



Sol Plaatje Municipality

Integrated Development Plan (IDP)

Review 2010/11

Planning 2011/12 to 2013/14



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Background to the IDP Review

Sol Plaatje Municipality (SPM) adopted its 5-year Integrated Development Plan – 2007/08 to 2011/12 on 31 May 2007. This rolling five-year Integrated Development Plan (IDP) contains key municipal plans and priorities for the current political term of office. Central to the execution of the IDP is the need for economic growth and job creation and the need to maintain, upgrade and extend municipal infrastructure in order to facilitate much needed economic development. These considerations impact on all choices and decisions the SPM have to make. Marketing the City of Kimberley and attracting international and regional investment are also key elements in financing the execution of Sol Plaatje's IDP. The plan is further refined through a prioritisation process within available budget parameters and alternative service delivery mechanisms to reflect an affordable, implementable plan. The IDP also enhances the Municipality's contribution to the work initiated through the Intergovernmental process involving Provincial and National Government.

This IDP aims to:

- a) Refocus the overall municipal strategy aligned to National objectives of shared growth, reduction of poverty, job creation and social inclusion;
- b) Commit to the National and provincial Government's Turnaround Strategy for Local Government;
- c) Reflect community needs and priorities;
- d) Determine the strategic priorities guiding the actions of the Municipality for the next 3 years through linking and coordination of sectoral strategies;
- e) Align financial and human resources with implementation needs;
- f) Set out a strategically informed programme of action for the Medium-term Revenue and Expenditure Framework (MTREF);
- g) Provide the basis for annual and medium-term budgeting;
- h) Strengthen the focus on sustainable development;
- i) Guide Council's development decision-making;
- j) Enable legislative compliance; and
- k) Strengthening the monitoring, reporting and evaluation framework for implementing the IDP through the Service Delivery Budget and Implementation Plan.

Municipal Turnaround Strategy for Sol Plaatje Municipality

This Review, as the previous review, has been prepared against the background of the Local Government Turnaround Strategy (LGTAS) approved by Cabinet in December 2009, and especially work that has been done since then such as Outcome 9. Outcome 9 specifically addresses issues that will ensure a "responsive, accountable, effective and efficient local government system"

As part of the Government's Local Government Turnaround Strategy (LGTAS) Sol Plaatje Municipality prepared a Strategic Turnaround Strategy for its own purposes in February 2010 which was adopted by Council. During 27- 30 April 2010 a detailed Municipal Turnaround Strategy (MTAS) with specific pre-December 2010 targets were completed with the assistance of a support team from the Department of Cooperative Governance, Human Settlement and Traditional Affairs. This MTAS was approved by Council on 29 April

2010. The MTAS was also integrated with the IDP, Budget and 2010/11 SDBIP of the Municipality.

The implementation of the MTAS started immediately and a Mid-year Report was submitted to COGHSTA in mid January 2011, indicating the performance on the Municipal Turnaround Strategy as at 31 December 2010. Below is a high level summary of progress made within each of the 5 Focus Areas of the MTAS at that stage:

1. Service Delivery

Although slower than expected progress is made in terms of providing municipal services to communities all efforts are made to speed up this process. The main reasons for this slow progress are the fact that most of the service backlogs are associated with informal areas that still need to be upgraded before municipal services can be provided. Achieving these targets also depends on funding being made available by National and Provincial Sector Departments as indicated in the adopted Municipal Turnaround Strategy.

At present the total service backlogs are as follows:

SERVICE	BACKLOG (April 2010)
Water and Sanitation	8,290
Electricity	9,131
Refuse removal	4,300
Housing (serviced erven)	2,028

From the above service backlogs 6,850 households are still located within informal areas that need upgrading. Various funding applications have been submitted to COGHSTA in this regard and once funding is availed the process can continue as some of the preparatory work, such as identification of land and beneficiaries, have been done. The upgrading of two informal areas (Diamant Park – 230 erven and Waterloo Area – 200 erven) has been initiated with the Municipality's own funding. A further hampering factor is the unavailability of link bulk infrastructure – mainly bulk sewer and to a lesser extends electricity. This is being addressed on two fronts:

- o A feasibility study has been conducted and approved by Council that investigated all bulk infrastructure for the Municipal Area. This process is ongoing and will involve a Section 77 process.
- o Critical bulk infrastructure, especially the waste water treatment plants are being refurbished and upgraded to function optimally within their design capacities in order to accommodate existing formal areas that are still without services. Funding has been sourced from MIG, DoE, De Beers and own capital for these purposes. A loan application, which was approved in December 2010, was also submitted to DBSA in order to fund some of these critical bulk infrastructure projects.

Due to the above efforts a moratorium on development, which had to be instituted in 2009, was conditionally lifted by the Municipal Council and developers could also be informed by when large scale development can take place in line with the upgrading and development of bulk infrastructure.

Taking the above into consideration, especially the availability of funding, the following services could be provided since the adoption of the MTAS:

SERVICE	Annual Target 2010/11	Actual	Available Funding
Water and Sanitation	700	70	R6,867,246
Electricity	166	151	R4,500,000
Refuse removal	4,300	2,000	R2,800,000
Housing Units (serviced erven)	546	286	R22,673,484

It should be noted that applications to the amount of approximately R100 m, to upgrade informal areas and to provide municipal services to various areas such as housing, electricity and water and sanitation, have been submitted to the various National and Provincial Sector Departments.

2. Public Participation

Serious attention is also given to public participation both in terms of community involvement in planning, development and monitoring processes as well as effective communication. In this regard work is in process to establish a Ward Based Planning System. During discussions with GTZ it was indicated that this development agency would assist the municipality in this regard. Further discussions will be held with GTZ during January 11 on this issue. Work has also started on a comprehensive Communication Strategy aligned to the GCIS. The Municipality has also upgraded its website and ongoing updating is being done with a fulltime dedicated webmaster.

A Client Service Strategy, which includes a Complaints Management Strategy, is also being prepared with ongoing improvements with regard to front desk arrangements to improve service effectiveness.

A funding model has also been developed for Ward Committees in line with the published regulations and adopted by Council. Stipends have been paid to Ward Committee Members since Oct 2010.

3. Governance

The Municipality's Political Governance Model (in line with relevant legislation) has been revised to implement a legally compliant Mayoral Executive System to ensure more effective decision making but also to ensure that the council concentrate on its legislative function, the Mayoral Executive Committee on its executive function and the Municipal Manager on its administrative function. The revised Governance Model was adopted by Council in December 2010 and full implementation will commence in January 2011.

In terms of the administration the organisational structure has been revised as part of a broader institutional building process that includes the following issues:

- o Revision of the HR Policies and Procedures Handbook:

- Reconciliation of payroll with establishment and verification of contract workers:
- Assessment of the effectiveness of the Local Labour Forum, including recommendations for improvement:
- A Human Resource Strategy Report

In line with the recommendations of these reviews the institutional building process will be ongoing with a phased implementation of the proposals.

All vacant s57 managers' positions were advertised during December 2010, interviews will take place during January 2011 and all positions should be filled by 31 March 2011.

4. Financial Management

The main issues that were addressed during this reporting period within this focus area is the implementation of the Operation Clean Audit Report (OPCAR) and to ensure a more positive outcome of the Auditor Generals report for 2009/10. Although a disclaimer of opinion was received from the AG it was mainly due to historic issues in the financial statements as well as technical issues in valuating the Municipality's property, plant and equipment during the unbundling process to conform to GRAP 17 Revenue enhancement, debt management and cashflow management were other issues that received serious attention. Linked to the above is to ensure that adequate provision is made in the operational budget to ensure effective maintenance of infrastructure and to ensure that the municipality's capital efficiency increases.

5. Local Economic Development

Within this focus area SPM mainly concentrated its efforts in aligning its LED initiatives with that of the Provincial and District GDS, to support the SMME sector, supporting the Province in its tourism initiatives and ensuring an enabling environment for the private sector to expand and invest. The latter is also hampered due to the present capacity of the bulk infrastructure to accommodate new development. The solving of the bulk infrastructure problems however is a high priority for the Municipality and is receiving urgent attention as mentioned previously in this report.

The detail of this high level summary is available from the municipality's website (www.solplaatje.org.za)

SPM will, in this last review of the 2007/8 to 2011/12 continue to prioritise and implement its MTAS through the integration thereof into the IDP/Budget and SDBIP.

In this context, it is appropriate to reflect critically on the content of the present Sol Plaatje IDP, especially considering what the Department of Traditional Affairs and Cooperative Governance considers being a credible IDP, Sol Plaatje's IDP complies fairly well in certain areas, especially in terms of its alignment with National, Provincial and District Development Plans and Policies. It also complies to a large extent with all legal requirements. But this compliance alone has not given the IDP the substance that it needs to pass the more stringent credibility test that rests on effective implementation

Looking critically at SPM's IDP, taking among others, the IDP Format Guideline as a yardstick, one can identify the following shortcomings that need to be addressed:

- o The SPM *budget is not sufficiently well aligned to the IDP*, not only in terms of the operational budget but particularly the capital component of the budget. For example, the IDP is a *five year strategic plan*, but the budget reflects one year appropriations. Moreover, a *high level financial strategy and plan* has not yet been developed to give effect to the *5-year priorities* in the IDP document – particularly with regard to *infrastructure* refurbishment, replacement and new productive infrastructure (bulk). Such a Financial Plan should not be a costing of the IDP, but a Plan containing funding strategies over the IDP period. Such strategies should show, for example, the preferred Council funding mix of debt to own sources, extent of utilisation of grants, off-balance sheet funding etc.
- o The SPM has not yet made in-roads into realising the strategic objective to optimise the “*space-economy*”. The “*space-economy*” means the geographic distribution of settlements (large and small), the activities within them (residential, commercial, institutional, recreational, and so on), and the relationship of these settlements and activities to the infrastructure that connects and supports them, and links in turn to surrounding agriculture and nature areas.
- o The SPM has not yet committed to ensure *community empowerment and participation* in the crafting of the IDP, budget choices, implementation of the plan and monitoring performance through sincere communication, participatory and decision making mechanisms.

By addressing each of these issues and by verifying that planning and resource allocation choices are rooted in the current reality – not perceived reality – the present IDP Review will ensure that our plans are credible, realistic and bankable.

1. IDP Review Process – 2010/11

The Sol Plaatje Municipality adopted a Process Plan for the Review of its IDP on 31 August 2010 (see Annexure 1). Due to unforeseen circumstances the Action Plan of the Process Plan could not be adhered to in detail and had to be adjusted, especially also in light of the fact that the process had to be curtailed due to the local government election to be held in May 2011. These adjustments were made necessary as the Mayoral Committee resolved to adopt Option 1 of MFMA Circular 45, namely to adopt the IDP and Budget before the elections.

The Table 1 below indicates the actual process followed in relation to the adjusted Process Plan's Action Plan.

Table 1: Actual Process Followed

ACTIVITY	DATE COMPLETED	OUTCOME
Strategic Planning Session - Management	8 Dec 10	This strategic session concluded on the issue of - “Where are we taking the Sol Plaatje Municipality into the future? What are the strategic priorities

ACTIVITY	DATE COMPLETED	OUTCOME
		within the present economic climate in the region aligned to National and Provincial priorities (LGAS – Outcome 9)?
Strategic Planning Session – Informal Council Meeting	9 Dec 10	To solicit political backing for outcomes of Strategic Planning Session held on 8 Dec 10 and to receive political priorities for the 2011/12 MTREF
Budget discussions with Directorates	13 Dec 10	Directorates had to motivate for their different line item budgets
Finalisation and fine tuning of – <ul style="list-style-type: none"> • IDP Objectives • Capital prioritisation • Operational Budget • Annual KPI's and Targets 	Jan-Mar 11	Continuous discussions and working sessions within Directorates and during EMT meetings to ensure credible proposals in terms of the alignment between the IDP Objectives and the Budget.
Submission of Capital Projects for prioritisation purposes from all Directorates	18 Feb 11	Submission per IDP Project Identification Template linked to the agreed to Strategic IDP Objectives for prioritisation purposes
Mid-Year Visit National Treasury	21 Feb 11	NT assessment of 2010/11 Mid-year performance as well as their input on 2011/12 MTREF IDP/Budget /SDBIP process
Finalising the Capital Programme priorities for the 2011/12 MTREF	22 and 24 Feb 11	Detail discussions with management on priority capital programme aligned to strategic objectives and available resources for discussion with Mayoral Committee. This discussion also included the finalisation of the 2010/11 Adjustments Budget as per the Mid-year Budget and Performance Assessment Report.
Prepare draft IDP/Budget and present to Mayco	15 Mar 11	Draft IDP document and alignment with Budget presented to and discussed with Mayco during a special Mayco Meeting.
Finalise draft IDP/Budget to be tabled to Council	23 Mar 11	Table draft IDP/Budget to Council to initiate formal consultation process with stakeholders before submission to Council for adoption.

The Table below indicates the process to be followed to complete the process for the adoption of the IDP by April 2011.

Table 2: Detail action to complete the IDP Review by April 2011 in support of the revised process plan

DETAIL ACTIVITY	DUE DATE	OUTPUT
Advertise draft IDP and Budget for Public Comment	25/03/11	Make public the draft IDP/Budget
Public Participation Period (Draft Budget)	28/03/11 to 15/04/11	Public meetings to solicit input from the public on both IDP priorities and Budget allocations
Complete IDP and Budget due to stakeholder comment for final submission to Council for adoption	10/04/11 To 21/04/11	All Directorates and Units that have submitted projects
Submit IDP/Budget to Council for adoption	21/04/11	Council adopt IDP and Budget for 2011/12 Financial year to be implemented from 1 July 2011 through the SDBIP

Due to the local government elections and inauguration of a new Council in May 2011 the process to complete the 2011/12 Service Delivery and Budget Implementation Plan (SDBIP) can only be finalised once the new political structures are in place.

2. Analysing for Improvements to the IDP

2.1. Sources of Information

The following major sources of information were used in reviewing the IDP and to improve on the content thereof.

- o Auditor General Report 2009/10
- o 2010/11 Mid-year Budget and Service Delivery Performance Assessment Report
- o 2010/11 Adjustment Budget and revision of SDBIP Targets
- o MEC's Comments on assessment of the IDP Review 2009/10 – June 2010
- o Francis Baard District Growth and Development Strategy – Implementation Plan: February 2010
- o Local Government Turnaround Strategy, Nov 2009: Department of Cooperative Government and Traditional Affairs
- o Implementation Plan: Local Government Turn-Around Strategy, Jan 2010: Department of Cooperative Government and Traditional Affairs
- o Sol Plaatje Municipality's Turnaround Strategy, April 2010

In addition to these documents the Mid-year Budget and Performance Assessment Visit from National Treasury on 21 February 2011 also informed this review, especially in light of the linkage between the IDP, Budget, SDBIP and the Performance Agreements of the Municipal Manager and managers directly accountable to the Municipal Manager.

2.2. Implementation weaknesses outweigh all other considerations in 2011/12

Since the 2008/09 IDP Review it was found that the core strategic direction set in the IDP remains sound and correct and that the main challenge is implementation, not direction. This was again confirmed during the strategic planning sessions held with both management and councillors on 8 and 9

December 2010. During these sessions it was re-iterated that SPM should complete its existing priority programmes during this last review and not endeavour to put more programmes on the table.

There have been important achievements in dealing with the administration of the Municipality. These include

- A significant improvement in year-on-year capital spending from under 20% to almost 40% at Mid-year.
- Positive improvement in the Municipality's reserve funds, from almost a zero base (R14 m) on 30 June 2009 to over R70 m at 31 December 2010
- Improvement in debt collection from less than 50% to 77%
- Progress with curtailment of operational costs

But the challenges that remain – many of which are shared by other municipalities in the country – are considerable. The following steps need to be pursued as the main focus areas for the 2010/11 IDP Review:

I. Infrastructure Led Growth

- Bring current spending on grant funded capital projects up to above 85%
- Complete plans, funding measures and delivery arrangements for implementation of the large scale infrastructure requirements not covered by current annual grants.

II. Local Economic Development

- Align the Galeshewe Urban Renewal Program (GURP) and Neighbourhood Development Partnership Grant (NDPG) initiatives with the main IDP programs
- Give effect to better Inner City and specifically Central Business District (CBD) management and focus attention on Inner City infrastructure, urban design, service rehabilitation and day-to-day management
- Join forces with the Frances Baard District Municipality (FBDM) and Provincial Government on giving effect to a tourism infrastructure rehabilitation program
- Assess the feasibility and catalytic economic development potential of current solar energy initiatives and become a driver of the project if considered viable

III. Institutional development

- Resolve organizational arrangements and fix the staff establishment
- Curtail growth in staff costs and liabilities
- Address key management and technical skills gaps
- Develop and enact an organization-wide skills development and succession management plan
- Introduce a (positive) culture change plan
- Introduce a ward based planning system that will, amongst others, enhance the status and funding of ward plans

IV. Financial stability

- Continue with cost-saving measures, efficiency improvements and the enhancement of metering, billing and cash management systems

- Continue building municipal reserves in order to significantly enhance “own contribution” to capital projects
- Complete the revamp of the Supply Chain Management System
- Continue to drive down variable operating costs
- Introduce stricter capital budget management regime in line with IDP and SDBIP
- Strengthen the alignment between the IDP and the SDBIP and Performance Management

The Local Government Turnaround Strategy launched by National Government is of immediate relevance to the SPM IDP Review and has been integrated into the IDP during the 2010/11 Review.

3. Re-asserting the Overall Strategy

The overarching strategy for development of the Sol Plaatje Municipality proposes looking at the IDP through the lens of the geographical “space-economy”. As noted earlier, the implementation of this strategy has been weak, but it remains the strategic “heart” of the IDP – and a key reference-point in building the credibility of the IDP. (The strategy is outlined in detail in Section 3 of the 2008/2009 IDP Review and has been included as Annexure 2 for easy reference).

It is important to note that the strategic focus on the space economy was paired with a strong emphasis on institution building. Without a strong, well-managed municipal institution, the Sol Plaatje Municipality will not be able to meet its challenges. This speaks directly to the concerns voiced in the LGTAS.

The focus for the 2010/11 IDP Review can be summarised as follows:

1. Finalise the **Integrated Human Settlement Plan** within the context of the “Space-economy”
2. Finalise a long term **Municipal Infrastructure Investment Framework**, including:
 - a. **Bulk** Infrastructure requirements (electricity, water, sanitation, waste disposal and transport network)
 - b. Infrastructure network (**reticulation**) requirements (electricity, water, sanitation, roads, waste management – telecom and IT)
 - c. **Replace and refurbish** existing and ageing Infrastructure (electricity, water, sanitation, solid waste disposal and the transport network. Upgrade and extend the existing IT and telecom infrastructure network)
 - d. Provide sufficiently for infrastructure **operations and maintenance** requirements (electricity, water, sanitation, solid waste disposal, roads, stormwater and the IT and telecom networks)
3. Attend to **Corporate Governance** issues to ensure a strong, well-managed municipal institution that will be able to address the present developmental challenges facing the institution as depicted in the Municipal Turnaround Strategy that will take the Sol Plaatje Municipality towards a capable and financially sustainable organisation to fulfil its developmental mandate according to the Constitution, including:

- a. A long term **Financial Plan** which will set out sound financial management and expenditure control as well as to increase revenue and external funding for the Municipality to achieve its development priorities and objectives, especially related to the Infrastructure Investment Framework, including amongst others also;
 - i. Revenue raising strategies
 - ii. Capital financing strategies
 - iii. Financial management strategies
 - iv. Asset management strategies
 - v. Strategies that will enhance cost-effectiveness
 - vi. Operational financing strategies

- b. An **Institutional Plan** aimed at improved performance and service delivery and should address amongst others;
 - i. Review core business of the Municipality
 - ii. Review, validate and adopt the revised macro and micro-organisational structure (organisation chart)
 - iii. Assess skills gaps
 - iv. Preparing a prioritized management and staff deployment, redeployment, and appointment plan
 - v. Review systems, processes and procedures for improved institutional performance (including implementation of an MIS Strategy)
 - vi. Strategies addressing behaviour, attitudes and values of staff;
 - vii. Improve management processes for increased accountability.
 - viii. Improve the management of the political/administrative interface

- 4. Create a **Community Based Planning System (CBP)** to ensure substantive community empowerment and participation in the IDP and Budgeting processes which will result in better long term planning to inform shorter term plans, resource allocation, trade-offs (community needs vs strategic needs) and the sequencing of implementing plans. It is a prerequisite for a "credible" IDP. The CBP should be guided by the following principles:
 - a. The need to ensure that **poor people** are included in planning (and so the tools seek to make sure that poor people are identified and their livelihoods analysed);
 - b. The need for systems to be **realistic and practical**, the planning process must be implementable using available resources within the municipality (and so must link in and integrate with existing processes, particularly municipal planning processes);
 - c. Planning linked to a **legitimate structure** (the ward and ward committee);
 - d. Planning which is not a once off exercise, but part of an **on-going process**, with planning, implementation, M & E, and annual reviews;
 - e. Plans that are **people-focused and empowering** (and so the plan is based around the livelihoods of different groups, and the community produces their own plan with support from ward and municipal facilitators);
 - f. Need to build on **strengths and opportunities** not problems (which makes us more likely to succeed and not to be paralysed by the problems);

- g. Plans that are **holistic** and cover all sectors (and so address the reality of people's lives, and not the artificial sectoral distinctions of government);
- h. Planning which promotes **mutual accountability** between community and officials (and so upward and downward accountability is critical);
- i. **Commitment** by councillors and officials to both plan and implement, and there must be someone responsible to ensure it gets done (hence the commitments and preconditions the municipality needs to undertake).

Action Programme to Complete a Credible IDP

In order to achieve the above a realistic and dedicated Action Programme is needed that will steer the SPM's actions on this Strategic Agenda. KPA's, Objectives, KPI's, Programmes/projects/operations and targets must be aligned to this Strategic Agenda. It is also vitally important that these KPA's, Objectives, KPI's, Programmes/projects/operations and targets address short, medium, and long term issues. The priority issues within the 5 Municipal KPA's are discussed in Section 5

4. The Municipality's Vital Statistics

In order to put this Action Programme in place it is necessary to also determine the socio-economic status quo of the Sol Plaatje Municipality. During March 2008 the Municipality procured the services of Global Insight Southern Africa to develop an Economonitor to provide consistent, accurate and timely socio-economic data for planning purposes. A first step in this process was to ensure a consolidated platform of integrated databases that provides accurate and up-to-date economic, socio-economic, demographic and development information. This was augmented with the Community Survey 2007 released by STATSSA in 2008. This process was completed towards the end of 2008 and the following updated information was included in the IDP Review 2007/08:

The Table to the right indicates the most recent socio economic statistics for the Sol Plaatje Municipality's jurisdiction area according to the information sources quoted. No new information is available at this stage. It is, however, the intention of the administration to update this information when preparing the next 5-year cycle IDP commencing in August 2011, in cooperation with STATSSA and other relevant national and provincial sector departments.

The following conclusions can be drawn from this information in terms of the economic, socio-economic and demographic status quo of Sol Plaatje:

- o Sol Plaatje comprises a large 20.3% of the total provincial population in 2006.
- o The Frances Baard District Municipality (DM) has a population that accounts for 33.2% of the Northern Cape's population. Clearly, Sol Plaatje encompasses most of the population in the DM.
- o Over the last ten years, the population in Sol Plaatje has grown slowly at an average pace of 0.92% per annum.
- o According to the 2006 statistics 55.1% of households in Sol Plaatje were Black with an average growth rate of 3.63% per annum from 1996 to 2006.
- o Approximately 26.8% of households in Sol Plaatje were Coloured and growing steadily at an average of 2.50% per annum.
- o If one looks at the age of the citizens in Sol Plaatje relative to that of the Northern Cape, 56.7% of the total population in the Municipality is between the ages of 20 and 65, in comparison with 53.9% for the Northern Cape.
- o It is estimated that 74,147 people from Sol Plaatje were living in poverty in 2006. Of this amount, 77.5% were from the black communities. However, these numbers have decreased at an average of 1.7% per annum since 2001.

VITAL STATISTICS

Demographic

Total Area	187,300 Ha ¹
Total Population	245,606 ²
Population growth rate (1996-2007)	0,87% ²
No of Households	52,120 ²
Average household income	R6,429 pm ³
Urbanisation rate	99,2% ³

Household Services

Households residing in formal house	83,8% ²
Households residing in informal structure	11% ²
Households with electricity connection	89,2% ²
Households with weekly waste removal	91,8% ²
Households with flush toilet	84,4% ²
Households with piped water in dwelling/yard	92,3% ²

Economic Indicators

Contribution to NC GDP	32,5% ³
Economic growth rate	3,9% ³
People employed	63.335 ³
People unemployed	31,584 ³
Unemployment rate	38,8% ³
Population aged between 20-64	57% ³
Persons over 20 with higher education	8,1% ³
Persons over 20 with no schooling	9,1% ³
Human Development Index	0,67 ³
HIV Positive	9% ³

1 SPM OWN INFORMATION

2 STATSSA – COMMUNITY SURVEY 2007

3 GLOBAL INSIGHT, AUGUST 2008

- The poverty gap in Sol Plaatje has increased in recent years meaning that persons or households lack the resources necessary to be able to consume a certain minimum basket of goods.
- Sol Plaatje's GDP accounts for approximately 31.6% of the Northern Cape's GDP.
- The largest economic role-players in Sol Plaatje are those in the tertiary sector i.e. community services, finance, transport and trade. The mining sector still contributes significantly towards the economy of Sol Plaatje – although it is in a steady declining mode.
- In 2006, the annual disposable income in Sol Plaatje grew at an average of 5.65% per annum from 2001.
- The population group that experienced the highest growth in its annual disposable income is the black population, which also accounted for 39.9% of total disposable income in 2006.
- In 2006, 25.9% of the people employed in the Northern Cape were employed inside the Sol Plaatje Local Municipality. This equates to 0.6% of the national economy.
- The sectors that employ the most people were transport, services, finance and manufacturing.
- Total employment in Sol Plaatje consists of employment in both formal and informal sectors. In 2006, there were an estimated 59,332 people employed in Sol Plaatje, which is approximately 25.9% of all people employed in the Northern Cape.
- Between 2001 and 2006, total employment in Sol Plaatje grew at an average of 2.8% per annum.

From these findings, the following is apparent:

- Sol Plaatje is a large economic and socio-economic role-player in the Northern Cape economy;
- The economy of Sol Plaatje is heavily dependent on the tertiary sector which is traditionally not very labour intensive;
- Sol Plaatje must be cautious of an economy that is very narrowly based and reliant on a limited number of sectors; and
- Growth in the population mainly occurs in the poorer sectors of the population resulting in an increase in the population that are dependent on some sort of state assistance for their existence while there is an increase in the out migration of the more affluent section of the population.

5. Reviewing the Key Performance Areas (KPA's) and Strategic Objectives

The 2008/09 IDP Review endorsed the 5 Municipal Key performance Areas that were developed in May 2007, namely,

1. Local Economic Development
2. Basic and Sustainable Service Delivery and Infrastructure Development
3. Municipal Financial Viability and Management
4. Municipal Institutional Development and Transformation
5. Good Governance and Public Participation

The 2009/10 IDP Review, in light of the MTAS indicated that a number of important “emphasis shifts” were needed in the strategic objectives associated with each of these Key Performance Areas (KPA’s). The shifts in emphasis were needed both to make the objectives realistic and attainable in the specific context of the SPM and to emphasise the overarching objectives related to the “space economy”.

During this review it was found that these strategic objectives as analysed in detail since the 2008/09 IDP Review are still relevant and need to be pursued by completing and fast tracking existing programmes, projects and operational activities to attain these objectives. A summary of these “emphasis shifts” in the strategic objectives within each of the Municipal KPA’s are depicted below:

KPA 1: Local Economic Development

SPM should be an **enabler** and not a **creator** of local economic development. SPM needs to stimulate economic growth from that what it controls (budget, policies, land use management, infrastructure and provision of municipal services). Infrastructure is especially important as economic growth must be leverage off infrastructure development. SPM must lobby for more public led infrastructure development. SPM also needs to set the development agenda - ie the Municipality must understand that what it controls can have both negative and positive impacts on the local economy. It needs to make sure that the control is positive (what type of development is allowed where and when, when and where it invests and allow investment in new infrastructure. Policies impacting on development must also be aligned with the present Strategic Agenda.

Local Economic Development - Infrastructure led and driven

KPA’s 2 : Basic and Sustainable Service Delivery and Infrastructure Development

Services

Affordable service delivery is crucial for SPM, both for the consumers (especially the poor and vulnerable) as well as the Municipality. To be able to deliver sustainable services SPM need to explore a system of differentiated service delivery based on affordability. “Core” services rather than “non-core” services must be prioritised and measures to deal with non-core services alternatively (ie off its operating cost structure) should put in place.

SPM needs to prioritise service delivery to areas of highest need and not according to grant driven priorities. A system of Community Based Planning must be instituted in order to determine the “real” community needs and priorities and to ensure realistic “trade-offs” between “ward-priorities” and municipal-wide “strategic priorities”.

Sustainable service delivery should also consider environmental issues, green service solutions, (climate change issues, alternative sources of energy, water conservation and quality etc), social issues (where people live and receive services, access to community facilities, crime and grime issues) as well as economic issues (access to economic opportunities, transport etc).

Sustainable and affordable service delivery according to areas of greatest need

Infrastructure

Without neglecting other activities, infrastructure development must receive the highest priority. Sol Plaatje requires a well developed and maintained infrastructure system, including a **Municipal Infrastructure Investment Framework** for prioritised new productive infrastructure to ensure economic and social development. Without such a framework it will not be possible to maintain growth and the sustainability of the Municipality will be jeopardised.

This KPA must therefore address the demand for new bulk and reticulation infrastructure in all the trading services as well as the replacement, refurbishment and maintenance of its existing ageing infrastructure. This must be done in a planned and phased manner of when, where and at what cost infrastructure must be provided to ensure long term sustainable growth. Provision must also be made to ensure optimum long term operations and maintenance of new infrastructure. The MIIF needs to include immediate *crisis aversion infrastructure investment, short and medium term demand as well as long term planning of new infrastructure*. It also needs to address the *institutional capability and capacity (financial and human resources)* of the Municipality to be able to implement this infrastructure development programme.

Planned, Costed, Prioritised, Green and Bankable Infrastructure Development

KPA 4: Financial Viability and Management

The first step is to ensure that the Municipality stabilises its cash flow position has been taken. This was done by increasing the collection rate of the billed amount but also to curtail cost by more efficient operations. The debtor's book has also been reduced – although not sufficiently.

It is now essential that the Municipality prepares a long term financial plan in line with the IDP that will address the long term infrastructure development programme additional to the following financial strategies:

- a. Revenue raising strategies
- b. Debt collection strategies
- c. Capital financing strategies
- d. Financial management strategies
- e. Asset management strategies
- f. Strategies that will enhance cost-effectiveness
- g. Operational financing strategies

Municipal Financial Stability, Viability and Sustainability

KPA 5: Institutional Development and Transformation

It is important to ensure an efficient and effective Corporate Governance Model that will ensure a sustainable path for the institution into the future. A stable Corporate Governance system refers predominantly to financial and institutional stability.

The political governance model was revised in line with relevant legislation and clearly outlines the powers, functions and delegations of Council and Committees of Council (s79 Committees), the Executive Mayor (Mayoral Committee – s80 Committees) and the Municipal Manager (Accounting Officer).

An Institutional Transformation Plan aimed at improved performance and service delivery has also commenced during the 2009/10 financial year to address the following issues:

- o Review core business of the Municipality
- o Review, validate and adopt a macro and micro-organisational structure (organisation chart)
- o Assess skills gaps
- o Prepare a prioritised management and staff deployment, redeployment, retention and appointment plan
- o Review systems, processes and procedures for improved institutional performance (including implementation of a Management Information Strategy)
- o Strategies addressing behaviour, attitudes and values of staff;
- o Improve management processes for increased accountability.
- o Improve the management of the political/administrative interface
- o Improve performance management at all levels

It is now important to pursue the above processes further to its conclusion in order to take the Municipality to a higher level of Corporate Governance during the next 5-year IDP cycle.

Municipal Institutional (capability) Development and (capacity) Transformation

KPA 6: Good Governance and Public Participation

Good governance is firstly about achieving a clean audit. This relates to an effective Corporate Governance System that adheres to legally required processes and procedures to ensure a clean and open governance system – both on the political and administrative levels – see also KPA 5).

Furthermore, SPM needs to regain the trust between officials and councillors and the residents. It is therefore of significant importance to ensure an effective interface between the Administration and the Political Offices – especially with

regard to roles and responsibilities as well as a pro-active Communication System – both internally and externally.

Public participation should be mainstreamed and should not be a compliance issue only – there is a therefore an urgent need to develop a continuous Community Based Planning (and monitoring) System.

Good Governance (Trust and Respect) and Public Participation (Community Based Planning)

6. Mid-year Performance 2010/11 and Remaining Gaps in the IDP

Before discussing the next cycle of implementation an overview is given of the Mid-year performance of the Municipality, both in terms of the Budget and Service Delivery Targets. The detailed Mid-Year Budget and Service Delivery Performance Assessment Report is available on the Municipality's website – www.solplaatje.org.za.

6.1. Capital Programme

An annual target to spend at least 85% of the capital budget was set for the 2010/11 financial year. A Capital Budget of R304,673,000 was approved by Council in May 2010. At 31 December 2010 the Budget however realised only an amount of R175,760,876. This was due to the fact that some funding did not materialise after the budget was adopted such as the loan from the DBSA which was only approved in December 2010 and not earlier as anticipated as well as funding received that were not included in the original adopted budget as its availability was only confirmed after the adoption of the budget.

Taking the above into consideration the Capital Budget at 31 December 2010 stood at:

Original adopted Budget	R 304,673,000
Funding that did not materialise	R 152,563,600
Balance	R 152,109,400
Additional funds received after approval of Budget and roll-over projects	R 23,651,476
Total Corrected budget	R 175,760,876

Table 3 below summarises the performance of the Capital Budget per service category for the period 1 July 2010 to 31 December 2010.

Table 3: Summary of Capital Budget Performance per Service Category as at 31 December 2010

ACTUAL YTD						FUNDING SOURCES		
Project Description	Original Budget	Expend	% Spend	Actual for Month	Variance on YTD	CRR	Grant Funds	Source
Municipal And General	15,019,355	0	0.00%	0	0	6,350,000	8,669,355	CRR/ EPWP
Roads & Stormwater	900,000	8,635,800	959.53 %	1,385,111	-7,735,800	500,000	400,000	CRR
Water And Sanitation	29,858,189	12,533,182	41.98%	2,932,269	17,325,007	3,000,000	26,858,189	MIG/CRR
Electricity(Incl Streetlights)	15,815,000	2,675,114	16.92%	487,694	13,139,886	1,500,000	14,315,000	CRR/DME/MIG
Gurp Projects	22,300,000	731,147	3.28%	505,649	21,568,853	3,000,000	19,300,000	CRR/NDPG
Housing	23,723,215	2,325,627	9.80%	113,299	21,397,588	0	23,723,215	COGHSTA
Community Services	1,807,241	1,582,644	87.57%	482,761	224,597	0	1,807,241	MIG
Led, CBD & Urban Planning	4,600,000	399,524	8.69%	5,522	4,200,476	0	4,600,000	MIG/LOAN
Finance	650,000	710,446	109.30 %	0	0	650,000		CRR
Total	114,673,000	29,593,484	25.81%	5,912,305	85,079,516	15,000,000	99,673,000	
Long Term Loan	190,000,000	16,384,644						
Grand Total (Adopted Budget)	304,673,000	45,978,128	15.09%					
Corrected Budget	175,760,876	45,978,128	26.16%					

Table 4 below compares the performance of the Capital Budget as at 31 December 2010 with that of the previous year (2009/10).

Table 4: Capital Works Plan as at 31 December 2010 compared to the 2009/10 financial year

	2009/10				2010/11	
	31 Dec 09		30 Jun 10		31 Dec 10	
	R	%	R	%	R	%
Adopted Budget	113,499,216	100%	113,499,216	100%	304,672,702	100%
Spent on adopted Budget	42,564,212	38%	103,566,164	91%	45,978,128	15.09%
Adjusted/Proposed adjustment Budget	125,647,924	100%	164,277,734	100%	209,677,355	100%
Spent on Adjusted/Proposed adjustment Budget	42,564,212	34%	103,566,164	63%	45,978,128	26.16%

The target for actual spending on the capital budget at mid-year was 30%.

According to the detail reports received from project managers the following areas need special intervention to increase the Municipality's capital efficiency:

- o The delay in delivery of stores material
- o Long supply chain management process to procure goods and services, including appointment of consultants and contractors
- o Contractors not performing to standard

6.2. Operational Budget

From 1 July 2010 to 31 December 2010 the municipality has been consistently reporting to National Treasury and Council on a monthly basis in terms of MFMA Section 71 requirements. These reports provide indications of the progress of budget implementation as well as monitoring and performance on a monthly basis.

A high level summary of the 2010/11 Budget performance for the period 1 July 2010 to 31 December 2010 is presented in the table below:

Table 5: Council Operating Budget Summary Report as at 31 December 2010

Description	2009/10	Budget Year 2010/11							Full Year Forecast
	Audited Outcome	Original Budget	Adj Bud	Monthly actual	YTD actual	YTD budget	YTD variance	YTD variance	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	
Financial Performance									
Property rates	189 424	208 320	-	9 864	152 375	104 160	48 215	46%	208 320
Service charges	489 460	582 600	-	47 668	277 460	291 300	(13 840)	-5%	564 165
Investment revenue	43 461	44 000	-	2 346	17 343	22 000	(4 657)	-21%	37 715
Transfers recognised - operational	218 640	129 037	-	41 680	84 835	64 519	20 316	31%	129 037
Other own revenue	50 083	54 473	-	4 911	29 612	27 237	2 375	9%	54 611
Total Revenue (excluding capital transfers and contributions)	991 068	1 018 430	-	106 469	561 625	509 215	52 410	10%	993 849
Employee costs	304 106	329 043	-	34 665	177 220	164 522	12 699	8%	354 440
Remuneration of Councillors	11 470	14 612	-	1 000	5 713	7 306	(1 593)	-22%	11 426
Depreciation & asset impairment	29 804	49 732	-	-	-	24 866	(24 866)	-100%	33 000
Finance charges	8 931	20 686	-	1	670	10 343	(9 673)	-94%	12 000
Materials and bulk purchases	250 051	241 000	-	33 691	122 107	120 500	1 607	1%	244 213
Transfers and grants	350	1 450	-	-	1 609	725	884		2 450
Other expenditure	297 008	361 907	-	16 281	136 644	180 954	(44 309)	-24%	273 288
Total Expenditure	901 719	1 018 430	-	85 638	443 963	509 215	(65 252)	-13%	930 817
Surplus/(Deficit)	89 349	-	-	20 831	117 662	-	117 662		63 031
Transfers recognised - capital	-	-	-	-	-	-	-		-
Contributions & Contributed assets	-	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions	89 349	-	-	20 831	117 662	-	117 662		63 031
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the year	89 349	-	-	20 831	117 662	-	117 662		63 031
Capital expenditure & funding sources									
Capital expenditure	108 629	304 672	-	5 912	29 593	119 329	(89 735)	-75%	-

Description	2009/10	Budget Year 2010/11							Full Year Forecast
	Audited Outcome	Original Budget	Adj Bud	Monthly actual	YTD actual	YTD budget	YTD variance	YTD variance	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	
Capital transfers recognised	-	-	-	-	-	-	-	-	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	-	-	-	-	-
Total sources of capital funds	-	-	-	-	-	-	-	-	-
Financial position									
Total current assets	342 490	368 613	-		368 613				-
Total non current assets	700 952	604 337	-		604 337				-
Total current liabilities	200 993	138 504	-		138 504				-
Total non current liabilities	212 525	73 400	-		73 400				-
Community wealth/Equity	629 923	734 703	-		734 703				-
Cash flows									
Net cash from (used) operating	-	-	-	-	-	-	-	-	-
Net cash from (used) investing	-	-	-	-	-	-	-	-	-
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the month/year end	-	-	-	-	-	-	-	-	-
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Revenue Source	56 967	25 627	43 794	428 120	-	-	-	-	554 508
Debtors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

Approximately 50.32% of the total operational budget has been spent as at 31 December 2010. Indications are that the budgeted amount will close at almost 100% spending at year end with the adjustment budget to be taken into account.

The expenditure on employee related costs is at an average of 53.85% which is an indication that the amount budgeted for will be fully spent at year end.

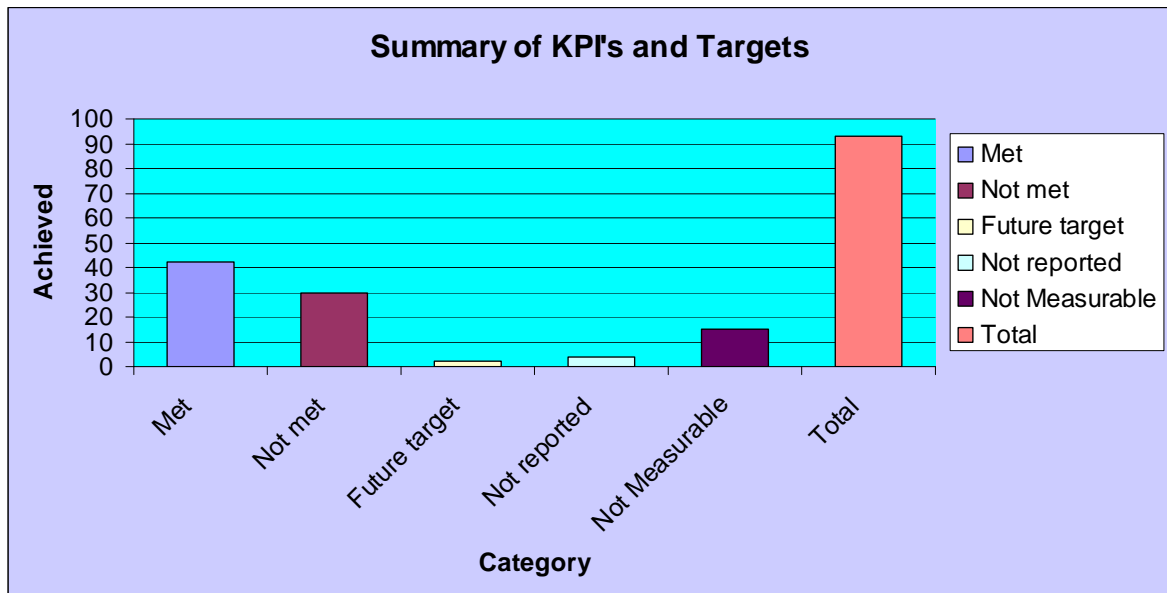
Repairs and maintenance reflects an average of 38.83% spending at mid-year. Infrastructure and Services which is allocated more than two thirds of the repairs and maintenance budget has spent 46.81% of their allocated funds. Because of limited funds from the operational income, maintenance plans for assets are not fully implemented as required, taking into account the state of our infrastructure. The focus at this moment is more on preventative maintenance as well as emergency maintenance. The municipality has shown commitment in its IDP that it needs to ensure the effectiveness of its existing infrastructure by increasing spending on repairs, upgrade, refurbish and maintenance of the infrastructure.

Other areas of concern are that water losses in distribution are still relatively high at 34.29% as at 31 Dec 2010 compared with 34.65% as at 31 Dec 2009. However,

there is a study being conducted to understand and take stock of the entire water losses. At the end of the study, the municipality will have a clear understanding of areas that are experiencing high levels of losses, and an action plan will be put in place to address such findings.

6.3. Service Delivery Targets

As indicated in the Figure below a total of 93 “top layer” service delivery targets were set in the 2010/11 Service Delivery and Budget Implementation Plan.



As can be seen from this graph SPM managed to achieve 42 of the targets while 30 were not met. The detail information on Service Delivery performance is attached as Annexure 3. The main reasons why these targets were not met are:

- o A lack of human resource capacity and skills
- o A lack of funding – targets were set assuming that funding will be made available or was budgeted for but the funding did not materialise (see also performance on Capital Budget in section 3.1.10 above).

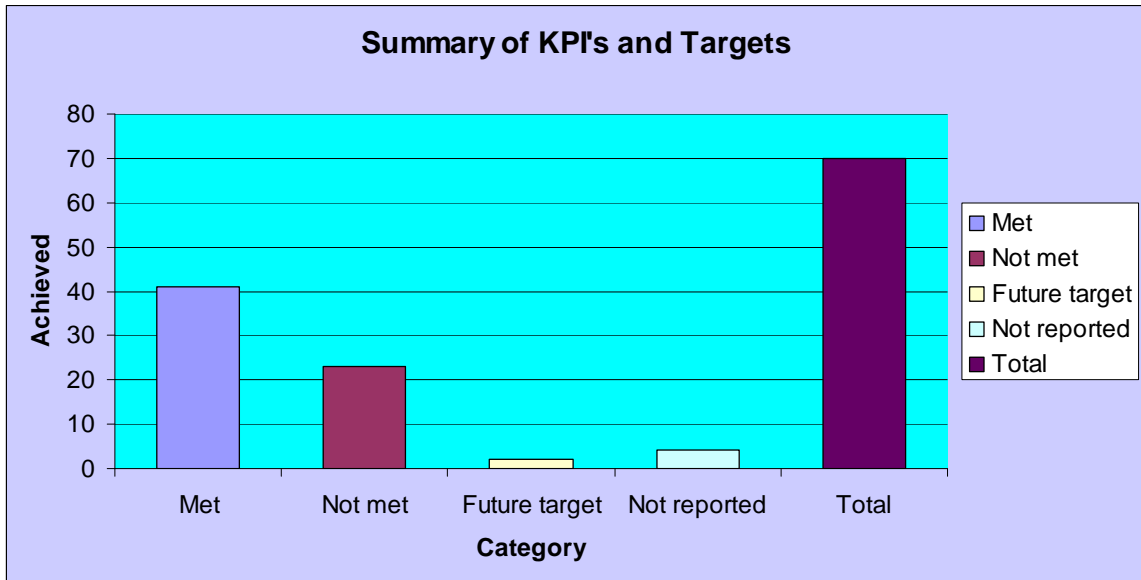
Taking the detail in the service delivery targets performance report into consideration 24 KPI's and targets need to be adjusted in or removed from the “top layer” SDBIP for the following reasons (the detail motivation to adjust these targets are contained in the Mid-year Budget and Performance Assessment Report 2010/11):

- o KPI's and Targets that are not realistically achievable
- o KPI's and Targets that are not objectively measurable and evidence on performance cannot be provided
- o Service delivery targets that do not have any funding to implement projects (see also performance on Capital Budget in section 3.9). these targets need to be aligned with the proposed adjustments in the Capital Budget.
- o KPI's and targets that are not relevant and does not provide sensible performance information. These targets mainly relate to internal

organisational processes and procedures and should be addressed in Directorate (“lower level”) SDBIP KPI’s and targets.

The next Figure indicates the performance on the KPI’s and targets should the above adjustments to the KPI’s and targets be made – which is a more realistic picture of actual performance.

Performance of KPI’s and targets with proposed adjustments.



The KPI’s and targets indicated as “Not reported” is mainly where information is not available as yet – but will be reported on for the remainder of the financial year.

A serious attempt, after considering the factual status quo in this report, will be made to ensure that SPM set itself realistic, achievable but challenging targets for the remainder of the 2010/11 financial year and moving forward into the 2011/12 MTREF. Management processes are also being put in place to intervene where poor or non-performance is evident.

6.4. Remaining Gaps in the IDP

A concerted effort was made to continuously fill the content gaps within the IDP since its inception in 2002. Most gaps have since been addressed although some important issues are still outstanding; both legally required sector plans as well as internally required plans and strategies. The table below indicates the progress made in filling the content gaps as well as the remaining gaps:

Table 6: Remaining Content Gaps in the IDP

Content Gap Filled/Remaining	Achievement/Challenges
Spatial Development Framework (SDF) and Land Use Management System (LUMS)	An SDF was adopted by Council in 2005 and a review was adopted by Council in May 2009. Linked to the review of the SDF is the preparation of a LUMS to ensure the implementation of the SDF through a consolidated legally compliant

Content Gap Filled/Remaining	Achievement/Challenges
	zoning scheme and land use regulations. A final draft of the LUMS has been published for comments and was also discussed with Council during an informal council meeting in December 10. It is anticipated that the LUMS will be adopted by Council in June 2011.
LED Strategy	An LED Strategy was adopted by Council in 2009.
Integrated Transport Plan (ITP)	Council adopted its ITP in October 2006. Some projects emanating from this Plan are presently being implemented, funded from the Department of Transport. This plan is now due for review especially in relation to the adopted "space-economic strategy" adopted by Council and discussed earlier.
Water Services Development Plan (WSDP)	The existing draft WSDP (2003 edition) are being reviewed and a draft plan was submitted in October 2010. This Plan has also since been augmented by a Non-revenue water Minimisation Study with the purpose of determining where water losses occur and how to correct the situation and manage it in future.
Disaster Management Plan (DMP)	The Disaster Management Plan was adopted by Council in August 2008. This plan is due for revision and will be included in the next 5-year cycle IDP.
Integrated Waste Management Plan (IWMP)	A draft Integrated Waste Management Plan has been completed and the approval process has commenced. This process should be completed by 31 May 2011.
Integrated Environmental Management Plan (IEMP)	SPM is in the process with assistance from the Frances Baard District Municipality and Service providers to prepare an IEMP and should be completed before the end of the present financial year.
Financial Plan	<p>According to the Municipal Systems Act a Financial Plan should be a core component of the IDP.</p> <p>The Financial Plan should define sound financial management and expenditure control as well as means of increasing revenues and external funding for the Municipality to achieve its development priorities and objectives. It should further address:</p> <ul style="list-style-type: none"> • Revenue raising strategies • Asset management strategies • Financial management strategies • Capital financing strategies • Strategies that will enhance cost-effectiveness • Operational financing strategies <p>A consolidated Financial Plan has not yet been prepared although most of the issues raised above are being addressed as separate entities.</p> <p>A consolidated financial plan as envisaged by the relevant legislation will be prepared as part of the next 5-year IDP cycle to commence in August</p>

Content Gap Filled/Remaining	Achievement/Challenges
<p>Institutional Plan</p>	<p>2011.</p> <p>As part of its Turnaround Strategy the Sol Plaatje Municipality has identified Institutional Building as a key focus area in line with the National Local Government Turnaround Strategy. An institutional overview indicated the critical interventions that were required in this area. The following actions were taken as priorities under the guidance of the political leadership of the municipality and with the assistance of service providers:</p> <ul style="list-style-type: none"> • A revised HR Policies and Procedures Handbook were prepared. • A reconciliation of the April, May and June 2010 payroll with the organisation establishment was conducted • An assessment of changes required to Macro and Micro Organisational Structure was completed and proposals on the “to be” Organisational Structure were drafted • A draft Human Resource Strategy Report was prepared. <p>Linked to the above process an assessment was also done on the strengths and weaknesses of the current Sol Plaatje Municipal Political Governance Model. The findings from this report proposed certain corrections to the present (political) governance model, with specific reference to the role, function and decision-making powers to be reserved for Council. It further made proposals concerning the establishment of an Executive Mayoral Committee in line with the Structures Act as well as changes required to the existing portfolio system.</p> <p>Council adopted the corrections to the existing governance model as proposed, in December 2010, and also authorised the Municipal Manager to proceed with the relevant administrative tasks with regard to the implementation protocols of these proposals. Implementation of these proposals has commenced and several meeting of the “new” Mayoral Committee have taken place. Implementation of the total revised structure will be finalised once the new Council has been instituted in May 2011.</p>
<p>Integrated Human Settlement Plan</p>	<p>A draft IHSP was completed in December 2009 and is in the process of being adopted after input has been received from all stakeholders. It is anticipated that this Plan will be adopted before 30 June 2011 also as part of the larger Municipal Infrastructure Investment Framework and will inform the next 5-year IDP cycle..</p>
<p>Community Based Planning System (CBPS)</p>	<p>A Community based Planning System needs to be created to ensure substantive community empowerment and participation in the IDP and</p>

Content Gap Filled/Remaining	Achievement/Challenges
	<p>Budgeting processes which will result in better long term planning to inform shorter term plans, resource allocation, trade-offs (community needs vs strategic needs) and the sequencing of implementing plans. It is a prerequisite for a "credible" IDP. The CBP should be guided by the following principles:</p> <ul style="list-style-type: none"> j. The need to ensure that poor people are included in planning (and so the tools seek to make sure that poor people are identified and their livelihoods analysed); k. The need for systems to be realistic and practical, the planning process must be implementable using available resources within the municipality (and so must link in and integrate with existing processes, particularly municipal planning processes); l. Planning linked to a legitimate structure (the ward and ward committee); m. Planning which is not a once off exercise, but part of an on-going process, with planning, implementation, M & E, and annual reviews; n. Plans that are people-focused and empowering (and so the plan is based around the livelihoods of different groups, and the community produces their own plan with support from ward and municipal facilitators); o. Need to build on strengths and opportunities not problems (which makes us more likely to succeed and not to be paralysed by the problems); p. Plans that are holistic and cover all sectors (and so address the reality of people's lives, and not the artificial sectoral distinctions of government); q. Planning which promotes mutual accountability between community and officials (and so upward and downward accountability is critical); r. Commitment by councillors and officials to both plan and implement, and there must be someone responsible to ensure it gets done (hence the commitments and preconditions the municipality needs to undertake). <p>A working document on a Ward Based Planning System was prepared and discussed during a meeting of the Executive Management Team on 17 Sep 2010 where it was resolved to proceed with the process. The concept was also presented in the Strategic Planning Sessions with Councillors and accepted. The implementation of the WBPS will be implemented as an integral part of preparing the next 5-year IDP.</p>

Many of the issues not dealt with in the table above also forms an integral part of the Municipal Turnaround Strategy and will be part of the implementation of the IDP and will also be incorporated in the Municipality's Performance Management System.

7. Stakeholder Comments

This draft IDP will be advertised for input from the public and public meetings (IDP Representative and Business Forum as well as open public meetings) will be conducted during April 2011. Once all these inputs have been received the IDP will be finalised, also considering these inputs, for adoption by Council by not later than 30 April 2011.

Normally a Provincial IDP Analysis and Engagement Session is also held in May each year. During this event municipalities' IDP's are assessed to ensure that credible and implementable IDP's are produced. This assessment takes place through a "Credible IDP Evaluation Framework" developed by the Department of Provincial and Local Government (DPLG). Due to the elections this event will in all probability only take place in June 2011.

All municipalities need to complete a template to demonstrate the municipality's strategy, vision and compliance with both policy and legislative intent. This template is then used by the assessors to analyse the IDP for credibility. The assessors consist of senior officials of CoGTA, the Premier's Office, Northern Cape CoGHSTA as well as Provincial Sector Departments (e.g. DWAF, DTEC, Safety and Liaison etc). After this event the MEC: CoGHSTA releases his "IDP Comment" which also needs to be taken into consideration before the IDP is finalised.

Two engagement events also take place annually with National Treasury (NT), namely the Mid-Year Budget and Performance Assessment Event (February) and a Benchmarking Exercise (May). Both these events' purpose is to assist the SPM ensuring the preparation of credible IDP's, Budgets and SDBIPS.

The first event's purpose is to review the municipality's mid-year performance, the outcomes of which should inform the adjustment budget as per Section 28 of the MFMA, and focuses on, amongst others:

- The previous year's annual report outcomes and key achievements during the period;
- The actual mid-year results for the present financial year, financial and non-financial, as measured against priorities in the Integrated Development Plan (IDP) and the targets set in the Service Delivery and Budget Implementation Plan (SDBIP);
- Infrastructure delivery achievements against the Infrastructure Plan of the municipality;
- Spending on all the national and provincial conditional grants and progress made in achieving the grant conditions;
- The preparation of the adjustment budgets and inputs thereto; and
- The next MTREF budget schedule and progress made in achieving the milestones and timelines specified in the schedule with specific reference to any challenges experienced with the compilation of the next budget.

This event took place on 21 and 22 February 2011 and the report from NT is being awaited and will also be incorporated into the final IDP and Budget before submission to Council for adoption.

The second NT event focuses on the credibility of the draft IDP and Budget after it has been tabled to Council and is then benchmarked against similar municipalities. This event will in all probability happen in mid April 2011. Input received during this event will also be incorporated in the final IDP and Budget

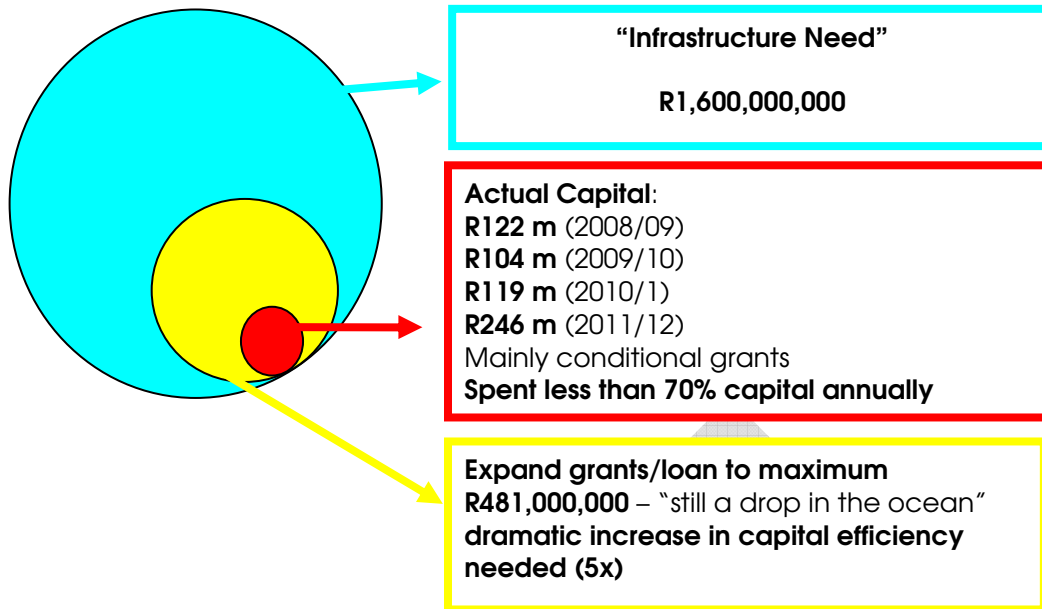
8. Linking the IDP and Budget to Implementation and Performance Management

It is crucial to ensure that the strategic IDP Objectives informs the Budget thereby ensuring implementation of the Strategic IDP Objectives of SPM during the 2011/12 MTREF period and that this is reflected in the 2011/12 SDBIP. The Municipal Manager and Managers Reporting Directly to the Municipal Manager's annual Performance Agreements/Plans should then be informed by the 2011/12 SDBIP. Managers on the lower levels' performance targets must then be informed by the s57 Managers Performance Plans (see sections 9,10 and 11 below).

8.1. The Capital Programme

The strategic IDP Objectives prioritises the challenges facing the Municipality with regard to its infrastructure development, both in terms of replacing and refurbishing ageing infrastructure and creating new productive infrastructure. These challenges, which seriously hamper growth in the municipal area, need considerable financial and human resource investment. This was demonstrated by a feasibility study done by an independent group of consultants on behalf of ABSA Bank, Provincial Government and Sol Plaatje conducted in late 2009.

This study indicated that SPM would need in the region of R1,6 billion over the next 3-5 years to resolve its infrastructure challenges. This is demonstrated in the diagramme below.



As can be seen from Table 7 below, the confirmed funding sources for the next 3 years total just over R480 million. The main contributors to these funds are a long term loan from DBSA (R226 m) and R207,6 m from government grants. Own funding therefore contributes only R37 m.

Table 7: Confirmed Capital Funding Sources for the 2011/12 MTREF

SOURCE	2011/12	2012/13	2013/14	COMMENTS
Municipal Infrastructure Grant (MIG)	43,985,000	21,090,000	56,642,000	Gazetted
Neighbourhood Development Partnership Grant (Capital Grant)	10,000,000	15,000,000	15,000,000	Gazetted
Department of Energy (DOE) Integrated National Electrification Programme Grant	18,003,000	10,000,000	5,000,000	Gazetted
Elec demand side mng (eskom) grant	5,000,000			Gazetted
Neighbourhood dev partnership Grant sche 7	2,000,000			Gazetted
Borrowings (DBSA)	149,600,000	76,400,000		Approved
GURP GoCHSTA	5,831,000	6,076,000	3,968,000	Gazetted
Capital Replacement Reserve (CRR) and Counter Funding	12,000,000	12,000,000	13,000,000	Own funding
TOTAL	R 246,419,000	R 140,566,000	R 93,610,000	
CRR fund	R 12,000,000	R 12,000,000	R 13,000,000	
Borrowings	R 149,600,000	R 76,400,000	R 0	
Total Grants	R 84,819,000	R 46,090,000	R 76,642,000	
	R 480,595,000			

From the diagramme above and Table 7 it is evident that SPM would need to find ways of funding its infrastructure challenges off its balance sheet as it will be very difficult to source the required funding with its present borrowing capacity and own revenue streams.

Prioritising the allocation of secured funding to ensure that at least "crisis infrastructure issues" are addressed becomes very important. Such a prioritisation process is necessary to ensure growth of the City of Kimberley and the municipal area as a whole but also to ensure that critical services such as water, sanitation and electricity do not collapse. This creates a further problem in finding funding to ensure service delivery to communities with pressing needs in terms of housing, water, sanitation and electricity reticulation as well as roads and stormwater systems. Creating integrated human settlements becomes therefore an added serious challenge. However, without addressing the pressing infrastructure needs it will not be possible to address community needs and growth. Infrastructure development must therefore be prioritised in allocating resources – without neglecting serious backlogs in service delivery. Creating a Prioritisation Model that will prioritise the allocation of resources on a strategic level is therefore of utmost importance.

Sol Plaatje Municipality has found it useful to distinguish between four different reasons for expenditure, considering the above analysis:

1. To **address crisis** - either by responding to a disaster or by prevention or mitigation thereof
2. To **maintain the existing assets** - Every asset should have a maintenance plan and this is normally part of operational expenditure. Where major (useful) assets have not been properly maintained in the past, it may prove necessary to rehabilitate or totally rebuild them, bringing 'maintenance' issues into the capital budget.
3. To **provide basic needs** for people (Ward priorities) – from housing and sanitation, to safety in residential areas. In order to do this it is also necessary to have the necessary bulk infrastructure capacity.
4. **Fund Infrastructure led growth** – investment to upgrade or expand existing infrastructure or to provide new, productive infrastructure (Infrastructure led growth).

The Municipality needs to address all four of these categories of expenditure over the long term, but short term demands may require an emphasis on fewer at a particular time. Unfortunately, regular maintenance was deferred in the past in order to divert funds to 'more urgent' uses. This practice meant that assets now have to be replaced or entirely re-built at much greater cost, well before the end of their planned useful life. The failure to expand bulk infrastructure to take account of growth led to infrastructure being tested beyond its planned capacity, with serious consequences for its longevity and effectiveness, which is experienced at present.

There are obviously overlaps between these categories. The upgrading/extension or replacement of the Homevale Waste Water Treatment Plant, as an example, is urgent to avert a crisis. **BUT**, it also satisfies basic needs and will unlock development. Some parts of the problem are due to long-delays in

maintenance. But it also needs to be replaced and extended on a larger scale to allow for growth. So here is a project that covers all of these 'categories'. But if one had to pick one "category", it would be that to address a **crisis**.

By categorising each item of expenditure as above – choosing in each case the predominant reason for the project – the Municipality will create a picture of how it is allocating its resources which can be compared over time and used to question whether the 'balance' is appropriate.

In the case of the operational budget, the task is to decide how the existing capacity of the Municipality will be divided to give the greatest benefits in terms of addressing the infrastructure issues. In the long term, the municipality should aim to set a minimum proportion of operational expenditure aside that will be allocated for infrastructure maintenance. This figure should be fairly high (10% - 12%) in the short term and thereafter in the order of 5% - 7% in the long term. This is due to the failure to maintain assets in the past and the need to create a new tradition of regular, planned maintenance for new assets. Almost the entire capital budget of Sol Plaatje is provided by grants, but the assets then need to be maintained using revenues from the operating budget. It is only in the long run that cash will be generated by the new assets that are being created that will then contribute to operating and maintenance cost in the operating budget.

There are therefore a number of principles that can be identified provide a solid framework for making expenditure, investment and resource-allocation decisions.

1. **Address the crisis areas** – these are "**must do**" projects as well as multi-year and roll-over projects.
2. Ensure that **maintenance of assets** make up at least 10% of operational expenditure in the short term.
3. Identify the most **urgent areas requiring capital expenditure** and raise the grant money available for this. (The municipality does not have a barrel of reserves to choose what to invest in – reserves still need to be replenished. SPM has to convince granting agencies of particular needs and can then only use the funds in this manner. It needs to lobby for additional funds for particular projects – such as was done with the recently upgrading of streets).
4. Apply a "**prioritisation matrix**" to the "**other**" projects – deciding how to allocate the operational resources of the municipality beyond the maintenance tasks and how to ensure **equity in the distribution of funds to ward projects**.

The process of categorising and prioritising has been employed to prioritise the Capital Programme for the 2011/12 MTREF. During this process it has also now been recognised that *ad hoc* and short term responses in addressing infrastructure are inadequate to meet the scale of the infrastructure challenges as is indicated above. It is also recognised that conventional infrastructure grants and municipal balance sheet borrowing are unable to address the municipal-wide bulk infrastructure problems in time. It is therefore critically important that an **Integrated Infrastructure Investment Framework** be prepared in response to this that would structure a financial package for an integrated, comprehensive bulk infrastructure investment programme. Such an initiative has started when SPM appointed Absa

to conduct a project preparation of such a bulk infrastructure investment programme that will inter alia enable the municipality:

- a) To consider an integrated municipal-wide bulk infrastructure technical solution providing a "master plan" for infrastructure creation;
- b) To access a wide ranging mixture of grants and commercial finance that will enable to finance its bulk programme sustainable and affordably; and
- c) To make institutional arrangements for the financial ring fencing of infrastructure and the optimisation of operations.

A Project Preparation report was submitted to the Municipality in October 2009 looking at possible ways to address Sol Plaatje's infrastructure challenges in terms of the following three key broad elements:

- Technical
 - Comprehensive (water, sanitation, electricity, solid waste and roads)
 - City-wide, providing a regional infrastructure systems view
- Financial
 - Structuring and arranging feasible funding package
 - Framing a sustainable revenue solution whereby the funding can be recouped
- Institutional
 - Ensuring statutory compliance and addressing key institutional risks such as capacity and skills gaps

The Report led to SPM applying for a loan from DBSA to address the short term critical infrastructure issues, while preparing its longer term **Integrated Infrastructure Investment Framework**. The issues to be addressed by the DBSA Loan is indicated in the proposed Capital Plan for the 2011/12 MTREF (Annexure 3)

Due, however, to the fact that almost all of the capital expenditure for the next three years is focussed on critical infrastructure challenges it is critical that the "softer grant funding" such as the NDPG and GURP funding be utilised in a manner and in space that fosters **urban integration** as opposed to urban sprawl and social inclusion as opposed to social exclusion (**Integrated Human Settlement**) – meaning that it should better address the present strategic agenda of the Municipality. The capital spent as such should also be bolstered – meaning that the capital as a percentage of total budget should be closer to 25% than the present 10,7%. The capacity and skills level of project management must also be enhanced to substantially increase the capital efficiency – capital spending at present is only around 70% and should be at least 90%.

8.2. Operational Budget

The Municipality's Operational Budget should also be informed by the Strategic IDP Objectives and should therefore allocate resources to operational activities that address these Objectives.

The challenges facing SPM in this regard is to a large extent the dependency on grant funding and the non-ability to generate own funding to increase the Capital Replacement Reserve substantially to invest in own discretionary capital programmes.

In this regard SPM is addressing the following issues as a matter of urgency to put the Municipality on a sustainable financial footing:

- o It looks at finding ways to focus capital on strategic needs as opposed to grant-funded priorities and bring cost of capital to manageable levels - in other words to improve capital efficiencies.
- o Rebuilding its internal reserves.
- o Cut and manage staff costs and associated liabilities to an acceptable level.
- o Sort out internal recharges and implement an effective cost management system.
- o Review tariff policies.
- o Align monitoring and reporting systems.
- o Skills retention and skills recruitment strategies should be put in place
- o Effective Debt Collection Policy to be put in place
- o Current collection rate must increase to at least 90% of billing.

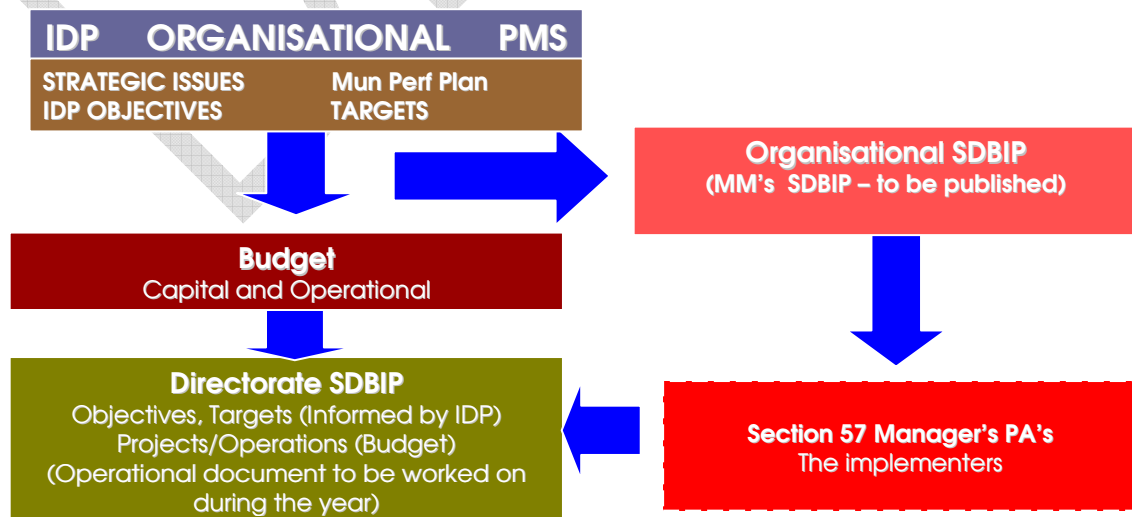
A summary of the proposed Operating Budget for the 2011/12 MTREF is attached as Annexure 4.

9. The Multi-Year Performance Plan, 2009/10 – 2011/12

The above analysis indicates the Key Strategic Issues SPM needs to achieve with the available resources allocated in the 2011/12 MTREF Budget. It is now possible to populate the Multi-Year Municipal Performance Plan setting the necessary annual KPI's and targets for each IDP Objective.

The IDP Objectives, Key performance Indicators and Targets indicated for the 2011/12 Financial Year will be detailed in the 2011/12 SDBIP which is the implementation, monitoring and reporting tool that will be used to implement, monitor and report on these IDP and Budget review proposals.

Linking the IDP Strategic Objectives to Implementation and Budget through the Service Delivery and Budget Implementation Plan



This Multi-year Performance Plan has been revised in light of the overall Municipal Strategy and MTAS, the review of the KPA's and IDP Objectives (section 5), the Mid-year Budget and Service Delivery Performance Assessment Report (section 6) and the Budget allocations (section 8 and Annexures 3 and 4). The draft Multi-year Performance Plan is attached as Annexure 5. This Plan could still be adjusted as it needs to be interrogated by all stakeholders (public participation process and provincial and national government engagements) and more detail work still needs to be done to align it accurately with the available resources to address strategic objectives as well as ward priorities.

10. Implementation through the 2011/12 Service Delivery and Budget Implementation Plan

The SDBIP gives effect to the implementation of the IDP and Budget of the Municipality. The strategic Objectives within each Key Performance Area for the 2010/11 financial year in the Multi-year Municipal Performance Plan informs the SDBIP for the 2010/11 financial year and breaks it up into quarterly targets.

The Budget should ensure the implementation of the strategic priorities of the Municipality through the allocation of financial and human resources. The Budget is not an implementation or management plan. The SDBIP therefore serves as a "contract" between the administration, council and the communities expressing the strategic objectives (within each KPA) set by Council as quantifiable outputs that can be implemented by the administration in a specific financial year – in this case 2010/11. This provides the basis for measuring performance in service delivery against end-of-year targets and implementing the budget.

The SDBIP is a layered plan with the top layer dealing with consolidated service delivery targets (refer to Multi-year Municipal Performance Plan – Annexure 4) and in-year deadlines and linking such targets to the top management of the Municipality. Once the top-layer targets are set, the top management must then develop the next (lower) layer of detail of the SDBIP, by providing more detail on each output for which they are responsible for, and breaking up such outputs into smaller outputs and linking these to each middle-level and junior manager. These outputs should also include information per ward, especially key expenditure items on capital projects and service delivery.

11. Monitoring the Implementation of the IDP

In terms of the Municipal Systems Act 2000, Chapter 5:

"A Municipality must –

- a) *Establish a performance management system that is –*
 - i. *Commensurate with its resources*
 - ii. *Best suited to its circumstances and*
 - iii. *In line with the priorities, objectives, indicators and targets contained in its integrated plan;*
- b) *Promote a culture of performance management among its political structures, political office bearers and its administration;*
and

- c) *Administer its affairs in an economical, effective, efficient and accountable manner"*

The monitoring, evaluating, measuring and reporting through the integrated Performance Management System (PMS) is to ensure that the resources available to the Municipality are directed at the delivery of prioritised projects, programmes and operations that meet the agreed to development priorities of the IDP. Monitoring, evaluating, measuring and reporting performance will also assist the Municipality:

- To make immediate and appropriate changes in the prioritized delivery process and to adjust resources accordingly;
- Identify and overcome major or systemic blockages in the delivery process and
- guide future planning on development objectives and resource use.

Council adopted an Integrated Performance Management System Policy Framework in 2010. This Policy Framework will be reviewed as part of completing the 2011/12 SDBIP and Performance Agreements of the Municipal Manager and managers Reporting Directly to the Municipal Manager to ensure that it is aligned to the most recent government policies and regulations related to performance management. This Policy Framework will be adopted by Council for implementation from 1 July 2011.

12. Important Documents Supporting the IDP

The following documents are available on the SPM's website (www.solplaatje.org.za) and are mentioned here due to their relevance to the normal functioning of the Municipality and inter-relationship with the IDP:

Budget-Related Policies

No	Policy Title	Adoption Date/ Draft Status	Approval/Review Status
1	Credit Control and Debt Collection Policy	17/11/2005	Approved: Due for Review
2	Indigent Policy	17/11/2005	Approved: Due for Review
3	Asset Management Policy	17/11/2005	Approved: Due for Review
4	Risk Management Policy	17/11/2005	Approved: Due for Review
5	Tariff Policy	17/11/2005	Approved: Due for Review
6	Policy on Internal Audit	17/11/2005	Approved: Due for Review
7	Policy on Audit Committee	17/11/2005	Approved: Due for Review

			Review
8	Property Rates Policy	28/02/2007 Amended 04/04/2007	Approved: Due for Review
9	Supply Chain Management Policy	17/11/2005 Amended 08-02-2006	Annually Reviewed
10	Supply Chain Management Scorecard Policy	11/10/2006	Approved: Due for Review
11	Policy Directive on Unauthorized, Irregular or Fruit and Wasteful Expenditure	17/11/2005	Approved: Due for Review
12	Policy Directive on Unauthorized, Irregular or Fruit and Wasteful Expenditure	17/11/2005	Approved: Due for Review
13	Policy Directive for Impending Shortfalls, Overspending and Overdrafts	17/11/2005	Approved: Due for Review
14	Policy Directive on Expenditure Beyond Budget Year	17/11/2005	Approved: Due for Review
15	Policy Resolution on Financial Disputes with Other Organs of State	17/11/2005	Approved: Due for Review
16	Policy Directive on Financial Misconduct	17/11/2005	Approved: Due for Review
17	Policy Directive Regarding Forbidden Activities	17/11/2005	Approved: Due for Review
18	Policy Directive on Failure to Approve Budget before the Start of the Budget Year	17/11/2005	Approved: Due for Review
19	Debt Write-Off Policy	28/05/2008	Approved: Amendments: to be tabled in budget process
20	Policy on Contingent Liabilities	Research phase	Not Approved: Draft in process of development

Draft Human Resources Policies and Procedures

The following policy documents are consolidated policy documents of the Municipality and the SALBC.

No	Policy Title	Adoption Date/ Draft Status	Status
1	Recruitment and Selection Policy	Draft	Not Approved

2	Employment Process	Draft	Not Approved
3	Conditions of Service	Approved: 22/01/1992	Reviewed: 01/06/1999 29/11/2001 Due for Review
4	Employee Benefit Medical Aid	Collective Agreement	Approved: by SALBC
5	Standby Allowance Policy	Approved: 12/04/2007	Due for review
6	Cellular Phone Policy	Draft	Not Approved
7	Grievance Procedure	Collective Agreement	Approved: by SALBC
8	Disciplinary Procedure	Collective Agreement	Approved: by SALBC
9	Organisational Rights	Collective Agreement	Approved: by SALBC
10	Learnership/Internship Policy	Draft	Not Approved
11	Employment Equity	Draft: Labour Forum approved draft.	Due for Review: Tabled at Policy Committee
12	Gender Policy	Draft	Not Approved
13	Sexual Harassment	Approved 09/05/2007	Approved: Due for Review
14	HIV/AIDS Policy and Programme	Approved: 21 April 2001	Approved: Due for Review
15	Occupational Health and Safety Policy	Draft	Not Approved
16	Smoking Policy	Draft	Not Approved
17	Employee Assistance Programme (EAP)	Draft	Not Approved
18	Code of Conduct for Employees	Draft: MSA extract/provisions	Not Approved

Information Technology (IT) Policies

No	Policy Title	Adoption Date/Draft Status	Status
1	Notebook Security and Allocation Policy	Due for adoption by Policy Comm	Tabled at Policy Committee
2.	Information Systems Security policy:	Due for	Tabled at Policy

		adoption by Policy Comm	Committee
3	Information Systems Back-up Policy	Due for adoption by Policy Comm	Tabled at Policy Committee
4	Disaster Recovery Plan	Due for adoption by Policy Comm	Tabled at Policy Committee

Corporate Policies

The following policies are not approved:

No	Policy Title	Adoption Date/ Draft Status	Status
1	Internal Management Control Policy	Draft	Not Approved: To be tabled at Policy Comm
2	Fraud and Anti-Corruption Policy	Due for Adoption by Policy Committee	Not Approved: Tabled at Policy Committee
3	Fraud Prevention Plan	Draft	Not Approved: To be tabled at Policy Comm
4	Language Policy	Draft	Not Approved: To be tabled at Policy Comm
5	Investment Incentives Scheme	Draft	Not Approved: Tabled at Policy Comm
6	Housing Allocation Policy	Due for Review	Not Approved: To be tabled at Policy Comm
7	Social Housing Policy	Draft	Not Approved: To be tabled at Policy Comm
8	Housing Allocation Policy	Draft	Not Approved: To be tabled at Policy Comm
9	Integrated Housing Plan	Draft	Not Approved: To be tabled at Policy Comm
10	Land Policy	Draft	Not Approved: Tabled at Policy Committee
11	Land Use Management Scheme	Draft	Not Approved: To be tabled at Policy Comm
12	Policy Development Framework	Draft	Not Approved: To be tabled at Policy Comm

Promulgated By-laws

- o Advertising Signs
- o Aerial Systems
- o Animals, Poultry and Bees Control
- o Building Control
- o Caravan Park
- o Cemeteries Bylaw
- o Electricity Fire Brigade
- o Keep Of Dogs Control
- o Fireworks
- o Law Enforcement
- o Standing Orders
- o Street Trading Control
- o Swimming Pools
- o Taxi Ranks
- o Water Supply

Draft By-laws for public comment:

- o Property Rates By-law

Other Supporting Documents

1. White Paper on Local Government
2. Municipal Systems Act, 2000
3. Municipal Planning and Performance Management Regulations
4. Municipal Finance Management Act (MFMA)
5. National Spatial Development Perspective (NSDP)
6. Northern Cape Provincial Growth and Development Strategy (NCPGDS)
7. Accelerated and Shared Growth Initiative of South Africa (Asgi-SA)
8. Intergovernmental Relations Framework Act
9. City Development Strategy (CDS)
10. Central Business District – Spatial Framework(CBD)
11. Economic Profile of Galeshewe Urban Renewal Node – 2006
12. Sol Plaatje Municipality: Spatial Development Framework
13. The Galeshewe Urban Renewal Programme – Business Plan
14. Sol Plaatje Municipality: LED Strategy
15. Sol Plaatje Municipality: Alternative Service Delivery Policy Framework
16. Sol Plaatje Municipality: Integrated Transport Plan
17. Sol Plaatje Municipality: Poverty Alleviation Strategy
18. Sol Plaatje Municipality: Restructuring Grant Application - 2003
19. Annual Reports, 2003/04, 2004/05, 2005/06
20. Service Delivery and Budget Implementation Plan 2007/08, 2008/09, 2009/10
21. Budget 2007/08
22. Workplace Skills Plan – 2008/09
23. Employment Equity Plan
24. Poverty Alleviation Strategy - 2006
25. Sol Plaatje Municipality: Potential Environmental Impacts and Strategies - 2004
26. Sol Plaatje Municipality: Spatial Development Framework – Reviewed May 2008

27. Draft Economic, Socio-economic and demographic Status Quo of Sol Plaatje Local Municipality – April 2008
28. Frances Baard Growth and Development Strategy – December 2007
29. Mid-year Budget and Performance Assessment Report – January 2008
30. Frances Baard Growth and Development Strategy – Implementation Plan, March 2010

DRAFT



SOL PLAATJE MUNICIPALITY

Process Plan

**IDP Review 2010/11
Budget 2011/12 MTREF
SDBIP 2011/12
Performance Management 2011/12**

AUGUST 2010

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ANNEXURES

- 1. Organisational Structures to manage the Process**
- 2. Action programme with Time Frames**

IDP REVIEW PROCESS PLAN

LINKING IDP, BUDGETING AND SDBIP PROCESSES

1. INTRODUCTION

The Municipal System Act (Act 32 of 2000), Section 25, compels Municipal Councils to adopt a single, inclusive and strategic plan for the development of the Municipality, called an Integrated Development Plan (IDP). The IDP needs to;

- link, integrate and co-ordinate plans and take into account proposals for the development of the Municipality,
- align the resources and capacity of the Municipality with the implementation of the plan,
- form the policy framework and general basis on which annual budgets must be based,
- be compatible with national and provincial development plans and planning requirements binding on the Municipality in terms of legislation.

According to Section 34, a Municipal Council –

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

The detail of an IDP is prescribed in Chapter 2 of the Municipal Planning and Performance Regulations (R796 of 24 August 2001) and states as follows:

“2 (1) A municipality’s integrated development plan must at least identify –

- (a) the institutional framework, which must include an organogramme, required for-
 - (i) the implementation of the integrated development plan; and
 - (ii) addressing the municipality’s internal transformation needs, as informed by the strategies and programmes set out in the integrated development plan;
 - (b) any investment initiatives in the municipality;
 - (c) any development initiatives in the municipality, including infrastructure, physical, social, economic and institutional development
 - (d) all known projects, plans, and programmes to be implemented within the municipality by any organ of state; and
 - (e) the key performance indicators set by the municipality.

(2) An integrated development plan may –

- (a) have attached to it maps, statistics and other appropriate documents; or
- (b) refer to maps, statistics and other appropriate documents that are not attached, provided they are open for public inspection at the offices of the municipality in question.

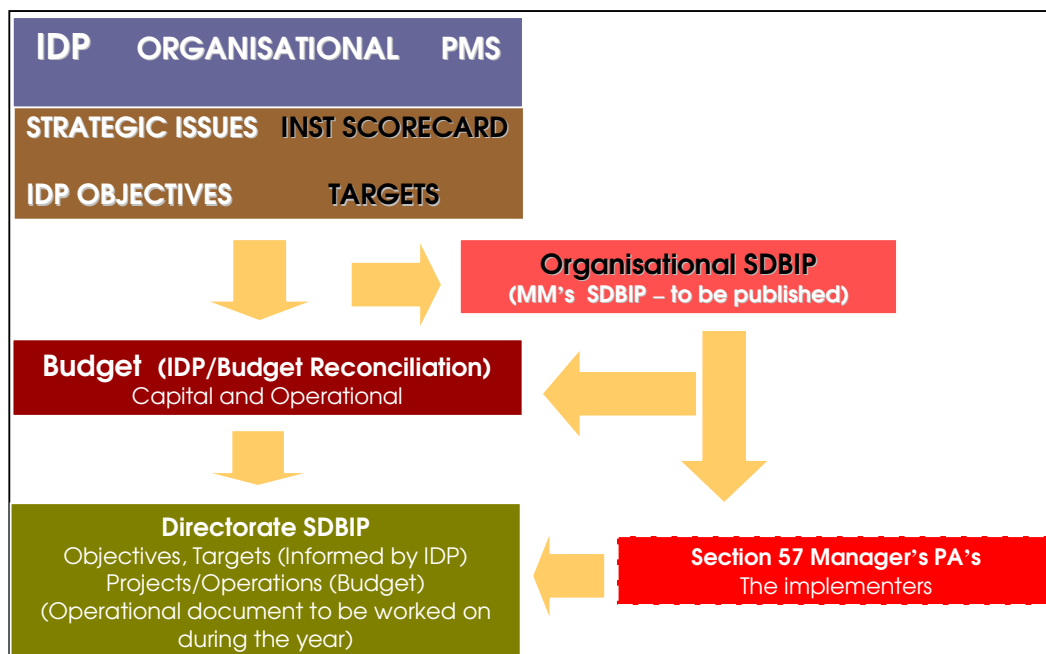
(3) A financial plan reflected in a municipality’s integrated development plan must at least –

- (a) include the budget projection required by section 26 (h) of the Act
 - (b) indicate the financial resources that are available for capital project developments and operational expenditure; and
 - (b) include a financial strategy that defines sound financial management and expenditure control, as well as ways and means of increasing revenues and external funding for the municipality and its development priorities and objectives, which strategy way address the following:
 - (i) revenue raising strategies;
 - (ii) asset management strategies;
 - (iii) financial management strategies;
 - (iv) capital financing strategies;
 - (v) operational financing strategies; and
 - (vi) strategies that would enhance cost-effectiveness.
- (4) A spatial development framework reflected in a municipality's integrated development plan must-
- (a) give effect to the principles contained in Chapter 1 of the Development Facilitation Act' 1995 (Act No.67 of 1995);
 - (b) set out objectives that reflect the desired-spatial form of the municipality;
 - (c) contain strategies and policies regarding the manner in which to achieve the objectives referred to in paragraph (b), which strategies and policies must-
 - (i) indicate desired patterns of land use within the municipality;
 - (ii) address the spatial reconstruction of the municipality; and
 - (iii) provide strategic guidance in respect of the location and nature of development within the municipality;
 - (d) set out basic guidelines for a land use management system in the municipality;
 - (e) set out a capital investment framework for the municipality's development programs;
 - (f) contain a strategic assessment of the environmental impact of the spatial development framework;
 - (g) identify programs and projects for the development of land within the municipality;
 - (h) be aligned with the spatial development frameworks reflected in the integrated development plans of neighbouring municipalities; and
 - (i) provide a visual representation of the desired spatial form of the municipality, which representation:
 - (i) must indicate where public and private land development and infrastructure investment should take place;
 - (ii) must indicate desired or undesired utilization of space in a particular area;
 - (iii) may delineate the urban edge;
 - (iv) must identify areas where strategic intervention is required; and
 - (v) must indicate areas where priority spending is required."

Section 28 (1) of the Municipal Systems Act further compels a Municipal Council to adopt "a process set out in writing to guide the planning, drafting, adoption and review of its integrated development plan" – the Process Plan. The preparation process or drafting of the Process Plan is the responsibility of **municipal management** and needs to include the following issues according to Section 29(1) of the Act:

- Roles and responsibilities of the different role players in the IDP process have to be clarified in advance and internal human resources have to be allocated accordingly.
- Organisational arrangements have to be established and decisions on the membership of teams, committees or forums have to be made.
- A programme needs to be worked out which sets out the envisaged planning activities, a time frame and the resource requirements for the IDP process. Such a detailed programme of the planning process is crucial to keep track of the process and to interact with the different role-players (especially between local and district municipalities).
- Special attention has to be paid to the mechanisms and procedures for community and stakeholder participation during the planning process. This must also be in line with the provisions of Chapter 4 of the Municipal Systems Act, 2000.
- Mechanisms and procedures for alignment with external stakeholders such as other municipalities, District Municipality and other spheres of government also need special attention. These alignment activities have to be decided on a mutual binding basis, through a joint Framework for the interactive planning process which requires preparation well in advance.
- The identification of all binding plans and planning requirements binding on the Municipality in terms of national and provincial legislation
- A cost estimate for the whole planning process.

Since the promulgation of the Municipal Finance Management Act (Act 56 of 2003) it is vitally important to align the IDP Process (S28 of MSA) with the Budgeting process (S 21, 22 and 23 of MFMA), Service Delivery and Budget Implementation Plan process (MFMA S53 as well as the Performance Management Process (Municipal Planning and Performance Management Regulations (Ch3, 2(g) and Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers Regulation 805). This process is diagrammatically indicated below.



2. ORGANISATIONAL ARRANGEMENTS AND ROLES AND RESPONSIBILITIES OF THE DIFFERENT STRUCTURES AND ROLE - PLAYERS

The organisational structure depicted in Fig.1 (attached) is being created to manage and co-ordinate the integrated process described above and to;

- institutionalize the public participation process,
- effectively manage the IDP drafting process, and
- give affected parties access to contribute to the decision-making process.

This institutional arrangement is a permanent structure to co-ordinate and monitors the preparation and implementation of the IDP. The distribution of the roles and responsibilities for the different role-players in the IDP process has to be guided by democratic principles on the one hand, and by the guideline of aiming at an integrated system of planning and delivery on the other. These structures are utilised to manage the total process as described above, i.e. IDP Review, Budgeting, SDBIP, s57 Managers Performance Agreements and performance management of lower levels of staff.

ROLES AND RESPONSIBILITIES OF THE DIFFERENT STRUCTURES AND ROLE-PLAYERS DEPICTED IN FIGURE 1.

2.1 MUNICIPAL COUNCIL

The new democracy in South Africa represents a synthesis between the system of a representative democracy, where elected bodies like councils have to decide or to finally approve decisions, and a corporatist, negotiating type of democracy, where decisions are arrived at through public discussion and processes of negotiation. For the IDP process, this understanding of democracy means that:

- the process is not just a planning process within municipal government, but a forum for discussions and negotiations of various municipal stakeholders, and
- the final decision and the accountability are with the municipal council as the elected body answerable to the public on the utilisation of public resources.

The Council's roles and responsibilities are therefore to:

- Consider and adopt a Process Plan.
- Consider, and adopt and approve the IDP and subsequent reviews of this Plan as well as the Budget.

Ward Councillors have the responsibility to link the IDP process to their constituencies/wards, especially with regard to ensuring that annual business plans and the municipal budget reflect the key development priorities of their constituencies and that it is based on the IDP. They need therefore to be actively involved in the public participation process through their Ward Committees.

2.2 IDP STEERING COMMITTEE

The IDP Steering Committee consists of a combined meeting of the Executive Mayor (Mayoral Committee) and the Municipal Manager (Executive Management Team).

The Executive Mayor in consultation with the Mayoral Committee is the senior governing body of the Municipality and has to:

- Decide on the Process Plan
- Approve the nominated persons to be in charge of the different roles, activities and responsibilities of both the IDP process and drafting of the IDP documents.
- Be responsible for the monitoring of the IDP process and ensuring that all relevant role-players are involved.

The Executive Mayor, in consultation with the Mayoral Committee in conjunction with the Municipal Manager and his Executive Management Team need to ensure the establishment of an integrated system of planning and implementation management, and requires involvement of all those in charge of municipal management in the IDP process. The process has to be managed by an official from within the Municipality, acting on behalf of the Municipal Manager, who has been assigned the powers to get all relevant actors from within the Municipality on board. The Executive Mayor in consultation with the Mayoral Committee and in conjunction with the Manager and his Executive Management Team therefore acts as the strategic driver of the IDP process. This implies that they should:

- Provide the terms of reference for the various activities.
- Commissions research studies.
- Considers and comments on;
 - inputs from sub-committees, study teams and service providers
 - inputs from provincial sector departments and support providers
- Make recommendations to Council on the IDP process and content.
- Involved in the public participation process on both political and technical issues

The **IDP Unit** is responsible for the *management and co-ordination* of the IDP process on behalf of the Municipal Manager and provides the necessary technical input to the IDP Steering Committee, which include the following:

- Preparation of the Process Plan in consultation with the Municipal Manager and his Executive Management Team
- Day-to-day management of the planning process, ensuring;
 - involvement of all different role-players, especially officials,
 - that time frames are being adhered to,
 - that the IDP process is horizontally and vertically aligned and complies with national and provincial requirements
 - that conditions for participation are provided, and
 - that outcomes are properly documented.
- Management of support providers/consultants in close co-operation with the members of the Project managers Cluster.
- Provide a secretariat function for the IDP Steering Committee.

2.3 Project Management Cluster

The **Project Managers Cluster** consist of all project managers and/or first line managers to ensure inter-departmental and cross-sectoral planning and implementation processes. This Cluster needs to provide the technical sectoral and

issue-based input into the IDP and supports the IDP Manager to ensure a smooth planning and implementation process by being fully involved in the IDP Process. The role and responsibilities of the members of the Project Managers Cluster include the following:

- Perform various planning activities according to their line function within the Municipality in co-operation with other officials or support providers and in line with the Municipal System Act (Act 32 of 2000), other relevant national and provincial sector legislation as well as the IDP Guide Pack.
- Processes, summarizes and document the specific outputs relevant to their specific task.
- Make content recommendations to the **IDP Steering Committee** during the different phases of the IDP process.
- Be involved in the public participation process with regard to their specific sector or issue-based expertise.
- Provide the relevant technical, sector and financial analysis for determining the priority issues.
- Contribute technical expertise in the consideration and finalization of strategies and identification of projects.
- Provide departmental operational and capital budgetary information.
- Responsible for the preparation of project proposals, the integration of projects as well as sector- and issue-based programmes.
- Act as counter parts to service providers/consultants.
- Responsible for the total cycle of project management.

Service Providers and other entities (Government Departments, State Owned Enterprises, Development Bank of Southern Africa etc) will be consulted/contracted for tasks for which internal capacities/expertise (professional and/or human resources) are not available and they could be engaged for:

- providing methodological/technical guidance to the IDP process/products,
- facilitating of strategic planning and other technical workshops,
- facilitating the public participation processes or parts thereof,
- documentation of outcomes of planning activities,
- special studies or other product related contributions,
- support to organised and/or other unorganized groups and communities to more effectively engage in and contribute to the planning process.

Programme/Project Planning Teams are ad-hoc inter-sectoral operational teams, headed by a dedicated programme/project manager, responsible for the detail planning and design of programmes and projects emanating from the IDP. These teams will also have the responsibility to manage the implementation of programmes and projects. These teams also include other relevant stakeholders involved in programme/project planning and implementation.

3 Mechanisms and Procedures for Public Participation

The legal requirements of Chapter 4 of the Municipal System Act, 2000 need to be complied with at all times when implementing the Public Participation Strategy.

3.1 Principles for Public Participation

The principles underlining the Public Participation Strategy are the following:

- Elected councils are the ultimate decision-making body on IDP's.
- Public participation has to be institutionalised to ensure an equal right to participate.

- Public participation needs to be structured as it is impossible due to population size and area to allow for direct participation in a complex process such as the IDP. Clear rules and procedures are therefore necessary specifying who is to participate or consulted, on behalf of whom, on which issue, through which organizational mechanism, with what effect.
- The Public Participation Strategy must provide sufficient room for diversity, including – different cultures, gender, language, education levels etc.
- Public Participation needs to be promoted both through creating conditions for public participation and by encouraging participation, especially with regard to disadvantaged and marginalized groups and gender equity.
- ***Public participation is a specialised field of expertise and should not be conducted just for the sake of public participation.***

3.2 Functions of Public Participation

In the context of the IDP Public Participation have four main functions:

- **Needs orientation:** Ensuring that people's needs and problems are taken into account when allocating scarce resources.
- **Appropriateness of solutions:** Using the knowledge and experience of local residents and communities in order to arrive at appropriate and sustainable problem solutions and measures.
- **Community ownership:** Mobilising local residents' and communities' initiatives and resources, and encouraging co-operation and partnerships between municipal government and residents for implementation and maintenance.
- **Empowerment:** Making IDP a public event and a forum for negotiating conflicting interest, finding compromises and common ground and, thereby, creating the basis for increased transparency and accountability of local government towards local residents.

3.3 The Public Participation Strategy

Public Participation Structures

The formal structures for Public Participation are also depicted in Fig.1 namely The legally constituted **IDP Representative Forum** (*of which the IDP Business Forum is a sub-form*) and the legally constituted **Ward Committees**. These Fora is the formal link between the municipal government and the public in terms of IDP and budgeting processes. The public is represented by councilors, key community and stakeholder groupings, the business community and representatives of legally elected ward committees. The IDP Business Forum is not a separate forum but rather a sub-forum of the IDP Representative Forum. This is done for practical reasons as experience have indicated that it is difficult to deal with strategic business and economic issues in the larger forum. All issues discussed in the IDP Business Forum are fed back to the IDP Representative Forum for consideration and inclusion in the IDP process. The Business Forum is also bound by the rules and procedures of the IDP Representative Forum.

The main **Terms of Reference** for members of the IDP Representative Forum are:

- To represent the interest of their constituents in the IDP process.
- To provide an organizational mechanism for discussion, negotiation and decision making between all the stakeholders, including provincial and municipal government.

- To ensure communication between all stakeholders including provincial and municipal government.
- To monitor the performance of the IDP process, both planning and implementation.
- Contribute knowledge and ideas in the IDP process by participating in the IDP Representative Forum to;
 - inform interest groups, communities and organizations on relevant planning activities and their outcomes;
 - analyse issues, determining priorities, negotiate and reach consensus;
 - participate in the designing of project proposals and/or assess them;
 - discuss and comment on the draft IDP
 - ensure that annual business plans and budgets are based on and linked to the IDP; and
 - monitor performance in implementation of the IDP.
- Conducting meetings or workshops with their constituents to;
 - prepare for participation in the IDP Representative Forum; and
 - report back to their constituents and to follow-up on relevant planning activities.

Resource persons refer to officials, service providers/consultants who could be involved in discussions/negotiations or act as facilitators in the IDP Representative Forum and/or Ward Committees.

3.4 The Process to establish the IDP Representative Forum

All interested and affected parties need to be invited to submit names for participation in the IDP Representative Forum. These invitations should be preceded by an information campaign informing communities and stakeholders on the IDP process and the importance of their participation, actively encouraging them to participate. Once the names have been submitted it needs to be scrutinized by the IDP Steering Committee and be submitted to Council for approval. A database needs to be kept of those stakeholders' groupings that will not necessarily participate as members of the IDP Representative Forum but that need to be consulted at various stages of the process. Once the names of the members of the IDP Representative Forum have been approved by Council a first meeting needs to be called to establish the **Code of Conduct** which should include issues such as;

- meeting schedules (frequency) and – procedures, time of meetings and venue;
- agenda, facilitation and documentation of meetings;
- cleaning of roles and responsibilities of members;
- means of eliciting and collecting community needs (including documentation of participation inputs)
- decision making processes and resolution of disputes; and
- language to be used.

The IDP Representative Forum was formally established on 2006

3.5 Participation Mechanisms in Planning Phases

The following public participation mechanisms should be applicable in the different phases of the IDP process, with specific reference to the involvement of the IDP Representative Forum.

PLANNING PHASE	PARTICIPATION MECHANISM
Analysis	<p>Community meetings with direct involvement of Ward Committees and organized by Ward Councillors Stakeholder meetings Surveys, opinion polls etc Intensive communication/information flow to communities informing them of their role and responsibilities in the IDP Process Workshop with IDP Representative Forum on Key Priority Areas</p> <p>HIGH INTENSITY OF PUBLIC PARTICIPATION</p>
Strategies	<p>District level strategy workshops with representatives of all municipalities in the district, national and provincial sector departments and selected representation of stakeholder organizations and resource persons. Workshop with IDP Representative Forum on specific local strategies. Information flow through press conferences, public hearings etc to stimulate public debate.</p> <p>LOW INTENSITY OF DIRECT PUBLIC PARTICIPATION</p>
<p>Project Planning (a) Project with municipality wide scale (b) Localised community level projects</p>	<p>(a) Inter-sectoral Project Teams with selected representatives of stakeholder groupings and resource persons and IDP Representative Forum</p> <p>LOW INTENSITY OF DIRECT PUBLIC PARTICIPATION</p> <p>(b) Intensive dialogue between Project Teams and affected communities (Ward Communities and Councillors)</p> <p>HIGH INTENSITY OF DIRECT PARTICIPATION</p>
Integration	<p>IDP Representative Forum</p> <p>LOW INTENSITY OF DIRECT PUBLIC PARTICIPATION</p>
Approval	<p>IDP Representative Forum Broad public discussion/consultation Opportunity for comments from residents and stakeholder</p> <p>HIGH INTENSITY OF PUBLIC PARTICIPATION</p>
Monitoring and Implementation	<p>IDP Representative Forum Ward Committees</p> <p>LOW INTENSITY OF DIRECT PUBLIC PARTICIPATION</p>

4. Mechanisms and Procedures for Alignment

Alignment is- ***“A process entailing structured and systematic dialogue within government with a view to bring about coordinated and integrated action among the spheres of government and between the spheres and other organs of state to achieve common objectives and maximum development impact”¹***

Alignment is now regulated by the Intergovernmental Relations Framework Act, Act No. 13 of 2005 (IGR Act) and makes provision for various IGR Structures including a District IGR Forum. This forum will consist of representatives of all three spheres of government represented in the District with both a political and technical component. The political component will be chaired by the Executive Mayor of the District Municipality and the technical component by the Municipal Manager. This forum will be the principle forum for aligning the IDP process with that of the provincial sector department plans as well as the District and Local Municipalities.

The purpose of the District IGR Forum is:

- Efficient co-ordination of and problem solving through the following processes in the District:
 - Alignment between District IDP content and Provincial Growth and Development Strategy
 - Integrating District Municipality priorities with Provincial Prioritised Budgets
 - Aligning Local IDP's and Provincial Sector Department Plans
 - Application of Provincial spatial development framework into detailed District Spatial development plans
 - Sector Department support Action Plans from the Hearings
 - Identifying and sharing of strategic information between provincial sector departments and municipalities
- Increasing awareness and commitment of all spheres of Government to co-operation around the primary planning processes
- Cross sector departmental planning within the District

Although the IDP process is a local process it needs input and support from other spheres of government. Two main reasons for alignment exist:

- Between local municipalities, and district municipalities to ensure that their planning processes and issues are co-ordinated and addressed jointly.
- Between municipalities and national and provincial sector Departments as well as corporative service providers (e.g. Eskom, Telkom) to ensure that the IDP is in line with national and provincial policies and strategies in order that it is considered for the allocation of departmental budgets and conditional grants.

Section 27 of the MSA compels district municipalities to adopt a framework for integrated development planning in their areas after following a consultative process with local municipalities. Section 29 makes provision for the drafting of a Process Plan by both district and local municipalities that must be aligned (S27 (2) (c) and (3) (b) as well as the Framework adopted in terms of S29.

A copy of the Frances Baard District Municipality's Framework and Process Plan (July) is attached for easy reference.

¹ Policy Coordination and Advisory Services: The Presidency

5. National and Provincial Binding Legislation and Planning Requirements

A joint list of national and provincial legislation as well as policies, programmes, strategies and available funds need to be included in the Process Plan to ensure that it is considered in the Municipality's IDP.

Local municipalities need to be informed of the above at the District IGR Forum including the category of requirement, namely;

- Legal requirement for a municipal level plan;
- Legal requirement as part of the IDP;
- Compliance with a normative framework;
- Only for a value added contribution.

Below is a provisional list of national and provincial legislation impacting on the IDP:

NATIONAL LEGISLATION:

- The Constitution of the Republic of South Africa – 1996
- Municipal System Act (No. 32) 2000
- Municipal Structures Act 1998
- Municipal Demarcation Act 1998
- National Environmental Management Act (NEMA) 1998
- Development Facilitation Act 1995
- National Land Transport Transition Act 2000
- Municipal Planning and Performance Management Regulations 2001
- Municipal Finance Management Act 2003
- Municipal performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006
- Intergovernmental Relations Act 2004
- The National Housing Act (107) 1997
- Municipal Property Rates Act 2004
- Disaster Management Act 2002
- Water Services Act
- Public Finance Management Act
- Intergovernmental Relations Framework Act, Act No. 13 of 2005
- Development Facilitation Act 1995, Act No.67 of 1995

WHITE PAPER:

These include, but are not limited to the following:

- White Paper on Local Government 1998
- White Paper on Spatial Planning and Land use Management
- White Paper on Disaster Management
- Housing White Paper
- White Paper on Waste Management

Furthermore there are other government policies and guidelines such as:

- National Spatial Development Perspective (NSDP)
- Accelerated and Shared Growth Initiative – South Africa (AsgiSA)

PROVINCIAL LEGISLATION AND POLICIES:

At the Provincial level the following legislation and policies provides the framework for Integrated Development Planning:

- The Northern Cape Provincial Growth and Development Strategy (PGDS)
- The Northern Cape Planning and Development Act (No.6) 1998
- Frances Baard District Growth and Development Strategy (Dec 2007)

6. Action Programme with Time Frame and Budget

The attached Action Plan details the IDP Review, Budget, SDBIP and Performance Agreements processes and highlights the mile stones that need to be reached according to the prescriptions of the Municipal Systems Act and Municipal Financial Management Act, MFMA Circulars as well as the Regulations and directives from DPLG, Northern Cape DHLG as well as the Frances Baard District Municipality's Framework and Process Plan.

In order to ensure a seamless process from strategic planning to project implementation, performance measure and reporting, the processes for Performance Management, including the preparation and adoption of the 2011/12 Budget, Service Delivery Budget Implementation Plan and Section 57 Managers Performance Agreements as prescribed by the relevant legislation are included. In-year reporting is also included as it impacts on planning and budgeting information

2011/12 IDP, BUDGET, SDBIP COMPILATION PROGRAMME

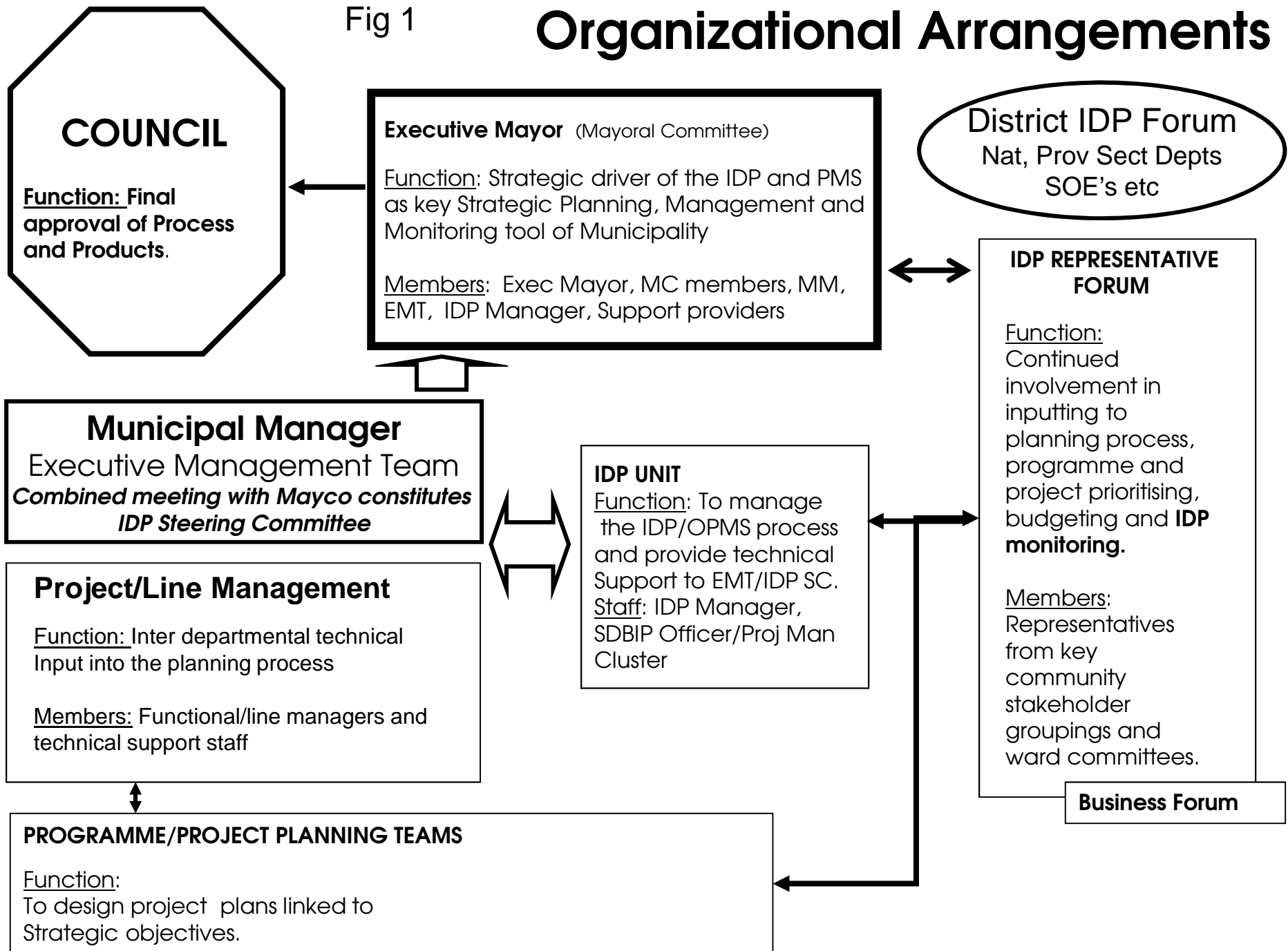
	Action	Timing
1	Preparation and Approval of Process Plan <ul style="list-style-type: none"> - Circulate Process Plan for comment - Adoption by EMT - Adoption by Council 	Before end of August 10 16 Aug 10 20 Aug 10 31 Aug 10
2	Complete AFS and Annual Performance Report and submit to AG	31 August 2010
3	Strategic Planning Sessions (Administration): <ul style="list-style-type: none"> - Implementation and Consolidation 2010/11 - Organisational and IDP Strategic Issues - Budget priorities next MTREF aligned to IDP - Document outcome of planning sessions 	3rd Week of Sep 10 to end Oct 10 27, 28 Sep 10 5, 6 Oct 10 13, 14 Oct 10 15 –18 Oct 10
4	Annual Performance Evaluation of MM and Managers directly accountable to MM	15 Oct 2010
5	Strategic Planning Administration and Political Structures (Budget Steering Committee)	Third and Fourth week of Oct 10
6	Liaise with National and Provincial Sector Departments re alignment of Strategic Priorities and Budgets	Begin Oct to mid Nov 2010
7	IDP Rep and Business Forum Meetings <ul style="list-style-type: none"> - 1st Quarter Report in terms of Org SDBIP - Confirm Strategic Objectives 	
8	Directorates start work on Directorate SDBIP's/Ops Plans for input into the Budget (Budget Planning Process) <ul style="list-style-type: none"> - SDBIP Workshop (EMT/MANCO) – NOTE: Budget policies/guidelines will be presented to all stakeholders at this workshop - IDP Strategic Objectives and Targets available per Institutional Scorecard - Budget guidelines available/First draft Capital project schedule available - Motivate Budget to Budget Steering Com - Submit draft Directorate SDBIP's 	Mid Nov 2010 to end February 2011
9	Complete and submit 2009/10 Annual Report <ul style="list-style-type: none"> - Draft AR to be submitted to AG - 	Begin Sep 2010 to end January 2011 30 Sep 10
10	Operational and Project Prioritisation Workshop (EMT and Mayco) <ul style="list-style-type: none"> - In line with strategic objectives - Availability of funding - Geographical distribution of funding (ward priorities) 	28 March 2011
11	District Wide Workshop with Prov Sector Departments: NOTE – Alignment with Prov Sector Dept's Strategic Plans and Budget	3rd Week in November 2010
12	Submit Mid-year Budget and Performance Assessment Report	3rd Week in January 2011

	- Present report to informal council meeting	
13	Table Adjustment Budget - Formal submission of Adjustments Budget and Revised SDBIP Targets (if any)	End January 2011
14	IDP Rep and Business Forum Meetings - Mid-year Performance Report - IDP/Ward/Budget Priorities	24-28 January 2011
15	Prepare draft Budget and discussions with Budget Committee and submit draft Budget - Operational plans available - Preliminary prioritised capital projects - High level consolidated format - Line item budget - Tariffs	Mid January to end March 2011
16	Prepare Draft Reviewed IDP Document and submit to Council	Mid January to End March 2011
17	Advertise draft IDP and Budget	1st Week in April 2011
18	Public Participation Period (Draft Budget) - IDP Rep and Business Forum (3 rd Q Report and Draft IDP and Budget) - Ward Clusters	Mid April to Mid May 2011
19	Finalised IDP/Budget in line with Consultation process and submit to Council - Present to informal Council Meeting - Formal submission to Special Council Meeting	Mid May 2011 End May 2011
20	Finalise Org SDBIP for submission to Executive Mayor	1st & 2nd week June 2011
21	Advertise IDP/Budget/Tariffs	1st week June 2011
22	Executive Mayor present SDBIP to Council and make public	3rd & 4th week June 2011
23	MM sign PA with Mayor	3rd week July 2011
24	S57 Managers sign PA with MM	3rd week July 2011
25	Staff up to level 6 sign PA with Directors/Line Managers	4th week July 2011
26	Project Manager's Cluster Meeting	June 2011
27	Preparation period for IDP Project Implementation 2011/12	

Note 1: The IDP/Budget also refers to all other IDP, SDBIP and Budget Related Policies as well as tariffs to be reviewed and/or approved

Fig 1

Organizational Arrangements



ANNEXURE 2

SOL PLAATJE MUNICIPALITY: STRATEGIC DEVELOPMENT STRATEGY OF THE MUNICIPAL AREA

At the heart of the Refined Strategy is institution building. Without a strong, well-managed municipal institution, the Sol Plaatje Municipality will not be able to meet its challenges.

There are a number of dimensions to this strategy point.

The first relates to financial planning and management. A 2008 assessment by the National Treasury identified serious financial challenges:

- Operating and capital budget estimates are not credible. The operating revenue estimates are based on billable, rather than collectable revenue. The revenue, therefore, appears to be overestimated.
- Increasing reliance on national grants to fund the capital budget is a cause for concern. A rapid decline in borrowing and own source funding for capital over the medium term signals a deteriorating financial position.
- A lack of multi-year budgeting discipline in the municipality, as the spending priorities are highly erratic and inconsistent with the IDP goals. There no financial plan and associated strategies consistent with the IDP spending priorities.

The second dimension relates to human resource management within the Municipality.

The political-administrative interface has inhibited the efficiency and effectiveness of the municipality and its ability to deliver on agreed to priorities.

Inadequate performance management, a lack of team work and individual accountability at executive management level has further contributed to tardy delivery.

A lack of discipline with regard to the management of the expansion of the staff establishment has resulted in a growth in numbers and in cost, but not an increase in capacity and productivity. The municipality therefore remains critically under-capacitated in areas such as project management, engineering, planners, economists as well as middle management and line supervisors.

In view of the overview of critical institutional interventions required in the immediate term, the following actions should be planned and implemented under the guidance of the political leadership of the municipality:

- Attend to the up-skilling of the Municipal Manager's Office with the view to properly fulfill the role of Chief Accounting Officer of the Municipality;

- See to the establishment and maintenance of a proper system of integrated management at the top of the administration;
- Secure the appointment of technically qualified staff at operations management level in the areas of electricity, water and sanitation, and program and project management in the infrastructure and services functional area;
- Review, re-engineer and equip managers and staff with the skills required to maintain and constantly improve the following critical systems; (1) the procurement system, (2) the debt management and revenue enhancement systems of the municipality, (3) the system of political decision-making, and by implication the system of integrated management at the top of the municipal administration, and (4) the planning, monitoring, evaluation and reporting systems of the municipality.

The refined strategy further comprises seven key points, presented below.

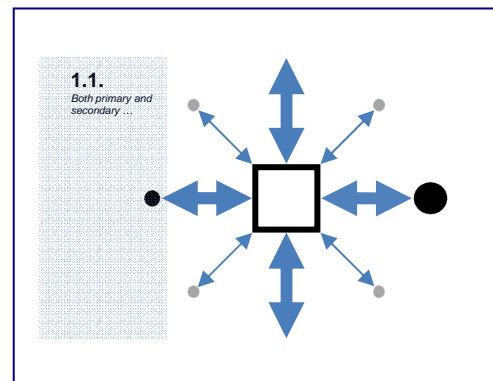
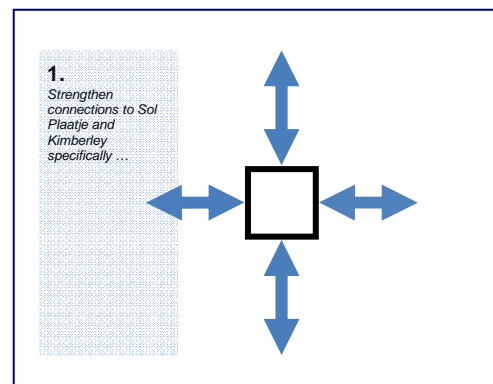
1. **Strengthen critical connections**

The first key point is for the Municipality to strengthen critical connections between its broader jurisdictional area and Kimberley specifically. The municipality is part of a broader settlement system, and will not sustain itself without strong connections to other settlements, their needs, or activities within them.

Connections are both of a primary and secondary nature. Primary connections refer to those where Sol Plaatje (or Kimberley as the main settlement within the Municipality) fulfils specific service functions to other settlements. Apart from providing services related to its position as the provincial capital, the city also functions as a prime regional social and commercial services centre to a substantial hinterland, including some eight smaller urban settlement areas.

Secondary connections refer to those where Sol Plaatje needs to define its role in relation to bigger settlements and their activities. For example, the impact of Mangaung on Sol Plaatje's development has raised concern; Sol Plaatje appears to have grown more slowly than Mangaung because it offers less choice and fewer agglomeration opportunities. This is perhaps true, but Sol Plaatje can also benefit from the strength of Mangaung.

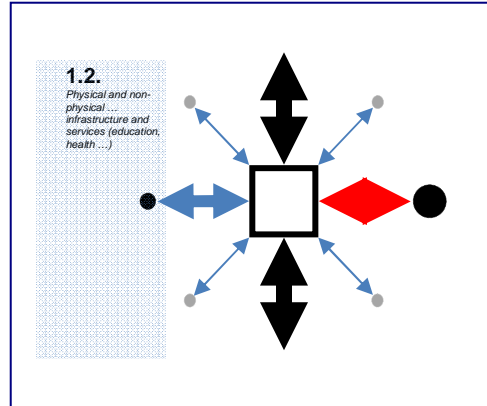
Connections are of a physical and non-physical nature. Physically, it is important to maintain infrastructure connections to and through Sol Plaatje. The state of the



N12 has been a concern for some time, as inter-regional traffic, which supports services at intermediate settlement points, prefers to use the route via Mangaung. Non-physical connections refer to relationships between settlements and institutions and their activities, including the role of Sol Plaatje in a government or non-government service delivery system.

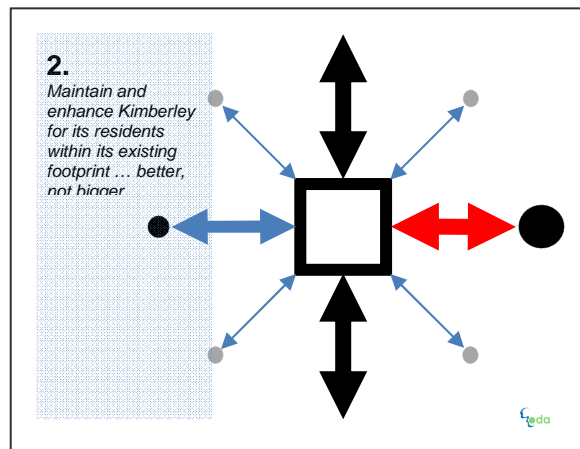
In practical terms, this strategy point implies:

- Maintaining and strengthening Kimberley's role as a centre for social and commercial services to smaller settlements. Specifically, the role of Kimberley as a centre for education, medical care and specialised commercial services should be supported by the municipality and all residents. This could result in special service relationships or agreements between the Municipality and the relevant institutions.
- Actively maintaining and growing the relationship between Sol Plaatje Municipality and provincial government and the role of Kimberley as the seat of provincial government services.
- Strengthening the role of Kimberley to accommodate "satellite" functions to major activities in Mangaung, demanding on-going awareness of Mangaung's growth dynamics and challenges, and carefully positioning Sol Plaatje Municipality to benefit from these.
- Advocacy and investment related to key infrastructure connections between Sol Plaatje Municipality and surrounding settlements, large and small (with the N12 as a priority).



2. Maintain and enhance Kimberley and existing outlying settlements as sustainable, attractive centres of living, services and work within their existing footprints

Related to maintaining and strengthening critical connections to the Municipality is managing Kimberley and existing outlying settlements as sustainable, attractive centres of living, services and work. Kimberley will not prosper without critical connections in a broader settlement pattern and it cannot hope to maintain or strengthen these connections unless it is maintained as a place worth living and working in.



This aspect has a number of dimensions. The first relates to service infrastructure, the basis for activity of all kinds in the city. Bulk infrastructure refurbishment, extension and maintenance have been under severe stress in the Municipality for a number of years, limiting opportunity for new investment and the viability of existing places of living, services and work. Creative partnerships will be required to plan, fund and implement the necessary work.

The context for infrastructure management and improvement should be to make Kimberley “better, not bigger”. There has been considerable pressure for further lateral expansion of Kimberley (as land prices on the edges of the city are lower than in established areas). This, however, will have significant implications for the cost of providing municipal services, will draw “energy” and activity from existing areas, will undermine existing investment in infrastructure and facilities, and will detract from convenience as a result of longer travel distances.

The second dimension is therefore to maintain the existing footprint of Kimberley and outlying settlements as far as possible. Within a contained settlement, agglomeration opportunity, service efficiency and ease of movement can be maximised.

The third dimension is to focus on quality social services and facilities. Social facilities – schools, clinics, libraries, public transport interchanges, and so on – are basic building blocks of settlements. Social facilities assist in the personal development of citizens. They are truly productive facilities.

The fourth dimension is to facilitate job creation as far as possible. Jobs come both from the public and the private sector and both will be better able to provide jobs if the municipality attends to its core business – ensuring that everyone has access to efficient, reliable and cost effective services. Where the municipality is not directly responsible for crucial services, for example in education and skills development, telecommunications and national roads, it needs to lobby and cajole other departments and agencies on behalf of the citizens.

The fifth dimension is to provide for the housing needs of residents. In this respect the municipality should make the effort to develop a properly informed and stratified human settlement plan. “Housing needs” in the Sol Plaatje context has become synonymous with the building of RDP houses. The needs may be far more differentiated and the delivery options far more varied than the “one size fits all” approach taken by the municipality to date.

The sixth dimension is to improve the quality of public space in Kimberley. Situated within a harsh, hot environment, Kimberley should be maintained as a caring “oasis”, a place of refuge. As illustrated in earlier township development programmes for Kimberley, extensive planting of trees for shade in public space can significantly assist to promote these qualities.

The seventh dimension is to manage services on a more sustainable basis. While containment in itself provides advantages for sustainability, the Municipality can also enhance energy efficiency in its own facilities and other programmes to use natural resources frugally.

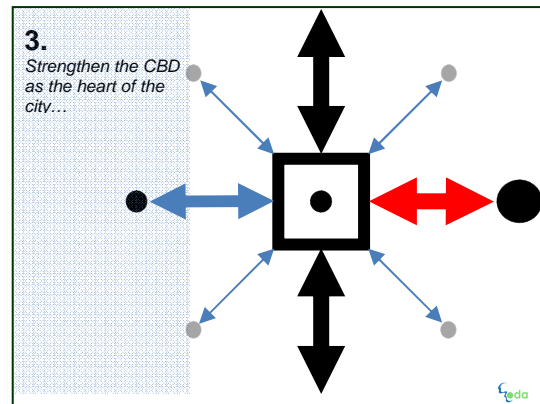
In practical terms, this strategy point implies that the Municipality should:

- Plan and seek funding and implementation partners for a comprehensive infrastructure refurbishment, extension and maintenance plan for the Municipality.
- Favour infill development and use municipally owned land and service provision arrangements (for example, the tariff system) to support this strategy.
- Ensure adequate resourcing for the maintenance and expansion of key social services.
- Maintain and extend earlier work to establish a “green web” of street trees and parks throughout the Kimberley.
- Introduce a suite of “green-building” regulations, applicable to all development in the municipality and lead and show-case the “green-building” practice with immediate effect in all government sector driven development and through retrofitting of existing facilities.
- Establish and maintain excellent relationships with the other public sector departments and agencies based in Kimberley, including the State Owned Enterprises. Together, all the different parts of the public sector are the mainstay of Sol Plaatje’s economic future.

3. Strengthen the Kimberley CBD as the heart of the City and Municipality

The Kimberley CBD remains the economic and institutional heart of the Sol Plaatje Municipality. The viability of the CBD is critical in maintaining the role of Kimberley as a service centre to surrounding settlements, a place worthy of connecting to. The viability of the CBD is also critical to the city’s ability to provide opportunities for new enterprises to emerge.

Decentralised development has harmed the viability of the Kimberley CBD, drawing from its energy and agglomeration benefits. Associated negative perceptions, investor insecurity and a dispersed municipal focus have led to gradual deterioration of the public environment and quality of services, in turn deterring public support.



Considerable planning has been undertaken aimed at increasing the physical attractiveness, user convenience and safety of the CBD. However, very little of this work has been implemented.

In practical terms, strengthening the Kimberley CBD as the heart of the city implies that the Municipality should:

- Implement work to increase the physical attractiveness, user convenience and safety of the CBD.
- Maintain and strengthen key institutions located in the CBD.

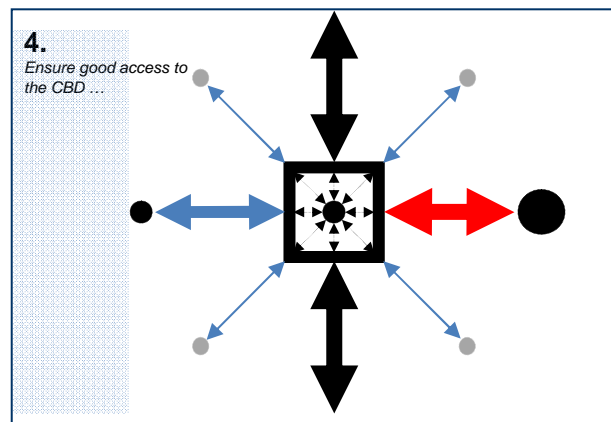
- Explore partnerships in managing the CBD as a special district of the city.

4. **Ensure good access to the CBD and between neighbourhoods**

Critical to maintaining the CBD is ensuring convenient access to it from and between surrounding neighbourhoods. It would be true to say that access to the CBD is currently not convenient. If anything, users are actively encouraged to seek other more convenient locations for commerce and other activities. In many ways, Kimberley's neighbourhoods are trying to provide for all needs locally rather than establishing a system of interdependent, linked neighbourhoods.

In practical terms, this implies that the Municipality should:

- Rationalise the main motorised and non-motorised access routes to the CBD and between neighbourhoods.

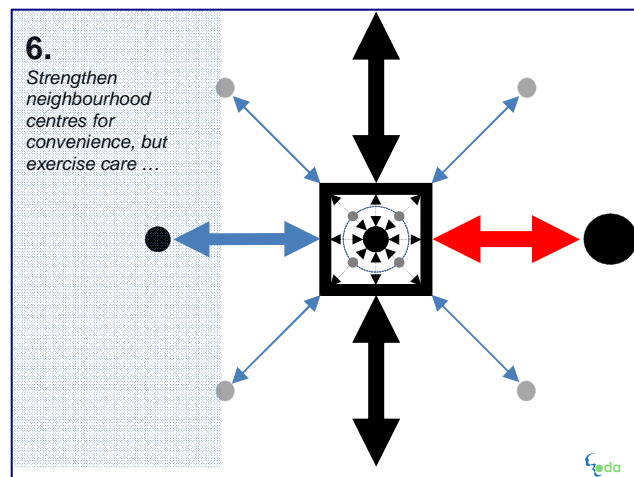


5. **Strengthen neighbourhood centres for convenience**

Neighbourhood centres are needed to provide in the daily needs of residents in defined areas for commercial and social services. However, these centres should not individually or collectively compete with the CBD, in that way harming Sol Plaatje's overall position as a service centre or the Municipality's ability to facilitate job creation.

In practical terms, this implies that the Municipality should:

- Carefully manage the establishment of new decentralised neighbourhood centres and decentralised work centres so as to provide for local convenience while not detracting from the CBD.

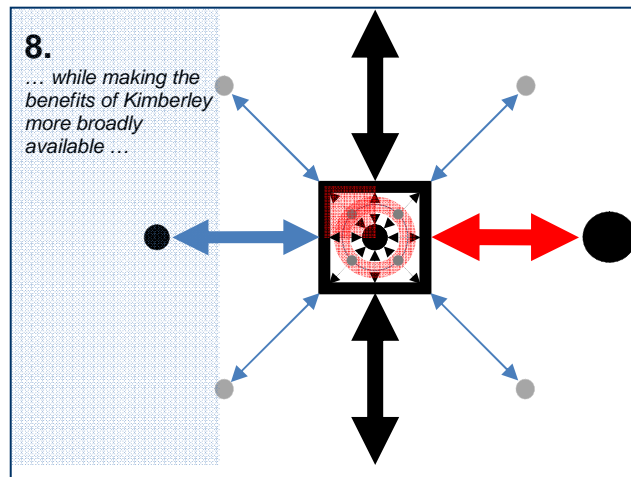
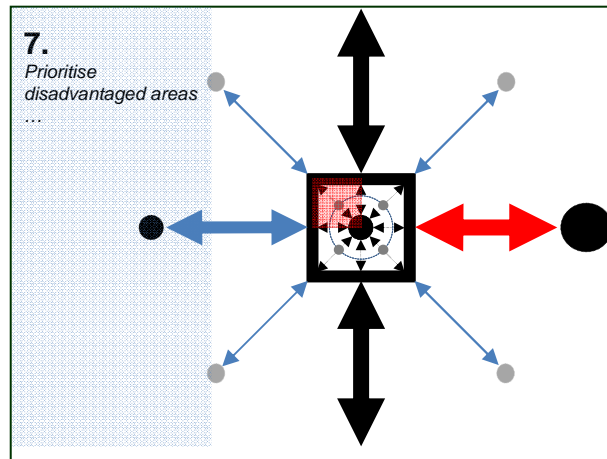


6. Prioritise improvements to disadvantaged areas while making the benefits of Kimberley more broadly available

The Municipality has made significant progress in improving living conditions in disadvantaged areas, ranging from the provision of housing to eradicating service backlogs and improving the quality of public space. Nevertheless, it is important to also make the benefits of Kimberley more broadly available to all residents, specifically through the provision of housing in areas well-located in relation to the CBD.

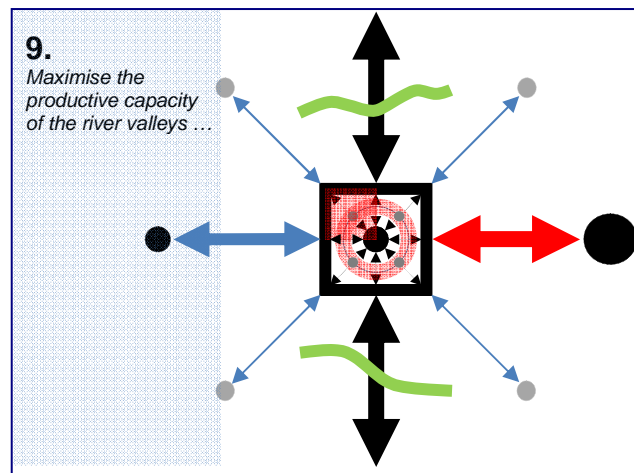
In practical terms, this implies that the Municipality should:

- Continue with service programmes in disadvantaged areas but also actively work towards making the benefits of Kimberley more broadly available to all residents. An example of this could be to undertake a program of de-concentration and clustering of public services and public facilities in targeted outlying disadvantaged settlements.



7. Maximise the capacity economic potential of the river valleys

In practical terms, this implies that the Municipality should:



- Adopt a realistic policy with regard to how the new property rating system affects the viability of rural enterprises, and allow for differentiation in rating for specified development zones with the view to stimulate appropriate development in the river valleys and surrounding agricultural areas.

ANNEXURE 3

SOL PLAATJE MUNICIPALITY: PROJECT SCHEDULE 2011/12 - 2013/14 (PRIORITISED AND FUNDED)

DIRECTORATE: STRATEGY, ECONOMIC DEVELOPMENT AND PLANNING									
Org Resp	Projects	Ward	Funding Source	2011/12		2012/13		2013/14	
				Internal	Grant funding	Internal	Grant funding	Internal	Grant funding
GURP	Landscaping Galeshewe Day Hospital		GURP		700 000				
GURP	Parks		GURP		1 800 000				
GURP	Greenbelt		NDPG		5 000 000				
GURP	Galeshewe Stadium		NDPG		3 000 000				
GURP	Paving Greenpoint		GURP		1 500 000				
GURP	Roodepan Paving		GURP		1 500 000				
GURP	GLIP (Galeshewe Light Industrial Park)		NDPG		2 000 000				
GURP	Playground equipment parks		GURP		331 000				
GURP	Neighbourhood dev partnership Grant sche 7		NDPG		2 000 000				
GURP	Neighbourhood Development Partnership Grant (Capital Grant)		NDPG				15 000 000		15 000 000
GURP	GURP		GURP				6 076 000		3 968 000
TOTAL				R 0	R 17 831 000	R 0	R 21 076 000	R 0	R 18 968 000
DIRECTORATE: INFRASTRUCTURE AND SERVICES									
Electricity	Additional Bulk Electricity (80 MVA) and Network Upgrade		DBSA Loan	49 000 000					
Electricity	High Mast Lighting (Proj 70)		MIG		1 500 000		1 500 000		
Electricity	Substation Ashburnham		DBSA Loan	12 500 000		6 600 000			
Electricity	Electrification Soul City		CRR	2 500 000					
Electricity	Electrification of Donkerhoek (521)		DOE/CRR		3 803 300				
Electricity	Electrification of Tswelelang (493)		DOE/CRR		3 598 900				
Electricity	Department of Energy (DOE) Integrated National Electrification Programme Grant		DOE		10 000 000		10 000 000		5 000 000
Electricity	Elec demand side mng (eskom) grant		EDSM		5 000 000				
Transport	Fleet Replacement Programme		CRR			4 500 000		5 500 000	
Water and	Kamfersdam Water Reductuion		DBSA Loan	8 000 000					
Water and	Beaconsfield upgrade water waste treatment works		MIG		7 500 000				
Water and	Ritchie: Waste Water Treatment Works		MIG		15 250 000				
Water and	Promise land (700 erven: water)		MIG		5 300 000				
Water and	Promise land (700 erven: sanitation)		MIG				2 000 000		10 000 000
Water and	Riverton Water Purification Works		DBSA Loan	8 500 000		6 000 000			
Water and	Water Zone Metering		DBSA Loan	6 000 000					

Org Resp	Projects	Ward	Funding Source	2011/12		2012/13		2013/14	
				Internal	Grant funding	Internal	Grant funding	Internal	Grant funding
Water and	Counterfunding MIG/NDPG		CRR	3 000 000		3 000 000		3 000 000	
Roads & S	Galeshewe Stormwater infrastructure ward 5 & 18		MIG						1 537 811
Roads & S	Bloemanda & Thusano (ward 5/6) Roads & Stormwater		MIG						7 021 580
Roads & S	Sobantu & Tlhageng (Ward 13/17) Roads & Stormwater		MIG						1 842 105
Infrastructu	Ward Projects		CRR	1 850 000		3 500 000		3 500 000	
Building Se	Upgrade Civic Centre Complex (Extension Offices)		DBSA Loan			15 000 000			
Water and	Homevale WWTW Upgrade (15 MI)		DBSA Loan/MIG	65 600 000	14 435 000	48 800 000	17 590 000		36 240 504
TOTAL				R 156 950 000	R 66 387 200	R 87 400 000	R 31 090 000	R 12 000 000	R 61 642 000
DIRECTORATE: FINANCIAL SERVICES									
Information	Replacement programme: IT Hardware		CRR	325 000		500 000		500 000	
Information	GIS Hardware Replacement and new Software	All	CRR	525 000		500 000		500 000	
TOTAL				850 000	0	1 000 000	0	1 000 000	0
DIRECTORATE: COMMUNITY AND SOCIAL DEVELOPMENT SERVICES									
Community	New Refuse Truck		CRR	1 400 000					
Emergency	Water tanker		CRR	2 400 000					
TOTAL				3 800 000	0	0	0	0	0
GRAND TOTAL				R 161 600 000	R 84 819 000	R 88 400 000	R 52 166 000	R 13 000 000	R 80 610 000
				R 246 419 000		R 140 566 000		R 93 610 000	

NC091 Sol Plaatje - Table A1 Budget Summary

Description	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 medium term revenue & expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
R thousands										
Financial Performance										
Property rates	120 750	132 441	189 424	208 320	212 389	212 389	–	233 301	255 397	274 426
Service charges	330 625	406 651	489 460	582 600	585 600	585 600	–	703 986	821 714	948 683
Investment revenue	11 451	5 917	3 984	6 000	4 000	4 000	–	4 000	6 000	8 000
Transfers recognised - operational	117 247	154 780	218 640	129 037	146 436	146 436	–	164 026	154 631	164 932
Other own revenue	76 617	83 094	89 559	92 473	89 473	89 473	–	93 541	98 950	103 268
Total Revenue (excluding capital transfers and contributions)	656 689	782 882	991 068	1 018 430	1 037 898	1 037 898	–	1 198 854	1 336 692	1 499 308
Employee costs	227 546	259 604	304 106	329 043	359 043	359 043	–	387 948	413 465	437 351
Remuneration of councillors	9 607	9 574	11 470	14 612	13 112	13 112	–	15 866	16 897	17 996
Depreciation & asset impairment	33 149	47 833	29 804	49 732	33 960	33 960	–	36 900	39 694	41 248
Finance charges	5 595	8 871	8 931	20 686	16 686	16 686	–	44 725	62 293	62 460
Materials and bulk purchases	144 607	195 942	250 051	297 678	296 783	296 783	–	356 755	436 072	534 041
Transfers and grants	531	300	350	1 450	3 191	3 191	–	3 550	3 600	3 650
Other expenditure	173 086	199 686	297 008	305 229	315 123	315 123	–	353 110	364 671	402 563
Total Expenditure	594 121	721 811	901 719	1 018 430	1 037 898	1 037 898	–	1 198 854	1 336 692	1 499 308
Surplus/(Deficit)	62 568	61 072	89 349	(0)	–	–	–	(0)	0	(0)
Transfers recognised - capital	–	–	–	–	–	–	–	–	–	–
Contributions recognised - capital & contribut	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	62 568	61 072	89 349	(0)	–	–	–	(0)	0	(0)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	62 568	61 072	89 349	(0)	–	–	–	(0)	0	(0)
Capital expenditure & funds sources										
Capital expenditure	106 214	95 139	108 628	304 672	119 469	119 469	–	246 419	140 566	93 610
Transfers recognised - capital	68 098	55 797	87 533	99 672	69 007	69 007	–	84 819	52 166	80 610
Public contributions & donations	–	–	1 149	–	–	–	–	–	–	–
Borrowing	–	21 018	10 463	190 000	36 630	36 630	–	149 600	76 400	–
Internally generated funds	38 117	18 324	9 483	15 000	13 832	13 832	–	12 000	12 000	13 000
Total sources of capital funds	106 214	95 139	108 628	304 672	119 469	119 469	–	246 419	140 566	93 610

Draft Multi-year Municipal Performance Plan 2011/12 - 2013/14

Municipal Key Performance Area	Municipal Turnaround Strategy Focus Area	IDP Objective	KPI	KPI Reporter	Baseline 31 Dec 2010	MTAS Apr 10	Unit of Measurement	POE	Annual Target 2011/12	Annual Target 2012/13	Annual Target 2013/14
Local Economic Development	Local Economic Development	1.1 To provide an enabling environment for LED in SPM within the context of National and Provincial Frameworks	No of meetings conducted annually with organised business and other spheres of government regarding the role and responsibilities of the Municipality via LED	ED: SEDP	New	-	No of meetings	Minutes/Reports from Meetings	8	8	8
			Improving the turnaround time for building plan approval to 4 weeks by 30 June 2011 (NBRBSA - 103/1977 stipulates 30 days (4 weeks) for architectural buildings less than 500m ² and 60 days (8 weeks) for architectural buildings more than 500m ²)	ED: SEDP	3	-	No weeks	Records of plans approved	4	4	4
			Improving the turnaround time for development applications (rezoning) from receipt of all sectional comments, submission to Development and Planning Committee and Council to 12 weeks by 30 June 2011	ED: SEDP	12	-	No of weeks	Records of applications approved	12	12	12
			To improve the SCM turnaround time to 6 weeks / annual contract to 3 months after the closing of tender by 30 June 2012	ED: Finance	8/12	-	No weeks	Record to be kept from SCM Committee meetings	6/12	6/12	6/12
			Approved and Implementable Land Use Management System by 30 June 2011	ED: SEDP	90%	-	% Completion/ adoption	Council minutes and Gazette	100%	100%	100%
		1.2 To initiate, lead and sustain an investment environment for job creation in the SPM Area	Number of jobs created through initiatives of the SPM (including LED, EPWP, Capital Projects, Maintenance activities etc) annually	ED: Infrastructure	178 146	Yes	Mandays jobs created	Record keeping per project and other reports	350 000	400 000	450 000
			Approved Investment and Job Creation Strategy in place by 31 Dec 2011	ED: SEDP	-	Yes	% Completion/ adoption	Council minutes	100%	100%	100%
1.3 To leverage municipal assets and the municipal procurement processes with the view to stimulate redistribution and growth	Procurement budget spent on procuring goods and services from local BEE and SMME service providers annually (Supply Chain Management) annually	ED: Finance	0.6	-	% spent	Records kept by SCM Unit	60%	60%	60%		
Basic Service Delivery and Infrastructure Development	Service Delivery	2.1 To ensure adequate provision of bulk infrastructure to unlock and sustain development and growth	A planned, prioritised, costed and environmentally sound Municipal Infrastructure Investment Framework (MIIF) completed by 30 June 2012	ED: Infrastructure	0%	Yes	% Completion of Framework	Documents prepared	100%	100%	100%
			No of bulk sewer projects completed as per Capital programme	ED: Infrastructure	New	Yes	No. of Projects completed	Project reports	3	1	0
			No of bulk water projects completed as per Capital programme	ED: Infrastructure	New	Yes	No. of Projects completed	Project reports	2	2	0
			No of bulk electricity projects completed as per Capital programme	ED: Infrastructure	New	Yes	No. of Projects completed	Project reports	4	2	0
		2.2 To ensure continuous maintenance, refurbishment and replacement of existing assets	At least 7% of operational budget spent on O&M by 30 June 2014	ED: Finance		Yes	% Budget spent	Financial Statements	7%	7%	7%
			Achieve 95% Bluedrop status by 30 June 2014	ED: Infrastructure	64%	-	% Status	DWA Assessment	75%	85%	95%
			Achieve 95% Green drop status by 30 June 2014	ED: Infrastructure	New	-	% Status	DWA Assessment	60%	85%	95%

Municipal Key Performance Area	Municipal Turnaround Strategy Focus Area	IDP Objective	KPI	KPI Reporter	Baseline 31 Dec 2010	MTAS Apr 10	Unit of Measurement	POE	Annual Target 2011/12	Annual Target 2012/13	Annual Target 2013/14
			Decrease Water losses to 15% by 30 June 2014 (Preparation of a Non-revenue Water Minimisation Study to reduce water losses by 31 Dec 2011)	ED: Infrastructure	35%	Yes	% losses	Calculations of losses	25%	20%	15%
			Decrease electricity losses to 12 % by 30 June 2014	ED: Infrastructure	16	Yes	% losses	Calculations of losses	16%	14%	12%
			60 000 m² of potholes patched 30 June 2014	ED: Infrastructure	20 000	Yes	m² patched	Records kept of actual	20 000	20 000	20 000
			15 Km of roads resealed 30 June 2014	ED: Infrastructure	6	84	Km roads resealed	Records kept of actual	6	11	15
		2.3 To ensure sustainable delivery in respect of water and sanitation, electricity, solid waste management and roads and stormwater services to all residents of SPM	700 Households connected to water network by 30 June 2014	ED: Infrastructure	70	2 390	No of households	Records kept of actual/progress on projects	700	700	700
			700 Households connected to sewer network by 30 June 2014	ED: Infrastructure	0	2 390	No of households	Records kept of actual/progress on projects	0	700	700
			1200 Households connected to the electricity network by 30 June 2014	ED: Infrastructure	151	3 321	No of households	Records kept of actual/progress on projects	500	1 000	1 200
			4,300 Households provided with a weekly solid waste removal service by 30 June 2014	ED: Community Services	2 000	4 300	No of households	Records kept of actual/progress on projects	1 300	3 300	4 300
			9 Km of roads surfaced/paved in PDA's by 30 June 2014	ED: Infrastructure	3,5	207	Km surfaced/paved	Records kept of actual/progress on projects	2	2	5
			Temporary basic water and sanitation services provided to households in informal areas by 30 June 2014	ED: Infrastructure	0	5 900	No of households served	Records kept of actuals	400	800	1 200
			27,000 Indigent households benefitting from FBS (both asset and income indigent households) by 30 June 2012	ED: Finance	16 036	Yes	No of households	Verified indigent register	27 000	27 000	27 000
			2.4 To ensure Integrated and Sustainable Human Settlements in SPM	Households provided with a subsidised house by 30 June 2014	ED: Infrastructure	286	7 928	No of houses	Records kept of actual/progress on projects	1 600	2 400
		Number of new erven surveyed and ready for installation of municipal services in existing informal areas by 30 June 2014		ED: SEDP	0	5 900	No of erven surveyed	General plans (Dependant on the merits of every township establishment application)	460	1 460	2 460
		An approved Integrated Human Settlement Plan by 30 June 2011		ED: Infrastructure	60%	Yes	% Completion IHSP	Completion of documents, Minutes of meeting, Council resolution, CoGHSTA approval	100%	100%	100%
		2.5 To initiate a process for the the use of alternative/renewable energy in SPM	Initiate a partnership programme for the provision of alternative energy by 30 June 2011	ED: Community Services		-	% progress in establishing a partnership	Partnership agreement signed	100%	100%	100%
		2.6 To ensure sustainable delivery of community services to all residents of SPM by 30 June 2013	A planned, prioritised, affordable and equitable op plan for each comm service (personal health, municipal health, library, parks and rec, emergency serv, traffic serv, social dev) by 30 Sept 2010	ED: Community Services	100%	-	100% completion of plans	Plans available	100%	100%	100%

Municipal Key Performance Area	Municipal Turnaround Strategy Focus Area	IDP Objective	KPI	KPI Reporter	Baseline 31 Dec 2010	MTAS Apr 10	Unit of Measurement	POE	Annual Target 2011/12	Annual Target 2012/13	Annual Target 2013/14
Financial Viability and Management	Financial Management	3.1 To ensure sound financial management and financial sustainability of the SPM	SPM's Aggregated Operating and Capital Expenditure at least 20% measured against Secondary Cities by 30 June 2014 (Capital as % of Total Budget)	IDP Manager	10,4%	-	% Capital against total Budget	Published results by NT	15%	20%	25%
			To spend at least 85% of the Capital Budget (including grants) annually	ED: Finance	26,16%	Yes	% Capital spent	Financial Statements	85%	85%	85%
			To spend at least 90% of the Operational Budget annually	ED: Finance	0.9	-	% spent	Financial Statements	90%	90%	0.9
			Maintain the debt coverage ratio at current levels or at least 2:1 against net assets of the municipality	ED: Finance	1:48	-	Debt coverage (Total operating revenue-operating grants received)/debt service payments due within the year)	Financial Statements	02:01	02:01	02:01
			Reducing the ratio of outstanding service debtors to revenue to 10% by 30 June 2014	ED: Finance	24%	-	Service debtors to revenue – (Total outstanding service debtors/ revenue received for services)	Financial Statements	20%	15%	100%
			Increase the cost coverage ratio to 3:1 annually or maintain the current status by 30 June 2014	ED: Finance	1:1,13	-	Cost coverage (Available cash + investments)/monthly fixed operating expenditure	Financial Statements	01:01	02:01	02:01
			Increase the municipal reserves by at least 10% per annum from the previous year's actual balance	ED: Finance	142%	Yes	% increase	Financial Statements			
			To improve Revenue enhancement by ensuring a collection rate of 90% of billing by 30 June 2014	ED: Finance	80%	Yes	% collection rate	Financial Statements	88%	90%	90%
			Decrease employee related costs to 32 % of the Operational Budget by 30 June 2014	ED: Finance	34%	-	% employee related costs	Financial Statements	33%	33%	32%
Municipal Institutional Development and Transformation	Labour	4.1 To provide an overarching framework for sustainable municipal performance improvement	Conduct quarterly performance assessments of the Municipal Managers and Managers reporting directly to the Municipal manager annually	IDP Manager	2	Yes	Performance assessments conducted	Performance assessment reports	4	4	4
			Conduct quarterly performance assessments of Middle Management (up to level 6) annually	ED: Corporate Services	New	Yes	Performance assessments conducted	Performance assessment reports	4	4	4
			Complete individual performance management to all levels of staff by 30 June 2012			Yes	Performance plans	Signed performance plans	100%	100%	100%
			Submit quarterly organisational performance assessment reports (SDBIP) to the Executive Mayor	IDP Manager	New	-	Performance assessments submitted	Performance assessment reports/Mayco meeting minutes	4	4	4

Municipal Key Performance Area	Municipal Turnaround Strategy Focus Area	IDP Objective	KPI	KPI Reporter	Baseline 31 Dec 2010	MTAS Apr 10	Unit of Measurement	POE	Annual Target 2011/12	Annual Target 2012/13	Annual Target 2013/14
		4.2 To provide a framework for Municipal Transformation and Institution Development	All levels of personnel on the organogram of the SPM should be 100% representative according to the Employment Equity Plan of the Municipality by June 2012	ED: Corporate Services	100%	-	% representivity	Human resouces records	100%	100%	100%
			To spent 100% of the allocated budget to implement the Workplace Skills Plan annually	ED: Corporate Services	50%	Yes	% Budget spent	Financial Statements	100%	100%	100%
			An approved Human Resource Management Plan with specific reference to staffing (attraction/retention), HRA, HRM and HRD by 31 December 2011	ED: Corporate Services	50%	Yes	% completion and approval of plan	Plan and EMT minutes	100%	100%	100%
Good Governance and Public Participation	Governance	5.1 To institutionalise community based planning at strategic and operational levels	All Wards to have Ward Plans adopted by 30 June 2014	IDP Manager	0	Yes	Plans adopted	Plans and relevant minutes	1	10	31
			All Ward Committees in place and functional by 30 June 2014	ED: Corporate Services	10	Yes	No of Ward Committees functional	Minutes of meetings			
			Quarterly meetings with IDP Business and Representative Forums annually	IDP Manager	4	Yes	No of meetings	Minutes of meetings	4	4	4
		5.2 To enhance the public profile, reputation and positioning of the SPM	Council to meet at least on a quarterly basis annulay	ED: Corporate Services	6	Yes	No of meetings	Mayco minutes and resolutions register	4	4	4
			Mayoral Committee to meet at least monthly	Mayco Secreteriate	New	-	No of meetings	IGR minutes and resolutions register	8	8	8
			Regular attendance of scheduled meetings of Intergovernmental Structures and other events	ED: Corporate Services	80%	Yes	% of meetings attended	Council minutes and resolutions register	100%	100%	100%
			Monthly reports of keeing an updated and interactive web site linked to other spheres of Government.	ED: Corporate Services	New	Yes	Monthly update of website	All information recent /Report of updating	12	12	12
		5.3 To ensure an improved audit opinion in line with the LGTAS	To implement an effective and efficient Supply Chain Management System by ensuring that successful appeals is not more than 5% of tenders/quotes submitted by 30 June 2014	ED: Finance		Yes	No/% of appeals	Records kept	5%	5%	5%
			Ensure a clean audit report by 30 June 2014.	ED: Finance	-	Yes	% completion of an Audit Action plan by 30 Jan annually	Audit Action plan and minutes of adoption	100%	100%	100%
			Audits completed in terms of Internal Audit Plan completed annually	Manager: Internal Audit	6	Yes	No of audits	Internal Audit reports	12	12	12
Functional and effective Audit and Risk Management and Performance Audit Committees	Manager: Internal Audit/ IDP Manager		3	Yes	No of meetings	Minutes of meetings	4	4	4		