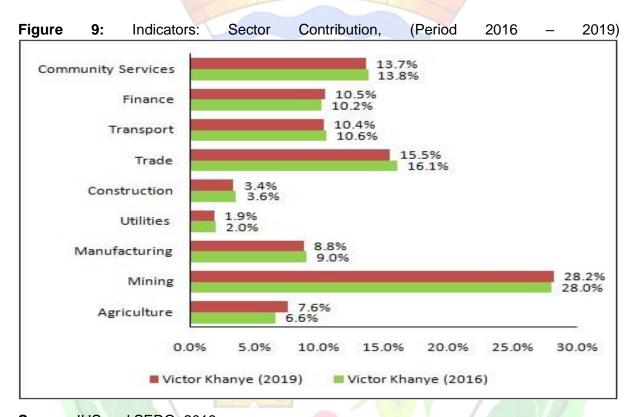
Out of all six local municipalities in the Nkangala District, Victor Khanye registered as the highest advantage for agriculture. The regeneration of power stations, as well as the new Kusile Power Station in the Victor Khanye area could serve as a catalyst that increases demand for coal reserves in the Nkangala area. However, the impact of closing down of some coal-driven power stations gives rise to consider opportunities in renewable energy.

The impact of COVID-19 and the rapid need for the Fourth Industrial Revolution (4IR) has to be seen as a major opportunity, which needs to be explored. The industrial potential of Delmas (agro-processing) should also be promoted to capitalise on its strategic location, in relation to the major transport network. The tourism potential for Victor Khanye has to be factored, as it is a gateway into Mpumalanga Province.

The N12 freeway has been classified as a development corridor, as it links Nkangala with the industrial core of South Africa (Ekurhuleni Metro and OR Tambo International Airport) and the financial and commercial capital of South Africa, Johannesburg. In Victor Khanye Local

Municipality, there are development opportunities along the N12 corridor, which should be identified and be developed. This development will be nodal in nature.

It is suggested that economic activity be actively promoted at Delmas in Victor Khanye. Intensive agriculture should be promoted along the N12 Corridor, to capitalise on the access to markets at local and regional level.



Source: IHS and SERO, 2019

According to the IHS and SERO Report, 2019, the local economy in Victor Khanye Municipality is relatively diversified with the largest sector, in terms of output, and for a proportional contribution, being the Mining sector. The Mining sector is followed by Trade sector and Community Services sector. During recent years, there has not been any significant growth in all sectors. The sector, which experienced slight expansion in terms of output in the Victor Khanye Municipal area was agriculture (1%).

# Negative growth sectors

The undermentioned sectors experienced negative growth (contracted), namely:

- 1. Mining
- 2. Manufacturing
- 3. Utilities

- 4. Construction
- 5. Trade
- 6. Transport
- 7. Finance
- 8. Community Services

#### 2.3.6.4. Labour Indicators

# **Employment and unemployment**

For clarification purposes, the following terms are defined and are applicable throughout the report:

### **Employed**

This includes all individuals that are currently being employed, and paid by the formal sector of the economy,

# Unemployed

 This is all those individuals that are actively looking for a job in the formal sector of the economy, and cannot find one.

# **Not Economically Active**

This includes all individuals who are not actively searching for employment, or those individuals that do not have the capacity to become employed - such as the disabled.

### **Unemployment Profile**

Unemployment can be expressed as a percentage of the Economically Active Population (EAP). The EAP refers to all the people, aged between 15 and 64 years that are able and willing to partake in economic activities (excluded in this figure are those individuals not actively looking for work, students, pensioners, housewives, etc.).

The unemployment and employment levels within Victor Khanye Local Municipal area are important to investigate, as it is an indicative of the ability of local residents to earn household income (generated from economic activities, and which are employed to purchase goods and services).

In addition, high level of unemployment is generally associated with poor socio-economic conditions and poverty. In Victor Khanye Local Municipality, it was approximated that 8 573 of its people are unemployed. It is evident that the unemployment rate for Victor Khanye Local Municipality is 28.2%, that it is significantly lower than of the Mpumalanga province (43.1%).



Figure 10: Indicators: Unemployment by Gender

Source: IHS and SERO, 2019

Over the years, the unemployment rate for females has been more than that of the males. In 2019, it was at 38.3% for females, and 26.1% for males.



Figure 11: Indicators: Youth unemployment by Gender

Source: IHS and SERO, 2019

Table 16: Labour Indicators

Labour Indicators	Census	Census	SERO	Share of Nkangala's figure	Ranking: best (1) – worst (6)
	2001	2011	2019	2019	
Economically					
Active Population	23 074	30 415	37 794		
(EAP)/Labour	25074	30 413	37 734		
Force			T-		
Number of employed	13 266	21 843	23 116	6.3%	4
Number of unemployed	9 808	7 667	11 797	5.0%	2
Unemployment Rate (%)	42.5%	28.2%	31.0%	35.8%	4

Source: IHS and SERO, 2019

### **Snapshot of Data**

- The IHS Global Insights' unemployment rate was estimated at 31.0% in 2019, 11 797 unemployed as a percentage of the EAP of 37 794.
- The employment number was 5.9% of Nkangala's employed population.

Table 17: Labour Indicators

Infrastructure Index	Trend	Trend	Latest figure
	2011	2016	2018
Nkangala District  Municipality	0.71	0.73	0.74
Victor Khanye	0.76	0.81	0.82
Emalahleni	0.75	0.77	0.77
Steve Tshwete	0.84	0.84	0.85

Emakhazeni	0.80	0.77	0.78
Thembisile Hani	0.59	0.62	0.62
Dr. JS Moroka	0.58	0.64	0.65
Mpumalanga Province	0.67	0.69	0.70

Source: IHS and SERO, 2019

#### 2.3.6.5. Household Infrastructure Index

The Household Infrastructure Index of 0.82 in 2018 was a significant improvement from 2011 to 2018, and the second best in the district, and better that the district and the province.

This is a significant improvement by the municipality - as it is a clear demonstration that the municipality has been focused for the past few years in improving infrastructure and service delivery, which can enable the Municipality to support the LED initiatives in creating a conducive environment for investment attraction. This will result in increased economic activities.

#### 2.3.6.6. Access to Basic Services

In addition to the various household characteristics that need to be evaluated in a socioeconomic analysis, it is also essential to review the level of accessibility to basic municipal services. This section provides an overview of the status quo about service delivery in Victor Khanye Local Municipality. This overview is undertaken in such a manner that an indication of the municipal level infrastructure backlog is presented, and where service delivery is done effectively and efficiently.



**Table 18: Basic Service Delivery Indicators** 

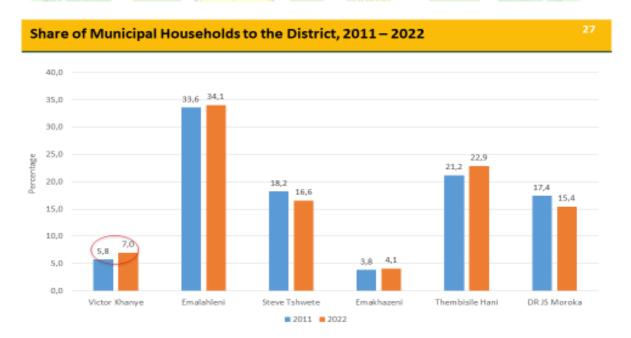
## Number of Households by Local Municipality in Nkangala District, 2011 – 2022





Source: Stats SA: Censuses 2011 & 2022



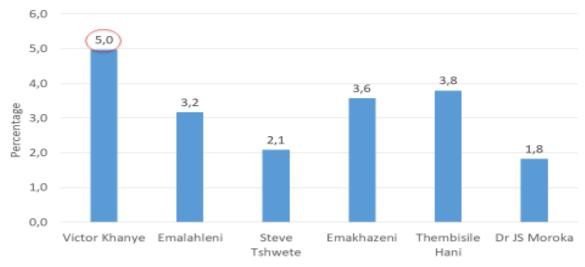




Source: Stats SA: Censuses 2011 & 2022



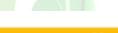
### Annual Growth Rate of Households by Local Municipality in Nkangala District, 2011 & 2022



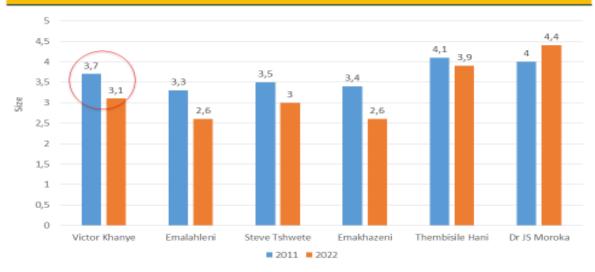


Source: Stats SA: Censuses 2011 & 2022





### Average Household Sizes by Local Municipality in Nkangala District, 2011 & 2022





Source: Stats SA: Censuses 2011 & 2022





### Sex of Head of Households by Local Municipality in Nkangala District, 2022

Municipality	Number of Male- headed households		Number of Female- headed households	% of Female- headed households	Total
Nkangala	260 673	54	222 495	46	483169
Victor Khanye	18 876	56	14 910	44	33 786
Emalahleni	93 886	57	70 687	43	164 573
Steve Tshwete	45 138	56	34 914	44	80 052
Emakhazeni	10 185	52	9 428	48	19 613
Thembisile Hani	57 123	52	53 440	48	110 563
Dr JS Moroka	35 465	48	39 116	52	74 581



Source: Stats SA: Census 2022





#### Age of Head of Households by Local Municipality in Nkangala District, 2022

	12 - 17	18 - 24	25 - 34	35 - 59	60 +	Total
Nkangala	1 853	24 053	79 544	281 435	96 283	483 169
Victor Khanye Local Municipality	106	1 862	6 658	20 082	5 079	33 786
Emalahleni Local Municipality	557	8 791	31 844	100 204	23 177	164 573
Steve Tshwete Local Municipality	208	3 830	15 268	47 695	13 052	80 052
Emakhazeni Local Municipality	37	1 296	3 983	10 862	3 435	19 613
Thembisile Hani Local Municipality	561	4 926	13 415	64 852	26 809	110 563
Dr JS Moroka Local Municipality	384	3 349	8 376	37 741	24 731	74 581



Source: Stats SA: Census 2022





	2011	2022
Flush toilets connected to sewerage	77,7	93
Weekly refuse disposal service	71,7	86,7
Access to piped water in the dwelling	55	80,1
Electricity for lighting	83,6	94,2



Source: Stats SA: Censuses 2011 & 2022





# Migration Status by Province/Area of Previous Residence, 2022

Municipality	Western Cape	Eastern Cape	Northern Cape	Free State	KwaZulu- Natal	North West	Gauteng	MP	Limpopo	Outside South Africa	Do not know	N/A	Unspeci fied
Nkangala	561	2249	312	1223	6550	1514	25657	148405 6	13404	12883	64	14267	26229
Victor Khanye Local Municipality	57	305	22	173	808	129	2034	98518	436	1581	-	495	1590
Emalahleni Local Municipality	245	1281	88	431	3472	389	4371	403142	4683	4891	26	5272	6231
Steve Tshwete Local Municipality	116	339	113	296	1350	203	1963	227847	2189	2132	22	1798	3762
Emakhazeni Local Municipality	15	47	7	29	95	51	320	46899	145	308		1498	750
Thembisile Hani Local Municipality	93	218	45	222	667	368	13527	399984	3315	2359	11	2971	7472
Dr JS Moroka Local Municipality	37	58	35	72	158	376	3543	307666	2636	1611	5	2233	6425



Source: Stats SA: Census 2022





### Age Composition of Migrants in the Municipality, 2022

	0 - 17	18 - 24	25 - 34	35 - 59	60 +
Western Cape	25	_	6	22	4
Eastern Cape	53	55	132	64	2
Northern Cape	_	3	5	14	-
Free State	27	27	66	44	10
KwaZulu-Natal	71	140	391	205	2
North West	5	14	35	62	12
Gauteng	342	270	594	727	100
Mpumalanga	29 666	12 176	20 405	29 205	7 066
Limpopo	39	74	178	130	15
Outside South Africa	142	394	683	355	8



Source: Stats SA: Census 2022



#### 2.3.6.7. Housing

The South African National Government places a great emphasis on the provision of formal housing, and it was identified as one of the key National priorities, concerning development. Due to this reason, the National Government evaluated and investigated the status of housing in Victor Khanye Local Municipality.



Type of Main Dwelling in Nkangala District by Local Municipality, 2011 – 2022								
Municipality	Formal C	welling	Traditional Dwelling	al	Informal	Dwelling	Other	
	2011	2022	2011	2022	2011	2022	2011	2022
Nkangala District	295344	441139	8645	4488	49514	36493	3399	1048
Victor Khanye	16291	29066	521	156	3158	4505	578	59
Emalahleni	92595	144874	2721	800	23138	18489	1419	409
Steve Tshwete	53924	72479	1102	479	9190	6955	750	138
Thembisile Hani	11228	18621	736	196	1537	768	219	28
Dr JS Moroka	64774	105260	2874	2024	7678	3056	307	223
Emakhazeni	56531	70839	692	832	4813	2719	126	190



Source: Stats SA: Censuses 2011 & 2022



#### 2.3.6.8. Water and Sanitation

Table 20: Distribution of Households with Access to Piped Water

Piped dwelling	(tap) wa or yard	ter in a	Piped (tap) communal	water on a stand	No acc	ess to p	iped (tap) w	ater
2001	2011	2016	2001	2011	2016	2001	2011	2016
9503	17 100	20 139	3 055	2 565	2 694	869	882	1 437

Source: Census 2011, Community Survey, 2016

According to the Community Survey (2016), 20 139 of households have access to potable water on their stands. The municipality provides 1 144 of the households in rural areas with water carrier/tanker.

The overall backlog on water is estimated to be 1 495 households. The water backlog affects the sanitation directly - as most houses without potable water are still using the bucket system, pit latrines, or septic tanks.

Households in Victor Khanye, Botleng, Delpark, and all extensions are supplied with water by means of boreholes, and by Rand Water. The number of dwelling with no access to piped (tap) water has almost doubled from 882 in 2011, to 1 437 in 2016.

#### 2.3.6.9. Sanitation

The bucket system is still prevalent in the informal settlements and represents the biggest development challenge, in terms of sanitation. Of the 24 270 households in the Victor Khanye Local Municipality, only 20 568 households (85%) have a reasonable sanitation service on their stands. These figures translate to a sanitation backlog of at least 3 702 households (15%).

In order to attend to the challenges, Victor Khanye Local Municipality must:

- Provide an affordable, adequate, and appropriate sanitation service for both rural and urban households within the municipality.
- Develop, implement and maintain a system to monitor metering, awareness, and satisfaction.
  - Reduce water losses and contribute towards the increase of revenue.

**Table 21:** Population Size Per Service: Sanitation

	Mpumalanga	Nkangala	Victor Khanye
Flush toilet connected to sewer system	533 244	216 723	18 623
Flush toilet connected to septic tank/conservancy	33 147	9 622	1 945
Chemical toilet	40 691	7 439	330
Pit toilet with ventilation (VIP)	182 328	46 643	263
Pit toilet without ventilation	356 667	113 262	960
Ecological toilet	43 566	15 725	1 140
Bucket toilet (collected by municipality)	2 544	2 302	101
Bucket toilet (emptied by HH)	8 500	2 242	590
None	38 174	7 187	318
Total	1 238 861	421 144	24 270

Source: Community Survey, 2016

#### 2.3.6.10. Electricity and Street Lighting

Approximately 93.5% of the households in the Victor Khanye Municipal area use electricity for lighting. The remaining 6.5%, includes residents of the rural areas and informal settlements or farm dwellers. The electricity network within Victor Khanye Local Municipality is ageing and has become inefficient. The main electricity substation is under severe pressure, and needs to be upgraded - since the electricity demand is increasing, due to the following developments:

- Newly proposed industrial developments are already implemented and operational e.g. Sephaku Cement Factory, a shopping Mall in Botleng Ext.3, and industrial expansions e.g. McCain Foods.
- 2. New residential development e.g. Botleng Ext. 5, Delmas Ext.14 and West Ridge Estates. The infrastructure for electricity within the area, supplied by Eskom (Eloff, Sundra, Botleng Ext.3 and rural areas) needs to be upgraded to ensure that communities receive uninterrupted services.

The advent of pre-paid electricity metering has significantly improved revenue collection. Coupled with the 60/40 system of credit and arrears payment through card purchases, this is enabling the municipality to reduce the outstanding debtor base.

Some of the key interventions to improve the electricity infrastructure include:

- Electrification of 1 270 households in Botleng
- Construction of Delmas 20MVA.
- Electrification of 267 households in seven farms completed.

Table 22: Population Size Per Service: Electricity

	Mpumalanga	DC31: Nkangala	Victor Khanye
In-House Conventional Meter	127 340	51 634	6 552
Prepaid	970 018	29 <mark>8 806</mark>	14 947
Connected to other source/HH pays	16 334	7 515	675
Connected to other source/HH don't pay	9 346	3 311	181
Solar	1 162	339	0
Generator/Battery	1 631	922	71
Other	9 097 GETHE	4 231	290
No Access to Electricity	103 933	54 386	1 585
Total	1 238 861	421 144	24 270

Source: Community Survey, 2016

#### 2.3.6.11. Roads and Storm Water System

The road infrastructure was originally designed for the low volume traffic. However, the traffic volume has increased, due to growth within the mining and farming sector. About 85% of roads within the municipality are dilapidated because of the increased traffic volume, especially heavy coal haulage trucks. There is a backlog in terms of maintenance of gravel roads due to old equipment and shortage of staff.

The Municipality can resolve the above challenges by providing and ensuring an integrated and effective roads and storm water management including maintenance. The Municipality must also improve the state of existing roads to better and acceptable standard.

The various national and provincial roads run through the Victor Khanye Local Municipality, with many regional routes converging at Delmas, which lends it strategically significant. Consequently, the municipality features a well-developed regional road and rail infrastructure. The N12 National toll road that links Johannesburg with Nelspruit runs from east to west through the northern part of the municipality. This road also links the municipality with the Maputo Development Corridor.

#### The major provincial roads in the municipal area are:

- 1. R50 that links Tshwane with Standerton;
- 2. R43 that links Delmas with Bronkhorstspruit;
- 3. R555 that links Springs with Witbank;
- 4. R548 that links with Balfour; and R42 that links with Nigel.

#### **Local Activity Corridors identified include:**

- Sarel Ciliers Street/ Witbank Road in Delmas (R555);
- The Avenue Eloff Town;
- Main Road Rietkol Agricultural Holdings;
- Samuel Road and Van der Walt Street Delmas; and Dr Nelson Mandela Drive Botleng.

#### Interventions

The implementation of the VKLM Roads and Storm Water Network Master Plan that has been developed for the maintenance of the roads.

#### 2.4. ENVIRONMENTAL AND WASTE MANAGEMENT

According to the 2016 Community Survey, 79% of households received a regular service from the municipality, which is not far off from the previously recorded figures in 2011.

Table 23: Population Size Per Service: Waste Removal

	Mpumalanga	Nkangala	Victor Khanye
Removed by local authority/private company at least once a week	487 949	201 581	16 775
Removed by local authority/private company less often	40 295	13 678	1 578
Communal refuse dump	66 638	26 570	768
Own refuse dump	544 665	136 803	2 351
No rubbish dispo <mark>sal</mark>	80 522	35 300	2 079
Other	18 782	7 211	783
Total	1 238 861	421 144	24 270

Source: Community Survey, 2016

The 2016 census reflected variations in refuse removal. The services of refuse removed by the municipality have increased significantly, since there are new residential settlements.

The municipality has an environmental management plan in place, and the plan is normally reviewed. The service delivery backlog on waste removal is estimated to be 5 213 households, which calculates to 21%.

#### Other major challenges include:

- 1. Inadequate old waste collection equipment,
- 2. Un-rehabilitated (illegal land mining) dongas that leads to dumping spots,
- 3. Poor access roads to informal settlements,

It is critical that the municipality provides an environment that is not detrimental to the health, mental and physical wellbeing of the community at large. The municipality should therefore provide an efficient, safe, and economical waste management and refuse disposal programme.

#### Interventions:

- 1. The implementation of the community works skills programme in all Wards;
- 2. Provision of dustbins to all communities;
- 3. Extended Public Works Programme beneficiaries assisted with the collection of waste;
- 4. Development and upgrading of the landfill site.

#### 2.4.1. Public Facilities: Cultural, Sports and Recreation Centre

There are no archives, museums, or art galleries in the Municipality. There are three public libraries in the VKLM – however, there is a lack of usable books in the libraries. There are not enough recreational facilities, and the existing facilities throughout the municipality are poorly maintained, because of a lack of security in these facilities. The Municipality needs to plan, construct, improve and maintain the public facilities.

The Simon Gondwe Sports Centre is in Botleng Location. There are few sports facilities for the youth that allows them to engage in sporting activities. The Municipality needs to create more recreation facilities and encourage participation in all sporting activities.

In rural areas, the Municipality assist the communities by grading the sports field for sporting activities to take place - including new developed residential settlements.

#### 2.4.2. Primary Health Care and HIV and AIDS

Victor Khanye Local Municipality has one hospital, three primary health clinics, three mobile clinics (of which only one is operational), and six private doctors and one private clinic. There is a newly build clinic in Extension 5, that is operational. There are about 14 non-governmental organisations that are currently operating in the public health sector. There are seven trained volunteers working on HIV/AIDS counselling.

The main challenge is how to retain health workers in the public sector and maintain standards.

The statistics for South Africa in 2006, indicated that there were 1443 new infections recorded on a daily basis, and 947 HIV/AIDS deaths recorded daily. The number of people living with HIV was recorded at 5.37m people nationally. The impact on local workforce is being felt within the municipality. A high prevalence of HIV/AIDS within Victor Khanye Community has numerous implications for LED.

Key implications include:

- Loss of labour
- Cost to company for reduced labour performance (leave time for both affected and infected)
- Provision of additional municipal support services and infrastructure (clinics, crèches, orphanages, hospices, cemeteries, etc.)
- Loss of skills due to high rate of deaths.
- Emotional impact
- Deterrent to investment

The impact of HIV/AIDS on the economic development and growth of Victor Khanye Municipality cannot be minimised. Nkangala District Municipality has taken an active role in the formulating an HIV/AIDS Sector Plan. It should be noted that consideration must be given to the implications of the pandemic on all developmental related issues - such as socioeconomic development, and the provision of infrastructure.

#### 2.4.3. Traffic, Safety and Law Enforcement

The Victor Khanye local municipality is strategically situated between major hubs. There are three major provincial roads, the R42, R50 and the R555 that run through the municipality, and the N12 National road, which forms part of the Maputo corridor running east/west. This causes a large traffic flow through the municipality.

There are also various mines that feed the power stations with coal, transported by road to the power stations. This also creates a heavy burden on the road infrastructure, causing an increase in road traffic, and the roads to degenerate faster - due to the heavy loads, creating dangerous road conditions, which leads to an increase in vehicle collisions and fatalities. There is currently no weight bridge within the municipality to assist in the management of overloaded vehicles, which contributes to the road degeneration and bad conditions on the roads.

The Victor Khanye Local Municipality, in cooperation with the Mpumalanga Provincial government, deploys traffic officers for the enforcement of traffic laws. Both have traffic officers operating within the municipality. However, the municipal traffic services have a shortage of traffic officers, which limits their participation in traffic law enforcement, especially within the urban areas, creating a gap where traffic offenders take advantage of the situation.

The municipality have recently implemented the use of a traffic speeding camera on a roaming basis, and noted some good results. In order to perform the law enforcement function more effectively, additional traffic officers and equipment are needed to execute law enforcement throughout the Municipal areas effectively. A further challenge contributing to lawlessness is the ease in having traffic fines reduced or cancelled. This also results in a loss of revenue, and an increase in lawlessness.

In addressing the challenges, the following strategic objectives are identified:

- Traffic law enforcement on all roads and streets in the municipality would curb speeding, and illegal usage of roads and streets by unlicensed and reckless or negligent drivers, and heavy vehicles;
- > Gain control over trucks driving through and parking in residential and restricted areas.
- Enforce the municipal by-laws;

- > Plan, develop and implement equitable and fair law enforcement efficient systems and public awareness programmes;
- Train learners about road safety environment for all vehicles, drivers, commuters and pedestrians and cyclists;
- Prevent damage to the road system by regulating the mass of heavy goods vehicles, travelling through the municipality; and
- Implement the AARTO-system to increase the effectiveness of road traffic safety adherence.

Crime is increasing in the country; this is no different within Victor Khanye Local Municipality. Crime statistics shows that there is an increase in all Wards. Contact crime is also showing an increase together with violent crimes. Drug abuse have also been raised by communities as a concern and a contributing factor to crime.

Vandalism and "stripped" mining metals and copper are also creating a concern within the municipality. In an effort to curb crime, sectors have formed neighbourhood watch groups, which assist the police in crime prevention, as they are understaffed and under-resourced.

There is the challenge that some entities within these neighbourhood watch groups use vigilante methods, in an effort to curb crime. It was identified that this was the result of ineffective management of these groups, and a result of insufficient resources, and that the oversight body, the Community Safety Forum (CSF) is not effective.

	SAFETY AND SECURITY					
Crime Stats (2022)	SERIOUS CRIMES I	REPORTED				
itie		2018/19	2022/23			
Crime	VKLM is rated Number 12 in terms of serious crimes (in the Province)	The number of serious crimes that were reported the 2018/19 financial year was 309.	The number of serious crimes reported declined in the 2022/23 financial year to <b>275</b> .			

Table 24: Serious Crimes Reported by Local Municipalities to Mpumalanga Province





## Poverty, inequality, HDI & crime indicators in Victor Khanye

- The share of population in Victor Khanye below the lower bound poverty line (LBPL) deteriorated from 40.0% in 2019 to 41.0% in 2022.
- In 2022, the number of people below the LBPL was 37 324, 4th lowest among municipal areas.
- In the calculation of the Local Government Equitable Share (LGES), National Treasury estimates that Victor Khanye had 17 407 poor households in 2023. That is roughly 52% of households.
- In 2022, Victor Khanye's poorest 40% of households shared 7.1% of total income, which was an improvement from the 6.6% share recorded in 2019.
- Victor Khanye's share of income of the poorest 40% of households was however, one of the lowest/worst of the 17 municipal areas, indicating that income inequality was more severe within the area compared with other areas in the province.
- In 2022, the Human Development Index (HDI) of 0.65 remained unchanged from 0.65 in 2019 5th highest among the municipal areas.
- In April 2023, there were 16 878 social assistance grant beneficiaries in Victor Khanye 3<sup>rd</sup> lowest number in the province.
- Victor Khanye ranked 6<sup>th</sup> highest/worst in terms of the 17 serious crimes reported, however, it recorded an improvement between 2018/19 and 2022/23.

Slide | 12

Victor Khanye Municipality is ranked at 6<sup>th</sup> highest/ worst, in terms of the 17 serious crimes reported, but recorded a slight improvement between 2018/2019 and 2022/2023.

In addressing the challenges, the following strategic objectives are identified:

- Increase the police capacity in both human resources and vehicles to curb crime effectively; and
- Establish the Community Safety Forum and align all functions to the forum.

#### 2.4.4. Emergency Services

The Victor Khanye Local Municipality has a Disaster Management Plan that is reviewed annually. There is a shortage of trained personnel and emergency response vehicles to attend to emergencies. Equipment supplies are limited and expensive. Fortunately, the District Municipality is assisting with the procurement of other equipment needed.

Disaster management incorporates the Fire Services. There is a first response to incidents when life and property are under threat. The Municipality ensures that the Disaster Management Plan is fully implemented and monitored. An efficient, safe, prompt, and economical public protection, firefighting and rescue service, in line with the risks and needs

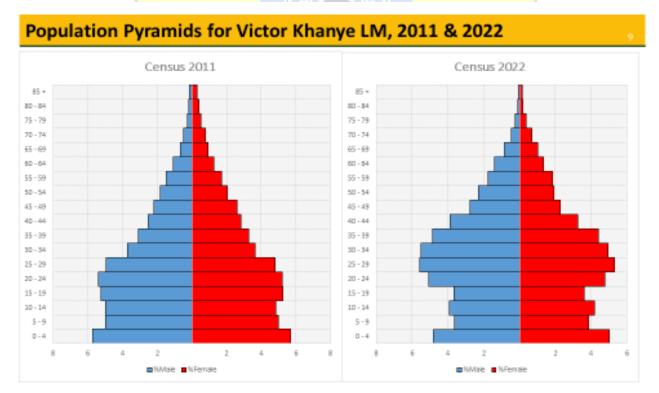
of the community, is provided. Community awareness and related training on disaster are offered to the community.

#### 2.4.5. Cemeteries and Crematoria

The Victor Khanye Local Municipality has six cemeteries located in Delmas, Botleng and Sundra. Approximately 800 burials take place in all the cemeteries per annum. There is no crematorium in the municipality currently. The Municipality is making sure that the main cemetery is upgraded and maintained. Due to the population rapid growth, and the increasing number of burials taking place in the area, a new land has been secured to accommodate new cemeteries.

#### 2.4.6. Youth Development

Table 25: Youth Population





Source: Stats SA: Censuses 2011 & 2022



These figures indicate that the majority of the population is under the age of 35. The figures also show that the youth constitute a substantial percentage of the population to warrant special and prioritized attention. Youth were highly marginalized by the apartheid government, which did not give them opportunities to develop to their fullest potential.

Youth development has occurred within a context of political, economic, social, and cultural oppression. Young people have experienced adverse political and socio-economic conditions characterised by poor housing, a lack of recreational facilities, a lack of access to decent education, unemployment, HIV/ AIDS and poor health facilities. This situation has contributed to the current challenges facing the youth.

It is important that there is a need for a comprehensive and integrated approach to youth development to address some of these challenges at a local level. The municipality has a Youth Development Unit, dealing with matters affecting and promoting youth activities. The municipality need to hold a youth summit and develop programs that will benefit young people.

This will provide young people with educational opportunities that can be accessed for their own development. The Municipality should further provide economic opportunities to companies owned by young people, by buying from the youthful companies.

#### 2.4.7. Land Invasion

#### 2.4.7.1 Monitoring of Land Invasion activities in Victor Khanye Local Municipality

Unlawful occupation or illegal land invasion is not significant within the Victor Khanye Local Municipality, but the Municipality is vigilant in preventing this. The municipality acknowledges that the orderly management of urbanization and development requires a wider approach, rather than only a reactive management of unlawful occupation of land, or land invasion. Without an appropriate and effective pro-action urbanization and settlement plan, the large housing and services shortage will become unmanageable, due to the ever-increasing competition for housing by the growing population.

The municipality has been privileged to benefit from the National Upgrading Support Programme (NUSP). The final report indicates how many informal settlements are within the municipality, their sizes, and where they are located.

The report advises on the feasibility of in-site development or relocation. Also attached to the report is a business plan to enable the formalization process and servicing of such settlements. In an attempt to deal with the unlawful occupation of land, the municipality has endorsed approximately 1200 erven in Abor Agri-village, and a subdivision of Portion 1202 in Delmas Ext.14.

# 2.4.8. Measures Taken by the Municipality to Prevent Unlawful Occupation of Land and Mitigating Growth of Informal Settlements

- The municipality has a database of all existing informal settlements.
- All structures on the informal database are marked and numbered.
- New invaders are given a notice to vacate property voluntarily with immediate effect.
- If unlawful land occupiers do not voluntarily vacate the property, all unregistered, incomplete and uninhabited structures are dismantled.
- The Municipality has developed a draft Land Invasion By-Law.
- Constant surveillance is kept by designated municipal officials and wardens.

#### 2.4.8.1 Areas Prone For Land Invasion

The areas prone for land invasion include the following:

The disease profits for failed in vacion intolligation in grant in the control of	
Union Forests P <mark>lantation Agricultural Holdings:</mark>	
South of Delpark and route R555 up to the railway line.	
Botleng X7	
Delmas X14	
Mimosa area in Eloff	N/

The Victor Khanye local municipality has developed Land Invasion by-laws to curb the spread of land invasion within its jurisdiction.

The municipality has already trained 40 traffic wardens as peace officers or law enforcers. Upon qualifying, the peace officers will assist the municipality with the prevention of land invasions through the enforcement of municipal by-laws, once funds are available.

#### 2.4.9. Rural Development Strategic Framework

The Comprehensive Rural Development Programme (CRDP) from July 2009, is Strategic Priority Number 3 within the government's current Medium Term Strategic Framework.

The strategic objective of the CRDP is to facilitate integrated development and social cohesion, through participatory approaches in partnership, with all sectors of society.

The CRDP is aimed at being an effective response against poverty and food insecurity, by maximising the use and management of natural resources to create vibrant, equitable and sustainable rural communities.

A CRDP must improve the standards of living and welfare, but also rectify past injustices through rights-based interventions, and address skewed patterns of distribution and ownership of wealth and assets.

The vision of the CRDP is to create a vibrant, equitable and sustainable rural communities includes:

- 1. Contributing to the redistribution of 30% of the country's agricultural land;
- 2. Improving food security of the rural poor; creation of business opportunities, decongesting and rehabilitation of over-crowded former homeland areas; and
- 3. Expanding opportunities for women, youth, people with disabilities and older persons who stay in rural areas.

The ultimate vision of creating vibrant, equitable and sustainable rural communities will be achieved through a three-pronged strategy based on:

- Coordinated and integrated broad-based agrarian transformation; strategically increasing rural development; and
- An improved land reform programme.

Rural development is about enabling rural people to take control of their destiny, and dealing effectively with rural poverty, through the optimal use and management of natural resources. It is a participatory process through which rural people learn over time, through their own experiences and initiatives, and how to adapt their indigenous knowledge to their changing world.

Land reform is a national priority and is further entrenched in Section 25 (4) of the Constitution of the Republic of South Africa, 1996 (Act No.108 of 1996). A three-pronged land reform programme aiming at tenure reform, restitution and land redistribution, was launched in 1994.

In relation to the CRDP, the Land Reform Agenda will focus on reviewing the Restitution, Redistribution and Tenure Reform Programmes.

In relation to Restitution, the focus will be on expediting the processing of settled claims and the settlement of outstanding claims. In addition, the work of the Land Claims Commissions will be rationalized within the new Department of Rural Development and Land Reform.

#### 2.4.9.1 Different Projects and Priorities

There are different types of projects and priorities, which include agrarian transformation and more:

- Livestock farming & related value chain development: To explore all possible species for food and economic activity.
- Cropping & related value chain development: To explore all possible species, especially indigenous plants, for food & economic activity.
- Establishment of business initiatives, agro-industries, cooperatives, cultural initiatives: This encourages entrepreneurship and includes local markets in rural settings;
- Empowerment of rural communities, especially women and the youth: This can be facilitated through mediating strong organisational and institutional capabilities and abilities of the community, to take full charge of their collective destiny;
- Capacity-building initiatives: Rural communities can be trained in technical skills, combined them with indigenous knowledge to mitigate community vulnerability to, especially climate change, soil erosion, adverse weather conditions and natural disasters, hunger and food insecurity; and
- Revitalisation of old and creation of new economic, social and information communication infrastructure and public amenities and facilities: This is crucial for the villages and small rural towns. (DEPT. of Rural Development and Land Reform, July 2009).

TOGETHER FOR MENT AND DEVELOPMENT

#### 2.5. INSTITUTIONAL PROFILE

Local government function in a highly sophisticated environment. To be successful in its endeavours to render quality, affordable and sustainable municipal services, it needs to be structured in the best possible way to facilitate effective governance as well as to ensure proper oversight and to measure performance.

#### 2.5.1. Legislative Arm

- Council
- The Speaker
- The Chief Whip
- Chairperson of MPAC
- Section 79 Committees, namely; Local Geographical Names Committee. Planning, Infrastructure, Transport & Safety Monitoring Committee, Health & Social Services Monitoring Committee, Finance & Corporate Services Monitoring Committee, Local Labor Forum, Budget Steering Committee, Rules & Ethics Committee and Policy Development Committee

#### 2.5.2. Executive Arm

- Executive Mayor (Head of the Executive)
- Members of the Mayoral Committee with delegated powers.
- Mayoral Committee (MMC) comprising of MMC for Finance and Corporate; MMC Health, Social Services and MMC for Planning, Infrastructure, Transport and Safety.
- Section 80 Committees; Finance and Corporate Services Portfolio Committee, Planning, Infrastructure, Transport and Safety Portfolio Committee; Health, Social Services and Development Portfolio Committee,
- Administration with the <u>Municipal Manager as Head.</u> This incumbent also serves as the Accounting Officer of the Municipality.

#### 2.5.3. Key Roles & Responsibilities of Council Committees

The following constitutes the Victor Khanye Council's Committees established in terms of Sections 79 & 80 of the Municipal Structures Act (Act no. 117 of 1998).

COMMITTEE NAME	NAME KEY ROLES & RESPONSIBILITIES										
LEGISLATIVE ARM COMMITTEES (SECTION 79)											
- Municipal Public Accounts Committee (MPAC)	<ul> <li>Reviewing of the Annual Report and annual financial statements of the municipality.</li> <li>Compiling an oversight report on the annual report.</li> <li>Examining the municipality's financial statements.</li> <li>Advising Council on how to address any matters pertaining to irregular, fruitless and wasteful expenditure.</li> <li>Ensuring that all possible cases of fraud and corruption are being reported to the SA Police Services.</li> </ul>										
Other Section 79 Committees:											

- Local Geographical Names Committee
- Planning, Infrastructure, Transport & Safety Monitoring Committee
- Health & Social Services Monitoring Committee
- Finance & Corporate Services
   Monitoring Committee
- Local Labor Forum
- Budget Steering Committee
- Rules & Ethics Committee
- Policy Development Committee

- Ensure that service delivery happens in terms of the approved Integrated Development Plan (IDP) and Service Delivery Budget Implementation Plan (SDBIP).
- Ensure that the Executive acts in compliance with applicable legislation, Council policies and accepted administrative standards and good practice, as approved by Council and the Provincial and National government.
- Ensure that remedial action plans from the Office of the Auditor-General and the Audit Committee/Internal Audit Unit are implemented.
- Ensure that service delivery projects and services are indeed to the benefit of the community.
- Ensure that Council

### **EXECUTIVE ARM COMMITTEES**

#### **Mayoral Committee**

- Present reports from the Administration to the Mayoral Committee.
- Monitoring of implementation of service delivery strategies, with a view of rendering political support to the Administration to get things done.
- Assist the Executive Mayor in the execution of his duties.

#### Other Section 80 Committees:

- Planning, Infrastructure,
   Transport & Safety Portfolio
   Committee
- Health & Social Services
   Portfolio Committee
- Finance & Corporate Services
  Portfolio Committee

- Section 80 Committees are responsible for advising the Executive Mayor on:
- All relevant information from applicable departments are included in the reports.
- There are no conflicting information in the reports.
- Funds are available on applicable budget votes.
- Possible risks are identified and mitigation strategies are in place.
- The content of the reports are factually correct.

#### 2.5.4. Establishment and Functionality of Ward Committees

Public participation is a vital part of our democracy and allows citizens to get involved in how their communities are governed. At the local government level, the Local Government: Municipal Structures Act, 1998, requires, among others, that municipalities develop mechanisms to consult communities and community organisations in performing their functions and exercising their powers.

These structures are commonly known as Ward Committees and provide a vital link between Ward Councillors, the community and the municipality. They allow for members of communities to influence municipal planning in a manner which best addresses their needs.

Ward committees are crucial in the local government system as they are the link between the councillor and the community. Victor Khanye Local Municipality has established 09 ward committees made up of 10 members each chaired by their respective Ward Councillors and are meeting as per schedule and are functional.

The ward committee system is also said to play a critical role in giving meaning to the notion of "the people shall govern". This is so because local government is regarded as the level of government closest to the people and ward committees are just one way to ensure that citizens give input to the decisions that local councils make.

#### 2.5.5. Administrative Arrangement/Structure

There is a significant relationship between an IDP and the institutional arrangement. Human Resource plays a crucial role in implementing the IDP, without a credible organisational structure, the IDP cannot be effectively implemented. The organisational structure was tabled before Council on the 31<sup>st</sup> of May 2023. The figure below illustrates the top layer of the final organisational structure of Victor Khanye Local Municipality.



#### **VICTOR KHANYE LOCAL MUNICIPALITY 2023/24 FY** MUNICIPAL MANAGER TM MASHABELA 0071 EXECUTIVE DIRECTOR CHIEF FINANCIAL OFFICER EXECUTIVE DIRECTOR EXECUTIVE DIRECTOR SOCIAL SERVICE CORPORATE SERVICE TECHNICAL SERVICE TP MAHLANGU 0338 BN MOKOENA VACANT VACANT PAGE 3 PAGES 5 - 8 PAGES 9 - 12 PAGE 4 MANAGER: OFFICE OF MM MJ DUMA 0498 PAGE 2 ARCHIVES ACCOUNT ADMIN POLITICAL OFFICE BUILDING CONTROL CEMETERIES FACILITY MANAGEMENT ASSET MANAGEMENT PMS: INSTITUTIONAL CIVIL ENGINEERING ENVIRONMENTAL HEALTH HR DEVELOPMENT DEBT COLLECTION IDP FLECTRICITY FIRE SERVICE HR MANAGEMENT EXPENDITURE LED MECHANICAL W/S LAW ENFORCEMENT PROPERTY ADMIN FINANCIAL MANAGEMENT EPWP FLEET MANAGEMENT LIBRARY SERVICE SECRETARIAT SERVICES FINANCIAL SYSTEMS MONITORING & EVALUATION BLACKSMITH W/S PARKS SECURITY SERVICES PAYROLL PUBLIC PARTICIPATION LAND & HOUSING SOCIAL SERVICES INTERNAL AUDIT PROJECT MANAGEMENT SUPPORT SERVICES REVENUE SPORT & RECREATION STORES YOUTH DEVELOPMENT SANITATION SUPPLY CHAIN MANAGEMENT RISK MANAGEMENT TOWN PLANNING WATER COMMUNICATION CUSTOMER CARE LEGAL SERVICES & IR 1. Departmental Management 2. Budget Process & Control 3. Cash flow Management 4. General Administration 5. Report Writing 5. Report Writing 5. Report Writing Report Writing 5. Report Writing 6. Meetings: Council/Management 7. Address public enquiries 8. Financial System Man 8. Integrated Development Planning 8. Estate Management 8. Photocopying 8. Building control 9. Archives 9. Financial Planning & Statistics 9. Performance Management 9. Land Use Management 9. Cleansing 10. EPWP 10. Administration: EDMS 10. Financial Reporting 10. Landfill Sites 10. Fleet management 11. Transversal Affairs 11. Official Notices 11. Financial Year-end 11. Mechanical Workshop 11. Environmental Health 12. HR Management & Development 12. Investment Management 12. LED 12. Town Planning 12. Traffic Services 13. Leave Administration 13. Insurance Admin & Management 13. Internal Audit 13. Repair & Maintenance 13. Fire Services 14. Skills Development 14. Loan Management & Admin 14. Risk Management Elec Reticulation Network 14. Licenses: Drivers & Vehicles 15. Occupational Health & Safety 15. Asset Management 15. Youth Development 14. Repair & Maintenance: 15. Library Service 16. Liaison: External Auditors 16. Employee Wellness 16. Public Participation Elec Installations & Equipment 16. Manage and control: 17. Creditors Administration 17. Legal Compliance 15. Repair & Maintenance: a) Parks division 17. Injury on Duty 18. Property Admin 18. Debtors Administration 18. Gazettes: Govern / Prov Sewerage Network b) Cemeteries 16. Repair & Maintenance: 19. Estate Management 19. Credit Control: 19. Policies & Bylaws c) Sport fields 20. Support Service 20. Indigent Policy: 20. ICT Waste Water Care works d) Open spaces 21. Postal & Messenger Service 21. Meter Reading Function 21. Legal Matters 7. Repair & Maintenance: e) Pavements 22. Municipal Stores 22. Communication Water Care works f) Municipal gardens 23. Pav Office 18. Repair & Maintenance: 24. SCM Water Reticulation Network 25. Contract Management

In order to strengthen intergovernmental relations, the Municipality has established Intergovernmental Relations (IGR) Division. Its primary objective is to facilitate intergovernmental dialogue with relevant provincial and national government. Moreover, the unit also creates a conducive working relationship of the municipality with the district municipalities and other stakeholders.

#### 2.5.6. Vacancy rate

This section presents the status quo in relation to the Municipality's current vacancy rate. It must be indicated that while the Municipality has done some considerable strides in filling vacant positions, it was however met with a number of challenges in filling most of the existing vacant positions. The status quo thereof is depicted below:

POST	CORPORATE SERVICES		CORPORATE SERVICES OFFICE OF THE MM		BUDGET AN	BUDGET AND TREASURY SO		SOCIAL SERVICES		TECHNICAL SERVICES		ICES	GRAND TOTAL					
LEVEL	TOTAL	Filled	Vacant	TOTAL	Filled	Vacant	TOTAL	Filled	Vacant	TOTAL	Filled	Vacant	TOTAL	Filled	Vacant	Total	Filled	Vacant
Sec 57	1	1	0	1	1	0	1	1	10	1	1	0	1	0	1	5	4	1
T16	1	1	0	2	2	0	1	1	0	2	1	1	2	2	0	8	7	1
T15	2	2	0	2	2	0	1	0	1	1	0	1	3	2	1	9	6	3
T13	4	0	4	10	9	1	5	5	0	4	4	0	6	5	1	29	23	6
T12	3	1	2	6	5	1	8	8	0	4	4	0	9	9	0	30	27	3
T11	2	2	0	1	1	0	3	3	0	3	2	1	6	4	2	15	12	3
T10	3	3	0	3	2	1	1	1	0	2	1	1	19	17	2	28	24	4
T9	1	1	0	9	6	3	3	3	0	2	2	0	4	4	0	19	16	3
T8	4	2	2	0	0	0	6	4	2	45	11	34	2	2	0	57	19	38
T7	3	1 🔏	2	4	3	1	22	20	2	20	18	2	15	11	4	64	53	11
T6	2	2	0	1	1	0	5	5	0	26	12	14	17	10	7	51	30	21
T5	1	1	0	1	1	0	1	1	0	66	42	24	17	5	12	86	50	36
T4	19	10	9	2	1	1	12	10	2	33	21	12	96	77	19	162	119	43
CTI	3	2	1	0	0	0	5	5	1	0	0	0	0	0	0	8	7	2
TOTAL	49	29	20	42	34	8	74	67	8	209	119	90	197	148	49	571	397	175

#### 2.5.7. Employment Equity Plan

The Municipality has also identified various stakeholders to manage, monitor and evaluate the implementation of the Employment Equity Plan. This includes amongst others the Employment Equity Forum, Municipal Manager, Executive Management, Senior Manager for Employment Equity, Manager Skills Development, and Senior Managers and Line Managers. The Employment Equity Plan also provides for mechanisms and procedures to manage, monitor and evaluate its implementation.

#### 2.5.8. Skills Development Planning

The Skills Development Act (Act No.97 of 1998), as amended, makes provision for all employers with an annual payroll in excess of R500 000 to pay a skills development levies and subsequently submit Workplace Skills Plan and Annual Training Report to the relevant Sector Education and Training Authority (SETA). This is to ensure that employers are not only able to identify existing skills but also able to plan for new skills that are in short supply but needed in their organisations.

Victor Khanye Municipality has developed its own Workplace Skills Plan to assist in relation to the skills gap that exist within the Municipality. Through this process, the Municipality is able to plan for skills needs that require funding from the Local Government Sector Education and Training Authority (LGSETA). Not only does this process empower the municipal work force with the requisite skills to fulfil its mandate but it also ensures that the skills development levies paid by the Municipality are re-invested back to the Municipality, thus, eliminating fruitless expenditure.

#### 2.5.9. Information Communication and Technology (ICT)

The municipality has an Information Technology (IT) Sub Division which is responsible for assisting the Municipality by providing innovative solutions, a stable information technology infrastructure and optimal functioning of internal application systems to meet the service delivery needs of the community. The key functional areas of the IT Division are:

- Corporate IT Governance and Strategy.
- Servers, Network Systems & Desktop Maintenance.
- IT Infrastructure and Application Management.
- IT Disaster Recovery and Business Continuity.
- IT Security, and

#### 2.5.10. Risk Management and Fraud prevention

To successfully mitigate risks that may prevent VKLM to reach its IDP objectives, a Risk Management Policy and Strategy are in place. Risk management forms part of management's core responsibilities and it is an integral part of the internal processes of the Municipality. Risk management is seen as a systematic process to identify, evaluate, and mitigate risks on a continuous basis before the risks impact negatively on the institution's service delivery capacity. It is believed that when properly executed, risk management provides a reasonable, but not absolute assurance, that the Municipality will be successful in achieving its goals and objectives. Thus, it should be embedded into the systems and culture of the Municipality.

The Municipality has in place a Risk Management Unit that plays a central role in risk management. The strategic objective of this Unit is to add value by assisting Council, Municipal Manager and Management to ensure that all risks facing the Municipality are identified, rated, tolerance levels established, mitigating strategies formulated and action plans compiled to manage all risks.

#### 2.5.11. Complaint Management System

The Municipality has a unit that is dedicated to customer care (Customer care Unit). Through this Unit, members of the community are able to report their complaints through telephone or mail and have them registered. The Unit will thereafter refer the complaint to the relevant Department to subsequently address it. A complainant is kept up to date in every stage up until the complaint is resolved.

Other mechanisms available to the community members include writing a petition to the Office of the

Speaker, where the matter will be brought to the responsible Department. Also a feedback mechanism is also provided for in order to ensure that whoever submitted the petition obtains the desired answers or remedy.

#### 2.5.12. BY-LAWS & POLICIES STATUS QUO

The Corporate Services directorate executes procurement and dissemination of information, messenger services, and safe custody of documents and registers of Council. All policies have to serve at Council, and procedure manuals serve at Management Committees for their endorsement.

Section 11 of the MSA gives municipal councils the executive and legislative authority to pass and implement by-laws and policies. Municipal policies and by-laws approved and/or reviewed in the 2022/23 financial year are listed below:

Table 31: List of By-Laws and Policies

	Description	Date of approval	Last Reviewal	Custodian(s) Responsible
				person
BUD	OGET RELATED POLICIES			
1	Budget and Financial procedures	28/05/2012	31/05/2018	CFO
2	Credit control and debt collection	28/05/2012	31/05/2022	CFO
3	Cash management, investment and financial procedures	28/05/2012	31/05/2022	CFO
4	Rates management	28/05/2012	31/05/2022	CFO
5	Supply Chain Management	28/05/2012	31/05/2022	CFO
6	Indigent management	28/05/2012	31/05/2022	CFO
7	Tariffs Policy	28/05/2012	31/05/2022	CFO
8	Burial of Indigent	28/05/2012	31/05/2018	CFO/ED:SOCIAL SERVICES
9	Revenue enhancement strategy		28/05/2021	CFO
10	Petty Cash		31/05/2022	CFO
11	Inventory	<b>建</b>	31/05/2022	CFO
12	Assets	THE REAL PROPERTY.	31/05/2022	CFO
13	Virement		31/05/2022	CFO
14	Financial regulations		31/05/2022	CFO
15	Provision for doubtful debt & write off	Province F	31/05/2022	CFO
16	Contract management	TELLEKI	28/05/2021	CFO
17	Loss control	ND DEVE	31/05/2022	CFO
18	Monitoring and evaluation of service providers	TID DE	28/05/2021	CFO
19	Creditors and staff payments		31/05/2018	CFO
20	Budget	28/05/2021	31/05/2022	CFO
21	Payday	28/05/2021	31/05/2022	CFO
22	Staff and Councillors payment	28/05/2021	31/05/2022	CFO
23	Cost containment	28/05/2021	31/05/2022	CFO

HUN	MAN RESOURCE MANAGEME	NT RELATED P	OLICIES	
1	Employee, Councillor wellness programme	07/10/2012	04/10/2022	EXECUTIVE DIRECTOR: CORP SERV
2	Overtime and procedure	07/10/2012	03/11/2020	EXECUTIVE DIRECTOR: CORP SERV
3	Employment practice	07/10/2012	01/10/2022	EXECUTIVE DIRECTOR: CORP SERV
4	Performance Management	07/08/2012	06/06/2017	EXECUTIVE DIRECTOR: CORP SERV
5	Performance Management Framework	01/06/2021		EXECUTIVE DIRECTOR: CORP SERV
6	Hospitality, Gift, Appreciation and Staff Farewell Function	31/10/2013	01/06/2021	EXECUTIVE DIRECTOR: CORP SERV
7	Entertainment Budget Utilization	31/10/2012	3-53-	EXECUTIVE DIRECTOR: CORP SERV
8	Language	30/08/2016	01/06/2021	EXECUTIVE DIRECTOR: CORP SERV
9	Subsistence and Travel	11/10/2012	05/06/2014	EXECUTIVE DIRECTOR: CORP SERV
10	Occupational Health and Safety	01/08/2013	04/10/2022	EXECUTIVE DIRECTOR: CORP SERV
11	Bursary Scheme	01/08/2013	03/12/2019	EXECUTIVE DIRECTOR: CORP SERV
12	Incapacity due to poor work performance	01/08/2013	01/06/2021	EXECUTIVE DIRECTOR: CORP SERV
13	Leave management practise	01/08/2013 ETHER I	01/06/2021	EXECUTIVE DIRECTOR: CORP SERV
14	Succession Planning and career pathing	01/08/2013	01/06/2021	EXECUTIVE DIRECTOR: CORP SERV
15	HR Strategy	01/08/2013	01/06/2021	EXECUTIVE DIRECTOR: CORP SERV

16	Attraction and retention	01/08/2013	01/06/2021	EXECUTIVE
				DIRECTOR: CORP
				SERV
17	Dress code	01/08/2013		EXECUTIVE
				DIRECTOR: CORP
				SERV
18	Bereavement	01/08/2013	01/06/2021	EXECUTIVE
				DIRECTOR: CORP
				SERV
19	Training and development	01/08/2013	01/06/2021	EXECUTIVE
				DIRECTOR: CORP
00	E Million II	04/00/0040	00/44/0000	SERV
20	Exit interview	01/08/2013	03/11/2020	EXECUTIVE
				DIRECTOR: CORP SERV
21	Employment Equity	01/08/2013		EXECUTIVE
2	Employment Equity	01/06/2013		DIRECTOR: CORP
			<u> </u>	SERV
22	Records management	31/10/2013		EXECUTIVE
~~	Trecords management	31/10/2013		DIRECTOR: CORP
				SERV
23	VIP Protection	31/10/2012		EXECUTIVE
				DIRECTOR:
				SOCIAL SERV
24	Security	06/06/2017	06/10/2020	EXECUTIVE
			<u></u>	DIRECTOR:
			<b>4</b>	SOCIAL SERV
25	Incapacity due to ill-health/	01/11/2010	01/06/2021	EXECUTIVE
	injury		群人	DIRECTOR: CORP
			<b>等</b> /	SERV
26	Induction	01/11/2010	<mark>01</mark> /06/2021	EXECUTIVE
		CONTRACTOR OF THE PARTY OF THE		DIRECTOR: CORP
07	Conclina	04/44/0040	04/00/0004	SERV
27	Smoking	01/1 <mark>1/2</mark> 010	01/06/2021	EXECUTIVE CORP.
				DIRECTOR: CORP SERV
28	External study bursary	01/11/2010		EXECUTIVE
20	External study bursary	01/11/2010		DIRECTOR: CORP
				SERV
29	Private work and declaration	03/11/2020	OR WI	EXECUTIVE
	of interest	JETHER F	OUNELL	DIRECTOR: CORP
	TH	IND - STIE	I OVIII	SERV
30	Attendance and punctuality	03/11/2020		EXECUTIVE
	,			DIRECTOR: CORP
				SERV
31	Employee assistance	03/11/2020		EXECUTIVE
				DIRECTOR: CORP
				SERV

	T		00/44/0000		EVEOUTIVE	
32	Termination	on of service	03/11/2020		EXECUTIVE	0000
					DIRECTOR:	CORP
			20/44/2022		SERV	
33	Intoxicatio	n substance abuse	03/11/2020		EXECUTIVE	
					DIRECTOR:	CORP
					SERV	
34		allowance	03/11/2020		CFO	
35	Acting allo	owance	03/11/2020	04/10/2022	EXECUTIVE	
					DIRECTOR:	CORP
					SERV	
36	Placemen		03/11/2020	04/10/2022	EXECUTIVE	
	redeploym	nent			DIRECTOR:	CORP
					SERV	
37	Performar	<u> </u>	01/06/2021		OFFICE OF	THE
	system fra	amework			MUNICIPAL	
					MANAGER	
38	Job Evalu	ation	08/12/2022	/	EXECUTVE	
					DIRECTOR:	CORP
					SERV	
39	Danger	allowance, Risk	04/10/2022		EXECUTIVE	
	assessme	nt and Metrix Policy			DIRECTOR:	CORP
					SERV/CFO	
40	Internship		04/10/2022		EXECUTVE	
					DIRECTOR:	CORP
					SERV	
SER	VICE DEL	IVERY PROGRAMM	E RELATED PO	LICIES		
1	Communi		31/10/2012			
	Projects E	xpenditure		描		
2		e Property Di <mark>sposal</mark>	31/10/2012			
	Land acqu	uisition and Di <mark>sposal</mark>	08/12/2022	事//		
	Municipal	Property	04/10/2022		Value Value	
3	EPWP		23/01/2014	04/10/2022	OFFICE OF	THE
					MUNICIPAL	
					MANAGER	
4	Human S	Settlem <mark>ent cha</mark> pter	31/10/2013		EXECUTIVE	
	allocation		THE SECOND	A X	DIRECTOR:	TECH
					SERV	
5	Transport	Policy	05/06/2014	08/12/2022	EXECUTIVE	
					DIRECTOR:	TECH
		GRA TO		OR MI	SERV	
6	Communi	cation Strategy	05/06/2014	13/04/2021	OFFICE OF	THE
		HI	ND DEVIE	TOI,	MUNICIPAL	
			TID DEAT	1	MANAGER	
			05/06/2014		OFFICE OF	THE
7	Public Pai	ticipation Strategy	03/00/2014			
7	Public Pai	ticipation Strategy	03/00/2014		MUNICIPAL	
7	Public Par	ticipation Strategy	03/00/2014		MUNICIPAL MANAGER	
			29/01/2015			
8 9	Registry F	Procedure Manual				
8	Registry F	Procedure Manual public open space	29/01/2015			

1	1	Busines	s Licence		08/12/2022	
1	2	Water	conservation	and	04/10/2022	
		demand	l strategy			

BY L	AWS			
1	Public health	07/06/2013		EXECUTIVE DIRECTOR: SOCIAL SERV
2	Street trading	07/06/2013		EXECUTIVE DIRECTOR: SOCIAL SERV
3	Cemetery & Crematoria	07/06/2013		EXECUTIVE DIRECTOR: SOCIAL SERV
4	Credit control and collection	07/06/2013	31/05/2022	CFO
5	Property rates	07/06/2013	03/10/2017	CFO
6	Fire Brigade Services	06/06/2017		EXECUTIVE DIRECTOR: SOCIAL SERV
7	Waste management	06/06/2017		EXECUTIVE DIRECTOR: TECH SERV
8	Water and wastewater	28/02/2020		EXECUTIVE DIRECTOR: TECH SERV
9	Tariffs	28/05/2021	31/05/2022	CFO
10	Air quality management	17/07/2018		EXECUTIVE DIRECTOR: SOCIAL SERV
11	Traffic	27/11/2018		EXECUTIVE DIRECTOR: SOCIAL SERV
12	Liquor Trading	27/11/2018		EXECUTIVE DIRECTOR: SOCIAL SERV
13	Trading	27/11/2018 ETHER	ORMENT	EXECUTIVE DIRECTOR: SOCIAL SERV
14	Land invasion bylaw and strategy	04/10/2022	TO.	OFFICE OF THE MUNICIPAL MANAGER

### **RISK & INTERNAL AUDIT POLICIES**

1	Risk Management Policy	05/06/2014	04/10/2022	OFFICE OF MUNICIPAL MANAGER	THE
2	Risk Management Strategy	05/06/2014	04/10/2022	OFFICE OF MUNICIPAL MANAGER	THE
3	Fraud prevention plan		04/10/2022	OFFICE OF MUNICIPAL MANAGER	THE
4	Risk methodology		03/10/2017	OFFICE OF MUNICIPAL MANAGER	THE
5	Fraud prevention strategy		04/10/2022	OFFICE OF MUNICIPAL MANAGER	THE
6	Risk Managemer Committee charter	nt e	03/10/2017	OFFICE OF MUNICIPAL MANAGER	THE
7	Fraud Prevention and anti- Corruption Policy	i- 31/10/2012	01/06/2021	OFFICE OF MUNICIPAL MANAGER	THE
8	Whistleblowing		04/10/2022	OFFICE OF MUNICIPAL MANAGER	THE
9	Combined assurance framework	e 01/06/2021	04/10/2022	OFFICE OF MUNICIPAL MANAGER	THE
10	Internal audit charter	01/06/2021	04/10/2022	OFFICE OF MUNICIPAL MANAGER	THE
11	Internal audit methodology	01/06/2021	04/10/2022	OFFICE OF MUNICIPAL MANAGER	THE
12	Risk Management Antifraud and anti-corruption committee charter		04/10/2022	OFFICE OF MUNICIPAL MANAGER	THE
13	Risk Appetite and Tolerance Framework	e 04/10/2022		OFFICE OF MUNICIPAL MANAGER	THE
14	Business Continuit Management	CETHER	FORMENT	OFFICE OF MUNICIPAL MANAGER	THE
15	Business Continuit Management Framework	y 01/10/2022		OFFICE OF MUNICIPAL MANAGER	THE
ICT R	RELATED POLICIES				
1	Information Technolog Security	y 31/10/2012	23/01/2014	OFFICE OF MUNICIPAL MANAGER	THE

2	End-User Account Access Control	31/10/2012	23/01/2014	OFFICE OF MUNICIPAL MANAGER	THE
3	E-Mail and Internet Usage	31/10/2012		OFFICE OF MUNICIPAL MANAGER	THE
4	ICT change management	23/01/2014	08/12/2022	OFFICE OF MUNICIPAL MANAGER	THE
5	ICT Accountability for assets	23/01/2014	17/12/2020	OFFICE OF MUNICIPAL MANAGER	THE
6	ICT Backup & retention	23/01/2014	17/12/2020	OFFICE OF MUNICIPAL MANAGER	THE
7	Disaster recovery plan	23/06/2015	17/12/2020	OFFICE OF MUNICIPAL MANAGER	THE
8	ICT business continuity plan	23/06/2015		OFFICE OF MUNICIPAL MANAGER	THE
9	ICT gov <mark>ernance framework</mark>	23/06/2015		OFFICE OF MUNICIPAL MANAGER	THE
10	ICT firewall	23/06/2015	08/12/2022	OFFICE OF MUNICIPAL MANAGER	THE
11	ICT access	17/12/2020		OFFICE OF MUNICIPAL MANAGER	THE
12	ICT information communication standard	17/12/2020		OFFICE OF MUNICIPAL MANAGER	THE
13	Telephone and cell phone	17/1 <mark>2/2</mark> 020		OFFICE OF MUNICIPAL MANAGER	THE
14	ICT management procedure	17/12/2020		OFFICE OF MUNICIPAL MANAGER	THE
15	ICT strategy	17/12/2020	08/12/2022	OFFICE OF MUNICIPAL MANAGER	THE
16	ICT Information Security	08/12/2022		OFFICE OF MUNICIPAL MANAGER	THE

The Municipality has a total of 120 policies and by-laws that have been approved by Council; the total of number of budget related policies is 23, 40 for the Human Resources related, Service Delivery Programmes related has 12 policies, and 14 By-Laws are approved in place, Risk/Internal Audit and ICT related policies are at 15 and 16 respectively.

## **CHAPTER 3: MUNICIPAL DEVELOPMENT STRATEGIES**

## 3. VISION, MISSION AND VALUES OF VICTOR KHANYE LM

## VISION

"Repositioned m<mark>unic</mark>ipalit<mark>y for a bette</mark>r a<mark>nd sustaina</mark>ble s<mark>ervic</mark>e delivery for all"

## **MISSION**

It is envisaged that the municipal vision will be achieved through:

- Providing quality and sustainable services to the diverse community in a responsive and efficient way for optimum economic growth in order to enhance prosperity;
- ❖ Inspired by desire to be positioned on the global map of attractive cities resulting in a positive impact on investment, jobs, inhabitants, visitors and events through quality service provision.

## **VALUES**

We adhere to the following values in all of our work and interactions with the community and other stakeholders:

**Integrity**: As public servants, we pledge to carry out the municipality's functions and operations in an honest and ethical way.

**Professionalism**: We commit to employ professionals with particular competencies and capabilities and to enforce the code of conduct and code of ethics.

**Resilience**: As custodians of hope we commit to develop strategies for dealing with the future shocks and stresses and to be able to adapt and thrive in the face of these challenge.

**Openness**: We will continuously work together with communities to ensure the public trust and establish a system of transparency, public participation, and collaboration.

**Impact and Outcomes**: We undertake to maintain healthy living conditions and improving the quality of life for communities.

## 3.1. STRATEGIC FOCUS AREAS

In line with our Vision and Mission of the Victor Khanye Local Municipality, the following goals are adopted and briefly summarised as follows:

**Goal 1:** Improved provision of basic services to the residents of Victor Khanye Local Municipality.

**Goal 2:** Improved social protection and education outcomes.

**Goal 3:** Improved Compliance to MFMA and Victor Khanye Local Municipality Policy Framework.

Goal 4: Improved efficiency and effective of the Municipal Administration.

**Goal 5:** Improve community confidence in the system of local government.

**Goal 6:** Increase regularisation of built environment.

**Goal 7:** Increased economic activity and job creation.

## 3.2. CORE PRINCIPLES IN EXECUTING THE GOALS

Shared work between political leadership, the administration and community.

The municipality encompasses three core components:

- Democratically elected political leadership;
- The administration, comprising officials; and
- Citizens, as individuals, interest groups and organisations (public, community-based and private).

It is vital that political leadership and administration work closely together for long-term municipal management. Policy direction is ultimately the responsibility of democratically elected political leadership. The administration offers policy recommendations and implements them.

Victor Khanye Local Municipality is dedicated to ensuring that our poorest communities benefit from meaningful social and economic growth by including and empowering them. Communities are not often aware that they are officially part of the municipality. However, because this is the case, local communities cannot simply play the position of critic or bystander. Local communities must be actively involved in the development and execution of initiatives and programs in their areas.

Ward-based planning is one aspect of community engagement, with the goal of having a ward-based plan for each of the 09 wards. Ward-based plans are a type of participatory planning that encourages community involvement and has obvious ties to the IDP. Such plans encourage communities and residents to take charge of their own fate and capture what they regard as desirable results. They also help to expedite the IDP's implementation.

## CHAPTER 4: AUDITOR GENERAL (AG) REPORT AND MEC'S COMMENTS

## 4.1. INTRODUCTION

This chapter outlines the findings by the Auditor General on the Municipality's Annual Financial Statements for the 2022-2023 financial year and the comments by the MEC for Co-operative Governance and Traditional Affairs (COGTA) in relation to the Final IDP 2022-2027.

## 4.2 AUDITOR GENERAL'S (AG) REPORT

The Municipality received qualified audit report in the 2022/23 financial year. The AG has raised findings that need to be addressed by the Municipality.

Basis for the Qualified Audit Opinion	
REPORTABLE MATTERS	
NON-CURRENT ASSETS:	
<ol> <li>Property plant and equipment</li> <li>Land competeness</li> </ol>	<ul> <li>A detailed reconciliation of Municipal land per the fixed asset register, the deeds office and valuation roll will be performed.</li> </ul>
3. Work in progress - Impairment	✓ The work in process for water infrastructure impairment was not adequately assessed.
4. Useful lives	✓ The municipality must ensure that the useful lives of property, plant and equipment is reviewed at each reporting date in accordance with GRAP.
EXPENDITURE:  1. Bulk purchases	The Technical department (Electricity) will develop processes and controls to ensure that the quantity of units being charged by Eskom agree to the actual quantity of units used on a monthly basis. The check meters will be utilised.
DISCLOSURE: 1. Irregular expenditure 2. Fruitless and wasteful	The municipality must put controls in place to identify and disclose all irregular expenditure incurred during the year, as required by section 125(2)(d) of the MFMA.
Fruitless and wasteful expenditure	✓ Management to implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support its financial, performance and compliance with applicable laws and regulations.

The above matters as well as other matters raised by the Auditor-General were addressed in the Audit Action Plan whereby the Municipal Manager and the executive management clearly indicates the problem/s identified, the planned activities with timeframes to address the problem/s identified, who will be responsible to do it and finally, the status of current progress.

## 2022/23 ACTION PLAN - VICTOR KHANYE LOCAL MUNICIPALITY

Reference	Section	Finding	Root Cause	Recommendation	Action Plan
AAP50323- 2023	Misstatements in annual financial statements	Irregular expenditures identified could not be traced to the register	Management did not monitor compliance with the applicable laws and regulations during the procurement process.	Management should not approve any awards without verifying all documentation as current and valid  Management should implement adequate controls over the review of the annual financial statements and its supporting information to ensure that they complete and credible  Management must institute controls over the suppliers register on CIPC and confirm that the suppliers tax complaint status.	Ensure that they prepare regular, accurate and complete financial reports that are supported and evidenced by reliable information.
AAP50340- 2023	Misstatements in annual financial statements	Prior year misstatements: Bulk Purchases which were not corrected by management	Impact This will result in a material misstatement for bulk purchases in the comparative amounts as the prior year misstatement was not corrected. The prior year bulk purchases is materially misstated by R 171 101 301. The misstatement will result in a modification of the audit report of the municipality as the prior year qualification paragraph will remain.  Internal control deficiency Financial and performance management Management did not implement adequate controls over the review of the annual financial statements and its supporting information to ensure that they are free from material misstatements.	Management should implement adequate controls over the review of the annual financial statements and its supporting information to ensure that they are presented free from material misstatements.	Online meter readings to accompany Eskom invoices and Eskom previous readings must be used to verify the distribution losses

Reference	Section	Finding	Root Cause	Recommendation	Action Plan
AAP50342- 2023	Misstatements in annual financial statements	5. Land Completeness	Management didn't implement proper internal control to maintain appropriate and accurate accounting records. And also, management didn't implement proper safe guard regarding assets.	Management should implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support the financial and performance reporting. Implement proper safeguards over the management of assets/ project.	A reconciliation between the FAR and Deeds and valuation roll should be performed on an annual basis. All property sold should be removed from the FAR and taken to council.
AAP50343- 2023	Misstatements in annual financial statements	1. Impairment of Assets	Impact The above misstatement will result in the depreciation expense being overstated and property plant and equipment, infrastructure assets understated Internal control deficiency Financial and Performance Management Management didn't implement proper internal control to maintain appropriate and accurate accounting records. And also, management didn't implement proper safe guard regarding assets.	Management should implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support the financial and performance reporting. Implement proper safeguards over the management of assets/ project.	Re-perform a full asset verification to ensure that all assets in the asset register exist, re-perform depreciation run as per the policy with correct formulas
AAP50344- 2023	Misstatements in annual financial statements	1. Differences between the financial statements and its underlying records ( Fixed Asset Register)	Impact The above misstatement will result in an overstatement of the amount recorded in the financial statement.  Internal control deficiency Financial and Performance Management Management did not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is	Management should implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support its financial, performance and compliance with applicable laws and regulations.	A reconciliation between the FAR and trial balance should be performed every month. prior year depreciation should be reinstated

Reference	Section	Finding	Root Cause	Recommendation	Action Plan
			accessible and available to support its financial, performance and compliance with applicable laws and regulations.		
AAP50350- 2023	Misstatements in annual financial statements	1. Fruitless and wasteful expenditure identified from various components	Impact This might result in an understatement of fruitless and wasteful expenditure Internal control deficiency Financial and Performance Management Management did not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support its financial, performance and compliance with applicable laws and regulations.	Management should implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support its financial, performance and compliance with applicable laws and regulations.	Review fruitless and wasteful expenditures to ensure that only transactions with valid service providers are correctly classified as fruitless and wasteful expenditures and for prior year error budget and treasury reports to be sent to the council for approval to align with the AFS disclosure
AAP50320- 2023	Non- compliance with laws and regulations	Local content awards not procured through the preferential procurement regulations	Management did not adequately review and monitor compliance with applicable laws and regulations.	Management should ensure that the requirements as per MFMA and preferential procurement are monitored and implemented to ensure compliance with the preferential procurement policy framework.  Management should develop a compliance checklist that includes local content requirements to ensure that when procurement is made, all requirements (declarations, specifications, etc.) are compiled and reviewed prior to the awarding of the contracts or quotations.	non-compliance with 2017 Preferential Procurement regulation 8(2) (Local content), noting that the new regulation 2022 local content was repealed as on 22 January 2023, therefore all findings related to local content prior to January 2023 must be included as irregular expenditure.

Reference	Section	Finding	Root Cause	Recommendation	Action Plan
AAP50321- 2023	Non- compliance with laws and regulations	2. Contract Register - Completeness of contract register	Financial and performance management Management did not implement adequate controls over the review of the annual financial statements and its supporting information to ensure that they complete and credible	Management should implement adequate controls over the review of the annual financial statements and its supporting information to ensure that they complete and credible	Update the contract register and review the register for all populations.
AAP50322- 2023	Non- compliance with laws and regulations	2. SCM - The Tender not included in the procurement plan for 2022/23 and 2021/22 financial year	Management did not monitor compliance with the applicable laws and regulations during the procurement process	<ul> <li>Management should ensure that they develop and monitor the implementation of procurement plan to address internal control deficiencies</li> <li>Management should implement adequate controls over the review of the annual financial statements and its supporting information to ensure that they complete and credible</li> <li>Management must institute controls over the budgeting process and ensure that the procurement plan includes all planned procurement for the year</li> </ul>	Adjustment budget incorporating 2022/23 and 2021/22 financial years respectively to be submitted to AG and the complete procurement plan.
AAP50324- 2023	Non- compliance with laws and regulations	4. SCM – Cover Quoting.	Management did not monitor compliance with the applicable laws and regulations during the procurement process.     Management did not adequately assess the quote documentation during the awarding process	Management did not monitor compliance with the applicable laws and regulations during the procurement process.     Management did not adequately assess the quote documentation during the awarding process	Management to update the irregular register and also thoroughly verify directors/ shareholders before the appointment.

Reference	Section	Finding	Root Cause	Recommendation	Action Plan
AAP50325- 2023	Non- compliance with laws and regulations	5. SCM – BAC decided to award different bidders other than the one recommended by BEC.	Impact  • The above finding results in irregular expenditure of R2 733 845, 40 as a result of the material noncompliance and treasury regulations section 29(1)(e)  • The financial statements submitted for audit are misstated Internal control deficiency – Financial and Performance Management  Management did not monitor compliance with the applicable laws and regulations during the procurement process	Management should assess if the above transactions constitute fraudulent activities and if it is isolated to the directors of the companies or if there are municipal officials involved and take adequate steps in potentially cancelling the contract and follow the process as per consequence management      Management must institute controls over the awarding process of the contract.	Update the irregular register.
AAP50326- 2023	Non-compliance with laws and regulations	6. SCM – The award was given to the supplier who owes the municipality for more than 3 months for rates	Impact  The above finding results in irregular expenditure of R9 399 245.92 as a result of the material non-compliance and treasury regulations SCM reg 28(1)(c) and SCM reg 38(1)(d)(i) and could result in a modification of the audit report.  Internal control deficiency – Financial and Performance Management  Financial and performance management  Management did not compliance with applicable legislation, by ensuring	Management should assess if the above transactions constitute fraudulent activities and if it is isolated to the directors of the companies or if there are municipal officials involved and take adequate steps in potentially cancelling the contract and follow the process as per consequence management      Management should implement adequate controls over the review of the annual financial statements and its supporting information to ensure that they complete and credible      Management must institute controls over the awarding process of the contract.	Management to institute controls over the awarding process of the contract. contractors must be verified on the indigent register before the appointment

Reference	Section	Finding	Root Cause	Recommendation	Action Plan
			that the winning bidder selected municipal rates and taxes were submitted as at time of evaluation therefore to ensure compliance with the regulations.		
AAP50327- 2023	Non-compliance with laws and regulations	1. SCM – Invalid SLA submitted	Impact This will result in material non- compliance with laws and regulation and a potential material misstatement of the occurrence of contracted expenditure to an amount of R15 549 706,37 which could lead to a irregular expenditure.  Management does not have any recourse for non – performance of the contract which could lead to delays and extensions on the contract as well as potential irregular or fruitless expenditure There is noncompliance with the SCM and MFMA regulations above. Internal control deficiency – Financial and Performance Management  • Management did not adequately review and monitor compliance with applicable laws and regulations.	<ul> <li>Management should develop a contract management strategy and ensure that all contracts signed by the municipality, have further a contract management addendum/checklist that is attached to the contracts.</li> <li>The management must ensure that the terms and conditions of the contracts include terminations terms in terms on under or non- performance and dispute resolutions.</li> <li>The management must ensure that the contract comply with general conditions of contracts as prescribed by national treasury.</li> <li>The management must have measures in place to monitor the contractor's performance regularly.</li> <li>The management must have penalty clause in the contract if the provider is not performing according to the agreement or contract termination for default.</li> <li>The management must have a report for any defect, delays and problems identify whether the defect, delays and problems have been corrected.</li> </ul>	Management to develop SLAs upon the appointment of the contractor.

Reference	Section	Finding	Root Cause	Recommendation	Action Plan
AAP50328- 2023 Non- compliance with laws and regulations	compliance with laws and	1. SCM – Three Quotation not obtained.	This will result in material non-compliance with laws and regulation and the occurrence of contracted expenditure to an amount of R367 912,00 which could lead to a irregular expenditure .	<ul> <li>Management should ensure that they comply with the SCM policies and SCM regulations.</li> <li>The management must ensure that all the process for quotations must be followed and ensure that at least 3 quotation must be obtained to ensure that the compliance with SCM regulations.</li> <li>The management must have a report for any defect, delays and problems identify whether the defect, delays and problems have been corrected.</li> </ul>	Management to amend the supply chain management policy to be in line with SCM regulation.
			Internal control deficiency – Financial and Performance Management  • Management did not adequately review and monitor compliance with applicable laws and regulations.		
AAP50329- 2023	Non-compliance with laws and regulations	3. SCM – The total payment exceed the original quoted amount.	Impact This will result in material non- compliance with laws and regulation and the occurrence of contracted expenditure to an amount of R6 848 163.74 that could lead to irregular expenditure.  Internal control deficiency – Financial and Performance Management • Management did not adequately review and monitor compliance with applicable laws and regulations.	Management should put measures in place to ensure that payments made under the quotation should not exceed the original quoted amount.      Management should put measures in place to ensure that there are defined measures in place to deal with the validity period of price quotations after the closing date.      Management should monitor payments for the above quotation and the irregular expenditure register should be correctly updated and disclosed in the 2022/23 annual financial statements	Management to put measures in place to ensure that payments made under the quotation should not exceed the original quoted amount. Management to put measures in place to ensure that there are defined measures in place to deal with the validity period of price quotations after the closing date. Management to monitor payments for the above quotation and the irregular expenditure register should be correctly updated and

Reference	Section	Finding	Root Cause	Recommendation	Action Plan
					disclosed in the 2022/23 annual financial statements
AAP50330- 2023	Non-compliance with laws and regulations	4. SCM – No SLA in place	Impact This will result in material non- compliance with laws and regulation and a potential material misstatement of the occurrence of contracted expenditure to an amount of R7 828 200.40 which could lead to a irregular expenditure.  Management does not have any recourse for non – performance of the contract which could lead to delays and extensions on the contract as well as potential irregular or fruitless expenditure There is noncompliance with the SCM and MFMA regulations above.  Internal control deficiency – Financial and Performance Management  • Management did not adequately review and monitor compliance with	Management should develop a contract management strategy and ensure that all contracts signed by the municipality, have further a contract management addendum/checklist that is attached to the contracts.      The management must ensure that the terms and conditions of the contracts include terminations terms in terms on under or non- performance and dispute resolutions.      The management must ensure that the contract comply with general conditions of contracts as prescribed by national treasury.      The management must have measures in place to monitor the contractor's performance regularly.      The management must have penalty clause in the contract if the provider is not performing according to the agreement or contract termination for default.      The management must have a report for any defect, delays and problems identify whether the defect, delays and problems have been corrected.	Management to develop SLAs upon the appointment of the contractor.

Reference	Section	Finding	Root Cause	Recommendation	Action Plan
AAP50331- 2023	Misstatements in annual performance report	Incomplete indicator Access to water	Leadership  • Management did not prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information.  • Management did not perform adequate, thorough reviews and reconciliation of information supporting the indicator.	Management should ensure that when the connections to water are made, they update the water connections register.      Thorough and timely reviews and reconciliations should be performed by heads of departments or appropriately delegated officials to ensure that connections made are updated on the connections register and the register is complete.      Management should revisit the population, collect all connections certificates and update the register and ensure necessary corrections are made	Management to ensure that when the connections to water are made, they update the water connections register. Thorough and timely reviews and reconciliations should be performed by heads of departments or appropriately delegated officials to ensure that connections made are updated on the connections register and the register is complete.  Management to revisit the population, collect all connections certificates and update the register and ensure necessary corrections are made
AAP50332- 2023	Misstatements in annual performance report	2. Performance indicator not measurable-Households refuse collection.	Management did not prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information.	<ul> <li>Management should ensure that appropriate and verifiable evidence is prepared for each indicator.</li> <li>Documents prepared and submitted as evidence for indicators are thoroughly reviewed.</li> <li>Documents prepared should provide specific details regarding the achievements reported.</li> </ul>	Management to ensure that appropriate and verifiable evidence is prepared for each indicator.  • Documents prepared and submitted as evidence for indicators are thoroughly reviewed.  • Documents prepared should provide specific details regarding the achievements reported.

Reference	Section	Finding	Root Cause	Recommendation	Action Plan
AAP50333- 2023	Misstatements in annual performance report	3. Performance indicator not measurable-streets with cleaning services.	Management did not prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information.	Management should ensure that appropriate and verifiable evidence is prepared for each indicator.     Documents prepared and submitted as evidence for indicators are thoroughly reviewed.     Documents prepared should provide specific details regarding the achievements reported.	Management to ensure that appropriate and verifiable evidence is prepared for each indicator.  • Documents prepared and submitted as evidence for indicators are thoroughly reviewed.  • Documents prepared should provide specific details regarding the achievements reported.
AAP50334- 2023	Misstatements in annual performance report	4. Performance indicator not measurable-illegal dumping sites.	Management did not prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information.	<ul> <li>Management should ensure that appropriate and verifiable evidence is prepared for each indicator.</li> <li>Documents prepared and submitted as evidence for indicators are thoroughly reviewed.</li> <li>Documents prepared should provide specific details regarding the achievements reported.</li> </ul>	Management to ensure that appropriate and verifiable evidence is prepared for each indicator.  • Documents prepared and submitted as evidence for indicators are thoroughly reviewed.  • Documents prepared should provide specific details regarding the achievements reported.
AAP50335- 2023	Misstatements in annual performance report	5. Incomplete indicator Access to electricity.	Management did not prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information.     Management did not perform adequate, thorough reviews and reconciliation of information supporting the indicator	Management should ensure that when the connections to electricity are made, they update the electricity connections register.     Thorough and timely reviews and reconciliations should be performed by heads of departments or appropriately delegated officials to ensure that connections made are updated on the connections register and the register is complete.     Management should revisit the population, collect all connections certificates and update the register and ensure necessary corrections are made	The Key Performance Indicator (KPI) has been amended in the 2023/2024 Financial Year (FY) to be a lot SMART. However, the Portfolio of Evidence (POE) will still require to be amended during the 2023/2024 adjustment period. The POE amendment will take effect

Reference	Reference Section Finding Roo		Root Cause	Recommendation	Action Plan
					from Q3 of the 2023/2024 FY.
AAP50336- 2023	Misstatements in annual performance report	6. %Access to electricity-limitation — applications register/listing not provided	Management did not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support performance reporting.      Management did not prepare applications register to ensure the percentage is recalculated.	<ul> <li>Management should ensure that that for indicators which have a percentage method for calculations, there is a register prepared for the numerator and denominator, i.e. connections register and applications register.</li> <li>Management should that all information requested by the AGSA for audit purposes is accessible and available for audit purposes.</li> <li>Through inspection of the TID, it was noted that the POE indicated that evidence to support the achievement would be "Monthly reports number of applications received", however this is incomplete as this is a percentage indicator and POE should be available to support the numerator and denominator, i.e. there should be reports for applications and reports for connections to ensure that the percentage reported can be recalculated.</li> </ul>	The Key Performance Indicator (KPI) has been amended in the 2023/2024 Financial Year (FY) to be a lot SMART. However, the Portfolio of Evidence (POE) will still require to be amended during the 2023/2024 adjustment period. The POE amendment will take effect from Q3 of the 2023/2024 FY.
AAP50337- 2023	Misstatements in annual performance report	. Applications to free basic services not approved by a delegated official or accounting officer.	<ul> <li>Management did not prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information.</li> <li>Management did not perform adequate, thorough reviews and reconciliation of information supporting the indicator.</li> </ul>	<ul> <li>Management should ensure that thorough and timely reviews and reconciliations are performed by heads of departments or appropriately delegated officials to ensure that all households' applications are properly approved by delegated officials before they receive services.</li> <li>Management should revisit the population and ensure necessary corrections are made</li> </ul>	Management will update the policy to indicate that the accounting officer can delegate the signing duties to an appropriate executive.

Reference	Section	Finding	Root Cause	Recommendation	Action Plan
			Management did not ensure compliance to laws and legislations		
AAP50338- 2023	Misstatements in annual performance report	Applications to free basic services- policy outdated- internal control deficiency.	Management failed to review and communicate policies and procedures to enable and support understanding and execution of internal control objectives, processes and responsibilities.	Management should ensure review of policies as when the review date as per the specific policy approaches.     Management should update the current policy to ensure they are relevant to the operations of the Municipality	Management to update and review the policy and submit to the council for approval.
AAP50339- 2023	Misstatements in annual performance report	Usefulness –     performance not     fairly reported	The annual performance report is not adequately presented and achievements have been overstated. Internal control deficiency Financial and performance management Management did not prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information.	Management should ensure that only indicators with achievable targets are reported on the APR.     Management should investigate similar cases and make necessary corrections	Management to ensure that only indicators with achievable targets are reported on the APR.  Management to investigate similar cases and make necessary corrections
AAP50341- 2023	Misstatements in annual financial statements	1. Buildings Incorrectly classified	Management didn't implement proper internal control to maintain appropriate and accurate accounting records. And also, management didn't implement proper safe guard regarding assets.	Management should implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support the financial and performance reporting. Implement proper safeguards over the management of assets/ project.	Management to review the classification of investment property and update the asset register accordingly.

Reference	Section	Finding	Root Cause	Recommendation	Action Plan
AAP50345- 2023	Misstatements in annual financial statements	Investment property could not be traced to the FAR  Impact The FAR is misstated with R80 514 600.  Internal control deficiency Financial and performance management Management did not implement controls over daily and monthly processing and reconciling of transactions.		Management should perform a reconciliation between the valuation roll and the fixed asset register and ensure all assets recorded under the ownership of VKLM in the valuation roll are included in the fixed asset register.  Management should investigate similar cases from the valuation roll and fixed asset register and make necessary corrections	A detailed reconciliation of Municipal land per the fixed asset register, the deeds office, and the valuation roll.
AAP50346- 2023	Misstatements in annual financial statements	Investment property misstated	The FAR is misstated with R14 736 560. Financial and performance management  · Management did not implement controls over daily and monthly processing and reconciling of transactions.  · Management did not prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information	Management should perform a reconciliation between the valuation roll and the fixed asset register and ensure all assets recorded under the ownership of VKLM in the valuation roll are included in the fixed asset register.  Management should investigate similar cases from the valuation roll and fixed asset register and make necessary corrections	Management to perform a reconciliation between the valuation roll and the fixed asset register and ensure all assets recorded under the ownership of VKLM in the valuation roll are included in the fixed asset register.
AAP50347- 2023	Misstatements in annual financial statements	Investment property overstated	The FAR is misstated with R3 155 948.56 Management did not implement controls over daily and monthly processing and reconciling of transactions.  Management did not prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information	Management should perform a reconciliation of all properties included on the FAR and ensure that all properties listed under the ownership of the municipality have a tittle deed to confirm ownership.  Management should investigate similar cases from the fixed asset register and implement necessary corrections.	The typing error will be corrected in the fixed asset register in order for it to correspond with the records as per the Deeds Property Register.

Reference	Section	Finding	Root Cause	Recommendation	Action Plan
AAP50348- 2023	Misstatements in annual financial statements	Investment property componentized	The investment property is overstated by the amount R4 365 528.08 Management did not prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information Management did not exercise oversight responsibility regarding financial and performance reporting and compliance as well as related internal controls.	Management should recognise the value of land and buildings under investment property and not componentize parts of the building (e.g. painting forms part of the building and is not on its own asset that outside the building, same as electricity)  Management should investigate similar cases from the fixed asset register and implement necessary corrections.	Management to recognise the value of land and buildings under investment property and not componentize parts of the building
AAP50349- 2023	Misstatements in annual financial statements	1. Difference identified between the amount on the commitment schedule and appointment letter	Cause Lack of management oversight in preparing the financial statements.  Impact  1. Commitments is misstated by a projected misstatement amount of 23 340 852.15  2. The payment of R788 447.05 made to date which is above the amount per approved appointment letter has thus resulted in an unauthorised amount is R788 447,05  Internal control deficiency Financial and performance management: Controls over daily and monthly	Management must ensure that the commitment schedule is regularly reviewed and updated to include and exclude relevant commitments by the municipality.	Commitments register and disclosure to be updated to reflect the correct appointment amount for all appointments. Further note that Unics is already on the Irregular expenditure register.

Reference	Section	Finding	Root Cause	Recommendation	Action Plan
AAP52825- 2023	Non-compliance with laws and regulations	SCM - The Tender not included in the procurement plan for 2022/23 and 2021/22 financial year	processing and reconciling transactions were not implemented.  Leadership: Exercise oversight responsibility regarding financial, performance reporting, compliance, and related internal controls.  Impact  • The above finding results in unauthorized expenditure of R22 936 187, as a result of the I noncompliance and section 62 of MFMA  • The financial statements submitted for audit are misstated with the omission of the unauthorized expenditure above  Internal control deficiency – Financial and Performance Management  Management did not monitor compliance with the applicable laws and regulations during the procurement process.	Management should ensure that they develop and monitor the implementation of procurement plan to address internal control deficiencies      Management should implement adequate controls over the review of the annual financial statements and its supporting information to ensure that they complete and credible      Management must institute controls over the budgeting process and ensure that the procurement plan includes all planned procurement for the year	During the budget adjustments, the procurement plans will be adjusted accordingly to include all tenders which were / are not included in the procurement plan for 2023/24 fin year
AAP52833- 2023	Misstatements in annual performance report	Validity patching of potholes.	Management did not prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information.	<ul> <li>Management should not include as part of achievements in the annual performance report indicators where there were no achievements.</li> <li>Management should revisit the population and ensure necessary corrections are made</li> </ul>	Management to develop the register and take photos of all potholes that have been patched

Reference Section Finding			Root Cause	Action Plan		
AAP52842- 2023	Misstatements in annual financial statements	Buildings which have not been impaired	Management didn't implement proper internal control to maintain appropriate and accurate accounting records. And also, management didn't implement proper safeguards regarding assets.	Management should implement proper record-keeping promptly to ensure that complete, relevant, and accurate information is accessible and available to support the financial and performance reporting. Implement proper safeguards over the management of assets/projects.	Management to assess the municipal buildings and affect the impairment where necessary	
AAP52848- 2023	Misstatements in annual financial statements	Infrastructure Impairment / Assets maintenance plan	Management didn't implement proper internal control to maintain appropriate and accurate accounting records. And also, management didn't implement proper safeguards regarding assets.	Management should implement proper record-keeping promptly to ensure that complete, relevant, and accurate information is accessible and available to support the financial and performance reporting. Implement proper safeguards over the management of assets/projects.	Management to develop and implement the assets maintenance plan. Management must ensure that all assets are safeguarded accordingly, if an asset is stolen, it must reported to the loss control committee with an undertaking that the matter is reported to SAPS and insurance clamed.	
AAP52851- 2023	Misstatements in annual financial statements	Land with incorrect location details per register	Management didn't implement proper internal control to maintain appropriate and accurate accounting records. And also, management didn't implement proper safe guard regarding assets.	Management should implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support the financial and performance reporting. Implement proper safeguards over the management of assets/ project.	Management to update the FAR with correct GPS coordinates.	

Reference	Section	Finding	Root Cause	Recommendation	Action Plan		
AAP52881- 2023	Misstatements in annual financial statements	Waste management (refuse) – Differences identified between tariff and amounts charged	Impact  The above leads to a misstatement of service charges in the AFS, amounting to a projected misstatement of R650 802,86.  Internal control deficiency  Financial and performance management Management did not exercise sufficient oversight to ensure that the AFS are complaint to the GRAP standards.  Ø Management did not adequately review the AFS to ensure that all amounts reflected in the financial statements are accurate.	Ø Management should implement adequate controls to ensure that all amounts reflected in the financial statements are accurate. Ø Management should perform strengthen the control processes to ensure accuracy of the financial statements. Ø Management should review the population of the interest revenue recognised, and consider if there is an adjustment required.	Management to review the tariff approved by the council and implement the tariffs accordingly		
AAP52908- 2023	Other reported information	Expenditure – Water losses	Impact of the finding This constitutes a non-compliance with MFMA circular 71 and a material financial loss of R47 256 991, 28  Internal control deficiency Financial and performance management: Management did not implement controls to ensure they disclose the categories of water losses  Leadership: Exercise oversight responsibility regarding financial, performance	Management should ensure that they prevent the material financial losses by addressing the root causes of the water losses Management should ensure update the water losses note to indicate the categories of water losses incurred	Management to ensure that they prevent material financial losses by ensuring that the water billing and non-revenue project is finalised to address the water losses.  Management to ensure update the water losses note to indicate the categories of water losses incurred		

Reference	Section	Finding	Root Cause	Recommendation	Action Plan		
			reporting, compliance, and related internal controls.				
AAP52914- 2023	Misstatements in annual financial statements	Contracted Services – Difference between general ledger and invoice amount	This constitute non-compliance with section 62(b) of MFMA, and contractual services is misstated by a projected misstatement of R757 022,28 for consultants and professional services and R811 207,67 for outsourced services  Internal control deficiency Financial and performance management: Controls over daily and monthly processing and reconciling transactions were not implemented. Leadership: Exercise oversight responsibility regarding financial, performance reporting, compliance, and related internal controls.	Management should ensure that the contractual services rendered are recorded at the accurate amount as per invoices	We went through all of their invoices and perform a recalculation and find differences for Ingwe Security – the workings are attached. Going forward will add the line for recalculation of the invoices in the creditors check list		

## CHAPTER 5: FINANCIAL PLAN

### **5.1 INTRODUCTION**

This chapter gives effect to Section 26 paragraph (h) of the Municipal Systems Act (2000, as amended) which provides that: "an integrated development plan must reflect a financial plan, which must include a budget projection for at least the next three years". The chapter therefore outlines the municipality's Financial Plan for the next three financial years compiled in line with the Municipal Finance Management Act (Act 56 of 2003).

## 5.2 BUDGET ASSUMPTIONS AND OBJECTIVES

- a) To achieve the growth and development goals of VKLM the following budget objectives were formulated;
- b) To improve the adherence to legislative, governance and institutional development framework.
- c) To improve financial performance and sustainability over the long term.
- d) To ensure the citizens of the municipality are provided with acceptable levels of services.

To maintain the existing assets and infrastructure base by ensuring adequate repairs and maintenance is undertaken.

To achieve an unqualified audit outcome with reduced matters of emphasis
To enable local economic development initiatives and sustainable employment
creation

## 5.3. BUDGET SUMMARY - VKLM

Description	2020/21	2021/22	2022/23	Current Year	2023/24			2024/25 Mediu Expenditure F	ım Term Rever ramework	nue &
R thousands	Audited Outcome			Original Budget			Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Financial Performance				N HE CO			/			
Property rates	78,438	85,936	93,307	97,467		139,457	139,457	123,486	129,167	135,108
Service charges	250,404	230,903	247,341	444,952		376,659	376,659	301,786	315,668	330,189
Investment revenue	429	402	763	- 1	15	15	15		-	-
Transfer and subsidies - Operational	128,315	116,808	131,228	144,142	144,142	144,142	144,142	154,473	161,579	169,011
Other own revenue	129,506	114,483	107,999	122,019	155,004	155,004	155,004	127,770	133,647	139,795
Total Revenue (excluding capital transfers and	587,092	548,532	580,638	808,580	815,277	815,277	815,277	707,515	740,061	774,104
contributions)	454 400	450,000	474.007	100 500	004 574	004 574	004 574	400.070	007.045	047.074
Employee costs	151,490	153,638	174,097	198,596		201,574	201,574	198,676	207,815	217,374
Remuneration of councillors	8,358	8,083	8,522	9,101		9,131	9,131	9,101	9,519	9,957
Depreciation and amortisation	55,568	59,661	64,174	52,046		50,102	50,102	52,446	54,859	57,382
Interest	31,235	48,400	94,766	33,352		57,601	57,601	30,000	31,380	32,823
Inventory consumed and bulk purchases	188,891	209,938	207,409	264,205		285,757	285,757	287,238	300,450	314,271
Transfers and subsidies	-	1000		7,336		7,336			F	-
Other expenditure	177,867	304,188	236,974	243,173		<b>27</b> 9,137	279,137	280,379	293,276	306,767
Total Expenditure	613,409	783,909	785,941	807,809		890,639	890,639	857,839	897,300	938,575
Surplus/(Deficit)	(26,318)	, , ,			,	. , ,	(75,362)	, , ,	, , ,	, , ,
Transfers and subsidies - capital (monetary allocations)	22,380	26,134	52,976	59,174	57,522	57,522	57,522	59,074	61,791	64,634
Transfers and subsidies - capital (in-kind)	6,830	2,222	31,223	44,700		44,700	44,700		124,911	130,657
VRO	2,892	(207,021)	(121,105)	104,646	26,860	26,860	26,860	28,167	29,463	30,818
Surplus/(Deficit) after capital transfers & contributions	. 4 U	CIRT	HE	RIC	MA	1				
Share of Surplus/Deficit attributable to Associate	177		-111/1	_ N W			- /		-	-
Surplus/(Deficit) for the year	2,892	(207,021)	(121,105)	104,646	26,860	26,860	26,860	28,167	29,463	30,818
Capital expenditure & funds sourcesCapital			DD	H .						
expenditure	42,817	27,726	58,145	67,531	71,376	71,376	71,376	67,740	9,749	10,197
Transfers recognised - capital	26,143	24,163	58,335	59,078	57,506	57,506	57,506	58,420		·
Borrowing	L	L	L	L	L			L	L	L
Internally generated funds	11.527	1.756	(1,694)	8.453	13,870	13,870	13,870	9,320	9,749	10,197
	37,670	,	56,641	67,531	,	,		67,740	9,749	10,197

Financial position Investments LIABILITIES Financial liabilitiesNET ASSETS Community wealth/Equity	_ - (2,686) 422,166	 - (3,419) 231,628	1,349 107,665	- 7,528 533,665	7,528 458,302	7,528 458,302	- - 7,528 458,302	,	- 7,528 509,841	- - 7,528 537,478
Cash flows  Net cash from (used) operating Net cash from (used) investing Net cash from (used) financing  Cash/cash equivalents at the year end	111,400 (38,899) (582) 71,919	(23,278)	206,28 <mark>4</mark> (42,475) 169,41 <mark>4</mark>	(59,07 <mark>8)</mark>	( <mark>71</mark> ,376)	(71,376) -	(71,376) <del>-</del>	43,739 (37,499) – 36,240	45,751 1,551 - 83,542	47,855 (10,197) – 121,200
	10,910 (678,646) 689,556	(0) (961,521) 961,521					(98,010)	52,758 (214,069) 266,826	(284,751)	165,665 (309,156) 474,821
Asset management Asset register summary (WDV) Depreciation Renewal and Upgrading of Existing Assets Repairs and Maintenance	960,716 53,416 2,687 179	15	905,380 57,240 (55,827) 50,467	52,046	1,004,827 50,102 (4,130) 45,890	1,004,827 50,102 (4,130) 45,890		998,847 52,446 2,425 21,152	953,737 54,859 209 22,125	906,552 57,382 150 23,143
Free services Cost of Free Basic Services provided Revenue cost of free services provided <u>Households below minimum service</u> level Water: Sanitation/sewerage:Energy: Refuse:	1,492	21,507	12,597			-		– 7,336	7,673	8,026

# 5.4. Victor Khanye - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification

Functional Classification Description	###	2020/21	2021/22	2022/23	Current Year 20	)23/24		2024/25 Medium Term Revenue & ExpenditureFramework			
thousand thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27	
Revenue - Functional	1				相對	1					
Governance and administration		209,651	222,687	248,096	359,314	382,748	382,748	364,573	381,343	398,885	
Executive and council		-	- 11	-/-	THE STATE OF		-/ 4	- V/V	-	-	
Finance and administration		209,651	222,687	248,096	359,314	382,748	382,748	364,573	381,343	398,885	
Internal audit				-	78/1/1	7	F		-	_	
Community and public safety		26,111	20,081	18,134	7,009	6,305		6,897	7,214	7,546	
Community and social services		3,289	481	2,602	2,292	2,060	2,060	2,292	2,397	2,507	
Sport and recreation		_	- 67.57		-	- / /	11/		_	-	
Public safety		20,103	17,527	12,879	2,623	2,311	2,311	3,363	3,517	3,679	
Housing		2,719	2,072	2,654	2,094	1,934	1,934	1,242	1,300	1,359	
Health				700					_	_	
Economic and environmental services		24,636	1,720	29,826	1,572	1,572	1,572	1,572	1,644	1,720	
Planning and development		-	- 100000		1, <mark>572</mark>	1,572	1,572	1,572	1,644	1,720	
Road transport		24,636	1,720	29,826	- /	-	-	-	_	_	
Environmental protection		-		-		· /	-	F	-	_	
Trading services		355,904	332,400	368,780	544,560	526,874		512,965	536,561	561,243	
Energy sources		185,565	161,060	131,296	314,370	250,877	250,877	184,261	192,737	201,603	
Water management		88,782	98,738	99,124	144,924	137,664	137,664	140,564	147,030	153,794	
Waste water management		41,089	36,917	22,513	66,580	63,220	63,220	168,638	176,396	184,510	
Waste management	4	40,469	35,686	115,846	18,686	75,113	75,113	19,502	20,399	21,337	
Other	4	1777	MLI.	-IL/IZ		2615		- )		-	
Total Revenue - Functional	2	616,302	576,889	664,836	912,454	917,499	917,4 <mark>99</mark>	886,006	926,763	969,394	
Expenditure - Functional		1	MIID	DEA	LIL		1				
Governance and administration		158,979	299,605	290,011	318,878	334,843	334,843	332,196	347,477	363,461	
Executive and council		24,687	25,325	33,476	39,862	49,226	49,226	41,605	43,519	45,521	
Finance and administration		134,293	274,279	256,535	279,016	285,610	285,610	290,591	303,958	317,940	
Internal audit		<u> </u>	_	_	_	7	7	_	_	=	
Community and public safety		50,850	61,047	33,046	55,583	73,079	73,079	65,232	68,233	71,372	
Community and social services		35,964	22,200	13,587	9,186	19,778	19,778	8,916	9,326	9,755	
Sport and recreation		322	(149)	553	1,537	2,492	2,492	3,537	3,700	3,870	
Public safety		11,542	37,632	18,906	44,860	50,061	50,061	52,329	54,736	57,254	
Housing		771	1,364		L ' '	748	,	450	471	492	
Health		2,251		L	<b>L</b>	_	L	L	<u>L</u>	_	

Economic and environmental services		49,384	62,794	61,442	40,796	62,939	62,939	51,659	54,036	56,521
Planning and development		17,343	11,227	13,202	9,894	18,673	18,673	15,894	16,625	17,390
Road transport		31,511	49,549	46,591	30,702	43,432	43,432	34,982	36,591	38,275
Environmental protection		530	2,017	1,648	200	835	835	783	819	857
Trading services		354,197	374,480	404,300	395,460	420,262	420,262	411,659	430,595	450,403
Energy sources		206,741	238,675	248,345	220,122	264,067	264,067	234,634	245,428	256,717
Water management		100,808	80,315	92,078	113,796	113,653	113,653	112,036	117,190	122,581
Waste water management		28,520	23 <mark>,34</mark> 9	32,678	36,008	31,114	31,114	36,507	38,186	39,943
Waste management		18,128	32 <mark>,14</mark> 1	31,200	25,534	11,428	11,428	28,481	29,791	31,162
Other	4	- \	1,694		+ /		_	-	-	-
Total Expenditure - Functional	3	613,409	799,619	788,799	810,716	891,123	891,123	860,747	900,341	941,757
Surplus/(Deficit) for the year		2,892	(222,730)	(123,963)	101,738	26,376	26,376	25,260	26,422	27,637

# 5.5. Victor Khanye - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

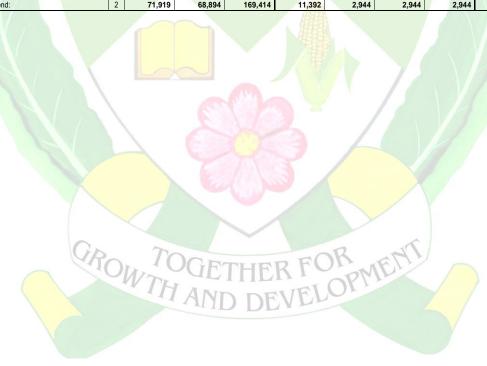
Vote Description	###	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & ExpenditureFramework				
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27		
Revenue by Vote	1	\ (=		<b>&gt; 0- </b>								
Vote 1 - Office of the Municipal Manager		//			_	-	-	-	-	-		
Vote 2 - Budget and Treasury		208,615	209,957	227,930	359,314	382,131	<mark>38</mark> 2,131	363,673	380,402	397,900		
Vote 3 - Corporate Services		1,036	12,730	20,166	-	618	618	900	941	985		
Vote 4 - Community and Social Services		3,289	481	2,602	2,292	2,060	2,060	2,292	2,397	2,507		
Vote 5 - Sport and Recreation		<del>-</del>	_	_	-		-   -	-	_	-		
Vote 6 - Public Safety		20,103	17,527	12,879	2,623	2,311	2,311	3,363	3,517	3,679		
Vote 7 - Housing		2,719	2,072	2,654	2,094	1,934	1,934	1,242	1,300	1,359		
Vote 8 - Health Services		-	-	-	-	-	-	-	-	-		
Vote 9 - Planning and Development		_	_	_	1,572	1,572	1,572	1,572	1,644	1,720		
Vote 10 - Roads Transport		24,636	1,720	29,826	_	-	7 /-	\	_	-		
Vote 11 - Electricity Services		185,565	161,060	131,296	314,370	250,877	250,877	184,261	192,737	201,603		
Vote 12 - Water Services		88,782	98,738	99,124	144,924	137,664	137,664	140,564	147,030	153,794		
Vote 13 - Waste Water Management		41,089	36,917	22,513	66,580	63,220	63,220	168,638	176,396	184,510		
Vote 14 - Solid Waste Management		40,469	35,686	115,846	18,686	75,113	75,113	19,502	20,399	21,337		
Vote 15 -		<del>-</del>	_		<b>F</b> ///	<b>/</b> -	\ <u>-</u>	141-	_	-		
Total Revenue by Vote	2	616,302	576,889	664,836	912,454	917,499	917,499	886,006	926,763	969,394		
Expenditure by Vote to be appropriated	1	4	10 C			/ /						
Vote 1 - Office of the Municipal Manager		29,410	41,524	50,299	50,979	58,355	58,355	52,343	54,751	57,269		
Vote 2 - Budget and Treasury		91,079	222,972	203,604	216,709	229,885	229,885	224,032	234,337	245,117		
Vote 3 - Corporate Services		28,159	30,335	29,770	40,150	39,160	39,160	42,283	44,228	46,262		
Vote 4 - Community and Social Services		23,473	22,134	13,587	9,186	19,778	19,778	8,916	9,326	9,755		
Vote 5 - Sport and Recreation		331	(149)	553	1,537	2,492	2,492	3,537	3,700	3,870		
Vote 6 - Public Safety		11,542	37,632	18,906	44,860	50,061	50,061	52,329	54,736	57,254		
Vote 7 - Housing		771	1,364		_	748	748	450	471	492		
Vote 8 - Health Services		2,251	_	_	_	-	~   <u>-</u>	_	_	-		
Vote 9 - Planning and Development	P	17,343	11,227	13,202	9,894	18,673	18,673	10,844	11,343	11,865		
Vote 10 - Roads Transport	10W	54,334	56,084	52,930	41,741	40,877	40,877	48,521	50,753	53,088		
Vote 11 - Electricity Services	N. V.	206,741	238,675	248,345	220,122	264,067	264,067	234,634	245,428	256,717		
Vote 12 - Water Services		92,350	73,878	91,894	108,896	106,415	106,415	108,976	113,989	119,233		
Vote 13 - Waste Water Management		36,977	29,786	32,862	40,908	38,351	38,351	39,567	41,387	43,291		
Vote 14 - Solid Waste Management		18,649	34,158	32,848	25,734	12,263	12,263	29,264	30,610	32,019		
Vote 15 -			_	_	_	_		-	_			
Total Expenditure by Vote	2	613,409	799,619	788,799	810,716	881,126	881,126	855,697	895,059	936,232		
Surplus/(Deficit) for the year	2	2,892	(222,730)	(123,963)	101,738	36,374	36,374	30,310	31,704	33,162		

## 5.6. Victor Khanye - Table A6 Budgeted Financial Position

Description	###	2020/21	2021/22	2022/23	Curre	nt Year 2023/24			2024/25 Mediur ExpenditureFra		e &
R thousand	5	Audited Outcome	Audited Out <mark>com</mark> e	Audited <mark>Out</mark> come	Origina Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
ASSETS											
Current assets	1				- /						
Cash and cash equivalents		3,767	5,605	6,653	11,392	2,944	2,944	2,944	36,240	83,542	121,200
Trade and other receivables from exchange transactionsReceivables from	1	110,188	102,453	185,586	36,930	34,856	34,856	34,856	120,893	27,302	(120,123)
non-exchange transactions	L	71,676	70,231	82,281	128,825	139,322	139,322	139,322	211,835	433,415	665,187
Current portion of non-current receivables Inventory VAT	2	_	_	_		_	_	_	_	_	_
VAI	4	1,770	2,715	2,121	74,622	59,617	59,617	59,617	50,622	67,358	84,864
		165,587	230,335	310.349	74,022	33,017	39,017	33,017	98,678	147,396	147,396
		103,367	230,333	(0)					36,076	147,330	147,330
Other current assets Total current assets	1	352,989	411,340	586,990	251,768	236,740	236,740	236,740	518,268	759,012	898,523
Non current assets Investments	1	352,969	411,340	366,990	251,700	230,740	230,740	230,740	310,200	759,012	090,323
Investment property					1						
Property, plant and equipmentBiological assets		67 294	85,904	83,959	68,123	68,827	68,827	- 68,827	- 68,123	66,578	64,961
Living and non-living resources	3	67,284									
Elving and non inving resources	ď	924,193	873,710	863,253	929,686	933,249	933,249	933,249	929,495	887,841	844,270
		-	-	_	-	-	-	-	-	_	_
		-	F	-	-	-	H	-	-	-	-
Heritage assets		1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075
Intangible assets		64	64	64	155	1,677	1,677	1,677	155	(1,756)	(3,754)
Trade and other receivables from exchange transactions Non-current						L	L			( , ,	(-, - ,
receivables from non-exchange transactionsOther non-current assets		_	_	_ _	<u>-</u>	_	_	_ _	_ _	-	_
Total non current assets		992,616	960,752	948,350	999,038	1,004,827	1,004,827	1,004,827	998,847	953,737	906,552
TOTAL ASSETS		1,345,605	1,372,092	1,535,340	1,250,806	1,241,567	1,241,567	1,241,567	1,517,115	1,712,749	1,805,075
LIABILITIES		- Jan 1997									
Current liabilities Bank overdraft											
Financial liabilities Consumer deposits		_	_		_	_	_	_		_	_
Trade and other payables from exchange transactions Trade and other		3,401	3,419	6,804	L	L	L		A		_
payables from non-exchange transactionsProvision		1,491	1,592	1,652	1,781	1,781	1,781	1,781	1,781	1,781	1,781
VAT	4	702,476	918,892	1,147,624		89,409	-	89,409	189,886	254,054	258,394
Other current liabilities	5	10,910	(0)	1,147,024	25,200	_	55,405	03,403	52,758	107,942	165,665
		1,839	2,896	_	11,546	11,546	11,546	11,546	11,546	11,546	11,546
		154,740	161,369	216,204	. 1,0 10	11,010	,0 .0	11,010	94,796	142,147	142,147
		1,125	1,314	1,182					01,700		,
		, .	, ,	, -							
Total current liabilities		875,982	1,089,482	1,375,842	36,613	102,736	102,736	102,736	350,768	517,469	579,533
Non current liabilities					量/						
Financial liabilities	6	(2,686)	(3,419)	1,349	7,528	7,528	7,528	7,528	7,528	7,528	7,528
Provision	7	18,419	18,804	16,505	673,000	673,000	673,000	673,000	675,400	677,910	680,536
Long term portion of trade payables	1				_					_	_
Other non-current liabilities		31,723	35,597	33,979	_					_	_
Total non current liabilities	-	47,457	50,983	51,833	680,528	680,528	680,528	680,528	682,928	685,438	688,064
TOTAL LIABILITIES		923,439	1,140,464	1,427,675	717,141	783,264	783,264	783,264	1,033,696	1,202,908	1,267,597
I O I AL LIABILITIES		422,166	231,628	1,427,675	533,665	458,302	458,302	458,302	483,419	509,841	537,478
NET ASSETS	3	422,100	231,020	107,005	333,003	450,502	430,302	430,302	403,419	303,041	331,410
NET ASSETS										1	1
COMMUNITY WEALTH/EQUITY	0	150 5	0.17.6	110 5	#00 C	150 655	150 555	450 655	100 ( ) 7	E00 5 ::	E00 (
	8	452,757	247,028	110,523	533,665	458,302	458,302	458,302	483,419	509,841	537,478
COMMUNITY WEALTH/EQUITY Accumulated surplus/(deficit)Reserves and funds	8	452,757 -	247,028 -	110,523	533,665	458,302	458,302 -	458,302 -	483,419 -	509,841	537,478
COMMUNITY WEALTH/EQUITY	8 9	452,757 - - - 452,757	247,028 - - 247,028	110,523 - - 110,523	533,665 - - 533,665	458,302 - - 458,302	458,302 - - 458,302	458,302 - - 458,302	483,419 - - 483,419	509,841 - - 509.841	537,478 - - 537,478

## 5.7. Victor Khanye - Budgeted Cash Flows

Description	###	<b>2020/21</b>	2021/22	2022/23	Curre	nt Year 2023/24			2024/25 Mediu ExpenditureFr		e &
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
CASH FLOW FROM OPERATING ACTIVITIES			- 1								
Receipts											
Property rates Service charges		70,051		83,276		99,720	99,720		150,147	157,054	164,278
Other revenue Control of the control		249,288		225,544	380,407	373,461	373,461	373,461	315,511	330,025	345,206
Transfers and Subsidies - OperationalTransfers and		70,636	74,383	61,430	122,019	115,928	115,928	115,928	44,331	46,370	48,503
Subsidies - Capital Interest	1	4,470	4,911	110,483	144,142	144,142	144,142	144,142	154,473	161,579	169,011
Dividends	1	20,534	_	15,000	59,174	57,522	57,522	57,522	59,074	61,791	64,634
Payments		368	346	708		15	15	15	<b>-</b>	<u>L</u>	F
Suppliers and employeesInterest	1								F	ļ-	<u> </u>
Transfers and Subsidies											
		(303,947)	(301,758)	(290, 157)	(673,914)	(662,633)	(662,633)	(662,633)	(649,798)	(679,688)	(710,954)
					(33,352)	(57,601)	(57,601)	(57,601)	(30,000)	(31,380)	(32,823)
	1				,	, ,	,	,	(,,	(- , ,	( , , , ,
NET CASH FROM/(USED) OPERATING ACTIVITIES		111,400	88,405	206,284	66,703	70,553	70,553	70,553	43,739	45,751	47,855
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPEVAT Control		_	_		_		_	_	L	L	L
(receipts)		_	L	_	_	L	L	L	30,241	11,299	L
Decrease (increase) in non-current receivables		_	L	_	_	L	L	L	L.	L '	L
Decrease (increase) in non-current investments		_	L	_	_	L	L	L	L	L	L
Payments											
Capital assets		(38,899)	(23,278)	(42,475)	(59,078)	(71,376)	(71,376)	(71,376)	(67,740)	(9,749)	(10,197)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(38,899)	(23,278)	(42,475)	(59,078)	(71,376)	(71,376)	(71,376)	(37,499)	1,551	(10,197
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		_	_		_	_	_	_		L	L
Borrowing long term/refinancing		_			_					L	
Increase (decrease) in consumer deposits			L		_	L	_			L	L
Payments											
Repayment of borrowing		(582)	_	_	L	L	_	_		L	
NET CASH FROM/(USED) FINANCING ACTIVITIES		(582)			_	-	-	- 1 (4)	-\	<u> </u>	<u> </u>
NET INCREASE/ (DECREASE) IN CASH HELD		71,919	65,126	163,809	7,625	(823)	(823)	(823)	6,240	47,301	37,658
Cash/cash equivalents at the year begin:	2		3,767	5,605	3,767	3,767	3,767	3,767	30,000	36,240	83,542
Cash/cash equivalents at the year begin.	2		68,894	169,414	11,392	2,944	2,944	2,944		83,542	121,200



## **5.8. Victor Khanye - Asset Management**

Description	####	2020/21	2021/22	2022/23	Current Year	2023/24		2024/25 Mediu Expenditure F	ım Term Reven ramework	ue &
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Origin Budge	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Yea +2 2026/27
CAPITAL EXPENDITURE				2						
Total New Assets	1	25,342	3,983	7,932	9,685	12,504	12,504	14,719	5,565	5,821
Roads Infrastructure Storm water		-			- 7	_	-	<b>F</b>	-	F
InfrastructureElectrical				-			F	-	-	F
Infrastructure		8,645	1,084	8,987	1,000	1,000	1,000	2,500	-	-
Water Supply Infrastructure		83	3 -	_	3,185	3,090	3,090	-	-	-
Sanitation Infrastructure Solid Waste		_	-			_ /	L	-	-	ļ.
Infrastructure Rail Infrastructure		4,611	435	(3,130)	3,500	998	998	8,899	2,092	2,188
Coastal Infrastructure				( , , , ,				,	,	,
Information and Communication Infrastructure										
Infrastructure										
		13,338	1 540	5,857	7,68	5 5,087	5,087	11,399	2,092	2,18
Community Facilities		13,330	1,519	3,837	7,08	5,087	5,087	11,399	2,092	2,10
Sport and Recreation Facilities		1								
Community AssetsHeritage										
Assets		-	-		_	-	-	<b>F</b>	<b>T</b>	-
Revenue Generating Non-		-		-	-	-	-	F	-	-
evenue Generating		-		-	- 7	-	-	F	F	F
nvestment properties		- //>		2	-/	-	-	F	F	L
Operational Buildings Housing		- 7/60		- \\\		-	-	1	_	_
Other Assets		100			L	L		L	L	L
Biological or Cultivated Assets		N FL			L	L		L	L	L
Servitudes								L	L	Ł
								Γ	Г	ſ
Licences and RightsIntangible					_					
Assets Computer Equipment		- 7			<b>-</b>	-	-	-	Г	F
Furniture and Office EquipmentMachinery		- ^	-	-	<u> </u>	-	-	-	-	-
and Equipment Transport Assets		-		-	F	-	-	-	-	F
Land		172	! -	-		-	-	400	418	4:
oo's, Marine and Non-biological Animals		198	1,687	120	2,000	4,917	4,917	-	_	-
		305	776	639			_	2,920	3,054	3,1
		7,329		1,316		2,500	2,500		,	
		4,000		,			1			
		, , , ,								
							_ A	. \	N. Control	
Mature		F	-	-	-	-		1	-	-
mmature			-	-	-	-	<i>y</i> 1-	1.7-	-	-
Living Resources			-	150		-	/ / / / / /		-	_
				7 750			- A			
Total Renewal of Existing Assets	2	2,687	14	(55,906)	(27,496)	(4,130)	(4,130)	2,425	209	150
Roads Infrastructure Storm water		1,405	16	(1,385	(6,545	(8,429)	(8,429)	(97	209	150
Infrastructure Electrical		-	-				- 4	EV AD		
Infrastructure			_			_	/ A 1			
Water Supply Infrastructure		(12	2)4,599	(80	929	166	166	2,522		
Sanitation Infrastructure Solid Waste			220	(54,429			4,133	1/6/1/		
Infrastructure Rail Infrastructure		.,00		(0.,.20	(21,000	., .,	1,100			
Coastal Infrastructure			W. P.		y .					
		100	6,			/ /				
Information and Communication Infrastructure			1 2/10			/ /				
nfrastructure				2 /		A	N P/S			
Community Facilities		2,427	4,835	(55,894	(27,49)	(4,130)	(4,130)	2,425	209	1.
Sport and Recreation Facilities							7.69	7		
Community AssetsHeritage							All			
Assets		- 600	//::/\::			-	V-1/2	F	_	-
Revenue Generating Non-		<b>N</b> - 1000		1		_		L	L	L
evenue Generating			A CHARLES					L	L	L
nvestment properties								L	L	L
			1					1		1
Operational BuildingsHousing						-		ſ	ſ	ſ
Other Assets						Г				T
Biological or Cultivated Assets			ļ			- 2		<b>F</b>	<u> </u>	ļ
Servitudes	0 7	1	-		NR	1	<b>Y</b> /	H	<b>+</b>	+
icences and RightsIntangible	101.	UGF	TLIE	2 F(	PILL	TEN!	/ /	-	F	-
ssets Computer Equipment	UMITA	-UL		HI I	FOR	AL	- /	-\	H	-
urniture and Office EquipmentMachinery	ROWTI	7- x-			( )(			-/	L	L
nd Equipment Transport Assets	1	LAN	A DE	ZV KV			- //	L	L	L
and		4 11 1	$\Psi$ $U$	A M			1	L	L	L
Coo's, Marine and Non-biological Animals								L	L	L
oo s, marine and Non-Diological Animals			// 004	Ţ.,	Ţ		V	ſ		ſ
		260	(4,821	(11	Έ			Γ	Г	Γ
					Γ			Γ	Г	Γ
								Γ		<b>T</b>
					<b> </b>	<b>†</b>	F	F	<u> </u>	-
Mature		-	-	-		-	-	-	-	
		L	_	_	_		_	_	_	
mmature										1
mmature iving Resources		_	_	_	_				_	

	0	ii .		1		i .			ii.	
Total Upgrading of Existing Assets	6	L	1	79	_	_	_		_	_
Roads Infrastructure Storm water		L						L		L
Infrastructure Electrical										
		F				Ī				Ī'
Infrastructure		F			-	-	-			_
Water Supply Infrastructure		F			-	-	+	-	-	_
Sanitation Infrastructure Solid		-			-	_	_	-	-	_
Waste Infrastructure Rail		-			_	_	_	-	_	_
Infrastructure		_			_	_	<u>_</u>	_	_	_
Coastal Infrastructure							_			
Information and Communication Infrastructure										
							-		_	_
Infrastructure							_	_		_
Community Facilities		_	_			_	_	_	-	-
Sport and Recreation Facilities		-	1	79		- /		_	-	-
Community AssetsHeritage		-	1	79	_		_	-	-	_
Assets							_	⊢	_	_
Revenue Generating Non-						Ľ	_	L		L
-							<u>_</u>	L	_	
revenue Generating										
Investment properties			-		7	Γ	_	Γ		Г
Operational Buildings		-		-		<b></b>	<del>-</del>	F	T .	<b>†</b>
Housing		1	-		7	<u> </u>	_		-	-
Other Assets		-	-	-	- /	-		<b>-</b>	<b>-</b>	<del> </del>
Biological or Cultivated Assets		-	-	-	-	_	_	H	-	<u> </u>
Servitudes		_		L	_	_		L	L	L
						L		L	L	L
Licences and RightsIntangible								L	L	
Assets Computer Equipment					1					
Furniture and Office Equipment								l		
Machinery and Equipment Transport								Γ		
Assets		-///				_	_	<u> </u>		_
Land		- 1				_	_	<u> </u>		_
Zoo's, Marine and Non-biological Animals		-			-	_	_	-	-	-
		- 7		7	-	-	-	-	-	- 1
Mature		_ ^	-		-	-		-	-	-
Immature		1			_	_			_	_
		_				_			_	-
Living Resources			-	-		-	-	-	-	-
Total Capital Expenditure	4	28,029	3,998	(47,895)	(17,812)	8,374	8,374	17,144	5,774	5,970
Roads Infrastructure Storm water		1,405				(8,429)			209	150
Infrastructure Electrical		1,400	, 10	(1,505)	(0,543)	(0,423)	(0,423)	(37)	203	130
				0.007	4 000	1 000	1 000	0.500		
Infrastructure		8,645		8,987		1,000	1,000			_
Water Supply Infrastructure		71			4,114	3,256	3,256	2 522		- I
Sanitation Infrastructure Solid		1,034	220	(54.420)	(21,880)	4,133				
Waste Infrastructure Rail		1,034		(34,423)	(2.,000)	4,133	4,133			-
		4,611	435			998		-\  /	2,092	_ 2,188
Intrastructure			435	(3,130)				- \ //	2,092	_ 2,188
Infrastructure Coastal Infrastructure			435					- \ //	2,092	<del>-</del> 2,188
Coastal Infrastructure			435					- \ //	2,092	
Coastal Infrastructure Information and Communication Infrastructure		4,611		(3,130)	3,500	998	998	8,899		
Coastal Infrastructure Information and Communication Infrastructure Infrastructure		4,611	435 5 <b>6,354</b>			998		- \ //	2,092 2,301	2,188 <b>2,338</b>
Coastal Infrastructure Information and Communication Infrastructure Infrastructure Community Facilities		4,611	6,354 -	(3,130) (50,037)	3,500	998	998	8,899		
Coastal Infrastructure Information and Communication Infrastructure Infrastructure Community Facilities Sport and Recreation Facilities		4,611	5 <b>6,354</b> -	(3,130) (50,037) - 79	3,500	998	998	8,899		
Coastal Infrastructure Information and Communication Infrastructure Infrastructure Community Facilities		4,611	6,354 -	(3,130) (50,037)	3,500	998	998	8,899		
Coastal Infrastructure Information and Communication Infrastructure Infrastructure Community Facilities Sport and Recreation Facilities Community AssetsHeritage		4,611	5 <b>6,354</b> -	(3,130) (50,037) - 79	3,500	998	998	8,899		
Coastal Infrastructure Information and Communication Infrastructure Infrastructure Community Facilities Sport and Recreation Facilities Community AssetsHeritage Assets		4,611	5 <b>6,354</b> -	(3,130) (50,037) - 79	3,500	998	998	8,899		
Coastal Infrastructure Information and Communication Infrastructure Infrastructure Community Facilities Sport and Recreation Facilities Community AssetsHeritage Assets Revenue Generating Non-		4,611	5 <b>6,354</b> -	(3,130) (50,037) - 79	3,500	998	998	8,899		
Coastal Infrastructure Information and Communication Infrastructure Infrastructure Community Facilities Sport and Recreation Facilities Community AssetsHeritage Assets Revenue Generating Non- revenue Generating		4,611	5 <b>6,354</b> -	(3,130) (50,037) - 79	3,500	998	998	8,899		
Coastal Infrastructure Information and Communication Infrastructure Infrastructure Community Facilities Sport and Recreation Facilities Community AssetsHeritage Assets Revenue Generating Non- revenue Generating Investment properties		4,611	5 <b>6,354</b> -	(3,130) (50,037) - 79	3,500	998	998	8,899		
Coastal Infrastructure Information and Communication Infrastructure Infrastructure Community Facilities Sport and Recreation Facilities Community AssetsHeritage Assets Revenue Generating Non- revenue Generating Investment properties Operational Buildings		4,611	5 <b>6,354</b> -	(3,130) (50,037) - 79	3,500	998	998	8,899		
Coastal Infrastructure Information and Communication Infrastructure Infrastructure Community Facilities Sport and Recreation Facilities Community AssetsHeritage Assets Revenue Generating Non- revenue Generating Investment properties Operational Buildings Housing		4,611	5 <b>6,354</b> -	(3,130) (50,037) - 79	3,500	998	998	8,899		
Coastal Infrastructure Information and Communication Infrastructure Infrastructure Community Facilities Sport and Recreation Facilities Community AssetsHeritage Assets Revenue Generating Non- revenue Generating Non- revenue Generating Investment properties Operational Buildings Housing Other Assets		4,611	5 <b>6,354</b> -	(3,130) (50,037) - 79	3,500	998	998	8,899		
Coastal Infrastructure Information and Communication Infrastructure Infrastructure Community Facilities Sport and Recreation Facilities Community AssetsHeritage Assets Revenue Generating Non- revenue Generating Investment properties Operational Buildings Housing		4,611	5 <b>6,354</b> -	(3,130) (50,037) - 79	3,500	998	998	8,899		
Coastal Infrastructure Information and Communication Infrastructure Infrastructure Community Facilities Sport and Recreation Facilities Community AssetsHeritage Assets Revenue Generating Non- revenue Generating Non- revenue Generating Investment properties Operational Buildings Housing Other Assets		4,611	5 <b>6,354</b> -	(3,130) (50,037) - 79	3,500	998	998	8,899		
Coastal Infrastructure Information and Communication Infrastructure Infrastructure Community Facilities Sport and Recreation Facilities Community AssetsHeritage Assets Revenue Generating Non- revenue Generating Investment properties Operational Buildings Housing Other Assets Biological or Cultivated Assets Servitudes		4,611	5 <b>6,354</b> -	(3,130) (50,037) - 79	3,500	998	998	8,899		
Coastal Infrastructure Information and Communication Infrastructure Infrastructure Community Facilities Sport and Recreation Facilities Community AssetsHeritage Assets Revenue Generating Non- revenue Generating Investment properties Operational Buildings Housing Other Assets Biological or Cultivated Assets Servitudes Licences and RightsIntangible		4,611	5 <b>6,354</b> -	(3,130) (50,037) - 79	3,500	998	998	8,899		
Coastal Infrastructure Information and Communication Infrastructure Infrastructure Community Facilities Sport and Recreation Facilities Community AssetsHeritage Assets Revenue Generating Non- revenue Generating Investment properties Operational Buildings Housing Other Assets Biological or Cultivated Assets Servitudes Licences and RightsIntangible Assets Computer Equipment		4,611	1	(3,130) (50,037) - 79	3,500	998	998	8,899	2,301	2,338
Coastal Infrastructure Information and Communication Infrastructure Infrastructure Community Facilities Sport and Recreation Facilities Community AssetsHeritage Assets Revenue Generating Non- revenue Generating Non- revenue Generating Investment properties Operational Buildings Housing Other Assets Biological or Cultivated Assets Servitudes Licences and RightsIntangible Assets Computer Equipment Furniture and Office Equipment		15,765	1 1	(3,130) (50,037) 79 79	(19,812)	998	998	- 8,899 13,824	2,301	2,338
Coastal Infrastructure Information and Communication Infrastructure Infrastructure Community Facilities Sport and Recreation Facilities Community AssetsHeritage Assets Revenue Generating Non- revenue Generating Investment properties Operational Buildings Housing Other Assets Biological or Cultivated Assets Servitudes Licences and RightsIntangible Assets Computer Equipment Furniture and Office Equipment Machinery and Equipment Transport		4,611 15,765	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	(3,130) (50,037) 79 79	3,500	998	998	- 8,899 13,824 	2,301	2,338
Coastal Infrastructure Information and Communication Infrastructure Infrastructure Community Facilities Sport and Recreation Facilities Community AssetsHeritage Assets Revenue Generating Non- revenue Generating Investment properties Operational Buildings Housing Other Assets Biological or Cultivated Assets Servitudes Licences and RightsIntangible Assets Computer Equipment Furniture and Office Equipment Machinery and Equipment Transport Assets		4,611 15,765	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	(3,130) (50,037) 79 79	(19,812)	998	998 958	- 8,899 13,824	2,301	2,338
Coastal Infrastructure Information and Communication Infrastructure Infrastructure Community Facilities Sport and Recreation Facilities Community AssetsHeritage Assets Revenue Generating Non- revenue Generating Investment properties Operational Buildings Housing Other Assets Biological or Cultivated Assets Servitudes Licences and RightsIntangible Assets Computer Equipment Furniture and Office Equipment Machinery and Equipment Transport Assets Land	GRO T	4,611 15,765	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	(3,130) (50,037) 79 79	(19,812)	998	998	- 8,899 13,824 	2,301	2,338
Coastal Infrastructure Information and Communication Infrastructure Infrastructure Community Facilities Sport and Recreation Facilities Community AssetsHeritage Assets Revenue Generating Non- revenue Generating Investment properties Operational Buildings Housing Other Assets Biological or Cultivated Assets Servitudes Licences and RightsIntangible Assets Computer Equipment Furniture and Office Equipment Machinery and Equipment Transport Assets Land	GROW T	4,611 15,765	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	(3,130) (50,037) 79 79	(19,812)	998	998 958	- 8,899 13,824 	2,301	2,338
Coastal Infrastructure Information and Communication Infrastructure Infrastructure Community Facilities Sport and Recreation Facilities Community AssetsHeritage Assets Revenue Generating Non- revenue Generating Investment properties Operational Buildings Housing Other Assets Biological or Cultivated Assets Servitudes Licences and RightsIntangible Assets Computer Equipment Furniture and Office Equipment Machinery and Equipment Transport Assets Land Zoo's, Marine and Non-biological Animals	GROWT	4,611 15,765	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	(3,130) (50,037) 79 79	(19,812)	998	998 958	- 8,899 13,824 	2,301	2,338
Coastal Infrastructure Information and Communication Infrastructure Infrastructure Community Facilities Sport and Recreation Facilities Community AssetsHeritage Assets Revenue Generating Non- revenue Generating Investment properties Operational Buildings Housing Other Assets Biological or Cultivated Assets Servitudes Licences and RightsIntangible Assets Computer Equipment	GROWT	4,611 15,765	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	(3,130) (50,037) 79 79	(19,812)	998	998 958	- 8,899 13,824 	2,301	2,338
Coastal Infrastructure Information and Communication Infrastructure Infrastructure Community Facilities Sport and Recreation Facilities Community AssetsHeritage Assets Revenue Generating Non- revenue Generating Investment properties Operational Buildings Housing Other Assets Biological or Cultivated Assets Servitudes Licences and RightsIntangible Assets Computer Equipment Furniture and Office Equipment Machinery and Equipment Transport Assets Land Zoo's, Marine and Non-biological Animals	GROWTI	4,611 15,765	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	(3,130) (50,037) 79 79	(19,812)	998	998 958	- 8,899 13,824 	2,301 - - - - - - - - - - - - - - - - - - -	2,338
Coastal Infrastructure Information and Communication Infrastructure Infrastructure Community Facilities Sport and Recreation Facilities Community AssetsHeritage Assets Revenue Generating Non- revenue Generating Investment properties Operational Buildings Housing Other Assets Biological or Cultivated Assets Servitudes Licences and RightsIntangible Assets Computer Equipment Furniture and Office Equipment Machinery and Equipment Transport Assets Land Zoo's, Marine and Non-biological Animals Mature Immature	GROWTH	4,611 15,765	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	(3,130) (50,037) 79 79	(19,812)	998	998 958	- 8,899 13,824 	2,301 - - - - - - - - - - - - - - - - - - -	2,338
Coastal Infrastructure Information and Communication Infrastructure Infrastructure Community Facilities Sport and Recreation Facilities Community AssetsHeritage Assets Revenue Generating Non- revenue Generating Investment properties Operational Buildings Housing Other Assets Biological or Cultivated Assets Servitudes Licences and RightsIntangible Assets Computer Equipment Furniture and Office Equipment Machinery and Equipment Transport Assets Land Zoo's, Marine and Non-biological Animals Mature	GROWTI	4,611 15,765	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	(3,130) (50,037) 79 79 120 627 1,316	(19,812)	998	998 958	- 8,899 13,824 	2,301	2,338 

## **5.9.** Victor Khanye - Basic service delivery measurement

Description	ye - Basic service d	###	2020/21	2021/22	2022/23	Current Year 20	023/24		2024/25 Mediun Framework	n Term Revenue	& Expenditure
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year + 2025/26	1 Budget Year +2 2026/27
Household service targets		1									
Water: Piped water inside dwelling				_	-	-	_	_	-	-	-
Piped water inside yard (but not in dwelling)			- 1 1	- 1	7	-	F	ŀ	-	F	F
Using public tap (at least min.service level)		2									
Other water supply (at least min.service level)		4			LA					<u> </u>	<u> </u>
	Minimum Service Level and Above sub-total			-	7001	- /	F	h	F	F	F
Using public tap (< min.service level)		3 4				-					
Other water supply (< min.service level)  No water supply		•	-	-	-	<b>Y</b>	F	-	F	F	F
	Below Minimum Service Level sub-total		-	_	- /-	_	_	-	_	_	_
Total number of households		5	_	-	- 7	-	_	-	-	-	-
Sanitation/sewerage:					7						
Flush toilet (connected to sewerage)					-	-	-	-	-	-	-
Flush toilet (with septic tank)					7						
Chemical toilet			-	_	-	-	-	-	-	-	-
Pit toilet (ventilated)						-	-	<b>†</b>	<b> </b>	<b>†</b>	†
Other toilet provisions (> min.service level)	Minimum Service Level and Above sub-total				-			1		1	1
Bucket toilet	willimulli Service Level and Above sub-total				/			[	[	Į.	Į.
Other toilet provisions (< min.service level)			-//	-\	-	-	-	+	-	+	+
No toilet provisions		FLIK		1				r	†	T	T
	Below Minimum Service Level sub-total			1//	-	-	-	-	<b> </b>	-	-
Total number of households		5	(0)	1	-	-	-	-	-	-	-
Energy:											
Electricity (at least min.service level)								t	ţ	<u>t</u>	<u>t</u>
Electricity - prepaid (min.service level)								100			
	Minimum Service Level and Above sub-total					-	-	-	N.	-	-
Electricity (< min.service level)										Į.	Ī.
Electricity - prepaid (< min. service level) Other energy sources			-	_	-) (	-	-	- 1	-	F	F
	Below Minimum Service Level sub-total		_	_	_	_	_	- / -		_	_
Total number of households		5	-	-	-	-	-		-	-	-
Refuse:											
Removed at least once a week			-	-	-	-	- / /	-	-	F	F
	Minimum Service Level and Above sub-total					I				Į.	Į.
Removed less frequently than once a week			_	AB	-\	_	-/ /	- ( )	-	F	F
Using communal refuse dump				LA CALLED		L			Ł	Ė	t
Using own refuse dump			- 1	人的思想		Ę.		- N//		F	F
Other rubbish disposal No rubbish disposal							A	HAY A	7		
	Below Minimum Service Level sub-total		_	_		- 7		- 1/2	_	_	_
Total number of households		5	- /	- 1	- 7	- /	-	-7/77	-/	-	-
				1 1		-/4		7/19			
Households receiving Free Basic Service Water (6 kilolitres per household per month) Sanitation (free minimum level service)		7						44	L	L	L
Electricity/other energy (50kwh per household per month) Refuse (r	removed at least once a	13373	-		-	/ /	- 17		-	-	-
week) Informal Settlements									t	t	t
		The second second							<u></u>	<u></u>	<u></u>
Cost of Free Basic Services provided - Formal Settlements (R'0 Water (6 kilolitres per indigent household per month) Sanitation (fre			The same		- /		1/4/		L	L	L
indigent households)		Land A	-\\ - \			-	9/	-	F	F	F
Electricity/other energy (50kwh per <b>indigent</b> household per month) indigent households)	Refuse (removed once a week for	1000	1111	/ /	-			t	<b>†</b>	<b>†</b>	<b>†</b>
Cost of Free Basic Services provided - Informal Formal Settlem	nents (R'000)		10					F	F	F	F
Total cost of FBS provided		8									
			- /	-			-	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Highest level of free service provided per household											
Property rates (R value threshold) Water (kilolitres per household per month) Sanitation (kilolitres per ho	ousehold		Į.		0			Į.	F	Į.	Į.
per month)Sanitation (Rand per household per month) Electricity (kwh	n per	CETT	TENT	FC	17	MA		_	-	F	F
household per month) Refuse (average litres per week)	UMIT	YUCIT	IEK	II	DEL PK	EN	1 /		t	Ĺ	ţ
	usehold h per	7 7 8		TET	$(-)_{X,y}$			- 1	F	F	F
Revenue cost of subsidised services provided (R'000) Property rates (tariff adjustment) ( impermissable values per sec		APID	DEI	CL							
		-110				-	-	/	Γ	Ī.	Ī.
Property rates exemptions, reductions and rebates and impermissab Water (in excess of 6 kilolitres per indigent household per mon				L				/_	L	L	L
Sanitation (in excess of free sanitation service to indigent hous	eholds)		859	<u> </u>	F	-	-	+	3,668	3,837	4,013
Electricity/other energy (in excess of 50 kwh per indigent househ	nold per month)		0	-	40.55	<b> </b>	-	F	F	-	_
Refuse (in excess of one removal a week for indigent household	asj		632	21,507	12,588	F	Į.	F	3,668	3,837	4,013
						F	-	-			
Municipal Housing - rental rebatesHousing - top structure			ļ.	Ļ	L	F	F	F	L	F	F
subsidies Other Total revenue cost of subsidised services provided		6	F	F	H			Γ	}	F	F
		1	F	F	r	1	1	1	r	F	<b>-</b>
			1,492		12,597				7,336	7,673	8,026

## **CHAPTER 6: PERFORMANCE MONITORING AND EVALUATION**

### 6.1. INTRODUCTION

The Municipal Systems Act, promulgated in 2000, required every municipality to establish and implement a Performance Management System (PM System). The PM&E System must provide guidelines on the development and implementation of an organisational and employee Performance Management System. Performance Monitoring and Evaluation is a strategic approach to which management equips leaders, managers, employees, and stakeholders at different levels; with a set of tools and techniques to plan regularly, monitor continuously, measure periodically, and review performance of the Organization in terms of indicators and targets for efficiency, effectiveness, and impact.

Chapter 6 of the Municipal Systems Act (No.32 of 2000) requires the Municipality to: Incorporate and report on a set of general indicators prescribed nationally by the minister responsible for local government. Have the Annual Performance Report audited by the Auditor-General; and involve the community in setting the indicators and targets, and reviewing the Municipality's performance.

6.1.1. 2001 MUNICIPAL PLANNING AND PERFORMANCE REGULATION STATES THAT: The Performance Management System must entail a framework that describes and represents how municipal cycles and processes of Performance Management System; including measurement, review, reporting, and improvement will be conducted; and PMS must, interiliac, comply with the requirements of systems the Act relates to the Municipality's employee performance management processes.

The 2024/2025 review IDP, the Municipality has prepared functional and effective organization performance management systems, that address the performance needs of the Municipality; and also serves to promote a culture of performance management, and to administer its affairs in an economical, effective, efficient, and accountable manner, as required by Section 38 of the Municipal Systems Act No. 32 of 2000.

In terms of measuring performance of the <u>Municipality</u> in 2024/2025, the <u>Municipality</u> has reviewed performance management system, and has in place the following documents, that guide the review, implementation, monitoring, and reporting of <u>PMS</u>:

- Performance Management & Development System Framework;
- Performance Management System Policy (OPMS)
- Organizational Scorecard;
- and Department Scorecard.

### 6.1. LEGISLATIVE FRAMEWORK FOR PERFORMANCE MANAGEMENT

Performance Management System, Monitoring Evaluation and Reporting is guided by the following Legislation in local government;

- a) Local Government: Municipal Systems Act, 2000 (Act 32 of 2000)
- b) Local Government: Municipal Planning and Performance Management Regulations, 2001,
- c) Local Government: Municipal Finance Management Act 53 of 2003 and Local Government:
- d) Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006,
- e) Provincial Monitoring and Evaluation Framework 2009, National Evaluation Policy 2011.

## 6.2. SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN

The SDBIP provides the vital link between the mayor, council (executive) and the administration, and facilitates the process for holding management accountable for its performance. The SDBIP is a management, implementation and monitoring tool that will assist the Executive Mayor, councillors, municipal manager, senior managers and community.

It is the intention of the Victor Khanye Local Municipality to formulate a well-informed SDBIP in order to ensure that appropriate information is circulated internally and externally for purposes of monitoring the execution of the budget, performance of senior management and achievement of the strategic goals of the municipality as set out in the Integrated Development Plan Review 2009/2010. It will ensure that the Administrative Head (Municipal Manager) is able to monitor the performance of senior managers, the Executive Mayor, in turn, to monitor the performance of the municipal manager and more importantly, it will ensure that the community is able to monitor the performance of the municipality. In order to achieve this, the SDBIP should therefore determine the performance agreements between the Mayor and the Municipal Manager and, again in turn, between the Municipal Manager and senior managers (Strategic Managers) formulated and signed at the start of every financial year and approved by the Executive Mayor.

Aligning the SDBIP with the budget plans will ensure effective implementation of the strategic objectives set in the IDP. To take the IDP forward, operational plans, capital plans, annual budgets, institutional plans, Human Resource Development (HRD) plans, etc. must be produced. To achieve effective, efficient and economic service delivery, the VKLM should work according to the priorities and projects included in the SDBIP. Performance monitoring is a continuous process that runs parallel with the implementation of the approved IDP, budget and SDBIP and involves data management and assessment. Monitoring is crucial to ensure that the municipality stays on track with its projects.

## 6.3. MONITORING AND EVALUATION OF THE MUNICIPAL AND INDIVIDUAL PERFORMANCE

The most valuable reason for measuring performance is that what gets measured gets done. If an institution knows that its performance is being monitored, it is more likely to perform the required tasks - and to perform them well. In addition, the availability of performance information allows managers to pursue results-based management approaches, such as performance contracts, risk management, benchmarking and market testing.

Monitoring and Evaluation of performance is essential and is legislated, aimed at ensuring accountability and improving the level of service delivery offered to the community. Assessment consists of the measurement of data through scoring, analysis and validation to determine if targets have been met. In so doing performance is assessed against the achievement or non-achievement of targets. The DPLG: now referred to as COGTA, devised a five-point scale where three (3) indicates that a target has been met. Scoring allows for quick and easy assessment of performance. VKLM has adopted this scoring system based on a scale of 1 – 5 where 3 depicts target met. The performance achievements assessed through the scoring system are subject to assessment by the Internal Audit Unit using the method of a random selection of samples. Scores allocated to KPIs and projects should be assessed in terms of appropriateness and verified against the relevant portfolio of evidence (POE) to support the achievements.

Stakeholders are becoming increasingly interested in how well municipalities are performing. The emphasis is shifting from narrow financial reporting to more comprehensive reporting on organisational performance of non-financial measures in terms of achieving set objectives. The compilation of performance reports is management's means of communicating to the organisation's stakeholders on the economic and efficient utilisation of available resources as well as the effective performance of operational functions. Monthly, quarterly, mid-year, political term of office, annual and oversight reports are to be generated within the VKLM. Evaluation of organisational and employee performance is essential to ensure that corrective measures are identified and put in place to improve areas of non-performance. In other words, the intention of evaluation is to critically evaluate past actions, build on areas of value, eliminate non value adding processes, and use the information gained to make informed decisions to re-align organisational objectives and actions. Without continuous evaluation there can be no improvement and development. Evaluation is done through auditing (independent), administrative evaluation and political oversight.

It is important that both the political as well as official sectors of each government section understand the importance of performance. At the VKLM the Executive Mayor and Municipal Manager must promote performance management so that all role players and stakeholders within the municipality embrace the changes required to ensure improved performance. Effective employee Performance management is imperative to ensure the efficient operations of the municipality. Without the people driving the operations of the municipality there will be no service delivery. Improved performance of employees will ensure enhanced municipal operations. This Framework proposes a combined employee PM system with integration between the phases of the organisational and employee PM System.

It is legislative practice for all municipalities that Senior Managers (Levels 1-3) must sign a performance agreement. The aim is to ensure parity in the application of performance management practices. Employee assessment is based on the employee's performance in terms of the outputs/outcomes (performance indicators) identified as per the performance plan which are linked to the KPAs. In order to fulfil the objective of ensuring accountability, reviews are conducted according to the lines of accountability.

Employee performance monitoring takes place through coaching where managers/supervisors and employees alike receive assistance and guidance to improve performance. Evaluation determines whether the skills base of top managers is adequate to drive the municipal processes of executing tasks and taking accountability and whether appropriate rewards should be considered as per Regulation 805.

The aim of Section A of the Performance Management Framework (System) and Procedural Manual is to provide more detail on the theoretical background that structures Performance Management to ensure effective steps and controls are put in place to give authenticity to the Performance Management system.

## 6.4. ROLE PLAYERS IN THE MANAGEMENT OF PERFORMANCE MANAGEMENT

The roles players that manage the performance management system of the municipality include the following:

## 6.4.1. Internal Audit

The Internal Audit Services plays an internal performance auditing role, which includes monitoring the functioning of the PMS and compliance to legislative requirements. Its role is also to assist the municipality in validating the evidence provided by the General Managers in support of their performance achievements.

### 6.4.2. Performance Audit Committee

The committee monitors the quality and integrity of the Performance Management System, to ensure equity and consistency in the application of evaluation norms and standards. The committee further provides impartial recommendations on performance ratings to the Mayoral Committee, following the completion of objective appraisals.

## 6.4.3. Evaluation Panel

The Evaluation Panel evaluates the performance of Section 57 employees, including the Municipal Manager's performance, through approval of their final performance ratings.

## 6.4.4. Executive Mayor and Members of the Mayoral Committee

The Executive Mayor and the Members of the Mayoral Committee manage the development of the municipal PMS and oversee the performance of the Municipal Manager and the General Managers.

### 6.4.5. Council and Section 80 Committees

Section 80 Committees play an oversight role and consider reports from Council on the functioning of different portfolios and the impact on the overall objectives and performance of the municipality.

## 6.4.6. Community

The community plays a role in the PMS through the annual IDP consultation processes, which are managed by the Office of the Speaker, working in close collaboration with the IDP and Public Participation Unit.

## 6.5. PERFORMANCE MANAGEMENT REPORTING

The legislative framework requires that the municipality should develop reports at particular intervals that must be submitted to various institutions for validation and monitoring. The table below outlines a summary of the reports that have been developed in the municipality.

Table 6.4: Reports to be developed by the Municipality

REPORT TYPE	DESCRIPTION
Monthly reports	Section 71 of the MFMA requires that reports be prepared. A financial
	report is prepared based on municipal programmes and projects.
	The SDBIP is a key management, implementation and monitoring tool,
Quarterly IDP and	which provides operational content to the end-of-year service delivery
SDBIP reporting	targets, set in the budget and IDP. It determines the performance
	agreements for the municipal Manager, Top Managers and other
	levels of staff, whose performance can then be monitored through
	Section 71 monthly reports, and evaluated through the annual report
	process.
	The SDBIP information on revenue will be monitored and reported
	monthly by the Municipal Manager in terms of Section 71(1) (a) and
	(e). For example, if there is lower than anticipated revenue and an
	overall cash shortage in a particular month the municipality may have
	to revise its spending downwards to ensure that it does not borrow
	more than anticipated. More importantly, such information requires the
	municipality to take urgent remedial steps to ensure it improves on its
	revenue collection capacity if the municipality wants to maintain its levels of service delivery and
	expenditure.
	Section 1 of the MFMA states that the SDBIPs a detailed plan
	approved by the Mayor of a municipality in terms of service delivery
	should make projections for each month of the revenue to be
GA	collected, by source, as well as the operational and capital
- 410	expenditure, by vote. The service delivery targets and performance
	indicators need to
	be reported on quarterly (MFMA, 2003).
	35 . Sp 5 . 13 5
Mid-year budget and	Section 72 of the MFMA requires the Accounting Officer to prepare
COGTA report	and submit a report on the performance of the municipality during the
	first half of the financial year. The report must be submitted to the
	mayor, National Treasury as well as the relevant Provincial Treasury
	and COGTA. As with all other reports this is a crucial report for the

	Council to consider mid-year performance and what adjustments
	should be made, if necessary.
	Silvana de made, il moderary.
Annual Performance	
report (Section 46)	Section 46 of the MSA states that a municipality must prepare for
	each financial year,
	a performance report that reflects the following:
	- The performance of the municipality and of each external
	service provided during that financial year;
	<ul> <li>A comparison of the performances referred to in the above</li> </ul>
	paragraph with targets set for and performances in the
	previous financial year; and
	- Measures to be taken to improve on the performance.
	The performance report must be submitted at the end of the financial
	year and will be
	made public as part of the annual report in terms of Chapter 12 of the MFMA.
	The publication thereof will also afford the public the opportunity to
	judge the
	performance of the municipality against the targets set in the various
	planning
	instruments.
	Every municipality and every municipal entity under the municipality's
Annual Report	control is required by Section 121 to prepare an annual report for each
	financial year, which must include:
	- the annual financial statements of the municipality or municipal
	entity as
	<ul> <li>submitted to the Auditor-General for audit (and, if applicable, consolidated annual financial statements);</li> </ul>
	- the Auditor-General's audit report on the financial statements;
	- an assessment by the Accounting Officer of any arrears on
	municipal taxes
	- and service charges;
	- particulars of any corrective action taken or to be taken in
	response to issues raised in the audit reports;
	- any explanations that may be necessary to clarify in
	connection with the financial statements;
	- any information as determined by the municipality, or, in the
	case of a municipal entity, the entity or its parent municipality;
	- any recommendations of the municipality's audit committee, or,
	in the case of a municipal entity, the audit committee of the
	entity or of its parent municipality;
YRO	- an assessment by the Accounting Officer of the municipality's
3.0	performance against the measurable performance objectives
	for revenue collection and for each vote in the municipality's
	<ul> <li>approved budget for the relevant financial year;</li> <li>an assessment by the Accounting Officer of the municipality's</li> </ul>
	performance against any measurable performance objectives
	set in terms the service delivery agreement or other agreement
	between the entity and its parent municipality;
	- the annual performance report prepared by a municipality;
	- Any other information as may be prescribed.
	,
	1

Section 127 prescribes the submission and tabling of annual reports. This section also gives provision for the following:

- 1. The Accounting Officer of a municipal entity must, within six months after the end of a financial year, submit the entity's annual report for that financial year to the Municipal Manager of its parent municipality;
- 2. The Mayor of a municipality must, within seven months after the end of a financial year, table in the municipal council the annual report of the municipality and of any municipal entity under the municipality's sole or shared control;
- 3. If the Mayor, for whatever reason, is unable to table in the council the annual report of the municipality, or the annual report of any municipal entity under the municipality's sole or shared control, within seven months after the end of the financial year to which the report relates, the mayor must:
  - a) submit to the Council a written explanation setting out the reasons for the delay, together with any components of the annual report that are ready;
  - b) submit to the Council the outstanding annual report or the

#### **Oversight Report**

The Council of a municipality must consider the municipality's annual report (and that of any municipal entity under the municipality's control), and in terms of Section 129, within two months from the date of tabling of the annual report, must adopt an oversight report containing the Council's comments, which must include a statement whether the Council:

- a) has approved the annual report with or without reservations;
- b) has rejected the annual report; or

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c) has referred the annual report back for revision of those components that can be revised.

In terms of Section 132, the following documents must be submitted by the Accounting Officer to the provincial legislature within seven days after the municipal council has adopted the relevant oversight report:

- a) the annual report (or any components thereof) of each municipality and each municipal entity in the province; and
- b) all oversight reports adopted on those annual reports. It is important to note that the Oversight Committee working with these reports should be chaired by the opposition party.

#### 6.6. ORGANIZATIONAL PERFORMANCE

The following table and graph illustrates the municipality's overall performance per Municipal Key Performance Area (KPA) in the previous 2 financial years.

Table 35: Performance per KPA 2022/23

KEY PERFORMANCE		2021/22		2022/2023			
AREAS	Total KPI's Assessed	Targets Achieved	% Targets Achieved	Total KPI's Assessed	Targets Achieved	% Targets Achieved	
Infrastructure and     Basic Service Delivery	40	27	68%	40	31	78%	
Financial viability     and Finance     Management	36	22	61%	33	22	67%	
3. Institutional Development and Transformation	35	15	43%	29	20	69%	
4. Good Governance and Public Participation	64	32	50%	45	28	63%	
5. Spatial Rationale	04	03	75%	04	02	50%	
6. Local Ec <mark>onomic</mark> Development	08	05	63%	08	06	75%	
Total	187	104	56%	159	109	69%	

The table above indicates that Victor Khanye Local Municipality recorded an overall improvement in terms of achieving KPIs set within the 6 KPAs; with an increase of an overall achievement of 69% of the total KPAs, as opposed to the 56% achieved in 2021/22.

The best performing KPA in the 2022/23 financial year was Infrastructure and Basic Service Delivery, followed by Local Economic Development, with 78% and 75% respectively, both having improved from the achieved percentage in the 2021/22 FY.



# **CHAPTER 7: MUNICIPAL PROJECTS**

#### 7.1. BASIC SERVICE AND INFRASTRUCTURE DEVELOPMENT

ISSUES		Bulk infrastructure, Engineering services, Building Inspectorate, Waste Management, Community Safety and Security, Environmental Management, Fire and Disaster, Project Management, Fleet Management & Special Programmes									
Outcome (Strategic Goals)	Outcome Indicator (Strategic Objectives)	Problem statement	IDP indicator	Budget	Responsibl e Person	2024/25 Outputs	Annual Target 2025/26 Outputs	2026/27 Outputs			
Improve provision of Basic Service	Strengthening the regulatory framework governing planning and budgeting for infrastructure maintenance	Inadequate management and maintenance of municipal infrastructure	Ensure adequate management and maintenance of municipal infrastructure	OPER	All Heads of Departments	Develop and implement an infrastructure management and maintenance strategy	Increase the O&M expenditure in line with the Treasury norms	Explore alternative financing and funding models for infrastructure development			
Delivery	To ensure the provision of services to communities in a	Inadequate water supply (Urban and Rural areas) and high dependents on Randwater supply	Provide adequate and Quality Water to every HH in VKLM	MIG	AED: Technical Services	Refurbish the Water Purification Plant	Accelerate the rehabilitation of existing boreholes	Drilling and Commissioning of New Boreholes			

	manner	Slow process in the establishment of a new cemetery	funding for the construction of new cemetery		Community Services	process of developing a new cemetery (multi- year project)	proposed cemeteries on all development plans	alternatives burials methods to conventional/tradit ional burials
		Intermittent/ Inadequate water supply in Botleng and Greater VKLM	Provide adequate and Quality Water to every HH in VKLM	WSIG	AED: Technical Services	Implementation of Non-Revenue Water Reduction Program in Delmas, Delpark and Old Botleng	Implementation of Non-Revenue Water Reduction Program in Sundra and Eloff	Replacement of asbestos pipes in VKLM
Improve provision of Basic Service Delivery	To ensure the provision of services to communities in a sustainable manner	Inadequate Bulk Wat Sanitation infrastructure/Engine to service Waaikraal, and Arbor	eering services	RBIG/BFI	AED:TS	Development of new business plan and technical reports to DWS for funding	Conduct feasibility studies, inception and preliminary design	Construction

		Inadequate Bulk Electricity Infrastructure/Engineering Services			Development of new business plan and technical reports to DOE for funding for an additional Sub-station	Conduct feasibility studies, inception and preliminary design	
	To regulate and promote uniformity in the law relating to the	Failure of municipal buildings to adhere to energy efficiency standards	OPEX/ MISA	AED:TS	Conduct an energy efficient assessment		
Building Inspectorate erection of buildings, bu repairs and maintenance protect well-	erection of buildings, building repairs and maintenance to protect well-being of public building	Insufficient repairs and maintenance of municipal buildings	OPEX/ MISA	AED:TS	Conduct structural assessment and produce report with recommendatio ns	Implementation of recommendations of structural assessment report	

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Waste Management	To ensure the provision of services to communities in a sustainable manner	None compliance with environmental management legislation		OPEX/M IG	ED:SS	Development of the 2 <sup>nd</sup> cell of landfill site – bulk earthworks	2 <sup>nd</sup> cell of landfill sit bulk earthworks	· ·
ISSUES	Bulk infrastructure, Engineering services, Building Inspectorate, Waste Management, Community Safety and Security, Environmental Management, Fire and Disaster, Project Management, Fleet Management & Special Programmes							
Outcome (Strategic	Outcome Indicator (Strategic		IDP indicat	Budget	Responsibl e Person	Annual Target		
Goals)	Objectives)		or			2024/25	2025/26	2026/27
						Outputs	Outputs	Outputs
Fire and Disaster	Development of main fire station strategically placed to strategically placed to respond to emergencies	Fire station not strategically located	Develo p and constr uct a fire station strateg ically placed	NDM/ MIG	ED:SS	Submission of funding proposals		

	Assess and install fire hydrants in strategic places	Insufficient fire hydrants in strategic places around the municipality	Assess and install fire hydran ts	PPP/ND M	ED:SS	Assess and install fire hydrants in strategic places around the municipality	
Waste	Development of the 2 <sup>nd</sup> phase of the landfill site increase solid waste collection to 100% to formal households and in all wards	Delay in the development of the 2 <sup>nd</sup> phase of the landfill site	Construction and develo pment of the 2 <sup>nd</sup> cell of the landfill site	MIG/PP P/NDM	ED:SS	Construct phase 1 of the 2 <sup>nd</sup> phase of the landfill site	
Management	Increase solid waste collection to 100% to formal household and in all wards	Shortage of equipment (compactor trucks)	Procur ement of equip ment (comp actor truck)	MIG/PP P/SLP	ED:SS	Procurement of equipment (compactor truck)	
		Shortage of 80L waste bins	Procur ement	OPEX	ED:SS	Procurement of 80L bins	

				of 80L waste bins					
Fleet Management	Procurement of fleet to improve service delivery	Shortage of fleet to r due to old, obsolete yellow plant. Leasing of vehicles ar	fleet and	Procur ement of additio nal fleet0	OPEX	AED:TS/CF O	Procurement of fleet and yellow fleet 10 x Vehicles	Procurement of fleet and yellow fleet 10 x Vehicles	Procurement of fleet and yellow fleet 10 x Vehicles
Community Safety and Security	To ensure the provision of services to communities in a sustainable manner	Vandalism and theft of municipal assets and infrastructure			OPEX	ED:CS	Ward councillors to engage communities about the issue of vandalism and morale regeneration. Increased involvement with the security cluster		

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Environmental Management	Compliance with national environmental management legislation	Contamination of natural resources	Management of wetlands	OPEX/D FFE/SAN BI	ED SS	Delination of wetlands in VKLM	Cleaning of wetlands	Cleaning of wetlands
Fire and Disaster	To ensure the provision of services to communities in a sustainable manner							

#### 7.1.1. POSSIBLE REVENUE ENHANCEMENT STRATEGIES

POSSIBLE REVENUE SOURCE	PROPOSED STRATEGY TO ACHIEVE (Revenue collection through this source)	ESTIMATED COLLECTION AMOUNT	RESPONSIBLE DIRECTORATE	TARGET DATE OF IMPLEMENTATION
Water metering	Installation of online bulk water meters for top 75 consumers including residential complexes/sectional title		Technical Services	2024/2025

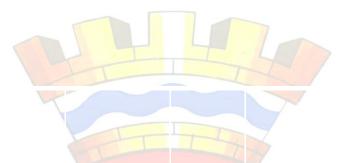
### 7.1.2. IDENTIFY DDM CATALYTIC PROJECTS AND PROGRAMMES

PROGRAMME OR PROJECT	BUDGET	POSSIBLE FUNDING PARTNER	IMPACT
Extension of Bulk Water and Sanitation Infrastructure to Waaikraal, Arbor and Groenfontein	R1bn	RBIG/BFI	To ensure the provision of services to communities in a sustainable manner

Upgrading of the Delmas Waste Water Treatment Works	R298m	DWS/NDM	To ensure the provision of services to communities in a sustainable manner
Construction of 2 transfer stations	R25m	DFFE/NDM	The reduction of illegal dumping spots
Construction of a new electricity substation	R25m	INEP	To ensure the provision of services to communities in a sustainable manner

### 7.2. FINANCIAL VIABILITY, GOOD GOVERNANCE, INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

ISSUES	Council Sup	Human Resources, Legal Matters, Supply Chain Management, Revenue & Expenditure Management, Asset Management, Council Support, Performance Management, Public Participation, ICT, Audit, Risk Management, Compliance & Governance & Municipal Public Accounts Committee											
Outcome (Strategic Goals)	Outcome Indicator (Strategic	Problem statement	IDP indicator	ator Budget Responsible Annual Target Person									
,	Objectives)					2024/25 Outputs	2025/26 Outputs	2026/27 Outputs					
Improved Municipal Financial Viability and Operational Proficiency	Increase financial viability through increased revenue and efficient budget management	Limited scope to generate own revenue and lack of capacity to carry out complex tasks	Improve revenue-raising capabilities to open up new revenue streams	OPER	All Heads of Departments	Improve the implementation of the Revenue Enhancement Strategy	Increase the number of service points especially in the townships	Sustain the implementation of the Revenue Enhancement Strategy					



Improved Municipal Financial Viability and Operational Proficiency	Increase financial viability through increased revenue and efficient budget management	Limited scope to generate own revenue and lack of capacity to carry out complex tasks	Improve revenue-raising capabilities to open up new revenue streams	OPER	All Heads of Departments	Improve the implementation of the Revenue Enhancement Strategy	Increase the number of service points especially in the townships	Sustain the implementation of the Revenue Enhancement Strategy

#### 7.2.1. POSSIBLE REVENUE ENHANCEMENT STRATEGY

POSSIBLE REVENUE SOURCE	PROBLEM STATEMENT	ACTIVITIES TO ADDRESS PROBLEM STATEMENT	RESPONSIBLE DIRECTORATE	TARGET DATE OF IMPLEMENTATION
Municipal financial	Inadequate Revenue	Municipal Inaccurate Billing	CFO	30 June 2024
viability.	management.	Implementation of in-house debt collection		
		Data cleansing		
		Improving Indigent Register		
		Incentive programme		
Technical services on revenue management for both electricity and water	Payment of Eskom and Rand Water	Reduce the losses for both electricity and water	Acting Director Technical	30 June 2024

		Technical and finance to engage and have proper plan for disconnections and communication with Councillors		
		Safeguarding of security module: avoid ghost vending		
Involvement of Social services on Traffic fines	Collection rate for traffic fines	Law enforcement strategy on collection	Director Social services	30 June 2024

### 7.2.2. CIRCULAR 124: ESKOM DEBT RELIEF

POSSIBLE ISSUES	PROBLEM STATEMENT	ACTIVITIES TO ADDRESS PROBLEM STATEMENT	RESPONSIBLE DIRECTORATE	TARGET DATE OF IMPLEMENTATION
Compliance on circular 124	Payment of current	6.3 Maintaining the Eskom bulk current account	All Directorate	Ongoing
	account	6.4 A funded MTREF		
		6.5 Cost reflective tariffs		
		6.6 Electricity and water as collection tools		
Rand water	Payment of current account	Maintenances of current account	All Directorate	Ongoing
		Commissioning of Boreholes		

## 7.3. FINANCIAL VIABILITY, GOOD GOVERNANCE, INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

ISSUES		own Planning, Land Use Management, Human Settlement, Local Economic Development, Investment Township Economy, Agricultural, Mining Þ Trade and Industry, Job Creation, Youth Development & DP												
Outcome (Strategic	Outcome Indicator	Problem statement	Baseline	Budget	Responsible Person	Annual Target								
Goals)	(Strategic Objectives)				interventions			2024/25 Outputs	2025/26 Outputs	2026/27 Outputs				
TOPIC: TOWN PL	ANNING, LAND US	E AND HUMAN SET	TTLEMENT											
		Increased in		Prevention of	Not									
		illegal land		illegal invasions	Applicable	R1								
	Improve spatial	invasions and	New	and unlawful		Million	OMM	85%	90%	100%				
	planning,	unlawful		occupations		MIIIIOH								
Improve access	integrated	occupation		(Enforcement)										
to basic	human			Number of land	DARLLD									
services	settlement and	Unavailability		parcels	DoHS									
	land use	of suitable land		acquired for		R35		1	1	1				
	acquisition	for human	New	integrated		Million	OMM							
		settlement		human										
				settlement										

		%	DoHS					
		Implementation						
Lack of		of alternative						
alternative		human						
integrated	New	settlement		TBC	Technical Services	50%	75%	100%
human		programmes to			services			
settlements		cater for middle						
		class						
		population						

ISSUES		ing, Land Use <i>I</i> Economy, Ag								
Outcome (Strategic Goals)	Outcome Indicator	Problem statement	Baseline	IDP indicator	DDM Stakeholder	Budget	Responsible Person	Ar	nual Tarç	get
(* * * * * * * * * * * * * * * * * * *	(Strategic Objectives)				interventions			2024/25 Outputs	2025/26 Outputs	2026/27 Outputs
TOPIC: INVESTMENT	AND TOWNSHIP E	CONOMY								
	Increase	Loss of job		Number of new	MEGA					
Economic growth	Implementation	opportunities as a		investments	DEDET					
and	of the	results of closure	3	attracted into	NDM	Internally	OMM	2	2	2
development	Local		;	the local						
	Economic	of businesses		economy						

Development Strategy	Dilapidating and abandoned industrial sites	New	Acquisition and Revitalisation of industrial sites	MEGA NEDA DEDET	R20 Million	ОММ	3	3	3
	Increased unemployment rate	New	Create a conducive environment for job creation	Local Businesses		All Directorates			
	Inadequate promotion of tourism initiatives	New	Implement initiatives to increase tourists visits to VKLM	DEDET NDM NEDA Local Businesses	R500 Thousand	ОММ	2	2	2
	Environmental degradation which result in adverse health effects, persistent poverty and climate change.	New	Implement green economy initiative as an environmentally friendly alternative	DEDET NDM NEDA Local Businesses	R2 Million	OMM Technical Services Community and Social Services	3	3	3

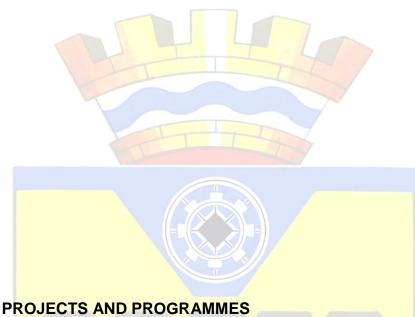
ISSUES				ement, Human al, Mining Þ Tro						
Outcome (Strategic Goals)	Outcome Indicator	Problem statement	Baseline	IDP indicator	DDM Stakeholder	Budget	Responsible Person	A	nnual Tarç	jet
(sirdiegic Godis)	(Strategic Objectives)	sidiemem			interventions		reison	2024/25 Outputs	2025/26 Outputs	2026/27 Outputs
TOPIC: AGRICULTU	RE AND MINING									
Economic	Increase Implementation of the	Non- implementation of SLP Projects by Mining Houses	7	Number of SLPs implemented by Mining Houses	DMRE Mining Houses	Internally	ОММ	10	10	10
Growth and Development	Local Economic Development Strategy	Unavailability of the agricultural processing industry		% of agro- processing projects implemented to secure value chain benefits	DARLLD NEDA Buhle Farmers Academy	R1 Million	ОММ	30%	50%	80%
TOPIC: SMME AND	YOUTH DEVELOPM	ENT								
		Weak SMME support systems	New	Provide financial and non-financial	DSBD SEDA SEFA	R5 Million	ОММ	30	40	50

	Increase Implementation of the			support to lo SMMEs	ocal	Local Businesses					
Economic Growth and Development	Local Economic Development Strategy	Insufficient procurement opportunities for youth owned SMMEs	New	,	30% outh	Not Applicable	Internally	B&T	30%	30%	30%



## 7.3.1. POSSIBLE REVENUE ENHANCEMENT STRATEGIES

POSSIBLE REVENUE SOURCE	PROPOSED STRATEGY TO ACHIEVE (Revenue collection through this source)	ESTIMATED COLLECTION AMOUNT	RESPONSIBLE DIRECTORATE	TARGET DATE OF IMPLEMENTATION
Town Planning	Land and Property Zoning	TBC	ОММ	30 June 2025
	Contravention Fines	TBC	ОММ	31 December 2024
Land Use Management	Land/Stands sales	TBC	ОММ	30 June 2025
Local Economic Development	Issuing of Business Licences	TBC	ОММ	31 December 2024



### 7.3.2. IDENTIFY DDM CATALYTIC PROJECTS AND PROGRAMMES

PROGRAMME OR PROJECT	BUDGET	POSSIBLE FUNDING PARTNER	IMPACT
Establish a Technical Vocational Education and Training (TVET) college	R50 Million	Mining houses	Enhance employability and skill capacity
Review of the Spatial Development Framework (SDF)	R 1 Million	NDM	Promote cross-sectoral planning, budgeting, and growth management approaches
Conduct the Municipal Land Audit	R1 Million	NDM DARLLD	Provide information on Land that is owned by the State (National, provincial,

			local municipalities and parastatals)
Conduct an analysis study on the local economic market	R700 Thousand	MEGA DTI DEDET	Explore potential positive interventions to address high unemployment and challenges relating to sustainable township economies, both formal and informal.

