

Beaufort West

Welcome to the Heart of the Cape Karoo

BEAUFORT WEST MUNICIPALITY

Integrated Development Plan 2017 - 2022

1st Annual Review 2018/2019



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EXECUTIVE SUMMARY

This document represents the first review of Beaufort West Municipality's IDP for the current five-year local government planning and implementation time-frame, i.e. 2017 - 2022 and considers the 2018/2019 budget cycle. The document must be read together with the original IDP and the municipal-wide sector plans. This IDP review serves as an addendum to the 5-year IDP (2017-2022) that was approved by Council on the 30 June 2017 and includes the following:

The review is in essence structured as follows:

- Chapter 1 - A legal framework;
- Chapter 2 - A review of the profile of the municipal area;
- Chapter 3 - A review of the status of the municipality as the mechanism to achieve the Identified strategic objectives. It sets out the institutional arrangements to operationalize the delivery of its mandates, in terms of the constitution and municipal legislation;
- Chapter 4 - An overview of the 2017/18 progress in terms of completion of the Programmes and projects as a means in reaching the strategic objectives;
- Chapter 5 - this section gives an overview of the vision, mission and strategic objectives of Council;
- Chapter 6 - An Action Plan for the 2018/19 financial year;
- Chapter 7 - Performance Management System.
- Chapter 8 - Risk management and Implementation Strategy

The IDP is regarded as the single most important strategic document of the municipality and consolidates all municipal strategies and documents. Hence, this IDP includes the directives to achieve the municipal vision, to promote the national and provincial developmental agenda, to expand and enhance municipal infrastructure, and to ensure that all residents have access to essential (basic) services. In addition, Council regards the establishment of a conducive environment to economic growth, as critical in addressing, *inter alia*, community upliftment.

The original IDP has been developed through an exhaustive process of engagement with various stakeholders and the review process included consultation with the community in identifying needs, prioritizing the needs and aligning it with the resources available to the municipality. The resultant outcomes informed the design and implementation of municipal-wide projects and Programmes, as well as the delivery of services, maintenance of infrastructure and responsibilities to stimulate growth and development.

The needs of the community have been obtained through a consultative process and were considered during the IDP review. The needs identified by the communities are part of the Public Participation Process chapter.

It should be emphasized that various 'other' needs are always being identified during the engagement process with communities that are not functional responsibilities of the municipality. In this regard, the role of the municipality is to engage with the relevant government stakeholders as to address these (other) needs, e.g. housing, education and health. The engagements would also facilitate the identification of funding for key projects to maintain and enhance municipal infrastructure and service delivery.

The Programmes and projects are intended for all the wards and this document will acknowledge the sources of information used in the process, amongst others are the following contributing sources:

- (a) Comments received from the community/ ward committees and various role-players in the IDP Process;
- (b) Meetings with members of the IDP Steering Committee;
- (c) The implementation of Performance Management System (PMS);
- (d) The implementation of Service Delivery Budget Implementation Plan (SDBIP);
- (e) The adoption of the Spatial Development Framework (SDF);
- (f) The update of the list of projects;
- (g) The preparation and update of the sector plans;
- (h) Integration of all programmes and plans in the municipal areas, and
- (i) IMAP (Implementation Map) for better monitoring of IDP, Budget and SDBIP.

The Municipality adopted the national Key Performance Areas and aligned itself with these KPA's through a set of strategic objectives. The IDP therefore focuses on the following:

1. To improve and maintain current basic service delivery through specific infrastructural development projects
2. To facilitate investment and maintenance of economic and social infrastructure to ensure infrastructure-led economic growth and development
3. Establishment of a well governed and accountable administration
4. Ensure liquidity of the administration
5. Transparency and participation

The above strategic objectives are aligned with the needs of the communities as these needs reflected mainly on:

- Economic Development
- Infrastructure Development
- Health Services
- Youth Development
- Housing Delivery
- SMME Development
- Availability of Agricultural land
- Sport and Recreation
- Skills development

The Municipality sees this Plan as instrumental in its efforts to becoming more developmental orientated.

As to ensure a proper planned review process, a Process Plan was approved and focuses on the organizational arrangements for the planning process and indicates the time-frames and community participation processes. This was done in line with the guidelines set out in the Municipal Finance Management Act and Municipal Systems Act, and concrete efforts were made to align the planning and budgeting processes. The process illustrates the important relationship between the IDP, the budget and the Performance Management System.

As stated above, the IDP review plan consists out of the following sections:

Section A: IDP Process: Introduction

This section focuses on the purpose of the document and the legal context and framework of the IDP. The section further identifies the basis for the IDP and clarifies the process followed with review. During the planning process each phase poses unique challenges to ensure that the output of one phase adds sufficient value in the next phase.

Section B: Situation Analysis

This section focuses on the existing situation of the communities the municipality serves, focusing on population statistics, geographical descriptions, economic growth potential and other socio-economic aspects in the society of Beaufort West.

Section C: Status of the Municipality as the mechanism to implement the strategic objectives

This section focuses on the current status of the municipality as an implementing agent and determine the capacity (or lack thereof) and resources (or lack thereof) to implement the IDP.

Section D: Municipal context of priority issues /objectives and strategies

This section outlines the priorities of the community and the objectives and strategies agreed upon. The key performance areas and strategic objectives have been identified in this section.

Section E: Action Plan 2018/19 and Integrated Sector Plans

This section focuses on the projects identified to be implemented during the new financial year per Key Performance Area and therefore per Strategic Objective. It sets out each project's name, indicator(s), location, target(s) to measure performance, as well as the potential sources of funding.

The section also focuses on the Integrated Sector Plans that needs to be aligned with the municipality's strategic objectives and with the resources framework. These sector plans include:

- 5 Year Financial Plan
- Municipal Spatial Development Framework
- Integrated Transport Plan
- Integrated Waste Management Plan
- Local Economic development Strategy
- Integrated Human Settlement Plan and Housing Allocation Policy etc.
- Long-term Financial Plan

Other principle matters that the IDP also addresses include:

• PUBLIC PARTICIPATION

The Local Government Municipal Systems Act, 32 of 2000 – Chapter 4 requires that all Municipalities develop a culture of participatory governance by putting in place mechanisms and procedures that allow for public participation in the affairs of the Municipality, including the IDP Process. Central to this is the need for community members to be well informed about the affairs of the Municipality at all times and to take part in the decision-making processes of Council. To address this, the Council set

up Ward Committees and in is in the process to re-establish an IDP Representative Forum. The Process Plan outlines the continuous consultation with the community stakeholders.

In summary, the following meetings were held with the community and/or stakeholders as to identify the current priorities of the community/ies:

Ward	Type of Meeting	Date	Venue	Attendance
	IDP/Ward Engagement	09 November 2017	Murraysburg Town Hall	89
	IDP Ward Committee Engagement	08 March 2018	Murraysburg Town Hall	11
	IDP Ward Committee Engagement	13 March 2018	Container, Truman Prince Avenue, Prince Valley	11
	IDP Ward Committee Engagement	14 March 2018	George Fredericks Primary School Hall, Merweville	11
	IDP Ward Committee Engagement	15 March 2018	Municipal Hall, Alfonso Avenue, Essopville	11
	IDP Ward Committee Engagement	20 March 2018	Library, Nelspoort	11
	IDP/Budget Steering Committee Engagement	23 March 2018	Conference Room: Municipal Offices	

Table 1: Public Participation

• INSTITUTIONAL ARRANGEMENTS

The municipality is responsible for the successful implementation of the IDP. For this reason, it is important to ensure the successful allocation of roles and responsibilities within the organization and the following is a brief overview:

Executive Committee:

- Strategy Development
- Political oversight over the IDP.

Ward Councillors:

- Link the planning process to the constituencies and / or wards
- Be responsible for organizing public consultation and participation
- Monitor the implementation of the IDP with respect to the particular wards

Municipal Manager:

- Overall accountability and responsibility for the IDP

IDP Manager / IDP Officer:

Responsible for managing the IDP Process through:

- Facilitation of the IDP Process,
- Co-ordinating IDP related activities, including capacity building programmes,
- Facilitating reporting and the documentation thereof,

- Liaising with the PIMS Centre and Provincial Sector Departments,
- Providing secretariat functions for the IDP Steering Committee and Forum.

The Chief Financial Officer:

The CFO must ensure that the municipal budget is linked to the IDP and is responsible for:

- Co-ordinating the budget implementation,
- Development of the 5-year municipal integrated financial plan.

IDP Steering Committee:

- The Committee meets monthly.
- It is responsible for IDP processes, resources and output
- It oversees the monthly status reports that are received from departments,
- It makes recommendations to Council,
- It oversees the meetings of the IDP Representative Forum,
- The Committee is responsible for the process of integration and alignment.
- Oversees effective management of the IDP Process
- Contribute to the assessing of needs & prioritising
- Ensure proper organisational linkage with the Budget
- Evaluation of IDP/ Budget / PMS alignment

IDP Representative Forum:

- It forms the interface for community participation in the affairs of Council
- Operates on consensus basis in determination of priority issues for the municipal area
- Participates in the annual IDP Review Process
- Meets on a quarterly basis to discuss progress and shortcomings
- All wards within municipal area must be represented on Forum through the Ward Committee

• **ALIGNMENT**

In terms of the Municipal Systems Act development strategies must be aligned with National and Provincial Sector Plans as well as planning requirements. It also envisages that a single inclusive and strategic plan must be adopted which links, integrates and coordinates plans and be aligned with the budget and performance plans.

• **SPATIAL DEVELOPMENT FRAMEWORK**

Beaufort West Municipality developed a Spatial Development Framework which was adopted by Council during May 2014 and was accepted and re-affirmed by Council on 30 June 2017 as a core component of the 2017-2022 Integrated Development Plan. This framework will serve as a guide for spatial development within the Municipality.

• **PERFORMANCE MANAGEMENT SYSTEM (PMS)**

The White Paper on Local Government (1998) nationally introduced Performance Management System (PMS) as a tool to ensure developmental local government. It concluded that Integrated Development Planning, Budgeting and Performance Management were powerful tools, which could assist municipalities to develop an integrated perspective on development in their areas. Performance management will cover both the institutional performance and individual performance.

The Municipal Systems Act (Act 32 of 2000), requires all municipalities to:

Beaufort West Integrated Development Plan 2018/19 Review

- Develop a Performance Management System;
- Set targets, monitor and review performance based on indicators linked to the IDP;
- Publish an annual report on performance to the Councilors, staff, the public and other spheres of government;
- Incorporate and report on a set of general indicators pre-established nationally by the Minister responsible for Local Government;
- Conduct an internal audit on performance before tabling the report;
- Have the annual performance report audited by the Auditor-General; and
- Involve the community in setting indicators and targets and reviewing municipal performance.

Beaufort West Municipality has implemented a performance management system which was implemented during the IDP period.

CHAPTER 1- INTRODUCTION AND PURPOSE OF REVIEW

1.1 Beaufort West Municipality IDP 2017 – 2022

Municipalities function within an extensive legislative and policy framework that provides prescripts and guidelines for municipal actions according to constitutional obligations. Local government must be cognizant of and partake in a system of intergovernmental service delivery. In this regard, the Beaufort West Municipality realizes that in order to promote the local agenda, the municipal budget, programmes and projects must be aligned with higher-order regulatory, developmental and institutional policy directives.

The **Constitution of the Republic of South Africa** outlines the type of local government needed. Sections 152 and 153 of the Constitution prescribe local government being in charge of the development process and municipal planning, and describe the following objectives of local government:

- To ensure the sustainable provision of services;
- To provide democratic and accountable government for all communities;
- To promote social and economic development;
- To promote a safe and healthy environment;
- To give priority to the basic needs of communities, and;
- To encourage involvement of communities and community organisations in matters of local government.

The **Municipal Systems Act (MSA) Act 32 of 2000** requires municipalities to develop Integrated Development Plans that should be single, inclusive and strategic in nature. Once adopted, the IDP of a municipality will guide development within the relevant council's area of jurisdiction, and should also be reviewed annually. In addition the Act also stipulates the IDP process and the components to be included.

The Local Government: Municipal Planning and Performance Management Regulations (2001) set out the following minimum requirements for an Integrated Development Plan:

Regulation 2 (1) states that the municipality's IDP must at least identify:

- The institutional framework, which must include an organogram required for the implementation of the Integrated Development Plan and addressing the internal transformation;
- Any investment initiatives in the municipality;
- Any development initiatives in the municipality, including infrastructure, physical, social and institutional development;
- All known projects, plans and programmes to be implemented within the municipality by any organ of the state, and;
- The key performance indicators set by the municipality.

Regulation 2 (3) sets out matters/issues that must be reflected in the financial plan that must form part of the integrated development plan.

Section 21(2) of the **Municipal Finance Management Act (Act 56 of 2003) (MFMA)** states that, when preparing the annual budget, the Mayor of a municipality must:

- Take into account the municipality's Integrated Development Plan;
- Take all reasonable steps to ensure that the municipality revises the integrated development plan in terms of section 34 of the MSA, taking into account realistic revenue and expenditure projections for future years;

- Take into account the national budget, the relevant provincial budget, the national government's fiscal and macroeconomic policy, the annual Division of Revenue Act and any agreements reached in the Budget Forum.

The Integrated Development Plan (IDP) of Beaufort West Municipality, adopted by the Council on 30 June 2017. is therefore the key strategic planning tool for the municipality.

1.2 Purpose of the IDP Review

In terms of the MSA Section 34, a municipality is required to review its IDP annually. Annual reviews allow the municipality to expand upon or refine plans and strategies to include additional issues and to ensure that these plans and strategies inform institutional and financial planning.

This review is the first review of the 2017-2022 IDP, as illustrated by the figure below, and should be read together with the 5-Year IDP.

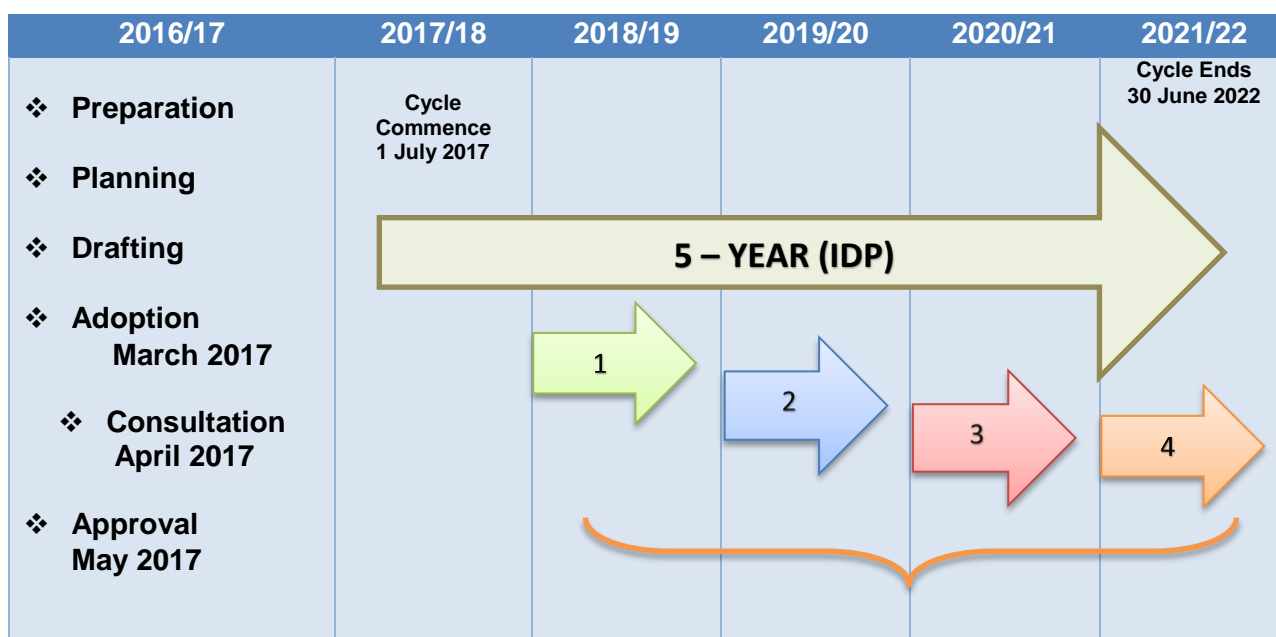


Figure 1: IDP Review Process

The document sets out the results of the municipality's 2017/2018 IDP Review Process, and describes the following:-

- The process followed to review the Beaufort West Municipality's IDP, including the feedback from the community on the priorities for the new financial year;
- The key informants that have provided the basis for amending certain elements, if necessary, of the IDP;
- An assessment of implementation performance and achievement of IDP targets and strategic objectives;
- Review of sector strategies and plans, and cluster analysis reports inform the input of communities;
- An action plan for 2018/19 Financial Year.

The main aims are to identify and consider (significant) change(s) that will impact on resource allocation and to inform communities about government programmes and projects in the municipal area. The major purpose can therefore be summarized as:

- To ensure that the planning processes of the municipality's internal departments are informed by the IDP and that there is sufficient capacity to implement the projects;
- To assess and report on progress and if required, apply corrective measures;
- To ensure that the IDP is the platform for structured inter-governmental engagement;
- To ensure that budget allocations and expenditure are in line with the IDP objectives;
- To ensure that the municipality's planning processes and outcomes are compliant;
- To ensure better alignment between the municipality's SDBIP and performance management system; and
- To ensure that the strategic objectives relates to the key performance areas.

1.3 Basis for the Integrated Development Plan 2017-2022

The IDP Review for 2018 - 2019 was undertaken within the framework of National, Provincial and District plans and policies, with particular consideration being given to the following:

- **New Growth Path, 2009 (NGP)**

The NGP aims to find job opportunities in both the traditional economic sectors as well as cross-cutting sectors. It further aims to develop strategies that would create the needed jobs in the economy of South Africa over the medium term. This strategy will combine micro and macro-economics in achieving its goal.

The main indicators for success will be:

- Jobs (number and quality)
- Growth (the rate, labour intensity & composition of economic growth)
- Equity (lower income and inequality)
- Environmental outcomes.

The Five pillars on which the NGP stands are:

- i. Infrastructure:
 - Public Sector - energy, transport, water, communications infrastructure and housing until 2015;
 - 250 000 new jobs created annually
- ii. Main Economic Sectors
 - Agricultural value chain
 - 300 000 households in agricultural smallholder schemes
 - 145 000 in agro processing by 2020
 - Upgrade conditions for 660 000 farmer workers
 - Mining value chain
 - Additional 140 000 jobs by 2020 & 200 000 by 2030
 - Manufacturing sectors with IPAP2 targets
 - 350 000 jobs by 2020 in industries not covered elsewhere
 - Tourism & certain high level services
 - 250 000 jobs
- iii. Seizing the potential of New Economies
 - The Green economy
 - 300 000 additional direct jobs by 2020 of which 80 000 is in manufacturing and up to 400 000 in construction, operations and management by 2030
 - Growing the knowledge capital
 - 100 000 by 2020 based on current employment and taking out overlaps with niche tourism, IPAP2 and government services

- iv. Investing in Social Capital and Public Services
 - Social Economy – such as co-ops
 - 260 000 new jobs by 2020
 - v. Spatial Development
 - Measurable improvements in livelihoods
 - 500 000 households in rural development areas targeted
 - African regional development
 - 60 000 direct jobs by 2015 and around 150 000 by 2020 from exports to SADC
- **National Development Plan 2030, 2011.**

If the National Growth Plan is the strategy then the National Development Plan is the tactic to be used in achieving the aims moving towards 2030. The NDP focus on nine distinct areas for development in South Africa and it is the following:

- Create 11 million jobs by 2030
- Expand infrastructure
- Transition to low carbon economy
- An inclusive integrated rural economy
- Reversing the spatial effects of apartheid
- Education and Training
- Social protection
- Build a capable state
- Reforming the public service
- Provide quality Health Care
- Fight Corruption
- Transformation and Unity (National Development Plan 2030, 2011)

- **National Spatial Development Perspective (NSDP)**

The main purpose of the NSDP is to reconfigure apartheid spatial relations and to implement spatial priorities that meet the constitutional imperative of providing basic services to all and alleviating poverty and inequality. The NSDP is based on government's objectives of growing the economy, creating jobs, addressing poverty and promoting social cohesion.

NSDP principles are aimed at focusing government action and investment to enable the developmental state to achieve maximum social and economic impact within the context of limited resources. While the focus on government spending in areas of some economic potential is on economic infrastructure, in areas of low or no economic potential government spending should focus on human capital development.

Spatial marginalization from economic opportunities and social amenities continue to be a significant feature of the space economy and must be addressed to reduce poverty and inequality and to ensure shared growth (National Spatial Development Perspective, 2003).

- **Western Cape Provincial Growth and Development Strategy**

The WCPGDS is defined as a framework against which provincial government departments define the parameters in which they formulate their strategic plans & budgets. It is a yardstick to measure departmental performance and is aligned to the electoral and budgeting process.

It is based on the social and economic analysis prevailing in the Province with sector specific programmes, strategies and project level opportunities and interventions and it seeks alignment with IDP's, Sector Development Plans and NSDP. The WGDS reflects opportunities for growth in the following sectors namely:

- Agriculture and Agro-Processing
- Fishing and Mari-culture
- Mining and Mineral Resources
- Construction
- Transport
- Manufacturing
- Tourism

- **Central Karoo District Growth and Development Strategy**

The CKDGDS seeks to achieve a shared vision, amongst all sectors of its society, for the achievement of its goal of reducing poverty and improving the quality of life all its citizens. The DGDS reinforces the following principles:

- Integrated, sustainable, holistic and participatory growth and development;
- Providing for the needs of all the people;
- Ensuring community and/or beneficiary involvement and ownership;
- Long term sustainability on all levels;
- Equitable socio-economic development with equitable benefits for all.

- **Medium Term Strategic Framework**

The strategic priorities, deriving from the popular mandate, can be summarized as follows:

- speed up economic growth and transform the economy to create decent work and sustainable livelihoods;
- massive programme to build economic and social infrastructure;
- comprehensive rural development strategy linked to land and agrarian reform and food security;
- strengthen the skills and human resource base;
- improve the health profile of society;
- intensify the fight against crime and corruption;
- build cohesive, caring and sustainable communities;
- pursue regional development, African advancement and enhanced international co-operation;
- sustainable resource management and use;
- build a developmental state including improvement of public services and strengthening democratic institutions.

Horizontal Alignment of Key Strategies

Horizontal alignment is pursued through inter-governmental planning and consultation, co-ordination and ensured through aligning the respective vision, mission and strategic objectives of the respective municipalities in the region. The alignment of key national, provincial and regional strategies is illustrated in the table below:

Back to Basics Revised Chapter 9 Outcomes (Responsive, accountable, effective and efficient developmental local government system)	Millennium Development Goals 2015	2016 Sustainable Development Goals	NDP 2030	National Outcomes (2010)	WC Strategic Plan (2014-2019) Provincial Strategic Goals	2012 -2017 Central Karoo Strategic Objectives	Beaufort West Municipality Objectives 2017-2022
<p>B2B 1:</p> <p>Members of society have sustainable and reliable access to basic services</p>	<p>MDG 1: Eradicate extreme poverty and hunger</p> <p>MDG 4: Reduce child mortality</p> <p>MDG 5: Improve maternal health</p> <p>MDG 6: combat HIV/AIDS, malaria and other diseases</p>	<p>SDG 1: No Poverty</p> <p>SDG 2: No Hunger</p> <p>SDG 3: Good Health</p> <p>SDG 6: Clean Water and Sanitation</p>	<p>Chapter 10: Health Care for all</p> <p>Chapter 11: Social Protection</p>	<p>Outcome 2: A long and healthy life for all South Africans</p> <p>Outcome 7: Vibrant, equitable and sustainable rural communities and food security for all</p>	<p>PSG 3: Increasing Wellness, Safety and Tackling Social Ills</p>	<p>SG 1: Promote Safe, Healthy and Socially stable communities through the provision of a sustainable environmental health service</p>	<p>Objective 1.2 - Provision of basic services to all the people in the municipal area.</p>
<p>B2B 3:</p> <p>Democratic, well governed and effective municipal institutions capable of carrying out their developmental mandate as per the constitution.</p>	<p>MDG 3: Promote gender equality and empower women</p>	<p>SDG 4: Quality Education</p> <p>SDG 5: Gender Equality</p> <p>SDG 8: Good Jobs and Economic Growth</p> <p>SDG 10: Reduced Inequalities</p>	<p>Chapter 9: Improving Education, training and innovation</p> <p>Chapter 15: Nation building and Social Cohesion</p>	<p>Outcome 1: Improve the quality of basic education</p> <p>Outcome 5: A skilled a capable workforce to support inclusive growth</p>	<p>PSG 2: Increase education outcomes</p> <p>Improving Education Outcomes and Opportunities for Youth Development</p>	<p>SG 2: Build a well capacitated workforce, skilled youth and communities</p>	<p>Objective 3.1 Establishment of a well governed and accountable administration</p>
<p>B2B 3:</p> <p>Democratic, well governed and effective municipal institutions capable of carrying out their developmental mandate as per the constitution.</p>		<p>SDG 7: Clean Energy</p> <p>SDG 9: Innovation and Infrastructure</p> <p>SDG 11: Sustainable Cities and Communities</p>	<p>Chapter 4: Economic Infrastructure</p> <p>Chapter 5: Inclusive rural Economy</p>	<p>Outcome 6: An efficient, competitive and responsive economic infrastructure network</p>	<p>PSG 1: Create Opportunities for Growth and Jobs</p> <p>PSG 2: Improving Education Outcomes and Opportunities for Youth Development</p>	<p>SG 3: Improve and maintain district roads and promote safe road transport</p>	<p>Objective 1.1 - To improve and maintain current basic service delivery through specific infrastructural development projects</p>

Back to Basics Revised Chapter 9 Outcomes (Responsive, accountable, effective and efficient developmental local government system)	Millennium Development Goals 2015	2016 Sustainable Development Goals	NDP 2030	National Outcomes (2010)	WC Strategic Plan (2014-2019) Provincial Strategic Goals	2012 -2017 Central Karoo Strategic Objectives	Beaufort West Municipality Objectives 2017-2022
<p>B2B 3:</p> <p>Democratic, well governed and effective municipal institutions capable of carrying out their developmental mandate as per the constitution.</p>	<p>MDG 7: Ensure environmental sustainability</p>	<p>SDG 7: Clean Energy</p> <p>SDG 12: Responsible Consumption</p> <p>SDG 13: Protect the Planet</p> <p>SDG 14: Life below water</p> <p>SDG 15: Life on Land</p>	<p>Chapter 5: Environmental Sustainability and resilience</p> <p>Chapter 12: Building safer communities</p>	<p>Outcome 3: All people in South Africa protected and feel safe</p> <p>Outcome 10: Protection and enhancement of environmental assets and natural resources</p> <p>Outcome 11: A better South Africa, a better and safer Africa and world</p>	<p>PSG 4: Enabling a Resilient, Sustainable, Quality and Inclusive Living Environment</p>	<p>SG 4: Prevent and minimise the impact of possible disasters and improve public safety in the region</p>	<p>Objective 2.3 – Sustainability of the environment and Agriculture</p>
<p>B2B : 4</p> <p>Sound Financial Management</p>			<p>Chapter 13: Building a capable and developmental state</p> <p>Chapter 14: Fighting corruption</p>	<p>Outcome 9: A responsive and accountable, effective and efficient local government system</p>	<p>PSG 5: Embedding Good Governance and Integrated Service Delivery through Partnerships and Spatial Alignment</p>	<p>SG 5: Deliver a sound and effective administrative and financial to achieve sustainability and viability in the region.</p>	<p>Objective 3.1 Establishment of a well governed and accountable administration</p> <p>Objective 4.1 Ensure liquidity of the administration</p> <p>Objective 5.1 Transparency and participation</p>
<p>B2B 2:</p> <p>Strengthened inter-governmental arrangements for a functional system of cooperative governance for local government</p>	<p>MDG 8: Develop a global partnership for development</p>	<p>SDG 17: Partnerships for the Goals</p> <p>SDG 16: Peace and Justice</p> <p>SDG 10: Reduced Inequalities</p>	<p>Chapter 13 Building a capable and developmental state</p> <p>Chapter 14: Fighting corruption</p> <p>Chapter 15: Nation building and</p>	<p>Outcome 9: A responsive, accountable, effective and efficient local government system</p> <p>Outcome 12: An efficient, effective and development - orientated public service and an empowered, fair and</p>	<p>PSG 5: Embedding Good Governance and Integrated Service Delivery through Partnerships and Spatial Alignment</p> <p>PSG 2: Improving Education Outcomes and Opportunities for</p>	<p>G6: Facilitate Good Governance principles and effective stakeholder participation</p>	<p>Objective 1.2 - Provision of basic services to all the people in the municipal area.</p> <p>Objective 1.3 - Provide for the needs of indigent households through improved services.</p>

Back to Basics Revised Chapter 9 Outcomes (Responsive, accountable, effective and efficient developmental local government system)	Millennium Development Goals 2015	2016 Sustainable Development Goals	NDP 2030	National Outcomes (2010)	WC Strategic Plan (2014-2019) Provincial Strategic Goals	2012 -2017 Central Karoo Strategic Objectives	Beaufort West Municipality Objectives 2017-2022
		SDG 12: Responsible Consumption	social cohesion	inclusive citizenship.	Youth Development		
B2B: 5 Local public employment programmes expanded through the Community Work Programme (EPWP)	MDG 1: Eradicate extreme poverty and hunger	SDG 8: Good jobs and economic growth	Chapter 3: Economy and Employment Chapter 6: Inclusive rural economy	Outcome 4: Decent employment through inclusive economic growth Outcome 6: An efficient, competitive and responsive economic infrastructure network	PSG 1: Create Opportunities for Growth and Jobs PSG 2: Improving Education Outcomes and Opportunities for Youth Development	G7: Promote regional economic development, tourism and growth opportunities	Objective 2.1 - To facilitate investment and maintenance of economic and social infrastructure to ensure infrastructure-led economic growth and development. Objective 2.2 - Create an investment friendly environment to attract investment to enable economic growth and job creation.

1.4 Process Followed

In August 2017, the Beaufort West Municipal Council approved the IDP Process Plan and Budget Schedule, detailing the process for the IDP and Budget development for 2018/2019 review. The purpose of the process plan adopted is to indicate and manage the planned activities and strategies which the Municipality intends to follow.

In accordance with the provisions of the Process Plan, the IDP was reviewed and further developed through the processes detailed below:

- The Draft IDP and Budget for 2018/2019 has been presented for adoption by Council on the 29 March 2018;
- The IDP has been submitted within ten (10) days after the tabling to the MEC of Local Government for comments;
- The adopted IDP was advertised for public comments and meetings were held with the public between April and May 2018;
- The Provincial IDP Evaluation Session (LGMTec) took place on the 08 May 2018.

- The final IDP has been prepared and submitted for approval by Council before the end of May 2018

The municipality performed the following engagements as part of drafting the 2018/2019 IDP:

Ward	Type of Meeting	Date	Venue	Attendance
	IDP/Ward Engagement	09 November 2017	Murraysburg Town Hall	89
	IDP Ward Committee Engagement	08 March 2018	Murraysburg Town Hall	11
	IDP Ward Committee Engagement	13 March 2018	Container, Truman Prince Avenue, Prince Valley	11
	IDP Ward Committee Engagement	14 March 2018	George Fredericks Primary School Hall, Merweville	11
	IDP Ward Committee Engagement	15 March 2018	Municipal Hall, Alfonso Avenue, Essopville	11
	IDP Ward Committee Engagement	20 March 2018	Library, Nelspoort	11
	IDP/Budget Steering Committee Engagement	23 March 2018	Conference Room: Municipal Offices	

Refer to table 1: Public Participation Engagements

It should be noted that most of the meetings mentioned above were held with ward committees. This was due to the fact that most of the scheduled IDP meetings with the public was postponed or cancelled. In some of the wards meetings were scheduled for more than once and still could not take place due to poor attendance.

The municipality will also ensure in future that the strategies and mechanisms learnt at the recent course on Integrated Community Development Planning (ICDP), during February – March 2018 to enhance public participation, will be implemented as far as the municipality have the necessary resources and will be able to do so.

CHAPTER 2 - PROFILE OF THE MUNICIPAL AREA

This chapter provides a brief description of the historic significance, social, economic and institutional environment, and high-level development 'indicators' as imperatives for municipal planning in order to ensure economic growth, job creation and socio-economic improvement.

The situational analysis provides baseline information for future planning as it describes the profile of the community the Municipality serves.

2.1 Historical Overview

Towering mountains and rolling plains welcome you to the Beaufort West region. Beaufort West, the oldest and largest town in the Central Karoo, lies in an ancient area once a swamp, now a semi-desert area named "thirst land", making it rich in history. This ancient area of the Karoo is considered one of the world's most interesting arid zones and holds intrigue for the scientist, the historian and the eco-tourist; fondly referred to as place of the pioneers. In February 1837, the Beaufort West Municipality became South Africa's first and therefore, oldest municipality. It is the centre of an agricultural district based mainly on sheep farming and meat production. It is also strategically positioned in that the N1 national road, which links Cape Town with the interior and northern parts of South Africa, bisects the municipal area. This transport related infrastructure contributes somewhat to the area's economic growth due to the high volume and diversity of road users.

2.1.1 Beaufort West

Beaufort West is the economic, political and administrative heart of the Central Karoo. Located 32°21'S 22°35'E, about 460 km North East of Cape Town, the town was founded on the farm Hooyvlakte in 1818. Beaufort West was originally established as a service centre for rail- and road transport and to a lesser degree for rural agriculture. The historical reason for the town's existence is, however, the railways. It is reported that during the 1970's and 80's, 90% of the towns economically active people were employed by the railways. Even though both rail transport and agriculture are in decline in terms of economic opportunities, the town has managed to maintain a minimal level of growth due to the high volume of passing road traffic. The National Road from Cape Town to Johannesburg (N1) bisects the town, and is still responsible for generating a significant portion of the town's income. The town has all the features of a modern town: Shopping Centres, Magistrate's Court, Internet Cafés, Hotels, Medical Facilities, Restaurants and all the other amenities and services usually found in modern towns around the world.

2.1.2 Merweville

Merweville is a small town situated 160km south-west of Beaufort West and 40km from Prince Albert Road station. This Central Karoo town lies in a picturesque area of plains often likened to the Nevada Desert region of the United States. It was established around 1897 on the farm of Jacobus van der Bijl, a jack of many trades: farmer, shopkeeper, postmaster, magistrate and justice of the peace. He built a church that was later used as a school. Merweville lies in the Koup, which means "caul fat", and was so named by early indigenous inhabitants who felt that the patches of golden veld grass, interspersed by dark brown soil, resembled the fat and blood vessels surrounding a sheep's liver. The reason for this name is quite apparent at the onset of winter when the veld is less lush and the gold and brown patches become evident. Merweville maintains a great deal of the charm of earlier days and is an ideal spot to rest, relax and unwind from the pressures of modern-day city life.

2.1.3 Murraysburg

Murraysburg, a typical old-world Great Karoo town that lays 160km south-west of Beaufort West, became Ward 1 with the new demarcation and as a result became a DMA of the BWM, after it was previously a DMA of the Central Karoo District Municipality. Murraysburg, located

at the foot of the Sneeu Berg Mountains in a scenic mix of mountains and plains, offers tranquillity for environmentalists and eco-watchers. In the late 18th century a bloody and vicious war of revenge and retaliation raged for many years between the San and the farmers. Farms were attacked, houses set alight, herdsman murdered. Farmers went out on punitive missions and killed many of the San, who hunted the livestock of the farmers. The region was very unsettled by stock theft, murders and reprisal expeditions against the San. At the beginning of the 19th century, the San began to move towards the Kalahari and eventually the farm Eenzaamheid was bought from Mr Kootjie Burger. This farm became the town of Murraysburg. It was a “church town”, meaning that the Dutch Reformed Church (DRC) exercised full control over the town and its inhabitants. The new town was named after the Reverend Andrew Murray, minister of the DRC in Graaff-Reinet. The “burg” derives from the Dutch word meaning “place of safety”.

2.1.4 Nelspoort

Nelspoort, situated 56km north of Beaufort West, is a small community in the depths of the Central Karoo. The Bushmen and Khoi visited the surrounding koppies and left their mark in rock engravings. A long time after the Bushmen, the area became a haven for those with chest ailments. As early as 1836, Beaufort West’s dour but well-loved Dr John Christie appealed to people to “breathe” the air of the Nuweveld Mountains. White farmers later established their homes here and for a while the sanatorium brought peace and healing to many TB sufferers. Established in 1924 through the efforts of Dr Alfred Jasper Anderson and John Garlick, a philanthropist, the Nelspoort area was identified as an ideal location for “the first chest hospital on the African continent.” By 1969, the first psychiatric patients were admitted. The disastrous socio-economic effects of tuberculosis had decreased by then and the disease could be treated with drugs at home. The old magic mountain method of healing with good food and fresh air was a thing of the past and thus Nelspoort devoted itself to psychiatric patients, maintaining only one TB ward. Today, both roles have declined.

2.2 Municipal wards

The municipal area covers 16 330.10 km² and is structured into the following 7 Wards:

WARD	EAS
1	Murraysburg
2	Nelspoort, Central Town, section of Hospital Hill, Part of Hillside
3	Part of Rustdene, Essopville, Nieuvelde Park
4	Part of Mandlenkosi, Die Lande, Part of Hospital Hill
5	Paddavlei, Paradise Valley, Section of Mandlenkosi, Part of Rustdene, Newlands, Hooyvlakte
6	Part of Rustdene, Prince Valley
7	Part of Hillside, Merweville, Hillside 2, Toekomsrus, Barrake, Surrounding Farms in Area.

Table 2 Municipal Wards

2.3 Social Analysis

2.3.1 Population

It is estimated that about 70% of the District population resides in Beaufort West, Beaufort West population in 2011 being 49 586. In 2011 of the people living in the Central Karoo

District — the total population was 71 011. The Community Survey (CS) 2016, conducted by Stats SA, indicates that 69% of the population within the Central Karoo district resides in the Beaufort West municipal area. The increase in the number of people residing in the municipal area is because of the merging of administrative areas, i.e. the Beaufort West municipal area and the former District Management Area (DMA) and in-migration from other provinces. The population increased at an annual growth rate of 1.4% in the ten year period between census 2001 and 2011. The municipality experienced a growth rate of 0.59% per annum between census 2011 and 2016.

Although population growth is expected to slow down somewhat, it will still have a significant impact on the demand and the level of service delivery (especially in Beaufort West). Population density of the area in 2011 was 2.07 persons per km² and in 2016 marginally increased to 2.13 persons per km².

The table below illustrates the population in the municipal area since 2001:

Population	2001	2011	2016
Number of people residing in the Beaufort West municipal area	43 284	49 586	51080

Table 3: Population of Beaufort West Municipality

Data Source: Stats SA
Census 2011 & CS 2016

According to Census 2011, the Afrikaans language is spoken by more than 40 000 people, i.e. 80% plus, of the people residing in the municipal area, with IsiXhosa spoken by about 5000 residents. In 2001, the number of Afrikaans speaking residents were 37 000 which is about 85% of the total population. The languages most spoken in the household are; Afrikaans (83.0%), IsiXhosa (13.1%) and English (1.9%). Afrikaans has remained the predominant language spoken by households since census 2001.

2.3.2 Population by Race

The Coloured community stands at 75.1% of the Beaufort West municipality, with Black Africans making up 17.7%. The White population constitutes 7.0% and Indian/Asians 0.3% of the municipality. While there has been a decline in the white and Indian/Asian population in 2016, the Coloured and Black African population has seen an increase of 1.6% and 1.4% respectively since 2011.

Year	Black African	Coloured	Indian or Asian	White	Other	Grand Total
2001	6923	31792	42	4528	-	43284
	8103	36433	241	4539	270	49586
2016	9029	38368	129	3554	-	51080

Table 4: Population by race

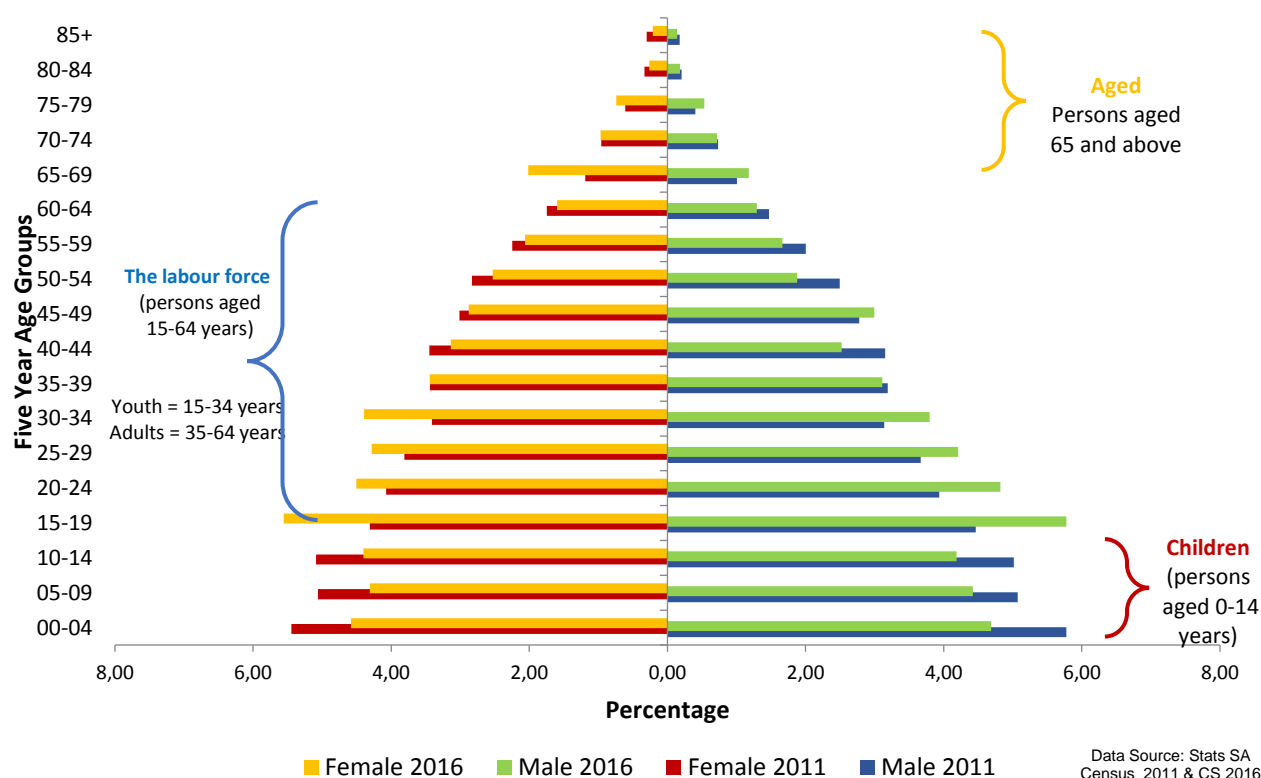
Data Source: Stats SA
Census 2011 & CS 2016

The 2011 population figures per ward are indicated in the table below.

Wards	Area	Black African	Coloured	Indian or Asian	White	Other	Grand Total
Ward 1	Murraysburg	1113	5778	15	527	21	7454
Ward 2	Nelspoort, Central Town, section of Hospital Hill, Part of Hillside	694	3877	38	1849	61	6519
Ward 3	Part of Rustdene, Essopville, Nieuveld Park	153	7081	32	10	3	7280
Ward 4	Part of Mandlenkosi, Die Lande, Part of Hospital Hill	2426	1456	38	1382	47	5348
Ward 5	Paddavlei, Paradise Valley, Section of Mandlenkosi, Part of Rustdene, Newlands, Hooyvlakte	2492	4525	29	5	52	7103
Ward 6	Part of Rustdene, Prince Valley	135	4730	39	7	9	4921
Ward 7	Merweville, Part of Hillside, Hillside 2, Toekomsrus, Barrake, Surrounding Farms in Area	1089	8987	51	759	77	10962
Grand Total		8103	36433	241	4539	270	49586

Table 5: Population by race (per ward)

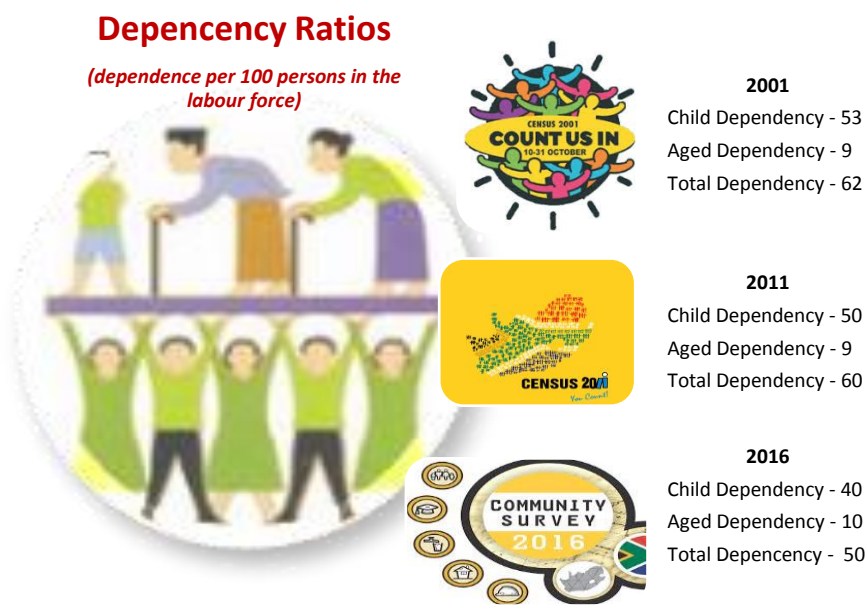
2.3.3 Population by age



The above pyramid indicates that there has been significant change to the structure of the population of Beaufort West Municipality between 2011 and 2016. There has been a significant decline in the percentage of persons in the age group 0-14 years which could be attributed to a decline in fertility rates within the municipality. In 2011 the children comprised 31.5% of the total population as compared to 26.6% in 2016. Furthermore, the distribution of males and females within this age group in 2016 was evenly distributed while in 2011 the male population aged 0-14 totalled more than their female counterparts.

The adverse is true with regards to the aged population, who in 2011 formed 5.9% of the population but has increased to 6.9% in 2016. This indicates that life expectancy has increased over the 5 year period since 2011. This is particularly the case among women aged 65-69 and 75-79. However women in the age groups 80-84 and 85+ have declined since 2016 as compared to 2011 figures.


The labour force group comprises of the majority of the population with 2011 figures being 62.6% and 2016 figures being 66.5%. As the population has grown so has the population of those eligible for employment. This group can further be divided into what is statistically referred to as the youth and adult population. While in 2011 the adult population made up a slightly higher percentage of the labour force (50.8%), in 2016 the opposite is true with adults comprising 43.8% of the labour force group. The youth in 2016 make up 56.2% of the total population of the labour force. What has remained consistent in the five years since census 2011 is that there are more women in the labour force.



Data Source: STATS SA
Census 2011 & Com Survey 2016

The dependency ratios indicate that there has been a steady decline in Child Dependency on the labour force Group (those aged 15-64 years) since 2001, with the greatest decrease being in 2016. This is due to two factors, namely; a decline in population those aged 0-14 years and an increase in the labour force population in 2016. However as life expectancy has increased, we see an increased dependence of the aged on the labour force. Between 2001 and 2016, there has been a 12 percent (or 12 to every 100 persons) decrease in the total dependency ratio on the labour force. The lower ratio also indicates better persons and health care for persons, while higher ratios indicated financial stress between working people and dependents. The fewer people of working age, the fewer people who can support school goers, grant dependents, and the most vulnerable in society.

2.3.4 Population by gender



Census 2001	<ul style="list-style-type: none"> •Males 20820 •Females 22471 •Sex Ratio 93
Census 2011	<ul style="list-style-type: none"> •Males 24137 •Females 25449 •Sex Ratio 95
Community Survey 2016	<ul style="list-style-type: none"> •Males 24577 •Females 26503 •Sex Ratio 93

Data Source: STATS SA
Census 2011 & Com Survey 2016

The female population over time has consistently been greater than that of the male population. The sex ratio indicates the number of males to every 100 females within the municipality has only increased in 2011 but declined back to its 2001 figure in 2016. Within 2001, 2011 and 2016, those aged 0-4, 5-9 and 15-19 have consistently had a higher male to female ratio. In 2016 however there was also subsequently and increase in the male to female ratio of persons aged 20-24 and 45-49.

2.3.5 Employment Status

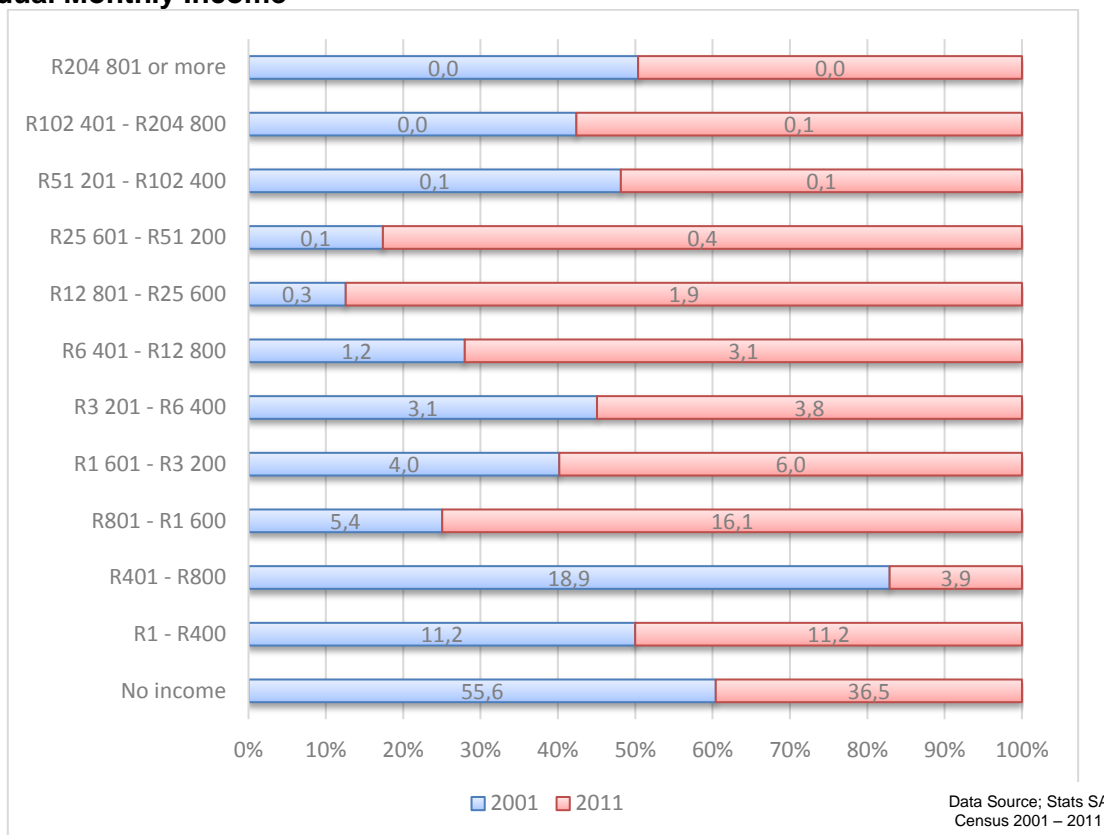
Number of persons employed		Number of Persons Unemployed		Unemployment Rate	
• 2001	9106	• 2001	5644	• 2001	38.3
• 2011	10932	• 2011	3731	• 2011	25.4

Please note that the CS 2016 labour force and economic data has not been released.

Data Source: Stats SA Census 2001 - 2011

The unemployment rate in Beaufort West municipality has decreased by 12.9% in the 10 years between censuses. Although there has been a significant drop in the unemployment rate and the number of persons employed has increased, the municipality's 2011 unemployment rate is still higher than the district and provincial unemployment rates of 23, 1% and 21, 4% respectively.

2.3.6 Individual Monthly Income



In 2001 55.6% of people¹ within the municipality reported having no income while in 2011 only 36.5% of persons had reported having no income. Those having a monthly income of R1-R400, R51201-R102400 and those with incomes R204801 and above remained constant in both census years. The income with the most significant changes in percentages in 2001 and 2011 is that of the income brackets of R401-R800 (18.9% in 2001 and 3.9% in 2011) and 801-R1600 (with 5.4% of the population having this income in 2001 versus 16.1% in 2011). The greatest percentage of the population remains in the lower income categories while a small percentage of the population earns higher incomes, thus showing a great disparity of wealth and dependence on social grants within the municipal area.

2.3.7 Households

The number of households² in the municipality has increased by 4395 from census 2001 until CS 2016.

Households	2001	2011	2016
Number of households	10540	13080	14935

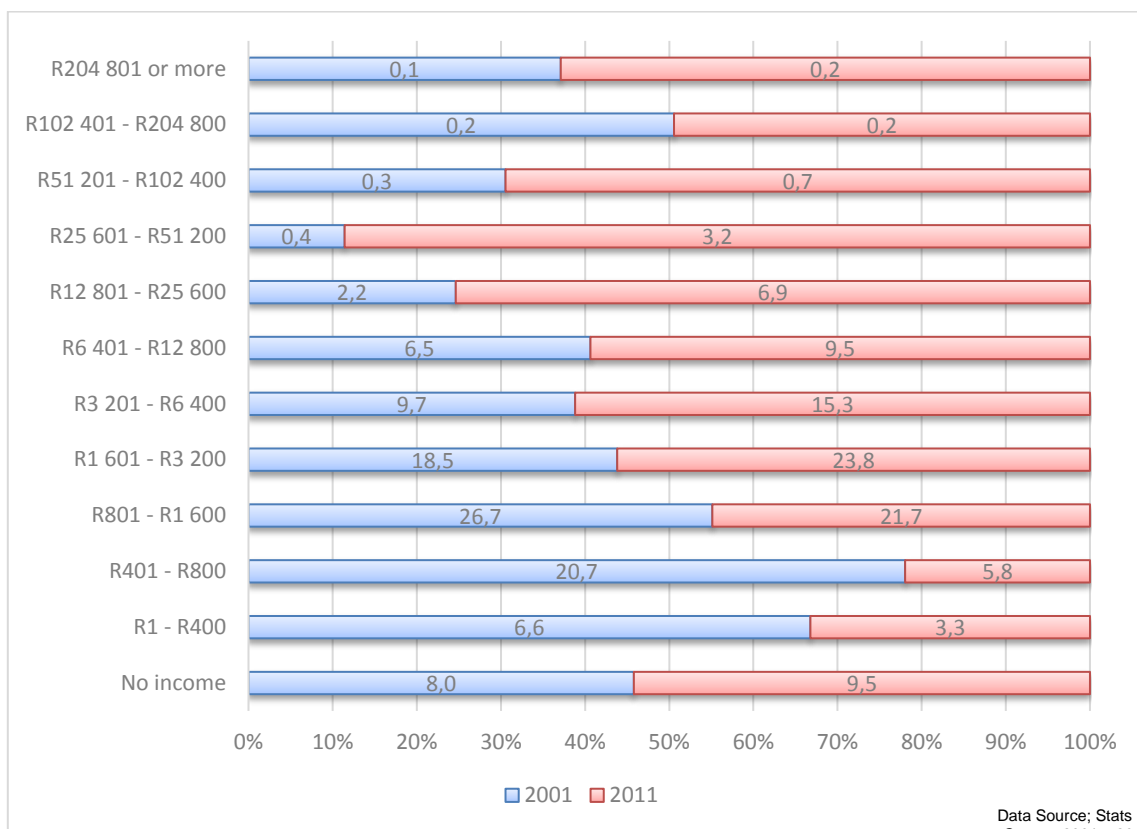
Table 6: Total number of households

Data Source: Stats SA
Census 2001 – 2011 & CS 2016

¹ This includes persons of all ages and includes all sources of income such as rentals, grants, salaries, UIF, investments et al.

² The definition of a household is 'A group of persons who live together and provide themselves jointly with food and/or other essentials for living, or a single person who lives alone' (Stats SA, Multilingual Statistical Terminology', 2013, 237)

2.3.8 Household Income



The above graph demonstrates an increase in monthly household income in the census 2011. While those earning a monthly income of R1600 and below have shown a decline since 2001, we see an increase in those households earning R1601 to R102400 per month. This indicates that more households have members who are employed thus not solely dependent on social grants as compared to households in 2001.

2.3.9 Household Access to Basic Services

The table details household access to basic services in the Beaufort West municipal area based on the Community Survey 2016 data. The municipality has ensured that over 90% of households have access to basic services in the four main areas of service delivery. There is however problematic areas which needs attention, such as the 2.18% of households who do not have access to electricity, 0.51% of households having no toilet facilities and 0.46% of households having no refuse removal. There are also 0.67%³ of households still utilizing the bucket toilet system

³ This total is the sum of the percentage of household bucket toilets emptied by the household and those which are collected by the municipality.



Refuse removal

- Removed by local authority/private company/community members at least once a week. 91.70%
- Removed by local authority/private company/community members less often than once a week. 0.58%
- Communal container/central collection point 0.13%
- Communal refuse dump 1.37%
- Own refuse dump 4.99%
- Dump or leave rubbish anywhere (no rubbish disposal) 0.46%
- Other 0.77%



Toilet facilities

- Flush toilet connected to public sewerage system 95.25%
- Flush toilet connected to a septic tank/conservancy tank 2.17%
- Pit latrine/toilet with ventilation pipe 0.08%
- Pit latrine/toilet without ventilation pipe 0.19%
- Bucket toilet (collected by municipality) 0.18%
- Bucket toilet (emptied by the household) 0.49%
- Other 1.13%
- None 0.51%



Distance to get to main source of Water for drinking

- Inside the dwelling/yard 95.65%
- Less than 200m 1.83%
- 201m to 500m 0.37%
- 501m to 1km 0.83%
- More than 1 km 1.11%
- Do not know 0.21%

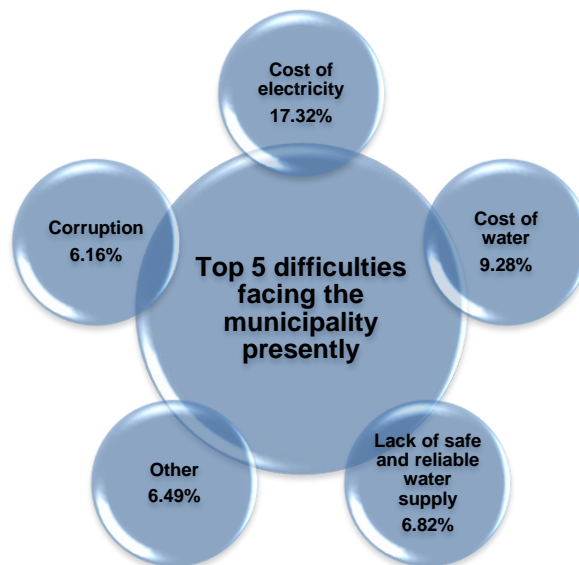


Access to electricity

- In-house convectional meter 10.98%
- In-house pre-paid meter 85.29%
- Connection to other source which the household pays for 0.27%
- Connected to other source which the household doesn't pay for 0.04%
- Solar home system 0.85%
- Battery 0.03%
- Other 0.35%
- No access to electricity 2.18%

Data Source: Stats SA CS 2016

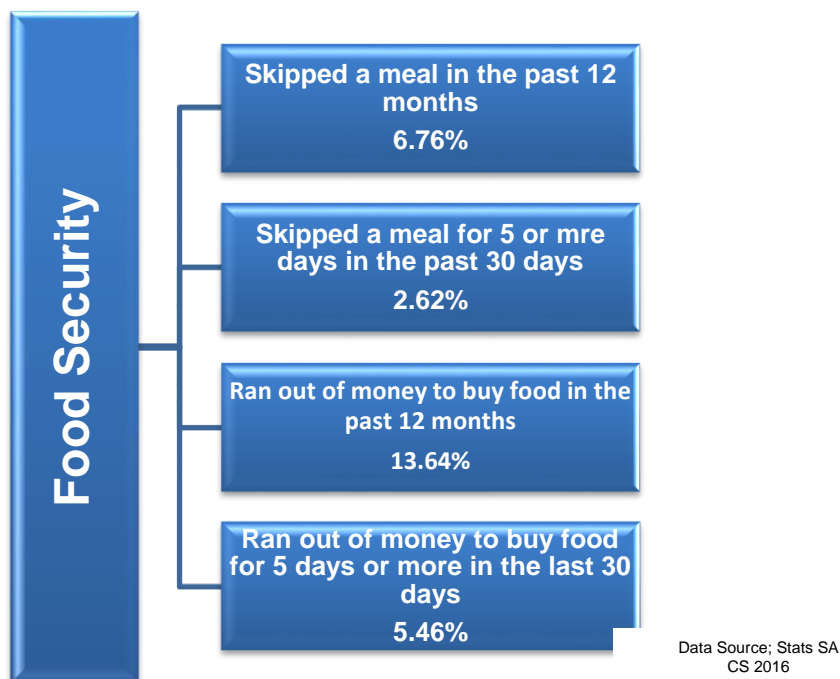
2.3.10 Household Perception of Difficulties facing the municipality presently



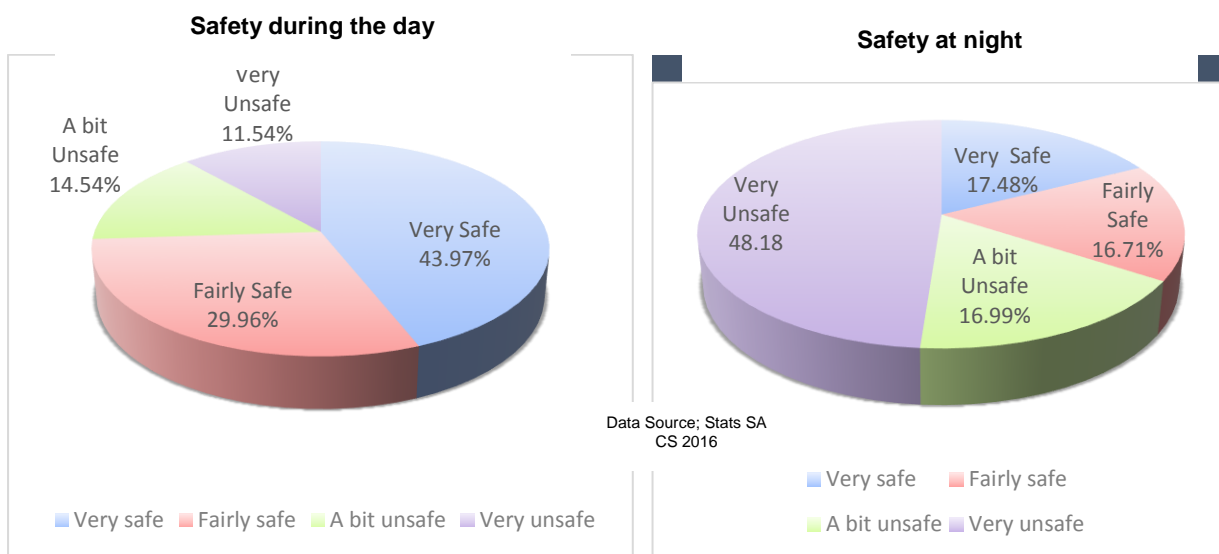
Data Source: Stats SA CS 2016

Of the 11753 households indicating that the municipality faces challenges, 17.32% indicated the cost of the electricity as being its greatest challenge, the cost of water and the lack of a safe and reliable source of water coming in at second and third respectively. Other issues not listed came fourth at 6.49% and fifth the challenge of corruption, with 6.16% of households indicating this as a difficulty facing the municipality presently.

2.3.11 Household Food Security



2.3.12 Household Experiences and Perceptions of Crime



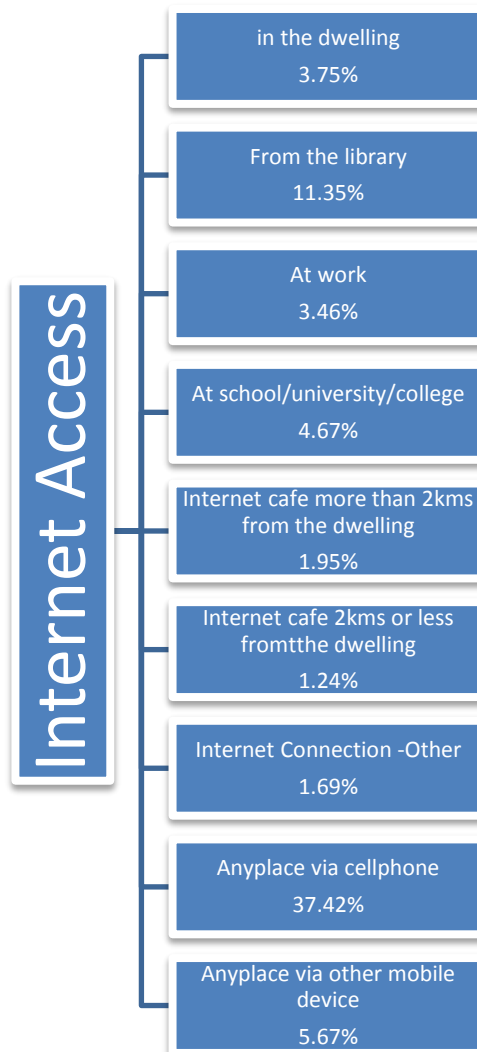
From the data depicted above, 43.97% of households indicated feeling very safe during the day while only 11.54% felt very unsafe. When it comes to safety at night a great percentage of households (48.18%) indicate feeling very unsafe and 17.48% felt very safe. This indicates that more safety measures (increased visibility of the police, neighborhood watch system to be in place or be more visible and coordinated et.al) need to be put in place during the evening for citizens of Beaufort West municipality to feel safe at night.

Household Experiences of Crime	
Home Robbery	1.69%
House Breaking	4.87%
Murder	0.22%
Robbery	3.08%
Theft of motor vehicle/motorcycle	0.35%
Other Crime	0.84%

Data Source: Stats SA
CS 2016

Of the crimes experienced by households, “house breaking” and robbery” have the highest percentages with 4.87% and 3.08% respectively. Home robbery comes in third with 1.69% of households experiencing this crime.

2.3.13 Household Internet Access



Data Source: Stats SA
CS 2016

The 2016 data illustrated above indicates that most households (37.42%) access the internet via their cellphones while the lowest percentage of household internet access is via an internet cafe 2kms or less from the dwelling (at 1.24% of households). Data also shows that there are more internet cafes which are situated at a greater distance from households (i.e. more than 2kms from the dwelling). The second most accessible point for households to use the internet is within the libraries, with 11.35% making use of the internet facilities available.

2.3.14 Total number of indigent households

Households	2015/16	2016/17	2017/18
Number of indigent households	5744	7390	6837

Table 7: Total number of indigent households

2.4 Local Economic Development Environment

The economic state of Beaufort West Local Municipality is put in perspective by comparing it on a spatial level with its neighboring locals, Central Karoo District Municipality, Western Cape Province and South Africa.

The Beaufort West Local Municipality does not function in isolation from Central Karoo, Western Cape Province, South Africa and the world and now, more than ever, it is crucial to have reliable information on its economy for effective planning. Information is needed that will empower the municipality to plan and implement policies that will encourage the social development and economic growth of the people and industries in the municipality respectively.

THE TABLE BELOW DEPICTS THE GROSS DOMESTIC PRODUCT (GDP) OF BEAUFORT WEST, CENTRAL KAROO, WESTERN CAPE AND NATIONAL TOTAL, FOR 2006 TO 2016 [R BILLIONS, CURRENT PRICES]

	Beaufort West	Central Karoo	Western Cape	National Total	Beaufort West as % of district municipality	Beaufort West as % of province	Beaufort West as % of national
2006	1.2	1.6	264.9	1,839.4	74.4%	0.44%	0.06%
2007	1.3	1.8	306.0	2,109.5	73.6%	0.44%	0.06%
2008	1.5	2.0	330.8	2,369.1	72.7%	0.44%	0.06%
2009	1.5	2.1	343.0	2,507.7	72.0%	0.44%	0.06%
2010	1.6	2.3	372.8	2,748.0	71.2%	0.44%	0.06%
2011	1.8	2.6	413.6	3,023.7	70.6%	0.44%	0.06%
2012	1.9	2.8	447.2	3,253.9	70.4%	0.43%	0.06%
2013	2.1	3.0	486.8	3,539.8	70.2%	0.44%	0.06%
2014	2.2	3.2	517.9	3,807.7	70.0%	0.43%	0.06%
2015	2.4	3.4	552.7	4,049.8	69.8%	0.43%	0.06%
2016	2.6	3.7	590.1	4,345.8	69.3%	0.43%	0.06%

Source: IHS Markit Regional eExplorer version 1277

With a GDP of R 2.55 billion in 2016 (up from R 1.16 billion in 2006), the Beaufort West Local Municipality contributed 69.33% to the Central Karoo District Municipality GDP of R 3.68 billion in 2016 increasing in the share of the Central Karoo from 74.44% in 2006. The Beaufort West Local Municipality contributes 0.43% to the GDP of Western Cape Province and 0.06% the GDP of South Africa which had a total GDP of R 4.35 trillion in 2016 (as measured in nominal or current prices). It's contribution to the national economy stayed similar in importance from 2006 when it contributed 0.06% to South Africa, but it is lower than the peak of 0.06% in 2007.

In 2016, the Beaufort West Local Municipality achieved an annual growth rate of -0.55% which is a significant lower GDP growth than the Western Cape Province's 0.95%, but is lower than that of South

Africa, where the 2016 GDP growth rate was 0.28%. Contrary to the short-term growth rate of 2016, the longer-term average growth rate for Beaufort West (1.72%) is slightly lower than that of South Africa (2.12%). The economic growth in Beaufort West peaked in 2007 at 6.42%.

The Beaufort West Local Municipality had a total GDP of R 2.55 billion and in terms of total contribution towards Central Karoo District Municipality the Beaufort West Local Municipality ranked highest relative to all the regional economies to total Central Karoo District Municipality GDP. This ranking in terms of size compared to other regions of Beaufort West remained the same since 2006. In terms of its share, it was in 2016 (69.3%) significant smaller compared to what it was in 2006 (74.4%). For the period 2006 to 2016, the average annual growth rate of 1.7% of Beaufort West was the lowest relative to its peers in terms of growth in constant 2010 prices.

THE TABLE BELOW DEPICTS THE GROSS DOMESTIC PRODUCT (GDP) FOR THE REGIONS WITHIN CENTRAL KAROO DISTRICT MUNICIPALITY, FOR 2006 TO 2016, SHARE AND GROWTH

	2016 (Current prices)	Share of local municipality	2006 (Constant prices)	2016 (Constant prices)	Average Annual growth
Beaufort West	2.55	69.33%	1.47	1.74	1.72%
Laingsburg	0.51	13.85%	0.22	0.36	4.80%
Prince Albert	0.62	16.82%	0.28	0.45	4.83%

Source: IHS Markit Regional eXplorer version 1277

ECONOMIC GROWTH FORECAST

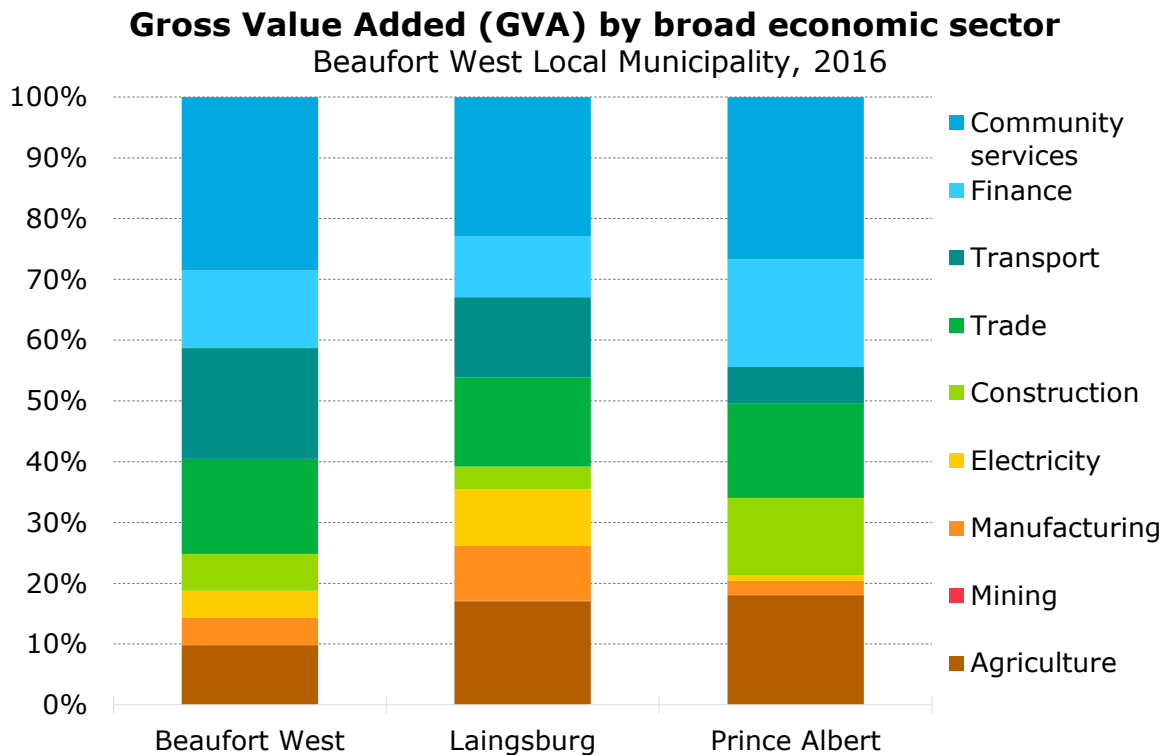
It is expected that Beaufort West Local Municipality will grow at an average annual rate of 1.27% from 2016 to 2021. The average annual growth rate in the GDP of Central Karoo District Municipality and Western Cape Province is expected to be 1.52% and 1.36% respectively. South Africa is forecasted to grow at an average annual growth rate of 1.32%, which is higher than that of the Beaufort West Local Municipality.

In 2021, Beaufort West's forecasted GDP will be an estimated R 1.86 billion (constant 2010 prices) or 67.5% of the total GDP of Central Karoo District Municipality. The ranking in terms of size of the Beaufort West Local Municipality will remain the same between 2016 and 2021, with a contribution to the Central Karoo District Municipality GDP of 67.5% in 2021 compared to the 68.3% in 2016. At a 1.27% average annual GDP growth rate between 2016 and 2021, Beaufort West ranked the lowest compared to the other regional economies.

The Beaufort West Local Municipality's economy is made up of various industries. The GVA-R variable provides a sector breakdown, where each sector is measured in terms of its value added produced in the local economy.

In 2016, the community services sector is the largest within Beaufort West Local Municipality accounting for R 673 million or 28.5% of the total GVA in the local municipality's economy. The sector that contributes the second most to the GVA of the Beaufort West Local Municipality is the transport sector at 18.2%, followed by the trade sector with 15.7%. The sector that contributes the least to the economy of Beaufort West Local Municipality is the mining sector with a contribution of R 300,000 or 0.01% of the total GVA.

THE TABLE BELOW DEPICTS THE GROSS VALUE ADDED (GVA) BY BROAD ECONOMIC SECTOR - BEAUFORT WEST, LAINGSBURG AND PRINCE ALBERT, 2016 [PERCENTAGE COMPOSITION]



Source: IHS Markit Regional eXplorer version 1277

Agricultural Development Programme

Agriculture forms the backbone of the economy in the municipal area and this sector has the most employment opportunities. Despite the harsh climate and poor carrying capacity of the veldt, it still offers opportunities for growth and employment creation.

AGRICULTURAL INFRASTRUCTURE MAP

Source: DoA Survey [2013]

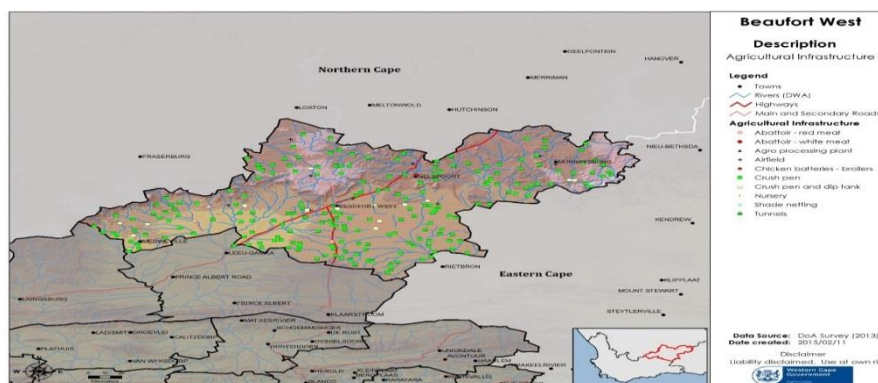
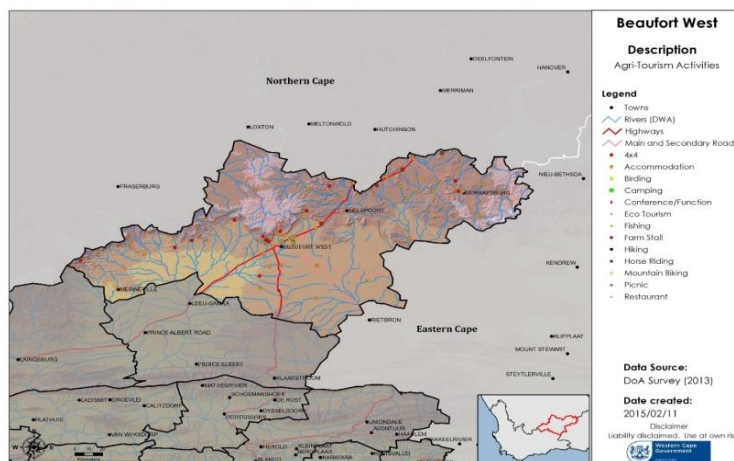


Figure 5 Agriculture Infrastructure

From the above map it is clear that the agricultural infrastructure in Beaufort West is currently weakly developed to cater for the agro-processing sector. In this regard there is not a single pack house in the municipal area, only 1 Agro-processing plant, while 6 Abattoirs are in operation in the area.

AGRI-TOURISM ACTIVITIES



Source: DoA Survey [2013]

Figure 6 Agri-tourism activities

From the above map it is encouraging to note that the Beaufort West region has started to realise the importance which Agro-tourism can play towards the local economy. In this regard the map indicates the number of and various Agro-tourism activities with each one's location. Interesting to note is that Beaufort West Municipality has 18 4x4 routes, 27 Hiking trails and 14 mountain biking trails indicative of a region progressively realising the potential there is in Agro-tourism"

Local economic development strategies forms a key part of a municipality's IDP. However the Beaufort West municipality expressed to SALGA that the LED strategy for Beaufort West is not up to date with the current trends. Given the latter, SALGA provided guidelines for LED Strategy Development to the municipality and will be hosting a workshop with all the Karoo municipalities to advise them on a step-by-step process for reviewing their strategies. This session is planned for the first quarter (April-June) of the 2018 financial year.

The review of the Local Economic Development Strategy shall address the issues as raised during the mini PACA process in 2014 and the PACA process in 2012 and shall align the economic strategies with the Provincial Growth strategy and the economic strategy of Central Karoo District.

Whereas the Municipality currently does not have a dedicated LED official and needs to review the LED strategy, the municipality is currently involved in some inter sectoral job creation opportunities including the EPWP programme, the Community Work Programme. The Community Work Programme currently provides for more than 1 000 temporary jobs in the 2016/17 and 2017/18 financial years.

Supply Chain Management as a strategic tool to promote Local Economic Development

The Beaufort West Municipality acknowledges that supply chain is a strategic enabler for local economic development and therefore supports the combined concept of Supply Chain Management and Local Economic Development. The LED official and the Manager: Supply Chain has already started with discussions around the planning and implementation of the aforementioned concept within the Beaufort West Municipality.

2.5 Housing

The Beaufort West Municipality wants to stimulate local economic development and social upliftment through, *inter alia*, the provision of housing. In this regard, the municipality prioritised the identification, acquisition (if required), release and development of well-located land to ensure availability of land for housing and the spatial integration of towns. Furthermore, a strong and vibrant economy is required in the leader town, viz. Beaufort West. This requires a strategic approach to address the disjuncture between where people live and where economic opportunities exist.

Housing delivery value-chain is experiencing problems and bottlenecks that persistently hamper housing development. Two such problems, in the context of this municipality, are insufficient funds for land acquisition, top structures and housing infrastructure and community acceptance of a RDP-sized house. In contrast, the municipality has achieved the following successes with regard to housing:

- Transfer of property (securing tenure);
- Upgrading of dilapidated houses, and;
- Housing consumer education.

The need for an integrated residential development approach that addresses specific housing needs is acknowledged, with the following main income categories identified:

- Subsidy housing: >R3 500 per month
- FLISP housing: R3 501 - R15 000 per month

The demand for housing can be summarized as follows:

Housing typology	Quantity of demand
Subsidy housing	5 354 units: according to recent estimates of the housing demand data base
Gap housing	567 units: the number of potential applications that have registered on our data base

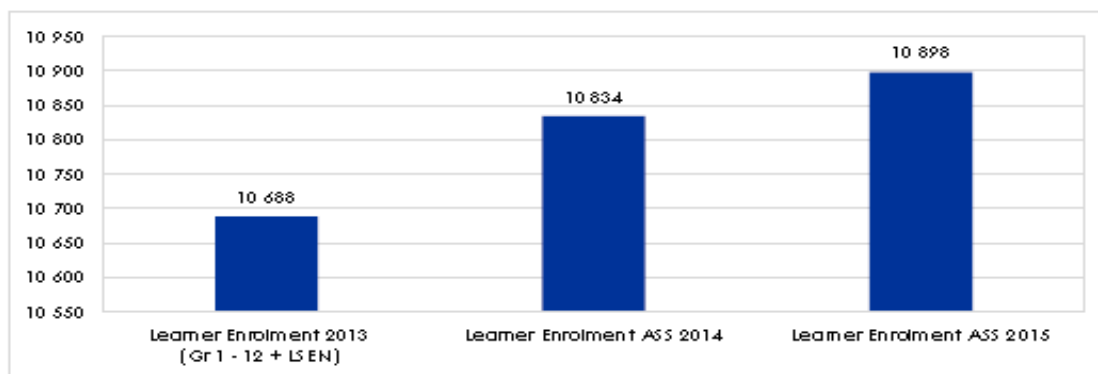
Table 8: Housing Needs

2.6 EDUCATION LITERACY

Literacy is used to indicate a minimum education level attained. A simple definition of literacy is the ability to read and write, but it is more strictly defined as the successful completion of a minimum of 7 years of formal education. Since most learners start school at the age of 7 years, the literacy rate is calculated as the proportion of those 14 years and older who have successfully completed a minimum of 7 years of formal education. The literacy rate in Beaufort West was recorded at 74.9 per cent in 2011 which is slightly higher than the average literacy rate of the Central Karoo District (73.4 per cent). This rate is however lower than the literacy rates of the Western Cape (87.2 per cent) and South Africa as a whole (80.9per cent).

Literacy rate in 2011: 74.9%

LEARNER ENROLMENT



Learner enrolment in Beaufort West increased at an average annual growth rate of 1.0per cent between 2013 and 2015 which is an indication that access to education has improved in the area which should translate into opportunities for an inclusive society.

LEARNER-TEACHER RATIO

The learner-teacher ratio within Beaufort West was recorded as 30.8 in 2012. This number increased to 33.0 in 2013 before slightly declining to 32.2 in 2014. The number of learners per teacher however increased drastically to 44.9 in 2015. According to the Department of Education, the number of learners per teacher was 30.3 in 2010. Factors influencing the learner-teacher ratio includes the ability of schools to employ more educators when needed and the ability to collect school fees.

GRADE 12 DROP-OUT RATES

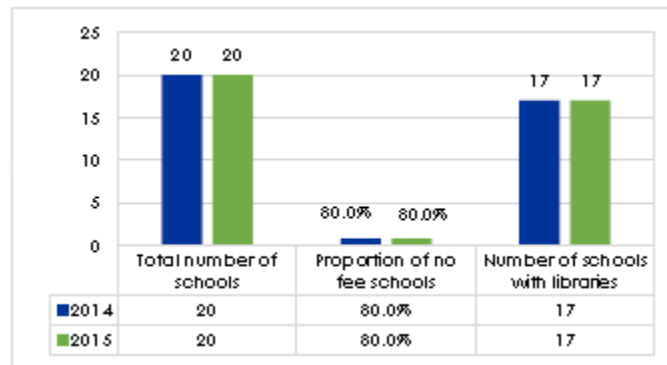
The drop-out rate for learners in Beaufort West that enrolled from Grade 10 in 2014 to Grade12 in 2016 was recorded at 38.0per cent. These high levels of high school drop-outs are influenced by a wide array of socio-economic factors including teenage pregnancies, availability of no-fee schools, indigent households and unemployment.

EDUCATIONAL FACILITIES

The availability of adequate education facilities such as schools, FET colleges and schools equipped with libraries and media centres could affect academic outcomes positively. Beaufort West had 20 schools in2015 which had to accommodate 10 898 learners at the start of 2015.

Given the tough economic climate, schools have been reporting an increase in parents being unable to pay their school fees. Nevertheless, the proportion of no-fees schools has remained at 80.0per cent between 2014 and 2015, which could in future further increase the drop-out rate. There is thus an increased need for the Western Cape Department of Education (WCED) to offer certain fee-paying schools to become no-fee schools.

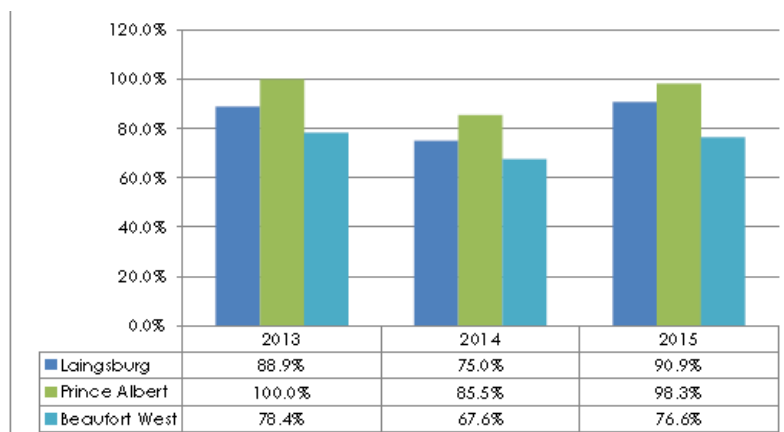
The number of schools equipped with libraries remained at 17 between 2014 and 2015 within Beaufort West.



EDUCATION OUTCOMES

Education remains one of the key avenues through which the state is involved in the economy. In preparing individuals for future engagement in the labour market, policy choices and decisions in the sphere of education play a critical role in determining the extent to which future economic and poverty reduction plans can be realised.

Matric outcomes in Beaufort West decreased dramatically from 78.4 per cent in 2013 to 67.6 per cent in 2014. The pass rate did however recover to 76.6 per cent in 2015. The matric pass rate in Beaufort West remain well below that of the other municipalities within the Central Karoo District.



Matric outcomes in Beaufort West decreased dramatically from 78.4 per cent in 2013 to 67.6 per cent in 2014. The pass rate did however recover to 76.6 per cent in 2015. The matric pass rate in Beaufort West remain well below that of the other municipalities within the Central Karoo District.

2.7 HIV/AIDS Treatment and Care

According to the District Health Barometer for 16/17 the HIV prevalence for the Western Cape was 5.1% 15 – 49 years, with Central Karoo on 2, 5%, with a testing coverage for 2016/17 of 58, 8 %. The highest HIV prevalence estimates remain amongst the age groups of 25-29 and 30-34 years. Although treatment and care is essential in controlling the disease, the critical need of preventative care must be emphasised, because no cure has as yet been found, but all HIV pos clients is eligible for ART irrespective of CD4 count and is available at all healthcare facilities in the Central Karoo. Total clients remain on ART in March 2017 for Central Karoo was 1 631 clients, with a total of 23 0931 clients for the Western Cape

For preventative care, Central Karoo distributed 89,2% male condoms during 2016/2017 financial year, which was second best in the Country. On-going campaigns to encourage the practice of safe sex.

In the Beaufort West Municipal area, the following Healthcare facilities are available, Murraysburg PHC Clinic, Nelspoort PHC Clinic, Nieuveveldpark PHC Clinic, Kwa Mandlenkosi PHC Clinic, Hillside Clinic PHC Clinic

newly build in 2016/17 financial year, as well as Merweville Satellite Clinic, Beaufort West CDC, Murraysburg Mobile Clinic, Nelspoort Mobile Clinic, Beaufort West Mobile Clinic, Merweville Mobile Clinic, Beaufort West District Hospital, Murraysburg District Hospital and Nelspoort Specialised Hospital.

All healthcare facilities cater for tuberculosis (TB) treatment, with a success rate for sensitive TB of 78,2% for 2015 and for drug resistant TB success rate of 53, 6%.for 2014.

Training for 51 CHW (Community health Workers) was offered the last 2 years with competency for 2016/17 of 100% for Central Karoo. 31 CHW Learners will complete end of March 2018 there training.

2.8 Cultural Affairs and Sport

It is clearly indicated in the 2017-2022 Integrated Development Plan that the key needs of our communities include the provision of sport and recreation facilities such as libraries, parks, community and youth centers. However, all seven (7) wards currently have sport fields in the Beaufort West Municipal area but are still experiencing maintenance challenges due to the limited funds and resources.

The 2017-22 IDP also clearly reflect that the delivery of library services to the community plays an important part of the life of the community and therefore intends to form partnerships with 'Friends of the library' and other entities to enable libraries to deliver more socially inclusive services like storytelling, reading programmes and HIV/AIDS Awareness programmes.

Central Karoo Sport Office

The Department of Cultural Affairs and Sport has opened a sport office within Beaufort West that are operating from Dan De Villiers Hostel in Beaufort West. The staff component at the office comprise of eight (8) officials who are working under Sport Promotion and Sport Development units. The programmes under the Sport Promotion entails Club Development and Academies. The programmes under the Sport Development Programmes entails Holiday programmes, MOD Programme, IG Games, Golden Games and Inter District Festivals

As part of the office package they reward performances for major events such as Disable Sport day, Better Together Games, and Sport Awards. The targets for the aforementioned events is three hundred (300) and more of which the biggest current asset of all these mentioned programmes is the MOD Program in the Western Cape However, there are a number of challenges experienced with the implementation of these programmes which include targets not being reached, lack of leadership, empowerment and a lack of resources, federations that do not report on events, usage/availability of facilities for all sport codes and a shortage of staff which is currently the biggest concern.

The office have already established partnerships with the Local Sport Councils, Federations, municipalities and other sport organizations. The office has funded 2 Federations in the Central Karoo and is planning to establish eight (8) more Federations by June 2018. This office has built also a very strong relationship with the Central Karoo Sport Council and are willing to build trust with other businesses within the Central Karoo.

The department is currently busy with the upgrading of the Merweville Sport Stadium which amounts to R12,5million and are also in the process to establish the Academy offices in Beaufort West of which an amount of R510 000.00 has been already awarded to the Beaufort West Municipality for this purpose.

This office also wants to strengthen and build better relationships with the Municipalities to ensure quality events and communities can be reached. Eight (8) clubs are currently registered through this office under Club Development who are receiving assistance with transport as well as equipment. All schools are currently provided with a coach or assistant who supports the education with after school programmes within sport, arts and drama (MOD Programme).

In conclusion, the Beaufort West Municipality will further enter into discussions with the department of Cultural Affairs and Sport (DCAS) for the promotion and alignment of arts and culture projects. The municipality is also considering the development of a cultural and sport tourism strategy and will therefore enter into discussions with the Department Of Cultural Affairs and Sport. The establishment of a local cultural forum is therefor of paramount importance for this purpose.

2.9 Youth Development

Although this domain has been central to the priorities of the municipality through the development of the completed Youth Hub, the municipality is still experiencing financial constraints to appoint a dedicated person to lead youth development in the municipality. The priority remains the development of Youth Units to facilitate and enhance youth development.

The Department of Rural Development and the Municipality is currently in engagements to agree on a plan to ensure that the Youth Hub function optimally and provide services to the youth and the broader community that they deserve. The Department already agreed to provide a budget that will spread over three years for the appointment of key personnel at the youth hub and is awaiting outstanding information/resolutions from Council, which will be available soon.

A number of programmes have been implemented, including the Youth Hub, learnerships, internships, computer training, general job creation and advocacy work. The Municipality and South Cape College has entered into a Lease Agreement for a period of three years to provide learnerships for three hundred learners through the NARYSEC programme. This Lease Agreement will however expires during 2018 and will have to be renewed.

The municipality also managed to have successful engagements during 2014/15 with LGSETA, CETA and Services Seta to avail an amount of R52 million for the construction of a Skills and development Trade Test Centre in Beaufort West. A number of learnership programmes are already in process.

The Beaufort West Municipality further engaged Services SETA and CETA during the 2016/17 financial year to commit further funds to implement further programmes within the municipal area. The allocated amount of R52 million was subsequently increased and an addendum agreement to the original funding was signed between the Municipality and Services SETA and CETA.

Current training interventions include plumbing, electrical, painting apprenticeships as well as hair dressing and cooperatives. The Municipality also received fifty (50) bursaries for 25 TVET college and 25 University students to study who have been accepted and registered during the 2018 study year. Services SETA and Construction CETA also committed funding to the municipality to accommodate 50 Interns (graduates) for the 2018/2019 financial year as well as funding to implement a short skills programme in Hygiene and Cleaning for fifty (50) unemployed people.

The municipality is still willing to enter into a partnership with the Department of Social Development to deliver an integrated service regarding Social Welfare and Community Development. The Municipality will therefore

fast track the process of discussing the draft Memorandum of Understanding and the signing thereof between the two parties, during the 2018/19 financial year.

THE TABLE BELOW DEPICTS THE PROGRAMMES AND FUNDING COMMITMENTS FROM LGSETA FOR THE 2016/17 AND 2017/18 FINANCIAL YEAR

PROGRAMS	TOTAL LEARNERS	YEAR CYCLE	TOTAL AMOUNT
Water and Wastewater Process Controls	10	2017/2018	R 360 000.00
Water and Wastewater Process Operators	10	2017/2018	R 360 000.00
ABET	40	2017/2018	R 288 000.00
MS PowerPoint	30	2017/2018	R 216 000.00
MS Excel	40	2017/2018	R 288 000.00
Roads Construction	10	2017/2018	R 360 000.00
Will Interns	15	2017/2018	R 483 750.00
Financial and Administration Interns	10	2017/2018	R 460 000.00

THE TABLE BELOW DEPICTS THE PROGRAMMES AND FUNDING COMMITMENTS FROM SERVICES SETA FOR THE 2016/17 AND 2017/18 FINANCIAL YEAR

PROGRAMS	TOTAL LEARNERS	YEAR CYCLE	TOTAL AMOUNT
Bursaries – TVET	25	2017/2018	R 875 000.00
Bursaries – HET	25	2017/2018	R 1 625 000.00
Interns TVET/HET	50	2017/2018	R 1 500 000 .00
Project Management	80	2017/2018	R 2 880 000.00
Hygiene & Cleaning	50	2017/2018	R 675 000.00
Electrical 2nd year (2 groups)	21	2017/2018	R 1 050 000.00
Painting 2nd year (2 group)	40	2017/2018	R 2 000 000.00
PROGRAMS	TOTAL LEARNERS	YEAR CYCLE	TOTAL AMOUNT
Plumbing 2nd year	12	2017/2018	R 600 000.00

Bricklayer 1st year (3 group)	157	2017/2018	R 7 850 000.00
Carpenter 1st year	25	2017/2018	R 1 250 000.00
Co-operatives (All Areas)	145	2017/2018	R 5 220 000.00
Total			R 28 340 750.00

CHAPTER 3 - PROFILE AND SITUATIONAL ANALYSIS OF THE MUNICIPALITY

This chapter provides a synopsis of the profile of the municipality as the institution responsible for service delivery and related matters. It does not serve to be a complete analysis or impact assessment, but an overview to provide baseline information for the review process and to indicate the extent to which the municipality has the capacity to implement the IDP.

3.1 Political Structure

The council performs both legislative and executive functions. They focus on legislative, oversight and participatory roles, and have delegated its executive function to the Executive Mayor and the Mayoral Committee. Their primary role is to debate issues publicly and to facilitate political debate and discussion. Councilors are also actively involved in community work and the various social programmes in the municipal area

With the local municipal elections that took place on 3 August 2016, the composition of Councillors changed. The Council comprises of 13 elected Councillors in August 2016, made up from 7 Ward Councillors and 6 Proportional Representation (PR) Councillors. The portfolio committees are made up of councillors drawn from all political parties. The administrative seat of Beaufort West Municipality is in Beaufort West.

3.1.1 Ward Committees

Ward Committee members serve on the Ward Committee essentially to serve as a resource to the Councilor. Ward Committees supports the ward Councilor who receives reports on development, participate in development planning processes and facilitate wider community participation. To this end, the Municipality constantly strive to ensure that all ward committees function optimally with community information provision, convening of meetings, ward planning, service delivery, IDP formulation and performance feedback to communities in all the wards.

Ward Number	Committee Established Yes/NO	No of reports submitted to Speakers Office	No of meetings held during the year	Committee functioning effectively Yes/No
1	Yes	4	4	Yes
2	Yes	4	4	Yes
3	Yes	4	4	Yes
4	No	1	1	No
5	Yes	1	1	Yes
6	Yes	4	4	Yes
7	Yes	4	4	Yes

Table 9.: Functioning of Ward Committees before and after 2016 elections (Source: Annual Report 2016/17)

3.1.2 Standing Committees

In terms of Section 79 & 80 of the Municipal Structures Act 1998 and Section 160 of the Constitution, standing committees have been established to assist the Council. The following Standing committees are functional:

- Financial Services and Development Committee
- Corporate Services and Social Development Committee
- Human Resource Development Committee
- Municipal Resource Development Committee

Other Committees

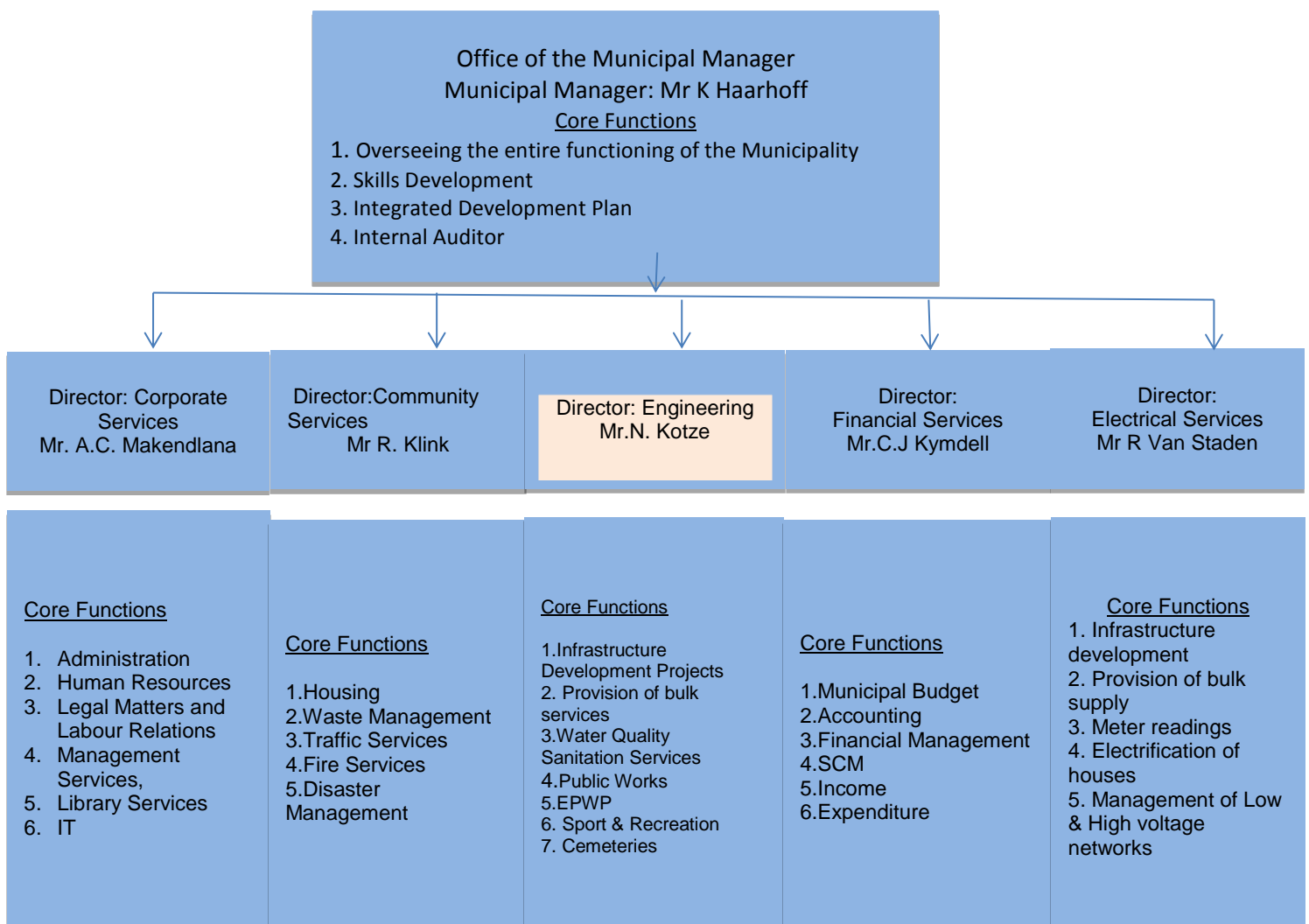
- Audit Committee
- Performance Audit Committee
- Municipal Public Accounts Committee (MPAC)
- Local Labour Forum (LLF)
- Oversight Committee

3.1.3 Integration and Coordination: Political and Administrative Structure

The political and administrative structures work together to achieve the objectives of the municipality as set out in the IDP. The standing committees are linked to directorates as a strategy to ensure better service delivery. Some of the formal structures include the standing committees, Municipal Manager and Directors meetings and project working groups.

3.2 The Management Structure

The administrative structure of the municipality includes the following departments:



A comprehensive Organizational Study has been undertaken during the 2015/16 financial year to redesign a new organizational structure as to inter alia address the ability and capacity of the municipality to implement the IDP. The proposed Organizational Structure has been adopted by Council for implementation from 1 July 2018 attached to this IDP as an annexure.

At this stage all critical positions has been filled and all other funded vacant posts will be filled as from 1 July 2018 depending on the availability of funds.

3.3 Powers and Functions

The powers and functions performed by Local Authorities in South Africa are defined primarily in Section 156 and 229 of the Constitution (Act 108 of 1996). The Local Government Municipal Structures Act (117 of 1998), read together with the Local Government Municipal Structures Amendment Act (33 of 2000), divides the powers and functions, as set out in the Constitution between District and local municipalities (Section 84). The Act together with the Amendment Act, Section 85(1), allows the MEC for COGHSTA to further adjust the division of certain of these functions between District and Local Municipalities, whilst Section 84(3) (a) allows only the Minister for Provincial and Local Government to authorize a category B municipality to perform the following functions

Municipal Function	Municipal Function Yes / No
Constitution Schedule 4, Part B functions:	
Air pollution	No
Building regulations	Yes
Child care facilities	Yes
Electricity and gas reticulation	Yes
Firefighting services	Yes
Local tourism	Yes
Municipal airports	No
Municipal planning	Yes
Municipal health services	No
Municipal public transport	Yes
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	No
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No
Storm water management systems in built-up areas	Yes

Trading regulations	Yes
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	Yes
Constitution Schedule 5, Part B functions:	
Beaches and amusement facilities	Yes
Billboards and the display of advertisements in public places	Yes
Cemeteries, funeral parlours and crematoria	Yes
Cleansing	Yes
Control of public nuisances	Yes
Control of undertakings that sell liquor to the public	Yes
Facilities for the accommodation, care and burial of animals	Yes
Fencing and fences	Yes
Licensing of dogs	Yes
Licensing and control of undertakings that sell food to the public	No
Local amenities	Yes
Local sport facilities	Yes
Markets	No
Municipal abattoirs	No
Municipal parks and recreation	Yes
Municipal roads	Yes
Noise pollution	Yes
Pounds	No
Public places	Yes
Refuse removal, refuse dumps and solid waste disposal	Yes
Street trading	Yes
Street lighting	Yes
Traffic and parking	Yes

Table 10.: Powers and Functions

3.4 By-Laws

The following by-laws were developed and/or reviewed during the financial year:

By-Law Developed/Revised	Date Adopted	Public Participation
Tariff Policy Rates Policy Cash and Investment Management Policy Credit Control and Debt Collection Policy Virement policy Expenditure Management Policy Funding and Reserves Policy Budget policy Borrowing Policy Supply Chain Management Policy Asset Management Policy Subsistence and Travelling Risk Management Policy and Framework	30 June 2017	No
Municipal Corporate Governance, Information and Communication Technology Policy ICT User Access Management Policy ICT Security Controls Policy ICT Operating System Security Controls Policy ICT Disaster Recovery Policy ICT Service Level Agreement Management Policy (External Service Providers / Vendors) ICT Service Level Agreement Management Policy (ICT and Municipality) ICT Data Backup and Recovery Policy	25 January 2017	n/a
By-Law relating to the 1st Amendment of the By-Law on Municipal Land Use Planning for Beaufort-West Municipality	31 May 2017	Yes

Table 11: By-Laws (Source: Annual Report 2016/17)

3.5 Intergovernmental Forums

The municipality is actively involved in the following forums:

- Municipal Managers Forum
- Premiers Coordinating Forum
- SALGA Working Groups
- IDP Managers Forum
- LED Managers Forum
- SCM Managers Forum
- Integrated Waste managers Forum
- IDP Indabas /Integrated Municipal Strategic Engagement
- Provincial Public Participation and Communication Forum
- Provincial Skills Development Forum
- HR Practitioners Forum

3.6 Human Resource Development Skills Development – Training provided

The Skills Development Act (1998) and the Municipal Systems Act, (2000), require employers to supply employees with the necessary training in order to develop its human resource capacity. Section 55(1) (f) states that as head of administration the Municipal Manager is responsible for the management, utilization and training of staff.

Occupational categories	Gender	Training provided within the reporting period(2016/17)						
		Learnerships		Skills programmes & other short courses		Total		
		Actual	Target	Actual	Target	Actual	Target	% Variance
MM and S57	Female	0	0	0	0	0	0	0
	Male	0	0	0	0	0	0	0
Legislators, senior officials and managers	Female	0	0	0	0	0	0	0
	Male	0	0	0	0	0	0	0
Professionals	Female	0	0	0	0	0	0	0
	Male	0	0	0	0	0	0	0
Technicians and associate professionals	Female	0	0	0	0	0	0	0
	Male	0	0	0	0	0	0	0
Clerks	Female	0	0	0	0	0	0	0
	Male	0	0	0	0	0	0	0

Service and sales workers	Female	0	0	0	0	0	0	0
	Male	0	0	0	0	0	0	0
Craft and related trade workers	Female	5	5	0	0	0	0	0
	Male	25	25	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0	0	0
	Male	10	10	0	0	0	0	0
Elementary occupations	Female	21	21	0	0	0	0	0
	Male	29	39	0	0		0	0
Sub total	Female	27	27					
	Male	73	73					
Total		100	100	0	0	0	0	0

Table 12.: Training Provided (Source: Annual Report 2016/17)

Skills Development - Budget allocation

In order to provide training, a budget is annually allocated for training. The table below indicates that a total amount of **R380 000** was allocated to the workplace skills plan and that **53.34%** of the total amount was spent in the 2016/17 financial year:

Year	Total personnel budget	Total Allocated	Total Spend	% Spent
	R'000			
2015/16	81 281	357	144	40.34
2016/17	86 951	380	205	53.95

Table 13.: Skills Development – Budget allocation (Source: Annual Report 2016/17)

MFMA Competencies

In terms of Section 83 (1) of the MFMA, the accounting officer, senior managers, the chief financial officer, non-financial managers and other financial officials of a municipality must meet the prescribed financial management competency levels that are key to the successful implementation of the Municipal Finance Management Act. To assist the above-mentioned officials to acquire the prescribed financial competencies, National Treasury developed an outcomes-based NQF Level 6 qualification in municipal finance management. In terms of the Government Notice 493 of 15 June 2007, “(1) No municipality or municipal entity may, with effect 1 January 2013 (exempted until 30 September 2015 in terms of Government Notice 179 of 14 March 2014), employ a person as a financial official if that person does not meet the competency levels prescribed for the relevant position in terms of these Regulations.”

3.7 Corporate Services

This component includes: Administration, Councilor Support, Thusong Service Centers, Municipal Management, Libraries and Internal Audit.

- **Highlight/s: Corporate Services**

Highlights	Description
Provision of tablets to all Councillors	Agendas are distributed electronically which saves Council's resources, i.e. costs with regards to the printing of agendas.

Table 14: Corporate Services Highlights (Source: Annual Report 2016/17)

- **Challenges: Corporate Services**

Description	Actions to address
The Council Chambers not suited to host Council meetings (Council and public attendance)	Alternative venue to be identified and purchased by the Municipality
Council meeting rotation to various community halls with inappropriate furniture	Council to consider purchasing own equipment to be able to host Council meetings apart from those hosted in the Council chambers

Table 15.: Corporate Services Challenges (Source: Annual Report 2016/17)

3.8 Financial Services

The municipality obtains its finances from mainly revenue collection from residents and allocations from National and Provincial departments.

3.8.1 Financial Viability: A Synopsis

- **Highlights: Financial Services**

Highlights	Description
In-House compilation of Budget and AFS Lesser dependency on consultants resulting in huge cost savings	In-House compilation of Budget and AFS Lesser dependency on consultants resulting in huge cost savings
Integrated Recovery Plan developed Plan adopted by Council and Implementation Manager appointed	Integrated Recovery Plan developed Plan adopted by Council and Implementation Manager appointed

Table 16: Financial Services Highlights (Source: Annual Report 2016/17)

- **Challenges: Financial Services**

Description	Actions to address
Vacancies in critical positions not yet filled	Positions advertised, vacancies to be filled
Limited Office space – Historic building	Redesign and upgrade of office facilities
Lack of resources (Funds, Human capital)	Apply for all available funding, Organizational structure reviewed

Table 17.: Financial Services Challenges (Source: Annual Report 2016/17)

The following table gives an overview of the debt recovery statistics of the municipality

Details of types of account raised and recovered	2015/16			2016/17			2017/18		
	Billed In Year	Actual for accounts billed in year	Proportion of accounts value billed collected in the year	Billed in Year	Actual for accounts billed in year	Proportion of accounts value billed collected	To be billed in Year	Estimated turnout for accounts to be billed in year	Estimated Proportion of accounts to be billed that will be collected
	R'000		%	R'000		%	R'000		%
Property Rates	23 234	21 956	94.5	23 386	20 941	89	33 881	28 314	83.5
Electricity	46 540	43 980	94.5	44 426	44 828	101	42 625	37 979	89.1
Water	11 993	11 333	94.5	13 446	11 992	89	19 519	17 391	89.1
Sanitation	12 337	11 658	94.5	12 449	8 845	71	14 536	12 951	89.1
Refuse	5 234	4 946	94.5	5 362	3 180	59	7440	6 629	89.1

Table 18.: Debt recovery (Source: Annual Report 2016/17)

Level of Reliance on Grants & Subsidies

The municipality is heavy reliant on grants to finance expenditure due to our limited revenue raising capacity.

Audited Outcomes

Year	2015/16	2016/17
Opinion received	Unqualified	Disclaimer

Table 19.: Audit Outcomes (Annual Report 2016/17)

In summary, the following remains the major challenges facing the organisation:
Beaufort West Integrated Development Plan 2018/19 Review

- Inability to attract certain skilled officials
- Small revenue base
- Cash flow problems
- Grant dependency
- Capacity shortages
- Low revenue collection

3.9 Information and Communication Technology (ICT) Services

The ICT services of the municipality are outsourced to an external service provider.

- **Highlights: ICT Services**

Highlights	Description
Decommissioning of XP operating systems	The majority of the Beaufort West Municipality's computers were still equipped with XP operating systems on 1 July 2017. Due to Microsoft's announcement that they will no longer support XP operating systems, the Municipality had to upgrade all the computers from XP to Windows 8. This caused financial and operational resources to be depleted to ensure a smooth transition with minimal disruption to the end-users. The municipality succeeded to upgrade the majority of its computers (approximately 160 units) to Windows 8 Operating systems. With the exception of those computers used by the cashiers which were kept on Windows 7 Operating systems as a work around for the compatibility issues between SEBATA Management Services and Windows 8.
Cooperation with Central Karoo District Municipality	Beaufort West Municipality reached an agreement with the Central Karoo District Municipality, whereby it was agreed to share ICT resources to be more cost effective for both municipalities. The crux of the agreement is that the disaster recovery sites for both parties will be hosted at the District Municipality whilst Beaufort West Municipality will be hosting the live environments.

Table 20.: ICT Service Highlights (Source: Annual Report 2016/17)

- **Challenges: ICT Services include:**

Description	Description
Implementation of mSCOA related infrastructure	Servers and network were upgraded within a limited budget and capacity and successfully completed the upgrade to be mSCOA compliant.
Implementation of wireless system for entire Municipality	The implementation of VOIP created a situation where staff members not using computers did not have telephone connectivity. The ICT section expanded the local area network to ensure connectivity for all users.
Network connectivity with Murraysburg Office	Poor network connectivity between Murraysburg satellite office and Beaufort West Main Office prevented the successful implementation of mSCOA. An Alternative service provider was sourced who could provide sufficient network linkage and coverage and is working effectively.
Upgrade of internet bandwidth	The current network communication service provider's speed was not sufficient for mSCOA to function properly. The Municipality acquire the services of a cell phone network provider whom provided network speeds of up to 20Mbps which is sufficient for mSCOA to work effectively.
Compatibility between operating systems and financial system	The developers of the Financial management System did not amend their software to be fully compatible with Windows 8. Six (6) computers were not upgraded and remained on Windows 7 to ensure that the Municipality can be compatible with the financial system.
ICT operation vs ICT governance	An ongoing challenge exist to comply with the daily operational requirements crucial for service delivery versus governance requirements that can halter service delivery. Therefore, governance requirements are not 100% met to the standard of the Auditor-General, which results in audit findings on governance issues.

Table 21: ICT Service Challenges (Source: Annual Report 2016/17)

3.10 BASIC SERVICE DELIVERY

Beaufort West Municipality is primarily responsible for the delivery of basic services and the development and maintenance of infrastructure. One of the aspect that remains a challenge or outstanding is the drafting of a Consolidated Infrastructure Plan that will integrate all the infrastructure needs and plans and will not only enable the municipality to plan for future developments, but also to cost infrastructure development against financial affordability and sustainability.

The municipality furthermore is still struggling to compile or draw up an Infrastructure Operation and Maintenance Plan indicating how maintenance will be addressed within the municipality. This will ensure that assets and infrastructure is properly maintained.

The following is a summary of the current state of service delivery:

Proportion of Households with access to Basic Services

Description	2015/16	2016/17
Electricity service connections	100%	100%
Water - available within 200 m from dwelling	98%	98%
Sanitation - Households with at least VIP service	96%	98%
Waste collection - kerbside collection once a week	100%	100%

Table 22.: Proportion of Households with Access to Basic Services (Source: Annual Report 2016/17)

3.10.1 Infrastructure Services: Electricity

The municipality has an approved Electricity Master Plan. Beaufort West Municipality provides electricity services mostly to the communities of Beaufort West, Nelspoort and partially Murraysburg, whilst Eskom provides electricity to Merweville and partially to Murraysburg.

Electricity purchases for the 2016/17 financial year amounted to R54.330 million (Incl VAT) for 54 386 578 kWh. The electricity is sold to industrial, commercial and domestic customers with the following approximate distribution:

Usage	Percentage
Industrial/commercial	37,05%
Domestic	24,72%
Street lighting	1,3%
Own use	3,41%
Indigents	24,5%
Energy Losses	9,02%

Table 23.: Distribution of electricity (Source: Annual Report 2016/17)

There are no backlogs in the provision of service connections. Applications for connections are processed as they are received and the necessary connection fees collected.

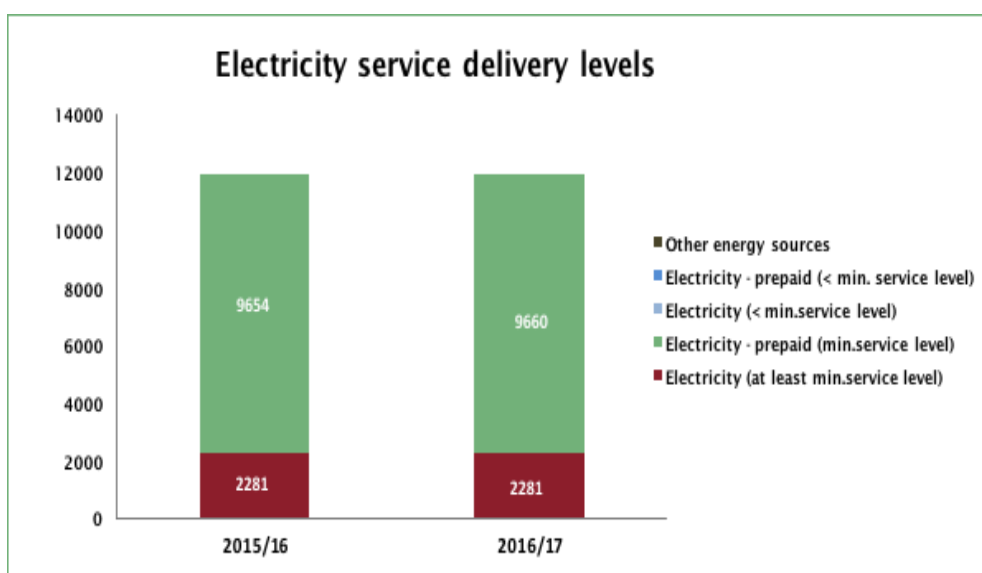
Due to the lack of financial resources over the past number of years, a backlog in repair and maintenance, as well as refurbishment and network expansion, has increased. This backlog can only be addressed by sufficient capital investment into the electricity infrastructure. Although the municipality has been able to assist all by providing electricity, the low level of investment in the upgrade, refurbishment and expansion of the electricity infrastructure has

led to a situation that new developments can no longer be accommodated without major capital investment.

- **Electricity Service Delivery Levels**

Households		
Description	2015/16	2016/17
	Actual	Actual
<i>Energy: (above minimum level)</i>		
Electricity (at least min.service level)	2 281	2 281
Electricity - prepaid (min.service level)	9 654	9 660
Minimum Service Level and Above sub-total	11 935	11 941
Minimum Service Level and Above Percentage	100	100
<i>Energy: (below minimum level)</i>		
Electricity (<min.service level)	0	0
Electricity - prepaid (< min. service level)	0	0
Other energy sources	0	0
Below Minimum Service Level sub-total	0	0
Below Minimum Service Level Percentage	0	0
Total number of households	11 935	11 941

Table 24.: Electricity service delivery levels (Source: Annual Report 2016/17)



3.10.2.1 Infrastructure Services: Water

The Water Services Development Plan has been approved by Council and is being reviewed and audited annually. Section 4B of the Constitution lists water and sanitation services limited to potable water supply systems and domestic waste water and sewerage disposal

systems as a local government function. Basic water is defined as 25 liters of potable water per day supplied within 200 meters of a household.

Beaufort West is dependent on three different water sources: Surface Water (Gamka Dam, Springfontein Dam and Walker Dam), Boreholes (36 Boreholes in 6 Aquifers) and the Water Reclamation Plant (WRP). The demand of the community is approximately 6 mega liters per day. The high summer consumption is balanced by abstracting water from the Gamka Dam, boreholes as well as water from the Reclamation Plant. In the winter months only the boreholes and the Reclamation Plant are used.

- **Total Use of water by sector**

Total Use of Water by Sector (cubic meters)				
Year	Agriculture	Forestry	Industrial	Domestic
2015/16	0	0	46 276	2 437 973
2016/17	0	0	52 065	2 358 964

Table 25.: Total use of water by sector (cubic meters) (Source: Annual Report 2016/17)

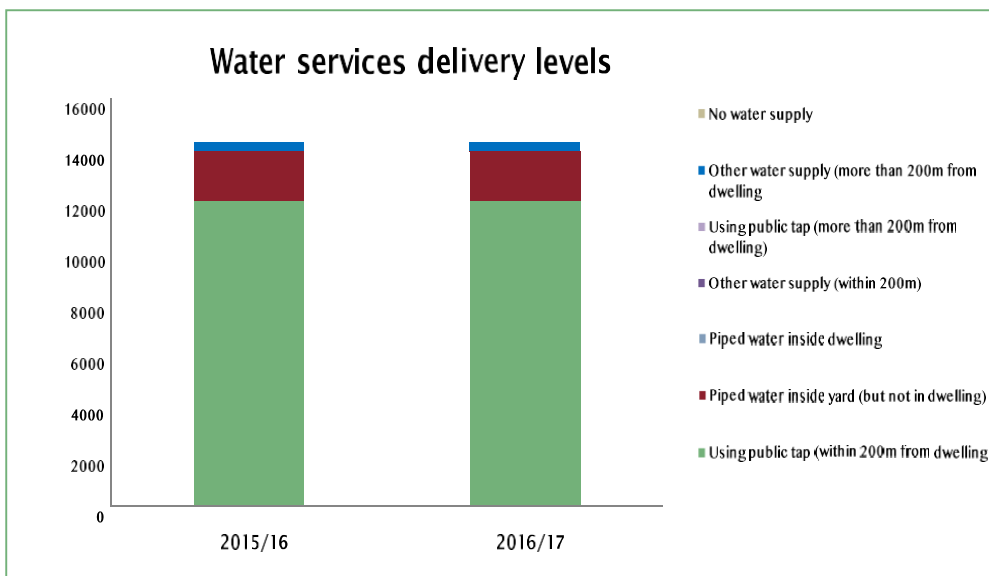
Water losses are reduced to the minimum from the source to sector meters. There is however a loss of approximately 52% from sector meters to billing. A water meter audit was done and it indicated clearly that the challenge is billing and not only water losses by leakages in the network. (Source: Annual Report 2016/17)

- **Water Service Delivery Levels**

Households		
Description	2015/16	2016/17
	Actual	Actual
	No.	No.
<i>Water:</i> (above min level)		
Piped water inside dwelling	11 948	11 948
Piped water inside yard (but not in dwelling)	2 122	2 122
Using public tap (within 200m from dwelling)	49	49
Other water supply (within 200m)	31	31
Minimum Service Level and Above sub-total	14 150	14 150
Minimum Service Level and Above Percentage	98	98
<i>Water:</i> (below min level)		
Using public tap (more than 200m from dwelling)	0	0
Other water supply (more than 200m from dwelling)	260	260

No water supply	0	0
Below Minimum Service Level sub-total	260	260
Below Minimum Service Level Percentage	2	2
Total number of households	14 410	14 410
<i>Include informal settlements</i>		

Table 26.: Water service delivery levels: Households (Source: Annual Report 2016/17)



Graph

- Access to Water**

Financial year	Number of households with access to water points*	Proportion of households with access to piped water	Number of households receiving 6 kl free#
2015/16	14 150	98%	6 022
2016/17	14 410	98%	

* Means access to 25 litres of potable water per day supplied within 200m of a household and with a minimum flow of 10 litres per minute

6 000 litres of potable water supplied per formal connection per month

Table 27.: Access to water (Source: Annual Report 2016/17)

3.10.2.2 Drought and Dam level/s

Beaufort West Municipality has experienced very very low rain fall over the past years and the drought is felt in many areas of the town. The Gamka dam which is the catchment area is empty for quite some time now.

The Municipality is declared a disaster area and due to the drought and water availability. A reduction in demand and strict water restrictions in the area, as well as the efficient use of disaster assistance and MIG funding have ensured a sustained water supply for the town.

The Beaufort West Municipality in partnership with Local Government, government departments and the media has embarked on two roadblocks during the months of November and December 2017. The objective of the Roadblocks was to provide tourist and the community members with water saving information like leaflets, pamphlets and promotional materials like hand sanitisers, bags and key holders. These roadblocks also aimed to provide awareness and education around the drought situation and water saving.

The municipality also has embarked on several water activations in Beaufort West and Merweville to encourage community members to save water. The department of Water and Sanitation joined the municipality and the “Drop a Block Campaign” was implemented in Merweville to save water with the blocks that was placed in the toilets. A3 posters was distributed to all guesthouses and garages to create awareness to save water and the municipality is continuously busy to distribute flyers on a regular basis around water saving.

The Executive Mayor and the Municipal Manager engage with the community of the Central Karoo on Radio Gamkaland to provide them with information on water saving and this platform is also used to give progress reports on the municipality’s current water situation. A drought Committee was also established to take strategic decisions regarding the drought situation.

The Municipality received donations from the following donors to address the drought situation in Beaufort West Municipality:-

- African Muslim agency
- Gift of the Givers
- SECUNDA School project
- Tourists
- Russels
- Toyota South Africa

The Department of Mineral Resources in partnership with the Council of Geo-Science donated two boreholes to the municipality. Boreholes to this two new aquifers has already been drilled

and one is fully equipped. The other one is not yet equipped due to budget constraints. The municipality has approached national government and the African Muslim Agency for funding to address this critical project and remains hopeful on a positive outcome.

The Beaufort West community currently receive their water supply from boreholes and the water reclamation plant. In the event that the reclamation plant is serviced the municipality supply water to the areas through water tanks.

The message to the broader public is that we still have a water crisis and we need to save water in order to prevent a “Day Zero”. Only by working together can we get through this crisis. The town also urges visitors and travellers passing through in the coming period, to take the situation in consideration and assist the local community in their water saving efforts

3.10.3 Infrastructure Services: Waste Water (Sanitation)

Beaufort West Municipality has four Waste Water Treatment Plants that are situated in Beaufort West, Nelspoort, Merweville and Murraysburg. The Waste Water Treatment Plant of Beaufort West and Merweville are operating within the design capacity and the final effluent is of a good quality.

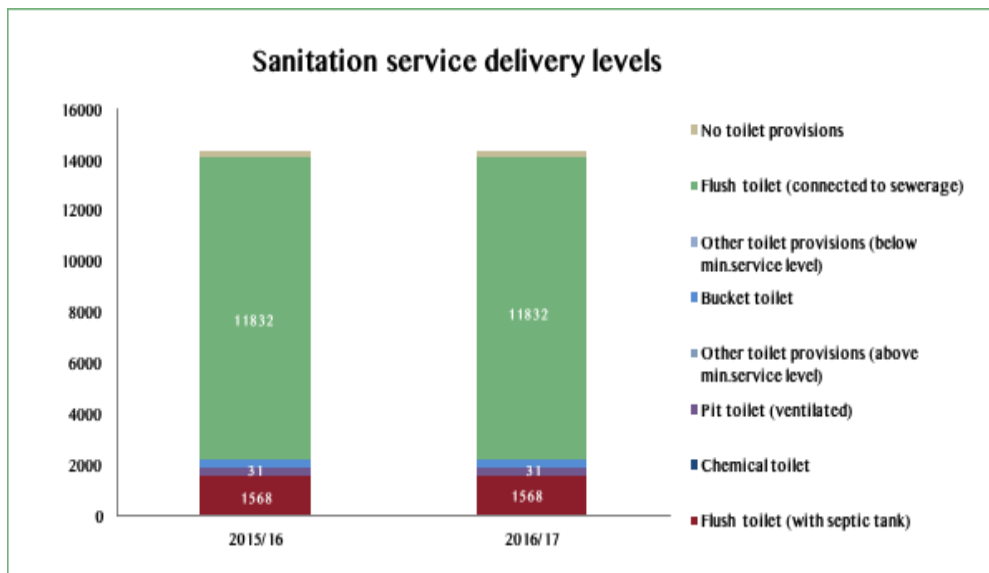
A study has been conducted at the Nelspoort and Murraysburg Waste Water Treatment Plant. The reports indicated that urgent upgrades are necessary at both of the treatment facilities. Both of the projects have been registered on the MIG program to ensure funding for the projects. Upgrading of the Nelspoort WWTW was planned to be implemented in the 2017/18 financial year but due to the drought situation experienced by the municipality projects has been re-prioritised to implement critical projects to address the drought crisis.

The Waste Water Treatment Plant of Beaufort West consists of two processes, an activated sludge process and a biological trickle filter process. The effluent from the activated sludge process is redirected to the Water Reclamation Plant and the effluent from the biological trickle filters are used for irrigation purposes. The Waste Water Treatment Plant of Nelspoort, Merweville and Murraysburg are evaporation ponds. (Source: Annual Report 2016/17).

- **Sanitation Service Delivery Levels**

Households		
Description	2015/16	2016/17
	Outcome	Actual
	No.	No.
<i>Sanitation/sewerage: (above minimum level)</i>		
Flush toilet (connected to sewerage)	11 832	11 832
Flush toilet (with septic tank)	1 568	1 568
Chemical toilet	0	0
Pit toilet (ventilated)	355	355
Other toilet provisions (above min.service level)	31	31
Minimum Service Level and Above sub-total	13 786	13 786
Minimum Service Level and Above Percentage	96	96
<i>Sanitation/sewerage: (below minimum level)</i>		
Bucket toilet	309	309
Other toilet provisions (below min.service level)	0	0
No toilet provisions	305	305
Below Minimum Service Level sub-total	614	614
Below Minimum Service Level Percentage	4	4
Total households	14 400	14 400
<i>Including informal settlements</i>		

Table 28.: Sanitation service delivery levels (Source: Annual Report 2016/17)



3.10.4 Infrastructure Services: Roads and Storm water

Beaufort West Municipality is responsible for the delivery of roads and storm water management. Pothole repair is done by the municipality while the construction of new paved roads is undertaken by contractors. These projects are done according to EPWP standards to create job opportunities.

Major current challenges include (Source: Annual Report 2016/17)

- Reseal of roads
- Unreliable machinery
- Deteriorating
- Maintenance of gravel roads
- Rebuilding of streets other than indigent areas

- **Gravel Roads Infrastructure: Kilometers**

Gravel Roads Infrastructure: Kilometres				
Year	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to paved	Gravel roads graded/maintained
2015/16	57 600	0	907	57 600
2016/17	56 800	2 963	800	18 00

Table 29: Gravel road infrastructure (Source: Annual Report 2016/17)

- **Tarred Road Infrastructure: Kilometers**

Tarred/Paved Road Infrastructure: Kilometres					
Year	Total tarred/paved roads	New paved roads	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tar/paved roads maintained
2015/16	105.5	0.907	0	0	104.6
2016/17	106.708	1.204	0	0	14 08.7

Table 30.: Tarred road infrastructure (Source: Annual Report 2016/17)

3.10.5 Infrastructure Services: Waste Water (Storm water drainage)

The stormwater system in Hillside is still insufficient to deliver services to the community and needs to be upgraded or replaced by a new stormwater system. Challenges remain inter alia the updating of a Storm water Master Plan, old storm-water pipes, extension of existing storm water systems and lack of man power.

- **Storm water Infrastructure: Kilometers**

The table below shows the total kilometers of storm water maintained and upgraded as well as the kilometers of new storm water pipes installed:

Storm water Infrastructure: Kilometres				
Year	Total Storm water measures	New storm water measures	Storm water measures upgraded	Storm water measures maintained
2015/16	Master Plan outdated	0	0	8.86
2016/17	Master Plan outdated	0	0	13.1

Table 31.: Storm water infrastructure (Source: Annual Report 2016/17)

3.10.6 Infrastructure Services: Environmental Management: Waste Management

The 2nd Generation Integrated Waste Management Plan has been drafted and approved by Council on December 2014. We are currently busy with the 3rd Generation

This service enables the municipality to create ninety six (96) additional temporary workers to clean streets and open spaces and pick up litter. The municipality has also received EPWP funds to the amount of R 1 659 000.00 of which 60% was allocated to environmental projects (Waste Minimisation). The challenges remain illegal dumping and lack of maintenance and management of landfill sites. This is due to the fact there is currently no designated Environmental Management Inspectorate at the municipality to issue out fines. As part of addressing the aforementioned challenge the designated Waste Management Officer (Ms.V.Ruiters) attended the Environmental Management Inspectorate training during the month of March 2018.

The Department: Community Services provides a weekly door-to-door waste removal service to households and bi-weekly to businesses. Domestic and garden waste is removed on daily

basis and placed either in the 85 liters refuse bins or bags. Medical waste generated from hospitals, clinics and general practitioners are collected by a private company. The private company is responsible for spillage removal along the N1 National Road traversing the Beaufort West Area. In terms of conducting section 30 matters within the Beaufort West Municipality, the designated waste management officer will be appointed officially the 2017/18 financial year. Once the appointment of the official in terms section 30 has been finalized, the necessary budget to this office will be allocated. Builder's rubble is removed by the community itself and the Municipality removes only when it is dumped illegally. General workers are responsible for litter removal and sweeping of streets. Street bins along pavements are emptied on a daily basis by waste removal trucks.

Landfill site disposal sites

The four waste management facilities within the Beaufort West municipal area are situated in/at:

- Vaalkoppies
- Merweville
- Nelspoort
- Murraysburg

In addition, Beaufort West has a recycling facility which requires upgrades. All landfill sites are operational of which one has a permit. The approval for permits for Merweville, Murraysburg and Nelspoort is still in process.

Waste minimization

The Municipality developed a Waste Minimization Strategy in 2002 in partnership with Southern Cape Recycling which was made possible by contributions from the Department of Environmental Affairs. The initiative targeted the high income residential areas. Blue bags were supplied to all households to collect only cardboard boxes, cans, paper and newspapers. Recyclable waste is collected once a week and taken to the reclamation depot where it is sorted, baled and transported to Cape Town or Oudtshoorn.

The budget that was set aside for waste minimization for the 2017/18 financial year amounts to R527 400.00 which is funded from the EPWP allocation of R1 659 000.00 for 2017/18.

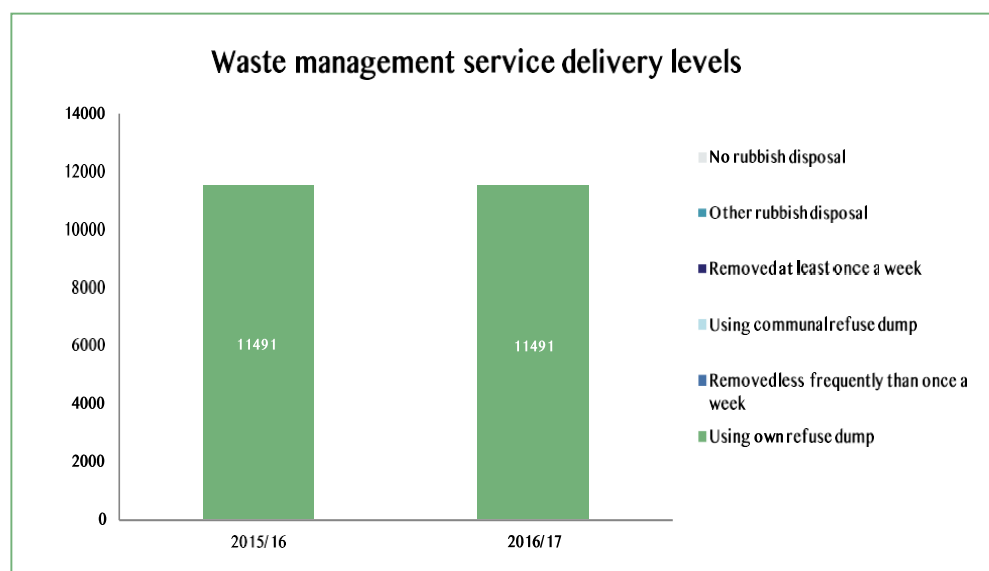
Waste awareness and education

Waste awareness and education is currently done through the distribution of pamphlets on a quarterly basis. The target for these initiatives are schools and communities.

Solid Waste Service Delivery Levels

Description	Households	
	2015/16	2016/17
	Actual	Actual
<i>Solid Waste Removal:</i> (Minimum level)		
Removed at least once a week	11 491	11 491
<i>Minimum Service Level and Above sub-total</i>	11 491	11 491
<i>Minimum Service Level and Above percentage</i>	100	100
<i>Solid Waste Removal:</i> (Below minimum level)		
Removed less frequently than once a week	0	0
Using communal refuse dump	0	0
Using own refuse dump	0	0
Other rubbish disposal	0	0
No rubbish disposal	0	0
<i>Below Minimum Service Level sub-total</i>	0	0
<i>Below Minimum Service Level percentage</i>	0	0
Total number of households	11 491	11 91

Table 32: Solid Waste Service Delivery Levels (Source: Annual Report 2016/17)



Graph. Refuse Removal Service Delivery Levels (Source: Annual Report 2016/17)

3.10.7 Infrastructure Services: Air Quality Management

The municipality must comply with the National Environmental Management: Air Quality Act, 2004 (Act No 39 of 2004). An Air Quality Management Plan still needs to be developed and DEADP. However the Beaufort West Municipality is currently still not in a position to develop an Air Quality Management Plan due to financial constraints and a lack of internal capacity.

A process/discussions has now been embarked on to find the solution to compile the Air Quality Management Plan for the municipality through a shared service model within the Central Karoo District, but the challenge remain the availability of funding to contribute. The process to develop such a plan shall also address air Quality targets and indicators for future IDP's.

3.10.8 Infrastructure Services: Sport and Recreation

The community loves their sport, but the main challenge is to raise enough funds to develop different sport fields as only 15% of the MIG funds are available for the development of Recreational and sport facilities.

All sport and recreation areas are mowed and irrigated on a regular basis.

Challenges: Sport and recreation

Vandalism and theft is a big concern for the Municipality at the sport and recreation facilities and we will have to invest in upgrading security controls at each of these facilities.

Service statistics for sport and recreation

The table below indicates performance statistics of sport and recreation services: Type of service 2015/16 and 2016/17

- **Service statistics for Sport and Recreation**

Type of service	2015/16	2016/2017
Community parks		
Number of parks with play park equipment	8	8
Number of wards with community parks	7	7
Swimming pools		
Number of visitors per annum	0	0
R-value collected from entrance fees	0	0
Sport fields		
Number of wards with sport fields	7	7
R-value collected from utilization of sport fields	98 077	DFD
Sport halls		
Number of wards with sport halls	7	7

Number of sport associations utilizing sport halls	5	5
R-value collected from rental of sport halls	10 535	DFD

Table 33.: Additional performance information for Sport and Recreation (Source: Annual Report 2016/17)

3.10.9 Infrastructure Services: Cemeteries

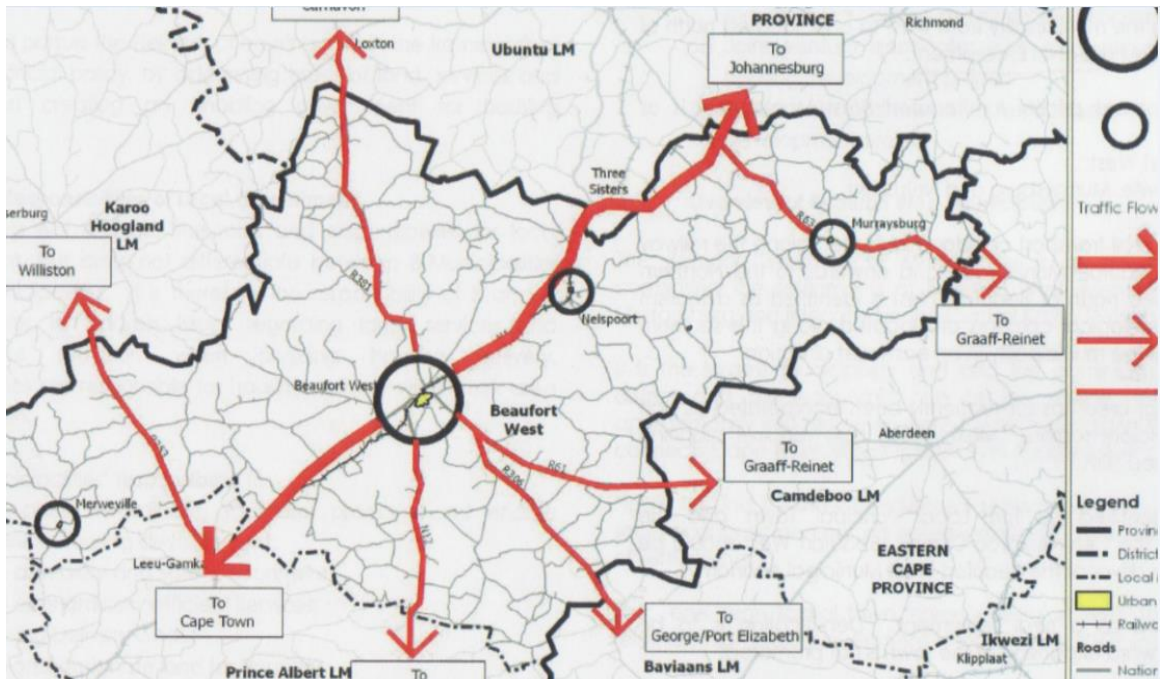
There are enough burial ground in all the towns under the jurisdiction of Beaufort West for the near future. However, new cemeteries will have to be developed. Challenges remain vandalism of perimeter fencing and the tombstones and animals entering the cemeteries and damaging the graves and perimeter fence flowers

3.11 HOUSING DEVELOPMENT

- **Human Settlement Plan**

The development of an Integrated Human /Settlement Plan underlines the Council’s strategy to ensure that human settlements are integrated and sustainable, that housing backlogs are eliminated and that housing provision focuses on all income groups.

The following figures show the different settlements in the municipal area. There are two distinct types of settlements, namely large formal town and smaller formally planned villages. Beaufort West has been identified as a relatively high priority investment in terms of the NSDP Investment criteria. Murraysburg, Merweville and Nelspoort are smaller villages with very low development potential and high social needs.



Graph 1.: Human Settlement Plan

Merweville as a rural settlement should consider densification with no outward expansion of the town. Nelspoort as an institutional settlement should also consider densification and infill development with no outward expansion of the town. There is one informal settlement in Beaufort West with a number of shacks, but this is ranked low priority in relation to the rest of the Province and in-situ upgraded will be followed. The Council of

Beaufort West approved a Housing Pipeline process as to address the backlog in housing.

The Municipality wishes to stimulate LED through the identification of land that would meet the strengths and anticipated future demands of the economy. A strong and vibrant economy is necessary in leading towns such as Beaufort West and in pursuit of this objective, a holistic perspective of development is required.

- **Introduction to Housing Needs**

Against the background of integrated residential development approach it was decided to focus strategically mainly on two components of the land use spectrum namely:

- Finance Linked Individual Subsidy Programme (FLISP) also known as Gap Subsidy Housing
- Integrated Residential Development Programme (IRDP) - Project linked subsidy housing

- **Housing need:**

The need for an integrated residential development approach that addresses the whole spectrum of residential needs has been identified and the following main income categories have been considered:

- IRDP Subsidy housing >R3 500 per
- FLISP housing R3 501 - R15 000 per month

Given the strategic decision to focus first on IRDP and Gap housing, those housing needs can be summarized as follows:

Subsidy	5354 - units according to recent estimates of the housing demand data base
Gap	567- potential applicants have registered on our data system

Table 34.: Housing needs (Source: Annual Report 2016/17)

- **Prioritized IRDP Housing Sites**

Site	Property	Units
Subsidy: Priority 1		
S1		883
Total		883
Subsidy Priority 2		
S2	Commonage	n/a
Total		0
Subsidy Grand Total		883

Table 35.: Prioritised housing sites (Source: Annual Report 2016/17)

- **GAP Housing Sites**

Site	Property	Units
GAP: Priority 1		
G2	Erf 2851 – P.O.S	67
GAP Total		67

Table 36.: GAP housing sites (Source: Annual Report 2016/17)

- **Highlights: Housing**

Highlights	Description
S1 – 883 housing project	This project will accommodate more people than the previous S8 and will bring down the backlog by a significant figure.

Table 37.: Housing Highlights (Source: Annual Report 2016/17)

- **Challenges: the challenges regarding Housing include:**

- Subsidy approvals
- Gap Housing Funding (failing due to non-affordability)
- Water scarcity – Delay in construction

- **Households with access to basic housing**

Number of households with access to basic housing			
Year end	Total households (including in formal and informal settlements)	Households in formal settlements	Percentage of HHs in formal settlements
2015/16	12 198	12 173	83
2016/17	12 195	12 73	83

Table 38: Households with access to basic housing (Source: Annual Report 2016/17)
Beaufort West Integrated Development Plan 2018/19 Review

- **Housing Waiting List**

The following table shows the increase in the number of people on the housing waiting list. There are currently approximately 5 354 housing units on the waiting list.

Financial year	Number of housing units on waiting list	% Housing waiting list increase/(decrease)
2015/16	5 098	25
2016/17	4 354	5

Table 39: Housing waiting list (Source: Annual Report 2016/17)

- **Housing Allocation**

A total amount of R 32 935 million was allocated to build houses during the 2016/17 financial year. A summary of houses built, includes:

Financial year	Allocation	Amount spent	% spent	Number of houses built	Number of sites serviced
	R'000	R'000			
2015/16	25 205	25 205	100	235	242
2016/17	32 935	6 016	18.26	No houses built	883

Table 40.: Houses built (Source: Annual Report 2016/17)

The Department of Human Settlement's development grant has been reduced for the 2018/19 with the amount of R370 million and similar amounts in the 2019/20 and 2020/21 financial years. The aforementioned reduction cause the necessity to reduce the allocated funding to municipalities. The funding allocated to the Beaufort West Municipality for the implementation of Human Settlement projects over the MTEF has been adjusted as follows:-

- **2018/19: R 35,160,000**
- 2019/20 R 32,720,000 (Indicative amount subject to approval of projects)
- 2020/20 R 30,020,000 (Indicative amount subject to approval of projects)

The table below depicts the delivery targets for the 2018/2019 provincial financial year (1 April 2018 to 31 March 2019)

No	Municipal Area	Sites	Units	Funding R'000
1.	Beaufort West S1	0	250	32 500
2.	Murraysburg Housing upgrades			1 000
3.	Murraysburg Toilets			1 000
4.	Murraysburg (220)			660
SUB TOTAL		0	250	35 160

Table 41: Delivery targets for the 2018/2019 financial year

Water Crisis Response Policy Guidelines for the Western Cape, issued in terms of Circular 1 of 2018

•The Beaufort West municipality welcome the Water Crisis Response Policy Guidelines for the Western Cape, Circular 1 of 2018 and pledge to adhere to the two broad themes namely **Technical interventions** relating to norms and standards and contractor activities and **Behavioural and Administrative Interventions** which include consumer education activities, rain-water harvesting, contract management and other recommendations.

CHAPTER 4 - OVERVIEW OF 2017/18 FINANCIAL YEAR

4.1 Projects identified and implemented: 2017/18

As can be viewed from the 2017/2022 (2017/18) IDP process, a number of projects have been identified to enable the fulfillment of the strategic objectives of Council. This section serves to provide a short overview of the progress regarding the completion of these projects as it provides a base on whether the projects are completed, whether it would have to be carried over into the new financial year or whether it is incomplete. The projects are outlined as per the strategic objectives and SD-BIP

4.1.1 Service Delivery Priorities for 2017/18

The main development and service delivery priorities for 2017/18 forms part of the Municipality's Top Layer SDBIP for 2017/18 and are indicated in the tables below:

4.1.1.2 Ensure liquidity of the administration

Ref	KPI	Unit of measurement	Wards	Annual target	Status
TL13	Financial viability measured in terms of the municipality's ability to meet it's service debt obligations as at 30 June 2018 [(Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue - Operating Conditional Grant)x 100]	Debt to Revenue as at 30 June 2018	All	45%	Still in progress
TL14	Financial viability measured in terms of the outstanding service debtors as at 30 June 2018 [(Total outstanding service debtors/ revenue received for services)x 100]	Service debtors to revenue as at 30 June 2018	All	35%	Still in progress
TL15	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2018 ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortization, and Provision for Bad Debts, Impairment and Loss on Disposal of	Cost coverage as at 30 June 2018	All	1	Still in progress
TL16	Achieve an payment percentage of at least 88% by 30 June 2018 [(Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance + Bad Debts Written Off)/Billed Revenue x 100]	Payment % achieved by 30 June 2018	All	88%	Still in progress

Table 42..Service delivery priority for 2017/18: Ensure liquidity of the administration

4.1.1.3 Establishment of a well governed and accountable administration

<i>Ref</i>	<i>KPI</i>	<i>Unit of measurement</i>	<i>Wards</i>	<i>Annual target</i>	<i>Status</i>
TL11	<i>Appoint people from the employment equity target groups in the three highest levels of management in compliance with a municipality's approved employment equity plan</i>	<i>Number of people appointed in the three highest levels of management</i>	<i>All</i>	<i>1</i>	<i>Still in progress</i>
TL12	<i>0.10% of the municipality's personnel budget spent on implementing its workplace skills plan by 30 June 2018 ((Actual amount spent on training/total personnel budget)x100)</i>	<i>% of the municipality's personnel budget spent on implementing its workplace skills plan</i>	<i>All</i>	<i>0.10%</i>	<i>Still in progress</i>
TL28	<i>Limit vacancy rate quarterly to 35% of budgeted posts (Number of funded posts vacant divided by number of budgeted funded posts)</i>	<i>% vacancy rate</i>	<i>All</i>	<i>35%</i>	<i>Still in progress</i>
TL35	<i>Compile the Risk based audit plan for 2018/19 and submit to Audit committee for consideration by 30 June 2018</i>	<i>Risk based audit plan submitted to Audit committee by 30 June 2018</i>	<i>All</i>	<i>1</i>	<i>Still in progress</i>
TL36	<i>70% of the Risk based audit plan for 2017/18 implemented by 30 June 2018 [(Number of audits and tasks completed for the period/ Number of audits and tasks identified in the RBAP</i>	<i>% of the Risk Based Audit Plan implemented by 30 June 2018</i>	<i>All</i>	<i>70%</i>	<i>Still in progress</i>
TL40	<i>Spent 80% on the approved amount budgeted for the implementation of the Workplace Skills Plan (WSP) by 30 June 2018 [(Actual expenditure divided / the approved total budget amount for WSP)x100]</i>	<i>% budget spent on implementation of Workplace Skills Plan</i>	<i>All</i>	<i>80%</i>	<i>Still in progress</i>

Table 43. Service delivery priority for 2017/18: Establishment of a well governed and accountable administration

4.1.1.4 Provide for the needs of indigent households through improved services

Ref	KPI	Unit of measurement	Wards	Annual target	Status Report
TL5	Provide free basic water to indigent households as defined in paragraph 9(1) of the Municipality's Credit Control and Debt Collection Policy as at 30 June 2018	Number of indigent households receiving free basic water as at 30 June 2018	All	6 153	Still in progress
TL6	Provide free basic electricity to indigent households as defined in paragraph 9(1) of the Municipality's Credit Control and Debt Collection Policy as at 30 June 2018	Number of indigent households receiving free basic electricity as at 30 June 2018	All	5 094	Still in progress
TL7	Provide free basic sanitation to indigent households as defined in paragraph 9(1) of the Municipality's Credit Control and Debt Collection Policy as at 30 June 2018	Number of indigent households receiving free basic sanitation as at 30 June 2018	All	5 953	Still in progress
TL8	Provide free basic refuse removal to indigent households as defined in paragraph 9(1) of the Municipality's Credit Control and Debt Collection Policy as at 30 June 2018	Number of indigent households receiving free basic refuse removal as at 30 June 2018	All	2 480	Still in progress
TL41	Submit housing proposals for Murraysburg, Merweville and Nelspoort to the Department of Human Settlements by 31 December 2017	Number of housing proposals submitted	All	3	1

Table 44.: Service delivery priority for 2017/18: Provide for the needs of indigent households through improved services

4.1.1.5 Provision of basic services to all the people in the municipal area

Ref	KPI	Unit of measurement	Wards	Annual target	Status Report
TL1	Number of formal residential properties that receive piped water (credit and prepaid water) that is connected to the municipal water infrastructure network and which are billed for water or have pre-paid meters as at 30 June	Number of residential properties which are billed for water or have pre-paid meters as at 30 June 2018	All	13 500	Still in progress
TL2	Number of formal residential properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)(Excluding Eskom areas) and which are billed for electricity or have pre-paid meters (Excluding Eskom areas) as at 30 June	Number of residential properties which are billed for electricity or have pre-paid meters (Excluding Eskom areas) as at 30 June 2018	All	12 462	Still in progress

TL3	<i>Number of formal residential properties connected to the municipal waste water sanitation/sewerage network for sewerage service, irrespective of the number of water closets (toilets) which are billed for sewerage as at 30 June 2018</i>	<i>Number of residential properties which are billed for sewerage as at 30 June 2018</i>	<i>All</i>	<i>11 870</i>	<i>Still in progress</i>
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<i>Ref</i>	<i>KPI</i>	<i>Unit of measurement</i>	<i>Wards</i>	<i>Annual target</i>	<i>Status</i>
TL4	<i>Number of formal residential properties for which refuse is removed once per week and which are billed for refuse removal as at 30 June 2018</i>	<i>Number of residential properties which are billed for refuse removal as at 30 June 2018</i>	<i>All</i>	<i>11 346</i>	<i>Still in progress</i>
TL32	<i>Spend 100% of the library grant by 30 June 2018 (Actual expenditure divided by the total grant received)</i>	<i>% of grant spent by 30 June 2018</i>	<i>All</i>	<i>100%</i>	<i>Still in progress</i>
TL42	<i>Compile an "Impounding of animals" by-law and submit draft to Council by 31 March 2018</i>	<i>Draft By-law submitted to Council by 31 March 2018</i>	<i>All</i>	<i>1</i>	1
TL45	<i>Compile a Traffic Services Strategy and submit draft to Council by 31 March 2018</i>	<i>Draft Strategy submitted to Council by 31 March 2018</i>	<i>All</i>	<i>1</i>	<i>A concept strategy has been drafted. Still busy with stakeholder consultation</i>
TL46	<i>Compile a Fire Services Strategy and submit draft to Council by 31 March 2018</i>	<i>Draft Strategy submitted to Council by 31 March 2018</i>	<i>All</i>	<i>1</i>	<i>A concept strategy has been drafted. Still busy with stakeholder</i>
TL47	<i>Review the Integrated Waste Management Plan and submit to Council by 31 March 2018</i>	<i>Plan reviewed and submitted to Council by 31 March 2018</i>	<i>All</i>	<i>1</i>	<i>The Review of the IWMP is in progress and will be tabled at a forthcoming Council</i>

Table 45. Service delivery priority for 2017/18: Provision of basic services to all the people in the municipal area

4.1.1.6 Sustainability of the environment

<i>Ref</i>	<i>KPI</i>	<i>Unit of measurement</i>	<i>Wards</i>	<i>Annual target</i>	<i>Status</i>
<i>TL17</i>	Limit unaccounted for water quarterly to less than 38% during 2017/18 [(Number of Kiloliters Water Purchased or Purified - Number of Kiloliters Water Sold (incl free basic water) / Number of Kiloliters Water Purchased or Purified × 100]	<i>% unaccounted water</i>	<i>All</i>	<i>38%</i>	<i>Still in progress</i>
<i>TL18</i>	95% of water samples in the Beaufort West jurisdiction area comply with SANS241 micro biological indicators	<i>% of water samples compliant to SANS 241</i>	<i>All</i>	<i>95%</i>	<i>Still in progress</i>
<i>TL19</i>	90% of waste water samples in the Beaufort West jurisdiction area comply with outflow water permit values	<i>% of test results within permit values</i>	<i>All</i>	<i>90%</i>	<i>Still in progress</i>
<i>TL33</i>	Limit unaccounted for electricity to less than 12% quarterly{(Number of Electricity Units Purchased and/or Generated - Number of Electricity Units Sold (incl Free basic electricity)) / Number of Electricity Units Purchased and/or Generated) × 100}	<i>% unaccounted electricity</i>	<i>All</i>	<i>12%</i>	<i>Still in progress</i>
<i>TL43</i>	Submit a proposal to the Department of Environmental Affairs and Development Planning (DEADP) by 31 December 2017 to obtain funding for the compilation of an Air Quality Management Plan	<i>Proposal submitted to DEADP by 31 December 2017</i>	<i>All</i>	<i>1</i>	<i>Proposal currently in progress and will be submitted in due course</i>

Table 46. Service delivery priority for 2017/18: Sustainability of the environment

4.1.1.7 To facilitate investment and maintenance of economic and social infrastructure to ensure infrastructure-led economic growth and development

<i>Ref</i>	<i>KPI</i>	<i>Unit of measurement</i>	<i>Wards</i>	<i>Annual target</i>	<i>Status</i>
TL23	<i>85% of the water assets maintenance budget spent by 30 June 2018 [(Actual expenditure on maintenance divided by the total approved budget for maintenance)x100]</i>	Number of temporary jobs opportunities created by 30 June 2018	All	40	<i>Still in progress</i>
TL24	<i>Upgrade the Beaufort West Rugby Field by 30 June 2018</i>	Number of temporary jobs opportunities created by 30 June 2018	All	40	<i>Still in progress</i>
TL25	<i>Upgrade the Kwa-Mandlenkosi sport field by 30 June 2018</i>	Number of temporary jobs opportunities created by 30 June 2018	All	40	<i>Still in progress</i>
TL26	<i>85% of the approved project budget spent by 30 June 2018 to upgrade Protea Street and Oak Street from gravel to paved in Beaufort West [(Actual expenditure divided by the total approved project budget)x100]</i>	Number of temporary jobs opportunities created by 30 June 2018	All	40	<i>Still in progress</i>
TL27	<i>85% of the approved project budget spent by 30 June 2018 to upgrade Michael de Villiers/ James Smith Street from gravel to paved [(Actual expenditure divided by the total approved project budget)x100]</i>	Number of temporary jobs opportunities created by 30 June 2018	All	40	<i>Still in progress</i>

Table 47. Service delivery priority for 2017/18: To facilitate investment and maintenance of economic and social infrastructure to ensure infrastructure-led economic growth and development

4.1.1.8 To improve and maintain current basic service delivery through specific infrastructural development projects

<i>Ref</i>	<i>KPI</i>	<i>Unit of measurement</i>	<i>Wards</i>	<i>Annual target</i>	<i>Status</i>
TL9	<i>The percentage of the municipal capital budget spent by 30 June 2018 ((Actual amount spent /Total amount budgeted for capital projects)X100)</i>	<i>% of capital budget spent by 30 June 2018</i>	<i>All</i>	<i>85%</i>	<i>Still in progress</i>
TL20	<i>85% of the roads and stormwater assets maintenance budget spent by 30 June 2018 [(Actual expenditure on maintenance divided by the total approved budget for maintenance)x100]</i>	<i>% of budget spent by 30 June 2018</i>	<i>All</i>	<i>85%</i>	<i>Still in progress</i>
TL21	<i>85% of the sanitation assets maintenance budget spent by 30 June 2018 [(Actual expenditure on maintenance divided by the total approved budget for maintenance)x100]</i>	<i>% of budget spent by 30 June 2018</i>	<i>All</i>	<i>85%</i>	<i>Still in progress</i>
TL22	<i>85% of the parks and recreation maintenance budget spent by 30 June 2018 [(Actual expenditure on maintenance divided by the total approved budget for maintenance)x100]</i>	<i>% of budget spent by 30 June 2018</i>	<i>All</i>	<i>85%</i>	<i>Still in progress</i>

Table 48. Service delivery priority for 2017/18: To improve and maintain current basic service delivery through specific infrastructural development projects

4.1.1.9 Transparency and participation

<i>Ref</i>	<i>KPI</i>	<i>Unit of measurement</i>	<i>Wards</i>	<i>Annual target</i>	<i>Status</i>
TL29	<i>Compile and submit the final annual report and oversight report for 2016/17 to Council by 31 March 2018</i>	<i>Final annual report and oversight report for 2016/17 submitted to Council by 31 March 2018</i>	<i>All</i>	<i>2</i>	<i>Still in progress</i>
TL30	<i>Submit the Top layer SDBIP for the 2018/19 budget for approval by the Mayor within 14 days after the budget has been approved</i>	<i>Top Layer SDBIP for the 2018/19 budget submitted to the Mayor within 14 days after the budget has been approved</i>	<i>All</i>	<i>1</i>	<i>Still in progress</i>
TL31	<i>Draft the annual performance report for 2016/17 and submit to the Auditor General by 31 August 2017</i>	<i>Annual performance report for 2016/17 submitted to the Auditor General by 31 August 2017</i>	<i>All</i>	<i>1</i>	<i>Still in progress</i>

Table 49: Service delivery priority for 2017/18: Transparency and participation

CHAPTER 5 - STRATEGIC AGENDA

Each year the municipality has to review its strategic plan to confirm that the strategy is still relevant, addresses the needs of the community and to inform the organizational structure of the budget of the municipality... The Municipality of Beaufort West decided not to make any changes to the strategic objectives and priorities as identified in the original IDP (2017-2022).

Strategic Planning is central to the long-term sustainable management of any municipality. Hence, the municipality developed a 5-year strategic plan, i.e. for the period 1 July 2017 to 30 June 2022 as part of an integrated governance system of planning and delivery. In this regard, the plan includes directives to achieve the municipal vision, to promote the national and provincial developmental agenda, to expand and enhance municipal infrastructure, and to ensure that all residents have access to essential (basic) services. This plan (and process) serves as a framework for service delivery and must inform (and eventually incorporate) the following:

- The annual budget of the municipality'
- The budgets and investment programs of all sector departments (national and provincial) which implement projects or provide services within the municipal area'
- The business plan(s) of the municipality'
- Land-use management guidelines'
- Economic promotion measures'
- The municipality's organisational set-up and management systems; and
- The municipality's monitoring and performance management system.

The following high-level strategic directives were developed as part of the current five-year local government planning and implementation time-frame, i.e. 2017 - 2022.

5. VISION AND MISSION

5.1 VISION

Beaufort West, economic gateway in the central Karoo, where people are developed and live in harmony together.

5.2 MISSION

To reflect the will of the South African people as reflected in the Constitution and by Parliament:

Service Delivery:	To provide excellent services to the residents of Beaufort West Municipality
Growing the economy:	To implement infrastructure to grow the economy and create jobs;
Staff:	To have an equipped, skilled and motivated staff establishment;
Well-run administration:	Establish a sound, efficient and effective administration for the Municipality;
Financial Sustainability:	Collecting all debtors and paying creditors in time;
Sport centre:	To become the sport and recreational mecca of the Karoo, creating harmony and unity
Safe place:	To create a crime-free, safe and healthy environment
Reduce Poverty:	To reduce poverty and promote the empowerment of women, youth and people living with disabilities

5.3 VALUES

In addition, the Municipality also embraces the following values:

- Integrity which includes honesty, fairness and respect
- Trust
- Responsibility and accountability
- Harnessing diversity
- Participative decision-making
- Transparency
- Professionalism including friendliness, and
- Efficient service delivery.

5.4 Strategic Objectives

The following strategic objectives to address identified challenges have been articulated by the municipality as an outcome of the community engagement process. These (high-level) strategic objectives are linked to the National Key Performance Areas.

The IDP strategic objectives that are listed below, are also linked to service area outcomes, departmental and district strategies. It informs the IDP implementation plan (iMAP) that finalise the predetermined objectives (PDO) and align it with the municipal budget and performance system.

5.4.1 Priority -1: Service to the people –

(KPA – 1: Basic Service Delivery and Infrastructure Development)

This priority is aligned with the District Municipality in terms of the following District Strategies: CKDM - massive programme to build economic and social infrastructure;

CKDM - build a developmental state including improvement of public services and strengthening democratic institutions.

Objective 1.1 - To improve and maintain current basic service delivery through specific infrastructural development projects

Strategic Objective	Performance Indicator	Performance Measure
Objective 1.1 – To improve and maintain current basic service delivery through specific infrastructural development projects	1A. Capital budget spent	1A. % of capital budget spent
	1B Spend on repairs and maintenance	1B Percentage of repairs and maintenance spend

Table 50.: Strategic Objective linked to KPA 1

The drafting of a Consolidated Infrastructure Plan (CIP) for the Municipality which will integrate the entire Municipality’s Infrastructure Master Plans and needs should be developed. The Municipality will prioritize the drafting of a CIP which will assist in systematically and holistically addressing infrastructure backlogs. The drafting of the CIP is dependent on the availability of funding but it is aimed to complete this plan within the next term of office. This will be linked to the drafting of an Integrated Transport Plan (ITP) for the Municipality. This will be aligned with the District Integrated Transport Plan (DITP) of the District Municipality. The approved Integrated Transport Plan (ITP) of the District will also be aligned to the DITP.

Objective 1.2 - Provision of basic services to all the people in the municipal area.

Strategic Objective	Performance Indicator	Performance Measure
Objective 1.2 - Provision of basic services to all the people in the municipal area.	1C (a) Households with access to basic level of water (NKPI – 10a)	1C (a) Number of residential properties which are billed for water or have pre-paid meters
	1C (b) Households with access to basic level of electricity (NKPI – 10a)	1C (b) Number of residential properties which are billed for electricity or have pre-paid meters
	1C (c) Households with access to basic level of sanitation (NKPI – 10a)	1C (c) Number of residential properties which are billed for sewerage
	1C (d) Households with access to basic level of refuse removal (NKPI – 10a)	1C (d) Number of residential properties which are billed for refuse removal

Table 51.: Strategic Objective linked to KPA 1

Objective 1.3 - Provide for the needs of indigent households through improved services.

Strategic Objective	Performance Indicator	Performance Measure
Objective 1.3 - Provide for the needs of indigent households through improved services.	1D (a) Indigent households receiving free basic water	1C (a) Number of indigent households receiving free basic water
	1c (b) Indigent households receiving free basic electricity	1c (b) Number of indigent households receiving free basic electricity
	1C(c) Indigent households receiving free basic sanitation	1C(c) Number of indigent households receiving free basic sanitation
	1C(d) Indigent households receiving free basic refuse removal	1C(d) Number of indigent households receiving free basic refuse removal

Table 52.: Strategic Objective linked to KPA 1

5.4.2 Priority 2: Sustainable Economic Growth

KPA -2 Economic Development –

CKDM - speed up economic growth and transform the economy to create decent work and sustainable livelihoods;

Strategy for economic growth and inclusion

Objective 2.1 - To facilitate investment and maintenance of economic and social infrastructure to ensure infrastructure-led economic growth and development.

Strategic Objective	Performance Indicator	Performance Measure
Objective 2.1 - To facilitate investment and maintenance of economic and social infrastructure to ensure infrastructure-led economic growth and development.	2A Gravel road converted to paved/tar road	2A Metres of gravel road converted to paved/tar road

Table 53.: Strategic Objective linked to KPA 2

The strategic rationale follows simple economic development good practice:-

Enable the competitive advantages of Beaufort West. Leverage the local strengths such as its location in hub of the Karoo, lower cost structures, country lifestyle, good government, quicker decisions and social cohesion to make it increasingly attractive as a good place for business to operate from to reach all the tons in the Karoo.

Attract business to locate and expand from Beaufort West. Measures will be introduced to make it easy to invest and grow. This should have a positive result on the local economy.

Create opportunities for small business to be established and to grow. Enable small business access to new market opportunities, access to business development support services and to finance. These cannot be provided by the Municipality but can facilitate NGO's and development

agencies as well as other spheres of government to systematic linking of local suppliers to the large public - and private sector buyers.

Attract more rate paying citizens to live in Beaufort West. Families that are cost aware and who seek a safer, country lifestyle, particularly retirees from all over the country - escaping government failure, increasing crime and rising cost of living. This will contribute to rates and tariff income and more cash circulating in the local economy.

Objective 2.2 - Create an investment friendly environment to attract investment to enable economic growth and job creation.

Transversal Alignment: Provincial Strategic Goal (PSG) 1's -“Create Opportunities for Growth and Jobs”

Strategic Objective	Performance Indicator	Performance Measure
Objective 2.2 - To enable education and skills development to equip people with economic skills	2B Budget spend on implementation of WSP	2B Percentage budget spent on implementation of WSP

Table 54: Strategic Objective linked to KPA 2

Objective 2.3 – Sustainability of the environment and Agriculture

CKDM - comprehensive rural development strategy linked to land and agrarian reform and food security;

CKDM - sustainable resource management and use

Strategic Objective	Performance Indicator	Performance Measure
Objective 2.3 – Sustainability of the environment	2D Compliance with drinking water quality standards	2D Percentage compliance with drinking water quality standards

Table 55.: Strategic Objective linked to KPA 2

5.4.3 Priority 3 – Well-run Administration – KPA 3 Institutional Development and Municipal Transformation

Ensure a transparent government, and work towards eradicating corruption –

CKDM - strengthen the skills and human resource base;

CKDM - build cohesive, caring and sustainable communities;

Objective 3.1 Establishment of a well governed and accountable administration

Strategic Objective	Performance Indicator	Performance Measure
Objective 3.1 Establishment of a well governed and accountable administration	3A Unqualified audits by the Auditor General	3A Auditor General opinion
	3B People from employment equity target groups employed in the three highest levels of management	3B Percentage of people from employment equity target groups employed in the three highest levels of management in compliance with the approved employment equity plan
	3C Limit vacancy rate to 30% of budgeted post by 30 June 2017 (Number of funded posts vacant divided by number of budgeted funded posts)	3C % vacancy rate

Table 56.: Strategic Objective linked to KPA 3

5.4.4 Priority 4 – Financial Sustainability –

KPA 4 Financial viability and management

Objective 4.1 Ensure liquidity of the administration

Strategic Objective	Performance Indicator	Performance Measure
Objective 4.1 Ensure liquidity of the administration	4B Cost coverage	4B Ratio of cost coverage maintained
	4C Debtors to Annual Income	4C Performance Indicator: Net Debtors to Annual Income Revenue expressed as a percentage
	4D Debt coverage by own billed revenue	4D Ration of debt coverage by own billed revenue

Table 57: Strategic Objective linked to KPA 4

One of the challenges facing the Municipality is the collection of all of its debtors. This has a direct impact on the financial viability of the institution and funding of the necessities to keep the wheels of the Municipality turning.

5.4.5 Priority 5 – Transparent Organisation –

KPA 5 Good Governance and community participation

CKDM - intensify the fight against crime and corruption;

Working together (Institutional alignment/transversal functioning)

Objective 5.1 Transparency and participation

Strategic Objective	Performance Indicator	Performance Measure
Objective 5.1 Transparency and participation	5A Council meetings open to the public	5A Number of Council meetings open to the public

Table 58.: Strategic Objective linked to KPA 5

The Municipality will ensure the establishment of ward committees in all the wards of the Municipality. These committees will be monitored to ensure that it is well attended and the matters that have been identified will be addressed. The Municipality aim to introduce community liaison officers to enhance the quality and effectiveness of its participative strategies.

5.5. Sector plans

It is imperative that all sector plans prepared within a multi-level governance system and related to the municipal-wide development process, must articulate the municipality's vision, mission and objectives. Although the rationale of each sector plan would differ, the combined output must provide an objective picture of what is aimed at, viz. goals, achievable (with specific time frames) and what is needed to get specific processes unfolded and/or needs addressed. In this regard, the IDP should be the point of convergence for comprehensive municipal-wide long-term planning.

The following table highlights the status quo of the (institutional) sector plans as also discussed in detail within the original 5-year IDP: (The sector plans are electronically available on the municipal website at www.beaufortwetmun.co.za)

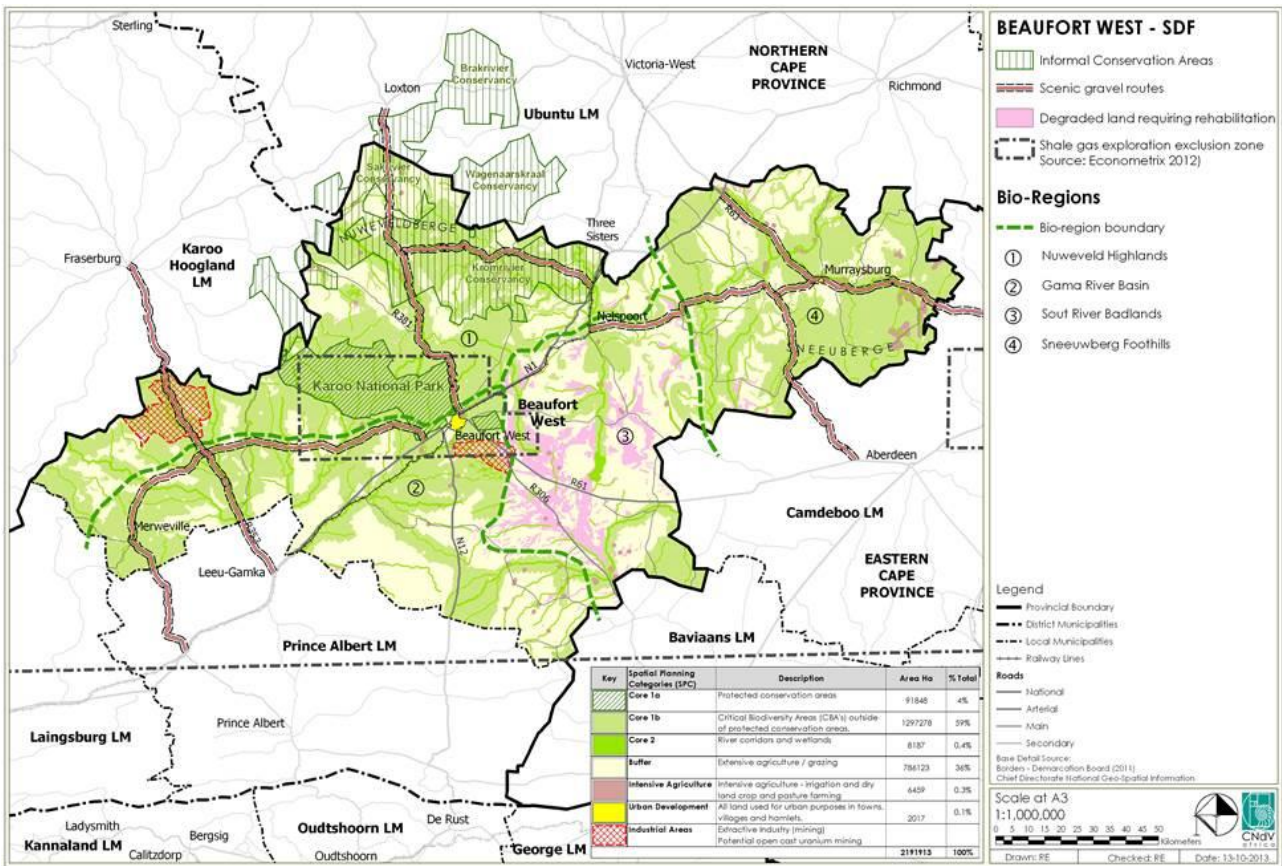
Sector Plan	Status	Strategic Objectives	Actions	Resources Requirements	Budget	Responsible Department
Water & Sewerage Master Plan	Approved - process to be reviewed	1.1 To improve and maintain current basic service delivery through specific infrastructural development projects	Sewerage; Water Conservation; Water Treatment; Waste Water Treatment			Engineering Services
Integrated Waste Management Plan	Draft approved by Council		Capacity Building; Waste Water Treatment; Infrastructure maintenance	Funding; Technical Support; Provincial & National Support		Community Services
Integrated Transport Management Plan	District Plan – approved		Public Transport; Capacity Building; Infrastructure; Non-motorized transport			Engineering Services
Disaster Management Plan	Approved; process to be reviewed		Future Planning; Risk mitigation; Risk Assessment; Capacity Building	Funding; Technical Support; Provincial & National Support		Community Services

Spatial Development Framework	Approved 20 May 2014. Needs to be reviewed.		Strategic Planning; Land use; Integrated human settlement	Funding; Technical, Provincial & National Support		All Municipal Departments
Local Economic Development Strategy	Approved; needs to be reviewed	2.1 To facilitate investment and maintenance of economic and social infrastructure to ensure infrastructure-led economic growth and development	LED initiatives; Programme; SMME's support; Project support; Infrastructure development	Funding Technical Support; Provincial support; National Support		Community Services
Performance Management Policy Framework	Approved; Implemented	3.1 Establishment of a well-governed and accountable administration	Managing of staff; Alignment with Legislation, IDP, Budget and SDBIP & PDO's	Funding; Technical support; Provincial Support; National Support		All Departments
Risk Management Plan & Strategy	Approved; being implemented	2.3 Sustainability of the environment and agriculture	Risk Identifications, Mitigations, Measures; Response System; Risk Assessment	Funding; Technical Support; Provincial Support; National support		Internal Auditor; Office of the Municipal Manager
Air Quality Management Plan	DEADP is engaging with the municipality on drafting the plan		N/A	N/A	N/A	Community Services
Credit Control and Debt Collection Policy	Approved; being implemented	4.1 Ensure liquidity of the administration	Credit Control; Debt Control	Own Revenue		Financial Services
Indigent Policy	Approved; being implemented.	1.3 Provide for the needs of indigent households through improved services	Regular updating of Indigent Register	National support		Financial Services
Workplace Skills Plan	Approved; being implemented	2.2 To enable education and skills development to equip people with economic skills	Skills Demand; Skills Identification; Capacity Building; Skills Gap; Utilization and training of staff.	Funding; Provincial Support; National Support		HR
Integrated Human Settlement Plan	Draft approved; being implemented	1.1 To improve and maintain current basic service delivery through specific infrastructural development projects	GAP Housing; Consumer Education, Backlogs			Community Services
Long Term Financial Plan	Draft finalized	4.1 Ensure liquidity of the administration	Training; Improve system; Compile and review policies;	Funding; Provincial support; National support	R400 000	Financial Services

			Credit control; Debt Control			
Electricity and Energy Master Plan	Still needs to be drafted	1.1 To improve and maintain current basic service delivery through specific infrastructural development projects	N/A	Funding; Provincial Support; National support		Electrical Services

Table 61.: Sector Plans of the Beaufort West Municipality

5.6 Beaufort West Municipal Spatial Development Framework



Beaufort West Municipal Spatial Development Framework

The 2014 MSDF has been re-affirmed by Council as a core component of the 2017-2022 Draft Integrated Development Plan as approved by Council on 31 May 2017. Subsequently, the SDF was advertised together with the Draft IDP for public comment of which no comments were received from the public regarding the MSDF as re-affirmed by Council as core component of the 2017-2022 IDP. The 2017-2022 IDP was approved by Council on the 30 June 2017 and the MSDF was re-affirmed as core component of the 2017-2022 IDP.

Murraysburg included in the 2008 SDF

- The 2008 SDF did not include the DMA area (Murraysburg). The DMA area has subsequently been incorporated and Murraysburg now requires planning attention in the updated SDF;
- The BESP Gap Analysis of the SDF identified the following aspects that should receive attention in the updating of the SDF:
 - Status quo & baseline information to be updated
 - Incorporation of DMA area (Murraysburg) to be reflected.
 - Water availability implications to be explored
 - Heritage & cultural features to be mapped;
 - Include a chapter on climate change;
 - Add section on capacity of the Municipality to implement the SDF.
 - Formulate an Implementation Plan with phasing, resource availability and budget implications.

The Reviewed SDF also highlights the following critical aspects:

- The landscapes that provide resilience to climate change need to be identified and protected these are:
 - Kloofs, which provide important connectivity and provide both temperature and moisture refuges.
 - Topographically diverse areas, which contain important altitudinal and climatic gradients which are important for climate change adaptation as well as ensuring a range of micro-climates are protected.
- Riverine corridors, which provide important connectivity in extensive arid environments, are also important.

Biodiversity

1. Biomes

The different biomes that are present in the municipality are as follows. These biomes are in order of magnitude of land cover:

- Nama-Karoo Biome (91.51%);
- Azonal vegetation (7.56%);
- Grassland Biome (0.67%);
- Fynbos Biome (0.25%).

Nama-Karoo Biome makes up the largest area of the municipality. It is the third largest biome in South Africa. Its dominant vegetation is a grassy, dwarf shrub land. Grasses tend to be more common in depressions and on sandy soils, and less abundant on clay soils.

Azonal vegetation is located along the rivers and at the wetlands located throughout the municipality. Grassland biome, mostly containing Vaal-Vet Sandy Grassland, is found around small isolated area south of Rosedene. Fynbos biome, small pockets of which are located along the western boundary of the municipality has the greatest number of plant species of any biome in the country. It includes both Fynbos and Renosterveld vegetation. Fynbos tends to grow on poor soil and is extremely rich in plant species. Renosterveld grows on richer soil and can support more animals.

Biodiversity Conservation

1.2 Conservation

The Beaufort West Municipality is protected through mechanisms such as:

- National Parks: 96%;
- Informal protected areas: 4%.

The Karoo National Park is located in the central area of the Municipality, west of Beaufort West. One private nature reserve (informal protected area) is located in the central area of the Municipality, west of Beaufort West.

A Riparian Habitat Rehabilitation Project is underway in and around the municipality. The purpose of the rehabilitation project is to repair river systems. These rivers have been damaged by poor farming practices and other human activities and has led to the Riverine Rabbit (an important biological indicator species) becoming endangered. The project consists of four conservancies of which the Sakriver Conservancy and the Kromriver Conservancy fall within the Beaufort West Municipality. Refer to Figure 3.2.7.1 for the location of these conservancies.

Finally the 2013 Reviewed and adopted MSDF stipulates inter alia the following:

- Vegetation within the municipality is classified as Least Threatened. Proper management and policies should be ensured to maintain this status.
- No urban development should be permitted in the areas identified as CBAs or the Protected Areas.
- The municipality must promote and encourage the actions taken to improve riverine environments, especially the Riparian Habitat Rehabilitation Project undertaken by the Climate Action Partnership.

The municipality also note that there are critical areas (CBA) that have been assigned to Core 1b, with Core 1a given to formally protected conservation areas in terms of Spatial Planning Category (SPC) in the MSDF that gives specific and careful attention to promoting the protection of the CBAs. However, the municipality currently does not have a plan in place for alien invasive plants removal. This matter will receive attention during the next financial year given budgetary constraints

CHAPTER 6 - MUNICIPAL ACTION PLAN FOR 2018/19 FINANCIAL YEAR

6.1 Introduction

This section consists out of the following three sub-sections:

Subsection 1: Projects 2018/19 Financial Year

This section describes the various projects that will have to be implemented in the 2018/19 Financial Year.

Subsection 2: Financial Viability of the Municipality

The municipality can only implement projects successfully and therefore achieve its strategic objectives given the extent of the financial viability of the municipality. This section gives a brief overview of the anticipated financial viability in the 2018/19 financial year.

Subsection 3: Intergovernmental sector projects

All the levels of government have a responsibility to deliver services given the respective mandates. As a number of government departments will be implementing their projects in the Beaufort West municipal area of jurisdiction, it is important to give an overview of these projects as to ensure successful alignment.

6.2 Reprioritizing of Projects 2017/18 Financial Year

The following projects have been identified for the 2017/18 financial year for implementation as per National Key Performance Area/Strategic Objective but was replaced with projects that were broad forward to be implemented in 2017/18 due to the drought situation:

PROJECT	DEPARTMENT	Project Value	MIG Funding	Start	Complete	
New High Mast Lighting	Electricity	R6,161,493.00	R5,004,488.00	22-Jun-2009	30-Jun-2019	R2,674,527
New High Mast Lighting	Electricity	R1,232,298.60	R1,155,648.00	22-Jun-2009	31-Aug-2018	R1,155,648
Rehabilitate Klein Hans River Bulk Water Scheme	Water	R8,991,180.00	R7,732,414.80	16-Jun-2016	7-Feb-2019	R410,616
Rehabilitate Murraysburg oxidation ponds (Budget maintenance)	Sanitation	R1,227,016	R1,227,016	1-Jul-2013	31-May-2017	R1,227,016
Rehabilitate Murraysburg oxidation ponds	Sanitation	R887,331	R887,331	1-Jul-2013	31-May-2017	R887,331
Kwa-Mandlenkosi sport field tennis court						R364,457
Upgrade Tennis Courts	Recreational/ Sport Facilities	R836,239.00	R635,543.00	14-Jan-2018	1-Aug-2018	R364,457

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Rehabilitate Roads & Storm-water	Roads	R3,972,544.93	R3,972,544.93	17-May-2013	28-Feb-2017	R1,591,448
Rehabilitate Gravel Roads	Roads	R6,840,000.00	R5,950,000.00	1-Mar-2013	20-Oct-2014	R1,413,612
Upgrade Streets	Roads	R2,827,224.00	R2,827,224.00	15-Jul-2016	9-Jun-2017	R1,413,612

New projects as reprioritized by Council for implementation 2017/18:-

MIG Project No	MIS Form ID	Project Description	Service	Total Planned MIG Expenditure for 2017/18	Total Planned MIG Expenditure for 2018/19
195857	195857	Beaufort West	Investigation for New Aquifers	R 735,741	R -
260098	260098	Beaufort West: Klein Hans River	Rehabilitate Bulk Water Scheme	R 5,900,000	R -
251087	251087	Murraysburg (Budget Maintenance; project 211853)	Rehabilitate Sanitation: Oxidation Ponds	R 1,227,016	R -
211853	211853	Murraysburg	Rehabilitate Sanitation: Oxidation Ponds	R 887,331	R -
240828	240828	Nelspoort: Freddie Max Crescent	Upgrade Roads	R 72,326	R 1,397,258
245606	245606	Prince Valley: (Ward 6) James Smith/Michael de Villiers Ave	Upgrade Streets	R 72,326	R 2,754,898
195879	195879	Rustdene, Kwamandlenkosi & Hillside II	Rehabilitate Gravel Roads	R 39,054	R -
223966	223966	Rustdene: Pieter Street	Upgrade Gravel Roads	R -	R -
245607	245607	Rustdene: Protea/Oak Str	Upgrade Roads	R 205,816	R -
223959	223959	Beaufort West Sports Stadium	Upgrade Rugby Field	R 168,346	R 1,099,123
240913	240913	Merweville Sports Fields	Upgrade Sports Fields Ph2	R 4,532,044	R -
PMU/053/1718	0	Beaufort West	PMU 2017/18	R 300,000	R -
PMU/053/1819	0	Beaufort West	PMU 2018/19	R -	R 360,000
			SUBTOTAL: Projects on Green Pages	R 14,140,000	R 14,707,000

6.3 Section 2: Consolidated Financial Review

This section gives an overview of the Financial Viability of the municipality as the implementing agent for the IDP. In essence this section will also contain multi-year budgets with a 3 year commitment and a strategy for municipal revenue generation, external grants over a medium or long term including the final budget. The following is a brief exposition of related process in the formulation of the draft budget.

6.3.1 Budget Summary 2018/19

- **Total Revenue**

Total revenue projected amounts to R 327,060 million.

- **Property rates**

Total projected property rates amounts to R 37,156 million (11.36%) of total budgeted revenue.

- **Service charges**

Services charges relating to electricity, water, sanitation and refuse removal constitutes the biggest component of the revenue basket of the Municipality's revenue budget. It constitutes 37.35% of total revenue. Municipalities are advised to structure their 2018/19 electricity tariffs based on the approved 6.84 percent NERSA (National Energy Regulator of South Africa) guideline tariff increase.

- **Expenditure by type**

- Total expenditure excluding capital expenditure amounts to R 319,844 million.
- Employee related costs and bulk purchases are the main cost drivers within the municipality and alternative operational gains and efficiencies will have to be identified to lessen the impact of wage and bulk tariff increases in future years.

- **Employee related costs**

Employee related cost increased from R 91,292 (2017/18) to R 103,811 million (2018/19).

Employee related costs constitutes about 32.46% of total expenditure

Bulk purchase

Bulk purchases increased from R 67,280 million (2017/18) to R 70,500 million (2018/19). These increases can be attributed to the substantial increase in the cost of bulk electricity from Eskom and water increases from Water Reclamation Plant. Municipalities are advised to structure their 2018/19 electricity tariffs based on the approved 7.32 per cent NERSA (National Energy Regulator of South Africa) guideline tariff increase.

6.3.2 Capital Budget

A capital budget amounting to R 24,187 million is proposed for 2018/19 (R 27,873 million and R 38,707 million for the outer years). The capital budget will be funded as follows:

Funded by:	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
National Government	23,087,200	27,873,400	38,707,350
Provincial Government	-	-	-
District Municipality	-	-	-
Other transfers and grants	-	-	-
Transfers recognised - capital	23,087,200	27,873,400	38,707,350
Public contributions & donations	-	-	-
Borrowing	-	-	-
Internally generated funds	1,100,000	-	-
Total Capital Funding	24,187,200	27,873,400	38,707,350

6.3.3 Financial Viability

The following table indicates the municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the MSA. These key performance indicators are linked to the National Key Performance Area namely Municipal Financial Viability and Management.

KPA & INDICATOR	2015/16	2016/17
Debt coverage (Total operating revenue-operating grants received): debt service payments due within the year)	25 times	24 times
Service debtors to revenue - (Total outstanding service debtors: revenue received for services)	19.94%	31.7%
Cost coverage (Available cash + investments): Monthly fixed operating expenditure	0.6 times	0.4 times

National KPI's for financial viability and management

An important factor considered by investors in relocating to an area, is the ability of the authorities to demonstrate adequate provision of services, financial discipline, affordable tariffs, adherence to statutory requirements, timely preparation and production of financial statements, adherence to generally accepted accounting practices and unqualified audit reports.

The following table shows the financial viability highlights of Beaufort West Municipality:

Highlights	Description
Provincial and National government support	Financial support received from government to assist with capacity constraints and tighten internal controls and procedures in the finance department

Financial Viability Highlights

The following table shows the Financial Viability Challenges and Actions to address them:

Description	Action to address
Cash flow position remains vulnerable	Integrated Recovery Plan to be implemented to improve financial feasibility
Long-term financial feasibility	
Resources not growing with population, service demands and escalation costs. Limited resources spent on none core functions and unfunded mandates of the municipality.	
Consumer resistance due to escalating tariffs	
High dependency on grants and subsidies	Finance task team to investigate all other streams of income.
Increasing Indigents	Indigent audits to be performed.
Excessive regulating environment	Financial assistance from government to help with capacity and funding for compliance with all related laws and legislation.

Financial Viability Challenges

6.3.4 Revenue raising strategies

The municipality will strive to increase its revenue by implementing the following strategies:

- Strategy 1:** The guidance on how to improve the payment ratio of the area can be found in the credit control and debt collection policy. This policy highlights the procedures to be followed in the collection of all moneys owed to the Municipality.
- Strategy 2:** To ensure through Local Economic Development that employment opportunities are generated which will enable families to start paying for services.
- Strategy 3:** To create a climate for investment in the area, this will in turn also generate employment opportunities.
- Strategy 4:** To ensure that the figures in respect of families that qualify in terms of the indigent policy, are correct so as to qualify for an increased amount from national government.

- Strategy 5:** To introduce a system through which services payment by employed people is guaranteed by having such payments deducted by their employers before salaries are paid out.
- Strategy 6:** The installation of prepaid meters is essential in securing future payment for services by residents.
- Strategy 7:** To enlarge the revenue base of the municipality by ensuring that all properties are correctly zoned. (The property rates tariffs are based on the zoning)
- Strategy 8:** To enlarge the revenue base of the municipality, by implementing an alternative energy project where energy can be supplied to citizens and surplus fed into the grid, resulting in an on-going source of revenue for the municipality.

6.3.5 Expenditure management strategies

The municipality will strive to curb its expenditure by implementing the following strategies:

- Strategy 1:** To reduce expenditure on non-core functions, by considering Public Private Partnerships.
- Strategy 2:** To limit operating and capital expenditure to essential items.
- Strategy 3:** To investigate and limit water and electricity losses.
- Strategy 4:** To limit employee related expenditure, by introducing a fingerprint time and attendance system.
- Strategy 5:** To introduce a fleet management system to reduce fuel and other operating vehicle related costs.
- Strategy 6:** To reduce interest and redemption expenditure by exploring alternative ways (possible grant funding) to pay off the long-term loans.

6.3.6 Asset management strategies

A GRAP compliant asset register forms the back bone to any system of asset management. In addition to an effective maintenance program, it is also critical that adequate, comprehensive insurance coverage is in place at all times.

The municipality will be examining all its inventory and equipment to ensure that redundant and unused items are disposed of according to prescription. This will ensure a more accurate asset register as well as reduce risk and therefore insurance costs.

In order to comply with audit and financial disclosure requirements, often-used items and consumables will be taken onto inventory and managed accordingly. Council has adopted an Asset Management Policy in December 2012

6.3.8 FUNDED PROJECTS 2018/19

Project	Programme	PROJECT Description	STRATEGIC OBJECTIVE	WARD	RESPONSIBLE PERSON	FINANCIAL RESOURCES	ESTIMATED COSTS
Furniture and office equipment/machinery	Community Services Programme	Furniture and Office Equipment	Provision of basic services to all the people in the municipal area	ALL	Vote 1 - Municipal Manager	CRR	50,000
Furniture and office equipment/machinery	Community Services Programme	Furniture and Office Equipment	Provision of basic services to all the people in the municipal area	ALL	Vote 2 - Director: Corporate Service	CRR	50,000
Furniture and office equipment/machinery	Liquidity Programme	Furniture and Office Equipment	Ensure liquidity of the administration	ALL	Vote 3 - Director: Financial Services	CRR	200,000
Furniture and office equipment/machinery	Community Services Programme	5 X Laptops / PC Workstation Completed	Provision of basic services to all the people in the municipal area	ALL	Vote 2 - Director: Corporate Service	CRR	74,200
Furniture and office equipment/machinery	Community Services Programme	Fibre Connectivity Infrastructure	Provision of basic services to all the people in the municipal area	ALL	Vote 2 - Director: Corporate Service	CRR	40,800

Furniture and office equipment/machinery	Community Services Programme	5 X MS Office 2016 Licenses	Provision of basic services to all the people in the municipal area	ALL	Vote 2 - Director: Corporate Service	CRR	10,000
Furniture and office equipment/machinery	Community Services Programme	Cyberoam Firewall	Provision of basic services to all the people in the municipal area	ALL	Vote 2 - Director: Corporate Service	CRR	75,000
Furniture and office equipment/machinery project	Community Services Programme	Machinery and Equipment	Provision of basic services to all the people in the municipal area	ALL	Vote 4 - Director: Engineering Services	CRR	200,000
Beaufort West sport field project	Human Settlements Programme	Beaufort West Sports Stadium : Upgrade Rugby Field	Provision of basic services to all people in the municipal area	2	Vote 4 - Director: Engineering Services	MIG	902,000
Beaufort West tennis court project	Human Settlements Programme	Beaufort West: Voortrekker Street Sports Fields - Upgrade Tennis Courts	Provision of basic services to all people in the municipal area	2	Vote 4 - Director: Engineering Services	MIG	635,543
Mandlenkosi Sport field project	Human Settlements Programme	Kwa-Mandlenkosi : Upgrade Sports Stadium	Provision of basic services to all people in the municipal area	4	Vote 4 - Director: Engineering Services	MIG	635,543

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Rustdene Sport Stadium upgrade	Human Settlements Programme	Rustdene : Upgrade Existing Regional Sport Stadium Ph2	Provision of basic services to all people in the municipal area	5	Vote 4 - Director: Engineering Services	MIG	135,865
	Human Settlements Programme	Nelspoort: Upgrade Sport Stadium	Provision of basic services to all people in the municipal area	2		MIG	500,00
Sewer Pump Station Project	Sanitation Services Programme	Prince Valley, Area S8 : New Bulk Sewer Pump Station & Rising Main	To improve and maintain current basic service delivery through specific infrastructural development projects	6	Vote 4 - Director: Engineering Services	MIG	317,205
	Roads Programme	Merweville: Upgrade Roads	To facilitate investment and maintenance of economic and social infrastructure to ensure infrastructure-led economic growth and development	7	Vote 4 - Director: Engineering Services	MIG	1,023,000
Roads Rehabilitation Project	Roads Programme	Nelspoort : Upgrade Roads - Freddie Max Crescent	To facilitate investment and maintenance of economic and social infrastructure to ensure infrastructure-led economic growth and development	2	Vote 4 - Director: Engineering Services	MIG	1,300,000

Roads Rehabilitation Pfoject	Roads Programme	Prince Valley (Ward 6) : Upgrade Streets - James Smith/Michael de Villiers Avenue	To facilitate investment and maintenance of economic and social infrastructure to ensure infrastructure-led economic growth and development	6	Vote 4 - Director: Engineering Services	MIG	2,754,898
Furniture and office equipment/machinery project	Community Services Programme	Machinery and Equipment	Provision of basic services to all the people in the municipal area	ALL	Vote 5 - Director: Community Services	CRR	200,000
		Beaufort West : New Refuse Transfer Station		2	Vote 5 - Director: Community Services	MIG	-
Electrification equipment project	Electricity Programme	Machinery and Equipment	To improve and maintain current basic service delivery through specific infrastructural development projects	ALL	Vote 6 - Director: Electrical Services	CRR	200,000
S1 –S4 Housing electrification project	Electricity Programme	Electrification of 257 Houses (S1 Development) Phase 1	To improve and maintain current basic service delivery through specific infrastructural development projects	7	Vote 6 - Director: Electrical Services	INEP	3,983,500
Lou Smith substation project Ph2b	Electricity Programme	Upgrading of Low Smith Substation (Phase 2)	To improve and maintain current basic service delivery through specific infrastructural development projects	4 5 6	Vote 6 - Director: Electrical Services	INEP	2,800,000

Katjieskop Substation Project	Electricity Programme	Upgrading of Beaufort West Substation - Katjieskop (Phase 3)	To improve and maintain current basic service delivery through specific infrastructural development projects	2	Vote 6 - Director: Electrical Services	INEP	716,500
S1 –S4 Housing electrification project	Electricity Programme	New S1 Development Substation	To improve and maintain current basic service delivery through specific infrastructural development projects	7	Vote 6 - Director: Electrical Services	MIG	2,500,000
High Mast lighting project	Electricity Programme	Greater Beaufort West Ph2 : New High Mast Lighting	To improve and maintain current basic service delivery through specific infrastructural development projects	ALL	Vote 6 - Director: Electrical Services	MIG	2,704,703
Roads Rehabilitation Project	Roads Programme	Murraysburg : Rehabilitate Roads & Stormwater	To facilitate investment and maintenance of economic and social infrastructure to ensure infrastructure-led economic growth and development	1	Vote 4 - Director: Engineering Services	MIG	1,023,128
High Mast lighting project	Electricity Programme	Murraysburg : New High Mast Lighting	To improve and maintain current basic service delivery through specific infrastructural development projects	1	Vote 6 - Director: Electrical Services	MIG	1,155,315

Funded Projects 2018/19

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6.4 Section 3: National and provincial projects

As stated, a number of national and provincial departments currently either implement projects in relation to their respective mandates or will be implementing projects in the Beaufort West area of jurisdiction. It is important to align these projects with the municipality's planning processes.

The following tables include municipal-wide projects of national and provincial departments to be implemented during the next three years, i.e. 2018/19 to 2020/2021.

6.4.1 Department of Transport and Public Works

The **Department of Transport and Public Works** has **four (4) infrastructure and/or capital expenditure projects** listed on the pipeline with a budgeted allocation **value of R 40 million** over the MTEF period 2018 to 2020/2021. One project is being planned for implementation over the period and fall within the category of refurbish and rehabilitation to mainly road infrastructure. The project is in the infrastructure planning phase

Department of Transport and Public Works				
Strategic Objective:				
Approved IDP Project Reference Number	Project Programme Name	Infrastructure type	Nature of Investment	Year
Vote 10:	Dan De Villiers Refurbishment	Office Accommodation	Refurbishment and Rehabilitation	2018/19
Vote10:C 982.1	Murraysburg Reseal	Reasealing	Refurbishment and Rehabilitation	2018/19
Vote 10:C837.2	N1 Merweville	Gravel Roads	Upgrades and additions	2018/19
Vote 10:C1085	Beaufort West – Willowmore Reseal	Reasealing	Refurbishment and Rehabilitation	2018/19

Department of Transport and Public Works

6.4.2 Department of Health

The **Department of Health** has **six (6) infrastructure and/or capital expenditure projects** listed over the MTEF for implementation with a budgeted allocation **value of R 9,189 million** over the period of 2018/19 to 2020/2021. The projects fall within the categories of new infrastructure assets

(R 38 000.00), non-infrastructure (R 1,4 million) and refurbishment and rehabilitation (R 7, 751 million) to mainly health infrastructure, technology and other specialized projects

Department of Health					
Strategic Objective:					
Approved IDP Project Reference Number	Project Programme Name	Infrastructure type	Nature of Investment	Year	
Vote6: CI830002	Beaufort West Hospital rationalization	Hospital District	Refurbishment and Rehabilitation	2018/19	
Vote6: CI810004	Beaufort west Hillside Clinic-replacement	PHC – Clinic	New Infrastructure Assets	2018/19	
Vote6: CI810207	Beaufort West Kwa Mandlenkosi Clinic – HT – General upgrade and maintenance (Alpha)	Health Technology	Non-Infrastructure	2018/19	
Vote6: CI860050	Nelspoort – Nelspoort Hospital – Electrical Cable replacement	Other Specialized	Refurbishment and Rehabilitation	2018/19	
Vote6: CI860051	Nelspoort – Nelspoort Hospital –HT – Repairs to Wards	Health Technology	Non-Infrastructure	2018/19	
Vote6: CI860051	Nelspoort – Nelspoort Hospital –HT – Repairs to Wards	Other Specialized	Refurbishment and Rehabilitation	2018/19	

Department of Health

6.4.3 Department of Human Settlements

The **Department of Human Settlements** listed **three (3) infrastructure and/or capital expenditure projects** for the MTEF period 201/19 to 2020/2021. The projects fall within the categories municipal planning, services and infrastructure projects and is currently being planned and implemented.

Department of Human Settlements					
Strategic Objective:					
Approved IDP Project Reference Number	Project Programme Name	Infrastructure type	Nature of Investment	Year	

Vote 8	Beaufort West: S1 883 Sites – IRDP	Municipal Project: Top Structures	Infrastructure Transfers - Capital	2018/19
Vote 8	Beaufort West: Essopville G2 – 67 – IRDP	Municipal Project: Services	Infrastructure Transfers - Capital	2018/19
Vote 8	Beaufort West: Murraysburg (220) IRDP	Municipal Project: Services	Infrastructure Transfers - Capital	2018/19

Department of Human Settlements

6.5 Other Departments implementing projects in the Municipal area/jurisdiction

6.5.1 National Department Cooperative Government and Traditional Affairs

The abovementioned Department is currently implementing the Community Work Programme within the municipal space which provide a number of Jobs for unemployed people in Beaufort West.

The Site Profile is as follows:-

The Site Name: Beaufort West

- Number of Participants: 1100
- Female participants: 669
- Male participants: 431
- Youth: 388
- Disable persons: 38

Participants are placed at the following institutions, schools, clinics, crèches, ECD centres, advice offices, Thusong centres, municipalities, churches, play parks, different sector departments, open spaces and at the Association for People with Disabilities.

The areas of participations includes inter alia Health, Environment, sport and recreation, crime prevention and people with disabilities.

The budget details for the 2017/18 financial year for the CWP is reflected in the table below:

Budget Item	Budgeted Amount
Wages	R 9,401,094.00
Protective gear and equipment	R1,161,370.00
Material and tools	R 516,170.00
Training and Technical Support	R 903,290.00
UIF/COIDA	R 282,033.00
TOTAL	R 12,263,957.00

The Municipality will strengthen its relationship with the CWP to ensure the effective utilization of the participants to serve our communities even better.

The Beaufort West CWP site is being regarded as the best site in South Africa.

6.5.2. National Department Public Works

The National Department of Public Works is mandated to lead and coordinate the EPWP. The Expanded Public Works Programme involves creating work opportunities for unemployed persons.

The goal of the EPWP Integrated Grant is to provide EPWP funding to expand job creation in specific focus areas, where labour intensive delivery methods can be maximized and the expansion of job creation in line with the EPWP guidelines. The EPWP Integrated Grant allocation for 2017/18 financial year is R1 659 000.

Once received, the EPWP Integrated Grant cannot be used for any other purpose except EPWP approved projects. The EPWP Integrated Grant must be applied to continuing or expanding job creation in any sectors. The municipality must complete a Business plan/ Project list on an annual basis and must be submitted to National Department of Public Works for consideration for funding

6.5.3 Beaufort West Thusong Centre

The Thusong Service Centre (formerly known as Multi-Purpose Community Centres — MPCCs) programme of government was initiated in 1999 as one of the primary vehicles for the implementation of development communication and information and to integrate government services into primarily rural communities. This was done to address historical, social and economic factors, which limited access to information, services and participation by citizens, as they had to travel long distances to access these services. The Beaufort West Thusong Service Centre was

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call the Beaufort West Multipurpose Centre. It officially opened on the 7 February 2003 under a Non – profit Organisation and was transferred to the Beaufort West Municipality on 1 March 2012.

At the Beaufort West Thusong Service Centre, government departments render services monthly. Sum Government Departments are located within the proximity of the local Beaufort West Thusong Service Centre.

SERVICE PROVIDERS

Cash Pay Masters

Beaufort West Municipality

Department of Home Affairs

Department of Housing

Molo Songololo

Beaufort West Municipality Indigent Grants

Radio Gamkaland

Tele Centre

Conference Room

Financial Responsibilities of the three spheres of government

The Local Municipality should cover all costs associated with infrastructural maintenance of the Thusong Service Centres. All Lease Agreements should be entered into with the Local Municipality and contract management should be a function performed by the Local Municipality. All municipal services, namely rates, water, electricity and refuse should be covered by the Local Municipality.

The Provincial Department of Local Government should contribute operational funding towards the salaries of the Thusong Service Centre Management Staff who are responsible for the day to day operational management of the Thusong Service Centre. The Provincial Government should also continue to play a strategic provincial co-ordination role and facilitate the process of the anchor local, provincial and national departments being based at the Thusong Service Centre.

National Departments would contribute to the Thusong Service Centres funding through their lease payment

REVENUE INCOME: MUNICIPALITY

The revenue generated from the lease income should be utilized by the municipality to defray some of the Thusong Service Centres operational expenses.

Tenants	Monthly Rental	Annual Rental
Department of Home Affairs	R 10039.17	R 120470.04
SASSA	R2287.87	R 27454.44
Radio Gamka	R 3135.00	R 37620.00
Molo Songololo	R 667.50	R 8010.00

6.6.1 Provincial allocations

The provincial allocations to the Beaufort West Municipality as gazetted, amount to:-

2018/2019 –	R 47,204 mil
2019/2020 –	R 39,201 mil
2020/2021 -	R 36,396 mil

PROVINCIAL GRANT	Department	2018/2019 (R'000)	2019/2020 (R'000)	2020/2021 (R'000)
Library Services: Replacement funding for most vulnerable B3 municipalities	Cultural affairs and Sport	5 550	5 857	6 172
Human Settlements Development Grant	Human Settlements	35 160	32 700	30 020
Community Development Workers (Operational Support Grant)	Local Government	204	204	204
Thusong Service Centre's Grant (Sustainability: Operational Support Grant)	Local Government	110	110	
Financial assistance to municipalities for maintenance and construction of transport infrastructure	Transport and Public Works	5 490		
Financial Management Support Grant	Provincial Treasury	330	330	
Financial Management Capacity Building Grant	Provincial Treasury	360		
TOTAL		47 204	39 201	36 396

Grant allocations - Provincial Government

6.6.2 National Allocations

GRANT	2018/2019 (R'000)	2019/2020(R'000)	2020/2021 (R'000)
Equitable Shares	56 655	61 926	67 002
Local Government Financial Management Grant	1 700	1 700	1 700
Expanded Public Works Programme	1 285		
Municipal Infrastructure	13 776	13 972	14 513
Integrated National Electrification Programme	10 000	9 600	9 920
Regional Bulk Infrastructure	0	5 000	15 000
TOTAL	83 416	92 193	108 135

Grant allocations - National Government

6.6.3 Establishment of E-Centres (Department of the Premier)

The department of the Premier has already established e-centres in Beaufort West, Merweville and Murraysburg which is fully operational. The Department has indicated it's readiness regarding an available budget to establish a centre for Nelspoort during the 2018/2019 financial year. Further discussions has been entered into with the department to establish at least one more e-centre in ward 7, to cover the areas of Hillside, Hillside 2, Toekomsrus and the Barrakke.

6.7 Financial Plan

Section 26 of chapter 5 of the Local Government Municipal Systems Act, No 32 of 2000 prescribes the core components of the Integrated Development Plan (IDP). Section 26(h) requires the inclusion of a financial plan, which should include a budget projection for at least the next three years. This financial plan aims to determine the financial affordability and sustainability levels of the Municipality over the medium term.

The Municipal Budget and Reporting Regulations (MBRR) (part 2: "Budget-related policies of municipalities") require the accounting officer to see to it that budget-related policies are prepared and submitted to Council. One of these is the long term financial plan policy, which aims to ensure that all long term financial planning is based on a structured and consistent methodology, thereby securing the Municipality's long term financial affordability and sustainability.

A Municipality's financial plan integrates the financial relationships of various revenue and expenditure streams to give effect to the IDP. It provides guidance for the development of current budgets and assesses financial impacts on outer years' budgets by incorporating capital expenditure outcomes, operating expenditure trends, optimal asset management plans and the consequential impact on rates, tariffs and other service charges.

The Municipality has do long term financial planning in order to determine the appropriate mix of financial parameters and assumptions within which the Municipality should operate to facilitate budgets that are affordable and sustainable at least ten years into the future. This helps to identify the consequential financial impact of planned capital projects on the Municipality's operating budget.

The planning is reviewed annually to determine the most affordable level at which the Municipality can operate optimally, taking into account the fiscal overview, economic climate, national and provincial influences, IDP and other legislative imperatives, internal governance and community consultation.

Financial strategy

The 2018/19 MTREF period represents the second year of the Municipality's five-year IDP horizon.

It commenced with a technical analysis of previous years' performance outcomes, an assessment of the economic outlook, and consultation with various role players. The process encompassed the following:

- Framework for and strategic direction of the budget;
- Forecast taking above direction into account.
- Departmental budget presentations to execute the Municipality's strategies, business improvement measures and implementation readiness of capital programmes.
- Utility Services presentations on their proposed budgets and tariff increases.

Key Financial Drivers

Ensuring congruence between the Municipality's strategy and budget included alignment with the:

- IDP;
- Development Strategies;
- Core economic, financial and technical data obtained at local and national level; and
- Other issues, policies and strategies stemming deemed important in this regard.

Management and governance frameworks

The outcome of the modelling incorporated the above as well as the assumptions outlined below. The principles applied to the MTREF in determining and maintaining an affordability envelope included:

- higher-than-inflation repairs and maintenance provision to attain nationally benchmarked levels, thereby ensuring and enhancing the preservation of municipal infrastructure;
- higher increases to selected cost elements subjected to higher-than-average inflationary pressure, such as staff costs;
- the assumption of a 100% capital expenditure implementation rate;
- credible collection rates based on collection achievements to date, and also incorporating anticipated improvements in selected revenue items; and
- national and provincial allocations as per the 2018 Division of Revenue Act (DORA) and
- Province's 2018/19 MTREF allocations circular to municipalities.

Economic outlook/external factors

The slowdown in emerging markets has led to downward revisions of economic growth forecasts, particularly for developing countries. The sluggish growth experienced in the South African economy is exacerbated by the lower export commodity prices, drought conditions, constraints in electricity supply and a decline in business confidence. According to the Bureau of Economic Research (BER), real growth is projected to average 1,8% over the next three years. It is expected that the factors causing the slow growth, such as the electricity constraints, will improve in the next two years.

The value of the rand against the US dollar has declined continuously over the past five years, which can be attributed to various factors, including the decline in global commodity prices, poor business confidence and the electricity supply crisis. The BER projects that over the medium term, the rand is expected to stabilise at an average of R16, 60 against the dollar.

Oil prices declined over the past year, mainly driven by the supply of the commodity exceeding its demand. The fall in the oil price partly cushioned the impact of the weaker rand exchange rate. Oil prices are projected to average \$38, 60 per barrel over the medium term. The consumer price index (CPI) has fluctuated between 5, 3% and 6, 1% over the past five years, but is expected to surpass the South African Reserve Bank (SARB) inflation target range of between 3% and 6%. CPI forecasts for at least the next two years are expected to remain above the 5% upper inflation target, as per the latest BER forecast.

The Municipality's CPI forecast for the next three financial years is 5, 4%. The national inflation forecast set out in National Treasury Circular 91 is 5, 3%, 5, 4% and 5, 5% for the national fiscal years 2018 to 2020.

National and provincial influences

In drafting the MTREF, the following national and provincial influences received special attention:

a) Medium-Term Budget Policy Statement (MTBPS)

The MTBPS highlighted that the South African economy had grown slower compared to what was projected at the beginning of 2015. This slow growth is due to various factors, which include the global growth slowdown, energy constraints, weak business confidence and low household demand.

To maintain healthy public finances and support social and economic transformation, the MTBPS set out the following measures:

- Strengthen economic performance to facilitate policy coherence and certainty where it is lacking, to give greater impetus to infrastructure investment, and to address impediments to enterprise development, employment and innovation.
- Build the energy capacity, water and transport networks and communication systems we need, expanding investments by state-owned companies and the private sector alongside departmental and municipal initiatives.
- Ensure that public debt remains affordable and that the public expenditure ceiling is maintained, while flagship social and economic programmes are protected.
- Improve living standards and accelerate social development, working with municipalities to strengthen planning and concentrate investment in urban hubs and economic growth zones.
- Enhance state capacity and the quality and integrity of governance, reinforce financial management and procurement reforms, and step up public-sector training and institutional renewal.
- Rapidly implement the National Development Plan, working with the business sector, organised labour and social stakeholders to maintain a stable labour relations environment, improve confidence and promote broad-based development.

With regard to the measures above, the Municipality is continuously investing in the Expanded Public Works Programme (EPWP) and to implement cost containment measures, including reducing the cost of national and international travel, catering and entertainment. These measures are revisited and assessed on an annual basis to ensure that maximum efficiencies are attained.

b) National Treasury Municipal Financial Management Act (MFMA) circulars.

The key circulars relating to the MTREF are as follows:

MFMA Circular 91, which mainly focused on drought disaster relief and the changes to the local government grant allocations. It included and advised on, *inter alia*, the following:

Local government reforms and changes to the fiscal framework, including allocations, grants, MBRR requirements, reporting indicators and the Municipal Standard Chart of Accounts (mSCOA).

The need for a conservative approach in projecting revenue as economic challenges continues to put pressure on municipal revenue generation and collection. These circumstances make it essential for municipalities to reprioritise expenditure and implement stringent cost-containment measures. Keeping increases in rates, tariffs and other charges at levels that reflect an appropriate balance between the interests of poor households and other customers, and ensure the financial sustainability of the Municipality.

Ensuring that municipalities' tariffs are adequate to at least cover the costs of bulk services, as well as ensuring that all properties are correctly billed for property rates and all services rendered.

Guidelines for the MTREF electricity, water and sanitation tariffs.

Considering improving the effectiveness of revenue management processes and procedures, paying special attention to cost containment measures by, *inter alia*, controlling unnecessary spending on nice to- have items and non-essential activities.

MFMA Circular 91, which provided a summary and update of the country's economic outlook, inflationary targets, financial management issues, how to give effect to National Treasury's MBRR. It included the following:

- Reviewing how municipalities conduct their business to ensure that value for money is obtained in all expenditure, that revenue administration systems are operating effectively, that borrowing programmes are realistic, and that creditors (including bulk service providers) continue to be paid timeously and in full.
- Re-evaluating the costs and benefits of universal or targeted provision of free basic services subsidies in order to protect their delivery to poor households in particular.
- Examining the cost structure of providing electricity services, and applying to NERSA for electricity tariff increases that reflect the total cost of providing the service so that municipalities can work towards achieving financial sustainability.
- Regulations on cost containment measures applicable to local government.

Expenditure analysis –

A three-year preview

General inflation outlook and its impact on municipal activities

CPI projected for the Municipality is 5, 3% for 2018/19, 5, 4% for 2019/20 and 5, 5% for 2020/21 of the MTREF period. These levels are within the SARB inflation targeting range of between 3% and 6%, and are depicted in the graph below.

Management and governance framework

The Municipality's projected inflation rate is to remain below 6%. However, various budget elements, including salaries, repairs and maintenance, interest and depreciation cost, will experience higher-than-CPI increases. This creates a fiscal gap, which necessitates higher than-CPI increases.

Interest rates for borrowing and investment of funds

Borrowing interest rates are factored in at a rate of 10% for 2018/19 and 11% for each of the outer years. An average investment interest rate of 7% is forecast over the MTREF.

Collection rate for revenue services

7

In accordance with relevant legislation and national directives, the Municipality's projected revenue recovery rates are based on realistic and sustainable trends. In calculating the debt impairment, the following collection rates were applied:

- Rates 88%
- Electricity 96%
- Water 88%
- Sanitation 88%
- Refuse 88%
- Housing 88%

The collection rates for rates and service charges are expected to remain constant over the MTREF period, except for refuse services. On-going debt management initiatives are being implemented, which are intended to improve the collection rate to targeted levels. The housing collection rate is also expected to increase over the MTREF period.

Salary increases

A three-year salary and wage collective agreement with Unions. In the absence of an agreement for the outlying years of this MTREF period, the provisions for 2018/19 were assumed for those years as well. In terms of the agreement, the salary and wage increases are to be annually calculated for all three years using the average CPI for the period 1 February of the previous year to 31 January of the forecast budget year + 1%. This formula was used in determining the staff cost provisions over the MTREF.

Ensuring maintenance of existing assets

Repairs and maintenance

National Treasury Circular 78 reminded municipalities to consider the budget management issues discussed in previous circulars. Circulars 54, 55 and 58 stressed the importance of securing the health of a Municipality's asset base by increased spending on repairs and maintenance. Circular 55 further stated that "allocations to repairs and maintenance, and the renewal of existing infrastructure must be prioritised. Municipalities must provide detailed motivations in their budget documentation if allocations do not meet the benchmarks".

Circulars 55 and 70 set the ratio of operational repairs and maintenance to asset value (write-down value) of the Municipality's property, plant and equipment (PPE) at 8%. The Municipality averages 6, 6% over the MTREF period. To give effect to the above directives, but still ensure that rates and tariffs are affordable, repairs and maintenance was budgeted at 1% above CPI over the MTREF period, as opposed to 3% above CPI in previous years.

Operating financing of capital

Depreciation: Calculation of depreciation on new capital expenditure is based on variables such as asset class and lifespan, depending on the nature of the asset. An

annual capital expenditure implementation rate of 100% was assumed. Depreciation of existing assets is calculated based on simulated SAP data that reflect actual values per annum. Assets under construction (AUC) are calculated based on asset class lifespan and projected capitalisation dates.

Borrowing and credit rating outlook: The Municipality’s borrowing occurs in terms of chapter 6 of the MFMA, according to which a long term loan will only be entered into if it is affordable and sustainable. This is also influenced by the capital investment requirement over the MTREF period. The Municipality’s credit rating demonstrates the administration’s ability to meet its short- and long term financial obligations. Potential lenders also use the rating to assess the Municipality’s credit risk, which in turn affects the pricing of any subsequent loans taken. Factors used to evaluate the creditworthiness of municipalities include the economy, debt, finances, politics, management and institutional framework.

Capital expenditure

Funded by:	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
National Government	23,087,200	27,873,400	38,707,350
Provincial Government	-	-	-
District Municipality	-	-	-
Other transfers and grants	-	-	-
Transfers recognised - capital	23,087,200	27,873,400	38,707,350
Public contributions & donations	-	-	-
Borrowing	-	-	-
Internally generated funds	1,100,000	-	-
Total Capital Funding	24,187,200	27,873,400	38,707,350

Table 27 Capital Expenditure

Grants received from National Government and from Province remain a significant funding source over the MTREF period.

Revenue analysis – a three-year preview

Growth or decline in municipal tax base

a) Growth or decline in municipal tax base

The current unstable economic climate has restricted material service growth projections. The respective projected growth for the Municipality’s services is as follows:

Rates: Service growth for rates is projected at 0, 25% for the 2018/19 to 2020/21 financial years, and is expected to increase to 1% in the years thereafter. The projected growth can be ascribed to

economic growth that is not at sustainable levels to encourage new developments and/or home improvements. This position is expected to improve in the third year of the MTREF.

Water and sanitation: Water and sanitation projected zero growth over the next three years there is an expected physical reduction as a result of water restrictions. However, due to the adjusted tariff levels, this is neutral revenue within the MTREF projections. Projections are based on the latest trends flowing from current economic conditions as well as water-saving initiatives.

Electricity: Electricity has projected a 1, 88% annual growth on sales revenue over the MTREF period due to the impact of increasing tariffs.

Refuse: A 2% service growth was applied over the MTREF period for refuse. This is as a result of growth in the demand for refuse services. The adverse impact of the current economic climate, the demand for new and upgraded infrastructure, savings initiatives and lower demand for services made tariff increases at higher-than-CPI levels inevitable.

Property rates: An average rates tariff increase of 6.25% is proposed for the next three financial years. The higher than- CPI increases will provide for recurring operating costs, new budget realities as well as investments in new infrastructure for rates funded services. Further contributing factors include lower projected rates service growth and higher-than-CPI salary and capital cost increases.

Electricity: Eskom submitted a regulatory clearing account (RCA) application for the first year of the third multi-year price determination (MYPD3) period, i.e. the 2013/14 financial year. NERSA assessed Eskom's application and announced on 28 February 2018 the approval of an electricity tariff increase of 6, 84% for 2018/19. The Municipality will apply a 6, 84% revenue increase for the next three financial years. Business for this service comprises the purchasing and redistribution of electricity, with bulk purchases averaging 63% of the service's total budget. The higher-than-CPI average electricity tariff increase is therefore mostly attributed to the NERSA-approved Eskom increase on bulk purchases, which is 7, 32% for the 2018/19 financial year. In addition, electricity sales are reducing due to energy-saving plans, load-shedding as well as elasticity as a result of increasing tariffs. This increase will also provide for the continual operating costs of the service as well as investments in new infrastructure.

Water and sanitation: According to National Treasury Circular 78, "municipalities should consider the full cost of rendering the water and sanitation services when determining tariffs related to these two services. If the tariffs are low and result in the Municipality not recovering their full costs, the Municipality should develop a pricing strategy to phase-in the necessary tariff increases in a manner that spreads the impact on consumers over a period of time". Mindful of this, the water and sanitation average tariff increase was set at 7% for 2018/19 and 7% for each of the two outer years of the MTREF period. The higher-than-CPI tariff increase is due to various factors, including the financial impact of the capital programme (new infrastructure, expansion and rehabilitation of current infrastructure to address capacity constraints and ensure system efficiency), repair and maintenance programmes, cost of the social package provided, and recurring operating costs. Due to the current climatic conditions, water restrictions was introduced accompanied by a 20% reduction-level tariff. This tariff will be applicable for the next three financial years until further decisions regarding the water restrictions are made.

Solid waste: Circular 78 reminds municipalities that budget management issues dealt with in previous circulars are still applicable. Circular 70 advised that "in many instances waste tariffs do

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not cover the cost of providing the different components of the service. Where this is the case, municipalities should aim to have appropriately structured, cost reflective solid waste tariffs in place by 2015". Solid waste charges two tariffs, namely for disposal and for refuse. The average disposal tariff increase for 2018/19 is 7%, while the increase for the two outer years is 7% and 8% respectively. These increases are required for capital investment and related operating expenses.

Housing rental (Council rental properties): The monthly rental charge for the Municipality's housing rental properties is based on a rate per square metre applied to the size of the unit being rented, coupled with a set of premiums/deductions based on the location, maintenance level and facilities of the specific property. Through addressing the economic challenges faced by many poorer residents, particularly those residing in municipal rental stock, the total average increase in rental charges 2018/19 has been retained at an affordable level, namely an annual increase of 0%. Acknowledging the on-going multi-year implications of inflation on the costs associated with the management of rental properties, including the maintenance of the properties as well as administrative costs, the annual increase in rental charges is not directly aligned with the full economic cost of operating the rental units. Instead, the Municipality subsidises the difference between the rental based on economic cost recovery (CPI-linked) and the actual amount charged.

Equitable share

The reviewed equitable share formula includes a subsidy for the provision of free basic water, electricity, sanitation and refuses removal services to the poor. It also provides funds for the institutional costs of municipalities, and a community services component that provides funding towards the provision of core municipal services not included under basic services.

To ensure that the funds for institutional costs and non-trading services are targeted at poorer municipalities, the formula applies a revenue adjustment factor reflecting municipalities' ability to generate their own revenue. The revised formula used statistics from the 2011 Census, which are to be updated annually to reflect estimated population growth and projected increases in the cost of services such as water and electricity. Equitable share provisions included in the budget are based on the 2018 DORA.

COLLECTION RATES

- Rates 85%
- Electricity 98%
- Water 85%
- Sanitation 85%
- Refuse 85%
- Housing 85%

REVENUE PARAMETERS

- Rates 6.25%

- Electricity 6, 84%
- Water 7%
- Sanitation 7%
- Refuse 7%

GROWTH PARAMETERS

- Rates 0, 25%
- Electricity -1, 5% -
- Water 0%
- Sanitation 0%
- Refuse 2%

EXPENDITURE PARAMETERS

Salary increase

Salary increase (South African Local Government Bargaining Council agreement) 5, 9%, 7%, 7%
Increment provision 2% per annum

Interest rates

Interest paid 10%
Interest on investment 6%

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
					Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome							
<u>Revenue By Source</u>											
Property rates	2	-	-	-	35,417	34,747	34,747	-	37,156	39,014	40,965
Service charges - electricity revenue	2	-	-	-	74,602	73,863	73,863	-	78,474	83,575	89,008
Service charges - water revenue	2	-	-	-	19,442	19,520	19,520	-	20,008	21,409	22,908
Service charges - sanitation revenue	2	-	-	-	14,531	14,513	14,513	-	15,517	16,603	17,765
Service charges - refuse revenue	2	-	-	-	7,490	7,488	7,488	-	8,166	8,737	9,349
Service charges – other						-	-	-	-	-	-
Rental of facilities and equipment					1,363	1,267	1,267	-	1,376	1,458	1,546
Interest earned - external investments					1,260	1,260	1,260	-	1,260	1,336	1,416
Interest earned - outstanding debtors					2,616	2,716	2,716	-	2,940	3,116	3,303
Dividends received					-	-	-	-	-	-	-
Fines, penalties and forfeits					44,785	13,323	13,323	-	25,629	27,167	28,797
Licences and permits					595	615	615	-	629	666	706
Agency services					680	750	750	-	750	795	843
Transfers and subsidies					91,621	80,590	80,590	-	102,564	103,197	105,256
Other revenue	2	-	-	-	1,326	14,785	14,785	-	4,375	4,637	4,916
Gains on disposal of PPE					-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		-	-	-	295,728	265,437	265,437	-	298,844	311,712	326,776
<u>Expenditure By Type</u>											
Employee related costs	2	-	-	-	93,514	91,292	91,292	-	104,867	111,159	117,828
Remuneration of councilors					5,385	5,510	5,510	-	6,225	6,598	6,994
Debt impairment	3				35,285	19,990	19,990	-	22,832	24,202	25,654
Depreciation & asset impairment	2	-	-	-	16,935	17,465	17,465	-	15,881	15,616	16,553
Finance charges					1,713	3,245	3,245	-	2,308	2,447	2,594
Bulk purchases	2	-	-	-	68,085	67,280	67,280	-	70,200	74,412	78,877
Other materials	8				27,950	24,728	24,728	-	18,946	18,920	19,939
Contracted services		-	-	-	3,595	7,842	7,842	-	8,639	9,158	9,707
Transfers and subsidies		-	-	-	100	80	80	-	500	530	562
Other expenditure	4, 5	-	-	-	51,241	52,102	52,102	-	64,324	60,564	58,851
Loss on disposal of PPE					-	-	-	-	-	-	-
Total Expenditure		-	-	-	303,804	289,535	289,535	-	314,722	323,606	337,559
Surplus/(Deficit)		-	-	-	(8,076)	(24,098)	(24,098)	-	(15,878)	(11,894)	(10,783)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)					14,640	85,726	85,726	-	23,416	28,197	39,275

Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	6	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)					-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		-	-	-	6,564	61,627	61,627	-	7,538	16,303	28,492
Taxation					-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		-	-	-	6,564	61,627	61,627	-	7,538	16,303	28,492
Attributable to minorities					-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		-	-	-	6,564	61,627	61,627	-	7,538	16,303	28,492
Share of surplus/ (deficit) of associate	7				-	-	-	-	-	-	-
Surplus/(Deficit) for the year		-	-	-	6,564	61,627	61,627	-	7,538	16,303	28,492
References											
1. Classifications are revenue sources and expenditure type											
2. Detail to be provided in Table SA1											
3. Previously described as 'bad or doubtful debts' - amounts shown should reflect the change in the provision for debt impairment											
4. Expenditure type components previously shown under repairs and maintenance should be allocated back to the originating expenditure group/item; e.g. employee costs											
5. Repairs & maintenance detailed in Table A9 and Table SA34c											
6. Contributions are funds provided by external organisations to assist with infrastructure development; e.g. developer contributions (detail to be provided in Table SA1)											
7. Equity method (Includes Joint Ventures)											
8. All materials not part of 'bulk' e.g road making materials, pipe, cable etc.											
check balance		-	-	-	-	-	-	-	-	-	-
Total revenue					310,368	351,162	351,162		322,260	339,908	366,051

WC053 Beaufort West - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
					Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome							
Capital expenditure – Vote											
<i>Multi-year expenditure to be appropriated</i>	2										
Vote 1 - Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote 2 - Director: Corporate Service		-	-	-	-	-	-	-	-	-	-
Vote 3 - Director: Financial Services		-	-	-	-	-	-	-	-	-	-
Vote 4 - Director: Engineering Services		-	-	-	-	-	-	-	-	-	-
Vote 5 - Director: Community Services		-	-	-	-	-	-	-	-	-	-
Vote 6 - Director: Electrical Services		-	-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	-	-	-
<i>Single-year expenditure to be appropriated</i>	2										
Vote 1 - Municipal Manager		-	-	-	-	30	30	-	50	-	-
Vote 2 - Director: Corporate Service		-	-	-	200	277	277	-	250	-	-
Vote 3 - Director: Financial Services		-	-	-	200	245	245	-	200	-	-
Vote 4 - Director: Engineering Services		-	-	-	10,440	79,974	79,974	-	9,756	18,064	29,355
Vote 5 - Director: Community Services		-	-	-	1,000	1,000	1,000	-	200	533	-
Vote 6 - Director: Electrical Services		-	-	-	4,030	6,800	6,800	-	14,060	9,600	9,920
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		-	-	-	15,870	88,326	88,326	-	24,516	28,197	39,275
Total Capital Expenditure – Vote		-	-	-	15,870	88,326	88,326	-	24,516	28,197	39,275
Capital Expenditure – Functional											
<i>Governance and administration</i>		-	-	-	680	1,604	1,604	-	500	-	-
Executive and council					-	107	107	-	50	-	-
Finance and administration					680	1,497	1,497	-	450	-	-
Internal audit					-	-	-	-	-	-	-
<i>Community and public safety</i>		-	-	-	3,150	13,676	13,676	-	4,361	3,334	833
Community and social services					200	200	200	-	200	-	-
Sport and recreation					2,150	12,676	12,676	-	4,161	3,334	833
Public safety					800	800	800	-	-	-	-

Housing					-	-	-	-	-	-	-
Health					-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	-	-	4,624	5,660	5,660	-	5,278	6,583	11,550
Planning and development					-	-	-	-	200	-	-
Road transport					4,624	5,660	5,660	-	5,078	6,583	11,550
Environmental protection					-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	7,416	67,386	67,386	-	14,377	18,280	26,892
Energy sources					4,030	6,800	6,800	-	14,060	9,600	9,920
Water management					1,271	39,137	39,137	-	-	5,893	16,972
Waste water management					2,114	21,449	21,449	-	317	2,255	-
Waste management					-	-	-	-	-	533	-
<i>Other</i>					-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	-	-	-	15,870	88,326	88,326	-	24,516	28,197	39,275
Funded by:											
National Government					13,840	50,236	50,236	-	23,416	28,197	39,275
Provincial Government					800	35,490	35,490	-	-	-	-
District Municipality					-	-	-	-	-	-	-
Other transfers and grants					-	-	-	-	-	-	-
Transfers recognised – capital	4	-	-	-	14,640	85,726	85,726	-	23,416	28,197	39,275
Public contributions & donations	5				-	-	-	-	-	-	-
Borrowing	6				-	-	-	-	-	-	-
Internally generated funds					1,230	2,600	2,600	-	1,100	-	-
Total Capital Funding	7	-	-	-	15,870	88,326	88,326	-	24,516	28,197	39,275
References											
1. Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).											
2. Include capital component of PPP unitary payment. Note that capital transfers are only appropriated to municipalities for the budget year											
3. Capital expenditure by functional classification must reconcile to the appropriations by vote											
4. Must reconcile to supporting table SA20 and to Budgeted Financial Performance (revenue and expenditure)											
5. Must reconcile to Budgeted Financial Performance (revenue and expenditure)											
6. Include finance leases and PPP capital funding component of unitary payment - total borrowing/repayments to reconcile to changes in Table SA17											
7. Total Capital Funding must balance with Total Capital Expenditure											
8. Include any capitalised interest (MFMA section 46) as part of relevant capital budget											
check balance		-	-	-	-	-	-	-	-	-	-

DIVISION	PROJECT NAME	Project No	KPA	OBJECTIVE No	PROGRAM No	PROGRAM NAME	2018/2019	2019/2020	2020/2021	
1.1 - Municipal Manager	P_001	Municipal governance	3.1.a.1	3	3.1	3.1.a	Municipal governance and administration	2,439,948	2,230,110	2,383,133
1.2 - Internal Audit	P_003	Internal audit	3.1.a.3	3	3.1	3.1.a	Municipal governance and administration	1,426,554	988,389	1,058,305
1.3 - Strategic and Development Services	P_004	Economic and Development services	2.2.a.2	2	2.2	2.2.a	Sustainable Development Programme	887,676	940,119	1,005,288
2.1 - Admin: Corporate Services	P_026	Municipal administration	3.1.a.2	3	3.1	3.1.a	Municipal governance and administration	8,458,263	9,250,052	10,085,901
2.2 - General Expenses	P_026	Social Services	5.1.a.2	5	5.1	5.1.a	Participative structures programme	14,079,851	14,636,518	15,559,292
2.2 - General Expenses	P_027	Social Services	5.1.a.3	5	5.1	5.1.a	Participative structures programme	165,000	0	0
2.2 - General Expenses	P_028	Social Services	5.1.a.4	5	5.1	5.1.a	Participative structures programme	50,000	0	0
2.3 - Human Resources	P_001	Human Resources	3.1.a.1	3	3.1	3.1.a	Municipal governance and administration	2,267,794	2,416,898	2,585,589
2.4 - Library Church Street	P_022	Libraries	1.2.a.1	1	1.2	1.2.a	Community Services Programme	2,061,259	2,189,333	2,343,345
2.5 - Library Mimosa	P_022	Libraries	1.2.a.1	1	1.2	1.2.a	Community Services Programme	2,335,489	2,475,983	2,646,672
2.6 - Wheely Wagon Kwa Mandlenkosi	P_022	Libraries	1.2.a.1	1	1.2	1.2.a	Community Services Programme	447,302	470,655	503,006
2.7 - Information Technology	P_028	ICT	3.1.b.1	3	3.1	3.1.b	Information Communication Technology	2,680,345	2,634,023	2,799,276
2.8 - Library Nelspoort	P_022	Libraries	1.2.a.1	1	1.2	1.2.a	Community Services Programme	305,401	318,832	340,297
2.9 - Thusong Centre	P_005	Thusong Centre	1.2.a.2	1	1.2	1.2.a	Community Services Programme	1,072,960	1,140,944	1,103,971
2.10 - Murraysburg Library	P_022	Libraries	1.2.a.1	1	1.2	1.2.a	Community Services Programme	677,688	709,695	758,362
2.11 - Murraysburg Thusong Centre	P_005	Thusong Centre	1.2.a.2	1	1.2	1.2.a	Community Services Programme	364,437	388,013	413,018
3.1 - Admin: Financial Services	P_007	Financial Management & Administration	4.1.a.1	4	4.1	4.1.a	Liquidity Programme	15,335,043	15,711,987	16,357,360
3.1 - Admin: Financial Services	P_029	Financial Management	4.1.a.2	4	4.2	4.1.a	Liquidity Programme	1,500,000	1,518,000	1,537,080

3.3 - Kwa-Mand Office	P_036	Financial Management & Administration	4.1.a.1	4	4.1	4.1.a	Liquidity Programme	961,006	1,027,004	1,097,912
3.4 - Kwa-Mandlenkosi Community Hall	P_005	Community Halls and Facilities	1.2.a.6	1	1.2	1.2.a	Community Services Programme	88,035	94,344	101,145
3.5 - Stores	P_037	Financial Management & Administration	4.1.a.1	4	4.1	4.1.a	Liquidity Programme	1,768,614	1,894,289	2,028,869
3.6 - Rustdene Office	P_036	Financial Management & Administration	4.1.a.1	4	4.1	4.1.a	Liquidity Programme	676,567	721,945	770,317
3.7 - Rustdene Community Hall	P_005	Community Halls and Facilities	1.2.a.6	1	1.2	1.2.a	Community Services Programme	108,840	117,164	126,259
3.8 - Admin: Nelspoort	P_036	Financial Management & Administration	4.1.a.1	4	4.1	4.1.a	Liquidity Programme	514,001	549,974	588,241
3.9 - Murraysburg Administration	P_038	Financial Management & Administration	4.1.a.1	4	4.1	4.1.a	Liquidity Programme	5,002,264	2,491,565	2,655,759
4.1 - Admin: Engineering Service	P_011	Street Works & Storm Water	2.1.c.1	2	2.1	2.1.c	Roads & Storm Water Management	4,604,210	4,704,634	4,792,658
4.2 - Cemeteries	P_023	Cemeteries	1.2.a.8	1	1.2	1.2.a	Community Services Programme	582,250	642,565	693,079
4.3 - Building Control	P_027	Town Planning & Building Regulations	2.2.a.3	2	2.2	2.2.a	Sustainable Development Programme	1,200,883	1,250,893	1,334,922
4.4 - Town Commonage	P_027	Town Planning & Building Regulations	2.2.a.3	2	2.2	2.2.a	Sustainable Development Programme	165,540	177,943	191,188
4.5 - Main Road	P_011	Main Road	2.1.c.2	2	2.1	2.1.c	Roads & Storm Water Management	890,000	0	0
4.6 - Mechanical Workshop	P_011	Fleet Management	2.1.a.6	2	2.1	2.1.a	Roads Programme	2,263,821	2,411,345	2,576,330
4.7 - Municipal Buildings	P_001	Municipal administration	3.1.a.2	3	3.1	3.1.a	Municipal governance and administration	4,672,278	5,273,084	5,610,009
4.8 - Recreation Sites	P_014	Sport and recreation	1.2.a.7	1	1.2	1.2.a	Community Services Programme	7,368,574	7,846,054	8,373,177

4.9 - Sewerage System	P_012	Sewerage Network	1.1.d.6	1	1.1	1.1.d	Sanitation Services Programme	10,667,044	11,327,400	11,959,151
4.10 - Sewerage Farm	P_017	Waste Water Treatment	1.1.d.5	1	1.1	1.1.d	Sanitation Services Programme	5,418,480	5,267,082	5,599,831
4.11 - Street Works & Storm Water	P_011	Street Works & Storm Water	2.1.c.1	2	2.1	2.1.c	Roads & Storm Water Management	19,183,355	20,196,444	21,487,847
4.12 - Swimming Pool Bird Street	P_024	Sport and recreation	1.2.a.7	1	1.2	1.2.a	Community Services Programme	371,965	395,916	421,270
4.13 - Swimming Pool Nieuveld	P_024	Sport and recreation	1.2.a.7	1	1.2	1.2.a	Community Services Programme	637,281	680,094	725,390
4.14 - Admin: Water	P_018	Water Distribution	1.1.c.9	1	1.1	1.1.c	Water Services Programme	3,738,264	3,952,605	4,179,222
4.15 - Irrigation Water	P_019	Water Treatment	1.1.c.10	1	1.1	1.1.c	Water Services Programme	102,564	108,396	114,997
4.16 - Water Purification	P_019	Water Treatment	1.1.c.10	1	1.1	1.1.c	Water Services Programme	13,597,308	14,405,233	15,259,895
4.17 - Water Reticulation	P_018	Water Distribution	1.1.c.9	1	1.1	1.1.c	Water Services Programme	8,049,068	8,564,235	9,127,270
4.18 - Murraysburg Recreation Sites	P_014	Sport and recreation	1.2.a.7	1	1.2	1.2.a	Community Services Programme	257,262	273,702	292,436
4.19 - Murraysburg Sewerage	P_012	Sewerage Network	1.1.d.6	1	1.1	1.1.d	Sanitation Services Programme	96,200	101,972	108,091
4.20 - Murraysburg Street Works & Storm Water	P_011	Street Works & Storm Water	2.1.c.1	2	2.1	2.1.c	Roads & Storm Water Management	3,808,642	2,985,330	3,187,988
4.21 - Murraysburg Swimming Pool	P_024	Sport and recreation	1.2.a.7	1	1.2	1.2.a	Community Services Programme	143,281	152,556	162,952
4.22 - Murraysburg Water Works	P_018	Water Distribution	1.1.c.9	1	1.1	1.1.c	Water Services Programme	1,447,039	1,491,529	1,589,148
5.1 - Admin: Community Service	P_040	Community Administration	1.2.a.9	1	1.2	1.2.a	Community Services Programme	3,427,401	2,626,019	2,811,281
5.2 - Housing Office	P_008	Human Settlement Beneficiary	1.2.b.1	1	1.2	1.2.b	Human Settlements Programme	34,000,791	34,303,077	31,733,566
5.3 - Pound	P_010	Pound	1.1.b.2	1	1.1	1.1.b	Solid Waste Programme	70,167	74,594	79,302
5.4 - Street Cleaning	P_015	Solid Waste Removal	1.1.b.1	1	1.1	1.1.b	Solid Waste Programme	1,956,219	2,091,714	2,236,836
5.5 - Vacuum Service	P_013	Solid Waste Removal	1.1.b.1	1	1.1	1.1.b	Solid Waste Programme	262,363	280,226	299,241

5.6 - Refuse Removal	P_013	Solid Waste Removal	1.1.b.1	1	1.1	1.1.b	Solid Waste Programme	13,346,075	14,193,648	15,037,988
5.7 - Refuse Removal: Murraysburg	P_013	Solid Waste Removal	1.1.b.1	1	1.1	1.1.b	Solid Waste Programme	2,251,115	2,348,656	2,507,501
5.8 - Admin: Traffic Services	P_010	Traffic and fire services	1.2.a.3	1	1.2	1.2.a	Community Services Programme	19,319,504	20,571,866	21,747,670
5.9 - Traffic Court	P_010	Traffic and fire services	1.2.a.3	1	1.2	1.2.a	Community Services Programme	1,055,881	1,129,036	1,206,917
5.10 - Fire Brigade	P_010	Traffic and fire services	1.2.a.3	1	1.2	1.2.a	Community Services Programme	3,982,715	4,264,454	4,553,432
5.11 - Vehicle Registration	P_009	Vehicle Licensing and Regulation	2.1.c.3	2	2.1	2.1.c	Roads & Storm Water Management	337,175	360,296	384,873
5.12 - Vehicle Testing Station	P_009	Vehicle Licensing and Regulation	2.1.c.3	2	2.1	2.1.c	Roads & Storm Water Management	655,962	698,540	743,869
5.13 - S/E 4 Rustdene	P_008	Human Settlement Beneficiary	1.2.b.1	1	1.2	1.2.b	Human Settlements Programme	28,360	30,061	31,719
5.14 - S/E 8 Rustdene	P_008	Human Settlement Beneficiary	1.2.b.1	1	1.2	1.2.b	Human Settlements Programme	47,596	50,452	53,478
5.15 - S/E 9 Rustdene	P_008	Human Settlement Beneficiary	1.2.b.1	1	1.2	1.2.b	Human Settlements Programme	46,556	49,349	52,310
5.16 - Refuse Recycling	P_013	Solid Waste Removal	1.1.b.1	1	1.1	1.1.b	Solid Waste Programme	43,260	45,856	48,607
5.17 - Youth Centre Kwa-Mandlenkosi	P_013	Community Halls and Facilities	1.2.a.5	1	1.2	1.2.a	Community Services Programme	1,385,853	1,489,097	1,596,837
6.1 - Admin: Electrical Services	P_006	Electricity Prepaid & Other	1.1.a.4	1	1.1	1.1.a	Electricity Programme	6,684,132	6,894,267	7,340,066
6.2 - Service Connections	P_006	Electricity Prepaid & Other	1.1.a.4	1	1.1	1.1.a	Electricity Programme	492,007	523,112	557,693
6.3 - Reticulation: Low Voltage	P_020	Electricity : Low Voltage	1.1.a.3	1	1.1	1.1.a	Electricity Programme	61,916,635	65,823,432	69,790,619
6.4 - Reticulation: High Voltage	P_021	Electricity : High Voltage	1.1.a.2	1	1.1	1.1.a	Electricity Programme	5,404,380	5,695,799	6,013,312
6.5 - Private Work	P_006	Electricity Prepaid & Other	1.1.a.4	1	1.1	1.1.a	Electricity Programme	10,000	10,600	11,236
6.6 - Street Lightening	P_016	Street Lighting and Signal Systems	1.1.a.5	1	1.1	1.1.a	Electricity Programme	1,061,066	1,129,356	1,204,500
6.7 - Traffic Lights	P_016	Street Lighting and Signal Systems	1.1.a.5	1	1.1	1.1.a	Electricity Programme	64,500	68,370	72,472

6.8 - Murraysburg Electricity	P_006	Electricity Prepaid & Other	1.1.a.4	1	1.1	1.1.a	Electricity Programme	7,054,331	7,479,260	7,926,077
								319,843,690	329,355,985	344,676,650

OPERATIONAL PROJECT BUDGET FOR THE 2018/2019 FINANCIAL YEAR

WC053 Beaufort West - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	
R thousand													
Service to the people	To improve and maintain current basic service delivery through specific infrastructural development projects. Provision of basic services to all the people in the municipal area. Provide for the needs of indigent households through improved services.		1							232,725	246,938	261,995	
Sustainable Economic Growth	To facilitate investment and maintenance of economic and social infrastructure to ensure infrastructure-led economic growth and development. Create an investment friendly environment to attract investment to enable economic growth and job creation. Sustainability of the environment and Agriculture.		2							9,276	8,471	12,968	
Well-run Administration.	Establishment of a well governed and accountable administration.		3							3,402	3,602	3,814	
Financial Sustainability	Ensure liquidity of the administration.		4							41,667	40,844	42,842	
Transparent Organisation.	Transparency and participation.		5							39,989	44,061	47,847	
Allocations to other priorities			2										
Total Revenue (excluding capital transfers and contributions)				1	-	-	-	-	-	-	327,060	343,915	369,467

References

1. Total revenue must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)

2. Balance of allocations not directly linked to an IDP strategic objective

check op revenue balance	(259,127)	(342,977)	(309,321)	(294,237)	(304,694)	-	16,691	45,868	42,409
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WC053 Beaufort West - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	
Service to the people	To improve and maintain current basic service delivery through specific infrastructural development projects. Provision of basic services to all the people in the municipal area. Provide for the needs of indigent households through improved services.		1							223,849	234,287	243,855	
Sustainable Economic Growth	To facilitate investment and maintenance of economic and social infrastructure to ensure infrastructure-led economic growth and development. Create an investment friendly environment to attract investment to enable economic growth and job creation. Sustainability of the environment and Agriculture.		2							33,997	33,726	35,705	
Well-run Administration.	Establishment of a well governed and accountable administration.		3							21,945	22,793	24,522	
Financial Sustainability	Ensure liquidity of the administration.		4							25,757	23,915	25,036	
Transparent Organisation.	Transparency and participation.		5							14,295	14,637	15,559	
Allocations to other priorities													
Total Expenditure				1	-	-	-	-	-	-	319,844	329,356	344,677

References

1. Total expenditure must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)

2. Balance of allocations not directly linked to an IDP strategic objective

check op expenditure balance

(254,234) (257,189) (320,568) (277,760) (279,027) - 16,039 44,796 48,320

WC053 Beaufort West - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Service to the people	To improve and maintain current basic service delivery through specific infrastructural development projects. Provision of basic services to all the people in the municipal area. Provide for the needs of indigent households through improved services.	1								17,486	21,291	27,725
Sustainable Economic Growth	To facilitate investment and maintenance of economic and social infrastructure to ensure infrastructure-led economic growth and development. Create an investment friendly environment to attract investment to enable economic growth and job creation. Sustainability of the environment and Agriculture.	2								6,301	6,583	10,982
Well-run Administration.	Establishment of a well governed and accountable administration.	3								200	-	-
Financial Sustainability	Ensure liquidity of the administration.	4								200	-	-
Transparent Organisation.	Transparency and participation.	5								-	-	-
Allocations to other priorities			3									
Total Capital Expenditure			1	-	-	-	-	-	-	24,187	27,873	38,707

References

1. Total capital expenditure must reconcile to Budgeted Capital Expenditure
2. Goal code must be used on Table SA36
3. Balance of allocations not directly linked to an IDP strategic objective check capital balance

(21,711)	(89,949)	(14,556)	(34,168)	(43,358)	-	8,317	13,526	8,822
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CHAPTER 7 - PERFORMANCE MANAGEMENT

Alignment is established between the IDP, budget, performance management and risk management. In terms of the Performance Management Guide for Municipalities, DPLG, 2001 “the IDP process and performance management process should appear to be seamlessly integrated. The IDP fulfils the planning stage of performance management. Performance management fulfils the implementation management, monitoring and evaluation of the IDP process”. Integrated Development Planning was introduced as the strategic management tool to realise the developmental role of local government.

Performance management is a management tool introduced to facilitate the implementation of the IDP, and as such forms an integral part of the IDP. The budget is the financial expression of the IDP and this is monitored through the service delivery and budget implementation plan (SDBIP). The IDP provides for strategic direction and the budget makes IDP implementation possible.

Performance Management is prescribed by chapter of the Municipal System Act, Act 32 of 2000 and the Municipal Planning and Performance Management Regulations, 796 of August 2001. Section 7 (1) of the aforementioned regulation states that “A Municipality’s Performance Management System entails a framework that describes and represents how the municipality’s cycle and processes of performance, planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the responsibilities of the different role players”. This framework, *inter alia*, reflects the linkage between the IDP, Budget, SDBIP and individual and service provider performance. The municipality adopted a performance management framework that was approved by council in November 2008.

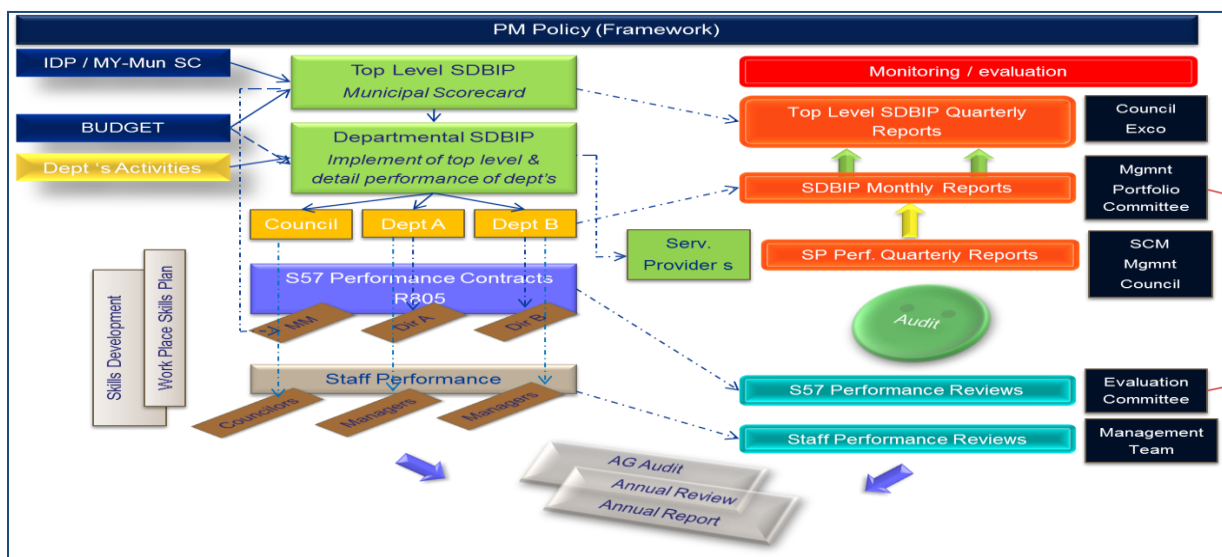
7.1 Introduction

The Integrated Development Plan enables the achievement of the planning stage of the performance management. Performance management then fulfils the implementation, management, monitoring and evaluation of the Integrated Development Plan. The performance of an organisation is integrally linked to that of its staff. It is therefore vitally important for any organisation to periodically review its own performance as well as that of its employees.

7.2 Performance Management System

The Performance Management System implemented at the municipality is intended to provide a comprehensive step by step planning system that helps the municipality to manage the process of performance planning and measurement effectively. The PM System serves as primary mechanism to monitor, review and improve the implementation of the municipality IDP and eventually the budget. The performance policy framework was approved by Council which provided for performance implementation monitoring and evaluation at organisational and individual levels.

The Performance Management Framework of the Municipality is reflected in the diagram below:



Graph 2.: Performance Management System

7.3 Organisational Performance

The organisation performance of the municipality is evaluated by means of a municipal scorecard (Top Layer SDBIP) at organisational level and through the service delivery budget implementation plan (SDBIP) at directorate and departmental levels. The Top Layer SDBIP set our consolidated service delivery targets and provides an overall picture of performance for the municipality as a whole, reflecting performance on its strategic priorities.

Graph 3.: Organisational Performance

The departmental SDBIP captures the performance of each defined department which reflects on the strategic priorities of the municipality. The SDBIP provides the detail of each outcome for which the senior management is responsible for, in other words, a comprehensive picture of the performance of each directorate/sub-directorate.

7.4 Individual Performance for Section 57 managers

The municipality is in the process of implementing a performance management system for all its senior managers. This has led to a specific focus on service delivery and means that:

- Each manager has to develop a scorecard which is based on the balanced scorecard model;
- At the beginning of each financial year all the senior managers (Section 57 employees) sign Performance Agreements.

7.5 Individual Performance

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

Every year, as required by Section 12 (1) of the Regulations to the Systems Act, the Municipality also set performance targets for each of the key performance indicators. The IDP process and the performance management process are therefore seamlessly integrated.

7.6 Performance Reporting

Performance is reported on a regular basis and it includes the evaluation of performance, the identification of poor performance and corrective actions to improve performance.

Quarterly Reports

Reports on the performance in terms of the Top Level SDBIP are generated from the system and submitted to Council. This report is published on the municipal website on a quarterly basis.

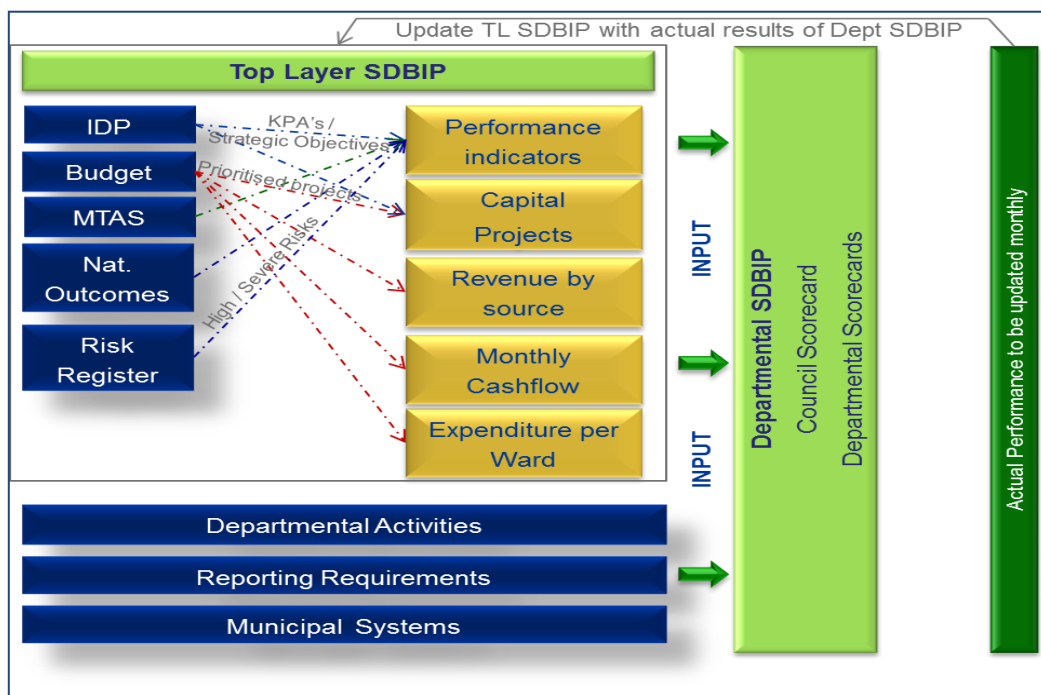
Mid-Year Assessment

The performance of the first six months of the financial year should be assessed and reported on in terms of Section 72 of the MFMA. This assessment must include the measurement of performance, the identification of corrective actions and recommendations for the adjustment of KPI's, if necessary.

The format of the report must comply with the section 72 requirements. This report is submitted to Council for approval before 25 January of each year and published on the municipal website.

Annual Assessment

The performance of the financial year should be assessed at year-end in terms of section 46 of the MSA. The performance in terms of the annual targets set will be documented in the Annual Performance Report and the report will be finalized and submitted to the Office of the Auditor General by 30 August annually. This report will be included in the Annual Report of the municipality. The Annual Report is submitted to Council for approval before 25 January of each year and published for comment on the municipal website.



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CHAPTER 8 – RISK MANAGEMENT AND IMPLEMENTATION STRATEGY

The risk management strategy of the Beaufort West Municipality deals with the major intended and emergent initiatives taken by and involving the utilisation of its resources to reduce risk in the Municipality. These strategies may include acceptance, avoidance, mitigating and transferring of risk. The risk management strategy outlines a high level plan on how the Municipality will go about implementing its risk management policy.

The Risk Management Policy has been tabled to Council and has been approved on the 23 January 2017. Risk champions in all departments has been identified to deal with the coordination and management of risks. Currently the Risk Committee that has been established fulfil the function of risk coordination and management thereof.

The risk management strategy contains the following five main elements:

Structural configuration	This element describes how the institution will be structured in terms of committees and reporting lines to give effect to the risk management policy;
Accountability, roles and responsibilities	This element describes the authority and delegation of responsibilities to give effect to the risk management policy.
Risk management activities	This element includes the risk assessment processes and methodologies, monitoring activities and risk reporting standards to give effect to the risk management policy.
Monitoring of the achievement of the risk management strategy	This element includes assessment of whether or not key milestones are achieved. More importantly it is also monitoring whether the risk management strategy is producing the sustainable outcomes as originally envisaged.
Assurance activities	This element considers all assurance providers available to the institution and integration of their scope of responsibility.

Risk Preparedness

Risk Management (i.t.o sec 62 of the Municipal Finance Management Act (MFMA)) is a systematic process to identify, evaluate and address risks on a continuous basis in order to introduce preventative measures. Risk management is integrated with the IDP and linked to the strategic outcomes.

The Disaster Risk Plan of the Municipality contains preventative as well as prepared responses towards the risks that have been identified.

Hazard, risk and vulnerability assessments (HRAVA)

The indicative risk profile is dynamic and can change depending on many variables, e.g. crowd profile, weather conditions, time of day, traffic conditions, spectator behaviour and the safety and security threat analysis.

The main Risks which may have a potential disaster-risk impact:-

Natural Risks

- Drought;
- Extreme Weather (heat wave / cold snap);
- Floods
- Snowfalls
- Windstorms
- Earthquake
- Desertification / Soil erosion / Loss of biodiversity
- Thunderstorms and lightning
- Predators

Service Risks

- Disruption of Electricity Supply / Power Failure (sustained);
- Disruption of Telecommunications & IT Services or Public Address;
- Solid and sewerage waste disposal management
- Disruption of Water Supply
- Disruption of Sanitation & Storm water Systems
- Disruption of Solid Waste Removal Services

Civil Unrest

- Bomb Threat / Hostage-taking/ Bomb explosion
- Hooliganism / Civil Unrest / Rioting / Public Disorder
- Disruption of Commercial or Governmental Activities, incl. Strike action by personnel

Accidents

- Road Traffic Incidents, including Road Transportation Disruption/Blockades/Traffic Congestion;
- Structural Collapse;
- Hazmat Incident or Chemical or Biological Agents' or Radio-active Materials' (CBR) Release
- Fire – Veld / Structural / Effects of Pyrotechnics
- Rail Incident
- Aircraft Incidents

Health Risks

- Epidemic / Major Infectious Disease Outbreak, incl. Food Safety issues
- Human Disease
- Animal Disease
- Environmental Pollution – Ground / Air / Water
- Shale gas drilling and Uranium mining and extraction
- Ground water pollution

The figure below indicates that the Beaufort West Gamka dam is empty and can supply no more water to the municipal area which pose a serious risk.



PRIORITISED DETAIL RISKS FOR BEAUFORT WEST MUNICIPALITY

The table below includes the top individual detail risks identified across all business processes, from the highest to the lowest priority.

No	Risk	Directorate	Impact	Likelihood
1	Impact of drought	Strategic	10	10
2	"Financial Feasibility in the long term:	Strategic	9.5	9.5
3	- Resources not growing with population, service demand & escalation costs;	Strategic	9	10
4	- Limited Resources spent on functions which are not core functions of the Municipality (including also unfunded mandates)	Strategic	9	10
5	- Consumer resistance due to escalating tariffs	Financial Services	9.00	10.00
6	- Increase in bad debts due to inability of consumers to pay	Community Services	9	10
7	- Lack of funding (Electro Technical, Community, IDP)	Strategic	8.00	9.00
8	- Lack of resources/funding (Transport, warm bodies, forensic investigators, CAATS, Experts)	Strategic	9.00	9.50
9	- Revenue base decreasing relative to increase in population	Strategic	9	9.5
10	- Over-dependency on grant funds to sustain service delivery"	Strategic	9.00	9.00
11	Ageing and deteriorating infrastructure	Strategic	9	9

12	Excessive water losses	Strategic	9	9
13	Decentralised SCM Unit resulting in corruption or bypassing of SCM processes	Strategic	9	9
14	Loss of key data (Data management outsourced to service provider with no controls vested at Municipality)	Community Services	9.00	9.00
15	Coordinated by Central Karoo District Municipality - but only one official available for the entire district area	Strategic	9.00	9.00
16	Lack of capacity/resources/trained specialised skills to ensure disasters are adequately managed should hazards occur No fire safety officer in Central Karoo District	Community Services	9.00	9.00
17	Lack of an updated and approved Disaster management Plan for the Municipality."	Strategic	8.00	9.00
18	Lack of funding (need to expand the landfill site in the near future)	Strategic	8	9

LIST OF ACRONYMS

AG	Auditor General
DBSA	Development Bank of South Africa
DEAT	Department of Environment Affairs and Tourism
DHSS	Department of Health and Social Services
DLA	Department of Land Affairs
DLG&H	Department of Local Government and Housing
DM	District Municipality
DMA	District Management Area
DME	Department of Mineral and Energy
DoL	Department of Labour
DoRT	Department of Roads and Transport
DPLG	Department of Provincial and Local Government
DPW	Department of Public Works
DTI	Department of Trade and Industry
DWAF	Department of Water Affairs and Forestry
ECA	Environmental Conservation Act
EDU	Department of Education
EFF	External Financing Fund (Ad Hoc)
EHS	Environmental Health Services
EIA	Environmental Impact Assessment
EIP	Environmental Implementation Plan
EMP	Environmental Management Plan
EPIP	Environmental Protection and Infrastructure Programme
EPWP	Expanded Public Work Programme
FBS	Free Basic Services
FMG	Finance Management Grant
GIS	Geographic Information System
HIV/AIDS	Human Immunodeficiency Virus/ Acquired Immune Deficiency Syndrome
HOD	Head of Department
ICT	Information and Communication Technology
IDP	Integrated Development Planning
IEM	Integrated Environmental Management
IGR	Intergovernmental Relations
INEP	Integrated National Electricity Program
IT	Information Technology
SCM	Supply Chain Management