



FINAL INTEGRATED DEVELOPMENT PLAN

2014 - 2015

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PROCESS PLAN

The text 'PROCESS PLAN' is rendered in a large, bold, 3D font. Each letter is filled with a different color from a rainbow spectrum, creating a vibrant gradient. The letters are slightly tilted and cast a soft, grey shadow onto the surface below them, giving the text a sense of depth and dimension.

1. Process Plan

❖ Integrated Development Planning Processes

In terms of Section 28(1) of the Municipal Systems Act (Act 32 of 2000), the Municipal Council needs to adopt a process set out in writing to guide the planning, drafting, adoption of their Integrated Development Plan. The Process Plan fulfills the function of assessing the functioning of a business plan or an operational plan during the IDP processes. Section 34 of the MSA embodies and relates to the essence and objectives of the process plan, i.e. assessing the Municipality's performance against organisation objectives as well as implementation of projects and programmes of municipality, and also taking cognisance of new information and changed circumstances.

Municipal Systems Act (Act 32 of 2000) defines Integrated Development Planning as a process through which Municipalities prepare a strategic development plan for a five year period. Every new Council that assumes power into municipal Council must after elections prepare its own IDP which will guide them for their five year term of office. The IDP is a principal strategic planning instrument which guides and informs all planning, budgeting, management and decision-making in a municipality. It has a legal status and supersedes all other plans that guide development at Local Government level. Integrated development planning is an interactive and participatory process which requires involvement of all municipal stakeholders. The IDP processes do, however, inform other components of the Municipal business process including institutional and financial planning and budgeting.

The Municipal Systems Act (MSA), Section 25 provides that:

(1) Each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality which—

(a) links, integrates and co-ordinates plans and takes into account proposals for the development of the municipality:

(b) aligns the resources and capacity of the municipality with the implementation of the plan:

(c) forms the policy framework and general basis on which annual budgets must be based;

(d) complies with the provisions of this Chapter; and

(e) Is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation.

The IDP will primarily deal with the following:

❖ During compilation of an IDP, the following activities have been embarked upon:-

- Distribution of Roles and Responsibilities
- Organisational Arrangements
- Mechanisms and Procedures for Community and Stakeholder Participation
- Action Programme with Timeframe and Resource Requirements
- Mechanisms and Procedures for Alignment
- National and Provincial Binding Legislation and Planning Requirements
- Budget Implications

❖ Process Plan Committee and Steering Committee

The Council should appoint a Section 80 Committee which will be known as the Process Plan Committee to continue with the preparation of the Process Plan. This committee comprises of the following members:

Councillors:

Executive Mayor

Speaker

Chief Whip

MMC Public Safety, Roads & Transport

MMC Special Programmes

MMC LED & Tourism

MMC Community Services

Councillor Tshabalala

Councillor Leoatle

Councillor Thebe

Councillor Lebesa

Councillor Lakaje-Mosia

Councillor Mokotso

Councillor Mokubung

MMC Finance	Councillor Mositi
MMC Electricity, Waste and Environmental Management	Councillor Mboso
MMC Corporate Services	Councillor Nhlapo
MMC Human Settlement and Spatial Development Planning	Councillor Mohlabi
MMC Integrated Development Planning	Councillor Mokoena
MMC Sports, Arts & Culture	Vacant

Officials:

Municipal Manager
 Director LED & Tourism
 Director Electricity, Waste and Environmental Management
 Director Corporate Services
 Director Public, Safety, Roads and Transport
 Director Sport, Arts & Culture
 Director Community Services
 Dir. Human Settlement, Spatial Development Planning
 Chief Financial Officer
 Manager IDP and Performance Management Systems
 Senior Internal Auditor
 Manager Risk

❖ **Roles and Responsibilities**

The Mayoral Committee clarifies the roles which external role players will play in the IDP Process and this is in line with Section 84 of the Municipal Structures Act.

❖ External role players will have the following roles and responsibilities:

➤ **Civil Society**

Apart from the Ward Committee representatives (see Chapter 5) it is also imperative to engage other legitimate civil society structures to form part of the IDP Process that will represent different civil society groups. It can be announced that not all individuals and groups will participate in the Ward Committee system and it is therefore essential to provide mechanisms for other civil structures and interest groups to participate during the IDP Process. To ensure legitimacy of the process it is therefore essential to engage with existing non-governmental organisations (NGOs), community based organisations (CBOs) and faith based organisations (FBOs) in each of the concerned towns in the area of jurisdiction. The basis of understanding is that all existing organisations will be invited to participate during the process. The civil society is responsible to represent interests and contribute knowledge in the planning process by:

- participating in the IDP Representative Forum to:
- inform interest groups on relevant planning activities and their outcomes,
- analyse issues, determine priorities, negotiate and reach consensus,
- participate in the designing of project proposals and assess them,
- discuss and comment on the draft IDP,
- ensure that annual business plans and budgets are based on and linked to the IDP

❖ **District Municipality**

The District Municipality will be responsible to:

- ensure horizontal alignment with the IDP process of the Municipality,
- ensure vertical alignment between district and local planning,
- facilitate vertical alignment with other spheres of government and sector departments and to
- Prepare joint strategy workshops with the Local Municipality.

❖ Provincial Government and Corporate Service Providers

Although it is not compulsory to engage government departments throughout the process, it is advisable that government departments that are active in the area of jurisdiction should be consulted throughout the process.

- It is essential in order to comply with the principle of integrated planning and also considering that the budget for potential projects rest with provincial and national government departments.
- It is also imperative that national and provincial priorities and policies are applied at local level and the respective departments will be able to provide the linkage between national and local priorities.

The roles and responsibilities of the departments and service providers are as follows:

- Ensuring vertical / sector alignment between provincial sector departments / provincial strategic plans and the IDP Process at local level by:
 - guiding the provincial sector departments' participation in and their required contribution to the Municipal planning process and
- Guiding them in assessing the draft IDP and alignment of sectoral programmes with the IDP.
- Efficient financial management of provincial IDP grants.
- Monitoring the progress of the IDP Process.
- Facilitation and resolution of disputes related to the IDP Process of the Municipality.
- Assist the Municipality in the IDP where required.
- Co-ordinate and manage the MEC's assessment of the IDPs.
- Contribute relevant information on the provincial and national departmental plans, programmes, budgets, objectives, strategies and projects in a concise and accessible manner.
- Contribute sector expertise and technical knowledge to the formulation of the Municipal strategies and projects.
- Engage in a process of alignment with the District Municipality.

❖ Municipal Council

This is the ultimate political decision-making body of the Municipality. The Municipal Council should adopt and approve the Process Plan.

- The Council should monitor the overall management and co-ordination of the planning process which includes ensuring that:
 - all relevant actors are appropriately involved,
 - appropriate mechanisms and procedures for public consultation and participation are applied,
 - the planning events are undertaken in accordance with the time schedule.
 - the planning process is related to the real burning issues in the Municipality,
 - it is a strategic and implementation-oriented process ;
 - the sector planning requirements are satisfied and
 - adopt and approve the IDP, ensure that the annual business plans, budget and land use management decisions are linked to and based on the IDP.

❖ Ward Councilors

Ward Committees are instituted in accordance with the Municipal Structures Act as democratic representative bodies. Ward Committees need to be instituted according to the prescribed legal framework to represent the views, needs and aspirations of the demarcated ward, as determined by the Municipal Demarcation Board. Each ward is represented by ward Councillors and the Ward Committee system will be a critical element of the IDP participation process. Ward councilors are the major link between the Municipal Government and the residents. Their role will therefore be to:

- link the planning process to their constituencies and / or wards,

- be responsible for organising public consultation and participation

❖ **Mayoral Committee**

As the senior governing body of the Municipality, the Executive Committee:

- submitted the Process Plan of the IDP to the Municipal Council for adoption,
- is responsible for the overall management, co-ordination and monitoring of the process and drafting of the IDP together with the Municipal Manager,
- has to approve nominated persons to be in charge of the different roles, activities and responsibilities of the process and drafting and
- submit the draft IDP to the Municipal Council for adoption.

❖ **IDP Manager**

The IDP Manager will manage and co-ordinate the IDP Process. Responsibilities of the IDP Manager are as follows:-

- ensure the preparation of the Process Plan,
- undertake the overall management and co-ordination of the planning process,
- ensure that all relevant actors are appropriately involved,
- nominate persons in charge of different roles,
- be responsible for the day-to-day management of the drafting process,
- ensure that the planning process is participatory, strategic and implementation orientated and is aligned with and satisfies sector planning requirements,
- ensure proper documentation of the results of the planning of the IDP document and
- adjust the current IDP in accordance with the MEC for Local Government's proposals.

❖ **Heads of Departments and other Key Officials**

As the persons in charge for implementing the IDP of the Municipality, the officials will be fully involved in the planning process to:

- provide relevant technical, sector and financial information for analysis to determine priority issues,
- contribute technical expertise in the consideration and finalisation of strategies and identification of projects,
- provide departmental operational and capital budgetary information,
- be responsible for the preparation of project proposals, the integration of projects and sector programmes.

❖ **IDP Steering Committee**

The composition of the IDP Steering Committee is explained in Chapter 6 as part of the Public Participation Plan. The terms of reference for the IDP Steering Committee includes to:

- co-ordinate and integrate the IDP Process,
- ensure that key deliverables are completed within the time frames,
- provide guidance and support to the process,
- co-ordinate departmental responsibilities within the local government,
- oversee the implementation of key aspects of the IDP formulation and revision process including the participation, communication and empowerment strategy as outlined in the Process Plan,
- refer IDP disputes for mediation and arbitration to the Council,
- provide terms of reference for the various planning activities,
- commission research studies,
- consider and comment on:
 - inputs from sub-committee/s and study teams
 - inputs from provincial sector departments and support providers
 - process, summarise and document outputs,
 - make content recommendations,
 - prepare, facilitate and document meetings,
 - consult and establish sub-committees for specific activities and outputs which should include additional persons outside the Steering Committee.

❖ IDP Representative Forum

The IDP Representative Forum is the structure, which institutionalises and guarantees representative participation in the IDP Process. The composition of the IDP Representative Forum is explained in Chapter 6 as part of the Public Participation Plan. The terms of reference for the IDP Representative Forum includes to:

- represent the interests of their constituents in the IDP Process,
- provide an organisational mechanism for discussion, negotiation and decision making between the stakeholders including the Municipal Council,
- ensure communication between all the stakeholder representatives including the Municipal Council and
- monitor the performance of the planning and implementation process.

The code of conduct for the IDP Representative Forum will regulate the following issues:

- meeting schedule (frequency and attendance),
- agenda, facilitation and documentation of meetings,
- understanding by members of their role as representatives of their constituencies,
- feed back to constituents,
- Majority for approval.

❖ Public Participation Plan & Methodology

Since the IDP Process involves participation of a number of stakeholders, it is crucial for the Municipality to adopt an appropriate approach and also put in place appropriate structures to ensure effective participation. One of the main features about the Integrated Development Planning Process is the involvement of the community and stakeholders. Participation of affected and interested parties ensures that the IDP addresses the real issues that are experienced by the communities of the Municipality.

❖ Principles of Public Participation

- The elected Council is the ultimate decision-making forum on IDPs.
- The role of participatory democracy is to inform and negotiate with stakeholders and to give the opportunity to provide input on the decisions taken by the Council.
- In order to ensure public participation, the legislation requires the Municipality to create appropriate conditions that will enable participation as a minimum requirement.
- Community and stakeholder groups will be encouraged to get involved.

❖ Conditions for Public Participation

- The residents and stakeholders will be informed on the Municipality's intention to embark on the IDP Process.
- Appropriate forms of media will be utilised in order to reach as many people as possible.
- All relevant community and stakeholder organisations will be invited to register as members of the IDP Representative Forum.
- An appropriate language and accessible venue will be used to allow all stakeholders to freely participate.
- The IDP Representative Forum meetings will be scheduled to accommodate the majority of the members.
- The community and stakeholder representatives will be given adequate time to conduct meetings or workshops with the groups, they represent.
- Copies of the IDP documents will be accessible for all communities and stakeholders and adequate time provided for comment.
- The Council meeting regarding the approval of the IDP will be open to the public.

❖ **Public Participation Plan and IDP Process Methodology:**

In considering an appropriate structure that will ensure effective participation, the following issues need to be considered:

- The plan and programme for the municipality should be informed by local communities and a detailed research and study.
- That the principle of representation should be applied to ensure effective planning.
- Ensure that feedback is provided to the broader community.

It is essential to apply mechanisms that will consider the above issues and allow for the representative views of the communities but at the same time are able to progress with the formulation of the IDP. Due to the large geographical area of the Municipality it is essential to provide mechanisms whereby all communities will be able to provide input to the IDP.

❖ **Approval:**

An advertisement will be published to give notice of the IDP to provide opportunity for comments by the community. The IDP will also be circulated to the Governmental Organisations and service providers for comment. Once all comments received have been evaluated and amendments made accordingly, the IDP will be adopted by the Council. The approved and revised IDP will then be submitted to the MEC for Local Government and Housing together with the approved Process Plan.

❖ **Conflict Resolution:**

If an agreement cannot be reached within the IDP Steering Committee regarding certain planning and review issues, conflict will have to be resolved by means of a decision within the formal Council. The Council decision regarding the outcome will be conveyed to the Steering Committee for implementation. In severe conflict situations, irrespective of the structure (Council, Steering Committee or Representative Forum) special mediation measures will have to be implemented, utilising an external person or body as a mediator.

❖ **Alignment Procedures**

Alignment is the instrument to synthesise and integrate the top-down and bottom-up planning process between different spheres of government. The alignment procedures and mechanisms will be arrived at between the Local Municipality and the District Municipality and all parties involved in the alignment will be informed.

❖ **Principles for Alignment**

- Alignment requirements should be minimised to keep the co-ordination requirements on a manageable level.
- Different alignment mechanisms will be suitable for the different alignment needs and at different stages.
- This implies with regard to alignment mechanisms to keep the number of alignment events (such as workshops/meetings) to a minimum due to the financial and time resources required
- Events with numerous participants from different sectors and spheres will require a competent facilitator. Alignment with Provincial Departments can also be achieved through provincial visits to the District.
- The Municipality may have to align on a bilateral basis with neighbour Municipalities for issues that affect both.

❖ **Alignment with Government Organisations**

It will be evident to receive contributions from the different identified NGOs through the process. Consultation will thus occur on a continuous base with relevant Departments which in some instances may also serve on the IDP Steering Committee. Governmental Organisations will be invited on national and provincial level that will attend these sessions or send regional office representatives.

PROCESS PLAN SCHEDULE FOR 2013/2014

IDP Phases	Inputs and Process	Responsible Person	Dates
PREPARATORY JULY	Executive Mayor tables in Council IDP Process Plan outlining the key deadlines for: preparing, tabling and approving the budget related policies and consultation processes at least 10 months before the start of the budget year.	Executive Mayor	22 August 2013
	Submission of IDP and Budget, National and Provincial Treasuries.	IDP Manager	26 August 2013
	Advertisement of IDP and Budget Process Plan.	IDP Manager	29 August 2013
ANALYSIS AUGUST	Assessment of the current status quo of development and analysis of opportunities and priority issues.	Municipal Manager	02 September 2013
	Initiate Public Participation to consolidate community needs.	Office of the Speaker and IDP Manager	09 September 2013 –04 October 2013
	Executive Mayor establishes a budget steering committee in terms of Budget Regulations.	Executive Mayor	08 October 2013
STRATEGIES SEPTEMBER -OCTOBER	Analyse, review and refine municipal Strategies, Objectives, and KP’Is to influence the budget.	Executive Mayor	21 September 2013
	Consultation with full Council, HODs and senior managers. Strategic session.	Municipal Manager	10 October 2013
	IDP Steering Committee to prioritise IDP projects;	Executive Mayor	14 October 2013
	IDP Priorities to be confirmed by MAYCO;	Municipal Manager	22. Oct. 2013
	IDP Multi-year Scorecard Revised and presented to MAYCO;	Municipal Manager	22 Oct. 2013
PROJECTS NOVEMBER- JANUARY	Municipal objective, strategies, KPIs and targets to be approved by MAYCO;	Municipal Manager	22 Oct. 2013
	Quarterly SDBIP performance progress report first quarter.	Municipal Manager	29 Oct 2013
	Formulation of Project Proposals;	Executive Mayor	05 November 2013
	Screen, adjust, consolidate and agree on Project Proposals	Executive Mayor	07 November 2013
	IDP Multi-year scorecard revised and presented to MAYCO;	Municipal Manager	21 November 2013
PROJECTS NOVEMBER- JANUARY	Submit to the Mayor, NT and Provincial Treasury by 25 th January each year, a mid-year budget and performance assessment reflecting information required by s72 (1)(a)(i)(II, (iii), (iv)(b),(2) and (3).	Municipal Manager	22 January 2014

IDP Phases	Inputs and Process	Responsible Person	Dates
INTERGRATION JANUARY - FEBRUARY	Integration of sector plans and service plans into IDP;	Municipal Manager	23 January 2014
	Finance prepares indicative allocation per vote on the projected;	CFO	23 January 2014
	Quarterly SDBIP performance progress report for second quarter of 11/12 financial year;	Municipal Manager	27 January 2014
	Alignment with District, provincial and National;	IDP Manager	31 January 2014
	Heads of department to prepare and submit draft operating budgets inputs and draft operational plans;	Executive Mayor	03 February 2014
	The draft budget to be discussed by budget steering committee then after to be circulated to different portfolio committees.	Executive Mayor	14 February 2014
APPROVAL FEBRUARY - JUNE	Where necessary, revise approved annual budget through an adjustment budget in the appropriate format;	Council	28 February 2014
	Table adjustments budget within prescribed limitations before the 28 th February 2013;	Executive Mayor	28 February 2014
	Publicise adjustment budget on municipality website and newspaper and submit to NT and Provincial treasury within 10 working days after approval;	Executive Mayor	Within 10 working days after Council approval
	Publicise mid-year budget and performance assessments on the municipality website within five working days after approved by Council.	Municipal Manager	5 days after mid-year has been tabled
	Table annual budget at a Council meeting at least 90 days before the start of the budget year.	Executive Mayor	20 March 2014
	Tabling of Draft IDP to Council.	Executive Mayor	20 March 2014
	Make public the adopted draft IDP and Budget and associated documentation immediately after the tabling in Council, and invite the community to make representations Submission of a Draft IDP to MEC: CoGTA.	Municipal Manager	Within ten days after it has been adopted
	Submit the draft budget and draft IDP as tabled in printed and electronic form to NT, the provincial treasury, MEC: COGTA and others as prescribed.	Municipal Manager	Within ten days after it has been adopted
	Approval: Advertisement for public comments on Draft IDP and Draft Budget.	IDP Manager	10 April 2014
	When the annual budget has been tabled in Council, consider the views of the local community, NT, the provincial treasury and other provincial and national organs of state.	Council	12 May 2014
	Provide the Mayor with an opportunity respond to budget submissions made and if necessary revise the budget and table amendments for Council consideration	Executive Mayor	15 May 2014
	Approval: Council approval of final IDP base on Final assessments by government departments.	Executive Mayor	29 May 2014

IDP Phases	Inputs and Process	Responsible Person	Dates
	Consider the approval of the annual budget at least 30 days before the of the budget year.	Council	29 May 2014
	Approve measurable performance objectives for revenue by source and expenditure by vote.	Council	29 May 2014
	Approve annual budget by Council resolution, with resolutions to impose and set taxes and tariffs and changes to the IDP and budget-related policy before the start of the budget year.	Council	29 May 2014
	Submit the approved annual budget and IDP to NT, and Provincial treasury.	Municipal Manager	Within 10 days after the approval
	Accounting Officer publishes approved budget, IDP and tariffs on the local newspaper.	Municipal Manager	Within 10 days after the approval
	The approved budget and related documents be placed on the website of the municipality and local newspaper.	Municipal Manager	Within 10 days after the approval

ANALYSIS

1. INTRODUCTION & MUNICIPAL STATUS QUO

The Constitution of the Republic of South Africa bestows upon government, and municipalities in particular, a developmental mandate in as far as service delivery should be planned, focused and carried out. Practical manifestation of this Constitutional provision is further found in the promulgation of the Municipal Systems Act (No 32) of 2000, which warrants that preparation of an Integrated Development Plan (IDP) should be a legislated requirement. Such legislative provisions seek to ensure the deepening of service delivery through preparation and usage of IDPs as prime instruments and tools to deliver on the above developmental mandate and role of local government. Legislatively, such an instrument facilitates inter and intra-sectional, governmental relations and collaborations with a view to making key decisions on matters relating to plans, budgets and performance management for all functional areas of municipal operations.

The Municipal Systems Act further posits that an IDP must be reviewed annually to re-evaluate and re-assess the municipality's development priorities, challenges and seeks to accommodate development nuances and obtaining realities prevalent in communities. Deliberate focused efforts at functionally involving communities and other stakeholders on its plans and overall performance have made certain that Maluti-A-Phofung municipality operates within the required legal parameters thus bringing government to the people. As such, this entire exercise conforms and complies with the review mandate and legal requirements.

1.1. POLICY CONTEXT / LEGISLATIVE FRAMEWORK

Given the political history and socio-economic background of South Africa, sections 152 and 153 of the Constitution bestow the powers and responsibilities for community development categorically upon municipal authorities. From the backdrop of parallel development and uncoordinated planning, Constitution further enforces principles of vertical and horizontal coordination and cooperation for purposes of sustained improvement of livelihoods among all spheres of government. At the centre of these processes, are elements of inclusiveness, responsiveness, quality service, buy-in, openness, transparency, public participation, value for money and democratic order. Importantly, these are Batho Pele Principles that guide all spheres of government in discharging their assigned mandates and responsibilities. An IDP is informed by national priorities as outlined by the President, Ministers whose portfolios intersect with local government, Free State Growth and Development Priorities, district & municipal considerations, and community needs on the ground.

Such a dispensation is underpinned by the following legislative framework:

- ❖ Municipal Systems Act
- ❖ Municipal Structures Act
- ❖ National Spatial Development Perspective
- ❖ The Constitution of the Republic of South Africa
- ❖ Municipal Finance Management Act
- ❖ Provincial Growth & Development Strategy
- ❖ Millennium Development Goals – 2015
- ❖ New Development Growth 2030
- ❖ IDP Guides & Spatial Development Framework (SDF)
- ❖ Joint Initiative on Priority Skills Acquisition (JIPSA)
- ❖ Accelerated Shared Growth Initiative for South Africa (ASGISA)
- ❖ State of Local Government in South Africa

1.2 PURPOSE AND COMPLIANCE OF THE INTEGRATED DEVELOPMENT PLAN (IDP)

Integrated Development Plan serves the purpose of consolidating municipal-wide planning process that provides a framework for the future planning of development in a municipality. It ensures vertical coordination and integration across the three spheres of government, viz, national, provincial and local. It guides and informs municipality in all planning, budgeting, management and decision-making processes. It is through an IDP that municipality endeavours to develop a set of long term goals and five year objectives that will form the basis of its yearly business planning and budgeting to be implemented by various divisions on an on-going basis. This framework is strengthened by provision of Municipal Finance Management Act of 2003, section 21(1) (b) in that:

“The Mayor of a municipality must coordinate the process for preparing the annual budget and for reviewing of the municipality's IDP and budget-related policies to ensure that the tabled budget and any revision of the IDP are mutually consistent and credible”.

According to section 3(4)(b) of Municipal Planning and Performance Regulations, “the ward councilor and ward committees must assist to coordinate and facilitate public participation during IDP hearing sessions”.

Key to ensuring the coordination of the IDP and Annual Budget is the development of the Service Delivery and Budget Implementation Plan (SDBIP). To map out the delivery-success path, SDBIP should include monthly revenue and expenditure projections, quarterly service delivery targets and performance indicators. Through this IDP, municipality will be informed of the challenges faced with and will further be guided by information on available resources. In this way, municipality will be able to develop and implement appropriate strategies and intervention measures to address challenges. Thus the objectives of institutionalization of efficiency, deepening of democracy, rationalization of resources for purposes of closing the gap between rural and urban areas and promotion of intergovernmental relations for improvement of people’s livelihoods.

Given its legal status, an IDP supersedes all other plans that guide developments of municipality. It must conform to the credibility framework for the purpose of compliance. The Cooperative Governance & Traditional Affairs Department in their guide for credible IDP framework provides that every municipality’s IDP be comprehensive and exhaustive in their scope of coverage, to include all areas of municipal operations and work and must respond to the following national key performance areas:

Long term development vision of the municipality; municipality’s development priorities and goals for its elected term; municipality’s development strategies which must be aligned with national and provincial sectoral plans and planning requirements;

Spatial Development Framework;

Basic Service Delivery;

Local Economic Development (LED);

Municipal Transformation & Organizational Development;

Municipal Financial Viability & Management;

Good governance and Public Participation.

1.3 APPROACH & METHODOLOGY ADOPTED

Inherent within the people-centered approach adopted during review of the IDP document, was an element of extensive consultations with role-players, ward committees, community development workers, NGOs, businesses sector, CBOs, FBOs and various interested parties to validate the outcome of the process undertaken thus fully comprehending the immediate challenges facing the municipality and practical interventions needed to resolve such. The involvement of ward councillors, ward committees and traditional leaders has been an effective role by ensuring that communities participate effectively in the planning of development within the IDP processes. This approach ensures collective engagement and communal involvement in matters concerning the collective good of the local communities at large. As such, challenges and achievements are jointly owned by all role-players including the municipality and the community. Maluti-A-Phofung municipality recognizes its Constitutional mandate of facilitating development processes in an integrated manner. Notwithstanding its traditional developmental mandate, it must seek to base its planning and allocations towards rural development initiatives thus tapping into provincial and national priority allocations to execute the task at hand.

The approach adopted validates an attempt to consistently align the document with realities of the resource-based available (both human and financial within MAP Municipality). A synergy has thus been created between and among all concerned stakeholders and role-players in as far as community development is concerned. This is, however, the cornerstone of a successfully developed and implemented IDP per legislative provisions.

2. SITUATION ANALYSIS

2.1. Spatial Description of Maluti-A-Phofung Local Municipality

Maluti-A-Phofung local municipality is situated in the Free State province of South Africa. It was established in terms of the provincial Gazette No. 14 of 28 February 2000 issued in terms of Section 21 of the Local Government Notice and Municipal Demarcation Act No.27 of 1998. Maluti-A-Phofung is a local municipality FS194 and was established on the 5 December 2001. Maluti-A-Phofung is made up of four former **TLC** Local Authorities which are Qwaqwa Rural, Phuthaditjhaba, Harrismith and Kestell. Figure 1 below shows the locality of Maluti-A-Phofung.

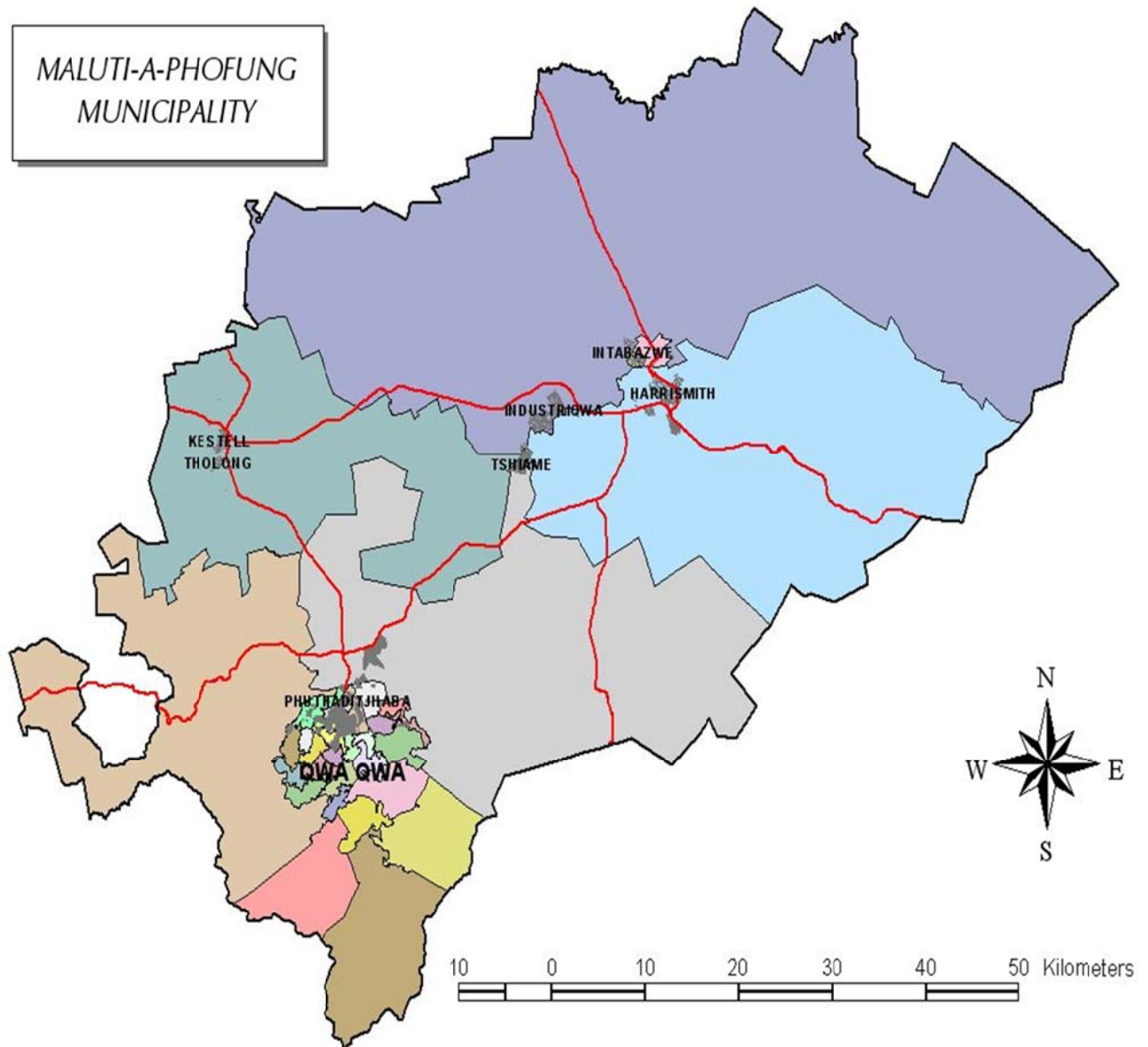
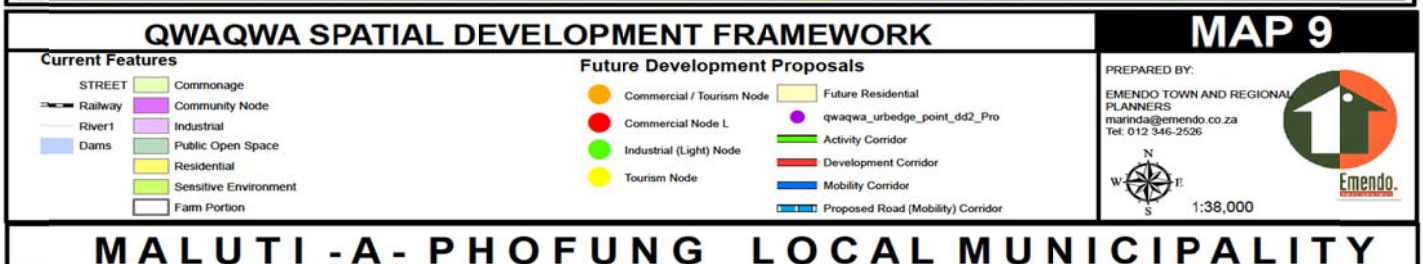
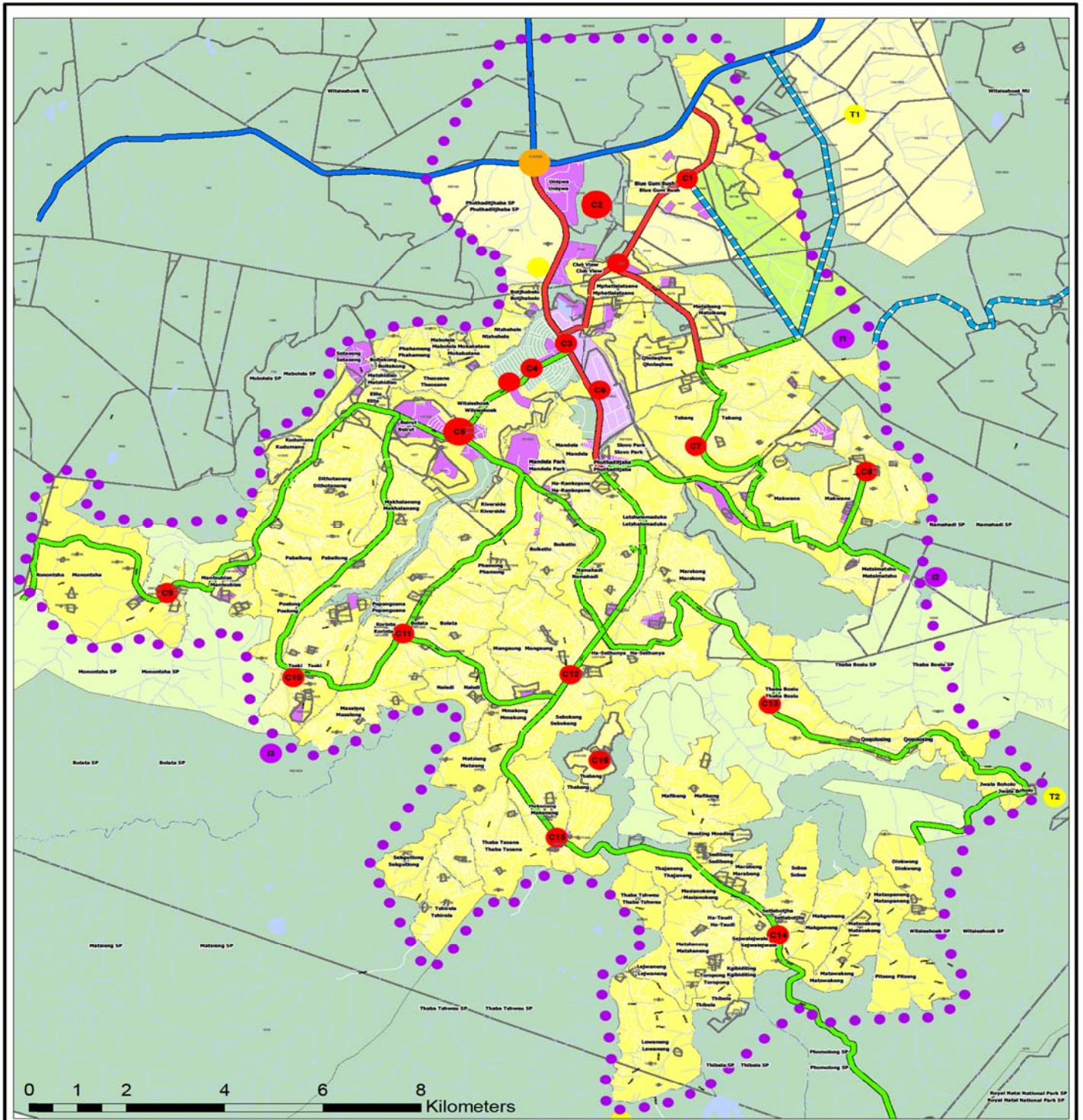


Figure 1: Maluti-A-Phofung Demarcation

The municipality comprises of 35 wards and covers approximately 4 421 km² in extent. Phuthaditjhaba is the urban centre of Qwaqwa and serves as the administrative head office of Maluti-A-Phofung municipality. Surrounding Phuthaditjhaba are rural villages of Qwaqwa established on tribal land administered by Department of Land Affairs. Harrismith is a service center for the surrounding rural areas and a trading belt serving the passing N3 which links the Gauteng and KwaZulu-Natal provinces. Harrismith is surrounded by Tshame located 12 km to the west and Intabazwe, which is located 1,5km to the north. The town is an economic hub for people living in Tshame, Intabazwe and Qwaqwa. Kestell is a service center for the surrounding agricultural oriented rural area with Tlholong as the township. Kestell is situated along the N5 road that links Harrismith with Bethlehem. The rural areas of Maluti-A-Phofung comprise commercial farms and major nature conservation centres such as Qwaqwa National

Park, Platberg, Sterkfontein Dam and Maluti Mountain Range. The area is not only a tourist attraction destination, but also makes a big contribution in generating gross agricultural income for the whole of the Province and is also highly regarded for its beef production.

In comparison with the demographic composition of the rest of the Thabo Mofutsanyana District, MAP municipality has the highest population density with the 3rd highest population density in the Free State. Maluti a Phofung Local Municipality (MAP) is a Category B municipality located in the eastern part of the Free State Province. Maluti a Phofung forms part of a scenic tapestry, which changes dramatically with each season, the beauty and tranquility of which is palpable and almost overwhelming, which has as its rock-bed the famous Maluti Mountains, from which the Municipality is named after. Majestic mountains with sandstone cliffs, fertile valleys of crops that stretch as far as the eye can see, fields of Cosmos and the golden yellow hues of Sunflowers, are just a few of the enchanting sights that make this region unique. Battle sites and memorials left over from bygone wars, ancient fossil footprints from a prehistoric era, a wealth of art and craft and renowned resorts make this part of the region a destination to explore. The municipality is made up of three major towns, namely: Harrismith; Kestell and Qwaqwa/Phuthaditjhaba. The following figures points out where various development would be taking place within the three towns of Maluti-A-Phofung in the next financial year.



MALUTI -A- PHOFUNG LOCAL MUNICIPALITY

Figure 1

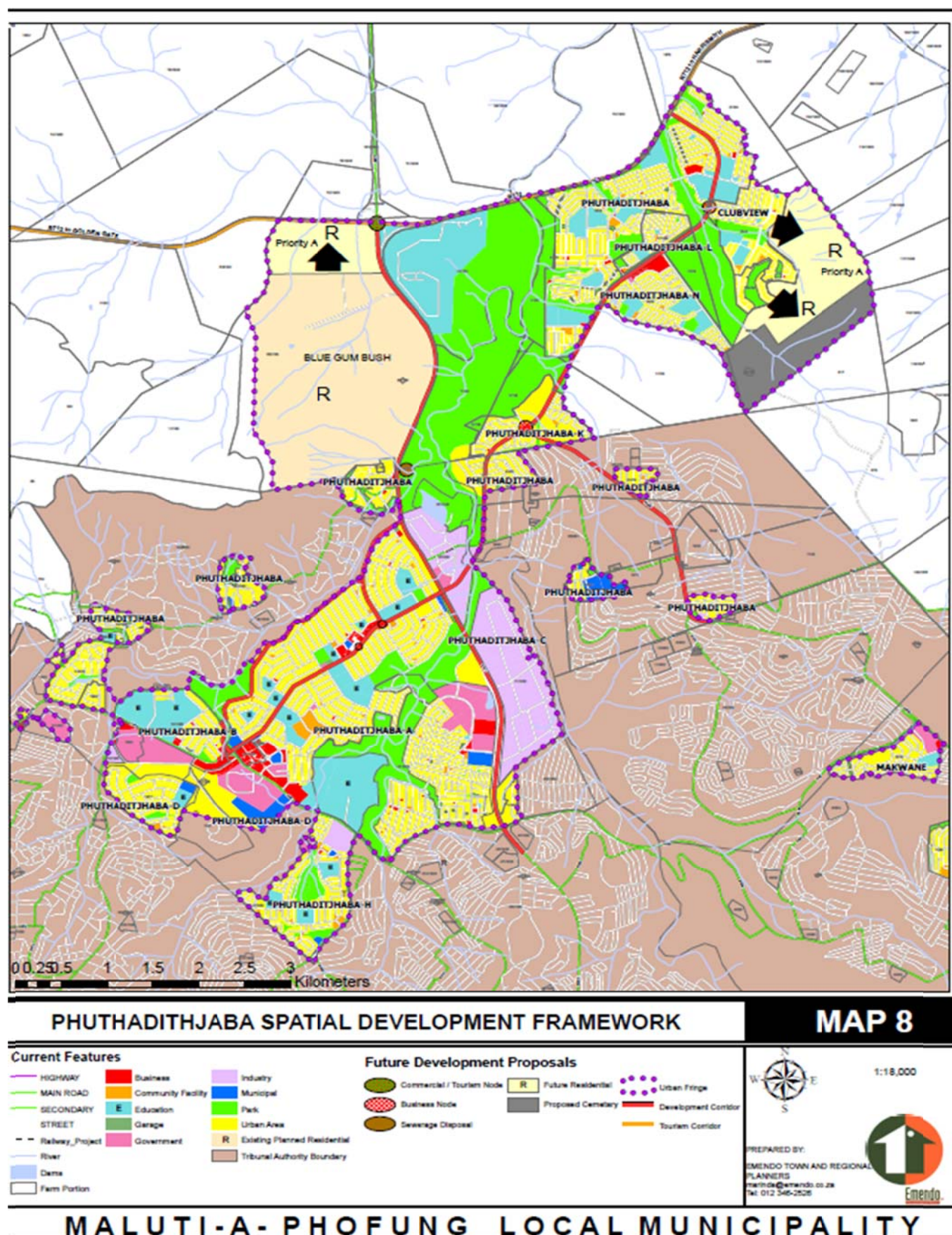


Figure 2

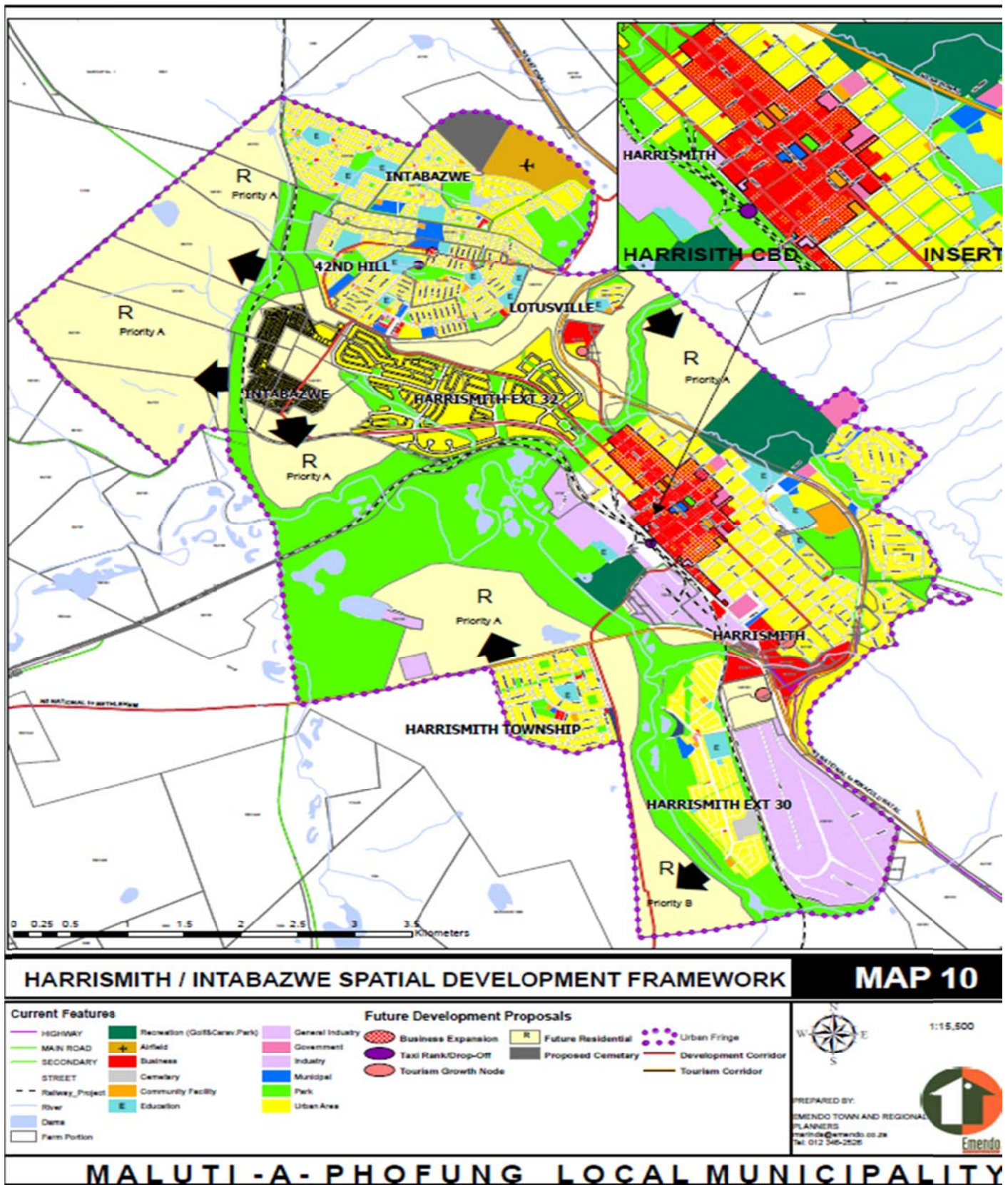


Figure 3

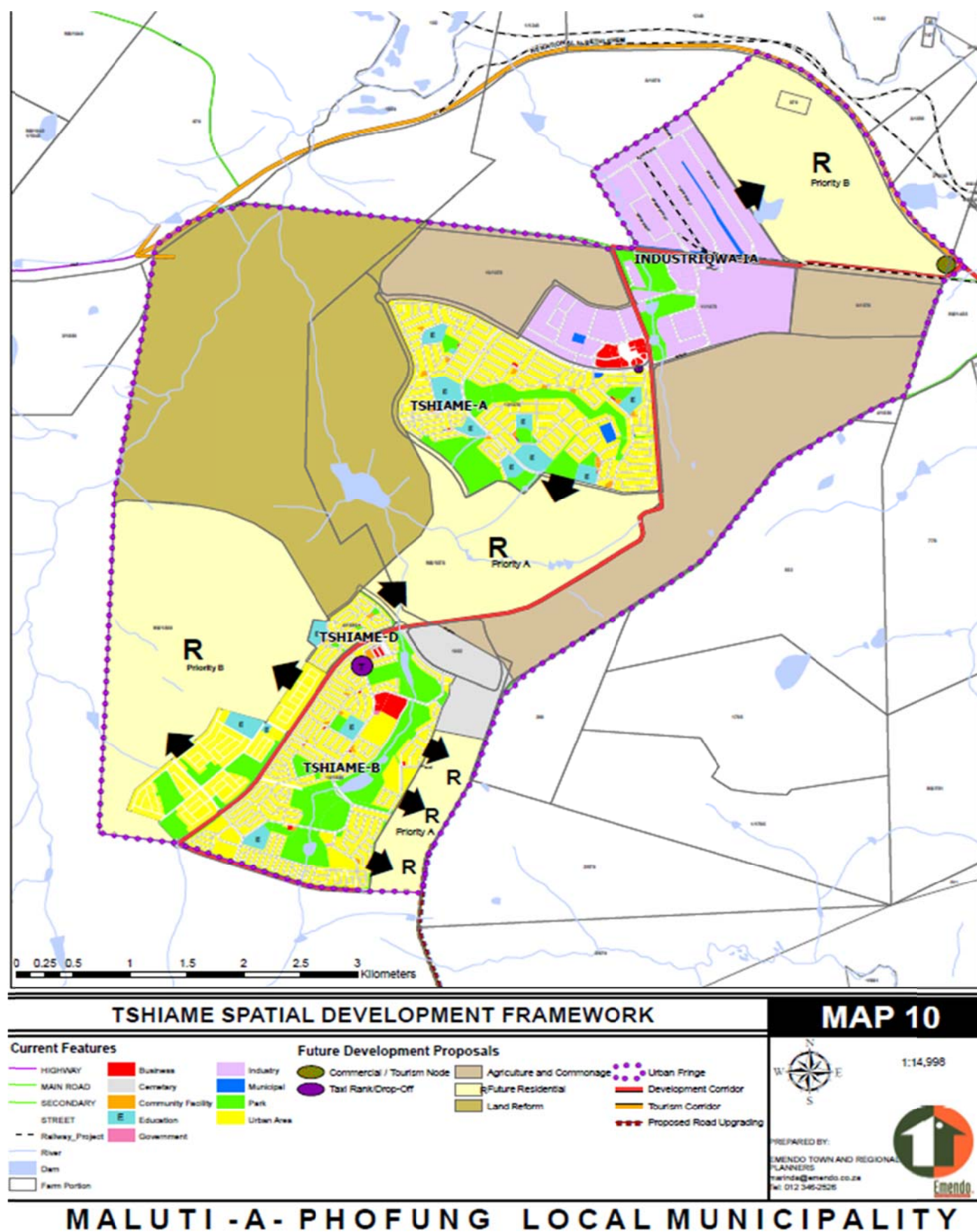


Figure 4

2.2 Cultural & Historical Information

Cultural and historical landscape of Maluti-A-Phofung Municipality lies within a rich heritage heartland of the Free State Province. Traditional systems of governance are prevalent and consistently applied within the municipal jurisdiction. Maluti-A-Phofung is imbued with historical sites of heritage significance. The list of such sites is presented below and according to their locations and towns within the municipality's area of jurisdiction. Therefore, it is imperative to preserve and promote such heritage sites so that can contribute maximally to social cohesion and economic participation of local people. Non preservation and protection of these heritage sites and cultural resources could impact on the social cohesiveness of the area and the quality of life of residents. It could also result in the loss of economic opportunities available through the growing international market in cultural tourism.

The following sites obtained the status of World, National and Provincial heritage sites in terms of the new Act (SAHRA, 2003).

Table 1: Phuthaditjhaba heritage sites

SITE NAME	DECLARATION TYPE
uKhahlamba Drakensberg	World Heritage Site
Chief Wetsies Cave	
San Paintings sites	

Source: SAHRA 2013

Table 2: Kestell heritage sites

SITE NAME	ARCHIVE STATUS	DECLARATION TYPE
Olivier Street, Kestell,	Register	Heritage Register
Olivier Street, Kestell	National Monument	Provincial Heritage Site
Nederduitse Gereformeerde Church, Van Riebeeck Street, Kestell	National Monument	Provincial Heritage Site

Source: SAHRA 2013

Table 3: Harrismith heritage sites

SITE NAME	ARCHIVE STATUS	DECLARATION TYPE
Retiefklip, Kerkenberg, Harrismith District	National Monument	Provincial Heritage Site
Nederduitse Gereformeerde Church, Church Street, Warden, Harrismith District	National Monument	Provincial Heritage Site
Town Hall, Warden Street, Harrismith	National Monument	Provincial Heritage Site
36A Boys Street, Harrismith	Register	Heritage Register
Badenhorst Building, Warden Street, Harrismith	Register	Heritage Register
A E Odell Building, Stuart Street, Harrismith	Register	Heritage Register
Nederduitse Gereformeerde Church, Van Riebeeck Street, Kestell	National Monument	Provincial Heritage Site
Old Toll-bridge, Wilge River, Swinburne, Harrismith District	National Monument	Provincial Heritage Site
Swalu Bridge, Landdrost, Harrismith District	National Monument	Provincial Heritage Site
Farmhouse, Klerksvlei, Harrismith District	National Monument	Provincial Heritage Site

Source: SAHRA 2013

Nr.	Heritage site	Locality
1	Groenkop	Kestell
2	Paulus Mopeli Statue	Phuthaditjhaba
3	Botlokwa Monument	Phuthaditjhaba
3	Voortrekker Monument	Kestell
4	Dutch Reformed Church	Kestell

Summary of cultural heritage sites:

Heritage type	Phuthaditjhaba	Harrismith	Kestell
Historic or period Buildings	Morena Wetsi Cave San paintings	San paintings	Dithako
Historic dwelling houses or hostels	Matswakeng (Chief Koos Mota kraal)	Market Hall	Pops Station
Monuments and Structures	Jwala-Boholo (mountains and graves) Sefika sa Botlokoa (Monument)	President Brand Bridge	Graves Not Declared monuments
Natural land areas	Caves in the mountains	Botanical Garden Purified Tree	None

2.3. Environmental Analysis

2.3.1. Air Quality

The monitoring procedure undertaken for the exercise of developing the Maluti-A-Phofung SEMP indicated that the issue of air quality might have some priority areas. “Hotspots” of poorer air quality in the Maluti-A-Phofung municipal area were identified; these spots may potentially have a negative impact on the health of communities and the environment. The pockets of declining air quality result from a variety of anthropogenic and natural factors. Industrial activities, vehicle emissions, local climate and land use zoning may all contribute to ‘hotspots’ of poor air quality developing.

Pollution indicators around Maluti-a-Phofung

Issue	RURAL QWAQWA & PHUTHADITJHABA	HARRISMITH, NTABAZWE, SWINBURN & VAN REENEN	KESTELL & TLHOLONG
Smoke pollution in winter from fuel wood and coal fires spread across entire city	Entire area and it even get worst towards the mountains	Entire area	Entire area except for the north westerly side of the town
Heavy cloud from incinerator at landfill sites pollutes areas at certain times	Some refuse dumps and surrounding areas	Main refuse dump and surrounding areas	Main refuse dump and surrounding areas
Burning of plastics and tyres at landfill an dumping sites	Some refuse dumps and surrounding areas	Main refuse dump and surrounding areas	Main refuse dump and surrounding areas
Incorrect storage and prolonged exposure to Benzene at filling stations could cause cancer	All filling stations	All filling stations	One filling station
Odours from sewage treatment plant	No problem	No problem	No problem

At times dust bowls from surrounding farms, as well as unvegetated areas within urban areas, are apparent.	Especially in the Northern and Western areas	Eastern, Northern and Western areas	Eastern and Northern areas
Noise pollution have already seriously reduced the number of bird species within the area	In the centre of Phuthaditjhaba	No problems except near the N5 route from Bethlehem and N3 route to and from Durban. A lot of noise from trucks	No problems
Noxious odours from land uses such as abattoirs, pig farms, brick making, spray painting, where they are too close to the residential areas.	In Phuthaditjhaba near the Thabo Mofutsanyana Municipal offices where they make bricks	No problems	No problems

2.3.2 Biodiversity

Main causes of loss of biodiversity in Maluti-A-Phofung, 2007

PRESSURE	PRESSURE EXERTED
<i>Habitat destruction & fragmentation</i>	
a) Urban expansion	Natural habitats are being destroyed, causing degradation of ecosystems with subsequent species loss. (Cross reference to land use)
b) Damming of rivers and streams	Ecological reserve of river are being changed Upstream migration of aquatic organisms (e.g. fish crabs, etc.) is prevented. (See Chapter 4)
c) Pollution	Toxic pollutants (e.g. heavy metals, acids, etc.) end up in ecosystems causing disruption of food chains by killing organisms, causing degradation of ecosystems with subsequent species loss. (see chapter 7)
d) Road construction through sensitive habitats	Road construction normally leads to destruction of bio-diversity hence EIA are always recommended
e) Preparing fields for crop production	Traditional farming methods leads to bio-diversity destruction
f) Overgrazing & trampling of natural veld	Free range grazing by farmers in proclaimed areas does not take environmental issues into consideration. Farmers need advice
g) Erosion	Poor traditional farming methods and commercial farming contribute to erosion
h) Uncontrolled veld fires	This is a very serious problem in the municipality
i) Wood collection, especially of indigenous species	The provision of electricity to the rural areas will help minimize the problem
j) Spread of alien species	This affects ground water levels and loss of bio-diversity
k) Pesticide application	Now minimized with reduction of commercial farming activities in the area
l) Mining (borrow pits, sand mines, rock quarries)	Brick making, and sand mining are big problems in the area and legislation has been proposed for the municipality as part of the final document
<i>Over-exploitation of resources</i>	
a) Illegal trade in animals and plants	
b) Uncontrolled collection of medicinal plants	
c) Illegal and over-collection of succulents and other protected plants	

3. Demographics

The figures underneath reflects population distribution by racial groups. Here are the figures as captured in both the Census 2001 and Community Survey of 2007.

	Population
Census 2001	360 787
CS 2007	385 413
Census 2011	335785

Source: Statistics South Africa, Census 2011

Comparative studies on the table above show that the population number in Maluti-A-Phofung has declined. The population declined by 5% from the Community survey of 2007, and by 2% in comparison with the Census 2001. However this information may not be disputed since Census is an authorized body for stats. However in Miletus Consulting engineers while were contracted by MAP municipality in 2007 cited that th385 413 was very low and as part of another project Miletus Consulting Engineers physically counted individual houses and dwellings in the QwaQwa area, and a total of 83 300 households were digitally logged. In line with a generally accepted density of 6persons/dwelling, the 2007 population of QwaQwa was estimated at 500 000. This is one area that warrants urgent municipal attention for gathering of proper statistical evidence for planning purposes, with more reliable and credible updated data. At the moment the 5% decline of population may not specifically be attributed to specific variables, which may be: - Deaths as a result of opportunistic diseases, migration as a result of job opportunities outside Maluti-A-Phofung. Unless municipality commissioned an activity of counting to confirm for proper allocation of services to the community.

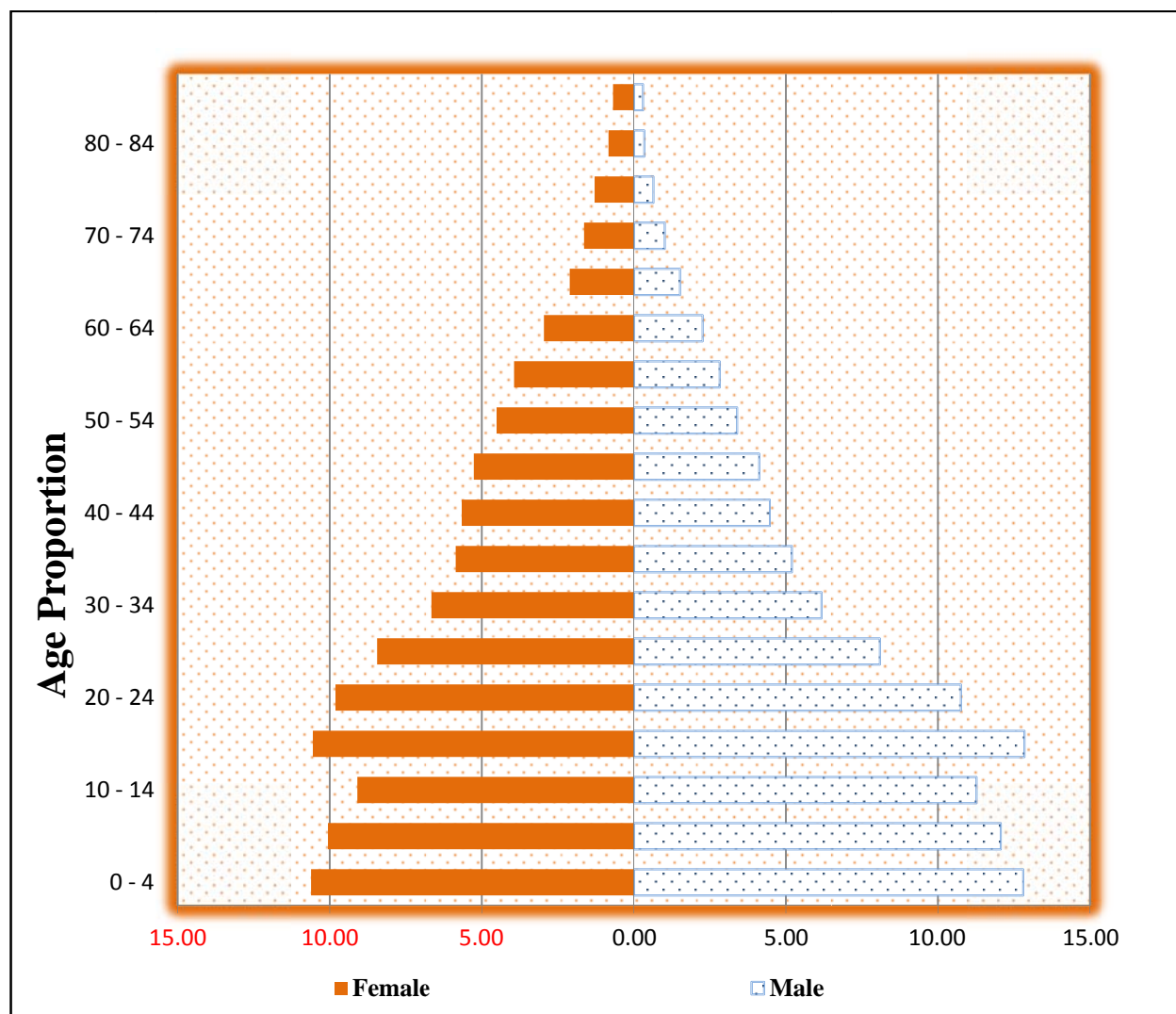
Population Profile

	Male	Female	Total
0 - 4	19604	19386	38991
5 - 9	18480	18365	36845
10 - 14	17256	16605	33861
15 - 19	19676	19274	38950
20 - 24	16468	17915	34383
25 - 29	12389	15420	27809
30 - 34	9446	12157	21603
35 - 39	7958	10694	18652
40 - 44	6848	10336	17184
45 - 49	6302	9613	15914
50 - 54	5198	8243	13441
55 - 59	4314	7190	11504
60 - 64	3457	5400	8856
65 - 69	2313	3850	6163
70 - 74	1552	2995	4547
75 - 79	978	2357	3335
80 - 84	517	1524	2041
85 - 120	453	1252	1705
	153209	182576	335785

Source: Statistics South Africa,

The figures above indicate density of youth population within MAP Municipality. Out of gross population of 335 784, the youth in the age group category of 15 – 34 years, constitute 122 745 in total. This is a huge municipal population percentage of 39.5% which clearly denotes that future planning and creation of opportunities by the municipality and respective role-players must take into account this “energy”. The number of youth within municipality had decreased compared to the total number in 2001 Census and Community Survey. The dwindling numbers of youth comes to the fore as a result of migration to other Provinces for job opportunities, including also deaths of various opportunistic diseases amongst other causes of a decline of youth in numbers.

Community and civic activity may be enhanced for positive reasons if constructive intervention measures are timeously implemented. In terms of youth and gender development, much has to be done by respective directorate/s within MAP municipality to address issues of creation of opportunities for higher learning, mainstream & non-mainstream economic participation opportunities, higher levels of health education & literacy for prevention of diseases, establishment of recreational facilities, development of sports, deliberate promotion & development of arts and culture, etc. as these are the most applicable means of edu-training and properly channeling youth energies.



Source: Statistics South Africa, Census 2011

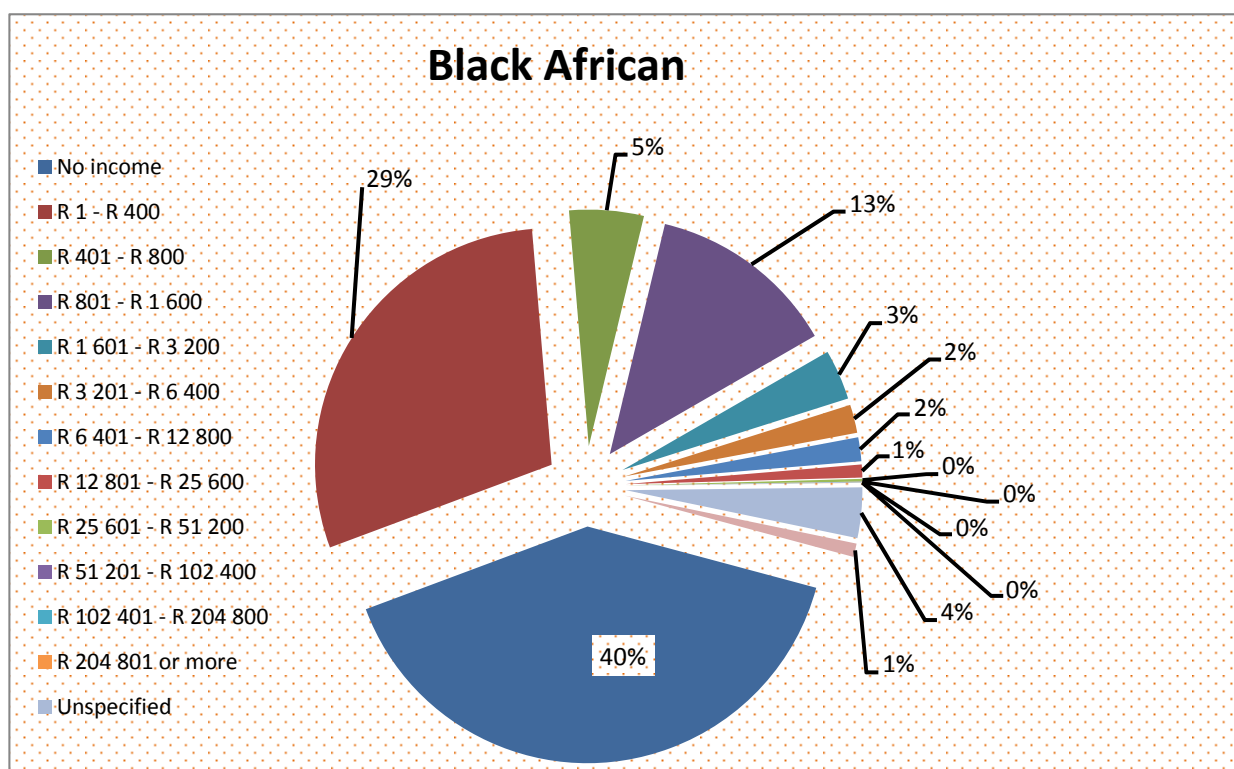
3.1. Maluti-A-Phofung Economy

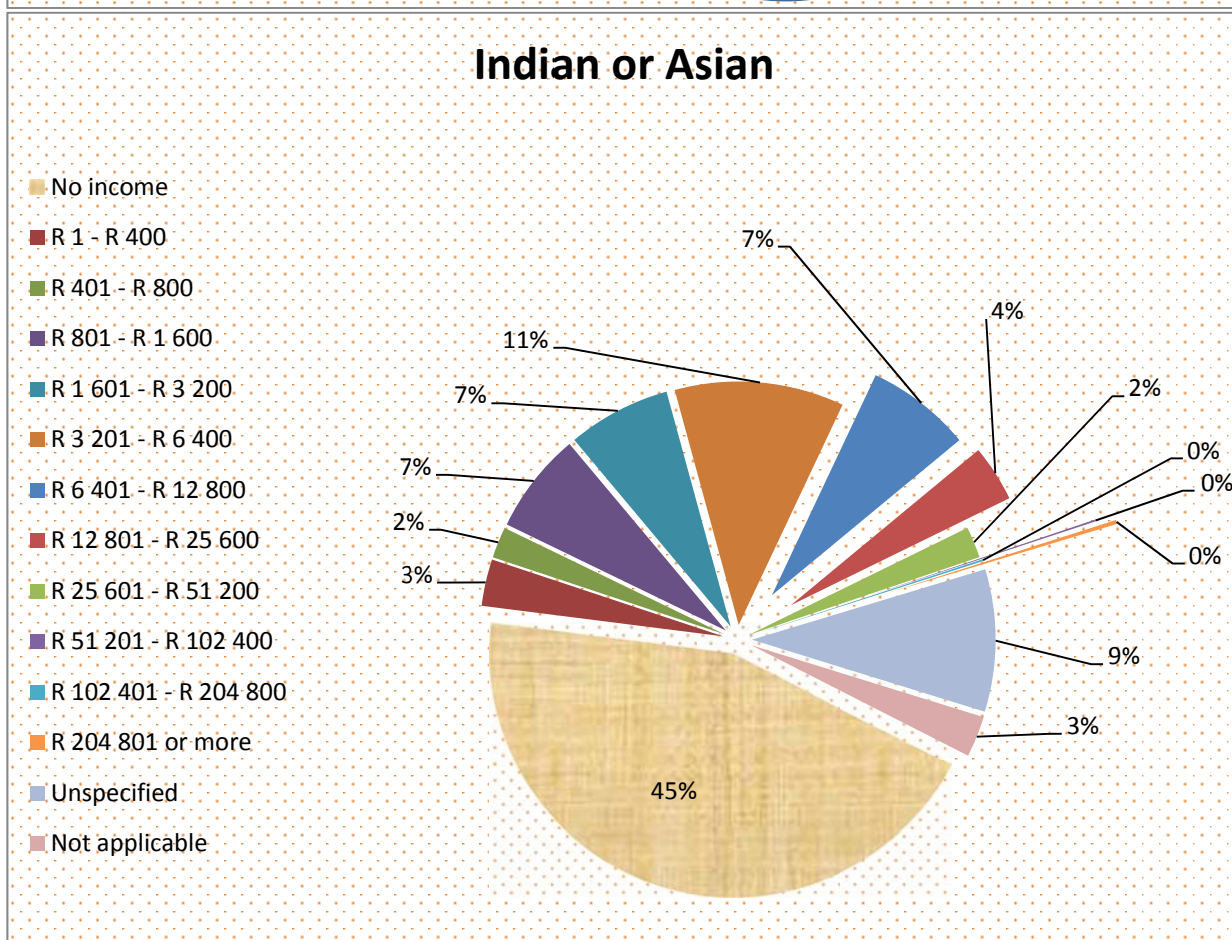
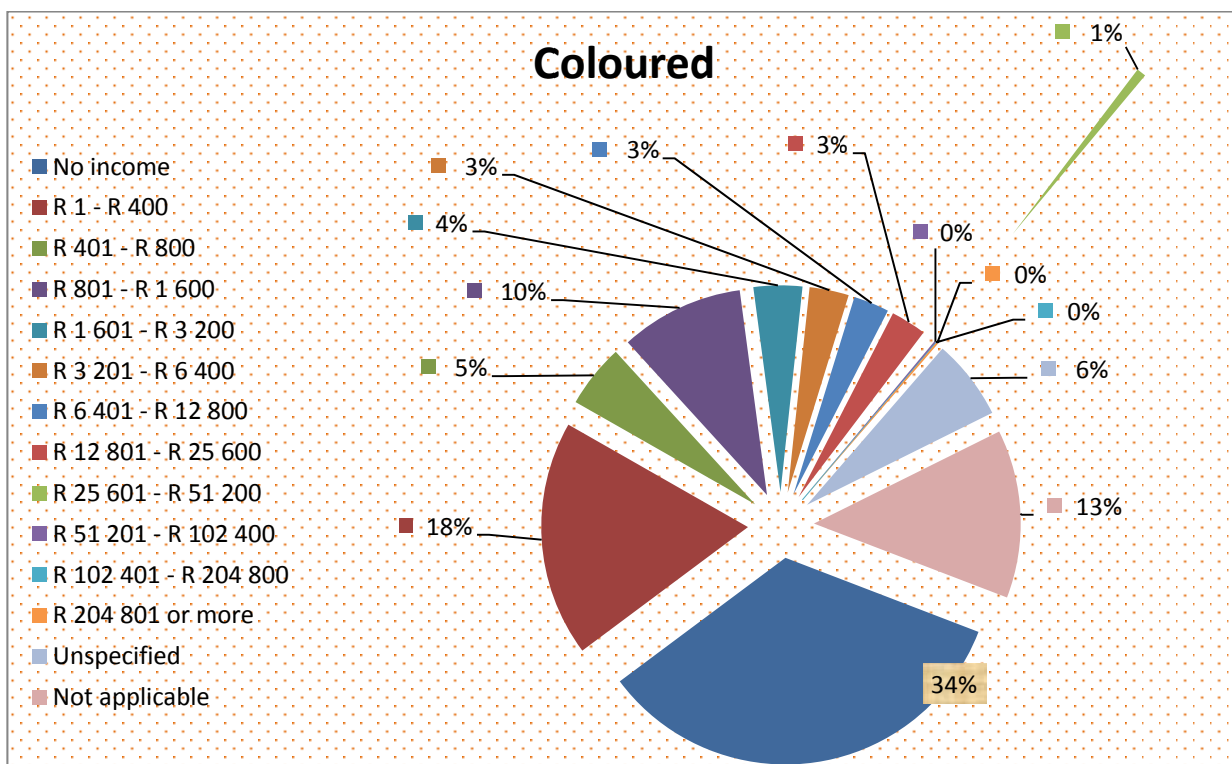
The following table provides to the reader the socio-economic profile of the Maluti-A-Phofung Municipality as per current Census 2011. Given the rurality and extreme deprivation of the community from the main sources of economic activity, the extrapolation one can make is that 40% of the population is earning a salary. The greater majority may still be dependent on subsistence farming and backyard gardens as characteristically is the case with agricultural landscape and topology of MAP Municipality. The mushrooming of support and service sectors, i.e. arts & crafts, bead-work, sculpting, pottery, entertainment, cultural heritage projects, B&Bs, conservation product owners, etc. could serve to confuse the statistical picture as some people in MAP are self-employed and others engaging in these cultural artifacts for preservation purposes though earning some living out of it. Hence it is crucial that a thorough study by the municipality be commissioned to corroborate the facts.

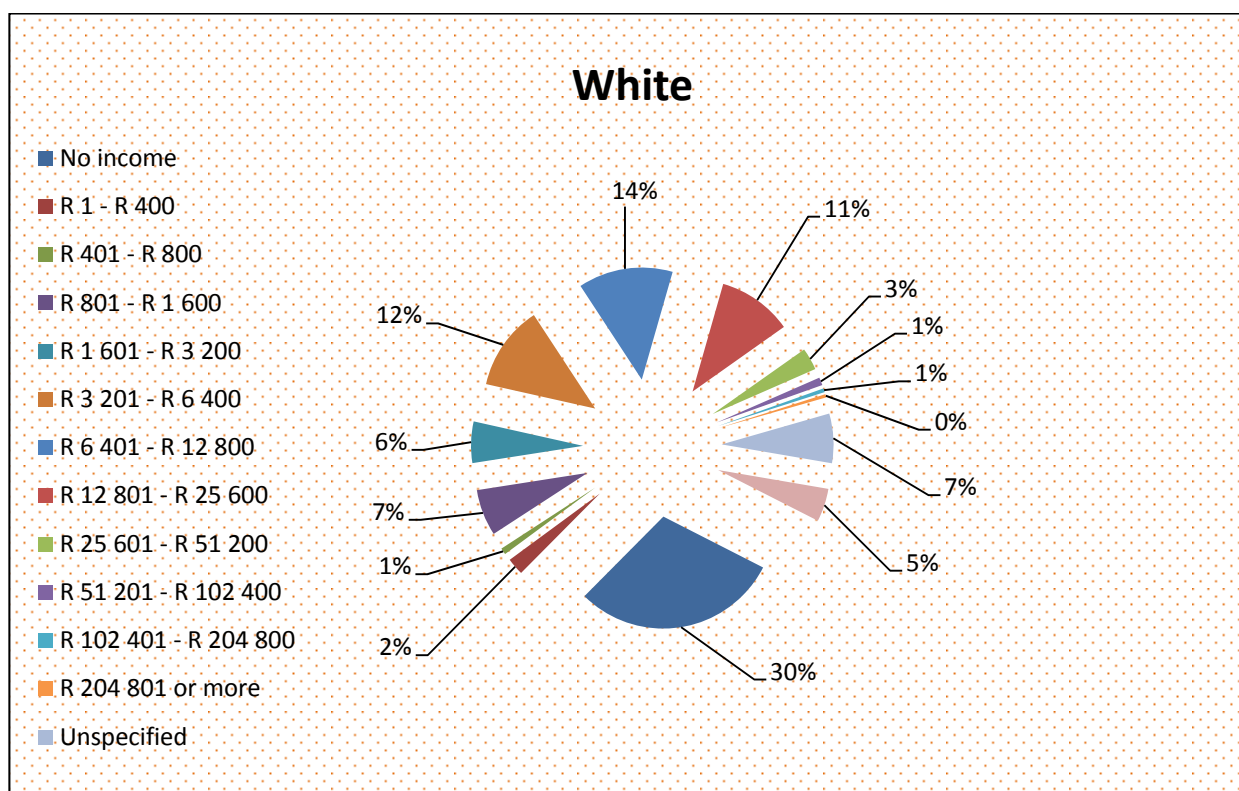
Distribution of individual monthly income within MAP according to population groups

	Black African	Coloured	Indian or Asian	White	Other	Total
No income	132421	232	344	1274	67	134338
R 1 - R 400	96793	126	24	105	36	97084
R 401 - R 800	16766	34	16	40	20	16877
R 801 - R 1 600	42627	66	52	285	45	43075
R 1 601 - R 3 200	11300	26	53	255	35	11669
R 3 201 - R 6 400	6384	21	87	521	17	7030
R 6 401 - R 12 800	5393	19	54	582	8	6056
R 12 801 - R 25 600	2901	19	29	459	11	3419
R 25 601 - R 51 200	600	5	16	137	3	762
R 51 201 - R 102 400	70	1	1	48	-	120
R 102 401 - R 204 800	90	-	1	23	-	114
R 204 801 or more	65	1	2	20	-	88
Unspecified	11384	43	73	304	18	11823
Not applicable	3001	90	21	204	14	3330
Total	329795	684	776	4256	273	335784

Source: Statistics South Africa, Census 2011



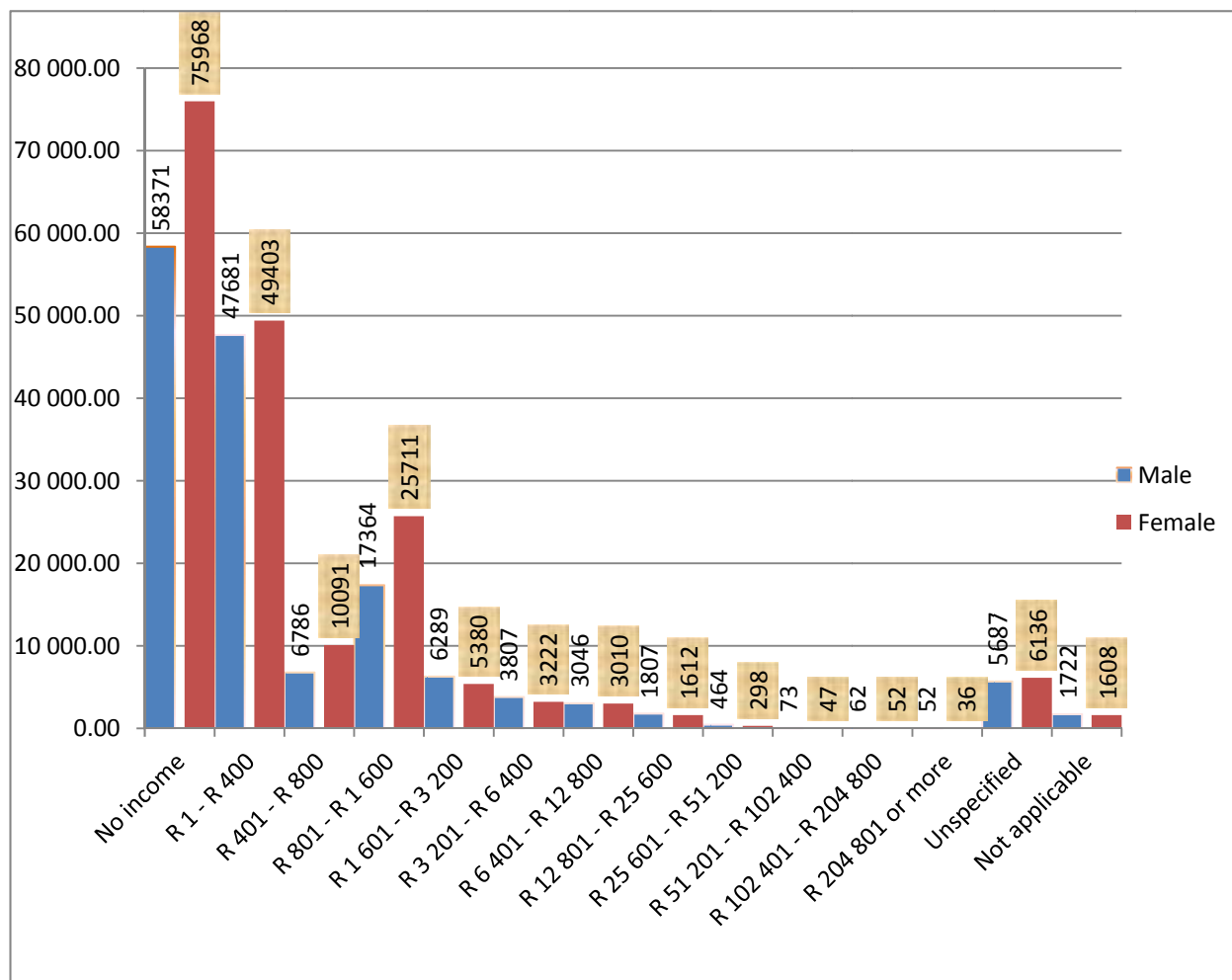




Source: Statistics South Africa, Census 2011

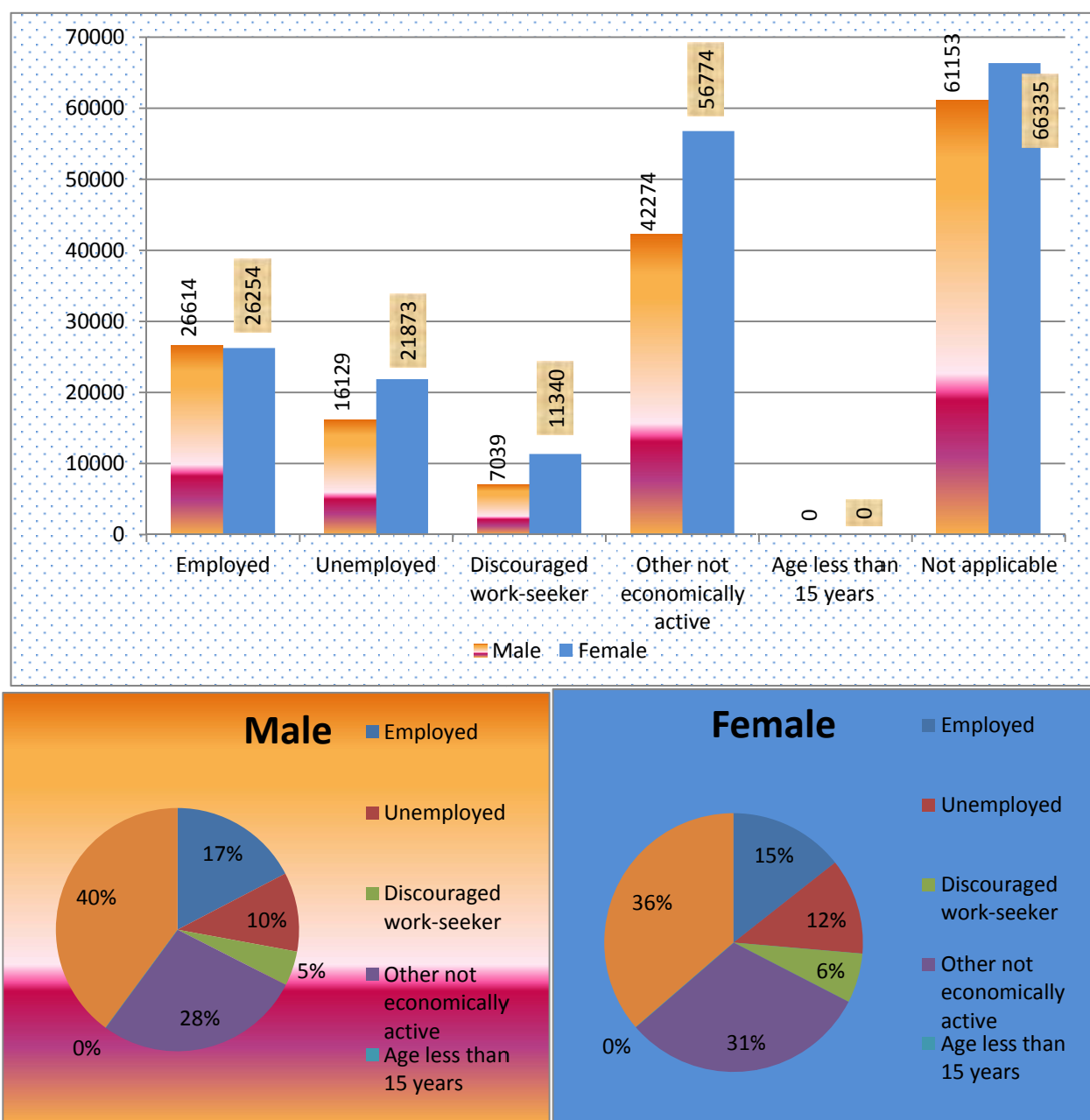
The figures above show a disturbing pattern. The figures above depict a picture of inequality with regard to income generation amongst the community. There range between the low and the high earning people is still high, comparing also the level of unemployment with those who do not earn an income. The situation has not yet changed as compared to the research conducted in 2001 and Community survey of 2007 by StatsSA. Over 50% of the community of Maluti-A-Phofung municipality is unemployed. Just around 25% is earning in the region of R400 per month. The other 12, 5% of the MAP Municipality is earning in the region of R800 per month. Therefore, one can conclude that only 40% of the municipal population is economically active with an average income of R600p/m, as a figure covering +-250 000 people per the table above. Surely this is 25% below the national baseline of R800pm for basic living wage. Various sectors of economy have to bring about intervention mechanisms to better the economy of MAP This would only be done through LED for job creation and enhancement. Non-formal job creation systems as practiced by rural communities of MAP municipalities have to be encouraged. Backyard gardens, community gardens, small scale communal projects by rural inhabitants have to be supported in partnership with the department of social development, department of youth, gender & women, department of agriculture, department of public works & rural development, etc., to broaden and increase income network base and thresh-hold. Municipality must supporting meaningful local economic development (LED) initiatives that foster micro and small business opportunities and job creation These programmes are of vital importance to sustain and improve the livelihoods of unemployed groups. Social Development and Community Services Social and Human Development Protecting should assist with programmes that will enable the poor to change their status from the worst impacts of the economic downturn to a better living.

Distribution of individual income within MAP according to Gender:



Source: Statistics-South Africa, Census 2011

Official employment status within MAP according to Gender



Source: Statistics South Africa, Census 2011

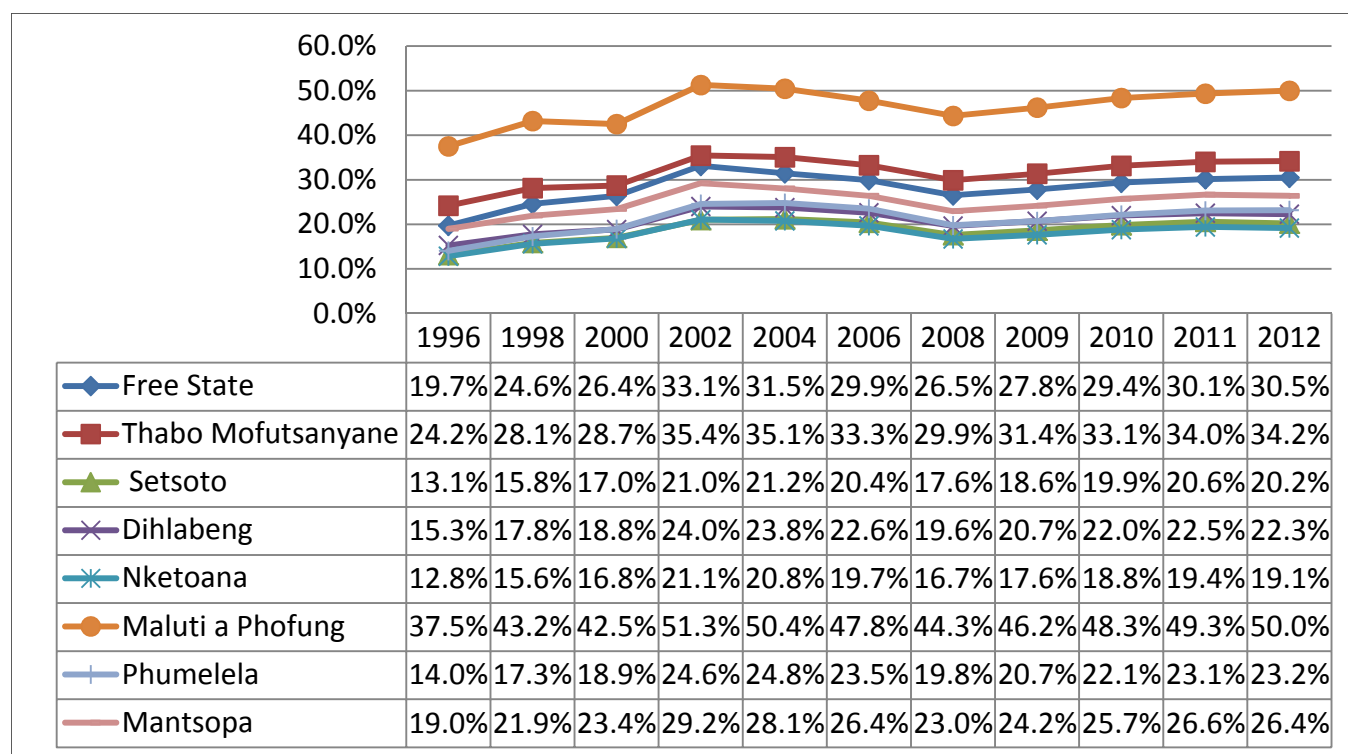
Official employment status within MAP according to Gender

	Male	Female	Total
Employed	26614	26254	52867
Unemployed	16129	21873	38002
Discouraged work- seeker	7039	11340	18379
Other not economically active	42274	56774	99048
Age less than 15 years	0	0	0
Not applicable	61153	66335	127488
Total	153209	182575	335784
Unemployment rate	37.7	45.4	41.8

Source: Statistics South Africa, Census 2011

Although the population size has decreased, it did not affect the margin of unemployment rate within the jurisdiction area of MAP. South Africa is having an unemployment rate way beyond 56%. According to the graphic presentation above, there is still a gap in terms of the previously disadvantaged individuals, such as physically challenged, women and youth. The chart illustration depicts an unemployment picture of females being high in numbers. It is important that Maluti-A-Phofung and other stakeholders who are contributing to the economy of MAP ensure that women are taken on board for empowerment, needless to mention the compliance and adherence to the provisions of Affirmative Action legislation. The greater proportion of these figures signifies rurality and unemployment. This picture looks gloom and grim for the Municipality as it is primarily rural and has a non-active / no-income base making up 155 429 of its total population. This is worrying as traditional sectors of job creation have either collapsed or shifted due to prioritization of new business grounds outside of the municipal jurisdiction. Also, that composite parts of the municipality's labour force traditionally operated as supply centres / reservoirs for the mine sector/s outside of the municipal boundaries. Greater and focused attention must be given to this situation hence the national and provincial focus on rural development, job creation and improvement of sustained better livelihoods.

A detailed comparison of unemployment rate in the FS has been undertaken covering the period from 1996 to 2012. The analysis is provided by Global Insight in 2013. The Free State province had the highest unemployment rate in the country at 30.5% in 2012. The Thabo Mofutsanyane unemployment rate was above the provincial average at 34.2% in 2012. Since 1996, the unemployment rate in Thabo Mofutsanyane has been consistently above the provincial rate. Maluti a Phofung has the worst unemployment rate within the Thabo Mofutsanyane District at 50.0%. The rest of the local municipalities have unemployment rates that are below the district and provincial unemployment rates. The following graph depicts a comparison of Maluti-A-Phofung *vis-à-vis* other local municipalities within the district of Thabo Mofutsanyana.



Source: Global Insight, Regional eXplorer, 2013

The agricultural sector is responsible for 18% of the GGP of Maluti-A-Phofung Municipal area (including the district of Bethlehem). However, it only employs 5% of the total employed workforce. The same phenomenon can be depicted from the Business/Finance sector. The social services/government sector employs 24% of the total employed but contributes 28%. This implies that high levels of income are generated from this sector. The private household/community services and other sectors employ 26% but only contribute 2% of the GGP. This again indicates that low levels of income are realized from these sectors.

An analysis of the employment distribution of Maluti-A-Phofung Municipal area in the various economic sectors

revealed that 24% of the total workforce was employed in the social services sector, compared to 14% by private households, 13.6% by manufacturing and 11.7% by trade. The primary sectors, namely agriculture and mining were only responsible for 6.2% of all employment opportunities.

The unemployment rate in Thabo Mofutsanyana is the highest, followed by Motheo, Xhariep, Lejweleputswa and Fezile Dabi. If one compares the unemployment levels with the other local municipalities in Thabo Mofutsanyana, it is evident that Maluti-A-Phofung Municipal area has an unemployment rate that is more than double that of other local municipal areas. Maluti-A-Phofung Municipal area is also responsible for 66% of the unemployment of the district. The unemployment rate for Maluti-A-Phofung Municipal area was 51% according to the Demarcation Board (2000).

HOUSEHOLDS PROFILE:

Distribution of marital status in the municipality according to population group

	Black African	Coloured	Indian or Asian	White	Other	Total
Married	62492	134	369	2119	101	65215
Living together like married partners	20338	63	30	200	26	20655
Never married	224660	447	354	1429	137	227028
Widower/ Widow	17546	32	15	323	9	17924
Separated	2991	2	1	23	-	3018
Divorced	1768	5	7	162	1	1943
Total	329795	683	776	4256	274	335783

Source: Statistics South Africa, Census 2011

Employment status of head of household according to Gender

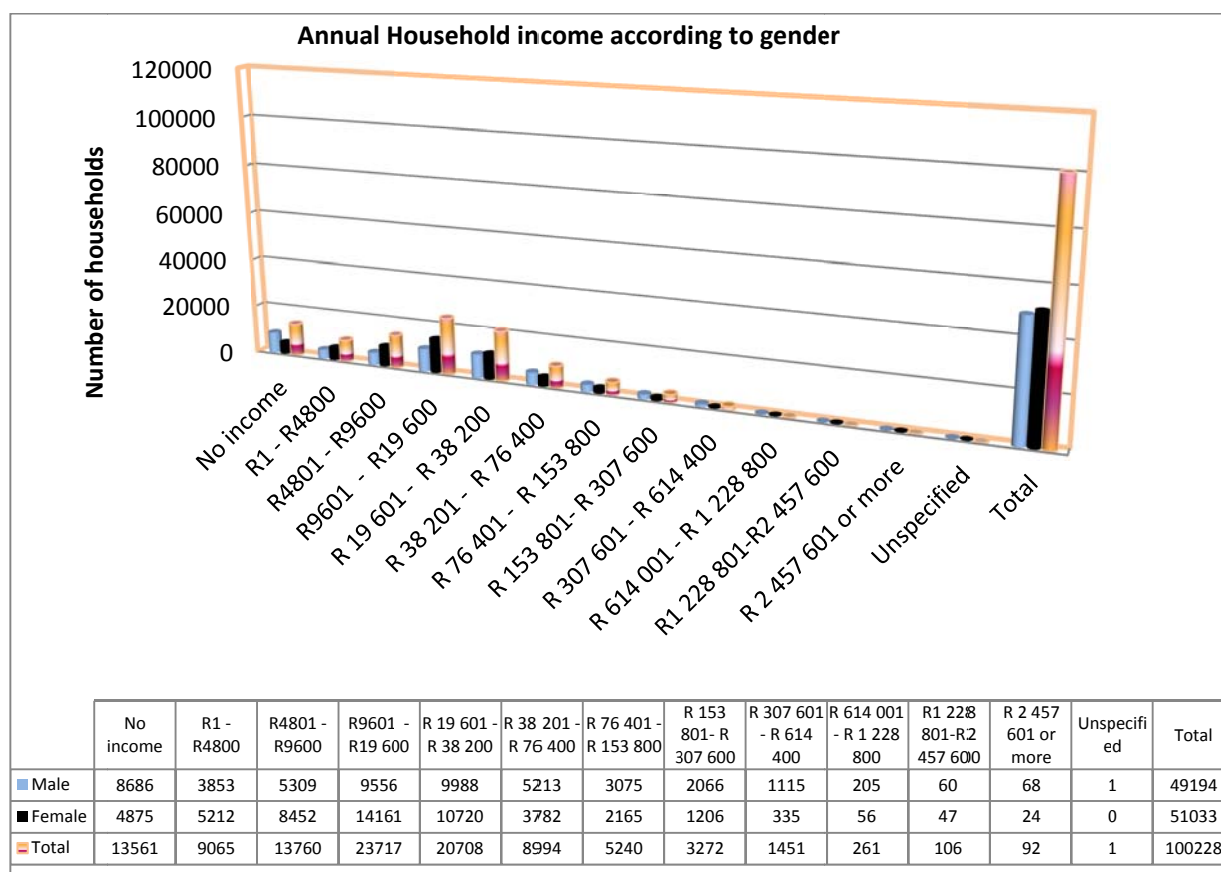
	Male	Female	Unspecified	Total
Employed	19876	12947	-	32823
Unemployed	7281	7519	-	14801
Discouraged work-seeker	3187	3891	-	7077
Other not economically active	18775	26618	-	45392
Age less than 15 years	76	59	-	134
Total	49194	51033	-	100228

Source: Statistics South Africa, Census 2011

Employment status of head of household according to population group

	Black African	Coloured	Indian/ Asian	White	Other	Unspecified	Total
Employed	31416	70	186	1076	76	-	32823
Unemployed	14709	26	12	44	11	-	14801
Discouraged work-seeker	7056	8	-	10	3	-	7077
Other not economically active	44849	59	37	425	22	-	45392
Age less than 15 years	133	-	-	1	-	-	134
Total	98162	162	235	1557	112	-	100228

Source: Statistics South Africa, Census 2011



Source: Statistics South Africa, Census 2011

Relationship to head of household according to population group

	Black African	Coloured	Indian or Asian	White	Other	Total
Head/Acting head	92771	155	236	1524	109	94796
Husband/Wife/Partner	29576	68	159	1019	38	30861
Son/daughter	108827	216	232	1057	38	110370
Adopted Son/Daughter	1148	4	4	7	-	1163
Stepchild	1255	1	2	32	-	1290
Brother/sister	10261	15	19	45	18	10358
Parent Mother/Father	1003	3	3	49	-	1059
Parent-in-law	104	1	7	25	-	136
Grand/Great-Grandchild	55239	76	23	89	10	55437
Son/Daughter-in-law	2751	4	5	26	-	2785
Brother/Sister-in-law	1341	5	8	22	3	1379
Grandmother/Father	186	1	1	1	-	189
Other relative	19833	34	37	100	29	20033
Non-related person	2499	9	19	57	15	2598
Unspecified	-	-	-	-	-	-
Not applicable	3001	90	21	204	14	3330
Total	329795	684	776	4256	273	335784

Source: Statistics South Africa, Census 2011

DISTRIBUTION BY LEVEL OF EDUCATION IN MAP MUNICIPALITY

	Male	Female	Total
Grade 0	6307	6478	12785
Grade 1 / Sub A	6118	6394	12512
Grade 2 / Sub B	5747	6606	12353
Grade 3 / Std 1/ABET 1Kha Ri Gude;SANLI	5686	6508	12194
Grade 4 / Std 2	6463	7753	14216
Grade 5 / Std 3/ABET 2	6435	7395	13829
Grade 6 / Std 4	6954	7783	14737
Grade 7 / Std 5/ ABET 3	7311	8261	15572
Grade 8 / Std 6 / Form 1	9522	10529	20051
Grade 9 / Std 7 / Form 2/ ABET 4	8967	9550	18517
Grade 10 / Std 8 / Form 3	13242	15013	28254
Grade 11 / Std 9 / Form 4	12189	16573	28763
Grade 12 / Std 10 / Form 5	22697	31238	53935
NTC I / N1/ NIC/ V Level 2	206	254	460
NTC II / N2/ NIC/ V Level 3	153	159	312
NTC III /N3/ NIC/ V Level 4	262	285	546
N4 / NTC 4	258	302	560
N5 / NTC 5	249	339	588
N6 / NTC 6	345	429	774
Certificate with less than Grade 12 / Std 10	98	115	212
Diploma with less than Grade 12 / Std 10	154	217	371
Certificate with Grade 12 / Std 10	960	1399	2359
Diploma with Grade 12 / Std 10	1229	1978	3208
Higher Diploma	1085	1696	2781
Post Higher Diploma Masters; Doctoral Diploma	262	278	540
Bachelors Degree	733	851	1584
Bachelors Degree and Post graduate Diploma	402	338	741
Honours degree	405	534	939
Higher Degree Masters / PhD	290	192	482
Other	258	215	473
No schooling	6911	11931	18842
Unspecified	-	-	-
Not applicable	21312	20983	42296

DISTRIBUTION BY LEVEL OF EDUCATION ACCORDING TO POPULATION GROUP

	Black African	Coloured	Indian or Asian	White	Other	Total
Grade 0	12662	16	22	83	2	12785
Grade 1 / Sub A	12401	20	10	76	5	12512
Grade 2 / Sub B	12232	22	12	80	8	12353
Grade 3 / Std 1/ABET 1Kha Ri Gude; SANLI	12096	21	17	55	4	12194
Grade 4 / Std 2	14121	29	19	46	1	14216
Grade 5 / Std 3/ABET 2	13724	21	19	62	2	13829
Grade 6 / Std 4	14633	19	16	67	2	14737
Grade 7 / Std 5/ ABET 3	15422	26	28	77	19	15572
Grade 8 / Std 6 / Form 1	19833	28	35	148	7	20051
Grade 9 / Std 7 / Form 2/ ABET 4	18350	28	22	100	18	18517
Grade 10 / Std 8 / Form 3	27767	43	76	340	28	28254
Grade 11 / Std 9 / Form 4	28512	61	51	115	23	28763
Grade 12 / Std 10 / Form 5	52141	106	242	1377	68	53935
NTC I / N1/ NIC/ V Level 2	448	1	2	9	-	460
NTC II / N2/ NIC/ V Level 3	283	2	-	25	2	312
NTC III /N3/ NIC/ V Level 4	496	-	3	47	-	546
N4 / NTC 4	531	-	1	28	-	560
N5 / NTC 5	571	3	1	12	-	588
N6 / NTC 6	747	-	1	26	-	774
Certificate with less than Grade 12 / Std 10	205	2	-	5	-	212
Diploma with less than Grade 12 / Std 10	349	1	5	16	-	371
Certificate with Grade 12 / Std 10	2275	4	9	64	7	2359

Diploma with Grade 12 / Std 10	2994	12	10	188	4	3208
Higher Diploma	2533	7	18	215	9	2781
Post Higher Diploma Masters; Doctoral Diploma	499	1	2	36	1	540
Bachelors Degree	1392	6	17	168	1	1584
Bachelors Degree and Post graduate Diploma	653	2	3	81	1	741
Honours degree	843	3	3	88	1	939
Higher Degree Masters / PhD	402	-	5	73	1	482
Other	415	2	3	39	13	473
No schooling	18717	31	24	56	15	18842
Unspecified	-	-	-	-	-	-
Not applicable	41549	165	97	455	30	42296
Total	329795	684	776	4256	273	335784

Source: Statistics South Africa, Census 2011

Schooling and level of education within municipal boundaries seem to be fairly balanced. The number of learners / students across levels of education represents a fair balance. This demonstrates consistency at the level of the rolling out of education facilities, infrastructure, focus and attention to detail. National concerns at the level of numeracy and literacy seem to be fairly dealt with in the context of MAP municipality. This successful intervention measure must then translate into comparative advantage for purposes of skills preparation for economic participation.

Distribution by disability in the municipality

	Walking/ Climbing stairs	Remembering /Concentrating	Communication	Seeing	Hearing	Self-Care	Total
No difficulty	275714	265178	281312	240363	272232	265494	1600293
Some difficulty	8562	16258	3698	37728	12001	7876	86123
A lot of difficulty	2947	4852	995	8865	2597	2795	23051
Cannot do at all	741	848	474	548	363	2754	5728
							1715195

Source: Statistics South Africa, Census 2011

Distribution of disability in numbers is 114 902 of the total population within municipality. Although categories of disabilities differ and their nature thereof, municipality must revisit its strategy and plan with regard to disability taking into consideration the numbers of individuals. There is a need to commit to programmes that will enhance the livelihood of differently abled, for instance social amenities that differently abled persons are utilizing must be accommodative of their nature. On developmental programmes the by gender seems to be spread evenly. General levels of health and generic capacity to participate in issues of social, economic and community good are good prospects. Only 5.5% of the MAP municipality is prone to disability. Necessarily this does not have a huge negative impact on social intervention services by SASSA and Social Development / Health Departments to incur large expenditure on.

Tenure status of head of household according to population groups

	Black African	Coloured	Indian or Asian	White	Other	Unspecified	Total
Rented	7465	37	155	564	77	-	8298
Owned but not yet paid off	6922	14	32	373	6	-	7348
Occupied rent-free	16313	25	8	84	2	-	16432
Owned and fully paid off	64487	84	36	504	22	-	65133
Other	2975	2	3	32	4	-	3016
Total	98162	162	235	1557	112	-	100228

Source: Statistics-South Africa, Census 2011

Tenure status of head of household according to gender

	Male	Female	Unspecified	Total
Rented	4691	3608	-	8298
Owned but not yet paid off	3833	3515	-	7348
Occupied rent-free	8472	7960	-	16432
Owned and fully paid off	30581	34552	-	65133
Other	1619	1398	-	3016
Total	49194	51033	-	100228

Source: Statistics-South Africa, Census 2011

Analysis of services provided by MAP
Type of main dwelling

House or brick/concrete block structure on a separate stand or yard or on a farm	260784
Traditional dwelling/hut/structure made of traditional materials	32444
Flat or apartment in a block of flats	1302
Cluster house in complex	261
Townhouse (semi-detached house in a complex)	347
Semi-detached house	802
House/flat/room in backyard	3014
Informal dwelling (shack; in backyard)	9445
Informal dwelling (shack; not in backyard; e.g. in an informal/squatter settlement or on a farm)	17660
Room/flatlet on a property or larger dwelling/servants quarters/granny flat	603
Caravan/tent	71
Other	2257
Unspecified	499
Not applicable	6296
	335785

Source: Statistics-South Africa, Census 2011

Toilet facilities

None	6796
Flush toilet (connected to sewerage system)	98824
Flush toilet (with septic tank)	7820
Chemical toilet	9585
Pit toilet with ventilation (VIP)	52271
Pit toilet without ventilation	149798
Bucket toilet	2144
Other	5900
Unspecified	499
Not applicable	2149
Total	335784

Source: Statistics-South Africa, Census 2011

Policy and practice regarding sanitation provision is outlined in the White Paper on Water Supply & Sanitation Policy. The immediate priority is to provide sanitation services to all, which meets basic health and functional requirements including the protection of the quality of both surface and underground water. Ventilated Improvement Pit toilets (VIP) if constructed to agreed standards and maintained properly provide an appropriate and adequate basic level of sanitation service. RDP targets are such that all inhabitants of the area are empowered to have access to sanitation services, and that the provisions of the services are undertaken within a framework of sound environmental principles. Given that MAP municipality has achieved a 58.4% success in ventilated pit

latrines, attests to the fact that the municipality is adhering to and conforming to generally accepted standards of environmental practice. Notwithstanding the above, a lot still has to be done to provide better state of the art and/or flush toilets connected to a sewerage system for the entire municipality. This remains a challenge to the municipality as planning and allocation of resources has to prioritize on this area of service need. Hygienic conditions and save living environment have informed municipal operations and rolling out of services to its immediate community. Bucket system has primarily been eradicated within urban areas.

Refuse disposal

Removed by local authority/private company once a week	79700
Removed by local authority/private company less often	1473
Communal refuse dump	15671
Own refuse dump	208436
No rubbish disposal	24927
Other	2929
Unspecified	499
Not applicable	2149
	335784

Source: Statistics-South Africa, Census 2011

Not much has transpired since Census 2001 to date. We are observing marginal variances between statistics for 2001 and those of 2007 community survey. This could be premised around the fact that the 2001 Census Statistics showed a relative point of stability in far as this service delivery unit is concerned. There is greater level of community and business awareness about refuse removal, especially owned by the community. Figures in this regard show a stable 56.5% in Census 2001 and 54.8% in 2007 community survey. This signals a functional and successful working municipal strategy to continually remove refuse on a weekly basis. Therefore there is no cause for concern.

There has been a significant drop in the number of owned & fully paid households by tenure status. A drop of 22.5% could be as a result of declining economic conditions, and subsequent migration out of the municipality to Bloemfontein by public sector families. The same argument applies in the case of owned but not yet paid off and rented. The decline could be attributed to the same factors. The economic base has to broaden so that more participation, especially by the youth as they are in the majority, can take place. This becomes urgent more so that growth estimation projects a negative point for both the municipality and province at large.

From the figures above, it is clear that there has been a significant increase in the supply and roll-out of electricity infrastructure to the community of MAP Municipality. This development has led to a drastic drop in the usage of candles for household lighting from 40.1% in 2001 to 16.8 in 2007. The figures further show a 21% increase in the household usage of paraffin for lighting purposes. This paraffin increase must be seen and construed against the backdrop of drastic drop in candle usage (by 40.1%) and sharp increase in electricity usage (by 22.3%), which clearly indicates that overall there has been significant change in the material conditions of community of MAP Municipality. Roll Out and implementation of basic services has been enjoying a positive run.

Energy or fuel for cooking

None	351
Electricity	270697
Gas	10322
Paraffin	23619
Wood	18037
Coal	7617
Animal dung	2060
Solar	367
Other	67
Unspecified	499
Not applicable	2149

Energy or fuel for lighting

None	481
Electricity	300872
Gas	318
Paraffin	2924
Candles (not a valid option)	27889
Solar	653
Unspecified	499
Not applicable	2149
Total	335784

Energy or fuel for heating

None	21353
Electricity	157865
Gas	11280
Paraffin	58208
Wood	42641
Coal	38647
Animal dung	2656
Solar	467
Other	20
Unspecified	499
Not applicable	2149

Source: Statistics-South Africa, Census 2011

Conventional methods of heating are commonly used by people of MAP Municipality since Census 2001 to date (2011). An increase of 36% is realized as more people resort to massive electrification services rolled out by the municipality. This limits the risk of household burns, homestead fires, household furniture burns, etc. Small scale deforestation can also be realized with a reduction in wood usage.

Factors and observations that apply in the case of lighting and heating by using energy / fuel are also applicable under cooking. Under this table, we note a significant growth of 60.5% from the figure of 49.6% in 2001 to 2011. This saves time spent cooking and reduces the risks as mentioned in the cases of lighting and heating. Paraffin usage also yields positive results as there is a sharp drop. Wood, coal and animal dung are also on the decrease in usage for cooking, as this means more scientifically derived methods of preventing unsavoury smoke emissions are applied across the municipality. Electrification of rural areas is prioritised by the municipality.

Source of water per household

Regional/Local water scheme (operated by municipality or other water serves provider)	89317
Borehole	3282
Spring	311
Rain water tank	344
Dam/pool/stagnant water	1346
River/stream	320
Water vendor	694
Water tanker	1609
Other	3004
Not applicable	-
	100227

Source: Statistics-South Africa, Census 2011

Households with access to water

Piped water inside dwelling/yard	85420
Piped water on community stand	10881
No access to piped water	3927
Total	100228

Registered Free Basic Services Beneficiaries per household

Number of household	74 792
Number of indigents beneficiaries	6847
Number of non-indigents beneficiaries	27026

Source: Maluti-A-Phofung Indigent Register

Not all households in Maluti-A-Phofung municipal area have access to water on site and inside the dwelling yet. They make use of communal taps. Some of these taps are located further than 200m, which means women and children need to walk far, each day to fetch water. Communal taps and other water connections (some illegal) are not metered and a lot of water is wasted due to a lack of reporting by the community, thus, it is very difficult for Maluti-A-Phofung Water (Pty) Ltd to collect revenue effectively and make it impossible to apply the indigenous policy of free water in those areas. Maluti –A-Phofung is a Water Service Authority and there have been attempts by the Department of Cooperative Governance and Traditional Affairs to pursue MAP to forge relations with neighbouring local municipalities in order to technically support them with water related issues. This is influenced by the fact that MAP on two consecutive years achieved the Blue and the Green Drop Awards.

The following table reflects the findings as presented in the compilation of Strategic Environmental Management Plan. The state of water balances and management as experienced and reported by the community of Maluti-A-Phofung Municipality area is listed in the table below:

Community experiences of water balance and management, 2007

ISSUE	RURAL QWAQWA & PHUTHADITJHABA	HARRISMITH, SWINBURN, VAN REENEN & INTABAZWE	KESTELL & TLHOLONG
Proper controls needed for extraction volumes from rivers for irrigation Purposes.	Rivers not in use for irrigation purposes - No serious problems	Yes from the Wilge river	Rivers are used but the control measures are proper.
Insufficient water runoff infrastructure leading to flooding of residential areas	All the wards in Qwaqwa	Some of the lower lying areas in Harrismith and Tshiame	No problems
Water accumulate in old quarries near residential areas	No problems	No problems	No problems
Families living in storm water channels	Some informal houses in storm water channels	No problems	No problems
Need for protection of vegetation in natural catchment areas to preserve water and prevent erosion	Entire area	Entire area	Entire area
Stealing of water taps and vandalism of water meters	In some wards	In some wards	In some wards

3. 2. COMMUNITY NEEDS ASSESSMENT FOR THE PRE-ADOPTED REVISED IDP

The following are the needs which were captured during the IDP Road –shows conducted to all the 35 Wards around the Maluti-A-Phofung Municipality. During these community participation sessions, a number of issues were raised by the members of the community. Amongst others were those needs which are the competency of the local government sphere whereas others were the competency of the other two spheres of government. At the level of planning, municipality realized the importance of capturing these needs as per NSDP objectives and critically identifies such needs as per Wards. These made it manageable for the various directorates within the municipality to incorporate the funded needs into their Operational Plans and subsequent action will be to the final recognition to the SBBIP's.

WARD 1	WARD 2	WARD 3	WARD 4
<ul style="list-style-type: none"> • Paving of streets • Resurfacing of streets • Closing of potholes • Rezoning for business sites • Allocation of residential sites • Installation of high mast lights • Maintenance of existing high mast lights • Farm eviction victims • Provision of paved access roads • Storm water channels • Shopping mall • Electricity • Houses • Roads • Recreational facilities • Sites for churches • Sites for human settlement; • Informal settlement • Water - Makholokoeng • Police station Makholokoeng • Speed humps • Upgrading of Sediba Hall • Parks • Speed humps • Street lights • Alleviation of unemployment ; • Home based care sites for the aged; • Solar geysers; • Sites for middle income class; • 	<ul style="list-style-type: none"> • Paving of streets • Upgrading of roads • Re graveling of streets • Building of a clinic • Building of a school • Stormwater channels • Building of RDP houses • Household electrification • Waterborne toilets • Maintenance of high mast lights • Street lights • Crime prevention structures or programmes; • Increase of nurses in clinics; • Upgrading of Matsikeng road; • High mast light in Matsikeng; • Houses for the Aged; • RDP houses in Matsikeng; • Stormwater channels • Job creation programmes • Upgrading of old infrastructure pipes • Additional transformers • Regraveling of roads • Mini Mall next to Excel garage • Golf course revitalisation • Solar geysers • Water payment system be stopped • High mast lights • Steel foot bridge – Matsikeng and Club view 	<ul style="list-style-type: none"> • RDP houses of a high quality • Provision of toilets • Sports facilities • Recreational facilities • Steel foot bridges • Completion of incomplete houses • Schools • Clinic • Hospital • Cemetery • Human settlement sites • Refuse collection • Refuse bins • Job creation • Control of stray animals • Job creation • Solar geysers • Sports ground • Foot bridges • Emergency Services • Sites • Clinic • Social Workers • Street lights • Maintenance and provision of high mast lights 	<ul style="list-style-type: none"> • Outsourcing of parking meters in town • High mast light on the entry of Intabazwe and informal settlement; • Water at Informal settlements; • Refuse removal; • Residential sites • Provision of RDP houses • Upgrading of swimming pool • Houses for Rooiteen community members • Development of Corporatives • Learnerships for artisans • Logistic hub for sustainable employment • Recreational for sports; arts and culture facilities; • Transparency on employment procedures in various projects; • Sports ground • Extension of Naledi hall; • Refuse removal on dumping sites; • Provision of waterborne toilets; • Houses for disabled; • Maintenance of parks

	<ul style="list-style-type: none"> • Community hall – multipurpose centre • Roads to the cemeteries • Recreational facilities • Upgrading of transformers; • Refuse removal. 		
WARD 5	WARD 6	WARD 7	WARD 8
<ul style="list-style-type: none"> • Provision of residential sites • Houses for aged and disabled • Clinic • School • Speed humps • Police station • Maintenance of high mast lights • Visible policing • Revitalisation of Police Forum • Completion of revitalisation of hostel • Provision of refuse bins • Refuse removal • EMS transport for released patients at night • Internship of Occupational training; • Place of safety for disabled; • Learnerships; • Solar lights • Solar geysers • Development of sport clinics; • Revival of tourism in Harrismith • Allocation of site/place for home based care centre; • Support by stakeholders of Community Policy Forum. 	<ul style="list-style-type: none"> • Paving of streets • Resurfacing of streets • Closing of potholes • Rezoning for business sites • Establishment of residential sites • Installation of high mast lights • Maintenance of existing high mast lights • Farm eviction victims • Provision of paved access roads • Storm water channels • Shopping mall • Electricity • Houses • Roads • Recreational facilities • Sites for churches • Water - Makholokoeng • Police station Makholokoeng • Speed humps • Upgrading of streets and roads; • Provision of water in Makholokoeng; • Household electricity; • Sufficient allocation for Disaster budget ; • Schools in Makholokoeng; • Job creation programmes; • Employment processes in EPWP 	<ul style="list-style-type: none"> • Street lights • High mast light • Upgrading of roads • Job creation • Clinic • Satellite police station • Recreational facilities • Provision of water standpipes • Dumping site • Fencing of graveyards • Sewerage spillage and leaks (De Bult) • Illegal connections • Development of SMMEs • RDP houses to the aged and needy • Refuse bins • Permanent jobs • Water stand pipes • Employment procedure • Electricity connections • Lekgalong – RDP houses, lights, Water • Roads and toilets • Grinpal electricity • Full toilets • Cut offs of water and electricity • Dongas dug by contractors • Assistance to cooperatives • Upgrading of recreational and sports facilities • Clinic • Incomplete houses 	<ul style="list-style-type: none"> • Household electrification households • Transformers • Clinic • Sewerage network • Steel foot bridges • Upgrading of roads • Satellite • Toilets • Regraveling of streets; • Investigation of Makgalaneng cemetery (Health Hazard) • Incomplete 100 RDP houses • Roads • Water storm channels • Toilets • Footbridges • Electricity connections • Satellite Police station • Transformers • Clinic • Speed humps • Community Hall for Matebeleng and Makgalaneng

	projects be reviewed; • Social facilities for disabled.		
WARD 9	WARD 10	WARD 11	WARD 12
<ul style="list-style-type: none"> • Steel foot bridges • Provision of roads/ street • Maintenance of roads • Steel foot bridges • Storm water channels • Youth budget for youth programmes • Budget be ward based • Job creation • Community halls • Toilets • Youth programme • Clinic with nurses • High mast light • Sports centre for youth • Crèches • Upgrading and fencing of Kudumane hall • Household electricity • Household stand pipes • Completion of incomplete houses • Skills Development Centre for Youth • Safety and security • Roads • Community Hall • Electricity • Incomplete RDP Houses • Poelong bridge • Police station • Poelong – Namoha foot bridge • Water connections • RDP Houses needed for old aged • Kudumane steel foot bridged; 	<ul style="list-style-type: none"> • RDP houses • Police station • Electricity • High mast lights • Community hall • Upgrading of streets • Paving of roads • Upgrading of access roads • Sport ground • Steel footbridges • Provision of cemeteries • Provision of library • Provision of toilets • Main water pipe for stand pipes • Job creation • Learnerships for grade 12 • Incomplete houses • Increase of nurses • Houses for disabled persons • Employment of disabled • Transport for disabled to attend school/classes • Council office • Crime prevention • Masaleng demarcation problem • Storm water channels • Increase of ambulances • Maintenance of furrow to channel water in Sekhutlong • Electricity house connections • High mast lights • Foot bridges – 	<ul style="list-style-type: none"> • RDP houses • Provision of water • Re graveling of roads • High mast lights • Steel foot bridges • Community hall • Vending stations • Satellite Police station • Upgrading of electricity network • Recreational facilities • Upgrading of internal roads • Provision of storm water channels • Youth development programmes; • Upgrading of a road to Sebatatso roads; • Upgrading of Thokoza road; • Provision of steel foot bridges; • Shelter in Monontsha playground. • Upgrading of reservoir • Small entrance bridge for the aged and disabled • Crime prevention • Pre-school Marallaneng • Storm water channels • Water cut offs • Upgrading of roads • Foot bridge Mantsubise– Poelong • Closure of dongas • Dongas in cemeteries • Electricity- Sehlanjaneng 	<ul style="list-style-type: none"> • Electricity • Steel foot bridges • Upgrading of roads to graveyards • High mast lights • Houses • Upgrading of ground • Community food gardens • Provision of standpipes • Refuse removal • Provision of waterborne system • Provision of water at schools • Provision of Quality houses • Leaking water pipes • Roads needs storm channels • Toilets • Electricity cut offs for 5 days • Roads to cemeteries • Bursting transformer at Thella-Boy • Food bridge in Mojatsohle

	<p>Mafikaditshiu, Masaleng, Tseki to Poelong, Monatisa to Roma, Cemetery to Mphatlalatsane and Sekgutlong</p> <ul style="list-style-type: none"> • Incomplete RDP houses • Pot holes • Upgrading of water pipes • Library • Toilets • Solar geysers • Solar lights • Speed humps • cemetery fencing (old and new grave yards) • Extended services (SASSA and Home Affairs) 		
WARD 13	WARD 14	WARD 15	WARD 16
<ul style="list-style-type: none"> • Upgrading of roads • Electricity • Steel foot bridges • RDP houses • High mast lights • Completion of incomplete houses • Electricity transformers • Upgrading of roads • Provision of houses to child headed families • Crime prevention • Illegal connections • Shortage of water • Maintenance of infrastructure • Job creation • Youth development programmes • Provision of stormwater channels • Water • Toilets • Youth office 	<ul style="list-style-type: none"> • RDP houses • High mast lights • Electricity • Upgrading of roads • Stormwater channel • Sewerage system • Household • Running water on the streets • Crime • Clinic • Mobile clinic • School for disabled • Incomplete installation of electricity • Provision of water and electricity to the disabled • Maintenance of high mast lights • Electrical household connections • Leaking pipe water to 	<ul style="list-style-type: none"> • RDP houses • Orphanage Centre • Stormwater channels • Household electrical connections • Upgrading of roads • Sewer leakages • High mast lights • Maintenance of high mast lights • Community halls • Provision of additional transformers • Job creation • Reopening of firms for job creation • Learnerships • Youth Development programmes • Crime prevention • Adult Basic Education and Training for youth • Further Education and 	<ul style="list-style-type: none"> • Upgrading of roads • Provision of storm water channels • RDP houses for the aged • Upgrading of roads to the clinic • High mast lights • Provision and erection of water standpipes • Electrical house connections • Prevention of stock theft • Satellite police station • Steel foot bridges • Roads to graveyards • Job creation for unemployed youth • Poverty alleviation programmes • Funding and

<ul style="list-style-type: none"> • Refuse removal • Paved road to Thahameso 	<p>Thaba-Bosiu cemetery</p> <ul style="list-style-type: none"> • Electricity – B-Strong area • Foot bridges • Leaking water pipes • Toilets • Sports grounds 	<p>training funding for youth.</p> <ul style="list-style-type: none"> • Council Offices • Upgrading of access roads • Houses for disabled people • Provision of toilets • Completion of incomplete toilets • Bursaries for the needy • Closing od dongas • Provision of electricity • Standpipes • Library • Upgrading of Thibella sports ground • Steel foot bridges • Prevention of stock theft • Visible policing • Mobile satellite police station • Revitalisation of LED projects • Mobile network • SABC Network 	<p>business development for SMMEs</p> <ul style="list-style-type: none"> • Incomplete electrical housing connections • Quality of RDP houses • Establishment and upgrading of access roads • Library • Maintenance of high mast lights • Speed humps • Community hall • Illegal connections • Electricity connections • All roads, to grave yards, schools, clinics be upgraded • Street lights • Electricity connections • Solar geysers • Crime prevention • VIP toilets • Job creation
WARD 17	WARD 18	WARD 19	WARD 20
<ul style="list-style-type: none"> • Completion of RDP Houses (Matoding) • Provision of electricity • Building of RDP houses • Regraveling of roads • Provision of steel foot bridges • High mast lights • Safety of electricity meter boxes in households • Storm water channels • Redirecting of stormwater channels away from Cemeteries • Reduction of high electricity tariffs 	<ul style="list-style-type: none"> • Upgrading of roads • Crime prevention • Upgrading and maintenance of electricity • Provision of electricity (Waterborne system) • Provision of toilets • Community Hall • Community Library • Provision of geysers • Sports of geysers • Sports ground be upgraded • Job creation • Storm water channels • High mast lights 	<ul style="list-style-type: none"> • Upgrading of roads to cemeteries • Upgrading of internal roads • Provision of high mast lights • Youth development programmes • Job creation • Recreational facilities • Sporting facilities • Community Halls • Fair & transparent employment criteria • Provision of water to community • Steel footbridges 	<ul style="list-style-type: none"> • Household electrical connections • Provision of water • Closing of dongas • High mast lights; • Evaluation of RDP houses quality • CCTV for livestock • Construction of roads • Houses for the Aged • Recreational facilities • Community Hall • Paving of an access road • Play grounds

<ul style="list-style-type: none"> • Job creation programmes • Learnerships for Youth • Bursaries for the needy 	<ul style="list-style-type: none"> • Bursary allocations • Increase of doctors at Elizabeth Ross hospital 	<ul style="list-style-type: none"> • Network towers for SABC • Provision of mobile networks tower • Upgrade electrical connections • Crime prevention • Internal paved roads • Electricity house connection (500) • Upgrading of electricity infrastructure • Increase of vending stations (2-) • Provision of standpipes • Upgrading of reservoir • Provision of RDP houses (500) • Fencing cemeteries • Human settlement sites (next to St. John) • Satellite Police station • Grazing veld • Upgrading of dipping of animals • Internship • Upgrading of clinic • Provision of library • Speedy response • Funding for spring water projects and sand stone • Incomplete VIP projects toilets • Proper connections of electricity infrastructure • Maintenance of VIP toilets • Primary school • Tractors for Agri. Projects. • Shopping Center • Electricity • High mast lights 	<ul style="list-style-type: none"> • Upgrading of roads especially for emergency purposes • Crime prevention • Funding for sustainability of SMME projects • Open electric projects be closed for safety • Re-opening of Fika Patso Hotel • Fishery project at Fika Patso • Thaba-Tsoeu School be opened • Tractors to help in farming • Revitalisation of Wood project • Provision of Houses • Revitalisation of tourism • Clinic • Provision of standpipes • High mast lights • School sports ground • Toilets (Waterborne system) • Assistance to farmers • Repairs to houses damaged by contractors' pipes • Proper services to communities
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		<ul style="list-style-type: none"> • Storm water channels • Incomplete RDP houses • Tractors for ploughing • Municipality short term plans • Full toilets • Community request gravel so that they can regaveling the roads themselves • Upgrading of access roads; • Stoppers on water meters; • Vending station in Qoqolosing; • Communal animal kraal 	
WARD 21	WARD 22	WARD 23	WARD 24
<ul style="list-style-type: none"> • Steel foot bridges • Upgrading of access roads to schools • Upgrading of roads • Upgrading of roads to cemeteries • RDP Houses • Electricity cut offs • Job creation • Clinic • Storm water channels • Sewerage at Phomolong to be maintained • Electricity transformer bursting • Upgrading of roads – Marabeng, Rietpan to Thaba Bosiu, Masianokeng, Dinkweng and Setlabocha. • RDP houses for the old aged • Electricity cut offs • Foot bridges • Library • Crime prevention • High mast lights 	<ul style="list-style-type: none"> • Establishment of Trauma Unit in Harrismith hospital • Building of a clinic • Establishment of compound for stray animals • Control of illegal trucks • Job Creation • Illegal vendors • Closing of open space • Land availability/Farms for farming • Land availability for Pre-school in Wilgepark • Youth Centre • Speed humps • Upgrading of drainage system in Wilgepark • Upgrading of water supply infrastructure • Tshiame stadium be opened • Youth Development 	<ul style="list-style-type: none"> • Steel foot bridges • Roads • Electricity • Transformers • RDP Houses • Sports ground • Stormwater channels • Toilets • Electricity • Speed humps • Streets lights • Community hall • High mast lights • Youth developmental programmes • Job creation 	<ul style="list-style-type: none"> • Youth developmental programmes • Learnerships • Completion of incomplete houses • Toilets (Waterborne System) • Vending station • Electricity • Vending stations • Stand pipes • Communal pipes • Upgrading of sports ground • Fencing of cemeteries • Roads to graveyards • Consultation on demarcation • Toilets • Stormwater channels • Electricity cut offs • Create employment • Sewerage • RDP houses • Community hall

maintenance and provision • Sports ground in Matswakeng • Youth employment	programmes • Paved roads • Maintenance of roads/signs • Maintenance of traffic lights • Maintenance of street lights • Maintenance of stormwater • Tree planting in Tshiame • Refurbishment of Harrismith municipality buildings • Street names • Customer care • Website maintenance; • Activation of parking meters; • Signage to public institutions; • Upgrading of roads; • Provision of dustbins.		Sports facilities; • High mast lights ; • Steel foot bridges at Baghdad; • Provision of water at Baghdad.
WARD 25	WARD 26	WARD 27	WARD 28
• Steel foot bridges • Paving of streets • Vending stations • Upgrading of old bridges • Storm water channels • Provision for water • RDP Houses • Upgrading of roads • Leaking street taps • High mast lights • Doctors at clinics • Parks • Sports ground • Learnerships • Crèche • Steel foot bridges • Dongas be closed for safety • Provision of water • Fencing of a sports ground • Clinic • Youth centre • Community work programmes • All roads, to schools, grave	• Electricity cut offs • Electrification of 200 houses • High mast lights • Paved roads • Re-graveling of streets • Water connection for every household • Toilets (waterborne system) • RDP houses (280) • Crime prevention • Visible policing • Community hall • Recreational facilities • Library • Dumping side • Water • Sewerage • Maintenance of high mast lights • Youth employment • Visibility of Social workers	• Regraveling of streets • Youth development • Job creation • Electricity • Upgrading of ageing infrastructure • Maintenance of street lights • Recreational facilities • Maintenance of sewerage drainage • Improvements of old houses (Apollos)	• Provision of 6 steel foot bridges • Provision of waterborne toilets • Provision of water • Upgrading of roads • Regraveling of streets • High mast lights • Play ground • Recreational facilities • Community hall • Clinic, Library • Illegal connections • Provision of electricity • Stormwater channels • Thosane relocation • Maintenance of roads to graveyards • Paving of roads • Sewerage spillage and blockage • Provision of water • Crime prevention • Houses for disabled

yards <ul style="list-style-type: none"> • Solar lights • User friendly roads for people with disability • Electricity connections • Sports grounds • Control of animals (pigs, cattle and chicken) 	<ul style="list-style-type: none"> • Speed humps – ha Setona; • Storm water channels; • Transformers; • Street lights; • Water leakages ; • Satellite Police station; • Houses for the aged; • Houses for disable. 		people <ul style="list-style-type: none"> • Upgrading of access roads
WARD 29	WARD 30	WARD 31	WARD 32
<ul style="list-style-type: none"> • Vending stations • Community hall • High Mast lights • RDP houses • Security and Safety • Job Creation • Paved roads • Steel foot bridges • Provision of water • Upgrading of roads • Electric poles • Illegal connections • Water caused by car wash • Crime prevention – budget for • Electricity connections and foot bridge – Mahlaphong • Industries – Clover, Riffle, Taurus and Highveld to be opened • PMU be not outsourced – be run by employees of the municipality • Sewerage – Mabilela • Transformer breakers fallen down – Mofutsanyana Street • Grounds • Food parcels • Employment procedure for General Workers 	<ul style="list-style-type: none"> • Electricity • Sewerage • Sports ground • Library • High mast light • Police station • Roads • Speed humps needed • Upgrading of roads • Houses • Toilets • Electricity • Farming assistance • Provision of boreholes • Stock theft • Incomplete toilets • Land bought by community • Clinic • PTO (Permission to occupy) • Community Hall • Recreational facilities • Upgrading of roads 	<ul style="list-style-type: none"> • Upgrading of roads • Houses • Toilets • Electricity • Farming assistance • Provision of boreholes • Stock theft • Emergency houses for Disaster • Job creation • Open sewer channels be closed • Revitalisation of Arts and Culture • Cemetery next to strip – an environmental /health hazard • RDP backlogs • Roads maintenance • Clinic • Steel foot bridges • Satellite police station • Recreational facilities • Refurbishment of a tunnel 	<ul style="list-style-type: none"> • Upgrading of access roads, roads to cemeteries • Maintenance and installation of high mast lights • Construction of a substation • Building of schools at Namoha • Eradication of unemployment • Provision of RDPs for the aged • Building of waterborne toilets • Youth Development programmes • Job creation • Standpipes • Bursaries for youth • Provision of street lights • Open access to bursaries; • Creation of short streets or passages; • Refuse removal vehicle • Recheck on work done by contractors • Job creation • Leaking water pipes • Electricity and water connections – Kgabisi • Toilets draining • SMMEs and Cooperatives assistance • Bursaries for youth • Maintenance of street lights

WARD 33	WARD 34	WARD 35	
<ul style="list-style-type: none"> • Upgrading of roads • Maintenance of roads • Provision of electricity • Job creation for youth • Housing • Recreational facilities • Social grants • Prevention of crime • Visibility of SAPS • High mast lights • Provision of steel foot bridges • Clinic • School • Provision of toilets • Electricity tariffs be decreased • Maintenance of sewer networks • Refuse removal at every household; • Community hall • Poverty alleviation • Environmental awareness • Funding for community projects • Maintenance of water meters • Building of a crèche • House numbers • Recreational facilities • Reopening of QwaQwa firms • Learnerships • Employment procedure • Roads and solar geysers Ha-Rankopane • Gravel ha Masekgoane • House numbers repeated • Slovo Park Crèche built in water place • Water storm channels • Electricity connections • Primary school –Section 4 • Police station at Police Quarter master • Assistance to the started Park Project • Foot bridge at Thiboloha • New graveyard 	<ul style="list-style-type: none"> • Upgrading of roads • Storm water channels • New clinic (24hours) • Upgrading of access roads • Maintenance of high mast lights • Provision of RDP houses • Improvement of sewerage pipes • Community hall • Grinpal electricity to be withdrawn • Job creation • Library • Satellite police station • New schools • Grazing veld for animals • Shopping centre • Open spaces to be closed or utilised for community projects. • Post Office • Creation of jobs for youth • Maintenance of leaking water • Increase of refuse removal trucks • Closure of dongas • Solar system to other houses • Sewer network not properly conducted • Electricity cut offs • Upgrading of power stations 	<ul style="list-style-type: none"> • Provision of street lights • High mast lights • RDP houses • Job creation programmes • Community hall • Upgrading of roads • Regraveling of roads • Tarred roads • Roads and stormwater channels • RDP houses • Recreational facilities • Shopping mall/centre • Library • Electricity • Reduction of crime • Provision of steel foot bridges • Visible policing for and against crime • Maintenance of high mast lights • Upgrading of roads to clinic, graveyards • Sekgutlong area not catered for developmental projects • Crime rate is high • Creation of conducive environment • Abuse of state resources by police / SAPS • Provision of waterborne systems • Tenders provision be done fairly 	

<ul style="list-style-type: none"> • Social worker • Houses built in sites of other people • Animals (pigs) in location • Opening of industries; • Roads; • Speed humps; • Network systems for waterborne toilets; • High mast lights; • Steel foot bridges. • Equal distribution of EPWP and CWP opportunities. • Residential sites in Selahluwe. 			
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STRATEGIES

4. STRATEGIC FOCUS

4.1 Vision

By 2020 Maluti-A-Phofung will be technologically advanced and have unlocked the indigenous entrepreneurial spirit of all of her people within an equitable, sustainable, healthy, crime-free and moral society. Based in the most beautiful part of the world, where unemployment and poverty will be unheard of and the rest of the world will discover our unique African cultural heritage.

4.2. Mission

The municipality will strive towards the attainment of the vision through the following mission objectives statements:

- ❖ *Encouraging self-reliance*
- ❖ *Ensuring co-ordination and collaboration of various stakeholders in the delivering of development in an integrated and sustainable manner*
- ❖ *Promoting a healthy and vibrant community with high moral standards*
- ❖ *Unlocking the development potential of the area, particularly tourism and indigenous knowledge and mobilizing investment because of our uniqueness.*
- ❖ *Ensuring that everyone will be active in the economy and utilize technology to our advantage.*
- ❖ *Utilizing our highly skilled workforce and ensuring that literacy and numeracy levels are above average.*
- ❖ *Enabling all communities to have access to basic services and land.*
- ❖ *Ensuring a safe, healthy and secure environment,*
- ❖ *Caring for our disabled and aged to be independent*
- ❖ *Promoting gender equity and developing our youth as our future asset and*
- ❖ *Being an accountable government to its entire people.*

4.3. Developmental Objectives and Priorities

Following an extensive and iterative consultation processes between the elected leaders, municipal administration, communities and stakeholders the municipality has agreed to the following developmental priorities that should be achieved in the next three years. These development priorities are steeped within the overall cluster system of government.

SUSTAINABLE INFRASTRUCTURE AND SERVICES		ECONOMIC DEVELOPMENT AND JOB CREATION
Water	Housing	Agricultural development
Sanitation	Cemeteries	Tourism development
Electricity	Land development	Land reform
Waste management		Industrial development
Roads, streets, storm-water		Skills development
		SMME development

SOCIAL DEVELOPMENT AND COMMUNITY SERVICES	GOOD GOVERNANCE AND PUBLIC PARTICIPATION
Health services Environmental management Education and training Parks , Sports and recreation services Library services Transport	Increased revenue base from rates and taxes Corporate governance Institutional transformation Community-based planning
PUBLIC SAFETY	
Disaster Management Safety and Security Traffic Control Emergency services	

These development priorities are embedded within the 2009 electoral mandates that enjoin municipalities to deal with the following priorities that intersect with local government:

- *Speeding up economic growth and transforming the economy to create decent work and sustainable livelihoods;*
- *Improve the Nation's health profile and skills base and ensure universal access to basic services;*
- *Strengthen our skills and human resources base and ensure universal access to basic services;*
- *Improve the safety of citizens through combating crime and corruption; and*
- *Protect the Poor*

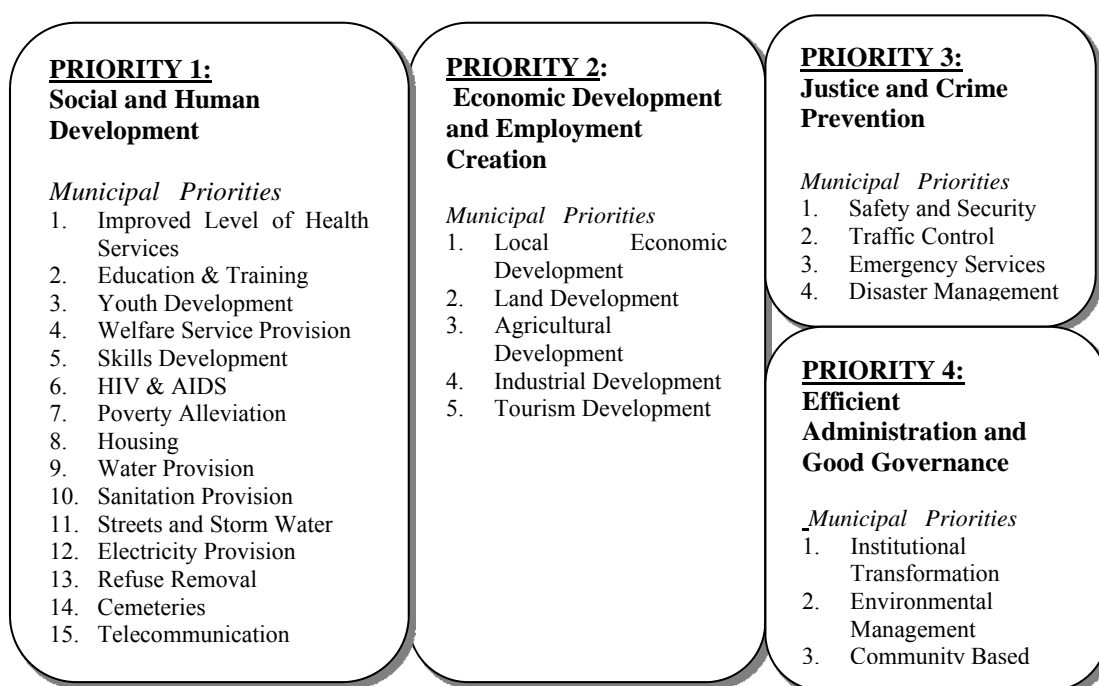
The shift to a New Growth Path requires the creative and collective efforts of all sections of South African society. The NGP framework aims to identify areas where employment creation is possible on a large scale as a result of substantial changes in conditions in South Africa and globally; developing a policy package to facilitate employment creation in these areas, above all through:

- A comprehensive drive to enhance both social equity and competitiveness;
- Systemic changes to mobilise domestic investment around activities that can create sustainable employment; and
- Strong social dialogue to focus all stakeholders on encouraging growth in employment-creating activities It will require leadership and strong governance. The New Growth Path Framework (Vision 2030) has identified the following drivers as the key to boost the country's economy and reduce levels of poverty within communities:
- Substantial public investment in infrastructure both to create employment directly, in construction, operation and maintenance as well as the production of inputs, and indirectly by improving efficiency across the economy.
- Targeting more labour-absorbing activities across the main economic sectors – the agricultural and mining value chains, manufacturing and services.
- Taking advantage of new opportunities in the knowledge and green economies.
- Leveraging social capital in the social economy and the public services.
- Fostering rural development and regional integration.
- In each of these areas, we will have to make a special effort to generate opportunities
- for young people, who face the highest unemployment rate
- In addition, the municipality recognises the pronouncements in The State of Local Government in South Africa issued by the Department of Cooperative Governance and Traditional Affairs (COGTA) in 2009 that highlights persistent service delivery and governance problems afflicting municipalities. These are:
 - Huge service delivery and backlog challenges, e.g. housing, water and sanitation;
 - Poor communication and accountability relationships with communities;
 - Problems with the political and administrative interface;

- Corruption and fraud;
- Poor financial management, e.g. negative audit opinions;
- Number of (violent) service delivery protests;
- Weak civil society formations;
- Intra – and inter-political party issues negatively affecting governance and delivery; and
- Insufficient municipal capacity due to lack of scarce skills.

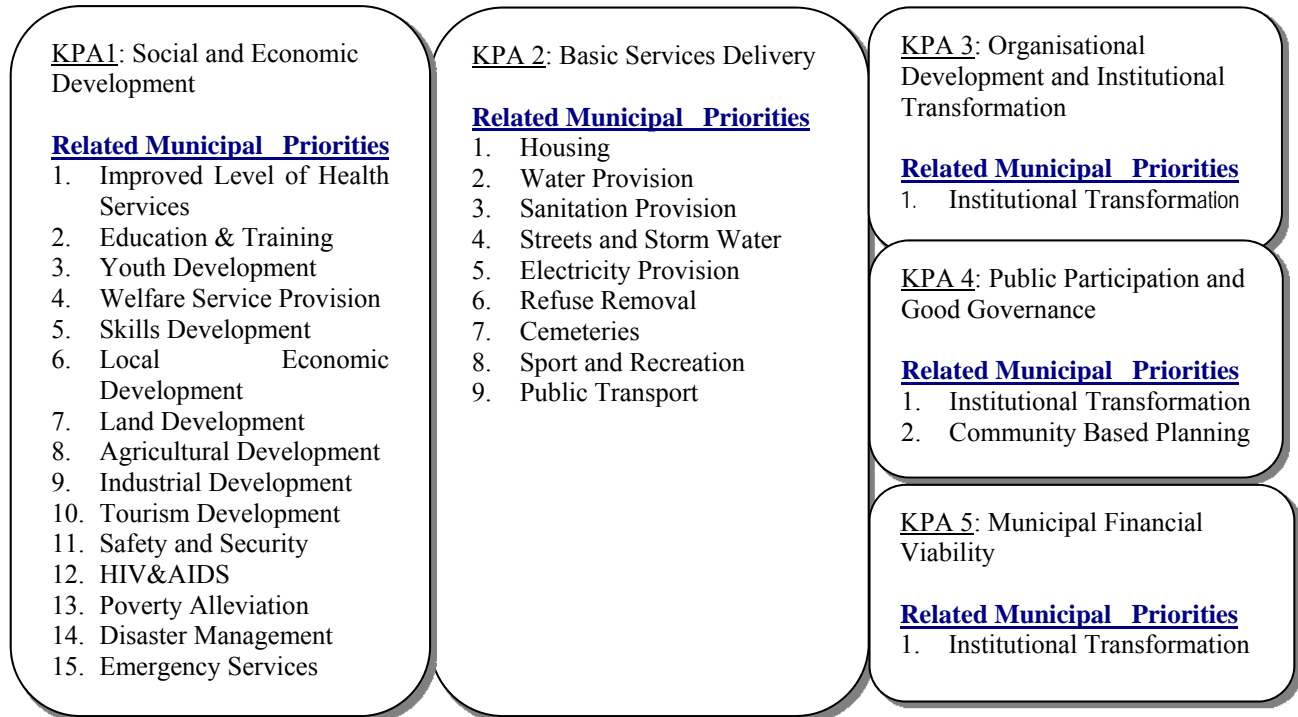
4.4 Municipal Priorities aligned to Free State Growth Development Strategy

The Free State Growth and Development Strategy for 2005/2014 was prepared during 2005 and specific development priorities were identified for the next 9-year development cycle in the province. These priorities were set as guidelines for the Local Municipalities to identify their respective IDP priorities. In order to achieve alignment it was necessary to measure identified IDP priorities against the priorities of the Free State Growth and Development Strategy and the achieved alignment as represented below:



5. Alignment of Priorities with National Key Performance Areas

The Municipal Systems Act provides in Section 38 for the preparation of a Municipal Performance Management System. Section 43 subsequently provides for regulations to determine general key performance indicators. These regulations were recently promulgated (Local Government: Municipal Planning and Performance Regulations, 2001, R.796 GN. 22605). The identified IDP Priorities were measured against the general key performance areas and are represented as follows:



To ensure that development becomes a success and that the well-being of majority of our communities is advanced, Presidency had developed a strategy called National Development Plan 2030. The National Development Plan provides the country vision for overall economic and social development, integrating policies, demographic shifts, and governance and state-capacity issues into a coherent framework. The National Development Plan aims to eliminate poverty and reduce inequality by 2030. South Africa can realise these goals by drawing on the energies of its people, growing an inclusive economy, building capabilities, enhancing the capacity of the state, and promoting leadership and partnerships throughout society. It aims also to address the inequalities of the past in the education sector as it has been found that the quality of school education for most black learners is poor, apartheid spatial divide continues to dominate the landscape and amongst others is the youth development and over and above the legacy of apartheid continues to determine the life opportunities for the vast majority. However, the Presidency after Monitoring and Evaluation Commission, in addressing the challenges reflected in the NDP 2030 strategy outlined priorities which will assist to seek economic synergy within our communities through economic emancipation and independency through the following priorities:

- Raising employment through faster economic growth;
- Improving the quality of education, skills development and innovation and
- Building the capability of the state to play a developmental, transformative role.

Development and economic advancement of Youth in our country is one of the priorities as it is in our municipality. Our Youth Strategic objectives are aligned to what the Minister of Economic Development Honourable Ebrahim Patel signed with Youth as Youth Employment Accord. According to Honourable Minister Ebrahim Patel “*The Accord provides for a comprehensive approach, which includes incentives, commitments and action to address the*

problem from its starting point: inadequate skills formation. It provides for work experience through internships and, most importantly, new jobs for young people. To meet the numerical targets in the Youth Employment Accord, government entities will adjust regulations and tender conditions to bring more young people into infrastructure programmes, the green economy, call centres and other business process services.”

The Government is determined through effective and efficient implementation of National Development Plan 2030 to:-

- Introduce active labour market policies and incentives to grow employment, particularly for young people and in sectors employing relatively low-skilled people.
- Expand public employment programmes to 1 million participants by 2015 and 2 million by 2020. As the number of formal- and informal-sector jobs expands, public work programmes can be scaled down.
- Strengthen primary health-care services and broaden district-based health programmes, such as the community health worker and midwife programmes, and health education.
- Expand welfare services and public employment schemes, enabling the state to service and support poor communities, particularly those with high levels of crime and violence.

5.1. Alignment with Provincial Government Sector Department Strategic Objectives

The legislative mandate compels Municipalities to align their activities, programmes and projects with those of the other two spheres of government. Like other municipalities, Maluti-A-Phofung municipality through Thabo Mofutsanyana District Municipality’s Intergovernmental Relations Forum as required by the Intergovernmental Relations Framework Act, discusses developmental issues to synchronise planning and implementation of such issues. Municipal, provincial and national strategies and budgets need to be aligned and rationalised to support integration, co-ordination, planning and implementation across spheres of government with regard to intergovernmental priorities. It is within this context that this strategic blueprint reflects the anticipated 2014/2015 sector department’s programmes and projects (*please refer to the project list as provided herein that provides an account of the nature of project that varied government departments will be implementing within the municipal area during the MTREF period*).

5.2. Integrated Development Plan Targets for the revised 2014/2015 Cycle

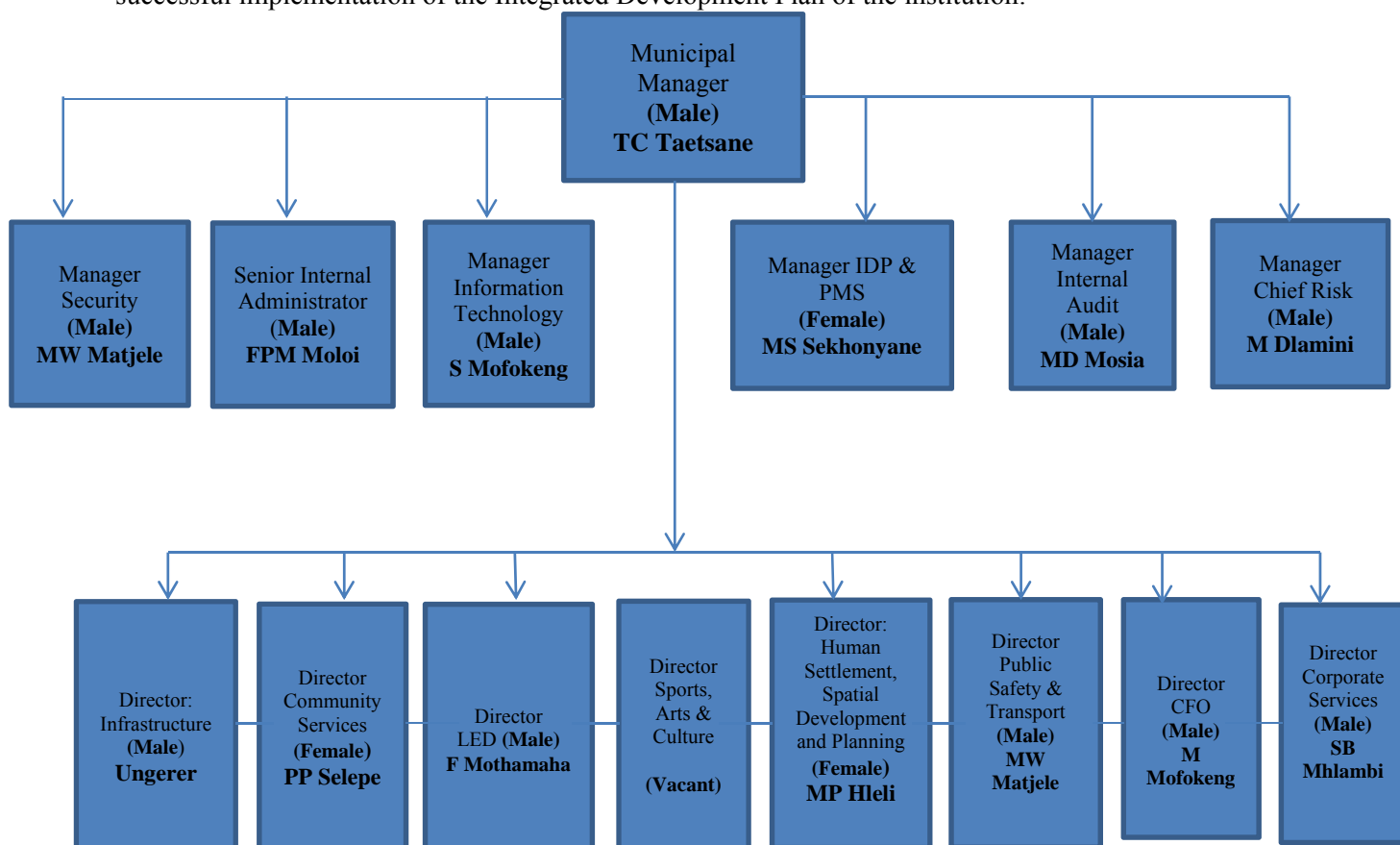
The 2014/2015 five year strategic plan (IDP) of the Maluti-A-Phofung municipality (MAP) has been interpreted as the development instrument for service delivery. This then has been prioritized as the most influential tool that will change the life of the residents around MAP jurisdictional area. Given its significance to development, it has to be re-engineered to the areas where the flaws were identified and be improved to be more credible in nature. For this purpose, targets had to be designed as the core component of the new five year plan and subsequent revised editions. Maluti-A-Phofung municipality has opted to include these targets to the new cycle of the IDP in order to measure performance.

The developments objectives have been designed from the indicated issues/needs identified and represent the possible future scenario, over five years of those issues. After understanding the present situation and setting targets for the future, the municipality has to consider on how to reach those targets. This was done through the development of appropriate strategies and was directly linked to a specific issue and objective. It should however be noted that the underneath targets were holistically drawn in covering the eleven identified clustered developmental issues and not on the individual objectives *per se*.

6. Measuring Strategic Performance

MAP has developed a performance management system to ensure that the IDP is achieved. A detailed account of the said PMS is contained in Chapter 8 on PMS for MAP. Correspondingly, the developed Service Delivery and Budget Implementation Plan (SDBIP) for 2014 /2015 will be used in pursuance of the achievement and success of development priorities and objectives. The primary objectives, indicators, baseline, target and measurement source for each development priority have been developed as part of the IDP process and are included in the sections on development programmes and service plans.

The success of implementation of the vision, mission, strategic and objectives of the municipality depend on the capacity the institution it has. This entails the skills and knowledge of human personnel. It is imperative that the municipality must have an effective political leadership which also has a functional structure. A functional structure is a structure that comprises of positions that are key to core functions of the constitutional mandate of local government, as enshrined in the Constitution. The following is the municipal structure, which enables the successful implementation of the Integrated Development Plan of the institution:



6. DEPARTMENTAL OBJECTIVES AND STRATEGIES

BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT

Priority need : PROVISION OF ELECTRICITY, ROADS, BRIDGES AND STORMWATER DRAINAGES/ CHANNELS	DEVELOPMENTAL STRATEGIES
IDP Objective	
1.To accelerate the delivery of infrastructure services	Development of a pavement management system and construct new roads and bridges and networks. Construction and maintenance of stormwater channels Maintenance and upgrading of existing road
2.To improve electricity distribution within the municipal area	Implement a system of integrated planning for electricity distribution Maintenance of existing electricity infrastructure Upgrade and expand electrical network reticulation Provide and maintain public lighting. Improve customer care service Properly account for electrical consumption Implement free basic electricity. Electricity Revenue Management
3. To ensure the proper and safe utilisation of electricity by communities.	Ensure the proper and safe utilisation of electricity by communities.
4. To manage the restructuring of electricity distribution effectively.	Compile reports to be ready for restructuring.
Priority need : PROVISION OF SANITATION	
5.To provide a basic level of sanitation to all the residents of MAP	Improved planning and management of sewer network Upgrade of sanitation bulk network. Install and upgrade sanitation reticulation network with specific focus to rural.
Priority Need : PROVISION OF POTABLE WATER	Developmental strategies
6.To ensure that residents have access to portable water	Integrated planning for water distribution. Implementation of water network maintenance programme. Expand and upgrade bulk water network. Installation of household water connections with specific focus on rural Implement free basic water
7.To account and manage water distribution	Installation of metered household connections. Increase awareness of proper water utilisation and access to free basic service.

LOCAL ECONOMIC DEVELOPMENT

Priority Need: PROMOTION OF LOCAL ECONOMIC DEVELOPMENT AND TOURISM	Developmental strategies
Objective	
8.To draw new investment to the area	Develop Investment policy. Create incentives for new investments and new entrants to the economy. Attract investors to the area.
9.To expand the agricultural sector in the region	Revive and implement agro processing projects and businesses Support emerging farmers and small-scale farmers
10.To expand the tourism sector in the region	Review tourism sector plan.

	Develop tourism products,
	Training of SMMEs
	Attract tourists to MAP area.
11.To expand the mining and mineral beneficiation sector in the region	Formalise small scale mining companies
	Conduct research for the possibility of the availability of other minerals in the municipality.
12.To expand the manufacturing sector	Support existing companies within the sector
	Establish new companies within the sector
13. To strengthen institutional capacity of SMMEs and increase the number of viable emerging businesses	Conduct capacity building programmes.
	Support Previously Disadvantaged Individual's businesses to develop and expand.
	Develop and maintain facilities that accommodate SMME's.
	Promote buying locally.

BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT

Priority Need: LAND AND SUSTAINABLE HUMAN SETTLEMENTS DEVELOPMENT	Developmental strategies
IDP Objective	
14.To promote and ensure human settlements as opposed to just building of houses	Township establishment and provision of sites.
	Addressing the imbalances and dysfunctionalities in human settlement patterns
	Servicing of sites prior to settlement
15.To manage housing beneficiaries using HSS	Identification of beneficiaries using criteria in waiting list policy
	Verification and processing of information on the system
	Tracking of approvals
16.To establish and maintain housing needs database	Embark on the ward based housing needs survey
	Draw the waiting list from the housing needs database, informed by waiting policy
17.To prevent and eradicate all informal settlements	Upgrading of some of the existing informal and provision of bulk services infrastructure to existing sites, (<i>in situ</i> development).
	Relocate informal dwellers to properly planned areas.
	Application of guidelines on unlawfully occupied land.
18. To develop and review the local human settlements development plan	Prioritize housing development.
	Review of human settlements plan
19. To promote rental housing stock and ensure generally attractive Housing stock	Promotion of integrated communities in MAP
	Effective utilization of space for human settlements
	Inspect all housing projects within the municipality to ensure compliance to the building standards.
	Fully implement building control measures
20.To provide residential erven around Logistic Hub Development	Servicing of sites around the hub
	Selling of stands.
	Considering concessions where necessary for land development
21.To maintain and upgrade municipal properties	Refurbishment of existing municipal properties in MAP
	Routine maintenance of municipal properties
22. To convert non- residential buildings to residential use and promote social housing.	Conversion of hostels to family units
	Provision of community residential units and rental stock on appropriate land
23.To embark on consumer education on Housing policy / National Housing Code and impoundment policy.	Empowering consumers to understand their rights, different types of subsidies and eviction policies.
24. To secure tenure rights for all in MAP	Maximization of discount benefit scheme.
	Formalisation of informal areas
25. To facilitate access to subsistence and commercial farming	Leasing camps and townlands.
	Applying policy on rental and leasing of townlands

	Assessment and selling of some townlands for maximum economic output
26. To manage and improve conditions in commonages and townlands	Provide support services
	Make provision of commonages where they don't exist, for as long as there is a need for such
27. To manage advertisement space monthly	Approval of advertising boards within suitable areas
	Billing of all boards accordingly
	Removal of all illegal boards within municipal land
28. To maintain forward planning	Direct developments to areas of potential
	Expanding the urban fringe to meet the immediate and long term development needs by reviewing the SDF
	Establishing the local tribunal to deal with category A applications, with the intention to create capacity within the municipality to deal with category B applications in the long run
	Acquisition of land establishment of a new township of 30 000 erven in Kestell farms
29. Improve access to land property	Identification of pockets of land for future developments
	Acquisition of land for future use
	Establishment and registration of townships on identified land

BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT

Priority Need : WASTE REMOVAL AND ENVIRONMENT	Developmental strategies
IDP Objective	
30. To improve waste removal service and management of landfill sites	Implement a programme for the disposal of domestic waste and commercial services to industrial and business customers
	Update and maintain waste collection equipment.
	Develop a plan to extend services to rural areas
	Monitor contract with service providers operating Landfill Sites
31. To reduce illegal dumping	Conduct cleanest ward competitions.
	Awareness campaigns and educational programmes for communities.
	Greening of the area in partnership with parks.
	Develop an Integrated Waste Management Policy plan.
	Develop waste management and illegal dumping by-laws.
32. To identify and develop new and existing environmental conservation areas or reserves	Identify environmental sensitive areas to be conserved
	Develop the identified conservation areas with community participation to be tourism oriented.
	Promote greening (green belts) in all town areas to ensure effective urban greening by means of tree planting, landscaping to be maintained as open spaces in future.
33. To manage negative impacts of development activities	EIA's applied in all listed development activities
	Monitor environmental risks in high risks areas
34. To promote compliance to environmental legislation, policies and by-laws.	Development of Air Quality Management Plan
35 To increase awareness, through educating communities about environmental issues, and how to preserve the environment	Provide training on environmental management issues.
	Establish and support environmental conservancies
	Support celebration of environmental calendar days.
36. To control and eradicate alien plants and vegetation	Conduct awareness campaigns on alien plants and vegetation

BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT

Priority Need : EDUCATION, SKILLS AND SUPPORT	Developmental strategies
IDP Objective	
37. To improve people's life skills	Presentation of life skills programs through demonstration, presentations and exhibitions
38. To contribute towards the improvement of education	Provide learning materials to students and learners Conduct awareness campaigns on educational programs
39. To improve access to libraries and functioning of libraries	Conduct awareness campaigns total community of library services Conduct user education to new members Increase membership
40. To ensure that the community have easy access to relevant information	Update library collection according to the needs of the community. Conduct user survey

BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT

Priority Need : SOCIAL DEVELOPMENT	Developmental strategies
IDP Objective	
41. To facilitate provision of social security services	Assess child headed and orphaned families for indigent qualification Assess psycho-social circumstances of non-profit organisation for indigent qualification Attend to pauper burial application
42. To raise awareness with the community on social problems occurring in their specific wards and services rendered.	Awareness campaigns on relevant social problems and services rendered. Participate in national events and life skills Education programmes
43. To reduce the spreading of HIV/AIDS through the Local Aids Council.	Establish and support Information, Education and Communication (IEC) task team, OVC task team and Support Care and Treatment task team. Develop the task teams Action Plans Establish Wards Aids Forums
44. To develop support networks for older persons	Coordinate programmes of relevant stakeholders to ensure that there are no gaps and duplication.
45. To reduce substance abuse through Local Drug Action committee	Develop the Local Drug Action Plan Awareness campaigns/programmes developed on substance abuse
46. To ensure provision of the service	Supervision of staff members to ensure that the service is rendered

BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT

Priority Need : WOMEN, CHILDREN AND PEOPLE WITH DISABILITIES	Developmental strategies
IDP Objective	
47. To raise awareness on the rights of women, children and people living with disabilities	Conduct awareness campaigns on rights of women, children and people living with disabilities
48. To facilitate participation in national events	Participate in national events
49. To facilitate the implementation policies and operational plans	Develop policies on gender, children and disability

BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT

Priority Need : SAFETY AND SECURITY	Developmental strategies
IDP Objective	
50. To create a safe and secured environment	Improve roadworthiness of all vehicles
	Manage stray animals
	Establishment and upgrading of animal pounds
	Awareness campaigns
	Embark on regular awareness campaigns on payment of fines
	Execution of warrant of arrests
51. To protect the existing road infrastructure	Enforce traffic rules and regulations
	Impoundment of trucks contravening road traffic signs and regulations

BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT

Priority Need : FIRE AND DISASTER MANAGEMENT	Developmental strategies
IDP Objective	
52. To improve disaster management capacity at the municipality	Review and implement a Disaster management Plan.
	Training of personnel and future volunteers on Disaster Management.
	Establishment of Fire Protection Associations
	Awareness campaigns for communities on disaster management.
53. To improve Fire services capacity	Compliance of response time in terms of SANS requirements
	Provide professional training to employees
	Provide professional training to external students
	Upgrading of fire training centre
	Conduct fire safety inspections

BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT

Priority Need : TRANSPORT	Developmental strategies
IDP Objective	
54. To increase municipal fleet and equipment	Purchase of required fleet and equipment
	leasing of required fleet and equipment
55. To operate and maintain municipal fleet	Verification of drivers' licenses through <i>e-natis</i>
	Monitoring of service providers for services rendered
56. To improve Municipal Transport capacity	Increase of personnel
	Conduct regular inspections
	Provide in-service training to staff

BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT

Priority Need : SPORTS, RECREATION AND COMMUNITY FACILITIES	Developmental strategies
IDP Objective	
57. To increase access to sport and recreation facilities for all communities	Involve the community to the development of new facilities
	Develop and upgrade the sporting facilities
	Improve accessibility to sport and recreation facilities
	Improve access to sport and recreation facilities for the physically challenged.
58. To introduce new sporting codes	Identify the need for different sporting codes
	Introduce training clinics for different sport codes for children, youth and adults.
	Organise tournaments and competitions to encourage people to participate in competitive sport.
59. To provide new sports equipments	Provision and maintenance of equipments
	Develop and implement a maintenance programme for all sport and

60. To maintain sport and recreation facilities	recreation facilities.
61. To promote arts and culture in MAP	Encourage the development of local arts and craft products.
	Promote performing arts in the region.
	Development of arts & culture centres.
62. To upgrade and maintain grounds even and the developed and undeveloped sports facilities	Upgrading of all sports facilities in Maluti-A-Phofung
	Maintenance and development of developed and undeveloped public open spaces.

BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT

Priority Need : CEMETERIES	Developmental strategies
IDP Objective	
63. To provide and maintain cemeteries	Allocate graves
	Number all graves
	Keep a register of graves
	Monitor exhumation of corpse according to legislation
	Fencing of municipal cemeteries
	Maintenance of cemeteries

GOOD GOVERNANCE AND ADMINISTRATION

Priority Need : YOUTH DEVELOPMENT	Developmental strategies
IDP Objective	
64. To promote youth development in creating a vision for the future.	Promote youth programmes through schools, churches and other community organisations and to assist in the upliftment of the youth
	Develop and promote Youth entrepreneurs programmers
	Ensure full assistance from the Government Departments for funds allocated for youth programmes.
	Conduct ongoing workshops and awareness campaigns including the distribution of youth programme pamphlets etc.
	Revive the youth instinct to survive and be productive with a clear vision for the future.
	Conduct continuous HIV education and programmes with the youth.
	Recreational activities and facilities must be created for the youth to channel energies.
	Establish a youth unit for the entire area including youth committees in all towns.
	Utilise cultural center to provide alternative educational Programmes.
	Link up with national and provincial youth commissions to assist in acquiring funds and providing support for youth programmes
	Promote gender programmes
	Link up with national and provincial gender commissions for supporting gender programmes

GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Priority Need : GOVERNANCE AND ADMINISTRATION	Developmental strategies
IDP Objective	
65. To establish and maintain a well-qualified and competent personnel function/service	Develop an organisational structure for the municipal to execute the IDP
	Implement the disciplinary policy and grievance procedure.
	Manage the recruitment of new personnel.
	Implement the Employment Equity Plan.
	Train personnel according to the Skills Development Plan
	Manage and administer leave system.
	Establish a properly functioning Personnel Administration.
	Implement the new organisational structure
	Ensure the essential service agreements are in place.
	Establish an employee wellness program.

	Manage local labour forum as per organisational rights agreement.
66.To build inter- governmental partnerships between civil society, business community and to encourage responsible citizenship	Improve communication and collaboration between MAP and Community.
	Improve communication and collaboration between other spheres of government.
67.To ensure effective client services	Help desk operational to address client satisfaction.
68.To ensure an effective administration and legal service	Properly manage all contracts of the municipality.
	Compile agendas, and minutes for all Councils Committees and subcommittees
	Support the political offices by rendering auxiliary services
	Implement a new electronic filing system.
	Establish and Development of Legal Library as well as legal precedents
69.To ensure an accountable and performance driven local government	Develop and implement PMS as per legislative requirements
	Prepare annual report in terms of 121 of the MFMA and tabled in Council
	Mid-year report and performance report submitted to Mayor
	Submission of performance report to AG
	Monitor projects undertaken by the municipality by setting performance indicators for each projects
70.To ensure proper coordination and management of IDP and performance review	Develop a process plan detailing roles and responsibilities and outlining a programme of IDP and performance review
	Submission of IDP to Mayor
71.To ensure effective coordination of governance processes and compliance to legislative requirements	Develop a structured calendar of various Council meetings for the financial year under review and systematic community participation programmes
	Create and maintain good relations between Council and other spheres of government, Parastatals and other Stakeholders
72.To encourage communities to participate in the activities of the Municipality	Implement existing Public Participation Programme
73.To win the support of stakeholders	Organising briefing sessions for stakeholders on MAP activities and programmes.
74. To communicate programmes and successes of the municipality.	Embark on communication progress that will promote and communicate services of the municipality.
75. To secure and safeguard municipal data, systems and infrastructure.	Develop and implement ICT policies to ensure compliance with council resolutions, regulations, information act etc.
76.To determine compliance with policies, plans, procedures laws and regulations	Review of processes and procedures in order to align Municipal practices with relevant legislation.
	Evaluating of municipality's compliance with government Employment practices.
	Testing the municipality's compliance with all the applicable contracts
77.To determine communication context and to establish the public mood	Undertaking regular research within the municipality wards to help determine communication context and to provide factual information.
78. To enforce ICT policies and monitor the use of municipal systems.	Implement related policies and tighten the systems securities.
79.Ensuring that positive relations are maintained with the media	Regular interactions with the media and regular media monitoring and analysis to assist in formulating media plan to counter negative media coverage.
80.To standardise computing environment	ICT Hardware Standardisation.
81. To perform IT audit on all municipal IT infrastructure.	Physical verification of the status of IT equipment by using software
82.To improve the maintenance of council facilities	Maintain and upgrade Municipal facilities.
	Improve access to public buildings to enable the physical challenged to participate actively in society
83.To maintain council equipment and fleet in a good working condition	Fleet management system for MAP.
	Implement and monitor the Maintenance Plan
84. To ensure long term planning, knowledge management, and efficient coordination of service delivery.	Implement PMS as per legislative requirements

85. To ensure proper coordination and management of IDP and performance review	Develop a process plan detailing roles and responsibilities and outlining a programme of IDP and performance review
86. To ensure effective coordination of governance processes and compliance to legislative requirements	Develop a structured calendar of various Council meetings for the financial year under review and systematic community participation programmes
	Create and maintain good relations between Council and other spheres of government, Parastatals and other Stakeholders
87. To ensure effective administrative management and coordination of strategic issues by all managers	Introduce, implement and monitor administrative systems that will enhance coordination of the strategic objectives of the Council

MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

Priority Need : INSTITUTIONAL CAPACITY AND DEVELOPMENT	Developmental strategies
IDP Objective	
88. To expand the science and technology sector in the region	Educate users on ICT security issues By use of ICT news (Pamphlets, e-mails, Intranet)
89. To ensure effective administrative management and coordination of strategic issues by all managers	Develop a budget timetable outlining key deadlines for budget deliverables.
	Introduce, implement and monitor administrative systems that will enhance coordination of the strategic objectives of the Council
90. To ensure quality infrastructural development	Enable the development of road network, water reticulation, electricity supply and proper sanitation.
91. To review and appraise the control systems.	Review the adequacy of the system of internal control to ascertain whether the system established provides reasonable assurance that the municipality's objectives and goals will be met efficiently and economically.
	To ascertain the effectiveness of the system of internal control whether is functioning as intended
	Review for quality of performance to ascertain whether the municipality's objectives and goals have been achieved.
92. To implement municipal website as per legislative requirement MFMA.	Update information and maintain the website and intranet.
93. To improve IT Service delivery	Procure software and hardware infrastructure. Appoint and train service desk staff.
94. Maintaining uniform corporate identity	Providing guidance in logo application, branding and uniform identity
95. To manage councils e-mails and account creations.	Ease of administration and will enable the department to enforce IT policy and any other Council's resolutions.
96. To facilitate better communication integration and co-ordination within the municipality	Participation in management, Mayco and Council meetings to ensure that communications unit stay informed of issues and identifying those that needs to be communicated to the staff
97. To ensure consistent communication and better liaison among directorates	Establishment of communication link with each directorate to ensure that Communications Unit is consistently provided with information that will be disseminated to all the staff.
98. To communicate activities, programmes and successes of MAP	Establishment of communication link with each directorate to ensure that Communications Unit is consistently provided with information that will be disseminated to all the staff.
99. To review operations or programs to ascertain whether results are consistent with the established objectives and goals and whether the operations or programs are being carried out as planned.	Determine whether suitable controls have been incorporated into the operations or programs
100. To allow online accounts enquiries, download billing accounts, access to mails from the website	Website revamp
101. To protect data during power failures.	Upgrade existing UPS infrastructure
102. To have up to date information on a well-developed website	Proving updated and accurate information

103. To have business and data recovery point and to start from when after disaster has struck	Develop interim DRP and BCP in line with related policies
104. Maintaining uniform corporate identity	Providing guidance in logo application, branding and uniform identity.
105. To win the support of stakeholders	Organising briefing sessions for stakeholders on MAP activities and programmes.
106. To communicate programmes and successes of the municipality.	Embark on communication progress that will promote and communicate services of the municipality.
107. To determine communication context and to establish the public mood	Undertaking regular research within the municipality wards to help determine communication context and to provide factual information.
108. To facilitate better communication integration and co-ordination within the municipality	Participation in management, Mayco and Council meetings to ensure that communications unit stay informed of issues and identifying those that needs to be communicated to the staff
109. To ensure consistent communication and better liaison among directorates	Establishment of communication link with each directorate to ensure that Communications Unit is consistently provided with information that will be disseminated to all the staff.
110. To communicate activities, programmes and successes of MAP	Establishment of communication link with each directorate to ensure that Communications Unit is consistently provided with information that will be disseminated to all the staff.
111. Ensuring that positive relations are maintained with the media	Regular interactions with the media and regular media monitoring and analysis to assist in formulating media plan to counter negative media coverage.
112. To review the means of safeguarding assets and as appropriate verify the existence of such assets.	Policies relating to the management of assets
	Physical verification of assets
	Overall management of assets
113. To ensure that the records are kept in a safe place	Procurement of fire proof cabinets
114. To render an effective and efficient record management systems to Council	Compliance with the Archive Act
115. To administer the booking and cleaning of Council building and halls	Administration of bookings and cleaning of Council buildings and halls
116. To provide Council and Mayoral Committee with administrative support	Provide support on meetings
117. To recruit competent employees in order for the municipality to achieve its IDP objectives	Appointment of competent and qualified staff
118. To capacitate all employees of the necessary skills	Provide training to all the employees
119. To conduct a holistic employer / employee relations training	Provide employee-employer Labour relations training
120. To ensure that the records are kept in a safe place	Procurement of fire proof cabinets
121. To render an effective and efficient record management systems to Council	Compliance with the Archive Act
122. To administer the booking and cleaning of Council building and halls	Administration of bookings and cleaning of Council buildings and halls
123. To provide Council and Mayoral Committee with administrative support	Provide support on meetings
124. To recruit competent employees in order for the municipality to achieve its IDP objectives	Appointment of competent and qualified staff
125. To capacitate all employees of the necessary skills	Provide training to all the employees

MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

Priority Need : FINANCIAL ACCOUNTABILITY & CLEAN AUDIT	Developmental strategies
IDP Objective	
126. To enhance revenue collection	Review the reliability of existing pay points and provide adequate cashier services to maximise collection of billed revenue Installation of new electricity and water meters

	Proper management of valuation roll (supplementary)
	Regular follow ups (reminders, disconnections) on outstanding debtors
	Monitoring of debtors classification
	Correct and accurate billing of accounts
	Implementation of new valuation roll for the whole Maluti a Phofung except rural area
	Review and updating of the indigent register to ensure that the indigent grant is used for the intended purpose
	Accurate and timely billing of services as well to enhance revenue base
127. To ensure proper budgetary processes and related matters are adhered to.	Timeously compilation of budget
	Ensuring effective cash flow management system to meet liabilities
	Monitoring of income and expenditure to be in line with the approved budget
	In year and quarterly reporting to council and government institutions timeously.
128. To ensure goods and services are procured from registered service providers at the right time, place and quality	Develop records management system and safe keeping of all service providers related information
129. To manage expenditure in accordance with the budget	Develop proper procedures of handling incoming invoices
130. To ensure the safeguarding and proper recording of asset	Ensure that GRAP compliant asset register is compiled and maintained
	Regular updating of loans and investments on the financial system
	Ensure that new assets are updated on the portfolio
	All claims are submitted
131. Recording and reporting on all financial matters	Annual financial statements to be submitted to council, auditor general and government institutions by due date
	Ensure that external audit queries (including outstanding queries from prior years) and the management letter are dealt with satisfactorily.
	To ensure compliance with VAT Legislation
	Continues reviews and evaluation of accounting practices
	To ensure accurate financial information and reports to management, Council and third parties
132. Establish a proper accounting system	Establish an internal audit system
	Proper credit control.
	Invoice customers for services rendered.
	Increase collection of rates and write off uncollectible debts.
	Review and implementation of indigent policy.
	Review of valuation roll for Municipality
133. To properly manage assets and investments of council	Compile and update asset register.
	Insure assets of Municipality.
	Manage insurance claims
134. To ensure internal controls through effective internal auditing and accounting	Develop internal control systems, auditing charter and accounting plan for effective accounting
135. To monitor risk management process.	Evaluating and improving the adequacy and effectiveness of risk management, control and governance processes.
	Ensuring that management has planned and designed risk management, control and governance processes to ensure municipality's goals are achieved efficiently and economically.
	To ensure accurate financial information and reports to management, Council and third parties.
	Auditing of municipality's financial statements.
	Evaluation of the internal controls over a computerized accounting system.
	Active and continuous support and involvement in the risk management process such as participation on oversight committees, monitoring activities and status report.
136. To review the means of safeguarding assets and as appropriate verify the existence of such assets.	Policies relating to the management of assets
	Physical verification of assets
	Ensuring an accounting of assets in the records
	Overall management of assets
137. To appraise the effective, economical and efficient use of resources.	Determine whether operating standards have been established for measuring and maintaining economy and efficiency of operations
	Ensure operating standards are understood and being met.
	Deviations from operating standards are identified, analysed, and communicated to those responsible for corrective action.
138. To ensure the reliability and integrity of financial and operating information	Continues reviews and evaluation of accounting practices
	Ascertain the reliability of management data

	To ensure accurate financial information and reports to management, Council and third parties
	Auditing of municipality's financial statements.
	Evaluation of the internal controls over a computerized accounting system
	Evaluation of the content and timing of reports for management and Council.
139. To monitor risk management process.	Evaluating and improving the adequacy and effectiveness of risk management, control and governance processes
	Ensuring that management has planned and designed risk management, control and governance processes to ensure municipality's goals are achieved efficiently and economically
	Auditing of municipality's financial statements.
	To ensure accurate financial information and reports to management, Council and third parties.
	Evaluation of the internal controls over a computerized accounting system.
	Evaluation of the content and timing of reports for management and Council.
	Active and continuous support and involvement in the risk management process such as participation on oversight committees, monitoring activities and status report.

PROJECTS

The word "PROJECTS" is rendered in a large, bold, 3D font. Each letter is a different color, following a rainbow spectrum: P (magenta), R (red), O (orange), J (yellow), E (light green), C (dark green), T (blue), and S (purple). The letters are slightly tilted and cast a long, grey, textured shadow onto the surface below them.

PROJECTS FROM MIG GRANT	ANNUAL ALLOCATION 2014/2015	ANNUAL ALLOCATION 2014/2016	ANNUAL ALLOCATION 2014/2017
MAKHOLOKWENG SEWER	1 023 548.01	-	-
PMU ESTABLISHMENT	5 772 029.00	6 118 926.34	6 200 000.00
H/SMITH WASTE WATER TREATMENT WORKS	18 038 594.91	1 439 603.00	-
QWA QWA RURAL PAVED ROADS	9 197 226.43	9 038 578.55	-
INTABAZWE EXT 3 ROADS PHASE 1	265 507.75	-	-
FENCING AND INFRASTRUCTURE CEMETRIES	-	4 880 610.70	-
INTABAZWE PAVED ROADS PHASE 2	499 574.21	-	-
FENCING INFRA CEMETRIES PHASE 1B	6 000 000.00	-	-
NEW INDOOR SPORT & RECREATIONAL FACI	1 423 347.55	-	-
SEDIBA HALL	2 608 030.08	-	-
HIGHMAST LIGHTS MAP	10 789 734.08	2 128 102.10	-
MANDELA PARK SEWER	5 582 145.49	-	-
KESTELL/TLHOLONG WATER TOTAL SOLUTION	4 058 081.06	-	-
MAKHOLOKWENG RESERVOIR	621 512.51	-	-
PHASE 3 WATER QWAQWA	14 945 601.64	1 405 546.30	-
INTABAZWE SPORTS FACILITIES	17 902 028.01	-	-
PHASE 10 TO VIP TOILETS	1 934 762.40	-	-
PHASE 11 VIP TOILETS	22 346 086.86	28 047 000.00	22 034 000.00
QWAQWA RURAL : WATER NETWORK PHASE 3 (B)	10 953 212.50	12 503 607.48	-
QWAQWA RURAL : WATER NETWORK PHASE 3 (C)	10 973 469.92	16 441 533.12	10 000 000.00
MAP PHUTHAS : PAVING OF ROADS PHASE 3	6 309 456.61	9 557 043.39	-
KESTELL (THLOLONG) ; NEW PAVED ROADS PHASE 5	6 320 341.71	12 679 658.29	-
DISASTER PARK : PAVING OF 4.5KM ROADS - PHASE 3	5 732 709.27	11 383 790.73	-
TAXI RANK IN PHUTHADITJHABA	1 000 000.00	15 000 000.00	-
TAXI RANK IN INTABAZWE	750 000.00	12 000 000.00	-
BLUEGUMBOSCH STADIUM	1 000 000.00	16 000 000.00	4 000 000.00
QWAQWA CONSTRUCTION OF VIP TOILETS PHASE 12	-	-	40 000 000.00
QWAQWA RURAL ROADS	-	-	20 000 000.00
PHUTHAS WATER SERVICES FOR NETWORK EXT. PHASE 4	-	-	40 000 000.00
PLATBERG STADIUM	-	-	23 800 000.00
TOTAL PROJECTS FROM MIG GRANT	166 047 000.00	158 624 000.00	166 034 000.00

PROJECTS FROM OTHER SOURCE OF FUNDING	ANNUAL ALLOCATION 2014/2015	ANNUAL ALLOCATION 2014/2016	ANNUAL ALLOCATION 2014/2017
MAP WATER SCHEME STERKFontein_(DWAF)	24 896 000.00	32 600 000.00	55 000 000.00
DWAF REFURBISHMENT - FIKA PATSO	6 000 000.00	-	-
DME ELECTRIFICATION INFRASTRUCTURE	17 000 000.00	25 000 000.00	25 000 000.00
EPWPI GRANT	4 866 000.00	-	-
RURAL HOUSEHOLD INFRASTRUCTURE GRANT	4 500 000.00	5 000 000.00	-
SCHOONPLATZ-HUMAN SETTLEMENTS	30 000 000.00	35 000 000.00	27 000 000.00
PROJECTS FROM OWN SOURCE	ANNUAL ALLOCATION 2014/2015	ANNUAL ALLOCATION 2014/2016	ANNUAL ALLOCATION 2014/2017
MAKHOLOKWENG WATER NETWORKS	3 000 000.00	-	-
TURFontein/MAKENENG PAVED ROAD	6 000 000.00	-	-
FOOTBRIDGES TLHOLONG	4 000 000.00	-	-
SEWER NETWORKS, PHUTHA HARRISMITH	7 000 000.00	-	-
HIGH VOLTAGE LINES W HARRISMITH	8 000 000.00	-	-
FENCING OF CEMETRIES	2 000 000.00	-	-
MALUTI CONTRACTOR DEVELOPMENT PROGRAMME	20 000 000.00	-	-
TOTAL PROJECTS FROM OWN FUNDS	50 000 000.00	-	-
CAPITAL FIXED ASSETS	5 000 000.00		
TOTAL CAPITAL PROJECTS	308 309 000.00	256 224 000.00	273 034 000.00

Description	Amount allocated for 2014/2015	Amount allocated for 2015/2016	Amount allocated for 2016/2017
CAPITAL GRANTS	R'000		
Integrated National Electrification Programme (Municipal) Grant	17 000.00	25 000.00	25 000.00
Expanded Public Works Programme Incentive grant for Municipalities	4 866.00	-	-
Dwa-Fika Patso Grant	6 000.00	-	-
Rural Household Infrastructure Grant	4 500.00	5 000.00	-
Schoonplatz - Human Settlement	30 000.00	35 000.00	27 000.00
Regional Bulk Infrastructure Grant (Indirect Grant)	24 896.00	32 600.00	55 000.00
Municipal Infrastructure Grant	166 047.00	158 624.00	166 034.00
Total National Grants	253 309.00	256 224.00	273 034.00
External funds			
Capital Fixed Assets	5 000.00	-	-
Own funds allocation	50 000.00	-	-
Total Capital Grants	308 309.00	256 224.00	273 034.00

	SECTOR DEPARTMENT FUNDING				
Project Name	Project Total Cost	2014/2015	2015/2016	2016/2017	Targeted number of jobs
Public Roads and Transport					
Harrismith Logistic Hub	R 300 000 000.00	R 10 000 000.00	R 10 000 000.00		
Qwaqwa-Route 4	R 25 000 000.00	R 250 000 000.00	R 20 000 000.00	R 20 000 000	350
Monontsha Border Post	R 200 000 000.00	R 10 000 000.00	R 20 000 000.00	R 20 000 000	140
Roads Hlasela Programme	R 50 000 000.00	R 5 000 000.00	R 10 000 000.00	R 13 302 000	0
Public Works: EPWP Unit					
Cemetery Maintenance Programme					50
Economic Development, Tourism and Environmental Affairs (DEA)					
Sterkfontein Reserve		R 17 000 000.00	0	0	
Tshiame security fence		R 10 000 000.00			
Human Settlement					
Free State Villages		R 4 500 000.00	R 5 000 000.00		
Education					
Ablution Facilities for Naka P/S					
Ablution Facilities for Sebatatso I/S					
Ablution Facilities for Mapeka I/S					
Ablution Facilities for Mosiuwa Lekota S/S					

INTEGRATION

9. SECTOR PLANS

During this phase the Municipality made sure that the project proposals are in line with the strategies and Objectives and correlate with the initial needs and issues of the communities as identified during the analysis phase. It also dealt with various integrated programmes which are explained below.

9.1. MUNICIPALITY FINANCIAL PLAN

The preparation of the draft annual budget for the 2014/2015 financial year shall be informed by the following:

- Annual IDP of the Municipality,
- Actual results for 2012/2013 financial year,
- Approved budget 2013/2014
- Expected results for 2014/2015 financial year
- The departmental operational plans to be prepared by the various Heads of the Departments.

The percentage increase in operating expenditure will at all times be limited to the level of increase in operating income. It must also be noted that the final percentage increases per group and department may vary based on the following considerations:

- Review of past performance,
- Expected changes in the macro-economic environment, and
- Community priorities.

The guideline growth limits are only for self-generated revenue sources. It excludes the increased national allocations provided for the purpose of expanding infrastructure and providing basic services to more households.

An annual budget set out certain service delivery levels and associated financial implications. Therefore the community should realistically expect to receive these promised service delivery levels and understand the associated financial implications. Major under-spending due to under collection of revenue or poor planning is a clear example of a budget that is not credible and unrealistic. Furthermore, annual budgets tabled for consultation at least 90 days prior to the start of the budget year should already be credible and fairly close to the final approved budget.

The above forms the basis for the preparation of the annual budget and continuous reference needs therefore to be made to it. Departments are encouraged to pay particular attention to the following when finalising their annual budget documentation:

- Improving the alignment between the IDP, operational plans, and expected service delivery milestones and targets,
- Optimizing the inclusion of new priorities within baseline allocations through reprioritization, and
- Ensuring the affordability of revised medium-term plans which require an increase to baseline allocations.
- National and Provincial priorities and to be included when preparing the budgets
- Money be allocated to from Low priority programmes to High priority programmes

The effects of the economic challenges experienced over the past years still linger and continue to place pressure on the community at large which results in difficulties for the municipality in terms revenue collection and this also impact on service delivery.

Despite this pressure on available resources, the 2014/15 budget give s priority to setting aside the financial means to build on the foundations that have been laid thus far in terms of providing service to and raising the living standards of the poorest individuals and communities at large. In line with National Government's focus on poverty alleviation, the budget is designed to extend further the Municipality's already extensive packages of services and financial relief measures for indigent communities, while still maintaining appropriate levels of service delivery to the community

Revenue estimates should be realistic, as the operating expenditure budget will be funded by the total revenue budget. It should also be reiterated that the council may not budget for a deficit and the budget should be fully funded

The guidelines for growth parameters for the budget process for 2014/2015 - 2016/2017 shall be limited to 6%, to be able to provide services and fulfil its responsibilities, the Municipality will have to obtain additional revenue from tariff increases on the various services provided.

The needs of the community, the ability of the community to pay for the services provided to them and the growth rate allowed by National Treasury should be taken into account when Council considers the annual increase in tariffs and the average effect thereof on consumer accounts. National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as practically possible therefore they recommend that any increase in excess of the 6 per cent upper boundary of the South African Reserve Bank's inflation target needs to be justified.

When finalizing the 2014/2015 to 2016/2017 budgets the following is taken into account:

- The estimated actual income for the 2013/2014 financial year (based on the July to February income figures).
- An estimated natural growth rate of 1% in services (electricity, waste removal) and a growth rate of 1% (resulting from supplementary valuation roll) on assessment rates on the estimated actual income for the 2013/2014 financial year.
- An average increase of 5% in tariffs.(aggregate)

Although an overall aggregate tariff increase of 5.5% will be maintained when drafting the guidelines for the 2014/2015 to 2016/2017 budget, it must be noted that a different percentage increase may be considered for each service, as long as it results in an overall tariff increase of not more than 5.5% for the Municipality except for electricity which controlled by National Electricity Regulator of South Africa or it were more than 5.5% is used it is justified. This will assist in determining the most acceptable and affordable scenario for the residents and ratepayers of the Maluti-A-Phofung.

The Municipality revenue quantum is determined by setting a package of tariffs which are not only affordable to its ratepayers and the users of its services, but deemed to be fair and realistic levels when viewed in context of its programmes to assist those who do not have the means to pay.

Maluti-A-Phofung municipality strategy is built around the following key components:

- National Treasury's guidelines and macro-economic policy;
- Projected Municipality growth and continued economic development;
- Realistic revenue management, which provides for the achieving of the collection rate target;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Setting of trading services' user charges at levels which are reflective of these services' cost recovering nature;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- The municipality's indigent policies to assist the poor and rendering of free basic services; and
- Tariff policies.

The following growth limits have been published by the National Treasury and it shall form the basis of increase in the tariff and related expenditure which should range between 5.5 to 6.2 per cent. (N.B. The 2016/17 actual is an estimate by NT)

Fiscal year	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Headline CPI Inflation	5.6%	5.7%	6.2%	5.9%	5.5%

CONSOLIDATED OVERVIEW OF THE 2014/15 MTREF

FS194 Maluti-a-Phofung - Table A4 Consolidated Budgeted Financial Performance (revenue and expenditure)

Description	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand									
Revenue By Source									
Property rates	132 112	172 028	164 553	204 500	204 500	204 500	204 500	214 725	225 461
Property rates - penalties & collection charges									
Service charges - electricity revenue	148 778	230 917	366 000	350 000	102 000	102 000	400 000	400 000	400 000
Service charges - water revenue	13 134	39 125	45 850	49 000	49 000	49 000	70 500	74 025	77 726
Service charges - sanitation revenue	34 261	39 614	20 150	25 000	25 000	25 000	33 000	34 650	36 383
Service charges - refuse revenue	18 881	20 899	19 266	20 000	20 000	20 000	25 000	26 250	27 563
Service charges - other	33 414	39 071	33 924	45 393	53 925	53 925	56 621	59 452	62 425
Rental of facilities and equipment	313	922	1 550	1 250	1 545	1 545	1 621	1 702	1 787
Interest earned - external investments	7 568	2 018	2 424	1 800	1 800	1 800	2 000	2 100	2 205
Interest earned - outstanding debtors	24 361	30 614	17 127	22 940	25 000	25 000	30 000	31 500	33 075
Dividends received			-		-	-			
Fines	465	5 011	3 051	3 200	3 200	3 200	3 500	3 675	3 859
Licences and permits					-	-			
Agency services									
Transfers recognised - operational	241 803	394 024	425 760	449 210	449 210	449 210	491 688	548 465	556 613
Other revenue	3 466	15 670	444 783	417 600	192 358	192 358	82 399	57 769	48 158
Gains on disposal of PPE									
Total Revenue (excluding capital transfers and contributions)	658 554	989 914	1 544 438	1 589 893	1 127 538	1 127 538	1 400 830	1 454 314	1 475 254
Expenditure By Type									
Employee related costs	231 450	297 857	274 398	323 756	321 239	321 239	351 445	370 521	390 655
Remuneration of councillors	17 508	17 659	24 671	24 000	21 000	21 000	22 100	23 205	24 365
Debt impairment	62 105	98 388	66 594	55 000	11 600	11 600	15 000	15 750	16 538
Depreciation & asset impairment	287 715	311 276	300 000	350 000	150 000	150 000	150 000	171 500	158 600
Finance charges	5 066	8 419	16 000	8 000	3 000	3 000	6 000	6 300	6 615
Bulk purchases	218 411	325 829	310 524	311 466	97 298	97 298	368 474	369 731	371 072
Other materials									
Contracted services	72 187	44 447	104 435	105 000	105 450	105 450	65 000	67 150	69 408
Transfers and grants	-	-	77 723	80 000	80 000	80 000	88 500	89 500	88 200
Other expenditure	143 857	996 195	410 800	332 671	337 951	337 951	329 310	340 500	349 791
Loss on disposal of PPE									
Total Expenditure	1 038 298	2 100 071	1 585 146	1 589 893	1 127 538	1 127 538	1 395 830	1 454 156	1 475 243
Surplus/(Deficit)	(379 744)	(1 110 157)	(40 708)	0	(0)	(0)	5 000	157	11
Transfers recognised - capital	279 968	294 380	297 568	269 133	289 258	289 258	253 309	256 224	273 034
Contributions recognised - capital	-	-	-	-	-	-	-	-	-
Contributed assets									
Surplus/(Deficit) after capital transfers & contributions	(99 776)	(815 777)	256 860	269 133	289 258	289 258	258 309	256 381	273 045
Taxation									
Surplus/(Deficit) after taxation	(99 776)	(815 777)	256 860	269 133	289 258	289 258	258 309	256 381	273 045
Attributable to minorities									
Surplus/(Deficit) attributable to municipality	(99 776)	(815 777)	256 860	269 133	289 258	289 258	258 309	256 381	273 045
Share of surplus/ (deficit) of associate									
Surplus/(Deficit) for the year	(99 776)	(815 777)	256 860	269 133	289 258	289 258	258 309	256 381	273 045

9.1.2. FINANCIAL OVERVIEW OF THE CONSOLIDATED ANNUAL BUDGET

9.1.2.1 TOTAL CONSOLIDATED OPERATING ANNUAL BUDGET

The projected annual revenue amounts to R1, 400, 829 billion for the 2014/15 financial year, which represents an increase of R 273,292 thousands which is (24%) more the approved budget for 2013/14. For the 2015/16 and 2016/17 financial years the annual budgeted revenue amounts to R1 454,829 billion which represents an increase of R53,484 million (4%) and R1 475,254 billion which represents an increase of R20,941 million (1%) respectively. In total the consolidated annual operating expenditure budget for the 2014/15 financial year amounts to R1,395, 829 billion, which represents an increase of R268, 292 thousands (24%) more than the approved budget for 2013/14. For the 2015/2016 and 2016/17 financial years the proposed annual operating expenditure budgets amounts are R1,454,157 billion and R1,475,243 billion respectively, which represent increase of R58,328 (4%) and R21,086 million (1%) for the two outer years.

The capital budget of R308, 309 million for 2014/2015 is 30 per cent less when compared to the 2013/2014 Adjustment budget. The reduction is due to the external loan that we were supposed to get from DBSA which the Municipality is not going to receive anymore as compared to the 2013/2014. The capital programme decreases to R256, 224 million which is 17 per cent less when compared to 2015/2016 and increased to R273, 034 million which represents 7 per cent increase when compared to 2016/2017. A substantial portion of the capital budget will be funded from the capital grants and the balance will be funded from internally generated funds. This internal funding project depends on the municipality collections the capital budgets remains relatively flat over medium term.

The table below is a consolidated overview of the proposed 2014/15 Medium –term Revenue and Expenditure Framework:

Description	Audit Actuals 2012/2013	Adjustment Budget 2013/2014	MTREF		
			Budget Year 2014/2015	Budget Year +1 2015/2016	Budget Year +2 2016/2017
	R'000	R'000	R'000	R'000	R'000
Revenue	858 051	1 127 538	1 400 829	1 454 313	1 475 254
Expenditure	1 350 152	1 127 538	1 395 829	1 454 157	1 475 243
Surplus/Deficit	(492 101)	-	5 000	156	11
Total Capital Expenditure	364 658	438 258	288 309	256 224	273 034

9.1.2.3 PROPERTY RATES

The proposed revenue for **ASSESSMENT RATES** has increased by 0% from the Adjustment budgets of 2013/2014 and this revenue estimates excluding the rebate (Income forgone) of R615 million. This source of revenue constitutes 15% of the total proposed revenue and it forms core of the municipality revenue base, no tariff increase on assessment rates.

9.1.2.4. ELECTRICITY REVENUE

The estimate for **ELECTRICITY REVENUE** has increased by 75% from the Adjustment budget. This source of revenue constitutes 29% of the total operating revenue. The electricity revenue decreased massively and was adjusted as such because of the Rural maintenance that took over on the 1st of September 2013. Owing to the high increases in Eskom's bulk tariffs, it is clearly not possible to fund all these necessary upgrades through increases in the municipality electricity tariff since the resultant tariff increase would be unaffordable for the consumers, however the municipality has invested on new revenue management system to reduce the losses by installation of smart meters on the household's and Automatic Meter Reading System (AMR) for all the businesses and residential.

PROPOSED TARIFF SETTING

Detailed Proposed tariffs for the 2014/2015 financial year are attached to the budget document on Annexure 3, however the summary of the proposed increase is as follows:

Table 5 summary of proposed tariffs

Description	Average Increase
Rates and Taxes	0%
Electricity	7.36%
Refuse	5%
Water	5.5%
General Tariffs	5%
Community Services	5%
Cemetery	5%
Advertising	5%
Sanitation	5%

9.1.2.5. REFUSE REMOVAL REVENUE

The estimates for **REFUSE REMOVAL** are increased by 25% from the Adjustment budget and the increase is attributed by tariff increase. This source of revenue constitutes 2% of our proposed revenue.

9.1.2.6. Rates and Taxes Tariff

There is not proposed increase on the Property Rates tariff for 2014/2015 financial year the following tariff will apply:

Property rates Comparison

The table below is a consolidated overview of the proposed 2014/15 Medium –term Revenue and Expenditure Framework:

Percentage growth in revenue by main revenue Source

	Past performance		Current Year		Medium Term Revenue & Expenditure Framework					
Description	Audit Actuals 2012/2013	%	Adjustment Budget 2013/2014	%	Budget Year 2014/2015	%	Budget Year +1 2015/2016	%	Budget Year +2 2016/2017	%
	R'000	%	R'000	%	R'000	%	R'000	%	R'000	%
Rates & Taxes	164 553	11%	204 500	18%	204 500	15%	214 725	15%	225 461	15%
Electricity	366 000	24%	102 000	9%	400 000	29%	400 000	28%	400 000	27%
Refuse removal	19 266	1%	20 000	2%	25 000	2%	26 250	2%	27 563	0
Grants & Subsidies	348 037	23%	369 210	33%	403 188	29%	458 965	32%	468 412	32%
Interest earned - external investments	2 424	0%	1 800	0%	2 000	0%	2 100	0%	2 205	0%
Interest earned - outstanding debtors	17 127	1%	25 000	2%	30 000	2%	31 500	2%	33 075	2%
Other Income	449 384	29%	13 313	1%	12 520	1%	13 146	1%	13 804	1%
Income from Old Debt	-	0%	183 790	16%	75 000	5%	50 000	3%	40 000	3%
Income received by the Municipality on behalf of the Entity for Services	33 924	2%	74 000	7%	103 500	7%	108 675	7%	114 109	8%
Water	45 850	3%	35 299	3%	37 064	3%	38 917	3%	40 863	3%
Sanitation	20 150	1%	18 626	2%	19 557	1%	20 535	1%	21 562	1%
Grants & Subsidies (Entity)	77 723	5%	80 000	7%	88 500	6%	89 500	6%	88 200	6%
TOTAL OPERATING REVENUE	1 544 438	100%	1 127 538	100%	1 400 829	100%	1 454 313	100%	1 475 254	100%

PROPERTY RATES AND TAXES TARIFFS		2014/2015 PROPOSED				
	APPROVED 2013/2014	Rate per Rand	Rebate %	Rebate Value per Rand	Rate Payable per Rand	Tariff Codes
RESIDENTIAL PROPERTY						
Market value (developed)	0.0076	0.3802	98%	0.3726	0.0076	VA0001
Market value (undeveloped)	0.0380	0.3802	90%	0.3422	0.0380	VA0002
Old Age / Pensioners / Indigent	0.0000	0.3802	100%	0.3802	0.0000	VA0003
(Rebate on first R65 000 of market value is granted)						
(20% rebate will be granted on the full payment made in full before 30 September 2013)						
Residential, Business, Agricultural, Industrial, shopping malls and complexes and public service infrastructure will be granted 5% rebate if their paying their accounts before the due date which is the 7th of every month)						
BUSINESS						
Market value (developed)	0.0380	0.7604	95%	0.7224	0.0380	VA0004
Market value (undeveloped)	0.0760	0.7604	90%	0.6844	0.0760	VA0005
STATE OWNED PROPERTY						
Market value (developed)	0.0851	0.0951	11%	0.0100	0.0851	VA0024
Market value (undeveloped)	0.0851	0.0951	11%	0.0100	0.0851	VA0025
The rebate of (1c) one cents shall be given on for rates and taxes for government properties						

National Treasury's MFMA Circular No.51 deals inter alia with the implementation of Municipal Property Rates Act, with the regulations issued by the Department of Co-operative Governance. These regulations came into effect on the 1 July 2009 and prescribe the rate ration for the non-residential categories, public services infrastructure and agricultural properties relative to residential properties to be 0, 25:1. The implementation of these regulations was done in the past budgets processes. The following stipulations in the Property Rates Policy are highlighted:

The first R80 000 of the market value of a property used for residential purposes is excluded from rate-able value in addition to this 5% rebate will be granted to rate payers who will pay their rates account before the due date which is the 7th of every month 100 per cent rebate will be granted to registered indigents, Old age and state pensioners in terms of Indigent Policy. 100 per cent rebate will be granted to registered non- profit organisation

9.1.2.7 Sale of Water and Impact of Tariff Increases

South Africa faces similar challenges with regard to water supply as it did with electricity, since demand growth out-strips supply. The municipality is in a process of reviewing the current water tariff structure to ensure that water tariffs structures are cost reflective by 2016 and also to ensure that:

- Water tariffs are fully cost – reflective – including the cost of maintenance and renewal of purification plants, water networks and the cost associated with reticulation expansion;
- Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent); and

- Water tariffs are designed to encourage efficient and sustainable consumption.

Comparison between current water charge and increase

WATER SERVICE	APPROVED RATES 2013/2014	PROPOSED % INCREASE	PROPOSED RATES 2014/2015
Tariff 1	R		R
MAP AREA - DOMESTIC USERS OLD AGE HOMES, HOSTELS AND FLATS			
0-6 kl - free basic water	6.12	5.5%	6.46
7-12 kl	7.48	5.5%	7.89
13-25 kl	7.71	5.5%	8.13
26-40 kl	7.92	5.5%	8.36
41kl and upwards	8.89	5.5%	9.38
0-6 kl non inc municipal area, Plots & Farms	5.00	5.5%	5.28

9.1.2.8. Sanitation and impact of tariffs increases

A tariff increase of 5 per cent for sanitation from 1 July 2014 is proposed. This is based on the input cost assumptions related to water. The following factors also contribute to the proposed tariff increase:

- Sanitation charges are calculated according to the percentage water discharged as indicated in the table below;
- Free sanitation (100 per cent subsidy) will be applicable to registered indigents; and
- The total revenue expected to be generated from rendering this service amounts to R19.5 million for the 2014/2015 financial year.

The following table compares the current and approved tariffs:

Comparison between current Sanitation charge and increase

DOMESTIC - BASIC CHARGE PER STAND	Current Tariffs 2013/14	Proposed Tariffs 2014/15	Increase	Percentage Increase
Harrismith & Kestell: Domestic, Flats, Old age & Hostels	113.47	119.15	5.67	5%
Intabazwe	68.38	71.79	3.42	5%
Tshiamo A	47.09	49.45	2.35	5%
Tshiamo B shared connections	53.53	56.21	2.68	5%
Qwa Qwa area	92.36	96.98	4.62	5%
Tlholong	41.39	43.46	2.07	5%

9.1.2.9. Electricity and impact of tariff increase

NERSA's guideline is 7.36 per cent increase in the Eskom bulk electricity tariff which will come into effect as from 01 July 2014

The municipality has made an application to NERSA in regard to stepped tariff structure which needs to be implemented as from 01 July 2014 the effect thereof will be that the higher the

consumption, the higher the cost per kWh. The implementation will be effected upon the approval by NERSA until then the municipality will maintain current tariff structure.

The following table compares the current and approved tariffs

Comparison between current Electricity charge and increase

Tariff A, Houses, Flat, Old Ages Homes, Church Offices, Charity Organisations, Schools, Sports Grounds, Clubs, Agriculture Societies		Current Tariffs 2013/14	Proposed Tariffs 2014/15	Increase	Percentage Increase
Normal meter-per kWh(single phase) summer tariff	0-50kWh)	0.76	0.82	0.06	7.36%
	(51-350kWh)	1.01	1.08	0.07	7.36%
	(351-600kWh)	1.33	1.43	0.10	7.36%
	(>600kWh)	1.38	1.48	0.10	7.36%
Normal meter-per kWh(single phase) Winter tariff	0-50kWh)	0.8005	0.86	0.06	7.36%
	(51-350kWh)	1.12	1.20	0.08	7.36%
	(351-600kWh)	1.39	1.49	0.10	7.36%
	(>600kWh)	1.39	1.49	0.10	7.36%
Normal meter-per kWh(Three phase) summer tariff	0-50kWh)	0.76	0.82	0.06	7.36%
	(51-350kWh)	1.01	1.08	0.07	7.36%
	(351-600kWh)	1.33	1.43	0.10	7.36%
	(>600kWh)	1.38	1.48	0.10	7.36%
Normal meter-per kWh(Three phase) winter tariff	0-50kWh)	0.8005	0.86	0.06	7.36%
	(51-350kWh)	1.12	1.20	0.08	7.36%
	(351-600kWh)	1.39	1.49	0.10	7.36%
	(>600kWh)	1.39	1.49	0.10	7.36%

9.1.2.10. Waste management and impact of tariff increases

Currently solid waste removal is operating at a deficit. It is widely accepted that the rendering of this service should at least break even, which is currently not the case. The Municipality will have to implement a solid waste strategy to ensure that this service can be rendered in a sustainable manner over the medium to long-term. The main contributors to this deficit are repairs and maintenance on vehicles, increases in general expenditure such as petrol and diesel and the cost of remuneration. Considering the deficit, the municipality is doing a comprehensive investigation into the cost structure of solid waste function and that this includes investigating alternative service delivery models. The outcomes of this investigation will be incorporated into the next planning cycle. A 5 per cent increase in the waste removal tariff is proposed from 1 July 2014

Table Comparison between current Refuse removal charge and increase

	Tariffs 2013/14	Tariffs 2014/15		
<u>Residential:</u>	Per month for one refuse removal per week		Increase	Percentage Increase
Lands, Flats, Churches, Halls,	61.99	65.09	3.10	5%
Harrismith Town Plot dwellings	71.83	75.42	3.59	5%
Phuthaditjhaba	71.83	75.42	3.59	5%
Kestell	71.83	75.42	3.59	5%
Tlholong	71.83	75.42	3.59	5%
Intabazwe	71.83	75.42	3.59	5%
Tshame	71.83	75.42	3.59	5%
Departmental	71.83	75.42	3.59	5%
including businesses	256.33	269.14	12.82	5%

SOCIAL PACKAGE

The following social package will be provided during 2014/2015 financial year.

Service charges	Residents	Indigent
Electricity	50kWh per month	50kWh per month
Water	6kl per month	6kl per month
Refuse removal	0	100%
Sanitation	0	100%
Assessment rates	(Rebate on first R80 000 of	100%
Assessment rates	5% will be granted on the full	
Assessment rates	(20% rebate will be granted on	

It is proposed that the Free Basic Electricity (50kWh) be provided only to registered indigents within the municipality

Household bills

FS194 Maluti-a-Phofung - Supporting Table SA14 Household bills

Description	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework			
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15 % incr.	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Rand/cent										
Monthly Account for Household - 'Middle Income Range'										
Rates and services charges:										
Property rates	266 809.00		266 809.00	274 813.27	274 813.27	274 813.27	5.0%	288 553.93	302 981.63	318 130.71
Electricity: Basic levy	104.93		140.21	144.42	144.42	144.42	5.0%	151.64	159.22	167.18
Electricity: Consumption	395 927.24		461 726.00	475 577.78	475 577.78	475 577.78	5.0%	499 356.67	524 324.50	550 540.73
Water: Basic levy				-	-	-	5.0%	-	-	-
Water: Consumption	1 519 226.59		1 691 047.50	1 741 778.93	1 741 778.93	1 741 778.93	5.0%	1 828 867.87	1 920 311.26	2 016 326.83
Sanitation	21 410.00		24 054.00	24 775.62	24 775.62	24 775.62	5.0%	26 014.40	27 315.12	28 680.88
Refuse removal	19 444.00		21 845.25	22 500.61	22 500.61	22 500.61	5.0%	23 625.64	24 806.92	26 047.27
Other										
sub-total	2 222 921.76	-	2 465 621.96	2 539 590.62	2 539 590.62	2 539 590.62	5.0%	2 666 570.15	2 799 898.66	2 939 893.59
VAT on Services										
Total large household bill:	2 222 921.76	-	2 465 621.96	2 539 590.62	2 539 590.62	2 539 590.62	5.0%	2 666 570.15	2 799 898.66	2 939 893.59
% increase/decrease		(100.0%)	-	3.0%	-	-		5.0%	5.0%	5.0%
Monthly Account for Household - 'Affordable Range'										
Rates and services charges:										
Property rates	98 000.00		110 540.00	113 856.20	113 856.20	113 856.20	5.0%	119 549.01	125 526.46	131 802.78
Electricity: Basic levy	104.93		140.21	144.42	144.42	144.42	5.0%	151.64	159.22	167.18
Electricity: Consumption	160 234.97		186 864.28	192 470.21	192 470.21	192 470.21	5.0%	202 093.72	212 198.40	222 808.32
Water: Basic levy				-	-	-	5.0%	-	-	-
Water: Consumption	137 220.26		160 702.27	165 523.34	165 523.34	165 523.34	5.0%	173 799.51	182 489.48	191 613.95
Sanitation	1 745.00		1 840.98	1 896.21	1 896.21	1 896.21	5.0%	1 991.02	2 090.57	2 195.10
Refuse removal	1 640.00		1 722.00	1 773.66	1 773.66	1 773.66	5.0%	1 862.34	1 955.46	2 053.23
Other										
sub-total	398 945.16	-	461 809.74	475 664.03	475 664.03	475 664.03	5.0%	499 447.23	524 419.60	550 640.58
VAT on Services										
Total small household bill:	398 945.16	-	461 809.74	475 664.03	475 664.03	475 664.03	5.0%	499 447.23	524 419.60	550 640.58
% increase/decrease		(100.0%)	-	3.0%	-	-		5.0%	5.0%	5.0%
Monthly Account for Household - 'Indigent'										
Household receiving free basic services										
Rates and services charges:										
Property rates	322 228.32		322 228.32	331 895.17	331 895.17	331 895.17	5.0%	348 489.93	365 914.42	384 210.15
Electricity: Basic levy	104.93		140.21	144.42	144.42	144.42	5.0%	151.64	159.22	167.18
Electricity: Consumption	67 003.81		78 139.16	80 483.33	80 483.33	80 483.33	5.0%	84 507.50	88 732.88	93 169.52
Water: Basic levy				-	-	-	5.0%	-	-	-
Water: Consumption	492 847.17		548 587.01	565 044.62	565 044.62	565 044.62	5.0%	593 296.85	622 961.69	654 109.78
Sanitation	373.00		391.65	403.40	403.40	403.40	5.0%	423.57	444.75	466.99
Refuse removal	396.00		415.80	428.27	428.27	428.27	5.0%	449.69	472.17	495.78
Other										
sub-total	882 953.23	-	949 902.15	978 399.21	978 399.21	978 399.21	5.0%	1 027 319.18	1 078 685.13	1 132 619.39
VAT on Services										
Total small household bill:	882 953.23	-	949 902.15	978 399.21	978 399.21	978 399.21	5.0%	1 027 319.18	1 078 685.13	1 132 619.39
% increase/decrease		(100.0%)	-	3.0%	-	-		5.0%	5.0%	5.0%

OPERATING EXPENDITURE BY TYPE

The expenditure section of the operating budget outlines out all the operating expenses and cash outflows to both internal and external sources. In order to facilitate accountability departments must budget for all expenditure necessary for the performance of their respective functions. However, departments are required to address only the expenditure items directly manageable by the relevant department. The zero-based types of analysis where all activities are open to in-depth review and

scrutiny during the budget process provides an opportunity for the reallocation of resources to important priorities and avoid continuous growth in the budgeted expenditure of low priorities.

The expenditure budget consists of operational service delivery items and provides, *inter alia*, for the following:

Operating Expenditure by Standard classification item

Description	Audit Actuals 2012/2013	Adjustment Budget 2013/2014	Budget Year 2014/2015	% in relation to 2014/15 budget year	Budget Year +1 2015/2016	Budget Year +2 2016/2017
	R'000	R'000	R'000		R'000	R'000
Employee related costs	259 219	321 239	351 445	25%	370 522	390 655
Remuneration of Councillors	19 420	21 000	22 100	2%	23 205	24 365
Debt impairment	56 209	11 600	15 000	1%	15 750	16 538
Depreciation	298 367	150 000	150 000	11%	171 500	158 600
Repairs and maintenance	92 749	134 683	100 424	7%	99 074	95 072
Finance charges	9 303	3 000	6 000	0%	6 300	6 615
Bulk purchases	358 359	97 298	368 474	26%	369 731	371 072
Contracted services	93 249	105 450	65 000	5%	67 150	69 407
Grants and subsidies paid	77 747	80 000	88 500	6%	89 500	88 200
General expenses	85 530	203 268	228 886	16%	241 425	254 719
TOTAL OPERATING EXPENDITURE BY TYPE	1 350 152	1 127 538	1 395 829	100%	1 454 157	1 475 243

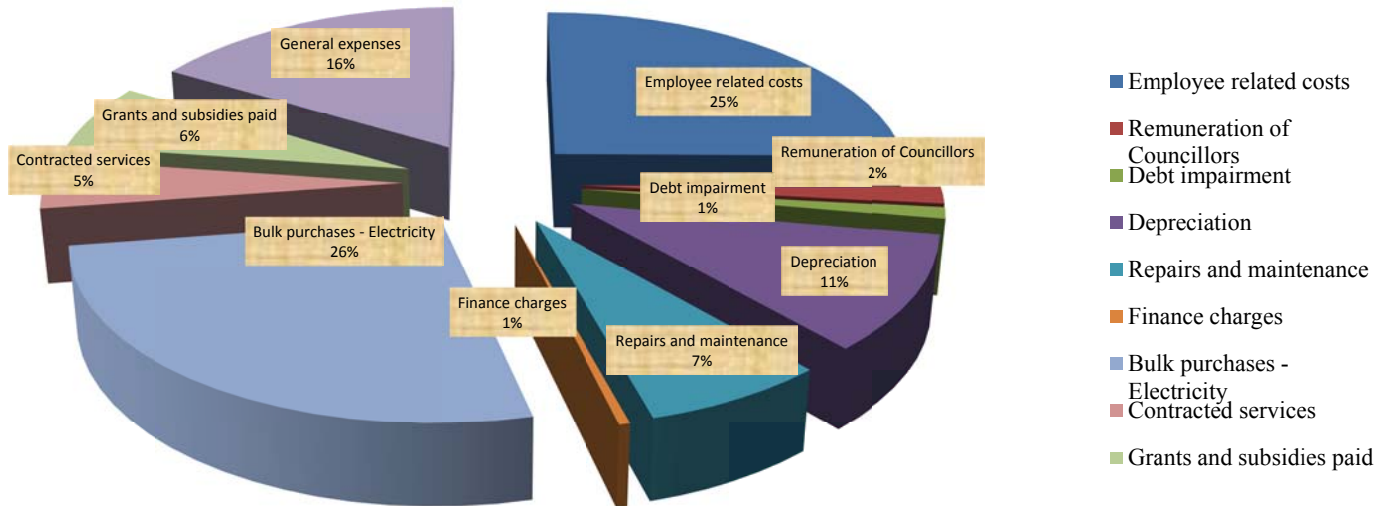
9.1.2.11. Employee Related Cost and Remuneration by Councillors

The allocation for employee related cost for 2014/15 amount to R351 million which equals to 25 per cent of the total operating expenditure, and R22 million for remuneration of Councillors allowances which constitutes 2% of the total operating expenditure. The increase in employee related costs is mainly due to the provision of salary increase in the next financial year (2014/15) which is based on 7% that must still be confirmed by the Bargaining Council.

The following table gives a breakdown of the main expenditure categories for the 2014/2015 financial year:

Expenditure by type

Budget Year 2014/2015



Operating Expenditure By Vote

Expenditure By Vote	Actual 12/13	Adjustment Budget 2013/2014	Budget Year 2014/2015	% in relation to 14/15 budget	Budget Year +1 2015/2016	Budget Year +2 2016/2017
Legislative Auth	42 967 800	54 724 679	50 698 066	4%	53 232 970	55 894 618
Office of MM	28 499 725	36 022 531	28 529 193	2%	29 955 653	31 453 436
Corporate Service	31 500 685	28 871 166	32 393 839	2%	34 013 531	35 714 208
Financial Service	665 573 974	414 186 324	400 495 996	29%	431 082 096	425 388 850
Municipal Infras	502 421 769	326 305 075	575 042 595	41%	585 194 724	595 854 461
Community Serv	11 016 180	9 543 800	12 131 019	1%	12 737 570	13 374 448
Public Safety	105 630 030	43 455 621	48 722 939	3%	51 159 086	53 717 040
Sports,Parks	28 444 700	34 953 823	40 123 015	3%	42 129 166	44 235 624
LED & Tourism	9 283 242	14 250 914	22 091 300	2%	23 195 865	24 355 659
Spatial,Housing	46 590 471	31 298 980	40 480 503	3%	42 504 528	44 629 755
MAP Water	113 247 000	133 925 000	145 121 000	10%	148 952 000	150 625 000
Total	1 585 175 576	1 127 537 914	1 395 829 465	100%	1 454 157 188	1 475 243 098

Budgeted Financial Performance (revenue and Expenditure by municipal vote)

FS194 Maluti-a-Phofung - Table A3 Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand									
Revenue by Vote									
Vote 1 - Legislative Authority	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services	105	1 161	405	200	260	260	200	210	221
Vote 4 - Budget & Treasury Office	908 672	907 062	1 013 231	1 011 482	787 634	787 634	717 798	760 556	772 583
Vote 5 - Municipal Infrastructure	149 109	231 585	386 559	371 728	123 728	123 728	426 728	428 065	429 468
Vote 6 - Community Services	18 888	20 916	7	5	671	671	50	53	55
Vote 7 - Public Safety	589	5 354	3 349	3 902	3 902	3 902	5 629	5 911	6 206
Vote 8 - Parks, Sports & Recreation	636	963	1 586	2 451	2 571	2 571	1 421	1 492	1 567
Vote 9 - LED & Tourism	-	-	-	-	-	-	-	-	-
Vote 10 - Human Settlement and Traditional Affairs	667	979	1 410	732	847	847	382	401	421
Vote 11 - Water & Sanitation	48 427	53 116	31 106	39 360	43 626	43 626	52 557	55 185	57 944
Vote 12 - Water	72 365	150 779	146 541	160 033	164 299	164 299	196 064	202 442	206 789
Vote 13 - [NAME OF VOTE 13]	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]	-	-	-	-	-	-	-	-	-
Total Revenue by Vote	1 199 458	1 371 916	1 584 194	1 589 893	1 127 538	1 127 538	1 400 830	1 454 314	1 475 254
Expenditure by Vote to be appropriated									
Vote 1 - Legislative Authority	38 191	28 033	42 968	43 500	54 725	54 725	50 698	53 233	55 895
Vote 2 - Office of the Municipal Manager	10 210	9 689	28 500	33 000	36 023	36 023	28 529	29 956	31 453
Vote 3 - Corporate Services	19 081	46 017	31 501	28 000	28 871	28 871	32 394	34 014	35 714
Vote 4 - Budget & Treasury Office	440 515	1 257 050	665 574	660 500	414 186	414 186	400 496	431 082	425 389
Vote 5 - Municipal Infrastructure	279 745	441 007	502 422	557 000	326 305	326 305	575 043	585 195	595 854
Vote 6 - Community Services	34 158	37 385	11 016	11 500	9 544	9 544	12 131	12 738	13 374
Vote 7 - Public Safety	34 188	41 311	105 630	52 000	43 456	43 456	48 723	51 159	53 717
Vote 8 - Parks, Sports & Recreation	18 815	24 838	28 445	29 000	34 954	34 954	40 123	42 129	44 236
Vote 9 - LED & Tourism	2 465	1 379	9 283	9 000	14 251	14 251	22 091	23 196	24 356
Vote 10 - Human Settlement and Traditional Affairs	17 854	14 776	46 590	41 000	31 299	31 299	40 481	42 505	44 630
Vote 11 - Water & Sanitation	-	-	-	-	-	-	-	-	-
Vote 12 - Water	70 727	109 590	113 247	125 393	133 925	133 925	145 121	148 952	150 625
Vote 13 - [NAME OF VOTE 13]	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	965 950	2 011 075	1 585 176	1 589 893	1 127 538	1 127 538	1 395 829	1 454 157	1 475 243
Surplus/(Deficit) for the year	233 508	(639 159)	(982)	0	-	-	5 000	157	11

9.1.2.12. Repairs and Maintenance

Repairs and Maintenance constitutes 7% of our total annual operating expenditure. This category includes all labour, vehicle and material costs for the repair and maintenance of the assets of the Municipality. It includes both contracted services and services performed by employees. The total cost of asset maintenance is disclosed in this category to enable an evaluation of asset performance.

The repairs and maintenance of electricity, roads, storm water systems, traffic lights, buildings, vehicles, grounds, and equipment will be included in this category.

The deferral of maintenance expenditure on assets has the effect of increasing future maintenance costs and also has potential for reducing the economic life of the asset and hence the flow of economic benefits. Deferrals and the impact thereof should be indicated clearly in the operational plans.

In determining the budget under this section, the following should also be allowed for:

- New assets to be acquired during the course of the year and which would require maintenance.

- Capital assets to be sold or disposed of in the course of the year and which would not require further maintenance.

Departments must indicate their needs to maintain the assets of the Municipality in the repairs and maintenance master plans. Departments must also indicate in their operational plans their annual requirements and the deferred maintenance needs.

Repairs and Maintenance per asset class

Description	Adjustment Budget 2013/2014	Budget Year 2014/2015	Budget Year +1 2015/2016	Budget Year +2 2016/2017
R & M - AERODROME	5 000	2 000	2 100	2 205
R & M - BUILDINGS	11 690 000	10 275 000	10 788 750	11 328 188
R & M - COMPUTER EQUIPMENT	255 000	823 333	864 500	907 725
R & M - EQUIPMENT & TOOLS	520 000	538 000	564 900	593 145
R & M - COMMUNICATION SYSTEM	100 000	200 000	210 000	220 500
R & M - FENCING	110 000	2 335 000	2 451 750	2 574 338
R & M - FURNITURE	165 000	830 980	872 529	916 155
R & M - ROADS	74 500 000	35 000 000	36 750 000	38 587 500
R & M - GROUNDS & OPEN SPACES	100 000	300 000	315 000	330 750
R & M - MOTORS & PUMPS	130 000	200 000	210 000	220 500
R & M - NETWORK RETICULATION	8 000 000	5 000 000	5 250 000	5 512 500
R & M - OFFICE MACHINES/COMPUTE	45 000	116 025	121 826	127 918
R & M - RADIO'S	63 000	171 000	179 550	188 528
R & M - RAILWAY SIDINGS/CEMETRIE	100 000	50 000	52 500	55 125
R & M - STREET LIGHTS	11 000 000	8 000 000	8 400 000	8 820 000
R & M - STREET NAMES & SIGNS	100 000	80 000	84 000	88 200
R & M - STREETS & STORMWATER	100 000	100 000	105 000	110 250
R & M - SUBSTATIONS	3 000 000	4 000 000	4 200 000	4 410 000
R & M - VEHICLES	4 000 000	7 021 595	7 372 675	7 741 308
R & M -TRAFFIC LIGHTS	2 500 000	4 500 000	4 725 000	4 961 250
R & M -MAP WATER ASSETS	18 200 000	20 881 700	15 553 770	7 376 047
TOTAL	134 683 000	100 424 633	99 073 850	95 072 131

Budgeted Financial Performance (revenue and Expenditure by municipal vote)

FS194 Maluti-a-Phofung - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand									
Revenue by Vote									
Vote 1 - Legislative Authority	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services	496	1 172	1 099	200	260	260	200	210	221
Vote 4 - Budget & Treasury Office	849 794	1 496 685	773 552	1 011 482	787 634	787 634	717 798	760 556	772 583
Vote 5 - Municipal Infrastructure	203 228	278 066	284 774	371 728	123 728	123 728	426 728	428 065	429 468
Vote 6 - Community Services	19 290	20 866	507	5	671	671	50	53	55
Vote 7 - Public Safety	663	5 390	1 277	3 902	3 902	3 902	5 629	5 911	6 206
Vote 8 - Parks, Sports & Recreation	636	1 417	953	2 451	2 571	2 571	1 421	1 492	1 567
Vote 9 - LED & Tourism	-	-	-	-	-	-	-	-	-
Vote 10 - Human Settlement and Traditional Affairs	671	525	673	732	847	847	382	401	421
Vote 11 - Water & Sanitation	25 230	26 130	27 615	25 000	25 000	25 000	33 000	34 650	36 383
Vote 12 - Water	26 826	52 537	47 905	49 000	49 000	49 000	70 500	74 025	77 726
Vote 13 - [NAME OF VOTE 13]	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]	-	-	-	-	-	-	-	-	-
Total Revenue by Vote	1 126 834	1 882 790	1 138 355	1 464 500	993 613	993 613	1 255 708	1 305 361	1 324 629
Expenditure by Vote to be appropriated									
Vote 1 - Legislative Authority	25 221	23 917	34 962	43 500	54 725	54 725	50 698	53 233	55 895
Vote 2 - Office of the Municipal Manager	11 326	9 079	11 722	33 000	36 023	36 023	28 529	29 956	31 453
Vote 3 - Corporate Services	20 519	23 636	21 428	28 000	28 871	28 871	32 394	34 014	35 714
Vote 4 - Budget & Treasury Office	509 671	1 546 497	602 568	660 500	414 186	414 186	400 496	431 082	425 389
Vote 5 - Municipal Infrastructure	297 879	444 535	438 607	557 000	326 305	326 305	575 043	585 195	595 854
Vote 6 - Community Services	36 610	37 000	5 944	11 500	9 544	9 544	12 131	12 738	13 374
Vote 7 - Public Safety	33 456	41 281	104 009	52 000	43 456	43 456	48 723	51 159	53 717
Vote 8 - Parks, Sports & Recreation	19 814	24 838	29 583	29 000	34 954	34 954	40 123	42 129	44 236
Vote 9 - LED & Tourism	2 405	1 373	2 727	9 000	14 251	14 251	22 091	23 196	24 356
Vote 10 - Human Settlement and Traditional Affairs	18 219	15 451	14 841	41 000	31 299	31 299	40 481	42 505	44 630
Vote 11 - Water & Sanitation	-	-	-	-	-	-	-	-	-
Vote 12 - Water	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	975 119	2 167 607	1 266 390	1 464 500	993 613	993 613	1 250 708	1 305 205	1 324 618
Surplus/(Deficit) for the year	151 715	(284 817)	(128 035)	0	-	-	5 000	156	11

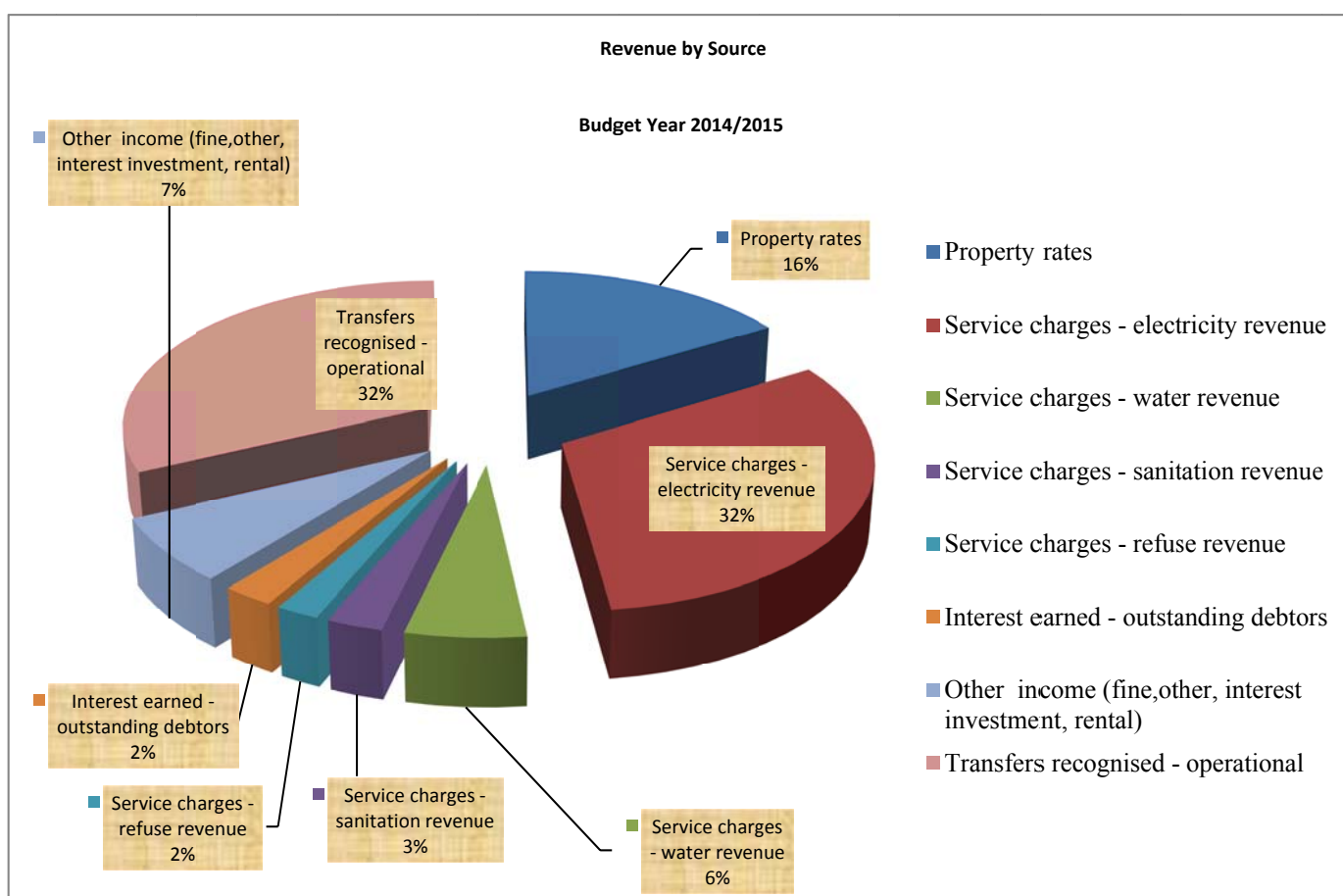
FS194 Maluti-a-Phofung - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Revenue By Source									
Property rates	132 112	172 028	140 721	204 500	204 500	204 500	204 500	214 725	225 461
Property rates - penalties & collection charges									
Service charges - electricity revenue	148 778	231 467	230 006	350 000	102 000	102 000	400 000	400 000	400 000
Service charges - water revenue	13 134	39 130	39 234	49 000	49 000	49 000	70 500	74 025	77 726
Service charges - sanitation revenue	34 261	39 614	39 841	25 000	25 000	25 000	33 000	34 650	36 383
Service charges - refuse revenue	18 881	20 899	21 346	20 000	20 000	20 000	25 000	26 250	27 563
Service charges - other					-	-			
Rental of facilities and equipment	313	922	1 001	1 250	1 545	1 545	1 621	1 702	1 787
Interest earned - external investments	7 568	2 018	1 903	1 800	1 800	1 800	2 000	2 100	2 205
Interest earned - outstanding debtors	24 361	30 614	21 776	22 940	25 000	25 000	30 000	31 500	33 075
Dividends received					-	-			
Fines	465	5 047	938	3 200	3 200	3 200	3 500	3 675	3 859
Licences and permits					-	-			
Agency services					-	-			
Transfers recognised - operational	281 629	319 638	348 013	369 210	369 210	369 210	403 188	458 965	468 413
Other revenue	265 008	727 032	7 585	417 600	192 358	192 358	82 399	57 769	48 158
Gains on disposal of PPE									
Total Revenue (excluding capital transfers and contributions)	926 509	1 588 410	852 365	1 464 500	993 613	993 613	1 255 708	1 305 361	1 324 629
Expenditure By Type									
Employee related costs	192 785	193 973	198 612	245 432	242 975	242 975	267 859	281 252	295 315
Remuneration of councillors	17 508	17 592	19 390	24 000	21 000	21 000	22 100	23 205	24 365
Debt impairment	62 105	96 509	56 209	55 000	11 600	11 600	15 000	15 750	16 538
Depreciation & asset impairment	287 715	458 715	295 600	350 000	150 000	150 000	150 000	171 500	158 600
Finance charges	5 066	7 463	8 919	8 000	3 000	3 000	6 000	6 300	6 615
Bulk purchases	222 152	338 513	293 228	300 000	80 000	80 000	350 000	350 000	350 000
Other materials									
Contracted services	72 187	42 262	84 030	105 000	105 450	105 450	65 000	67 150	69 408
Transfers and grants	68 499	74 387	77 723	80 000	80 000	80 000	88 500	89 500	88 200
Other expenditure	46 125	938 193	232 678	297 068	299 588	299 588	286 249	300 548	315 578
Loss on disposal of PPE	978								
Total Expenditure	975 119	2 167 606	1 266 390	1 464 500	993 613	993 613	1 250 708	1 305 205	1 324 618
Surplus/(Deficit)	(48 610)	(579 197)	(414 025)	0	(0)	(0)	5 000	156	11
Transfers recognised - capital	200 325	294 380	285 990	269 133	289 258	289 258	253 309	256 224	273 034
Contributions recognised - capital	-	-	-	-	-	-	-	-	-
Contributed assets									
Surplus/(Deficit) after capital transfers & contributions	151 715	(284 817)	(128 035)	269 133	289 258	289 258	258 309	256 380	273 045
Taxation									
Surplus/(Deficit) after taxation	151 715	(284 817)	(128 035)	269 133	289 258	289 258	258 309	256 380	273 045
Attributable to minorities									
Surplus/(Deficit) attributable to municipality	151 715	(284 817)	(128 035)	269 133	289 258	289 258	258 309	256 380	273 045
Share of surplus/ (deficit) of associate									
Surplus/(Deficit) for the year	151 715	(284 817)	(128 035)	269 133	289 258	289 258	258 309	256 380	273 045

- The above table is a view of the budgeted financial performance in relation to the revenue by source and expenditure by type. The projected annual revenue as reflected in this table amounts to R1,255,708 billion for the 2014/15 financial year, which represents an increase of R262, 095 million (26%) more than the Adjustment budget for 2013/14. For the 2015/16 and 2016/17 financial years the annual budgeted revenue amounts to R1 305,361 billion which represents an increase of R49,653 million (4%) and R1,324,629 billion which represents an increase of R19,268 million (1%) respectively.
- Revenue to be generated from Property Rates amounts to R204 500 million in the 2014/15 financial year and increases to R214 725 million by 2015/16, which represents 5% of the operating revenue base of the municipality and therefore remain significant funding source for the municipality.

- Service charges relating to Electricity, Water, Sanitation and Refuse Removal constitute the biggest component of the revenue basket of the municipality totalling to R528 500 million for the 2014/15 financial year and increasing to R534, 925 million and R541, 671 million in 2015/16 and 2016/2017 respectively. For the 2014/15 financial year, service charges are 42% of the total revenue collection.
- Transfers Recognised- Operating includes the equitable share and other operating grants from national government. It needs to be noted that in real terms the grants receipts from National government are more by 9 per cent in 2014/2015 as compared to 2013/2014 and increase by 13 per cent and 2 per cent for the two outer years.

The following graph illustrates the major revenue items per type.



- Bulk purchases have increased significantly over the 2007/08 to 2013/2014 period been escalating from 245 million to 300 million. This change is attributed to substantial increase in the cost of bulk electricity from Eskom.
- Employee related costs is also the main cost driver within the Municipality's operating Expenditure , i.e. from R263, 975 million to R289, 959 million a provision of 9 per cent has been made however note should be taken that this still needs to be confirmed with Bargaining Council
- Other Expenditure consist mainly of various line items relating to daily operations of the municipality like, fuel cost, bank charges, consultant fees, audit fees, telecommunication, printing and postage cost etc. Also included in this is the allocation for Free basic services (FBS). The

procurement of moveable assets with an expected lifespan of more than one year. This category constitute 22% of the total operating expenditure.

- Proposed Bulk purchases of electricity and water amounts to R368 million which constitutes 26% of the expenditure for 2014/2015 the change is directly informed by the tariff in purchases of bulk electricity from Eskom.

FS194 Maluti-a-Phofung - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description R thousand	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Revenue by Vote									
Vote 1 - Legislative Authority	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services	496	1 172	1 099	200	260	260	200	210	221
Vote 4 - Budget & Treasury Office	849 794	1 496 685	773 552	1 011 482	787 634	787 634	717 798	760 556	772 583
Vote 5 - Municipal Infrastructure	203 228	278 066	284 774	371 728	123 728	123 728	426 728	428 065	429 468
Vote 6 - Community Services	19 290	20 866	507	5	671	671	50	53	55
Vote 7 - Public Safety	663	5 390	1 277	3 902	3 902	3 902	5 629	5 911	6 206
Vote 8 - Parks, Sports & Recreation	636	1 417	953	2 451	2 571	2 571	1 421	1 492	1 567
Vote 9 - LED & Tourism	-	-	-	-	-	-	-	-	-
Vote 10 - Human Settlement and Traditional Affairs	671	525	673	732	847	847	382	401	421
Vote 11 - Water & Sanitation	25 230	26 130	27 615	25 000	25 000	25 000	33 000	34 650	36 383
Vote 12 - Water	26 826	52 537	47 905	49 000	49 000	49 000	70 500	74 025	77 726
Vote 13 - [NAME OF VOTE 13]	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]	-	-	-	-	-	-	-	-	-
Total Revenue by Vote	1 126 834	1 882 790	1 138 355	1 464 500	993 613	993 613	1 255 708	1 305 361	1 324 629
Expenditure by Vote <i>to be appropriated</i>									
Vote 1 - Legislative Authority	25 221	23 917	34 962	43 500	54 725	54 725	50 698	53 233	55 895
Vote 2 - Office of the Municipal Manager	11 326	9 079	11 722	33 000	36 023	36 023	28 529	29 956	31 453
Vote 3 - Corporate Services	20 519	23 636	21 428	28 000	28 871	28 871	32 394	34 014	35 714
Vote 4 - Budget & Treasury Office	509 671	1 546 497	602 568	660 500	414 186	414 186	400 496	431 082	425 389
Vote 5 - Municipal Infrastructure	297 879	444 535	438 607	557 000	326 305	326 305	575 043	585 195	595 854
Vote 6 - Community Services	36 610	37 000	5 944	11 500	9 544	9 544	12 131	12 738	13 374
Vote 7 - Public Safety	33 456	41 281	104 009	52 000	43 456	43 456	48 723	51 159	53 717
Vote 8 - Parks, Sports & Recreation	19 814	24 838	29 583	29 000	34 954	34 954	40 123	42 129	44 236
Vote 9 - LED & Tourism	2 405	1 373	2 727	9 000	14 251	14 251	22 091	23 196	24 356
Vote 10 - Human Settlement and Traditional Affairs	18 219	15 451	14 841	41 000	31 299	31 299	40 481	42 505	44 630
Vote 11 - Water & Sanitation	-	-	-	-	-	-	-	-	-
Vote 12 - Water	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	975 119	2 167 607	1 266 390	1 464 500	993 613	993 613	1 250 708	1 305 205	1 324 618
Surplus/(Deficit) for the year	151 715	(284 817)	(128 035)	0	-	-	5 000	156	11

CONSOLIDATED CAPITAL BY FUNDING SOURCE

The projected annual capital budget amounts to R308,309 million for the 2014/15 financial year, which represents a decrease of R129, 949 million (30%) below the approved capital budget for 2013/14.

Medium Term Capital funding

Description	Approved allocation for 2013/2014	Amount allocated for 2014/2015	Amount allocated for 2015/2016	Amount allocated for 2016/2017
CAPITAL GRANTS	R'000	R'000	R'000	R'000
Integrated National Electrification Programme (Municipal) Grant	20 000	17 000	25 000	25 000
Expanded Public Works Programme Incentive grant for Municipalities	10 210	4 866	-	-
Dwa-Fika Patso Grant	10 000	6 000	-	-
Rural Household Infrastructure Grant	2 225	4 500	5 000	-
Schoonplatz - Human Settlement	-	30 000	35 000	27 000.00
Regional Bulk Infrastructure Grant (Indirect Grant)	49 500	24 896	32 600	55 000
Municipal Infrastructure Grant	197 323	166 047	158 624	166 034
Total National Grants	289 258	253 309	256 224	273 034
External funds	98 000			
Capital Fixed Assets	-	5 000	-	-
Own funds allocation	51 000	50 000	-	-
Total Capital Grants	438 258	308 309	256 224	273 034

2. SPATIAL DEVELOPMENT FRAMEWORK

The Maluti-a-Phofung Spatial Development Framework 2013 forms an integral part of the Maluti-a-Phofung integrated development planning process. The dynamic nature of the Maluti-a-Phofung environment within Maluti-a-Phofung requires the continuous revision and refinement thereof. Maluti-a-Phofung Spatial Development Framework 2013 reviews the Maluti-a-Phofung SDF 2010. The aim of the Spatial Development Framework is to give direction to development and take into account the need for and compatibility of the main land uses. The purpose of the Spatial Development Framework as a land use management tool is to plan, direct and control development but it does not provide land use rights. The Spatial Development Framework forms part of the existing land use management process of the municipality and provides the necessary guidance of land uses at local level in order to ensure the application of the development principles of sustainability, integration, equality, efficiency and fair and good governance in order to create quality of living, investors' confidence and security.

2.1. Spatial Development Objectives

Objectives reflecting the outcomes of the analysis and issues determined by the priority spatial issues are identified. Objectives will indicate the desired long term result related to a specific aspect of the vision. Where appropriate, objectives should be measurable and expressed as key performance indicators that will inform the implementation of the monitoring and evaluation framework. 1.3.6.2

Strategic Interventions The development priorities providing focus to strategic development interventions support the crucial components that underlie sustainable development, i.e. need for basic infrastructure and development for the poor, economic growth and development, environmental conservation and improved livelihoods.. Development priorities will guide specific decisions regarding the spatial development and arrangement of land uses, within and between settlements to guide investment and development spending in the municipal area.

Strategic interventions hinging on managing future growth and associated change in a way that protects natural resources, biodiversity and lifestyle values, require a highly sustainable pattern of development, based on efficient utilisation of land and infrastructure and tighter controls over ad-hoc and dispersed forms of development. The ultimate success in managing growth in the area depends upon the ability to adopt the best possible urban development practices and most suitable governance arrangements. Strategic interventions for areas of intervention (focus areas) will also be formulated.

2.2. A Conceptual Framework

In order to ensure a holistic spatial development framework, a Conceptual Framework needs to be formulated.

This will model spatial direction and context to future developments. This indicative plan should promote, clarify and refine the spatial development principles and development priorities supported by relevant policies and legislation and define the desired spatial form of Maluti-a-Phofung Local Municipality.

2.3. Scenario Planning

Priorities (programmes and projects) based on the objectives and spatial dimension in terms of public investment and link to budgets and timelines need to be formulated.

2.4. SDF Proposals

The SDF proposals are of a strategic nature and involve the following broad spatial development indicators:

Settlement hierarchy and structure Identify hierarchy of settlements in the local, based on an understanding of the current and future role of settlements.

Nodes, corridors and linkages

Links between settlements within the local and areas beyond its boundaries.

Development restricted areas

Identify important natural, economic and heritage resources such as protected areas, water catchments including dams, agricultural areas, mining areas and scenic valleys and routes at the local level. Spatial implications of disaster management measures and areas affected by climate change risks.

Urban edges

Provide urban edges.

Infill, densification and the suburbs

Principles for infill, densification and urban renewal and protection.

Outside of well-located corridors and nodes identify areas where low density suburbs can remain.

Future lateral growth areas

Future growth areas, such as areas identified for the development of housing, social facilities and economic opportunities.

Environmental links

Show broad areas for priority intervention.

Land reform

Existing and potential land reform and rural development opportunities

Vertical and horizontal alignment

Relevant aspects of the SDFs of adjacent municipalities

3. INTEGRATED MONITORING AND PERFORMANCE MANAGEMENT SYSTEM (PMS)

The primary result/outcome the Municipality desires to achieve by implementing a PMS is to progressively meet local communities' social, economic and material needs and to improve the quality of their lives in a sustainable, effective and efficient manner. PMS seeks to foster a culture of

performance; increase accountability; encourage learning and facilitates improvement; provide early warning of under achievement and facilitate decision-making. The Municipality's performance management approach is a part of a broader system of strategic management. This strategic management system must ensure that the Municipality is directed through the integration of planning, budgeting and performance management processes.

4. INTEGRATED HIV/AIDS

The Maluti-a-Phofung HIV/AIDS strategic plan focuses its intervention on three key areas. The first key area is Education and Awareness which seeks to improve awareness, change behaviour, and promote culture of acceptance, openness and reduction in the infection rate. Secondly, Treatment, Care and Support seeks to ensure that People Living with HIV/AIDS have access to proper treatment, care and support through a continuum of care provided through public and private sector health care and community involvement. Lastly Care for Orphans and Vulnerable Children that seeks to ensure that orphans and other vulnerable children receive adequate care and support. In order to achieve the above the strategy proposes the establishment of three task teams responsible for driving the work in each of the focus areas. The task teams comprise of Councillors, Municipal Officials, government departments and Civil Society Organizations that work on the three focus areas.

5. INTEGRATED HOUSING CHAPTERS

Section 9 (1) of the National Housing Act, Act 107 of 1997, categorically states that every municipality must be as part of the municipality's process of integrated development planning recognise the housing needs and satisfiers of its residents. One of the objectives of this Housing Chapters is to provide a critical link between integrated development planning and the practical reality of delivering housing projects.

6. INTEGRATED ENVIRONMENTAL MANAGEMENT PROGRAMME

Contact: 058 718 3700

7. INTEGRATED LED PROGRAMME

The aim of LED is to create employment opportunities for local residents, alleviate poverty, and redistribute resources and opportunities to the benefit of all local residents. It is important to realise that LED is about building up the investment competitiveness and as such, economic development actions and incentives need to be conceived in a proactive manner which creates and directs change as opposed to waiting for changes to become inevitable and only adapting to them or waiting for some action at the national level to spur the overall economic development. Local Economic Development is an on-going process, rather than a single project or a series of steps to follow. It involves identifying and using local resources, ideas and skills to stimulate economic growth and development.

Contact: 058 718 3745

8. INTEGRATED INSTITUTIONAL PROGRAMME

Contact: 058 718 3882

9. DISASTER MANAGEMENT PLAN

The purpose of the Maluti-A-Phofung LM Disaster Risk Management Plan (DRMP) is to document the institutional arrangements for disaster risk management planning which includes the assignment of primary and secondary responsibilities for priority disaster risks posing a threat in the Maluti-A-Phofung LM. It further provides the broad framework within which the departments will implement the disaster risk management planning requirements of the Act and other entities included in the organisational structure of the Maluti-A-Phofung LM. It establishes the operational procedures for disaster risk reduction planning as well as the emergency procedures to be implemented in the event of a disaster occurring or threatening to occur in council's area. It aims to facilitate an integrated and coordinated approach to disaster risk management in its area of jurisdiction.

10. INTEGRATED WASTE MANAGEMENT PLAN

Contact: 058 718 3700

11. INTEGRATED TOURISM SECTOR PLAN

Contact: 058 718 3745

12. WATER SERVICES DEVELOPMENT PLANS

In terms of the Water Services Act (Act 108 of 1997) all Municipalities need to prepare a Water Services Development Plan (WSDP). Maluti-A-Phofung had to adhere to this legislative mandate. The Municipality took up this responsibility as championed by the Maluti Water. The Municipality ensured that the WSDP process aligned with the IDP process. This ensured that all the issues, objectives and projects, developed during the IDP process, formed part of the WSDP. It also resulted in the WSDP process providing much needed input in the IDP process and vice versa. The WSDP is completed and is available at the offices of Maluti Water. Maluti Water is a municipality entity which strives to ensure that drinking water and waste water meet the required quality standards all the time. In two consecutive years Maluti-A-Phofung has been nominated one of the best municipalities in so far as the Blue and Green drop Awards are concerned.

Contact Maluti Water: 058 718 1100