



cooperative governance
and traditional affairs

Department of Cooperative Governance
and Traditional Affairs
FREE STATE PROVINCE

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

Annual Performance Plan 2016-2019

FREE STATE PROVINCE

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FOREWORD

The core services that local government provides - clean drinking water, sanitation, electricity, shelter, waste removal and roads - are basic human rights, essential components of the right to dignity enshrined in our Constitution and Bill of Rights.

Local government has been a primary site for the delivery of services in South Africa since 1994. Despite numerous challenges, we have also made tremendous progress in delivering water, electricity, sanitation and refuse removal at a local level.

Yet despite our delivery achievements since 1994, it is clear that much needs to be done to support, educate and where needed, enforce implementation of local government's mandate for delivery. The transformation of the local government sector remains a priority for the current administration.

Our National Development Plan makes it clear that meeting our transformation agenda requires **functional municipalities and capable machinery at local level that can create safe, healthy and economically sustainable areas where citizens and people can work, live and socialize.**

Following an assessment of the state of local government in the country during 2014, covering political stability, governance, service delivery, financial management, institutional management and community satisfaction, the (national) Department of Cooperative Governance has initiated a process to set benchmarks for municipalities to perform their basic responsibilities, "every day, without fail". These benchmarks led to developing the Back to Basics Strategy, which is in line with the President's vision for local government to be at "the forefront of improving people's lives and creating conditions for inclusive economic growth and job creation". The Back to Basics Strategy will ensure that in every municipality, traffic lights work, potholes are filled, water is delivered, refuse is collected, electricity is supplied, and refuse and waste management takes place.

Our goal over the next few years is to improve the functioning of municipalities within the Free State Province to better serve communities by getting the basics right. The building blocks of the Back to Basics Strategy consist of the following:

(1) Basic Services: Creating decent living conditions

Municipalities must:

- a) Develop fundable consolidated infrastructure plans.
- b) Ensure infrastructure maintenance and repairs to reduce losses with respect to:
 - i. Water and sanitation.
 - ii. Human Settlements.
 - iii. Electricity.
 - iv. Waste Management.
 - v. Roads.
 - vi. Public Transportation.
- c) Ensure the provision of Free Basic Services and the maintenance of Indigent register.

(2) Good Governance:

Good governance is at the heart of the effective functioning of municipalities. Municipalities will be constantly monitored and evaluated on their ability to carry out the following basics:

- a) The holding of Council meetings as legislated.
- b) The functionality of oversight structures, S79 committees, audit committees and District IGR Forums.
- c) Whether or not there has been progress following interventions over the last 3 – 5 years.
- d) The existence and efficiency of anti-corruption measures.
- e) The extent to which there is compliance with legislation and the enforcement of by-laws.
- f) The rate of service delivery protests and approaches to address them.

(3) Public Participation:

Measures will be taken to ensure that municipalities engage with their communities. Municipalities must develop affordable and efficient communication systems to communicate regularly with communities and disseminate urgent information. The basic measures to be monitored include:

- a) The existence of the required number of functional Ward committees.
- b) The number of effective public participation programmes conducted by Councils.
- c) The regularity of community satisfaction surveys carried out.

(4) Financial Management:

Sound financial management is integral to the success of local government. Performance against the following basic indicators will be constantly assessed:

- a) The number of disclaimers in the last three to five years.
- b) Whether the budgets are realistic and based on cash available.
- c) The percentage revenue collected.
- d) The extent to which debt is serviced.
- e) The efficiency and functionality of supply chain management.

(5) Institutional Capacity:

There has to be a focus on building strong municipal administrative systems and processes. It includes ensuring that administrative positions are filled with competent and committed people whose performance is closely monitored. Targeted and measurable training and capacity building will be provided for councilors and municipal officials so that they are able to deal with the challenges of local governance as well as ensuring that scarce skills are addressed through bursary and training programmes. The basic requirements to be monitored include:

- a) Ensuring that the top six posts (Municipal Manager, Finance, Infrastructure Corporate Services, Community development and Development Planning) are filled by competent and qualified persons.
- b) That the municipal organograms are realistic, underpinned by a service delivery model and affordable.
- c) That there are implementable human resources development and management programmes.
- d) There are sustained platforms to engage organized labour to minimize disputes and disruptions.
- e) Importance of establishing resilient systems such as billing.

Considering our legal mandate, e.g. to monitor, support and assist municipalities, and in ensuring that we consult with municipalities, as our service recipients, on the support and assistance that they require from the Department over the

2016/2019 MTEF period, we invited Municipal Managers to participate in the Department's strategic planning workshop held in February 2016. When finalizing this 2016/2019 Annual Performance Plan of the Department, the Department took into account the inputs obtained from Municipal Managers during the strategic planning workshop.

In improving professionalism and management on local government level, Governance has already introduced significant amendments to local government legislation such as the Municipal System Amendment Act.

This 2016/2019 Annual Performance Plan reflects how the Department intends to strengthen the institutional - and service delivery capacity of municipalities over the next 3 years, taking into account the Back to Basics 10-Point Plan developed by Government as well as the state of affairs in municipalities within the Free State Province.

Over the next three years, we commit ourselves to strengthen our support and assistance to all municipalities in the Free State Province, especially struggling municipalities. Each and every municipality within the Free State Province must be fully functional and efficient, thereby ensuring that we deliver services of a good quality to our people who need reliable and efficient services.

We also call upon all role-players in local government to work hand in hand with us over the next few years towards ensuring that municipalities improve their management systems and practices, and appoint skilled and competent personnel towards improved municipal service delivery.

Together, we can do more to make our beloved country a better place to live in.



**MEC S.M. MLAMLELI
EXECUTIVE AUTHORITY:
COOPERATIVE GOVERNANCE, TRADITIONAL
AFFAIRS AND HUMAN SETTLEMENTS**

18 February 2016

It is hereby certified that this Annual Performance Plan


- Was developed by the management of the Department of Cooperative Governance and Traditional Affairs under the guidance of Ms S.M. Mlamleli, Executing Authority for Cooperative Governance, Traditional Affairs and Human Settlements
- Takes into account all the relevant policies, legislation and other mandates for which the Department of Cooperative Governance and Traditional Affairs is responsible
- Accurately reflects the strategic goals and objectives which the Department of Cooperative Governance and Traditional Affairs will endeavour to achieve over the period 2015/2018.



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CONTENTS

	<u>Page No.</u>
<u>PART A: STRATEGIC OVERVIEW</u>	
1. VISION, MISSION AND VALUES	1
2. UPDATED SITUATIONAL ANALYSIS	1
• PERFORMANCE DELIVERY ENVIRONMENT	1
• ORGANIZATIONAL ENVIRONMENT	28
• REVISED LEGISLATIVE AND OTHER MANDATES	29
• STRATEGIC GOALS OF THE DEPARTMENT	30
3. OVERVIEW OF THE 2015-2016 BUDGET AND 2016-2019 MTEF ESTIMATES OF THE DEPARTMENT	32
<u>PART B: STRATEGIC OBJECTIVES AND SUB-PROGRAMME PLANS</u>	
1. PROGRAMME 1: ADMINISTRATION	35
• PURPOSE AND BRIEF DESCRIPTION OF THE PROGRAMME	35
• STRATEGIC GOAL, OBJECTIVES, PROGRAMMES AND SUB-PROGRAMME PLANS	35
• RECONCILIATION OF PERFORMANCE TARGETS WITH THE BUDGET AND MTEF	38
2. PROGRAMME 2: LOCAL GOVERNANCE	40
• PURPOSE AND BRIEF DESCRIPTION OF THE PROGRAMME	40
• STRATEGIC GOAL, OBJECTIVES, PROGRAMMES AND SUB-PROGRAMME PLANS	40
• RECONCILIATION OF PERFORMANCE TARGETS WITH THE BUDGET AND MTEF	49
3. PROGRAMME 3: DEVELOPMENT AND PLANNING	51
• PURPOSE AND BRIEF DESCRIPTION OF THE PROGRAMME	51
• STRATEGIC GOAL, OBJECTIVES, PROGRAMMES AND SUB-PROGRAMME PLANS	51
• RECONCILIATION OF PERFORMANCE TARGETS WITH THE BUDGET AND MTEF	58
4. PROGRAMME 4: TRADITIONAL INSTITUTIONAL MANAGEMENT	60
• PURPOSE AND BRIEF DESCRIPTION OF THE PROGRAMME	60
• STRATEGIC GOAL, OBJECTIVES, PROGRAMMES AND SUB-PROGRAMME PLANS	60
• RECONCILIATION OF PERFORMANCE TARGETS WITH THE BUDGET AND MTEF	61
5. PROGRAMME 5: HOUSE OF TRADITIONAL AFFAIRS	63
• PURPOSE AND BRIEF DESCRIPTION OF THE PROGRAMME	63
• STRATEGIC GOAL, OBJECTIVES, PROGRAMMES AND SUB-PROGRAMME PLANS	63
• RECONCILIATION OF PERFORMANCE TARGETS WITH THE BUDGET AND MTEF	64
<u>PART C: LINKS TO OTHER PLANS</u>	66
<u>PART D: TECHNICAL PERFORMANCE INDICATOR DESCRIPTIONS</u>	68
<u>PART E: AMENDMENTS TO THE 2015/2020 STRATEGIC PLAN</u>	69

PART A:

STRATEGIC OVERVIEW

1. VISION, MISSION AND VALUES

The vision, mission and values of the Department as per the Department's 2015/2020 Strategic Plan are still applicable and therefore maintained, e.g.:

Vision: Integrated, responsive and developmental local governance in the Free State Province

Mission: The Department strives to strengthen inter-sectoral cooperation and support municipalities and Traditional Leaders towards effective service delivery through:

- Integrated and sustainable planning and development
- Partnerships
- Research
- Monitoring and evaluation
- Accountability

Values: The Department's inherent values, as informed by Batho Pele principles, are:

- Results-driven
- Professionalism and Integrity
- Responsiveness
- Accountable and Transparent
- Value for money
- Collaborative Leadership

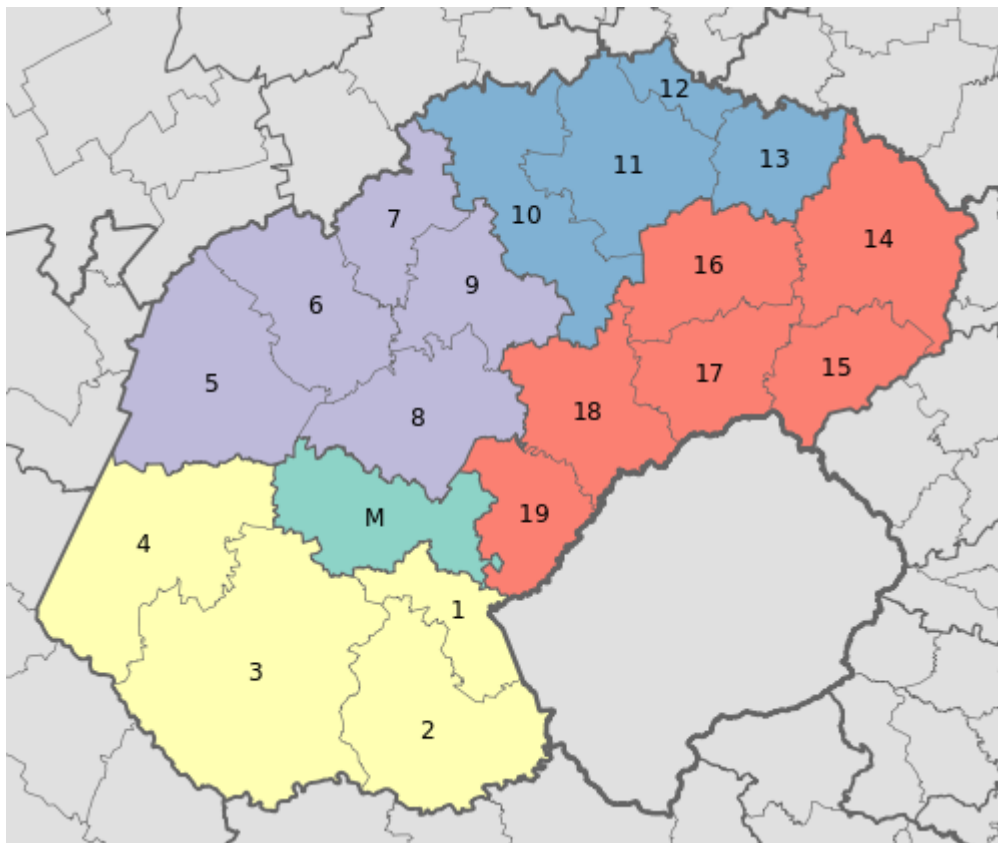
2. UPDATED SITUATIONAL ANALYSIS

2.1 Performance Delivery *Environment*

Overview and profiles of Free State Municipalities

The Free State province of South Africa is divided, for local government purposes, into one metropolitan municipality (Mangaung) and four district municipalities. The district municipalities are in turn divided into nineteen local municipalities.

In the following map, Mangaung is shaded green and labeled "M", while the district municipalities are shaded various other colours. Local municipalities are numbered.



District Municipalities:

Map key	Name	Code	Seat	Area (km ²)	Population (2011) ¹¹	Pop. density (per km ²)
10–13	Fezile Dabi District Municipality	DC20	Sasolburg	21,301	488,036	22.9
5–9	Lejweleputswa District Municipality	DC18	Welkom	31,930	627,626	19.7
M	Mangaung Metropolitan Municipality	MAN	Bloemfontein	6,284	747,431	118.9
14–19	Thabo Mofutsanyana District Municipality	DC19	Phuthaditjhaba	32,637	736,238	22.6
1–4	Xhariep District Municipality	DC16	Trompsburg	37,674	146,259	3.9

Local - and Metropolitan Municipalities:

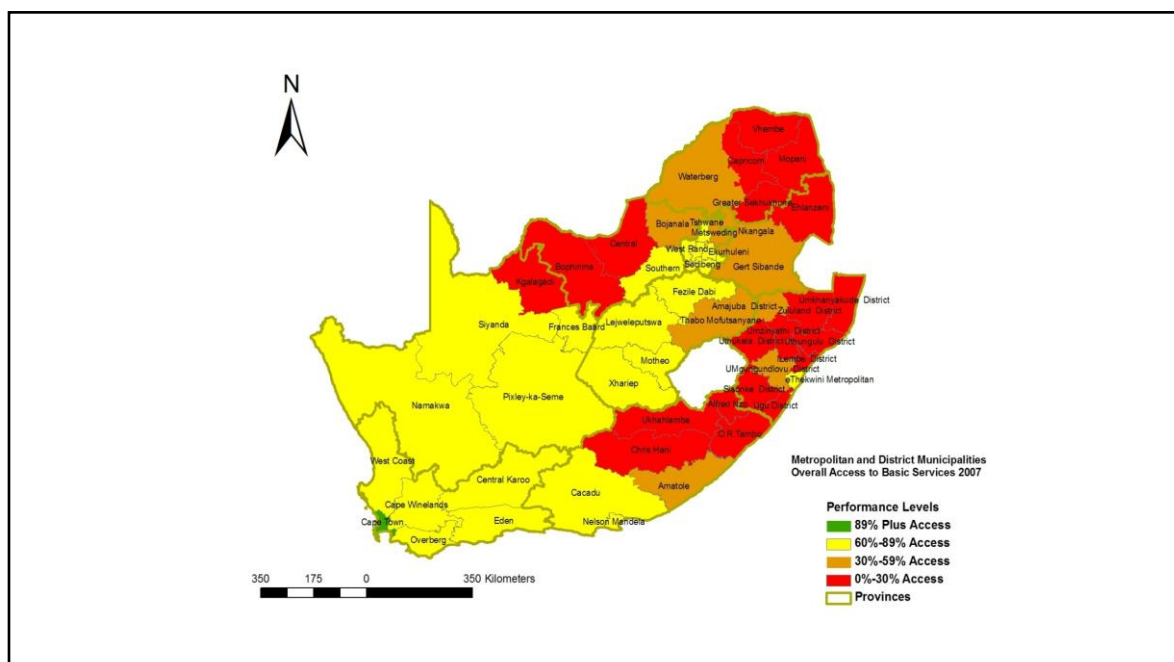
Map key	Name	Code	District	Seat	Area (km ²)	Population (2011) ¹¹	Pop. density (per km ²)	No. of Households
17	Dihlabeng Local Municipality	FS192	Thabo Mofutsanyana	Bethlehem	4,880	128,704	26.4	38 593
3	Kopanong Local Municipality	FS162	Xhariep	Trompsburg	15,645	49,171	3.1	15 643
4	Letsemeng Local Municipality	FS161	Xhariep	Koffiefontein	9,829	38,628	3.9	11 242
13	Mafube Local Municipality	FS205	Fezile Dabi	Frankfort	3,971	57,876	14.6	16 460
15	Maluti-a-Phofung Local Municipality	FS194	Thabo Mofutsanyana	Phuthaditjhaba	4,338	335,784	77.4	100 228
M	Mangaung Metropolitan Municipality	MAN		Bloemfontein	6,284	747,431	118.9	231 921
19	Mantsopa Local Municipality	FS196	Thabo Mofutsanyana	Ladybrand	4,291	51,056	11.9	15 170
8	Masilonyana Local Municipality	FS181	Lejweleputswa	Theunissen	6,796	63,334	9.3	17 575
9	Matjhabeng Local Municipality	FS184	Lejweleputswa	Welkom	5,155	406,461	78.8	123 195

Map key	Name	Code	District	Seat	Area (km ²)	Population (2011) ^{1,2}	Pop. density (per km ²)	No. of Households
12	Metsimaholo Local Municipality	FS204	Fezile Dabi	Sasolburg	1,717	149,108	86.8	45 757
2	Mohokare Local Municipality	FS163	Xhariep	Zastron	8,776	34,146	3.9	10 793
10	Moqhaka Local Municipality	FS201	Fezile Dabi	Kroonstad	7,925	160,532	20.3	45 661
7	Nala Local Municipality	FS185	Lejweleputswa	Bothaville	4,129	81,220	19.7	21 703
1	Naledi Local Municipality	FS164	Xhariep	Dewetsdorp	3,424	24,314	7.1	7 690
11	Ngwathe Local Municipality	FS203	Fezile Dabi	Parys	7,055	120,520	17.1	37 102
16	Nketoana Local Municipality	FS193	Thabo Mofutsanyana	Reitz	5,611	60,324	10.8	17 318
14	Phumelela Local Municipality	FS195	Thabo Mofutsanyana	Vrede	8,183	47,772	5.8	12 888
18	Setsotho Local Municipality	FS191	Thabo Mofutsanyana	Ficksburg	15,966	112,597	18.9	33 687
5	Tokolologo Local Municipality	FS182	Lejweleputswa	Boshof	9,326	28,986	3.1	8 698
6	Tswelopele Local Municipality	FS183	Lejweleputswa	Bultfontein	6,524	47,625	7.3	11 992

Accelerating Service Delivery

The uHABS study conducted in 2007 ranked the Free State Province as one of the provinces with universal access to basic services ranging between 60 – 89%. Despite this ranking, Municipalities in the Thabo Mofutsanyana District received ratings ranging between 30-59%. This is attributed to Maluti-a-Phofung Local Municipality, which is mainly made up of the QwaQwa Bantustan. According to Census 2011, the Free State Province recorded the highest drop in the number of households using the bucket latrine toilets from 20.5% in 2001 to only 5% in 2011.

The number of households with access to flush toilets also increased from 46% in 2001 to 67% in 2011. The electrification of households in the province in 1996 was standing at 57% and increased to 90% in 2011. The Free State province terrain puts the province at an advantage of acceleration service delivery faster than other provinces. Unlike provinces such as KwaZulu-Natal and the Eastern Cape, the topography of the province is level which makes it easy for infrastructure development.



Access to Basic Water

Census 2011 indicates that Free State municipalities made significant progress in the delivery of water. It increased the number of households with access to water inside dwelling and yards as compared to census 2001. The province has reduced the number of people with access below RDP standards. The following table reflects comparisons of access to water supply in the Free State between census 2001 and 2011. The majority of households without access to water supply are in the rural areas of Maluti-a-Phofung Local Municipality.

Households with water access above RDP Level					
Level of service	Census 2001		Census 2011		Change
	Households	Percentage	Households	Percentage	
Piped water in side dwelling	167,193	27%	368,846	47%	↑
Piped water in side yard	349,785	57%	364,729	46%	↑
Piped water on community stand: < 200 m	100,462	16%	51,046	7%	↓
Total	617,440	100%	784,621	100%	↑

The table above indicates a significant improvement in the number of households receiving piped water inside the dwelling and inside the yard. The number of households receiving piped water inside the dwelling and inside the yard increased from 167,193 to 368,846 and 349,785 to 364,729 respectively. The number of households receiving water from the community stands within 200m reduced from 100,462 to 51,046. The table shows that access to water in the province has been upgraded from lower level of service to high level of service.

Access to water trends between 2007 and 2011 censuses (per District in the Free State Province):

District	Piped water inside the dwelling/yard			Piped Water on a communal stand			No access		
	1996	2001	2011	1996	2001	2011	1996	2001	2011
Xhariep	80.7	79.8	94.5	11.6	17.1	3.8	7.7	3.1	1.6
Lejweleputswa	82.7	70.8	90.8	12.5	24.8	7.1	4.8	4.4	2
Thabo Mofutsanyane	56.2	61.6	87.4	35.9	32.4	9.4	7.8	6.1	3.2
Fezile Dabi	77.2	84	91.5	15.6	14.2	7.3	7.2	1.9	1.1
Mangaung	65.7	68.8	86.7	31.7	26.9	11.2	2.6	4.3	2.1
Total Free State	70.4	70.6	89.1	24	25.1	8.7	5.7	4.3	2.2

Source: Census 2011

According to census 2011 access to piped water in the Free State province increased substantially between 1996 and 2011. Access to water inside the dwelling or yard increased from 70 to 89 percent between 1996 and 2011 while at the same time access to piped water on communal stand declined from 24 percent to 8,7 percent. This means that many households were upgraded from communal stand pipes to piped water inside their dwellings.

Xhariep District has the highest percentage of households with access to piped water inside dwelling (95%) while Thabo Mofutsanyane District has the highest number of households without access to piped water inside the dwelling or yard (13%).

605,626 (98% of the 615,909 target) households were serviced with water until the end of December 2015, noting that the financial year ends June 2016. 13,899 Stands of the total backlog of 24,182 (2009/2010) were therefore serviced by the end of December 2015 in Maluti a Phofung LM. The remaining 10,283 stands will be serviced in the remainder of 2015/2016 (5,835) and 2016/2017 (4,448) financial years. 1,940 Connections of the planned 5,835 connections in the 2015/2016 financial year were completed however not yet connected to the water.

DWS is also supporting 15 municipalities with the development of Regional Bulk Water Schemes. Bulk water and sewer projects are under construction at the following municipalities:

- Setsoto Bulk Water Supply:
- Maluti-a-Phofung Bulk Water Supply (Sterkfontein)
- Dihlabeng Bulk Water Supply Project
- Nketoana LM Bulk Water Supply Project
- Phumelela LM - Warden Dam Bulk Water Supply project
- Mantsopa Bulk Water Project
- Kopanong LM-Jagersfontein – Fauresmith Regional Bulk Water Supply Project Phase 2
- Mohokare Local Municipality
- Masilonyana LM Bulk Water Supply Project
- Nala LM - Bulk Sewer Project
- Tokologo Bulk Water Supply Scheme Phase 2
- Tswelopele Bulk Water Supply
- Moqhaka LM Bulk Water and Sewer Scheme
- Ngwathe LM Phase 2, Bulk Water and Sewer Project
- Mafube Bulk Sewer Project

The province recorded a noticeable decrease in the number of households with access to water below the RDP standards. This reduced the number of households with no access to water beyond 200 metres from 5, 7% to 2%.

Access to sanitation

According to census 2011, access to flush/chemical toilets in the Free State province increased significantly between 1996 and 2011. Access increased from 45 to 68 percent between 1996 and 2011 as illustrated in table 3, while at the same time households without access declined from 9 percent to 3 percent. This means that many households were upgraded from communal stand pipes to piped water inside their dwellings.

District	Flush/Chemical toilets			None		
	1996	2001	2011	1996	2001	2011
Xhariep	50.2	64.2	80.5	19	15.7	5.8
Lejweleputswa	53.9	47.6	77.6	10	10.1	3.2
Thabo Mofutsanyane	26.6	30.1	53.4	9.5	9.8	3
Fezile Dabi	54.2	62.7	80.3	6.4	6.8	1.7
Mangaung	49.4	50.4	63	6.1	9.4	3.5
Total Free State	45.3	47.1	67.6	8.8	9.7	3.1

Source: StatsSA Census 2011

Xhariep District has the highest percentage of households with access to flush/chemical toilets (81 percent) while Thabo Mofutsanyane district has the lowest percent of households without access to flush toilets (53 percent).

The State of Local Government Report highlighted a high level of bucket latrines. To address the buckets, National Treasury allocated over R1, 2 billion to assist municipalities with bucket eradication in the 2006/07, financial year. The

funds were prioritized for historical backlogs in the formalized settlements. However, the Free State has seen an increase in the number of buckets as a result of proliferating households in the periphery of small towns in Free State.

Toilet facilities	Total Number of Households	Percentage Distribution
Flush toilet (connected to sewerage system)	534,084	65%
Flush toilet (with septic tank)	18,206	2%
Chemical toilet	5,147	1%
Pit toilet with ventilation (VIP)	71,702	9%
Pit toilet without ventilation	111,431	14%
Bucket toilet	44,919	5%
Other	12,099	1%
None	25,729	3%

Source: StatsSA Census 2011

614,409 (99% of the 615909 target) households were served until the end of September 2015 and 1,161 of the planned 2,661 Households were serviced in QwaQwa villages until the end of September 2015 for 2015/2016 financial year, noting that the municipal financial year ends June 2016. A total of 18,415 stands were serviced against the total backlog of 29,915 in QwaQwa villages.

Municipal Infrastructure Grant

The Municipal Infrastructure Grant (MIG) is contributing in service delivery in the Free State as follows:

An amount of R813,654,000.00 was allocated to the Free State in the 2014/2015 MIG financial year ending June 2015. R16,140,000.00 was also approved on the Adjustment budget in March 2015 which brought the total MIG allocation to R829,794,000.00. R781,562,985.45 (94%) was spent by the end of the 2014/2015 MIG financial year and specifically as follows:

Municipality	Expenditure vs MIG Allocation				
	Allocation	Adjustment (March 2015)	Revised Allocation	Expenditure	%
Letsemeng (FS161)	17,254,000.00	-1,245,000.00	16,009,000.00	13,638,829.26	85%
Kopanong (FS162)	20,080,000.00	3,500,000.00	23,580,000.00	21,816,929.12	93%
Mohokare (FS163)	17,462,000.00	8,000,000.00	25,462,000.00	18,044,840.02	71%
Naledi (FS171)	13,406,000.00	-	13,406,000.00	10,502,878.61	78%
Xhariep (DC16)	-	-	-	-	-
Masilonyana (FS181)	28,731,000.00	3,885,000.00	32,616,000.00	23,671,417.23	73%
Tokologo (FS182)	16,918,000.00	-	16,918,000.00	16,918,000.00	100%
Tswelopele (FS183)	23,703,000.00	10,000,000.00	33,703,000.00	23,863,940.95	71%
Matjhabeng (FS184)	156,246,000.00	-	156,246,000.00	156,246,000.00	100%
Nala (FS185)	43,248,000.00	-	43,248,000.00	43,248,000.00	100%
Lejweleputswa (DC18)	-	-	-	-	-
Setsoto (FS191)	59,660,000.00	-	59,660,000.00	59,660,000.00	100%

Municipality	Expenditure vs MIG Allocation				
	Allocation	Adjustment (March 2015)	Revised Allocation	Expenditure	%
Dihlabeng (FS192)	40,410,000.00	-6,000,000.00	34,410,000.00	34,410,000.00	100%
Nketoana (FS193)	26,572,000.00	-	26,572,000.00	26,572,000.00	100%
Maluti-a-Phofung (FS194)	166,047,000.00	-10,000,000.00	156,047,000.00	148,588,667.09	95%
Phumelela (FS195)	20,796,000.00	-	20,796,000.00	20,796,000.00	100%
Mantsopa (FS173)	21,578,000.00	-2,000,000.00	19,578,000.00	19,578,000.00	100%
Thabo Mofutsanyana (DC19)	-	-	-	-	-
Moqhaka (FS201)	38,123,000.00	-	38,123,000.00	38,123,000.00	100%
Ngwathe (FS203)	39,881,000.00	11,000,000.00	50,881,000.00	50,459,471.12	99%
Metsimaholo (FS204)	42,139,000.00	-	42,139,000.00	42,139,000.00	100%
Mafube (FS205)	21,400,000.00	-1,000,000.00	20,400,000.00	13,286,012.05	65%
Fezile Dabi (DC20)	-	-	-	-	-
Provincial Total	813,654,000.00	16,140,000.00	829,794,000.00	781,562,985.45	94%

The Provincial MIG Expenditure target for the end of December 2015 was set on 44% for the 2015/2016 financial year. A total of R306, 816,355.88(43%) out of an allocation of R717, 200,000 was spent as at 31 December 2015.

10 Municipalities reached the December 2015 Provincial expenditure target of 44% for the 2015/2016 financial year. A further 3 Municipalities reached a percentage of 40% - 44% and 4 Municipalities spent more than 30%. The remaining 2 Local Municipalities, namely Mohokare and Mafube spent less than 30%:

10 Municipalities reached the December 2015 MIG Expenditure target of 44%:

- Letsemeng (49%)
- Masilonyana (49%)
- Tokologo (65%)
- Tswelopele (46%)
- Matjhabeng (44%)
- Nala (50%)
- Setsoto (48%)
- Nketoana (50%)
- Moqhaka (45%)
- Metsimaholo (53%)

The above figures do not include approved roll overs for Letsemeng, Masilonyana and Tswelopele.

3 Municipalities spent between 40% and 44% (*Medium Risk*):

- Maluti-a-Phofung (43%) – Slow performance of service providers resulted in the lower than expected expenditure
- Phumelela (40%) – The lower than expected expenditure is due to the late appointment of service providers. All service providers had though been appointed and it is expected that expenditure will increase.
- Ngwathe (41%) – Expenditure increased significantly from the previous month and the performance over the next three months will be closely monitored.

3 Municipalities spent between 30% and 40% (*High risk*):

- Kopanong (36%) – The late appointments of service providers by the Municipality resulted in the low expenditure. Performance will be closely monitored taking in account that there is also a roll over amount of R1.7m still to be spent.

- Naledi (31%) – The Municipality only appointed the service provider for a road project at the end of November 2015 and therefore the low expenditure during December 2015. Performance will be closely monitored during the next 3 months.
- Dihlabeng (31%) – The late appointments of service providers by the Municipality resulted in the low expenditure. Service providers however have been appointed recently and it is expected that expenditure will increase during the next 2 months.
- Mantsopa (37%) – Slow performance of service providers and labor unrest resulted in the low expenditure. Expenditure did increase from the previous month and the performance will be closely monitored.

2 Municipalities spent less than 30% (*Critical risk*)

- Mohokare (23%) – The delay in the appointment of a service provider on a project that was stopped by a court order resulted in the low expenditure. An intervention meeting with the Municipality will be held during January 2016.
- Mafube (11%) – Cash Flow challenges resulted in the low expenditure.

The two above-mentioned municipalities were identified by National DCoG for the termination of MIG funds due to the fact that they have not reached the 30% DCoG target by the end of December 2015. Political intervention is needed in Mafube in order to prevent the Municipality to use MIG funding for Operations.

The households serviced on all bulk and reticulation services as reported by Municipalities on MIG as at the end of December 2015 is as follows:

- Sanitation: 5,938(2,597 on reticulation),
- Roads and Stormwater: 11 km
- Cemeteries: 119,200
- Sport and Recreational facilities and parks: 18,826.

The following challenges were (and still are) experienced in relation to the provision of access to water and sanitation in the Free State Province:

- Insufficient or lack of funding to address bulk infrastructure (water purification plants, waste water treatment plants) therefore an increase in the number of households with no access to sanitation or with services below basic levels over burden the existing infrastructure. This results in waste water bursts and trapping electricity in the affected areas.
- Slow Procurement
- Failure to ring fence MIG Fund lead to under-expenditure as these funds are used for other operational matters e.g. salaries.
- High turnover of senior managers in technical department leads to lack of continuity hence there is lack of capacity in technical services, e.g. unregistered professionals. This leads to overreliance on consultants and poor contract management (as some of the contracts are with no penalty and enforcement clauses) that disadvantages the municipalities effected. Therefore this spiralling effect results in lack of management oversight and under-expenditure of the technical services unit

The Department of Energy, in collaboration with COGTA, and Eskom have initiated a process of developing municipal electrification master plans of which these will be consolidated into the national Electrification master plan. These master plans will be, amongst other things, be utilised to source funding for the eradication of backlogs in the province in all municipalities.

The following represent the challenges experienced in the Free State Province with regard to Operations and Maintenance with regard to water, sanitation and electricity infrastructure:

- Old and decaying infrastructure which is exacerbated by the lack of effective infrastructure operations and maintenance master plans
- Electricity business is not ring fenced thereby subsidise non trade services
- Theft of electricity (cables, transformers, illegal connections, material)
- Vandalism of infrastructure
- Tariffs not cost reflective (ESKOM use alternating tariffs one for summer and other for winter of which municipalities are not afforded the opportunity to do the same adjustment).

- Dilapidated infrastructure coupled with a lack of technical skills that is hampering the supply of water in certain areas.
- High water and electricity losses (technical and financial) e.g. Matjhabeng, Dihlabeng, Mafube, Maluti-a-Phofung

Bucket eradication

The Free State Province still had a backlog of close to 35 995 buckets on which Bloemwater was appointed as an implementing agent to assist Municipalities eradicating the buckets in the 2013/2014 and 2014/2015 financial years with a budget of estimated R 590 million.

All buckets in the formal areas of the Free State are expected to be completed by the 31st March 2016, however the Department of Water and Sanitation will still finalise the increase in building Bulk infrastructure capacity of the affected towns and areas to ensure complete eradication of the legacy of the bucket systems in the Province.

Roads

Challenges experienced in the Free State Province in relation to roads can be summarized as follows:

- Municipalities still have a challenge in terms of road infrastructure especially in areas formerly known as townships (i.e. no road data available, dirt roads, roads under RDP standards, no storm water channels etc.).
- Spatial Development Frameworks not clear in terms of transport networks, secondary routes and future expansion of townships
- Municipalities utilising MIG in a smaller scale to address their backlogs. In the 2015/2016 MIG financial year alone 11 km roads were constructed.
- Department of Transport (National) through Provincial Department of Police, Roads and Transport has allocated grant funds Rural Road Asset Management System (RRAMS) for District Municipalities to collect data of Local Municipalities network that is traffic survey information, road classification for the purposes of directing development in their areas.
- Poor road networks and inadequate funding for upgrading of municipal roads

Blue Drop Status

The general water services provision picture in the FS as described through the 2014 Blue Water Services Audit Report is however not that excellent as the average Blue Drop score for the Free State Province declined with 7.2% from 82.1% in 2012 to 74.9% in 2014. Similarly, a decline in Blue Drop performance was noted in 9 of the WSAs, and the number of systems achieving Blue Drop Certification status for drinking water quality management excellence also declined from 7 to 6.

An Improvement in Blue Drop performance was noted in eleven of the twenty WSAs in the Free State Province, and the number of Blue Drop Scores that were between 50% and 95%, increased from 38 in 2012 to 48 in 2014.

Furthermore, the number of supply systems scoring less than 50% decreased significantly from 34 - 25, a notable improvement since systems scoring less than 50% have limited ability to undertake adequate drinking water quality management and supply drinking water of a quality that is acceptable for a lifetime of consumption.

The splendid accomplishment of the Maluti-a-Phofung LM, with MAP Water as Water Service Provider, who improved their Blue Drop score substantially to 97.66% at the same time achieved the top spot in the Province is acknowledged and commended, as they achieved Blue Drop Status in all three supply systems. The Matjhabeng LM achieved 94% average Blue Drop compliance and achieved Blue Drop Status in the Henneman, Ventersburg and Virginia Supply systems for the second time, with Sedibeng Water as Water Service Provider. A similar major achievement that requires mentioning is the remarkable improvement of Nketoana LM from 19% achieved in 2012 to the 2014 score of 71%. These municipalities are highly applauded for the excellent performance.

Green Drop Status

One of the key performance areas within the national Green Drop Certification programme is the ability of a municipality to identify and to reduce risks with the highest adverse impact on health and environment. The

Department Water Affairs has commenced with risk-based regulation in 2008, thereby establishing a baseline risk profile for each Waste Water Treatment Plant (WWTP) in South Africa.

The 2014 Green Drop Progress Report indicated a rise in the average Critical Risk Rating (CRR) for the Free State Province from 77.0% in 2013 to 83.3% in 2014. The Best progress performers in the Free State are Tokologo LM, who improved from 88% to 37%, Phumelela LM, who improved from 90% to 86% and Masilonyana LM, who improved from 92% to 87%. The Provincial Lower Performers are Kopanong LM, Ngwathe LM, Nketoana LM, Nala LM, Naledi LM, Letsemeng LM, Mafube LM, Mohokare LM and Setsoto LM. 36 Waste Water Plants are in critical Risk Positions with Average CRR/CRRmax that ranges from 91% to 100%. Matjhabeng LM, Metsimaholo LM and Mafube LM represent the municipalities in the Free State Province with the most prominent risk decline. Matjhabeng LM increased from 57% to 71%, Metsimaholo LM increased from 50% to 79% and Mafube LM increased from 67% to 98%

Access to Electricity

The proportion of households using electricity as the main source of energy for lighting, cooking, and heating increased across the province. According to census 2011, access to electricity for lighting to (91, 1%) cooking (84, 6%), and heating (59%).

Access to electricity or energy to households in commercial farms or privately owned land remains a challenge. The process of assisting municipalities in the development of master plans will determine the affected households that do not have access to electricity or energy on privately owned land.

Access to electricity in the Free State Province is as follows:

Energy Source	Cooking	Heating	Lighting
Electricity	695,587	458,587	740,500
Gas	23,897	28,824	1,125
Paraffin	62,784	161,108	17,813
Wood	27,960	68,042	-
Candles	-	-	60,508
Coal	6,557	28,308	-
Animal Dung	3,163	4,728	-
Solar	1,179	1,509	1,861
Other	622	31	-
None	1,566	72,179	1,509
TOTAL	823,316	823,316	823,316

Access to refuse removal

According to census 2011, 72,7% of households in the Free State have access to refuse removal by local municipality or a private company as compared to 65% in 1996. Fezile Dabi, Lejweleputswa, and Mangaung have the highest proportion of households with refuse removed by local authority or private company. Census report suggests a decline in the proportion of households with communal or own refuse dump or no rubbish disposal.

Access to refuse removal is as follows in the Free State Province:

District	Removed by local authority/private company			Communal/own refuse dump			no rubbish removal		
	1996	2001	2011	1996	2001	2011	1996	2001	2011
Xhariep	64.5	66.6	68.4	28.9	28.6	28.1	5.7	4.8	2.4
Lejweleputswa	79.4	72	81.7	17.4	21.1	13.1	3.1	6.8	4.3
Thabo Mofutsanyane	42.2	45.4	50.1	50.7	41.1	43.6	7.1	13.5	5.6

Fezile Dabi	66.7	70.6	83.1	26.8	23.3	13	6.2	6.2	3.3
Mangaung	74.4	61.9	81.1	19.1	26.7	14.5	6.4	11.4	3.5
Total Free State	65.1	61.7	72.7	29.1	28.7	22.4	5.7	9.5	4.1

Source: Census 2011

All households in the Free State have access to basic refuse removal, only the frequency needs to improve. As part of the implementation of the B2B Programme, Municipalities need to improve the frequency of refuse removal to at least once a week in all the areas. A Major challenge within Municipalities is the aging and non availability of vehicles and equipment to improve the service. Refuse Removal is funded from municipal own funding and taking into account the restricted available resources within Municipalities this service will only improve if an alternative source of funding is acquired

National Government took a decision to implement Free Basic Services during the 2003/04 financial year. The Free State as a province have supported this initiative by supporting municipalities to provide Free Basic Services as a vehicle to alleviate poverty to households that cannot afford to pay for these basic services around water, electricity, refuse removal and sanitation.

All municipalities in the Free State are providing Free Basic Services. Most municipalities are in the process of aligning their Indigent policies and registers to the National Framework thus ensuring that it is the qualifying households that have access to Free Basic Services.

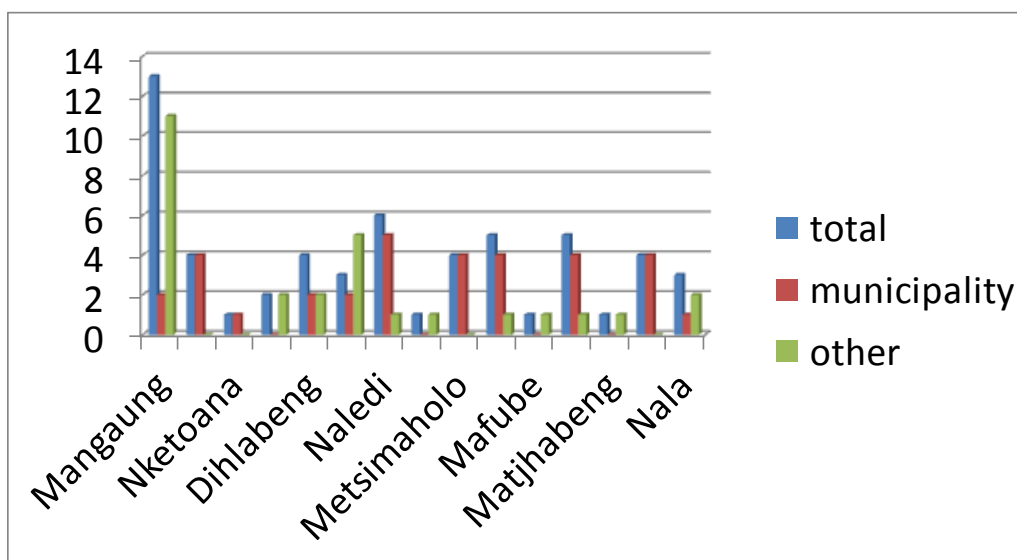
Achievements to date (e.g. as at the end of April 2014) on the provision of free basic services in the Free State Province are as follows:

Name of municipalities	Number of Households	Number of Indigents Households	Free Basic Water	Free Basic Electricity	Free Basic Sanitation	Free Basic Refuse
Mafube	18,999	3,755	3,755	3,755	3,755	3,755
Metsimaholo	40,140	18,741	18,741	18,741	18,741	18,741
Moqhaka	33,974	5,719	6,216	3,296	6,216	6,216
Ngwathe	37,737	5,253	5,253	5,253	4,980	5,253
Dihlabeng	31,836	3,184	31,836	3,184	3,184	3,184
Maluti A Phofung	80,144	6,934	33,974	41,313	33,934	6,934
Mantsopa	12,927	2,336	2,336	2,336	2,336	2,336
Nketoana	14,782	3,505	3,478	2,963	3,485	3,477
Phumelela	10,588	1,8862	9,609	8,821	1,862	0
Setsoto	28,495	2,605	28,495	28,495	28,495	28,495
Matjhabeng	97,000	27,708	27,708	27,708	27,708	27,708
Masilonyana	14,072	4,161	4,161	4,161	4,161	4,161
Nala	23,424	9,617	9,617	9,617	9,617	9,617
Tswelopele	10,653	3,965	3,965	3,965	3,965	3,965
Tokologo	9,078	1,630	1,190	556	1,250	1,251
Letsemeng	9,972	5,053	2,653	5,053	5,053	5,053
Naledi	8,271	4,550	4,562	4,562	4,562	4,562
Kopanong	13,318	2,067	2,067	2,067	2,067	2,067
Mohokare	8,464	1,431	1,431	1,431	1,431	1,431
Mangaung Metro	385,685	14,373	14,373	14,373	14,373	14,373
TOTAL	889,559	155,230	186,768	115,695	170,391	145,386

Community protests

The Free State province experienced a number of community protests in the period under review. The protests are attributed to the following:

- Economic factors (poverty levels, unemployment, standard of living)
- Political factors (political power that affects inter and intra political party conflicts)
- Psychosocial factors (security, respect, freedom, and basic amenities)
- Cultural and traditional factors



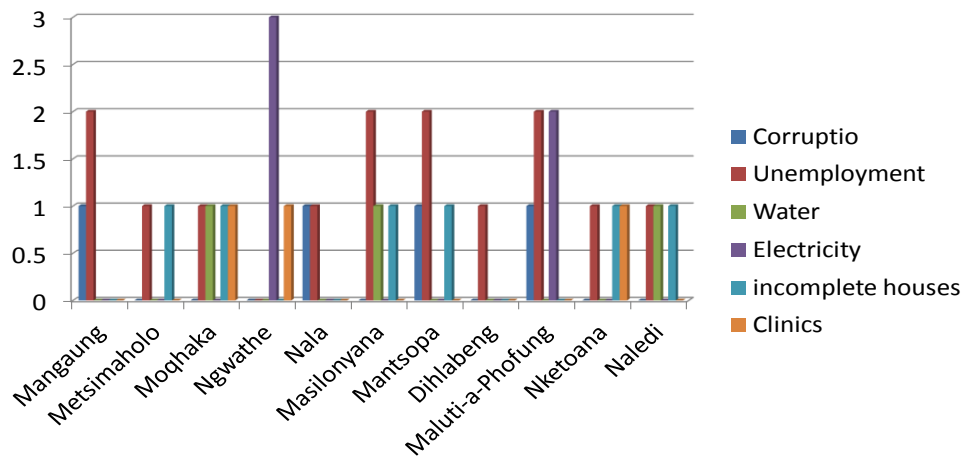
Protests per District:

Fezile Dabi	Metsimaholo	Mafube	Ngwathe	Moqhaka	
10	3	0	4	3	
Lejweleputswa	Matjhabeng	Masilonyana	Nala	Tswelopele	Tokologo
5	0	4	1	0	0
Xhariep	Kopanong	Letsemeng	Mohokare	Naledi	
5	0	0	0	5	
TMDM	MAP	Mantsopa	Dihlabeng	Setsoto	Nketoana
10	2	5	2	0	1
Mangaung 2					
TOTAL: 33					

Additional causes for protests include the following:

- Lack of land and housing
- Lack of access to water, electricity and sanitation delivery (poor service delivery)
- Ignored grievances
- Lack of infrastructure (roads and storm water)
- Poor performance of councillors
- Alleged fraud, corruption and nepotism

Service delivery cause metrix



Promoting Good Governance

During the LGTAS progress assessment conducted from November 2012 to February 2013, municipalities in the Xhariep and Lejweleputswa districts indicated that their Councils were generally functional and convened meetings according to council standing rules and orders. In addition, municipalities in both districts reported that they had functional council oversight committees. The municipalities also indicated that council committees receive and discuss reports such as the MFMA section 71 reports; and enable them to provide oversight on the state of municipal finances.

Municipalities reported that there were functional section 79 and 80 committees. Regarding the establishment of Municipal Public Accounts Committees (MPACs), the following progress was made in the province;

Improving operations and administration in municipalities

The stability of operations and administration of municipalities is one of the key measures of municipal functionality. Municipalities need experienced administrators to run municipal operations for sustainable service delivery. This may not be attained if the organizational structures are not aligned with municipal powers and functions. Some of the municipalities assessed demonstrated vulnerability regarding the development of organizational structures that support municipal functions.

The Department has entered into partnership with the University of Free State to develop a monitoring and evaluation system of which will improve monitoring of municipalities. Currently municipalities are being trained on the system as part of the implementation plan.

Incorporated in the system is a complaints management system which assist in lodging and monitoring of complains as lodged by communities. This system is being implemented in various municipalities with the intention to roll it out to all municipalities in the Province.

Development and adoption of organizational structures

The filling of vacant positions with appropriate skills is one of the challenges identified. In most instances, it was observed that the organizational structures are filled with irrelevant skills.

While the Municipal Turnaround Strategies pointed to lack of outdated human resources policies and systems. Municipalities reported that policies do exist but implementation remains a serious challenge.

In the Xhariep and Lejweleputswa districts, municipalities reported that their organizational structures are aligned to their mandates. Nala Municipality, which falls under the Lejweleputswa district, is the only municipality whose organisational structure is not compliant with their functions.

Municipalities in the Fezile Dabi district have reported that their organizational structures have been approved by their councils and aligned to their mandates. Metsimaholo is in the process of reviewing its organizational structure to align it with critical institutional service delivery imperatives. The local municipalities such as Setsoto and Dihlabeng in the Thabo Mofutsanyana district do not have compliant organizational structures as per the norms and standards. Phumelela and Nketoana have compliant organizational structures aligned to their core mandates. The Mafube Local Municipality has an approved organizational structure in place, which has been developed according to the norms and standards relating to the organogram. Each position on the structure contains job descriptions that are linked to the key performance areas of the municipality. All section 56 positions have been filled since the last election and the CFO position has been vacant since 30 March 2013 and has since been filled recently in May 2014.

Ngwathe local municipality has developed and approved organizational structure that existed since 2007. The council is in the process of reviewing the approved structure in line with the Municipal Systems Amendment Act, to ensure minimum and maximum competency levels are achieved within the municipality. It is therefore imperative to mention that there is support being rendered by the Department in this regard to assist the municipality in reviewing their structure.

Filing of the top 4 critical vacancies in municipalities

As at the end of December 2015, there were 132 senior management posts within municipalities. Of these 132 positions, 27 (20.5%) were vacant, and 105 (79.5%) are filled. 35 (33%) of the filled positions are occupied by women, of which 5 are Municipal Managers and 3 are Chief Financial Officers.

Diagram reflecting the status of critical vacancies in municipalities:

Municipality	Position/s	Vacancy date	Progress to date
Xhariep DM	Director: Corporate Services	September 2013	Advertised April 2014, not yet filled
	Chief Financial Officer	July 2015	Advertised July 2015, not yet filled
Letsemeng LM	Director: Corporate Services	January 2015	Advertised 14 September 2015, not yet filled
	Chief Financial Officer	September 2014	
	Director: Community Services	July 2015	
Mohokare LM	Director: Community Services	July 2011	Not yet advertised due to budget constraints. Continued existence of post on structure to be reviewed
Naledi LM	Director: Technical Services	April 2015	Not yet advertised.
Masilonyana LM	Director: Corporate Services	May 2015	Post advertised in July 2015.
	Director: Planning	New post	New post - not yet advertised
	Director: Technical Services	December 2013	Advertised in June 2015.
Nala LM	Director: Public Safety and Social Services	July 2013	Post not yet advertised due to budget constraints.
Thabo Mofutsanyana DM	Director Community Services	March 2015	Appointment in process
Dihlabeng LM	Municipal Manager	May 2015	Not yet advertised
	Chief Financial Officer	July 2015	Appointment in process
Phumelela LM	Director: Technical Services	July 2014	Request for secondment being considered
Nketoana LM	Chief Financial Officer	March 2015	Not yet advertised due to budget constraints.
Maluti-a-Phofung LM	Municipal Manager	Filled	Appointment in process
	Director: Corporate Services	May 2015	Appointment in process
	Director: Housing and Spatial Planning	June 2015	Appointment in process
	Director: Community Services	Filled	Advertised in August 2015

Municipality	Position/s	Vacancy date	Progress to date
	Director: Sports	February 2014	Advertised in August 2015
	Director: Technical Services	Filled	
Fezile Dabi DM	Director: Public Works	2013	Unknown
Moghaka LM	Director: Technical Services	June 2014	Advertised in July 2014
	Director: LED & Planning	New post	Advertised June 2015
Mafube LM	Director: Planning & Infrastructure Services	January 2014	Advertised in May 2015
	Director: Public Safety & Service Delivery	May 2014	Continued existence of post on structure to be reviewed due to budget constraints
Mangaung Metro	Head: Waste & Fleet Management	New post - created in November 2014	Not yet advertised
	Head: Economic & Rural Development	New post - created in November 2014	Not yet advertised

Most municipalities in the Free State Province have filled their Section 56 Manager posts. Positions of Director Technical Services are being phased out at district municipalities while those of Director Community Services and Director Development Planning were either not budgeted for and therefore not in the approved structure or were vacant and in the process of being advertised. While most municipalities have filled section 56 managers' positions, the turnover rate in these positions remains a worrying factor that needs to be addressed.

Compliance with Legislative framework

Out of 100 posts filled (of the 117 posts), only 30 performance agreements and 45 employment contract were signed and submitted.

Compliance with minimum competency regulations

All appointments have been approved by the MEC to be compliant with the Act. There are no declaratory orders or pending court cases reported from the province.

Not all managers complied with the minimum competency regulations. For example, in the Xhariep district, managers in Mohokare LM complied with the minimum competency level regulations, while Letsemeng reported that they were still in training. In Kopanong, not all managers' positions comply with the minimum competency level. Some managers in the Lejweleputswa local municipalities such as Nala comply with the minimum competency regulations, while managers in Tswelopele, Tokologo and Masilonyana had applied to National Treasury for special merit.

In 2012 the Minister of CoGTA identified 108 municipalities for targeted support to refocus & accelerate LGTAS implementation

The following 10 Free State municipalities were identified as part of the 108 LGTAS municipalities

- Xhariep: Letsemeng , Kopanong, Mohokare & Naledi LMs
- Lejweleputswa: Tokologo, Masilonyana & Nala LMs
- Thabo Mofutsanyana: Setsoto & Phumelela LMs
- Fezile Dabi: Ngwathe LM

The following is a summary of the submission of Municipal Annual and Oversight Reports:

MUNICIPALITY	DATE OF RECEIPT	TABLING IN COUNCIL	PUBLICATION	TABLING OF OR	OVERSIGHT REPORT SUBMISSION
Xhariep District Municipality	27/01/14, resubmitted 05/02/14	27/01/14	05-25/02/14 via press	31/03/14	04/04/14
Mohokare LM	30/01/14	22/01/14	30/01-21/02/14 Notices and websites	18/03/14	25/04/14
Naledi Local Municipality	30/01/14	24/01/14	03/02/14 Xhariep Independent	27/03/14	08/04/14

MUNICIPALITY	DATE OF RECEIPT	TABLING IN COUNCIL	PUBLICATION	TABLING OF OR	OVERSIGHT REPORT SUBMISSION
Kopanong LM	04/02/14	31/01/14	06/02/14 all municipal units.	Date of tabling of OR not submitted	02/04/14
Fezile Dabi District Municipality	15/02/14	23/01/14	28/01-25/02/14 municipal website 27/01/14 Sowetan	27/03/14	28/03/14
Ngwathe Local Municipality	17/02/14	12/02/14	-	-	-
Letsemeng LM	20/02/14	28/01/14	07/02/14	28/03/14	08/04/14
Thabo Mofutsanyana DM	24/02/14	20/02/14	Sowetan 26/02/14, EFS Issue	20/03/14	03/04/14
Tswelopele LM	07/03/14	30/01/14	04/02/14 municipal notice boards	17/03/14	09/04/14
Mangaung Metropolitan	10/03/14	05/03/14	-	-	-
Tokologo LM	11/03/14	24/01/14	The Weekly 07-14/03/14	-	-
Matjhabeng LM	13/03/14	31/01/14		27/03/14	23/05/14
Nketoana LM	14/03/14	Date not submitted	-	31/03/14	21/05/14
Dihlabeng LM	25/03/14	29/01/14	06/02/14 newspapers and public notices	07/04/14	14/04/14
Moqhaka Local Municipality	28/03/14	Date not submitted	-	-	-
Maluti-a-Phofung LM	04/04/14	23/01/14	Local libraries and municipal buildings	10/03/2014	04/04/14
Lejweputswa DM	08/04/14	04/02/14	04-28/02/14 municipal websites and press	31/03/14	08/04/14
Metsimaholo Local Municipality	11/04/14	Date not submitted	-	13&17/02/14	11/04/14
Phumelela LM	14/04/14	31/01/14	Local newspapers & municipal websites	31/03/14	23/04/14
Mantsopa LM	30/04/14	24/01/14	-	-	-
Setsoto LM	21/05/14	24/01/14	Local, provincial and national newspapers	10/03/14	21/05/14
Masilonyana LM	-	-	-	-	-
Nala LM	-	-	-	-	-
Mafube Local Municipality	-	-	-	-	-

Municipal Policies and By-laws

The MEC for local government in the Free State has published forty-four (44) standard draft by-laws by Notice in the Provincial Gazette. The standard draft by-laws are customized and adopted by municipalities in the Free State for enforcement within their respective areas of jurisdiction.

Sixteen (16) out of twenty four (24) municipalities in the Free State were assisted towards customizing/ adopting the standard by-laws during the 2013/2014 financial year.

These sixteen (16) municipalities are Tswelopele, Phumelela, Mafube, Ngwathe, Letsemeng, Masilonyana, Tokologo Matjhabeng, Dihlabeng, Nketoana, Setsoto, Nala, Metsimaholo, Mantsopa, Kopanong and Xhariep. Whereas the Department embarked on a programme to visit all municipalities on a monthly basis so as to accelerate the process of the adoption of by-laws in the Free State, the adoption and promulgation of by-laws is dependent on Council resolutions. As council meetings are mostly held once quarterly, this slows down the process considerably. In some cases Councils even defer by-laws to the next meeting perpetually, whilst other councils do not consider them at all.

In addition, twelve (12) municipalities were assisted with adoption of the Standard Rules and Orders. The Standard Rules and Orders outline, *inter alia*, conduct, attendance of Council meetings and the decision making processes.

For the current financial year, a priority is to assist all municipalities in the Province regarding the development of policies on revenue enhancement relating to credit control, indigence and rates. The process will contribute immensely towards supporting municipalities regarding promulgation of their revenue enhancement by-laws.

The national Department of Rural Development and Land Reform has proposed the draft by-law on Municipal Land Use Planning so as to operationalise the Spatial Planning and Land Use Management Act, 2013

(Act No. 16 of 2013). Towards this end, a further priority will be supporting all municipalities regarding the adoption of the proposed standard draft by-law on Municipal Land Use Planning.

On 26 March 2014, the Provincial Executive adopted a language policy for the Free State Province. In operationalizing the resolution (Cabinet Minute No. 3.1.1) support will be provided to municipalities during the current financial year regarding customization and adoption of the language policy. The purpose is to ensure that municipalities, in conducting their respective businesses, take into consideration the language usage and preferences of their residents.

Public Participation

Municipality	No of Wards	No of ward committees established	Vacancies	Payment of Stipend
Mangaung Metro	49	49	Wards 27, 33 and 35 not established	Yes
Kopanong	8	8	In wards 7 and 8	Yes
Letsemeng	6	6	none	Yes
Mohokare	6	6	In wards 2, 4, and 5	Yes
Naledi	4	4	In wards 1, 2, 3 and 4	Yes
Matjhabeng	36	36	none	Yes
Masilonyana	10	10	In wards 1, 4, 7, 8, 9 and 10	Yes
Tswelopele	8	8	none	Yes
Tokologo	4	4	In wards 1, 2, 3 and 4	Yes
Nala	12	12	In wards 8 and 10	Yes
Maluti a Phofung	35	35	none	Yes
Dihlabeng	20	20	In wards 10, 11, 12, 13, 14 and 17	Yes
Nketoana	9	9	none	Yes
Setsoto	18	18	Ward 10 not established	Yes
Mantsopa	9	9	none	Yes
Phumelela	8	8	none	Yes
Metsimaholo	21	21	none	Yes
Moghaka	25	25	In wards 1, 2, 7, 9, 12, 14 and 20	Yes
Ngwathe	20	20	In wards 3 and 20	Yes
Mafube	9	9	In wards 1, 6, 7 and 9	Yes

All the municipalities in the province have re-established their ward committees and are paying them an out-of-pocket stipend of R500, except for the Metro, where ward committees as being paid a stipend of R1000.

Functionality of IGR structures

All the district IGR structures have been established and they are functional, however, they still experience problems with regard to:

- Poor attendance of meetings by primary members
- Poor implementation of resolutions

The Department noted the following challenges that contribute to the ineffectiveness of public participation:

- Relationship between some councillors and some ward committees members is sometimes very poor
- Lack of provision of resources, particularly tools of trade
- No programmes(ward plans, schedule of meetings) to inform the functioning of a ward committee
- Poor commitment to the development role of ward committees
- Lack of interests to get involved in municipal processes by members of the communities

The extent to which Free State Municipalities successfully engage with the community on matters related to local government (e.g. public participation) can be summarized as follows:

Municipality	Categorisation
Thabo Mofutsanyana	Medium
Phumelela	Best
Maluti A Phofung	Weak

Municipality	Categorisation
Setsoto	Medium
Nketoana	Best
Dihlabeng	Medium
Mantsopa	Medium
Fezile Dabi	Best
Metsimaholo	Weak
Ngwathe	Weak
Mafube	Weak
Moqhaka	Weak
Lejweleputswa	Weak
Matjhabeng	Medium
Nala	Medium
Tokologo	Weak
Masilonyana	Weak
Tswelopele	best
Xhariep	Weak
Naledi	Medium
Mohokare	Best
Letsemeng	Weak
Kopanong	Medium
Mangaung	Medium

Municipal Council meetings are convened regularly according to council schedules and are open to the public. Furthermore, municipalities have reported that they do conduct regular public meetings and all communities are informed. For example, Matjhabeng indicated that they announced public meetings through local newspapers and radios, while Nala reported that they delivered notices to households. Letsemeng, Mohokare and Naledi also indicated that they notified communities about council meetings through the local media. Local municipalities in Xhariep and Lejweleputswa districts did not report on how council meetings were convened.

In the Kopanong Local Municipality, the Mayor held IZIMBIZO in all the wards and launched Operation Patala, where door-to-door campaigns were held to encourage communities to register as indigents. The municipality also bought airtime on Lesedi FM during the month of December 2012 and January 2013, and communities were also encouraged to come forward and make payments, with an incentive of writing off a certain percentage. The Ward Committees are also functional.

In Moqhaka Local Municipality, the municipality has functional ward committees in all 25 wards, and has convened meetings chaired by Ward Councillors as chairpersons, stakeholders, and sectors meet at IGR Forum. Ngwathe municipality has developed forums for engagement with various sectors and ward meetings are convened by Councillors for feedback to the communities. Mafube council meetings are convened regularly and are open for public. Ward councillors hold public meetings at least once a month. Ward committee meetings chaired by ward councillors are held monthly. The mayor has held an Izimbizo in all wards of the municipality between February and March 2013 and the IDP and Budget road-shows were held between March and May 2013.

The municipality of Metsimaholo has an established public participation system through the ward committees in all its 21 wards. Monthly meetings are held in the majority of the municipal wards and are convened by the Ward Councillors as Chairpersons. Mangaung through its IDP process plan submitted to Council in August of each year and tables its public participation time table. The municipality consults with all its wards using a cluster system, stakeholder forums, ward forums and committees. The municipality has functional section 79 and 81 committees of which MPAC is one of them and meets regularly to conduct its oversight duty as tabled in legislation. The municipality has a functional LLF to deal with labour issues. The municipality holds public Council meetings. The IDP and budget is approved at Council meetings. The municipality has an annual IDP and budget conference where all stakeholders and members of the community make final inputs to the IDP and the budget.

The department noted the following challenges that contribute to the functionality of ward committees:

- Co-operation between our office and municipalities
- Lack of working relationship between municipal departments
- Lack of co-ordination of ward committee activities in some municipalities
- Relationship between some councillors & some ward committees members is sometimes very poor
- Lack of provision of resources by some municipalities

Fostering Infrastructure Development and Maintenance

The 2009 local government assessment report identified a lack of infrastructure refurbishment, renewal, and upgrading as the main challenge. These challenges were exacerbated by lack of infrastructure monitoring systems that track the condition of assets over time. As a result, it is not known to what extent the current condition of municipal infrastructure in the province can be attributed to normal deterioration patterns, substandard maintenance, or to insufficient renewals activity. This state of affairs is therefore attributed to a number of factors that include, but are not limited to:

- Poor planning (macro and micro)
- Infrastructure overload
- Poor or inappropriate project and infrastructure design
- Sub-standard construction and oversight of contractor's performance
- Poor operating and maintenance practices, including the overloading and/or under-utilization of existing facilities
- Lack of asset knowledge on the nature, location, extent, control issues and criticality of assets
- An inability to properly assess maintenance needs and funding requirements, and to implement approved budgets
- Maintenance budget provisions that are often treated as "discretionary" budget items to be trimmed first when the need arises to realize budget savings
- Weak technical and financial skills
- Absence of asset lifecycle planning
- Selection of inappropriate service levels and infrastructure solutions
- Unrealistic development planning practices
- Inadequate revenue base and/or cost recovery
- Vandalism and theft

Water infrastructure

The Free State Municipal Turnaround Strategies (MTASs) identified dysfunctional water infrastructure as a contributing factor to service delivery disruptions. Furthermore, the upgrading of infrastructure to keep up with increasing demand has been identified as the key challenge in Free State municipalities. This was due to the fact that there are a growing number of households (mostly farm workers who left farms for a number of reasons) that are living in the periphery of Free State towns. This includes the influx of the inhabitants of Lesotho into neighbouring towns. This always results with failure of existing infrastructure assets to meet the increasing demand. Furthermore, infrastructure assets nearing the end of their useful life spans sometimes cause failures that interrupt service delivery. Some failures are caused by a lack of proper management attention and a lack of sufficient lifecycle treatment programmes. In other instances, service delivery interruptions have contributed to deep levels of frustration and unhappiness in communities, which is causing many of the violent service delivery protests in the province. The Mangaung Metro has not experienced violent service delivery protests, as most residents are made aware, through the public participation process through municipal programmes.

With the assistance of the Department of Water Affairs, Free State municipalities are implementing a number of bulk water projects funded through the Regional Bulk Infrastructure Grant (RBIG) to address the many bulk water challenges in the 2015/2016 financial year. These projects will address bulk water supply and storage in Setsoto LM, Maluti a Phofung LM, Dihlabeng LM, Nketoana LM, Phumelela LM, Mantsopa LM, Kopanong LM, Mohokare LM, Masilonyana LM, Tokologo LM, Tswelopele LM, Moqhaka LM and Ngwathe LM

Through MIG, Free State Municipalities are also addressing bulk infrastructure in the 2015/2016 financial year in Masilonyana (Soutpan Water treatment plant), Maluti a Phofung (Makholokoeng, 4ML reservoir and Kestell bulk water and 2ML reservoir) and Ngwathe (Parys upgrading of water purification plant)

Sanitation infrastructure

3 MISA employees are supporting all the Municipalities in the Xhariep District. This support is carried out by DCOG through its agent (MISA) is continuously supporting the Municipalities in the Province.

Municipalities in the Free State are experiencing challenges with bulk sanitation infrastructure such as the under capacity of waste water treatment plants. To address these challenges a number of projects addressing bulk sewer are underway through RBIG and MIG in the 2015/2016 financial year.

Municipalities in the Free State through RBIG will implement bulk sewerage projects in Nala LM, Moqhaka LM, Ngwathe LM and Mafube LM. Free State Municipalities through MIG will implement projects in Letsemeng LM (Jacobsdal and Luckhoff waste water treatment works), Kopanong LM (Gariepdam waste water treatment works), Mohokare LM (Zastron waste water treatment works), Tokologo LM (Dealesville waste water treatment works), Tswelopele LM (Hoopstad waste water treatment works, Matjhabeng LM (Nyakallong waste water treatment works, Phomolong outfall sewer, Virginia waste water treatment), Dihlabeng LM (Mashaeng and Mautse waste water treatment works), Maluti a Phofung LM (Harrismith Wilge treatment works and Makholokoeng bulk sewer and pumping main), Moqhaka LM (Steynsrus sewer treatment and ponds), Metsimaholo LM (Gortin sanitation phase 4) and Mafube LM (Qalabotjha waste water treatment works)

Fight against corruption

The Department of Cooperative Governance and Traditional Affairs appointed KPMG to conduct a forensic investigation at Nala Local Municipality. The report investigated allegations of mismanagement and corruption within the council and found the following:

- Contravention of the Supply Chain Management (SCM) Policy
- Manipulation of the SCM process
- Lack of performance by the contracted parties
- Amendment of documents prepared and utilized in the SCM process
- Breaches of internal control procedures
- Poor value for money
- Contravention of the Municipal Finance Management Act (MFMA)

The report findings were presented to Council on 14 November 2011 and were adopted with the following recommendations:

- That disciplinary proceedings be instituted against the former Municipal Manager and the Technical Services Manager – this has been concluded and both officials are no longer in the employ of the municipality.
- That disciplinary and criminal proceedings be instituted against an official implicated in misuse of vehicles and petrol cards.
- That criminal cases be reported to the South African Police Service (SAPS).Criminal proceedings had since commenced and a dossier opened with the SAPS.

The Nala Local Municipality has since centralized supply chain management (SCM) and has established the SCM committees for bid evaluation and adjudication, and formed a task team with COGTA to implement the recommendations of the KPMG report.

To address allegations of corruption at Matjhabeng Local Municipality, the Council appointed two firms of forensic investigators, Ramathe Fivaz and Latitude to investigate root causes of previous processes undertaken which did not result in desired outcomes or organisational efficiency. The following were findings emanating from the investigation:

- The municipality suffered loss and damage on account of:
 - Incompetence in Supply Chain Management;

- The absence of adequate Contract Management;
- Non-compliance with the Local Government Legal Framework governing operations;
- Reliance on poorly structured Service Provider Agreements and incorrect legal opinions;
- Incompetence in the Finance Department;
- Poor oversight; and
- Weak project management especially on infrastructure projects e.g. *Masilonyana, Mafube and Naledi etc.*

Municipal Finance

Audit Outcomes

The following Audit outcomes from 2010/11 onwards points out strong, medium and weak municipalities as far as financial administrative, management and compliance capabilities:

FREE STATE 2013/14 MUNICIPAL AUDIT OUTCOMES

District	No	Auditee					Movement
			2010/11	2011/12	2012/2013	2013/14	
Mangaung Metro	1	Mangaung	Disclaimer	Qualified	Qualified	Unqualified	Improvement
Xhariep District	1	Xhariep	Unqualified	Unqualified	Qualified	Qualified	Unchanged
	2	Kopanong	Disclaimer	Disclaimer	Qualified	Qualified	Unchanged
	3	Letsemeng	Disclaimer	Disclaimer	Qualified	Disclaimer	Regression
	4	Mohokare	Disclaimer	Disclaimer	Qualified	Qualified	Unchanged
	5	Naledi	Disclaimer	Disclaimer	Disclaimer	Qualified	Improvement
Lejweleputswa District	1	Lejweleputswa	Unqualified	Unqualified	Unqualified	Unqualified	Unchanged
	2	Masilonyana	Disclaimer	Qualified	Qualified	Qualified	Unchanged
	3	Matjhabeng	Disclaimer	Disclaimer	Disclaimer	Disclaimer	Unchanged
	4	Nala	Disclaimer	Disclaimer	Disclaimer	Disclaimer	Unchanged
	5	Tokologo	Disclaimer	Qualified	Qualified	Unqualified	Improvement
	6	Tswelopele	Qualified	Unqualified	Unqualified	Unqualified	Unchanged
Thabo Mofutsanyana District	1	Thabo Mofutsanyana	Unqualified	Unqualified	Unqualified	Unqualified	Unchanged
	2	Dihlabeng	Qualified	Unqualified	Unqualified	Unqualified	Unchanged
	3	Maluti-A-Phofung	Disclaimer	Disclaimer	Disclaimer	Disclaimer	Unchanged
	4	Nketoana	Unqualified	Unqualified	Unqualified	Unqualified	Unchanged
	5	Phumelela	Adverse	Disclaimer	Disclaimer	Disclaimer	Unchanged
	6	Setsoto	Adverse	Qualified	Qualified	Unqualified	Improvement
	7	Mantsopa	Qualified	Disclaimer	Disclaimer	Disclaimer	Unchanged
Fezile Dabi District	1	Fezile Dabi	Unqualified	Unqualified	Unqualified	Qualified	Regression
	2	Mafube	Disclaimer	Disclaimer	Disclaimer	Disclaimer	Unchanged
	3	Metsimaholo	Disclaimer	Qualified	Qualified	Unqualified	Improvement
	4	Moqhaka	Disclaimer	Disclaimer	Disclaimer	Disclaimer	Unchanged
	5	Ngwathe	Disclaimer	Disclaimer	Disclaimer	Disclaimer	Unchanged
Municipal Entities	1	Centlec (Pty) Ltd	Disclaimer	Disclaimer	Qualified	Qualified	Unchanged
	2	Lejweleputswa Dev. Agency	Unqualified	Unqualified	Unqualified	Unqualified	Unchanged
	3	Fezile Dabi DM Trust	Unqualified	Unqualified	Unqualified	Unqualified	Unchanged
	4	Metsimaholo Mayoral Trust	Disclaimer	Qualified	Qualified	Unqualified	Improvement
	3	Krynaauwlust Farming Trust	Dissolved	*Audit not finalised at legislated date	Dissolved	Dissolved	
	5	Maluti-A-Phofung Water (Pty) Ltd	Disclaimer	Disclaimer	Unqualified	Unqualified	Improvement

Summary	2010/11	2011/12	2012/13	2013/2014
Adverse	2	0	0	0
Disclaimer	16	13	9	9
Qualified	3	7	11	7
Unqualified	8	9	9	13
Outstanding	1	0	0	0
Dissolved	1	1	1	1
Total	31	30	30	30

*Although the Krynaauwlust Farming Trust was dissolved the Trust must still be audited by the AGSA

The main reasons for Qualified/Disclaimer Audit Opinions were the following:

- Going concern
- Unauthorised, Irregular and Fruitless and Wasteful expenditure
- Conditional Grants
- Expenditure
- Revenue
- Trade and other Receivables
- Investment Property
- Property, Plant and Equipment (both movable and infrastructure assets)

The main root causes for disclaimer and qualified opinions were the following:

- Leadership and Oversight inadequate
 - Ineffective leadership culture, with no consequences for actions
 - Leadership instability
- Financial and Performance Management
 - No proper Record Management
 - No monthly Asset count for movable Assets
 - Inadequate and lack of implementation plan for Infrastructure Assets
 - Quality of Annual Financial Statements
 - High reliance on Consultants
 - CFO's not performing their functions
 - Inadequate Procurement and Contract Management
- Governance
 - Lack of response to Risks identified and discussed with Management
 - Ineffective Governance Structure (only 21% have Internal Audit units and 5% have effective Internal Audit Committees)
- Procurement/ SCM
 - Leadership did not prevent, detect and monitor non-compliance with Laws and Regulations
 - Tender processes were sometimes not followed
 - Lack of supporting documentation
- Predetermined Objectives
 - Predetermined Objective in Municipalities are not well defined
 - Municipalities are not able to meet their Predetermined Objectives
 - Lack of supporting documentation
- HR Management
 - Poor Leadership
 - Low staff morale
 - High level of suspensions
 - Terminations not timely submitted to System Administrators
 - Overtime not approved in advance
- IT Management
 - Leadership did not implement and monitor IT Governance Framework and related IT controls
 - No IT Strategic Plans and Municipal wide IT planning is not in place
 - Lack of Security Management and User Access Controls
 - Lack of IT Service continuity and Programme Change Management

The following are remedial actions required from municipalities:

- Daily disciplines of reconciling cash receipts, deposits and payments
- Proper document management
- Monitoring of monthly reconciliations
- Confirmation of monthly Asset counts and Asset reconciliations, including progress on record keeping of Infrastructure Assets
- Monthly feedback to the Mayor on revenue and expenditure linked to Performance Management
- Monthly feedback to the Mayor on the Monitoring of Compliance with Laws and Regulations

Municipalities where these factors combined resulted in Disclaimer Audit opinions are the following;

- Matjhabeng Local Municipality
- Maluti a Phofung Local Municipality
- Mafube Local Municipality

The Audit outcomes of the following municipalities are still awaited, but it is anticipated that at least one will be a Disclaimer Audit opinion;

- Ngwathe Local Municipality
- Phumelela Local Municipality

Audit Committees and Internal Audit Units

The apparent weaknesses in Oversight and early warning structures further impedes the capabilities of municipalities to anticipate challenges and constraints, resolve these timely and also to strengthen oversight and internal control. The fact that prior year Audit findings are not timely resolved may also be attributed to these apparent capacity constraints.

No	Auditee	INTERNAL AUDIT UNITS			AUDIT COMMITTEES		
		IA Unit	Number of staff	Functional? Yes/No	AC	Number of members	Functional? Yes/No
Metro Municipalities							
1	Mangaung Metro Municipality	Yes	12	Yes	Yes	3	Yes
District Municipalities							
2	Fezile Dabi District Municipality	Yes	2	Yes	Yes	4	Yes
3	Lejveleputswa District Municipality	Yes	1	No	Yes	4	Yes
4	Motheo District Municipality	N/a	N/a	N/a	N/a	0	N/a
5	Thabo Mofutsanyana District Municipality	Yes	3	No	Yes	3	Yes
6	Xhariep District Municipality	Yes	2	Yes	Yes (shared)	4	Yes
Local Municipalities							
7	Dihlabeng Local Municipality	Yes	3	No	Yes	4	No
8	Kopanong Local Municipality	Yes	3	Yes	Yes (shared)	4	Yes
9	Letsemeng Local Municipality	Yes	2 and Co	No	Yes (shared)	4	Yes
10	Mafube Local Municipality	Yes	3	Yes	Yes	3	No
11	Maluti - A - Phofung Local Municipality	Yes	5	No	Yes	3	No
12	Mantsopa Local Municipality	Yes	3	Yes	Yes	3	Yes
13	Masilonyana Local Municipality	Yes	3	No	Yes	4	No
14	Matjhabeng Local Municipality	Yes	6	Yes	Yes	5	No
15	Metsimaholo Local Municipality	Yes	4	Yes	Yes	4	Yes
16	Mohokare Local Municipality	Yes	2	N/a	Yes (shared)	4	Yes
17	Moghaka Local Municipality	Yes	2	No	Yes	5	No
18	Nala Local Municipality	Yes	1	No	Yes	3	No
19	Naledi Local Municipality	Yes	3	No	Yes (shared)	4	Yes
20	Ngwathe Local Municipality	Yes	5	No	Yes	N/a	No
21	Nketoana Local Municipality	Yes	2	No	Yes	3	No
22	Phumelela Local Municipality	Yes	2	No	Yes	3	No
23	Setsoto Local Municipality	Yes	5	Yes	Yes	4	Yes
24	Tokolologo Local Municipality	Yes	2	No	Yes	4	No
25	Tswelopele Local Municipality	Yes	2	Yes	Yes	3	No

Debtors

The outstanding debtors of Free State municipalities have reached alarming proportions as illustrated in the table below. The absence of cost reflective and economic tariffs combined with poor revenue-raising mechanisms and weak implementation of debt collection policies further compounds the problem. Correct metering and accurate billing was found to be a serious challenge to most municipalities, which constrains credit control and revenue collection.

DEBTORS INFORMATION AS AT 31 MARCH 2014					
OUTSTANDING DEBTORS					
MANGAUNG	CURRENT	30 + DAYS	60 + DAYS	120 + DAYS	TOTAL
METRO	R 311 460 957	R 189 906 565	R 152 883 618	R 2 134 167 404	R 2 788 418 544
TOTAL	R 311 460 957	R 189 906 565	R 152 883 618	R 2 134 167 404	R 2 788 418 544
OUTSTANDING DEBTORS					
DISTRICT MUNICIPAL	CURRENT	30 + DAYS	60 + DAYS	120 + DAYS	TOTAL
Xhariep DC	R 0	R 0	R 0	R 0	R 0
Lejweleputswa DC	R 0	R 0	R 0	R 0	R 0
Thabo Mofutsanyana DC	R 0	R 0	R 0	R 0	R 0
Fezile Dabi DC	R 0	R 0	R 0	R 0	R 0
TOTAL	R 0	R 0	R 0	R 0	R 0
OUTSTANDING DEBTORS					
LOCAL MUNICIPALITY	CURRENT	30 + DAYS	60 + DAYS	120 + DAYS	TOTAL
Letsemeng	R 1 806 695	R 1 694 393	R 1 705 757	R 36 046 737	R 41 253 582
Kopanong	R 1 594 019	R 1 301 794	R 1 001 612	R 62 606 719	R 66 504 144
Mohokare	R 2 829 789	R 2 666 915	R 2 492 603	R 88 704 331	R 96 693 638
Naledi	R 761 094	R 1 088 989	R 894 769	R 45 315 800	R 48 060 652
Malisonyana	R 6 051 192	R 14 172 661	R 6 204 167	R 270 700 514	R 297 128 534
Tokologo	R 930 366	R 757 212	R 746 321	R 787 082	R 3 220 981
Tswelopele	R 5 461 749	R 907 412	R 1 037 849	R 38 215 324	R 45 622 334
Mathjabeng	R 96 999 543	R 60 157 368	R 52 222 851	R 1 961 534 186	R 2 170 913 948
Nala	R 14 351 190	R 12 935 225	R 12 981 540	R 498 027 629	R 538 295 584
Setsoto	R 15 367 561	R 8 743 868	R 7 869 731	R 204 309 379	R 236 290 539
Dihlabeng	R 29 439 812	R 17 214 731	R 13 997 616	R 427 341 710	R 487 993 869
Nketoana	R 9 888 829	R 7 177 503	R 6 838 268	R 255 403 875	R 279 308 475
Maluti a Phofung	R 46 257 973	R 27 149 694	R 13 240 708	R 626 651 584	R 713 299 959
Phumelela	R 2 538 618	R 2 161 515	R 1 860 079	R 95 801 457	R 102 361 669
Mantsopa	R 7 255 527	R 46 981 878	R 6 840 832	R 208 698 121	R 269 776 358
Moqhaka	R 22 458 613	R 9 535 251	R 7 540 918	R 239 465 861	R 279 000 643
Ngwathe	R 26 396 666	R 51 530 616	R 12 974 106	R 458 143 288	R 549 044 676
Metsimaholo	R 45 306 512	R 31 076 315	R 22 574 906	R 515 633 264	R 614 590 997
Mafube	R 6 751 872	R 5 140 553	R 5 127 880	R 174 937 743	R 191 958 048
TOTAL	R 342 447 620	R 302 393 893	R 178 152 513	R 6 208 324 604	R 7 031 318 630
				GRAND TOTAL	R 9 819 737 174

The following are main root causes for the deteriorating debt position of municipalities:

- Absence of, or restricted application of credit control
- Incorrect, incomplete, dormant information in consumer debtor data bases – Debtor data base verifications over due
- Incorrect, irregular meter readings and billing of consumers

- Failure by most Municipalities to apply the procedure determined for dealing with debtor legacy issues (MFMA Circular 16/2010)
- Poor Customer care and application of “amnesties” for default payers, which stimulates mal-payment rather than combat it over longer term
- Poor service delivery and unaccountable Municipal officials are catalysts for mal-payment and often stimulates the creation of ratepayer coalitions against the Municipality

Creditors:

CREDITORS PAYABLE ON 31 MARCH 2014 EXCLUDING ESKOM									
SOURCE OF INFORMATION	Monthly Financial Rep	Bloem,Sedibeg DWA Rand Water	Monthly Financial Reports	Monthly Reports	SARS	Auditor General	Auditor General Entities	Monthly Financial Reports	TOTAL
MANGAUNG	OUTST. ELEC ESKOM 14/4/2014	OUTST. WATER (30 days Plus) BW 31/3/2014 SW 18/4/2014	OUTST. PENSION (30 days Plus)	OUTST. OTHER SALARY (30 days Plus)	RECEIVER OF REVENUE (PAYE, UIF & VAT)	OUTST. A-G FEES (30 days Plus) 31/3/2014	OUTST. A-G FEES (30 days Plus) 31/3/2014	OTHER CREDITORS (30 days Plus)	CREDITORS
METRO	R 87 729 880	R 30 865 826	R 0	R 0	R 0	R 719 557	R 1 251 017	R 79 220 567	R 199 786 847
TOTAL	R 87 729 880	R 30 865 826	R 0	R 0	R 0	R 719 557	R 1 251 017	R 79 220 567	R 199 786 847

DISTRICT MUNICIPALITIES	OUTST. ELEC ESKOM 14/4/2014	OUTST. WATER (30 days Plus) BW 31/3/2014 SW 18/4/2014	OUTST. PENSION (30 days Plus)	OUTST. OTHER SALARY (30 days Plus)	RECEIVER OF REVENUE (PAYE, UIF & VAT)	OUTST. A-G FEES (30 days Plus) 31/3/2014	OUTST. A-G FEES (30 days Plus) 31/3/2014	OTHER CREDITORS (30 days Plus)	TOTAL CREDITORS
XHARIEP	R 0	R 0	R 0	R 0	R 0	R 761 073	R 0	R 36 456	R 797 529
LEJWELEPUTSWA	R 0	R 0	R 0	R 0	R 0	R 6 225	R 0	R 5 991 522	R 5 997 747
THABO MOFUTSA	R 0	R 0	R 0	R 0	R 0	R 176 863	R 0	R 16 239 072	R 16 415 935
FEZILE DABI	R 0	R 0	R 0	R 0	R 0	R 37 139	R 0	R 0	R 37 139
TOTAL	R 0	R 0	R 0	R 0	R 0	R 981 300	R 0	R 22 267 050	R 23 248 350

LOCAL MUNICIPALITIES	OUTST. ELEC ESKOM 14/4/2014	OUTST. WATER (30 days Plus) BW 31/3/2014 SW 18/4/2014	OUTST. PENSION (30 days Plus)	OUTST. OTHER SALARY (30 days Plus)	RECEIVER OF REVENUE (PAYE, UIF & VAT)	OUTST. A-G FEES (30 days Plus) 31/3/2014	OUTST. A-G FEES (30 days Plus) 31/3/2014	OTHER CREDITORS (30 days Plus)	TOTAL CREDITORS
LETSEMENG	R 0	R 0	R 0	R 0	R 0	R 785 483	R 0	R 0	R 785 483
KOPANONG	R 0	R 57 847 583	R 9 961 450	R 1 844 099	-R 8 077 312	R 3 484 792	R 0	R 3 119 297	R 68 179 909
MOHOKARE	R 0	R 0	R 6 953 511	R 0	R 0	R 1 887 806	R 0	R 3 377 257	R 12 218 574
NALEDI	R 0	R 11 473 884	R 0	R 0	R 0	R 1 478 840	R 0	R 500 882	R 13 453 606
MASILONYANA	R 9 372 571	R 2 375 214	R 0	R 0	R 0	R 2 830 217	R 0	R 10 603 599	R 25 181 601
TOKOLOGO	R 1 224 542	R 0	R 0	R 0	R 0	R 1 259 873	R 0	R 0	R 2 484 415
TSWELOPELE	R 0	R 0	R 0	R 0	R 0	R 0	R 0	R 0	R 0
MATJHABENG	R 311 704 175	R 792 940 765	R 9 976 393	R 8 847 473	R 0	R 5 291 948	R 0	R 33 066 434	R 1 161 827 188
NALA	R 45 389 631	R 63 691 224	R 0	R 0	R 0	R 2 164 420	R 0	R 0	R 111 245 275
SETSOTO	R 0	R 0	R 0	R 0	R 0	R 1 078 735	R 0	R 653 973	R 1 732 708
DIHLABENG	R 49 524 744	R 0	R 0	R 0	R 0	R 0	R 0	R 8 470 991	R 57 995 735
NKETOANA	R 17 945 512	R 466 346	R 0	R 0	R 0	R 4 229 969	R 0	R 4 627 966	R 27 269 793
MALUTI A PHOF	R 228 315 064	R 0	R 0	R 0	R 0	R 4 616 480	R 1 707 523	R 0	R 234 639 067
PHUMELELA	R 13 662 918	R 33 539 477	R 0	R 0	R 0	R 1 556 082	R 0	R 6 926 711	R 55 685 188
MANTSOPA	R 12 685 411	R 66 060	R 0	R 0	R 0	R 2 959	R 0	R 5 103 170	R 17 857 600
MOQHAKA	R 12 902 257	R 0	R 0	R 0	R 0	R 4 056 825	R 0	R 50 925 462	R 67 884 544
NGWATHE	R 204 686 174	R 4 120 439	R 0	R 0	R 22 984 726	R 5 126 915	R 0	R 212 506	R 237 130 760
METSIMAHOLO	R 10 921 695	R 0	R 0	R 0	R 0	R 2 090 846	R 0	R 25 000 000	R 38 012 541
MAFUBE	R 37 282 279	R 59 767 524	R 0	R 0	R 0	R 4 123 179	R 0	R 30 105 532	R 131 278 514
TOTAL	R 955 616 973	R 1 026 288 516	R 26 891 354	R 10 691 572	R 14 907 414	R 46 065 369	R 1 707 523	R 182 693 780	R 2 264 862 501

GRAND TOTAL R 2 487 897 698

The main root causes for the escalation of creditors in municipalities are the following:

- Unrealistic budgeting
 - Over optimistic budgeting for revenue which informs expenditure trends
 - Popular misconceptions regarding a “balanced budget” – budget should rather be cash-funded with realistic plan to erase anticipated / accumulated shortfalls over time (realistic long-term financial planning)
 - Creditors at year-end not budgeted for and included in next year’s budget; - arrears creditors then managed as pressure against budget
- The absence of creditor management plans

- The absence of cash flow forecasting and cash flow management
- Poor fiscal discipline and expenditure management

Reduced municipal overspending on OPEX and under-spending on CAPEX:

The state of affairs with regard to municipal spending as per their Operational Expenditure Budgets was as follows as at the 31st of December 2015 (bearing in mind that the municipal financial year only started on the 1st of July 2015)

Municipality	% Spent of total OPEX as at 31 March 2014)
Mangaung	63,1%
Letsemeng	49,9%
Kopanong	54,2%
Mohokare	46,2%
Naledi	68,2%
Xhariep	69,0%
Masilonyana	62,4%
Tokoloko	81,1%
Tswelopele	64,1%
Matjhabeng	60,9%
Nala	48,6%
Lejweleputswa	69,2%
Setsoto	46,6%
Dihlabeng	58,6%
Nketoana	75,4%
Maluti-A-Phofung	54,1%
Phumelela	63,6%
Mantsopa	46,1%
Thabo Mofutsanyana	66,3%
Moqhaka	53,8%
Ngwathe	70,2%
Metsimaholo	53,00%
Mafube	66,9%
Fezile Dabi	54,3%
Mangaung	41,1%
Letsemeng	33,5%
Kopanong	64,3%
Mohokare	47,0%
Naledi	-
Xhariep	19,3%
Masilonyana	23,5%
Tokoloko	33,00%
Tswelopele	67,1%
Matjhabeng	52,7%
Nala	59,9%
Lejweleputswa	73,6%
Setsoto	60,7%
Dihlabeng	56,7%
Nketoana	39,7%
Maluti-A-Phofung	44,7%
Phumelela	80,1%

Municipality	% Spent of total OPEX as at 31 March 2014)
Mantsopa	89,4%
Thabo Mofutsanyana	23,4%
Moghaka	7,2%
Ngwathe	44,4%
Metsimaholo	23,8%
Mafube	51,9%
Fezile Dabi	37,1%

Local Economic Development

In assisting and supporting municipalities on the establishment of Business Forums (towards create a platform for stakeholders to engage on LED issues), the following Business Forums were established and are operational within the Province:

- Nketoana
- Xhariep
- Fezile Dabi
- Lejweleputswa
- Masilonyana
- Setsoto
- Matjhabeng
- Mangaung
- Tswelopele
- Nala
- Phumelela

The following municipalities updated their LED strategies during the 2015/2016 financial year:

- Xhariep
- Kopanong
- Manguang
- Nketoana
- Ngwathe
- Fezile Dabi
- Mohokare
- Naledi
- Lejweleputswa
- Masilonyana
- Thabo Mofutsanyana
- Setsoto
- Metsimaholo
- Matjhabeng
- Maluti a Phofung
- Dihlabeng
- Mantsopa
- Mafube
- Tokologo

Job creation through the Community Works Program (CWP)

The CWP yielded approximately 19 731 job opportunities during the 2015/2016 financial year, and the following skills were:

- Bricklaying
- Sewing

- First Aid
- Basic Computer Literacy
- Soil Preparation
- Recycling
- Horticulture
- Home Based Care giving
- Adult Based Education and Training
- War on Water Leakages

Hotspot municipalities in the Free State Province

The following municipalities in the Free State Province have been identified as hotspot municipalities that will be closely monitored by the Department during the coming MTEF period:

- Matjhabeng Local Municipality
- Ngwathe Local Municipality
- Moqhaka Local Municipality
- Masilonyana Local Municipality
- Phumelela Local Municipality
- Kopanong Local Municipality
- Letsemeng Local Municipality
- Naledi Local Municipality
- Nala Local Municipality
- Mafube Local Municipality
- Maluti a Phofung Local Municipality
- Nketoana Local Municipality

2.2 Organizational Environment

As at the end of December 2015, the Department had 390 filled and funded vacant posts, of which 365 represent filled posts, and 25 represent funded vacant posts. This can be illustrated as follows per salary level:

Salary level	No. of approved (filled and funded vacant) posts	No. of approved posts filled	No. of Funded approved Vacancies (variance)
1	0	0	0
2	17	17	0
3	36	33	3
4	6	6	0
5	32	28	4
6	17	15	2
7	105	97	8
8	36	36	0
9	44	43	1
10	6	6	0
11	34	31	3
12	26	26	0
13	23	19	4
14	3	3	0
15	3	3	0

Salary level	No. of approved (filled and funded vacant) posts	No. of approved posts filled	No. of Funded approved Vacancies (variance)
16	1	1	0
MEC	1	1	0
TOTAL	390	365	25

As can be seen from the above, 232 (64%) of the 365 filled posts are production posts, e.g. posts from level 1 to level 8. The majority of these posts are however posts attached to the Traditional Councils, e.g. Programmes 4 and 5. 106 (29%) of the 365 posts are on middle management level and 26 (7%) of the 365 posts are on senior management level (including the Head of Department).

Considering the mandate of the Department, e.g. to monitor, support, assist and advise municipalities on matters related to municipal service delivery, it is clear that the Department has limited capacity towards enabling the Department to provide hands-on support and assistance to municipalities in all areas of municipal services on a continuous basis. Taking into account serious budget constraints within the Free State Province, it is clear that the Department will have to come up with new initiatives towards ensuring that we achieve more with the little we have towards ensuring that the Department is able to deliver on its mandate.

2.3 Revised Legislative Environment and Other Mandates

2.3.1 Constitutional Mandate

The Constitution of the Republic of South Africa, 1996, redefined local government as a sphere of government that is distinctive from, yet interdependent and inter-related with provincial and national government. Importantly, the Constitution conferred developmental duties to local government.

Section 151 of the Constitution of South Africa determines as follows:

“(3) A municipality has the right to govern, on its own initiative, the local government affairs of its community, subject to national and provincial legislation, as provided for in the Constitution.

(4) The national or provincial government may not compromise or impede a municipality’s ability or right to exercise its powers or perform its functions.”

Section 154(1) of the Constitution determines that “the national government and provincial governments, by legislative and other measures, must support and strengthen the capacity of municipalities to manage their own affairs, to exercise their powers and to perform their duties.”

Section 155(6) of the Constitution further determines that “each provincial government must establish municipalities in its province in a manner consistent with the legislation enacted in terms of subsections (2) and (3) and, by legislative or other measures, must (a) provide for the monitoring and support of local government in the province; and (b) promote the development of local government capacity to enable municipalities to perform their functions and manage their own affairs.

2.3.2 Revisions to the Legislative and Other Mandates

2.3.2.1 Legislation

(a) The Spatial Planning and Land Use Management Act, Act 16 of 2013 (SPLUMA) commenced on 1st July 2015. In terms of the SPLUMA, all land development applications must be submitted to a municipality as the authority of first instance. This implies that the Department of Cooperative Governance and Traditional Affairs will no longer receive land development applications. In ensuring uninterrupted service delivery, the Land Use Advisory Board

will however continue to operate until it has dealt with all applications received before the commencement date of the SPLUMA. In the meantime a new Provincial Planning Bill, which is in line with SPLUMA, is being drafted for consideration and enactment.

- (b) The Traditional Affairs Bill will, once enacted, effect the following changes:
- The development of provincial legislation towards ensuring alignment to national legislation;
 - Increased cost implications
 - Tools of trade for newly recognized traditional communities and leaders.

2.3.2.2 Policies

The promulgation of the Bills referred to above will result in a policy shift in terms of land use and land development as well as the manner in which government may intervene in the functioning of municipalities.

2.3.3 Strategic Goals of the Department

The Strategic Goals as set out in the Department's 2015/2020 Strategic Plan are still applicable and relevant, e.g.:

Programme 1	Administration
Strategic Goal 1	Title: Creation of a department geared towards service excellence
Goal statement	To provide leadership and support to the department in accordance with all applicable Acts and policies
Justification	This programme aims to provide strategic direction, leadership and support to the Department
Links with MTSF and FSGDS	<p>The realization of this goal will impact directly on the extent to which the Department achieves some of the priorities set out in the following chapters of the MTSF:</p> <ul style="list-style-type: none"> • Outcome 12: An efficient, effective and development oriented public service (Chapter 13 of the NDP), and more specifically by ensuring that the Department complies with all requirements as set out in the PSA, PSR, PFMA and other legislation relating to good governance in the Public Service. • Outcome 14 : Nation building and social cohesion (Chapter 15 of the NDP), and more specifically in relation to reducing inequality of opportunity and redress through the implementation of special projects in respect of gender equality, women empowerment, disability, etc.) <p>This goal will also impact on the extent to which the Free State Province achieve various priorities as set out in the Free State Growth and Development Strategy, and more specifically in relation to Pillar 6: Good Governance (Driver 15: Foster good governance to create a conducive climate for growth and development)</p>
Programme 2	Local Governance
Strategic Goal 2	Title: Accountable and sustainable local governance
Goal statement	To facilitate the creation of accountable and sustainable local governance through effective collaboration with all stakeholders
Justification	This programme aims at establishing, monitoring, regulating, strengthening, supporting and capacitating municipalities in terms of the Constitution of 1996.
Links with MTSF and FSGDS	<p>The realization of this goal will contribute significantly to the realization of various priorities as set out in Outcome 9: Responsive, accountable, effective and efficient local government system of the MTSF (Chapter 13 of the NDP), and more specifically in relation to municipal administration, municipal finance, public participation, capacity development and municipal performance monitoring, reporting and evaluation.</p> <p>This goal will also contribute to the realization of some of the priorities as set out in Outcome 14 (Transforming Society and Uniting the Country), and more specifically in relation to the promotion of social cohesion towards reducing the gaps between rich and poor, black and white, women and men, city and country by reducing inequality of opportunity, redress, enabling the sharing of common space, awakening the populace to speak when things go wrong and to be active in their own development.</p> <p>With regard to the Free State Growth and Development Strategy, this goal will also contribute to the achievement of some of the priorities set out in Pillar 6: Good Governance, and more specifically Driver 15: Foster good governance to create a conducive climate for growth and development</p>

Programme 3	Development and Planning
Strategic Goal 3	Title: Integrated development and planning
Goal statement	To promote and facilitate integrated development and planning on local government level
Justification	This programme aims to facilitate and render support towards integrated planning and development on local government level
Links with MTSF and FSGDS	<p>The work done by this Programme will contribute towards realizing a number of national and provincial goals as set out in the following outcomes of the 2014-2019 MTSF:</p> <ul style="list-style-type: none"> ▪ Outcome 9 (A responsive, accountable, effective and efficient local government system) , and more specifically on matters related to integrated planning and development across all sphere of government, the roll-out of infrastructure programmes in local government and the mitigation of risks towards ensuring effective service delivery ▪ Outcome 4 (Decent employment through inclusive growth), and more specifically through the (joint) implementation of the Community Works Programmes towards creating jobs and reducing unemployment. ▪ Outcome 6 (An efficient, competitive and responsive economic infrastructure network), and more specifically where it relates to bulk infrastructure services . ▪ Outcome 8 (), and more specifically on matters related to spatial structuring for inner city renewal and regeneration, development of secondary cities and ensuring well-located informal settlements. ▪ Outcome 10 (Protect and enhance our environmental assets and natural resources), and more specifically contributing to an effective climate change mitigation and adaptation response (e.g. through disaster management-related plans and activities). The desired outcomes include a reduction in impacts of climate change, risk mitigation through appropriate disaster responses and the deployment of innovative technologies that combat the effects of climate change.
Programme 4	Traditional Institutional Management
Strategic Goal 4	Title: Viable and sustainable Traditional Institutions
Goal statement	To promote and facilitate viable and sustainable Traditional Institutions
Justification	This programme aims to provide assistance and support to the Institution of Traditional Leadership in the FS Province in order to realize its constitutional mandate, which is to be custodian of communities that observe customary law
Links with MTSF and FSGDS	The realization of this goal will contribute towards achieving one of the key objectives of Government, e.g. placing the institution of traditional affairs at the centre of rural development, service delivery in rural areas and the establishment and maintenance of related partnerships; as such, this Programme contributes towards realizing some of the priorities set out in Outcome 7 (Comprehensive Rural Development) insofar as this programme aims to provide assistance and support to the Institution of Traditional Affairs in the FS Province in order to realize its constitutional mandate.
Programme 5	House of Traditional Leaders
Strategic Goal 5	Title: Functioning of the FS House of Traditional Leaders
Goal statement	To promote and enhance the effective and efficient functioning of the FS House of Traditional Leaders
Justification	This programme serves to support and enhance the functioning of the FS House of Traditional Leaders as well as Local Houses
Links with MTSF and FSGDS	The realization of this goal will contribute towards realizing the vision of the new (national) Department of Traditional Affairs e.g. "To build a coherent and cohesive institution of Traditional Leadership that plays a central role in rural development". This will also enhance the realization of cooperative governance within areas of traditional leadership authority. This programme serves to support and enhance the functioning of the FS House of Traditional Leaders as well as Local Houses The work done by this Programme also contributes to the achievement of some of the priorities of Outcome 14 (Transforming Society and uniting the Country), and more specifically in relation to facilitating the building and maintenance of heritage infrastructure in rural areas

3. OVERVIEW OF THE 2015-2016 BUDGET AND 2016-2019 MTEF ESTIMATES OF THE DEPARTMENT

3.1 Expenditure estimates

Table 1: Department of Cooperative Governance and Traditional Affairs

Summary of payments and estimates: Cooperative Governance and Traditional Affairs

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Programme 1: Administration	113,898	95,430	98,824	116,513	123,725	123,725	133,006	140,968	149,142
Programme 2: Local Governance	101,781	106,020	108,832	120,028	114,572	114,572	123,111	115,726	118,745
Programme 3: Development and Planning	52,844	63,361	115,638	93,389	92,319	92,319	101,696	101,706	106,706
Programme 4: Traditional Institutional Management	23,495	31,911	33,138	36,496	38,602	38,602	40,115	42,818	45,318
Programme 5: House of Traditional Leaders	8,512	10,384	7,833	9,980	11,097	11,097	9,668	10,307	10,924
Total payments and estimates:	300,530	307,106	364,265	376,406	380,315	380,315	407,596	411,525	430,835

Payments and estimates by economic classification: Cooperative Governance and Traditional Affairs

R thousand	Outcome			Main appropriation	Adjusted appropriation	Estimated Actual	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
Current payments	248,914	236,836	299,959	290,469	341,080	341,039	312,842	331,722	347,383
Compensation of employees	133,820	130,975	171,020	185,446	187,632	187,562	199,657	213,234	225,602
Salaries and wages	118,537	117,278	154,934	166,033	167,899	167,829	177,885	190,315	201,473
Social contributions	15,283	13,697	16,086	19,413	19,733	19,733	21,772	22,919	24,129
Goods and services	115,066	105,831	128,939	105,023	153,443	153,477	113,185	118,488	121,781
of which									
Administrative Fees	309	488	377	696	499	499	748	788	834
Advertising	2,220	699	151	1,355	408	410	1,423	1,492	1,579
Assets<R5000	506	166	231	569	530	539	654	714	745
Audit cost: External	4,518	4,462	4,832	4,360	3,799	3,799	4,458	4,807	5,086
Bursaries (employees)	188	128	392	158	505	512	679	676	715
Catering: Departmental Activities	3,586	2,793	2,309	3,234	1,552	1,482	1,345	1,345	1,345
Communication	2,283	2,712	2,544	2,935	2,647	2,678	2,935	2,935	3,105
Computer Services	4,378	4,834	743	2,671	14,032	14,450	2,805	2,945	3,116
Cons/Prof:business & advisory services	43,586	33,368	50,721	24,980	69,034	69,028	30,719	32,502	34,301
Con/Prof: Infrastructre & Planning	-	-	-	-	-	-	-	-	-
Con/Prof: Laboratory services	-	-	-	-	-	-	-	-	-
Con/Prof: Legal cost	2,981	2,263	2,711	1,152	344	344	1,188	1,329	1,566
Contractors	2,408	7,005	4,970	3,457	11,196	10,835	6,768	6,575	5,256
Agency & Support/outsource Services	1,331	3,395	6,743	19,839	2,650	2,681	19,795	21,004	20,152
Entertainment	108	79	5	106	36	36	43	43	43
Government Motor Transport	-	-	2,779	3,887	2,497	2,497	4,081	4,285	4,534
Housing	-	-	-	-	-	-	-	-	-
Inventory: Food and Food Supplies	577	2,887	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	1	-	-	-	-	-	-	-	-
Inventory: Clothing Material & accessories	-	-	-	-	-	-	-	-	-
Inventory: medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Other consumables	-	-	-	-	-	-	-	-	-
Inventory: Stationery and Printing	-	-	-	-	-	-	-	-	-
Consumable Supplies	17	524	385	454	202	202	297	314	334
Consumable : Stationary, Printing , Office Supplies	1,952	1,386	1,384	2,773	3,116	3,265	3,125	3,368	3,533
Operating Leases	4,710	3,220	3,171	3,102	3,332	3,332	5,417	5,712	6,054
Owned & Leasehold Property expenditure	17,477	18,679	26,388	2,071	18,191	17,957	2,102	2,156	2,281
Transport provided: Departmental activity	-	-	632	-	907	907	470	580	690
Travel and Subsistence	16,447	10,777	9,621	16,249	12,931	12,884	16,341	16,240	17,110
Training & Staff Development	537	1,607	2,887	2,389	784	777	1,996	2,132	2,256
Operating Expenditure	2,968	2,946	3,216	5,005	3,206	3,313	4,486	5,236	5,836
Venues and Facilities	1,978	1,406	1,740	3,581	1,045	1,045	1,310	1,310	1,310
Rent and Hiring	-	7	7	0	0	5	-	-	-
Interest and rent on land	28	30	-	-	5	-	-	-	-
Interest	28	30	-	-	5	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to¹:	46,143	67,747	60,031	78,646	33,275	33,275	84,746	69,646	73,087
Provinces and municipalities	45,186	64,816	58,084	75,924	32,043	32,043	81,803	66,607	69,872
Provinces ²									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities ³	45,186	64,816	58,084	75,924	32,043	32,043	81,803	66,607	69,872
Municipalities	45,186	64,816	58,084	75,924	32,043	32,043	81,803	66,607	69,872
of which: Regional service council levies									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers ⁴									
Departmental agencies and accounts					6	6			
Universities and technikons									
Public corporations and private enterprises ⁵									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Foreign governments and international organisations									
Non-profit institutions	286	1,845	408	1,650	363	363	1,738	1,825	1,931
Households	671	1,086	1,538	1,072	863	863	1,205	1,214	1,284
Social benefits	436	630	1,410	543	740	740	1,203	1,212	1,282
Other transfers to households	235	456	128	529	123	123	2	2	2
Payments for capital assets	3,753	2,427	3,780	7,291	5,960	5,929	10,008	10,157	10,365
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	3,753	2,427	3,780	7,291	5,960	5,929	10,008	10,157	10,365
Transport equipment							5,000	5,000	5,000
Other machinery and equipment	3,753	2,427	3,780	7,291	5,960	5,929	5,008	5,157	5,365
Heritage assets									
Software and other intangible assets									
Land and subsoil assets									
Payments for financial assets	1,720	96	495	-	-	72	-	-	-
Total economic classification	300,530	307,106	364,265	376,406	380,315	380,315	407,596	411,525	430,835

PART B

**STRATEGIC OBJECTIVES,
PROGRAMMES
AND
SUB-PROGRAMME PLANS**

PROGRAMME 1: ADMINISTRATION

Purpose of the Programme

This programme aims to provide strategic direction, leadership and support to the ministry and the department

Brief description of the Programme

This Programme consists of the following Sub-Programmes:

2. Office of the MEC
3. Corporate Services

Strategic Goal, Objective- and Programme Performance Indicators with Annual - and Quarterly Targets

Strategic Goal		Title: Creation of a department geared towards service excellence									
Goal statement		To provide leadership and support to the department in accordance with all applicable Acts and policies									
SUB PROGRAMME: CORPORATE SERVICES		STRATEGIC OBJECTIVE: IMPROVED CAPABILITY OF THE DEPARTMENT TO MEET ITS OBLIGATIONS									
Strategic Objective Indicators and 2016-2019 Annual Targets		ALIGNMENT			Audited/Actual performance			Estimated Baseline 2015/2016	Medium-term targets		
		NDP	MTSF	FSGDS	2012/2013	2013/2014	2014/2015		2016/2017	2017/2018	2018/2019
1.	Increased compliance with Level 3 of the Management Performance Assessment Tool (MPAT) standards for each cycle	Chapter 13: Building a Capable State	Outcome 12: An efficient, effective and development oriented public service	Pillar 6: Good Governance (Driver 15: Foster good governance to create a conducive climate for growth and development)	-	39%	61% (20)	71% (27 from 38)	80%	85%	90%
2.	No. of departmental employees targeted through information sessions towards improving the functioning of the Department as per MPAT standards				-	-	104 (28%)	160 (40%)	50%	60%	70%
3.	National Operations Management Framework and Methodology Framework successfully implemented towards improving identified operations of the Department				-	-	-	1	1	1	1
4.	All critical funded posts filled				-	-	72% (60)	57% (30 from 53)	100% (23 remaining and all other posts that become vacant)	100% (of filled posts becoming vacant or new vacant posts identified and funded)	100% (of filled posts becoming vacant or new vacant posts identified and funded)

Strategic Objective Indicators and 2016-2019 Annual Targets		ALIGNMENT			Audited/Actual performance			Estimated Baseline 2015/2016	Medium-term targets		
		NDP	MTSF	FSGDS	2012/2013	2013/2014	2014/2015		2016/2017	2017/2018	2018/2019
5.	Reasonable functional accommodation secured that facilitates the attainment of the Department's service delivery objectives				-	-	0	1	1	1	1
6.	Unqualified Audit Report with no matter of emphasis				-	Unqualified Audit Report with 3 matters of emphasis	Unqualified Audit Report with 2 matters of emphasis	Unqualified Audit Report with 1 matter of emphasis	1	1	1
7.	Increased compliance with KCM standards				-	-	67%	85%	88%	90%	100%

Programme Performance Indicators and 2016-2017 Annual Targets		Audited/Actual performance			Estimated Baseline 2015/2016	Medium-term targets		
		2012/2013	2013/2014	2014/2015		2016/2017	2017/2018	2018/2019
1.	Monitor the extent to which the Department complies with legal and other requirements as per the Management Performance Assessment Tool (MPAT)	-	1	1	4	2	2	2
2.	No. of information / training / induction sessions held within the Department towards improving the knowledge and understanding of employees on departmental policies: <ul style="list-style-type: none"> • Service Delivery Model of the Department • Service Charter, inclusive of service standards • Human Resources Planning and -Management • Skills Development • Employee Health and Wellness • Employee Relations • Planning, Monitoring and Evaluation of non-financial performance • Employee Performance Management • Job Profiling • Information Communication Technology • Risk Management • Internal Audit • Security Management and Anti-Corruption • Records Management • Budget - and Financial Management • Supply Chain Management 	-		-	4	4: • 2 for Levels 1 - 12 • 2 for SMS Members	4: • 2 for Levels 1 - 12 • 2 for SMS Members	4: • 2 for Levels 1 - 12 • 2 for SMS Members
3.	No. of identified operations improved through business process mapping	-	-	-	4 • Payment of Service Providers • Planning, monitoring and evaluation on NFP • Employee Performance Management • Job Profiling	7 • Rendering of support and assistance to municipalities on matters relating to municipal service delivery • Management of Leave • Procurement of	10	20

Programme Performance Indicators and 2016-2017 Annual Targets		Audited/Actual performance			Estimated Baseline 2015/2016	Medium-term targets		
		2012/2013	2013/2014	2014/2015		2016/2017	2017/2018	2018/2019
						<ul style="list-style-type: none"> Goods and Services Filling of vacant posts Appointment and transfer processes Pay sheet Certification Processes Management of complaints received via the Presidential Hotline 		
4.	Monitor the non-financial performance of the Department as per the Annual Performance Plan	4	4	4	4	4	4	4
5.	Monitor the extent to which critical vacancies are filled	-	-	1	4	4	4	4
6.	Monitor the extent to which employees are accommodated in reasonable functional accommodation	-	-	-	2	2	2	2
7.	Monitor the extent to which departmental records are kept and maintained in accordance with the Departmental Record Management System	-	-	-	2	2	2	2
8.	Monitor the extent to which Audit Action Plans are successfully implemented	-	-	2	4	4	4	4
9.	Monitor the extent to which the Department complies with KCM standards	-	-	1	4	4	4	4
10.	Monitor budget spending versus cash flow projections	-	-	-	-	4	4	4
11.	Monitor the extent to which invoices are paid within 30 days	-	-	-	4	4	4	4
12.	Monitor irregular, unauthorized and wasteful expenditure	-	-	4	4	4	4	4

2016-2017 Quarterly Targets		Reporting Period	Annual Target 2016/2017	Q1	Q2	Q3	Q4
1.	Monitor the extent to which the Department complies with legal and other requirements as per the Management Performance Assessment Tool (MPAT)	Quarterly (cumulative)	4	1	-	1	-
2.	No. of information / training / induction sessions held within the Department towards improving the knowledge and understanding of employees on departmental policies: <ul style="list-style-type: none"> Batho Pele Human Resources Management Skills Development Employee Health and Wellness Employee Relations and Discipline Planning, Monitoring and Evaluation of non-financial performance Employee Performance Management Job Profiling Information Communication Technology Risk Management Internal Audit 	Quarterly (cumulative)	4: <ul style="list-style-type: none"> 2 for Levels 1 - 12 2 for SMS Members 	1 (SMS Members)	1 (Levels 1 - 12)	1 (SMS Members)	1 (Levels 1 - 12)

2016-2017 Quarterly Targets		Reporting Period	Annual Target 2016/2017	Q1	Q2	Q3	Q4
	<ul style="list-style-type: none"> • Security Management and Anti-Corruption • Records Management • Budget - and Financial Management • Supply Chain Management 						
3.	No. of identified operations improved through business process mapping	Quarterly (cumulative)	7 <ul style="list-style-type: none"> • Rendering of support and assistance to municipalities on matters relating to municipal service delivery • Management of Leave • Procurement of Goods and Services • Filling of vacant posts • Appointment and transfer processes • Pay sheet Certification Processes • Management of complaints received via the Presidential Hotline 	-	2	2	3
4.	Monitor the non-financial performance of the Department as per the Annual Performance Plan	Quarterly (cumulative)	4	1	1	1	1
5.	Monitor the extent to which critical vacancies are filled	Quarterly (cumulative)	4	1	1	1	1
6.	Monitor the extent to which employees are accommodated in reasonable functional accommodation	6-Monthly (cumulative)	2	-	1	-	1
7.	Monitor the extent to which departmental records are kept and maintained in accordance with the Departmental Record Management System	6-Monthly (cumulative)	2	-	1	-	1
8.	Monitor the extent to which Audit Action Plans are successfully implemented	Quarterly (cumulative)	4	1	1	1	1
9.	Monitor the extent to which the Department complies with KCM standards	Quarterly (cumulative)	4	1	1	1	1
10.	Monitor budget spending versus cash flow projections	Monthly (cumulative)	4	3	3	3	3
11.	Monitor the extent to which invoices are paid within 30 days	Monthly (cumulative)	4	3	3	3	3
12.	Monitor irregular, unauthorized and wasteful expenditure	Monthly (cumulative)	4	3	3	3	3

RECONCILING PERFORMANCE TARGETS WITH THE BUDGET AND MTEF: PROGRAMME 1 - ADMINISTRATION

Expenditure estimates:

Summary of payments and estimates: Programme 1: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
Office of the MEC	9,839	9,111	10,650	10,639	13,922	13,389	11,232	11,889	12,566
Corporate Services	104,059	86,319	88,174	105,874	109,803	110,336	121,774	129,079	136,576
Special Function: Losses									
Total payments and estimates: Programme 1: Admini	113,898	95,430	98,824	116,513	123,725	123,725	133,006	140,968	149,142

Payments and estimates by economic classification: Programme 1 Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
Current payments	109,114	93,197	95,230	115,052	119,350	119,379	130,206	138,052	146,082
Compensation of employees	56,503	39,341	53,693	60,507	65,549	65,549	72,828	77,757	82,254
Salaries and wages	49,823	34,864	48051	51,181	58,038	58,038	63,950	68,441	72,475
Social contributions	6,680	4,477	5642	9,326	7,511	7,511	8,878	9,316	9,779
Goods and services	52,583	53,826	41,537	54,545	53,796	53,825	57,378	60,295	63,828
of which									
Administrative fees	185	265	199	301	236	236	317	333	353
Advertising	2,199	615	128	1,171	352	354	1,229	1,290	1,365
Assets <R5000	397	67	152	84	274	272	250	284	289
Audit cost: External	4,518	4462	4832	4,360	3,799	3,799	4,458	4,807	5,086
Bursaries (employees)	188	128	392	158	505	512	679	676	715
Catering: Departmental Activities	1,223	710	352	656	758	703	528	528	528
Communication	2,283	2677	2427	2,933	2,596	2,627	2,933	2,933	3,103
Computer Services	4,378	4834	743	2,671	14,032	14,450	2,805	2,945	3,116
Cons/prof.business & advisory services	1,136	265	266	1,414	2,552	2,552	1,498	1,573	1,664
Cons/prof.Infrastructure & Planning	-	0	0	-	-	-	-	-	-
Cons/prof. Legal cost	1	1	162	3	2	2	4	4	4
Contractors	1,295	3698	4792	3,081	6,623	6,262	2,806	2,803	2,921
Agency & Support/Outsourced Services	1,331	3395	6743	17,965	2,650	2,681	17,820	18,930	20,053
Entertainment	105	74	1	73	16	16	16	16	16
Government motor transport	-	2887	2779	3,887	2,497	2,497	4,081	4,285	4,534
Inventory: Food and food supplies	542	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Clothing Material and Accessories	-	-	-	-	-	-	-	-	-
Inventory: Other consumables	-	-	-	-	-	-	-	-	-
Inventory: Stationery and Printing	-	-	-	-	-	-	-	-	-
Consumable : Supplies	15	401	295	323	126	126	153	165	177
Consumable : Stationery, Printing, Office Supplies	904	869	843	1,520	1,354	1,482	1,596	1,675	1,772
Operating Leases	4,710	3220	3171	3,102	3,332	3,332	5,417	5,712	6,054
Owned & Leasehold property expenditure	17,477	18679	5556	2,071	4,891	4,657	2,102	2,156	2,281
Transport provided: Departmental Activity	-	-	450	-	619	619	470	580	690
Travel and Subsistence	6,854	4108	3616	5,548	4,721	4,685	5,264	5,286	5,521
Training & Staff Development	511	1409	2887	2,389	784	777	1,996	2,132	2,256
Operating Expenditure	593	580	570	835	752	859	906	1,122	1,279
Venues and Facilities	1,738	482	181	-	325	325	50	60	51
Rental & hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	28	30	-	-	5	5	-	-	-
Interest	28	30	-	-	5	5	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to¹:	186	434	586	183	149	149	193	203	215
Provinces and municipalities									
Provinces ²									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities ³									
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts			1		6	6			
Social security funds									
Provide list of entities receiving transfers ⁴			1	-	6	6	-	-	-
Universities and technikon									
Transfers and subsidies to¹: - continued									
Public corporations and private enterprises ⁵									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Foreign governments and international organisations									
Non-profit institutions									
Households	186	434	585	183	143	143	193	203	215
Social benefits	186	434	585	183	134	134	193	203	215
Other transfers to households					9	9			
Payments for capital assets	2,878	1,725	2,580	1,278	4,226	4,195	2,607	2,713	2,845
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	2,878	1,725	2,580	1,278	4,226	4,195	2,607	2,713	2,845
Transport equipment									
Other machinery and equipment	2,878	1,725	2580	1,278	4,226	4,195	2,607	2,713	2,845
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Payments for financial assets	1,720	74	428	-	-	2	-	-	-
Total economic classification: Programme 1: Administration	113,898	95,430	98,824	116,513	123,725	123,725	133,006	140,968	149,142

PROGRAMME 2: LOCAL GOVERNANCE

Purpose of the Programme

This Programme aims at establishing, monitoring, regulating, strengthening, supporting and capacitating municipalities in terms of the Constitution of 1996

Brief description of the Programme

This Programme consists of the following Sub-Programmes:

1. Municipal Administration
2. Municipal Performance Monitoring
3. Municipal Finance
4. Public Participation
5. Capacity Development

Strategic Goal of the Programme:

Strategic Goal	Title: Accountable and sustainable local governance
Goal statement	To facilitate the creation of accountable and sustainable local governance through effective collaboration with all stakeholders

Strategic Objectives- and Programme Performance Indicators with Annual - and Quarterly Targets:

SUB-PROGRAMME: MUNICIPAL ADMINISTRATION					STRATEGIC OBJECTIVE: ADMINISTRATIVELY - AND INSTITUTIONALLY VIABLE AND SUSTAINABLE MUNICIPALITIES							
Strategic Objective Indicators and 2016-2019 Annual Targets		ALIGNMENT				Audited/Actual performance			Estimated Baseline 2015/2016	Medium-term targets		
		NDP	MTSF	FSGDS	B2B 10 Point Plan	2012/ 2013	2013/ 2014	2014/ 2015		2016/2017	2017/2018	2018/2019
1.	No. of municipalities that have adopted standardized or customized municipal by-laws	Chapter 13: Building a Capable State	Outcome 9: Responsive, accountable, effective and efficient local government system, Sub-Outcomes 2 and 3	Pillar 6: Good Governance, Driver 15: Foster good governance to create a conducive climate for growth and development	Implementa tion of Forensic Reports	-	23	2	9: <ul style="list-style-type: none"> • Mqophaka • Letsemeng • Nala • MAP • Nketoana • Metsimaholo • Fezile Dabi • Masilonyana • Thabo • Mofutsanyana 	22	22	22

Programme Performance Indicators and 2016-2017 Annual Targets		Link to B2B 10 Point Plan	Audited/Actual performance			Estimated Baseline 2015/2016	Medium-term targets				
			2012/2013	2013/2014	2014/2015		2016/2017	2017/2018	2018/2019		
<i>Non-standardized Performance Indicators and -Targets:</i>											
1.	No. of municipalities assisted and supported towards customizing and/or adopting municipal by-laws	-	23	14	18	23	22	22	22		
2.	No. of municipalities supported on the implementation of municipal by-laws	-	-	0	0	12	22	22	22		
3.	Monitor the extent to which municipalities successfully implement remedial actions towards addressing forensic investigation findings	State and analysis of forensic investigations and reports Monitor municipal implementation plans	-	-	-	-	1	1	1		
4.	Report produced with suitable proposals towards assisting identified weaker local municipalities towards improved service delivery	Shared service model and strong district support plans for weaker local municipalities	-	-	-	-	1	1	1		
2016-2017 Quarterly Targets						Reporting Period	Annual Target 2016/2017	Q1	Q2	Q3	Q4
<i>Non-Standardized Performance Indicators and -Targets:</i>											
1.	No. of municipalities assisted and supported towards customizing and/or adopting municipal by-laws					Quarterly (cumulative)	22	5	6	6	5
2.	No. of municipalities supported on the implementation of municipal by-laws					Quarterly (cumulative)	22	5	6	6	5
3.	Monitor the extent to which municipalities successfully implement remedial actions towards addressing forensic investigation findings					Annually	1	-	-	-	1
4.	Report produced with suitable proposals towards assisting identified weaker local municipalities towards improved service delivery					Annually	1	-	-	-	1

SUB-PROGRAMME: MUNICIPAL PERFORMANCE MONITORING					STRATEGIC OBJECTIVE: EFFECTIVE MUNICIPAL PERFORMANCE MONITORING AND REPORTING							
Strategic Objective Indicators and 2016-2019 Annual Targets		ALIGNMENT			B2B 10 Point Plan	Audited/Actual performance			Estimated Baseline 2015/2016	Medium-term targets		
		NDP	MTSF	FSGDS		2012/2013	2013/2014	2014/2015		2016/2017	2017/2018	2018/2019
1.	No. of municipalities complying with MSA Regulations in relation to the filing of their top 4 posts	Chapter 13: Building a Capable State	Outcome 9: Responsive, accountable, effective and efficient local government system, Sub-	Pillar 6: Good Governance, Driver 15: Foster good governance to create a conducive climate for growth and development	Appointment of Senior Managers in Municipalities	-	-	-	13	13	18	22
2.	No. of municipalities who have filled their top 4 posts					-	-	4	10	13	18	22
3.	No. of municipalities with functional Performance Management Systems					-	-	16	16	10	12	16
4.	No. of municipalities who submit their annual performance reports as per section 46 of Municipal Systems Act					22	22	22	22	22	22	22

Strategic Objective Indicators and 2016-2019 Annual Targets	ALIGNMENT				Audited/Actual performance			Estimated Baseline 2015/2016	Medium-term targets		
	NDP	MTSF	FSGDS	B2B 10 Point Plan	2012/2013	2013/2014	2014/2015		2016/2017	2017/2018	2018/2019
5. No. of municipalities who submitted Section 57 Managers' signed employment contracts within due dates		Outcomes 2 and 3			-	-	16	23	16	18	22
6. No. of municipalities who submitted Section 57 Managers' signed performance agreements within due dates					-	-	16	22	22	22	22

Programme Performance Indicators and 2016-2017 Annual Targets			Link to B2B 10 Point Plan	Audited/Actual performance			Estimated Baseline 2015/2016	Medium-term targets		
				2012/2013	2013/2014	2014/2015		2016/2017	2017/2018	2018/2019
<i>Standardized Performance Indicators and -Targets:</i>										
1.	No. of municipalities supported to comply with MSA Regulations (in relation to the filing of their top 4 posts)	Analysis of current state of affairs Strong oversight Monitoring of pre- and post election phases	-	-	-	20	13	18	22	
2.	No. of municipalities supported to institutionalize the Performance Management System (PMS)		-	-	8	22	16	20	22	
3.	No. of municipal performance reports compiled as per the requirements of Section 47 of the MSA		1	1	1	1	1	1	1	
<i>Non-standardized Performance Indicators and -Targets:</i>										
4.	Monitor the extent to which the top 4 posts are filled within municipalities	Address misalignment between NT and COGTA regulations on minimum competency requirements	4	4	4	4	4	4	4	
5.	Monitor the institutionalization of the Performance Management System within municipalities		-	-	-	0	4	4	4	
6.	Monitor the extent to which Section 57 managers have signed employment contracts and performance agreements within due dates	Clarify incorrect perceptions relating to contract appointments versus permanent appointments on sms level	-	2	2	2	4	4	4	
7.	No. of municipalities supported towards developing their annual performance reports in terms of Section 46 of the MSA		-	20	22	12	16	20	22	
8.	No. of workshops held towards supporting municipalities on the development and signing of employment contracts and performance agreements of Section 57 Managers		-	-	-	1	1	1	1	
9.	Guidelines issued to municipalities to clarify contract positions versus permanent positions on senior management level	-	-	-	-	1	1	1		

2016-2017 Quarterly Targets				Reporting Period	Annual Target 2016/2017	Q1	Q2	Q3	Q4
<i>Standardized Performance Indicators and -Targets:</i>									
1.	No. of municipalities supported to comply with MSA Regulations (in relation to the filing of their top 4 posts)			Quarterly (cumulative)	13	3	4	3	3
2.	No. of municipalities supported to institutionalize the Performance Management System (PMS)			Quarterly (cumulative)	16	4	4	4	4
3.	No. of municipal performance reports compiled as per the requirements of Section 47 of the MSA			Annually	1	-	-	1	-
<i>Non-Standardized Performance Indicators and -Targets:</i>									
4.	Monitor the extent to which the top 4 posts are filled within municipalities			Quarterly (cumulative)	4	1	1	1	1

2016-2017 Quarterly Targets		Reporting Period	Annual Target 2016/2017	Q1	Q2	Q3	Q4
5.	Monitor the institutionalization of the Performance Management System within municipalities	Quarterly (cumulative)	4	1	1	1	1
6.	Monitor the extent to which Section 57 managers have signed employment contracts and performance agreements within due dates	Quarterly (cumulative)	4	1	1	1	1
7.	No. of municipalities supported towards developing their annual performance reports in terms of Section 46 of the MSA	Quarterly (cumulative)	16	4	4	4	4
8.	No. of workshops held towards supporting municipalities on the development and signing of employment contracts and performance agreements of Section 57 Managers	Annually	1	1	-	-	-
9.	Guidelines issued to municipalities to clarify contract positions versus permanent positions on senior management level	Annually	1	-	-	-	1

SUB-PROGRAMME MUNICIPAL FINANCE		STRATEGIC OBJECTIVE FINANCIALLY VIABLE AND SUSTAINABLE MUNICIPALITIES										
Strategic Objective Indicators and 2016-2019 Annual Targets		ALIGNMENT				Audited/Actual performance			Estimated Baseline 2015/2016	Medium-term targets		
		NDP	MTSF	FSGDS	B2B 10-Point Plan	2012/2013	2013/2014	2014/2015		2016/2017	2017/2018	2018/2019
1.	Improved average monthly collection rate on billings within municipalities	Chapter 13: Building a Capable State	Outcome 9: Responsive, accountable, effective and efficient local government system, Sub-Outcomes 2 and 3 Sub-Outcome 3: Sound financial and administrative management	Pillar 6: Good Governance, Driver 15: Foster good governance to create a conducive climate for growth and development	Reduction in Municipalities consistently receiving disclaimer audit opinions	-	85%	75%	74%	80%	85%	90%
2.	% Reduction of debt owed to municipalities					-	20%	0%	0%	20%	40%	70%
3.	No. of municipalities with debtors more than 50% of own revenue					-	14	17	20	18	18	18
4.	No. of municipalities with unqualified audits: • District Municipalities • Local Municipalities					-	15	4 19	2 7	2 10	3 14	4 18
5.	No. of municipalities with expenditure management systems: • District Municipalities • Local Municipalities					-	24	4 19	4 19	4 18	4 18	4 18
6.	No. of municipalities with credible and standardized cash management systems: • District Municipalities • Local Municipalities					-	24	4 19	4 19	4 18	4 18	4 18
7.	No. of municipalities with functional audit committees: • District Municipalities • Local Municipalities					-	-	- -	- -	4 18	4 18	4 18
8.	No of municipalities with Audit Action Plans that have been assessed to adequately address AG's findings					-	-	-	Unknown	22	22	22
Programme Performance Indicators and 2016-2017 Annual Targets				Link to B2B 10 Point Plan	Audited/Actual performance			Estimated Baseline 2015/2016	Medium-term targets			
					2012/2013	2013/2014	2014/2015		2016/2017	2017/2018	2018/2019	

Programme Performance Indicators and 2016-2017 Annual Targets		Link to B2B 10 Point Plan	Audited/Actual performance			Estimated Baseline 2015/2016	Medium-term targets		
			2012/2013	2013/2014	2014/2015		2016/2017	2017/2018	2018/2019
<i>Standardized Performance Indicators and -Targets:</i>									
1.	No. of municipalities guided to comply with MPRA by target date	-	13	20	13 - Mangaung - Kopanong - Phumelela - Masilonyana - Tokologo - Nala - Tswelopele - Matjhabeng - Mohokare - Maluti-a- - Phofung - Mafube - Nketoana - Letsemeng	10	8 - Mangaung - Tswelopele - Metsimaholo - Nketoana - Dihlabeng - Letsemeng - Moqhaka - Mantsopa	6 - Nala - Tokologo - Kopanong - Setsoto - Phumelela - Ngwathe	5 - Maluti-a- - Phofung - Masilonyana - Matjhabeng - Mohokare - Mafube
2.	No. of municipalities supported to improve revenue management and debt collection	Metering an credibility of data and bills Tariff setting challenges Government debt, municipal debt, business and residential debt	-	-	24	14	4	10	10
3.	* No. of municipalities with functional audit committees	Prioritize and target municipalities receiving disclaimers for more than 3 year Analyze AG management letters and Post Audit Action Plans of Municipalities	-	-	-	-	-	-	-
4.	No. of municipalities monitored on implementation of Audit Response Plan based on the most recent audit outcomes		-	-	23	23	22	22	22
5.	Report on functional provincial Anti-Corruption technical working groups developed		-	-	-	-	-	-	-
6.	No. of reports on fraud, corruption and maladministration cases reported and investigated		-	-	-	-	-	-	-
<i>Non-Standardized Performance Indicators and -Targets:</i>									
7.	Monitor the functionality of audit committees in municipalities	Prioritize and target municipalities receiving disclaimers for more than 3 years	-	-	-	1	2	2	2
8.	Monitor compliance with the MPRA within municipalities	-	-	-	-	1	2	2	2

Programme Performance Indicators and 2016-2017 Annual Targets		Link to B2B 10 Point Plan	Audited/Actual performance			Estimated Baseline 2015/2016	Medium-term targets		
			2012/2013	2013/2014	2014/2015		2016/2017	2017/2018	2018/2019
9.	Monitor revenue management and debt collection within municipalities	-	-	-	-	1	2	2	2
10.	No. of municipalities supported towards GRAP 17 compliance (asset registers)	Prioritize and target municipalities receiving disclaimers for more than 3 years	-	-	-	-	2	2	2
11.	No. of municipalities supported to implement financial turn-around plans		-	-	-	-	3	3	3
2016-2017 Quarterly Targets			Reporting Period		Annual Target 2016/2017	Q1	Q2	Q3	Q4
<i>Standardized Performance Indicators and -Targets</i>									
1.	No. of municipalities guided to comply with MPRA by target date		Quarterly (cumulative)		8	2	2	2	2
					- Mangaung - Tswelopele - Metsimaholo - Nketoana - Dihlabeng - Letsemeng - Mqhaka - Mantsopa				
2.	No. of municipalities supported to improve revenue management and debt collection		Annually		4	-	-	-	4
3.	*No. of municipalities with functional audit committees		-		-	-	-	-	-
4.	No. of municipalities monitored on implementation of Audit Response Plan based on the previous year's (2014/2015) audit outcomes		Quarterly (non-cumulative)		22	22	22	22	22
5.	Report on functional provincial Anti-Corruption technical working groups developed		Annually		-	-	-	-	-
6.	No. of reports on fraud, corruption and maladministration cases reported and investigated		6-Monthly (cumulative)		-	-	-	-	-
<i>Non-Standardized Performance Indicators and -Targets:</i>									
7.	Monitor the functionality of audit committees in municipalities		Quarterly (non-cumulative)		2	-	1	-	1
8.	Monitor compliance with the MPRA within municipalities		6-Monthly (cumulative)		2	-	1	-	1
9.	Monitor revenue management and debt collection within municipalities		6-Monthly (cumulative)		2	-	1	-	1
10.	No. of municipalities supported towards GRAP 17 compliance (asset registers)		Quarterly (non-cumulative)		2:	2	2	2	2
					• Setsoto • Mantsopa				
11.	No. of municipalities supported to implement financial turn-around plans		Quarterly (non-cumulative)		3:	3	3	3	3
					• Metsimaholo • Maluti a Phofung • Ngwathe				

* Not relevant to the mandate of the Department, hence moved to Strategic Objective Indicator (e.g. outcome-based indicator).

SUB-PROGRAMME PUBLIC PARTICIPATION		STRATEGIC OBJECTIVE COOPERATIVE GOVERNANCE AND SERVICE DELIVERY THROUGH EFFECTIVE COMMUNITY PARTICIPATION										
Strategic Objective Indicators and 2016-2019 Annual Targets		ALIGNMENT				Audited/Actual performance			Estimated Baseline 2015/2016	Medium-term targets		
		NDP	MTSF	FSGDS	B2B 10 Point Plan	2012/ 2013	2013/2014	2014/2015		2016/2017	2017/2018	2018/2019
1.	No. of functional Ward Committees with ward operational plans	Chapter 13: Building a Capable State Chapter 15: Transforming Society and Uniting the Country	Outcome 9: Responsive, accountable, effective and efficient local government system, Sub-Outcome 2 Sub-Outcome 14: Nation building and social cohesion, Sub-Outcome 2	-	Positive Community Experiences	-	311	98	98	10	100	307
2.	No. of municipalities with ward level database reflecting community concerns and remedial actions produced					-	-	-	10	10	18	18
3.	No. of community report-back meetings convened by Councilors in each ward					-	-	-	4	4	4	4
4.	No. of municipalities with mechanisms and forums to include vulnerable groups in core municipal processes					-	-	-	1	18	18	18
5.	Community participation in ward committee election processes					-	-	-	100%	100%	-	-
Programme Performance Indicators and 2016-2017 Annual Targets				B2B Linkage	Audited/Actual performance			Estimated Baseline 2015/2016	Medium-term targets			
					2012/2013	2013/2014	2014/2015		2016/2017	2017/2018	2018/2019	
<i>Standardized Performance Indicators and -Targets:</i>												
1.	No. of ward committees supported on implementation of ward operational plans		Ward Improvement Plans relating to basic services	-	-	0	71	10	100	307		
2.	No. of municipalities supported on the development of ward level database with community concerns and remedial actions produced		-	-	-	0	19	10	18	18		
3.	Report on the number of community report back meetings convened by Councillors in each ward		Community feedback mechanism	-	-	0	4	1	2	2		
<i>Non-Standardized Performance Indicators and -Targets</i>												
4.	Monitor the functionality of Ward Committees		-	-	4	2	4	1	4	4		
5.	Monitor the impact of the Complaints and Compliments Management System within municipalities		Community feedback mechanism	-	-	0	4	4	4	4		
6.	Monitor the functionality of District IGR structures		-	-	-	2	4	4	4	4		

Programme Performance Indicators and 2016-2017 Annual Targets		B2B Linkage	Audited/Actual performance			Estimated Baseline 2015/2016	Medium-term targets		
			2012/2013	2013/2014	2014/2015		2016/2017	2017/2018	2018/2019
7.	Monitor the extent to which municipalities have mechanisms to include vulnerable groups in core municipal processes	-	-	-	0	4	4	4	4
8.	Monitor community participation in ward committee election processes	-	-	-	0	4	1	0	0
9.	Monitor social cohesion initiatives in municipalities	-	-	-	4	4	4	4	4
10.	No. of capacity building sessions held towards assisting and supporting municipalities on the successful implementation of the Batho Pele Service Standards Framework for Local Government	Improvement of Frontline Offices	-	-	-	2	2	2	2
11.	Monitor the extent to which municipalities successfully implement the Batho Pele Service Standards Framework for Local Government	-	-	-	-	1	4	4	4
12.	No. of capacity building workshops held towards supporting municipalities to: <ul style="list-style-type: none"> Develop ward-based service delivery dashboards Implement ward improvement plans that addresses basic services 	Ward Improvement Plans relating to basic services Ward based service delivery dashboards	-	-	-	-	1 1	1 1	1 1

2016-2017 Quarterly Targets		Reporting Period	Annual Target 2016/2017	Q1	Q2	Q3	Q4
<i>Standardized Performance Indicators and -Targets</i>							
1.	No. of ward committees supported on implementation of ward operational plans	Annually	10	-	-	-	10
2.	No. of municipalities supported on the development of ward level database with community concerns and remedial actions produced	Annually	10	-	-	-	10
3.	Report on the number of community report back meetings convened by Councillors in each ward	Annually	1	-	-	-	1
<i>Non-Standardized Performance Indicators and -Targets</i>							
4.	Monitor the functionality of Ward Committees.	Annually	1	-	-	-	1
5.	Monitor the impact of the Complaints and Compliments Management System within municipalities	Quarterly (cumulative)	4	1	1	1	1
6.	Monitor the functionality of District IGR structures	Quarterly (cumulative)	4	1	1	1	1
7.	Monitor the extent to which municipalities have mechanisms to include vulnerable groups in core municipal processes	Quarterly (cumulative)	4	1	1	1	1
8.	Monitor community participation in ward committee election processes	Annually	1	-	-	-	1
9.	Monitor social cohesion initiatives in municipalities	Quarterly (cumulative)	4	1	1	1	1
10.	No. of capacity building sessions held towards assisting and supporting municipalities on the successful implementation of the Batho Pele Service Standards Framework for Local Government	6-Monthly (cumulative)	2	-	1	-	1
11.	Monitor the extent to which municipalities successfully implement the Batho Pele Service Standards Framework for Local Government	Quarterly (cumulative)	4	1	1	1	1

2016-2017 Quarterly Targets						Reporting Period	Annual Target 2016/2017	Q1	Q2	Q3	Q4
12.	No. of capacity building workshops held towards supporting municipalities to:					Annually					
	<ul style="list-style-type: none"> Develop ward-based service delivery dashboards Implement ward improvement plans that addresses basic services 						1	-	-	-	1
							1				1

SUB-PROGRAMME CAPACITY DEVELOPMENT	STRATEGIC OBJECTIVE COORDINATED MUNICIPAL SERVICE DELIVERY INITIATIVES
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Strategic Objective Indicators and 2016-2019 Annual Targets	ALIGNMENT				Audited/Actual performance			Estimated Baseline 2015/2016	Medium-term targets		
	NDP	MTSF	FSGDS	B2B 10 Point Plan	2012/2013	2013/2014	2014/2015		2016/2017	2017/2018	2018/2019
1. No. of municipalities implementing Back to Basics Support Plans	Chapter 13: Building a Developmental State	Outcome 9: Responsive, accountable, effective and efficient local government system, Sub-outcome 1: Members of society have sustainable and reliable access to basic services	Pillar 6: Good Governance, Driver 15: Foster good governance to create a conducive climate for growth and development	Positive Community Experiences	-	-	-	-	9	12	22
2. No. of municipalities implementing the gender policy framework					-	-	-	0	6	6	6

Programme Performance Indicators and 2015-2018 Annual Targets		Link to B2B 10 Point Plan	Audited/Actual performance			Estimated Baseline 2015/2016	Medium-term targets		
			2012/2013	2013/2014	2014/2015		2016/2017	2017/2018	2018/2019
<i>Standardized Performance Indicators and -Targets:</i>									
1.	No. of capacity building interventions conducted in identified municipalities	-	-	-	1 (Municipal Support Programme)	1 (Municipal Support Programme - MSP)	0	0	0
2.	Report on implementation of Back to Basics support plans by municipalities	-	-	-	-	-	1	1	1
3.	No. of municipalities supported to roll-out the gender policy framework	-	-	-	-	-	6	6	6
4.	Report on the extent to which CDW, CWP participants and Ward Committee Members are involved with the implementation of the B2B Programme	Involvement of CDWs, CWP Participants and Ward Committee Members	-	-	-	-	1	1	1

2016-2017 Quarterly Targets						Reporting Period	Annual Target 2016/2017	Q1	Q2	Q3	Q4
<i>Standardized Performance Indicators and -Targets:</i>											
1.	No. of capacity building interventions conducted in identified municipalities					-	-	-	-	-	-
2.	Report on implementation of Back to Basics support plans by municipalities					Annually	1	-	-	-	1
3.	No. of municipalities supported to roll-out the gender policy framework					Quarterly (cumulative)	6	-	2	2	2
4.	Report on the extent to which CDW, CWP participants and Ward Committee Members are involved with the implementation of the B2B Programme					Annually	1	-	-	-	1

RECONCILIATION OF PERFORMANCE TARGETS WITH THE BUDGET AND MTEF

Expenditure estimates

Summary of payments and estimates by economic classification: Programme 2: Local Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation	Estimated Actual	Medium-term estimates		
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
Municipal Administration	18,121	17,094	19,882	20,578	21,173	21,173	25,146	26,687	28,145
Municipal Finance	59,470	75,371	72,183	74,259	75,832	75,832	70,778	60,416	63,910
Public Participation	20,100	9,181	11,019	18,806	10,315	10,315	18,783	19,678	17,233
Capacity Development	4,090	4,374	5,748	6,385	7,252	7,252	8,404	8,945	9,457
Total payments and estimates	101,781	106,020	108,832	120,028	114,572	114,572	123,111	115,726	118,745

Payments and estimates by economic classification: Programme 2 Local Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
Current payments	76,456	67,819	72,069	79,249	83,242	83,242	75,352	79,655	80,580
Compensation of employees	24,898	27,419	46,564	48,726	44,291	44,291	41,663	44,477	47,035
Salaries and wages	21,943	24,350	43,054	45,334	39,939	39,939	37,072	39,633	41,925
Social contributions	2,955	3,069	3,510	3,392	4,352	4,352	4,591	4,844	5,110
Goods and services	51,558	40,400	25,505	30,523	38,951	38,951	33,689	35,178	33,545
of which									
Administrative Fees	51	96	42	178	103	103	193	203	214
Advertising	-	-	23	43	55	55	46	47	50
Assets <R5000	35	43	56	11	68	68	12	12	13
Audit cost: External	-	-	-	-	-	-	-	-	-
Catering: Departmental Activities	1,118	1,033	1,124	1,092	180	180	236	236	236
Communication	-	-	115	2	51	51	2	2	2
Cons/prof: Business & Advisory services	41,682	32,360	16,430	18,546	33,138	33,138	21,908	22,817	24,055
Cons/prof: Infrastructure&planning	-	-	-	-	-	-	-	-	-
Cons/prof: Laboratory service	-	-	-	-	-	-	-	-	-
Cons/Prof: Legal Cost	2,867	2,262	2,549	879	222	222	900	1,027	1,247
Contractors	142	68	7	184	314	314	2,603	2,388	772
Agency & Support/outourced Services	-	-	-	1,874	-	-	1,975	2,074	99
Entertainment	3	1	3	15	6	6	10	10	10
Inventory: food and food supplies	17	-	-	-	-	-	-	-	-
Inventory: Fuel, oil & Gas	1	-	-	-	-	-	-	-	-
Inventory: Other consumables	-	-	-	-	-	-	-	-	-
Inventory: Stationery and Printing	-	-	-	-	-	-	-	-	-
Consumable Supplies	2	23	62	67	27	27	69	70	75
Consumables: Stationery, Printing, and Office Supplies	528	266	134	371	573	573	414	553	585
Operating Leases	-	-	-	-	-	-	-	-	-
Transport provided: Departmental Activities	-	-	182	-	127	127	-	-	-
Travel and Subsistence	4,866	3,374	3,055	4,695	3,817	3,817	4,929	5,081	5,375
Training & Staff Development	-	198	-	-	-	-	-	-	-
Operating expenditure	246	491	395	207	265	265	334	625	777
Venues and facilities	-	185	1,328	2,359	5	5	58	33	35
Other	-	-	-	-	-	-	-	-	-
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies to¹:	24,894	37,859	36,281	39,800	30,612	30,612	46,447	34,780	36,798
Provinces and municipalities	24,860	37,616	36,114	38,384	30,505	30,505	44,879	33,135	35,057
Provinces ²									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities ³	24,860	37,616	36,114	38,384	30,505	30,505	44,879	33,135	35,057
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers ⁴									
Universities and technicons									
Transfers and subsidies to¹: - continued									
Public corporations and private enterprises ⁵									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Foreign governments and international organisations									
Non-profit institutions	-	-	-	1,200	-	-	1,264	1,327	1,404
Households	34	243	167	216	107	107	304	318	337
Social benefits	-	84	167	216	107	107	304	318	337
Other transfers to households	34	159	-	-	-	-	-	-	-
Payments for capital assets	431	326	482	979	718	718	1,312	1,291	1,367
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	431	326	482	979	718	718	1,312	1,291	1,367
Transport equipment									
Other machinery and equipment	431	326	482	979	718	718	1,312	1,291	1,367
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Payment for financial assets		16							
Total economic classification	101,781	106,020	108,832	120,028	114,572	114,572	123,111	115,726	118,745

Of which: Capitalised compensation⁶

PROGRAMME 3: DEVELOPMENT AND PLANNING

Purpose of the Programme

This Programme aims to facilitate and render support towards integrated planning and development on local government level

Brief description of the Programme

This Programme consists of the following Sub-Programmes:

1. Spatial Planning
2. Land Use Management
3. Integrated Development Planning
4. Local Economic Development
5. Municipal Infrastructure
6. Disaster Management

Strategic Goal of the Programme:

Strategic Goal	Title: Integrated development and planning
Goal statement	To promote and facilitate integrated development and planning on local government level

Strategic Objective- and Programme Performance Indicators with Annual - and Quarterly Targets:

SUB-PROGRAMME: SPATIAL PLANNING AND LAND USE MANAGEMENT				STRATEGIC OBJECTIVE: CREDIBLE SPATIAL DEVELOPMENT FRAMEWORKS						
Strategic Objective Indicators and 2016-2019 Annual Targets	ALIGNMENT			Audited/Actual performance			Estimated Baseline 2015/2016	Medium-term targets		
	NDP	MTSF	FSGDS	2012/2013	2013/2014	2014/2015		2016/2017	2017/2018	2018/2019
1. No. of municipalities with functional Geographical Information Systems	Chapter 8: Human Settlements	Outcome 8: Sustainable Human Settlements and Improved Quality of Household Life: Sub-Outcome 1	Pillar 6: Good Governance, Driver 15: Foster good governance to create a conducive climate for growth and development	-	-	-	4	8	12	16
2. No. of municipalities with updated SDFs				-	-	-	4	8	12	16
3. No. of local municipalities with LUMSs				-	-	-	0	4	8	12
4. Fully functional Provincial Planning Forum				-	1	1	1	1	1	1

Programme Performance Indicators and 2016-2017 Annual Targets				Audited/Actual performance			Estimated Baseline 2015/2016	Medium-term targets		
				2012/2013	2013/2014	2014/2015		2016/2017	2017/2018	2018/2019
<i>Standardized Performance Indicators</i>										
1.	No. of municipalities supported on the implementation of SPLUMA			-	-	-	18	18	18	18
<i>Non-standardized Performance Indicators:</i>										
2.	No of municipalities supported on the development of a Geographical Information System (GIS)			-	-	-	4	4	4	4
3.	No. of municipalities supported with the updating of their Spatial Development Frameworks in line with SPLUMA			-	-	-	4	4	4	4
4.	No. of local municipalities supported on the compilation of Land Use Management Schemes in line with SPLUMA			-	-	-	0	4	4	4
5.	No. of meetings held by the Provincial Planning Forum			-	-	-	2	2	2	2

2016-2017 Quarterly Targets							Reporting Period	Annual Target 2016/2017	Q1	Q2	Q3	Q4
<i>Standardized Performance Indicators:</i>												
1.	No. of municipalities supported on the implementation of SPLUMA						Quarterly (cumulative)	18	5	5	4	4
<i>Non-standardized Performance Indicators:</i>												
2.	No of municipalities supported on the development of a Geographical Information System (GIS)						Quarterly (non-cumulative)	4	4	4	4	4
3.	No. of municipalities supported with the updating of their Spatial Development Frameworks in line with SPLUMA						Quarterly (non-cumulative)	4	-	4	4	4
4.	No. of local municipalities supported on the compilation of Land Use Management Schemes in line with SPLUMA						Quarterly (non-cumulative)	4	4	4	4	4
5.	No. of meetings held by the Provincial Planning Forum						6-Monthly (cumulative)	2	-	1	-	1

SUB-PROGRAMME LOCAL ECONOMIC DEVELOPMENT (LED)					STRATEGIC OBJECTIVE IMPROVED LOCAL ECONOMY						
Strategic Objective Indicators and 2016-2019 Annual Targets		ALIGNMENT			Audited/Actual performance			Estimated Baseline 2015/2016	Medium-term targets		
		NDP	MTSF	FSGDS	2012/ 2013	2013/ 2014	2014/ 2015		2016/2017	2017/2018	2018/2019
1.	No. of municipalities with updated LED strategies	Chapter 13: Building a Capable State	Outcome 9: A responsive, accountable, effective and efficient local government system, Sub-Outcomes 4 and 5	Pillar 6: Good Governance, Driver 15: Foster good governance to create a conducive climate for growth and development	-	24	7	20	23	23	23
2.	No. of municipalities with functional LED units				-	24	21	23	23	23	23
3.	No. of municipalities implementing the CWP in at least 2 wards				14	15	17	18	18	18	18

Strategic Objective Indicators and 2016-2019 Annual Targets		ALIGNMENT			Audited/Actual performance			Estimated Baseline 2015/2016	Medium-term targets		
		NDP	MTSF	FSGDS	2012/2013	2013/2014	2014/2015		2016/2017	2017/2018	2018/2019
4.	No. of municipalities with business development forums	Chapter 3: Economy and Employment	Outcome 4: Decent employment through inclusive growth		3	3	8	11	23	23	23
5.	No. of (temporary) jobs created through MIG projects			-	5748	2708	5,000	4000	4000	4000	
6.	No. of work opportunities created through the CWP in municipalities			-	-	19500	18,845	15,000	15,000	15,000	

Programme Performance Indicators and 2016-2017 Annual Targets					Audited/Actual performance			Estimated Baseline 2015/2016	Medium-term targets			
					2012/2013	2013/2014	2014/2015		2016/2017	2017/2018	2018/2019	
<i>Standardized Performance Indicators and -Targets:</i>												
1.	No. of municipalities supported to implement Local Economic Development projects in line with municipal LED strategies				-	-	0	10	12	15	23	
2.	No. of municipalities monitored to reduce cost of doing business through Red Tape Intervention				-	-	-	-	-	-	-	
3.	No. of work opportunities created through the CWP in municipalities				-	-	-	-	-	-	-	
<i>Non-standardized Performance Indicators and -Targets:</i>												
4.	No. of municipalities supported on the development of LED Strategies							20	23	23	23	
5.	No. of municipalities supported on functional LED Units							21	23	23	23	
6.	No. of municipalities supported on the establishment of business development forums				3	3	11	14	14	15	18	
7.	No. of reports submitted on temporary jobs created through MIG				-	-	4	4	4	4	4	

2016-2017 Quarterly Targets					Reporting Period		Annual Target 2016/2017	Q1	Q2	Q3	Q4
<i>Standardized Performance Indicators and -Targets</i>											
1.	No. of municipalities supported to implement Local Economic Development projects in line with municipal LED strategies				Quarterly (cumulative)		12	3	3	3	3
2.	No. of municipalities monitored to reduce cost of doing business through Red Tape Intervention				-		-	-	-	-	-
3.	No. of work opportunities created through the CWP in municipalities				-		-	-	-	-	-
<i>Non-Standardized Performance Indicators and -Targets</i>											
4.	No. of municipalities supported on the development of LED Strategies				Quarterly (cumulative)		23	0	10	7	6
5.	No. of municipalities supported on functional LED Units				Quarterly		23	0	10	7	6

2016-2017 Quarterly Targets		Reporting Period	Annual Target 2016/2017	Q1	Q2	Q3	Q4
		(cumulative)					
6.	No. of municipalities supported on the establishment of business development forums	Quarterly (cumulative)	14	3	4	4	3
7.	No of reports submitted on temporary jobs created through MIG	Quarterly (cumulative)	4	1	1	1	1

SUB-PROGRAMME MUNICIPAL INFRASTRUCTURE					STRATEGIC OBJECTIVE SUCCESSFULLY-IMPLEMENTED MUNICIPAL INFRASTRUCTURE PROGRAMME											
Strategic Objective Indicators and 2016-2019 Annual Targets		ALIGNMENT				Audited/Actual performance			Estimated Baseline 2015/2016	Medium-term targets						
		NDP	MTSF	FSGDS	B2B 10 Point Plan	2012/2013	2013/2014	2014/2015		2016/2017	2017/2018	2018/2019				
1.	No. of indigent households with access to free basic services: <ul style="list-style-type: none"> Water Refuse Removal Electricity Sanitation 	Chapter 13: Building a Capable State	Outcome 9: A responsive, accountable, effective and efficient local government system, Sub-Outcome 1	Pillar 6: Good Governance, Driver 15: Foster good governance to create a conducive climate for growth and development	Services and Infrastructure	-	-	215,882	*62,835	100%	100%	100%				
2.	No. of municipalities that have updated indigent Registers for the provision of free basic services					-	19	19	20	19	19	19				
3.	No. of (pre-2004) households with access to basic water supply					-	604,068	605077	605,626	611,461	615909	615909				
4.	No. of households with access to electricity supply					-	899400	900.062	906,503	915606	924709	935607				
5.	No. of (pre-2004) households with access to basic level of sanitation services					-	605420	607943	614,409	615909	615909	615909				
6.	No. of (pre-2004) households with access to basic refuse removal services					-	615909	615909	615909	615909	615909	615909				

* Information obtained from 13 municipalities. Mangaung Metro, MAP, Nketoana, Nala, Mafube, Mohokare and Letsemeng have not signed-off their information, therefore excluded

Programme Performance Indicators and 2016-2017 Annual Targets		Link to the B2B 10 Point Plan	Audited/Actual performance			Estimated Baseline 2015/2016	Medium-term targets		
			2012/2013	2013/2014	2014/2015		2016/2017	2017/2018	2018/2019
<i>Standardized Performance Indicators and -Targets</i>									
1.	No. of functional coordinating structures for infrastructure development and service delivery <ul style="list-style-type: none"> MIG Coordinating Forum Basic Services Coordinating Forum 	Analysis of extent to which Naledi District Municipality is able to deliver basic services and support interventions implemented if necessary	-	-	16	16	16	16	16
2.	No. of (local) municipalities assessed against (refuse removal) service delivery benchmarks		-	-	-	-	-	-	-
3.	No. of municipalities supported with service delivery programmes <ul style="list-style-type: none"> District Municipality Local Municipality 		-	-	-	1	1	1	1
						3	3	3	3
4.	No. of municipalities supported to implement indigent policies		-	4	4	20	19	19	19

Programme Performance Indicators and 2016-2017 Annual Targets		Link to the B2B 10 Point Plan	Audited/Actual performance			Estimated Baseline 2015/2016	Medium-term targets			
			2012/ 2013	2013/ 2014	2014/ 2015		2016/2017	2017/2018	2018/2019	
<i>Non-standardized Performance Indicators and –Targets</i>										
5.	Monitor the extent to which qualifying households have access to basic services	-	-	4	4	4	4	4	4	
6.	Monitor MIG Expenditure within municipalities	-	-	-	-	12	12	12	12	
7.	Monitor the operation and maintenance of infrastructure within municipalities	-	-	-	-	4	4	4	4	
8.	Monitor the extent to which municipalities have developed and implemented FBS policies	-	3	4	2	4	4	4	4	
9.	Monitor the number of qualifying households having access to FBS	-	3	4	2	4	4	4	4	
10.	Monitor the extent to which technical posts in municipalities are filled with competent persons towards improving infrastructure delivery and operation					-	1	1	1	
		Analysis of the state of municipal technical capacity and capability towards improved infrastructure delivery and operations								
2016-2017 Quarterly Targets			Reporting Period		Annual Target 2016/2017		Q1	Q2	Q3	Q4
<i>Standardized Performance Indicators and -Targets</i>										
1.	No. of functional coordinating structures for infrastructure development and service delivery <ul style="list-style-type: none"> MIG Coordinating Forum Basic Services Coordinating Forum 	Quarterly (cumulative)		16	8	4	4	4	4	
2.	No. of (local) municipalities assessed against (refuse removal) service delivery benchmarks	-		-	-	-	-	-	-	
3.	No. of municipalities supported with service delivery programmes <ul style="list-style-type: none"> District Municipality Local Municipality 	Quarterly (non-cumulative)		1	3	1	3	1	3	
4.	No. of municipalities supported to implement indigent policies	Quarterly (cumulative)		19		5	4	5	5	
<i>Non-Standardized Performance Indicators and -Targets</i>										
5.	Monitor the extent to which qualifying households have access to basic services	Quarterly (cumulative)		4		1	1	1	1	
6.	Monitor MIG Expenditure within municipalities	Monthly (cumulative)		12		3	3	3	3	
7.	Monitor the operation and maintenance of infrastructure within municipalities	Quarterly (cumulative)		4		1	1	1	1	
8.	Monitor the extent to which municipalities have developed and implemented FBS policies	Quarterly (cumulative)		4		1	1	1	1	
9.	Monitor the number of qualifying households having access to FBS	Quarterly (cumulative)		4		1	1	1	1	
10.	Monitor the extent to which technical posts in municipalities are filled with competent persons towards improving infrastructure delivery and operation	Annually		1		-	-	-	1	

SUB-PROGRAMME DISASTER MANAGEMENT				STRATEGIC OBJECTIVE INTEGRATED RISK PLANNING AND MANAGEMENT OF DISASTERS							
Strategic Objective Indicators and 2016-2019 Annual Targets		ALIGNMENT			Audited/Actual performance			Estimated Baseline 2015/2016	Medium-term targets		
		NDP	MTSF	FSGDS	2012/ 2013	2013/ 2014	2014/ 2015		2016/ 2017	2017/ 2018	2018/ 2019
1.	No. of functional Municipal Disaster Management Centres: • Metro • District	Chapter 5: Transitioning to a low carbon economy	Outcome 10: Protect and enhance our environmental assets and natural resources, Sub-outcome 5: Sustainable human communities	Pillar 6: Good Governance, Driver 12: Integrate environmental concerns into growth and development planning	-	1	1	1	1	1	1
2.	Functional: • Provincial DM Centre • Provincial DM Advisory Forum				-	0	0	1	1	1	1
3.	No. of municipalities with updated Disaster Management Plans				-	2	6	11	12	12	12
4.	Updated and integrated Provincial Disaster Management Plan				-	1	0	0	1	1	1

Programme Performance Indicators and 2016-2017 Annual Targets				Audited/Actual performance			Estimated Baseline 2015/2016	Medium-term targets		
				2012/2013	2013/2014	2014/2015		2016/2017	2017/2018	2018/2019
<i>Standardized Performance Indicators and -Targets</i>										
1.	*No. of functional Municipal Disaster Management Centres			-	-	-	-	-	-	-
2.	Provincial Fire Brigade services established by target date			-	-	-	-	1	1	1
<i>Non-standardized Performance Indicators and -Targets</i>										
3.	No. of District Municipalities supported on Disaster management advisory forums			-	4	4	4	4	4	4
4.	No. of District Municipalities supported on Disaster Risk Management Plans			4	4	1	4	4	4	4
5.	Monitor the following: • The state of disaster management in the Province • The state of fire services in the Province • The functionality of the Provincial DM Centre • The functionality of the Provincial DM Advisory Forum • The functionality of the Provincial Fire Services Advisory Committee			-	0	1	1	2	2	2
				-	1	1	1	1	1	1
				1	4	0	1	2	2	2
				-	4	4	4	2	2	2
				-	4	2	4	2	2	2
6.	Monitor the functionality of Municipal Disaster Management Centres			-	-	0	4	4	4	4

* Not relevant to the mandate of the Department; moved to Strategic Objective Indicator instead

2016-2017 Quarterly Targets				Reporting Period	Annual Target 2016/2017	Q1	Q2	Q3	Q4
<i>Standardized Performance Indicators and -Targets</i>									
1.	No. of functional Municipal Disaster Management Centres			-	-	-	-	-	-
2.	Provincial Fire Brigade services established by target date			Annually	1	-	-	-	1

2016-2017 Quarterly Targets		Reporting Period	Annual Target 2016/2017	Q1	Q2	Q3	Q4
<i>Non-Standardized Performance Indicators and -Targets</i>							
3.	No. of District Municipalities supported on Disaster management advisory forums	Quarterly (cumulative)	4	1	1	1	1
4.	No. of District Municipalities supported on Disaster Risk Management Plans:	Quarterly (cumulative)	4	1	1	1	1
5.	Monitor the following: <ul style="list-style-type: none"> The state of disaster management in the Province The state of fire services in the Province The functionality of the Provincial DM Centre The functionality of the Provincial DM Advisory Forum The functionality of the Provincial Fire Services Advisory Committee 	6-Monthly (cumulative) Annually 6-Monthly (cumulative) 6-Monthly (cumulative) 6-Monthly (cumulative)	2 1 2 2 2	- - - - -	1 - 1 1 1	- - - - -	1 1 1 1 1
6.	Monitor the functionality of Municipal Disaster Management Centres	Quarterly (cumulative)	4	1	1	1	1

SUB-PROGRAMME MUNICIPAL INTEGRATED DEVELOPMENT PLANNING				STRATEGIC OBJECTIVE IMPROVED MUNICIPAL INTEGRATED DEVELOPMENT PLANNING							
Strategic Objective Indicators and 2016-2019 Annual Targets		ALIGNMENT			Audited/Actual performance			Estimated Baseline 2015/2016	Medium-term targets		
		NDP	MTSF	FSGDS	2012/2013	2013/2014	2014/2015		2016/2017	2017/2018	2018/2019
1.	No. of municipalities with legally compliant IDPs: <ul style="list-style-type: none"> Metro District Local 	Chapter 13: Building a Capable State	Outcome 9: A responsive, accountable, effective and efficient local government system, Sub-Outcome 2: Intergovernmental and democratic governance arrangements for a functional system of cooperative governance and participatory democracy strengthened	Pillar 6: Good Governance, Driver 15: Foster good governance to create a conducive climate for growth and development	-	1 4 19	1 4 19	1 4 19	1 4 18	1 4 18	1 4 18
2.	No. of municipalities that have adopted their IDPs: <ul style="list-style-type: none"> Metro District Local 				-	1 4 19	1 4 19	1 4 19	1 4 18	1 4 18	1 4 18
3.	No. of institutions participating in the IDP processes: <ul style="list-style-type: none"> Metro District Local Sector Departments 				-	1 4 19 12	1 4 19 11	1 4 19 11	1 4 18 11	1 4 18 11	1 4 18 11
Programme Performance Indicators and 2016-2017 Annual Targets				Audited/Actual performance			Estimated Baseline 2015/2016	Medium-term targets			
				2012/2013	2013/2014	2014/2015		2016/2017	2017/2018	2018/2019	
<i>Standardized Performance Indicators and -Targets:</i>											
1.	No. of municipalities supported with development of legally-compliant IDPs	-	-	24	24	23	23	23			
<i>Non-standardized Performance Indicators and -Targets:</i>											
2.	No. of municipalities monitored on the adoption of their IDPs: <ul style="list-style-type: none"> Metro District Local 	1 4 19	1 4 19	1 4 19	1 4 19	1 4 18	1 4 18	1 4 18			

Programme Performance Indicators and 2016-2017 Annual Targets		Audited/Actual performance			Estimated Baseline 2015/2016	Medium-term targets				
		2012/2013	2013/2014	2014/2015		2016/2017	2017/2018	2018/2019		
3.	No. of support initiatives implemented and sustained towards improving municipal IDPs: • Provincial IDP Managers Forum with quarterly meetings • Annual Provincial IDP Assessment Session	-	1	1	1	2	2	2		
			1	1	1	1	1	1		
2016-2017 Quarterly Targets					Reporting Period	Annual Target 2016/2017	Q1	Q2	Q3	Q4
Standardized Performance Indicators and -Targets										
1.	No. of municipalities supported with development of legally-compliant IDPs				Annually	23	23	-	-	-
Non-Standardized Performance Indicators and -Targets										
2.	No. of municipalities monitored on the adoption of their IDPs: • Metro • District • Local				Annually	1 4 18	1 4 18	-	-	-
3.	No. of support initiatives implemented and sustained towards improving municipal IDPs: • Provincial IDP Managers Forum with quarterly meetings • Annual Provincial IDP Assessment Session				Quarterly (cumulative) Annually (non-cumulative)	2 1	- 1	1 -	- -	1 -

RECONCILIATION OF PERFORMANCE TARGETS WITH THE BUDGET AND MTEF

Expenditure estimate:

Summary of payments and estimates: Programme 3: Development and Planning

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
Spatial Planning	15,173	16,709	19,461	22,584	22,026	22,026	24,658	26,287	27,868
Development Admin/ Land Use Management Integrated Development and Planning (IDP)									
Local Economic Development (4,095	3,379	4,222	6,074	5,276	5,276	6,657	7,065	7,475
Municipal Infrastructure	27,408	36,691	80,487	52,176	57,701	57,701	56,492	53,899	56,425
Disaster Management	6,168	6,582	11,468	12,555	7,316	7,316	13,889	14,455	14,938
Total payments and estimates: Prog	52,844	63,361	115,638	93,389	92,319	92,319	101,696	101,706	106,706

Payments and estimates by economic classification: Programme 3 Development and Planning

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
Current payments	31,950	35,691	92,435	50,976	90,023	90,023	58,853	62,309	65,978
Compensation of employees	24,952	27,792	33,035	34,438	36,724	36,724	40,333	43,072	45,567
Salaries and wages	21,838	24,477	29,146	30,716	32,347	32,347	35,715	38,200	40,427
Social contributions	3,114	3,315	3,889	3,722	4,377	4,377	4,618	4,872	5,140
Goods and services	6,998	7,899	59,400	16,538	53,299	53,299	18,520	19,237	20,411
of which									
Administrative Fees	27	40	30	92	64	64	106	114	121
Advertising	21	84	-	141	1	1	148	155	164
Assets <R5000	43	55	19	351	188	199	262	281	298
Audit cost: External	-	-	-	-	-	-	-	-	-
Catering: Departmental Act	701	464	271	836	191	176	181	181	181
Communication	-	6	2	-	-	-	-	-	-
Computer Services	-	-	-	-	-	-	-	-	-
Cons/prof. Business & Advis	768	740	33,788	5,020	32,899	32,893	7,313	8,112	8,582
Cons/prof. Infrastructure&pla	-	-	-	-	-	-	-	-	-
Cons/Prof. Legal Cost	-	-	-	270	120	120	284	298	315
Contractors	530	2,147	28	42	145	145	916	898	1,025
Agency & Support/outsource	-	-	-	-	-	-	-	-	-
Entertainment	-	1	-	12	11	11	11	11	11
Inventory: food and food s	10	-	-	-	-	-	-	-	-
Inventory: Clothing and Acces	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: other consumab	-	-	-	-	-	-	-	-	-
Inventory: Stationery and P	-	-	-	-	-	-	-	-	-
Consumable Supplies	-	52	17	48	37	37	59	62	64
Consumable: Stationary, P	337	231	380	738	867	888	964	982	1,009
Operating Leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	20,832	-	13,300	13,300	-	-	-
Travel and Subsistence	2,330	1,539	1,626	4,284	2,683	2,672	4,334	3,968	4,199
Training & Staff Developm	-	-	-	-	-	-	-	-	-
Operating expenditure	2,122	1,810	2,175	3,742	2,078	2,078	3,014	3,246	3,523
Venues and facilities	109	723	225	962	715	715	928	929	919
Renting and Hiring	-	7	7	-	-	-	-	-	-
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies to¹:	20,576	27,312	22,628	37,686	1,717	1,717	37,077	33,583	34,931
Provinces and municipalities	20,326	27,200	21,970	37,540	1,538	1,538	36,924	33,472	34,815
Provinces ²									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities ³	20,326	27,200	21,970	37,540	1,538	1,538	36,924	33,472	34,815
of which: Regional service council levies									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers ⁴									
Universities and technikons									
Transfers and subsidies to¹: - continued									
Public corporations and private enterprises ⁵									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Foreign governments and international organisations									
Non-profit institutions									
Households	250	112	658	146	179	179	153	111	116
Social benefits	250	112	658	144	179	179	151	109	114
Other transfers to households	-	-	-	2	-	-	2	2	2
Payments for capital assets	318	358	568	4,727	579	579	5,766	5,814	5,797
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	318	358	568	4,727	579	579	5,766	5,814	5,797
Transport equipment	-	-	-	-	-	-	5,000	5,000	5,000
Other machinery and equipm	318	358	568	4,727	579	579	766	814	797
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Payments for financial assets			7						
Total economic classification	52,844	63,361	115,638	93,389	92,319	92,319	101,696	101,706	106,706

PROGRAMME 4: TRADITIONAL INSTITUTIONAL MANAGEMENT

Purpose of the Programme

This programme aims to provide assistance and support to the Institution of Traditional Leaders in the Free State Province in order to realize its constitutional mandate, which is to be custodian of communities that observe customary law. The program also aims to support, capacitate and develop institutions in the areas of traditional leadership in line with the white paper on traditional leadership and governance (2003).

Brief description of the Programme.

This Programme consists of the following Sub-Programme:

1. Traditional Institutional Administration

Strategic Goal and Statement of the Programme:

Strategic Goal	Title: Viable and sustainable Traditional Institutions
Goal statement	To promote and facilitate viable and sustainable Traditional Institutions

Strategic Objectives- and Programme Performance Indicators with Annual - and Quarterly Targets:

SUB-PROGRAMME TRADITIONAL INSTITUTIONAL ADMINISTRATION				STRATEGIC OBJECTIVE EFFECTIVE ADMINISTRATION OF TRADITIONAL LEADERSHIP INSTITUTIONS						
Strategic Objective Indicators and 2016-2019 Annual Targets	ALIGNMENT			Audited/Actual performance			Estimated Baseline 2015/2016	Medium-term targets		
	NDP	MTSF	FSGDS	2012/2013	2013/2014	2014/2015		2016/2017	2017/2018	2018/2019
1. % Reduction of audit findings iro Traditional Councils	Chapter 15: Transforming Society and Uniting the Country	Outcome 14: Nation Building and Social Cohesion, Sub-outcome 3: Using sport and recreation to promote social cohesion	Pillar 6: Good Governance, Driver 15: Foster good governance to create a conducive climate for growth and development	6 • Mabilela • Namahadi • Thibella • Monontsha • Matsieng • Barolong • Boo Seleka	5 • Bolata • Phomolong • Thaba Tsoeu • Thaba Bosiu • Dinkoeng	0	12 (63%)	7 (100%)	100%	100%
2. No. of established Kings' Councils	Chapter 13: Building a Capable State	Sub-Outcome 2: Intergovernmental and democratic governance arrangements for a functional system of cooperative governance and participatory democracy strengthened		-	-	-	-	-	-	2 (functional)
3. No. of functional Local Houses: • Thabo Mofutsanyana • Mangaung				-	-	-	-	-	1 1	1 1

Programme Performance Indicators and 2016-2017 Annual Targets		Audited/Actual performance			Baseline 2015/2016 (APP progress as at 30.09.2015)	Medium-term targets		
		2012/2013	2013/2014	2014/2015		2016/2017	2017/2018	2018/2019
Non-standardized Performance Indicators and -Targets								
1.	No. of Traditional Councils audited	5	5	0	4	2	5	5
2.	No. of Traditional Councils supported towards reducing audit findings	-	-	0	12	13	13	13
3.	Monitor the status of the B2B Programme in Traditional Councils			-	1	2	2	4
4.	No. of partnerships facilitated for Traditional Councils	-	-	0	2 (SASSA) (DESTEAs)	2	2	2
5.	Monitor the performance of Traditional Councils	-	2	1	2	2	2	2

2016-2017 Quarterly Targets		Reporting Period	Annual Target 2016/2017	Q1	Q2	Q3	Q4	
Non-Standardized Performance Indicators and -Targets								
1.	No. of Traditional Councils audited	Annually	2	-	-	2	-	
2.	No. of Traditional Councils supported towards reducing audit findings	Annually	13	4	4	5	-	
3.	Monitor the status of the B2B Programme in Traditional Councils	Annually	2	-	1	-	1	
4.	No. of partnerships facilitated for Traditional Councils	Annually	2	-	-	-	2	
5.	Monitor the performance of Traditional Councils	6-Monthly (cumulative)	2	-	1	-	1	

RECONCILIATION OF PERFORMANCE TARGETS WITH THE BUDGET AND MTEF

Expenditure estimates:

Summary of payments and estimates: Programme 4: Traditional Institutional Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
Traditional Institutional Administration	23,495	31,911	33,138	36,496	38,602	38,602	40,115	42,818	45,318
Total payments and estimates: Prog	23,495	31,911	33,138	36,496	38,602	38,602	40,115	42,818	45,318

Payments and estimates by economic classification: Programme 4 Traditional Institutional Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	23,050	30,971	32,421	35,563	37,635	37,565	39,133	41,787	44,227
Compensation of employees	21,241	29,521	31,635	33,626	33,764	33,694	37,093	39,645	41,961
Salaries and wages	19,069	27,067	29,034	31,423	30,866	30,796	34,036	36,420	38,559
Social contributions	2,172	2,454	2,601	2,203	2,898	2,898	3,057	3,225	3,402
Goods and services	1,809	1,450	786	1,937	3,871	3,871	2,040	2,142	2,266
of which									
Administrative Fees	22	36	25	40	40	40	43	45	48
Advertising	-	-	-	-	-	-	-	-	-
Assets <R5000	14	1	-	51	-	-	54	57	60
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries (employees)	-	-	-	-	-	-	-	-	-
Catering: Departmental Activities	301	444	84	280	220	220	220	220	220
Communication	-	25	-	-	-	-	-	-	-
Computer Services	-	-	-	-	-	-	-	-	-
Cons/prof: Business & Advisory services	-	3	237	-	443	443	-	-	-
Cons/prof: Infrastructure&planning	-	-	-	-	-	-	-	-	-
Cons/Prof: Legal Cost	113	-	-	-	-	-	-	-	-
Contractors	69	144	-	60	2,052	2,052	138	156	178
Agency & Support/outourced Services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	1	3	3	3	3	3	3
Government Motor transport	-	-	-	-	-	-	-	-	-
Inventory: food and food supplies	2	-	-	-	-	-	-	-	-
Inventory: fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Other Supplies	-	-	-	-	-	-	-	-	-
Inventory: Stationery and Printing	-	-	-	-	-	-	-	-	-
Consumable Supplies	-	36	4	12	7	7	12	13	14
Consumable: Stationery, Printing and Office Supplies,	63	10	-	101	220	220	106	111	117
Operating Leases	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	79	79	-	-	-
Travel and Subsistence	1,111	688	400	1,154	755	755	1,216	1,277	1,351
Training & Staff Development	26	-	-	-	-	-	-	-	-
Operating expenditure	7	63	35	101	52	52	106	111	117
Venues and facilities	81	-	-	135	-	-	142	149	158
Other	-	-	-	-	-	-	-	-	-
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies to:	437	924	536	671	629	629	706	741	784
Provinces and municipalities									
Provinces2									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities3									
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers4									
Universities and technikons									
Transfers and subsidies to: - continued									
Public corporations and private enterprises5									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Foreign governments and international organisations									
Non-profit institutions	286	687	408	450	363	363	474	498	527
Households	151	237	128	221	266	266	232	243	257
Social benefits	-	-	-	-	152	152	232	243	257
Other transfers to households	151	237	128	221	114	114	-	-	-
Payments for capital assets	8	10	121	262	338	338	276	290	307
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	8	10	121	262	338	338	276	290	307
Transport equipment									
Other machinery and equipment	8	10	121	262	338	338	276	290	307
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Payments for financial assets	-	6	60	-	-	70	-	-	-
Total economic classification	23,495	31,911	33,138	36,496	38,602	38,602	40,115	42,818	45,318

PROGRAMME 5: FREE STATE HOUSE OF TRADITIONAL LEADERS

Purpose of the Programme

This Programme aims to promote and enhance the effective and efficient functioning of the Free State House of Traditional Leaders as well as Local Houses

Brief description of the Programme

This Programme consists of the following Sub-Programme:

1. Administration of Houses of Traditional Leaders

Strategic Goal of the Programme:

Strategic Goal	Title: Effective functioning of the FS House of Traditional Leaders
Goal statement	To promote and enhance the effective and efficient functioning of the FS House of Traditional Leaders

Strategic Objectives- and Programme Performance Indicators with Annual - and Quarterly Targets

SUB-PROGRAMME ADMINISTRATION OF HOUSE OF TRADITIONAL LEADERS				STRATEGIC OBJECTIVE EFFECTIVE FUNCTIONING OF THE FS HOUSE OF TRADITIONAL LEADERS						
Strategic Objective Indicators and 2016-2019 Annual Targets	ALIGNMENT			Audited/Actual performance			Baseline 2015/2016	Medium-term targets		
	NDP	MTSF		2012/2013	2013/2014	2014/2015		2016/2017	2017/2018	2018/2019
1. No. of meetings held by fully functional Committees of the House of Traditional Leaders	Chapter 15: Transforming Society and Uniting the Country	Outcome 14: Nation Building and Social Cohesion, Sub-outcome 3: Using sport and recreation to promote social cohesion	Pillar 6: Good Governance, Driver 15: Foster good governance to create a conducive climate for growth and development	5	12	10	87	80	80	80
2. No. of sittings held by the Executive Committee to review progress on decisions taken				8	15	6	24	24	24	24
3. No. of sittings held by the House of Traditional Leaders to review progress of the institution				-	2	3	4	4	4	4
	Chapter 13: Building a Capable State	Sub-Outcome 2: Intergovernmental and democratic governance arrangements for a functional system of cooperative governance and participatory democracy strengthened								

Programme Performance Indicators and 2016-2017 Annual Targets				Audited/Actual performance			Estimated Baseline 2015/2016	Medium-term targets			
				2012/2013	2013/2014	2014/2015		2016/2017		2017/2018	2018/2019
Non-standardized Performance Indicators and -Targets											
1.	No. of MOUs signed and/or maintained with stakeholders or partners to enable the House to perform oversight functions towards monitoring, reviewing and evaluating the implementation of government programmes in traditional communities			-	1	1	0	1		1	1
2.	No. of outreach and empowerment programmes facilitated and participated in with regards to community development and empowerment			3	8	2	4	4		4	4
3.	No. of capacity building programmes implemented towards capacitating members of the House			-	-	1	2	1		1	1
4.	No. of constituency and progress meetings held with traditional councils towards ensuring the implementation of decisions of the House of Traditional Leaders			-	13	5	20	10		20	20
5.	No. of cultural heritage celebrations hosted towards promoting tradition, culture, heritage and social cohesion			5	1	1	1	1		1	1
2016-2017 Quarterly Targets						Reporting Period	Annual Target 2016/2017	Q1	Q2	Q3	Q4
Non-Standardized Performance Indicators and -Targets											
1.	No. of MOUs signed and/or maintained with stakeholders or partners to enable the House to perform oversight functions towards monitoring, reviewing and evaluating the implementation of government programmes in traditional communities			Annually		1	-	-	-	1	
2.	No. of outreach and development programmes coordinated and participated in with regards to community development and empowerment			Annually		4	1	1	1	1	
3.	No. of capacity building programmes implemented towards capacitating members of the House			Annually		1	-	1	-	-	
4.	No. of constituency and progress meetings held with traditional councils towards ensuring the implementation of decisions of the House of Traditional Leaders			Quarterly (cumulative)		10	0	5	0	5	
5.	No. of cultural heritage celebrations hosted towards promoting tradition, culture, heritage and social cohesion			Annually		1	-	-	1	-	

RECONCILIATION OF PERFORMANCE TARGETS WITH THE BUDGET AND MTEF

Expenditure estimates

Summary of payments and estimates: Programme 5: House of Traditional Leaders

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
Administration of Houses of Traditional	8,512	10,384	7,833	9,980	11,097	11,097	9,668	10,307	10,924
Total payments and estimates: Prog	8,512	10,384	7,833	9,980	11,097	11,097	9,668	10,307	10,924

Payments and estimates by economic classification: Programme 5 House of Traditional Leaders

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
Current payments	8,344	9,158	7,804	9,629	10,830	10,830	9,298	9,919	10,516
Compensation of employees	6,226	6,902	6,093	8,149	7,304	7,304	7,740	8,283	8,785
Salaries and wages	5,864	6,520	5,649	7,379	6,709	6,709	7,112	7,621	8,087
Social contributions	362	382	444	770	595	595	628	662	698
Goods and services	2,118	2,256	1,711	1,480	3,526	3,526	1,558	1,636	1,731
<i>of which</i>									
Administrative Fees	24	51	81	85	56	56	89	93	98
Advertising	-	-	-	-	-	-	-	-	-
Assets <R5000	17	-	4	72	-	-	76	80	85
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries (employees)	-	-	-	-	-	-	-	-	-
Catering: Departmental Activities	243	142	478	370	203	203	180	180	434
Communication	-	4	-	-	-	-	-	-	-
Computer Services	-	-	-	-	-	-	-	-	-
Cons/prof: Business & Advisory services	-	-	-	-	2	2	-	-	-
Cons/prof: Infrastructure&planning	-	-	-	-	-	-	-	-	-
Cons/Prof: Legal Cost	-	-	-	-	-	-	-	-	-
Contractors	372	948	143	90	2,062	2,062	305	330	106
Agency & Support/outourced Services	-	-	-	-	-	-	-	-	-
Entertainment	-	3	-	3	-	-	3	3	3
Government motor transport	-	-	-	-	-	-	-	-	-
Inventory: food and food supplies	6	-	-	-	-	-	-	-	-
Inventory: fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Stationery and Printing	-	-	-	-	-	-	-	-	-
Consumables Supplies	-	12	7	4	5	5	4	4	4
Consumable: Stationery, Printing and Office Supplies	120	10	27	43	102	102	45	47	50
Lease Payments	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport Provided: Departmental Activities	-	-	-	-	82	82	-	-	-
Travel and Subsistence	1,286	1,068	924	568	955	955	598	628	664
Training & Staff Development	-	-	-	-	-	-	-	-	-
Operating expenditure	-	2	41	120	59	59	126	132	140
Venues and facilities	50	16	6	125	-	-	132	139	147
Other									
Interest and rent on land									
Interest									
Rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies to¹:	50	1,218		306	168	168	323	339	359
Provinces and municipalities									
Provinces ²									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities ³									
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers ⁴									
Universities and technikons									
Transfers and subsidies to¹ - continued									
Public corporations and private enterprises ⁵									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Foreign governments and international organisations	-	1,158	-	-	-	-	-	-	-
Non-profit institutions									
Households	50	60		306	168	168	323	339	359
Social benefits	-	-	-	-	168	168	323	339	359
Other transfers to households	50	60		306	-	-	-	-	-
Payments for capital assets	118	8	29	45	99	99	47	49	49
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	118	8	29	45	99	99	47	49	49
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	118	8	29	45	99	99	47	49	49
Heritage assets									
Software and other intangible assets									
Land and subsoil assets									
Payments for Capital Assets	-	-	-	-	-	-	-	-	-
Total economic classification	8,512	10,384	7,833	9,980	11,097	11,097	9,668	10,307	10,924

PART C

**LINKS TO
OTHER PLANS**

1. Links to the long-term infrastructure and other capital plans

None

2. Conditional grants

None

3. Public entities

None

4. Public-private partnerships

None

PART D

**TECHNICAL PERFORMANCE INDICATOR
DESCRIPTIONS**

(AVAILABLE ON THE WEBSITE OF THE DEPARTMENT)

PART E

**AMENDMENTS TO THE 2015/2020
STRATEGIC PLAN**

PROGRAMME 1: ADMINISTRATION

The Strategic Objective Indicators and 5-year targets as reflected in Programme 1 of the 2015/2020 Strategic Plan are amended as follows:

Sub-Programme	Corporate Services
Strategic Objective	Title: Improved capability of the Department to meet its obligations
Objective statement	To strengthen the ability of and support the Department to render high-quality services
Baseline	The following functions are currently performed within this Sub-Programme: <ul style="list-style-type: none"> i. Human Resources Management inclusive of Personnel Provisioning, Personnel Utilization and Employee Relations ii. Human Resources Planning and Information, including the management of critical vacancies iii. Employee Health and Wellness iv. Special Programmes related to gender equality, people with disabilities, the youth and women empowerment. v. Human Resources Skills Development vi. Employee Performance Management vii. Structural Designing, including job evaluation, change management / transformation and the rendering of technical support on job descriptions viii. Service Delivery Planning and Improvement ix. Strategic Planning, Monitoring and Evaluation x. Risk Management xi. Corporate Communication xii. Information Technology xiii. Executive committee support services xiv. Auxiliary Services (Records Management and Physical Planning) xv. Support to the HoD (Office of the HoD) xvi. Support to the MEC (Office of the MEC) xvii. Internal Audit xviii. Security Management and Anti-Corruption xix. Budget Management xx. Financial Management xxi. Supply Chain Management, including asset management
Justification	This Sub-Programme provides operational support and leadership in terms of strategic management, financial management, logistics, transport, procurement, human resources management and development, security management, anti-corruption, information technology services, communication, assurance services, service delivery improvement and auxiliary support services to the Department towards enabling the Department to render high-quality services to its clients.
Links with national and provincial priorities	This objective contributes directly to the achievement of some of the priorities set out in the following outcomes / chapters of the MTSF: <ul style="list-style-type: none"> • Outcome 12: An efficient, effective and development oriented public service (Chapter 13 of the NDP), and more specifically Sub-Outcome 2: A public Service that is a career of choice, Sub-Outcome 4: Efficient and effective management and operations systems, Sub-Outcome 6: Increased responsiveness of public servants and accountability to citizens, Sub-Outcome 7: Improved inter-departmental coordination and institutionalization of long-term planning, Sub-Outcome 8: Improved mechanisms to promote ethical behaviour in the public service (see Outcome 3 for related actions on fighting corruption) • Outcome 14 : Nation building and social cohesion (Chapter 15 of the NDP), and more specifically in relation to reducing inequality of opportunity and redress through the implementation of special projects in respect of gender equality, women empowerment, disability, youth etc.) <p>This objective will also impact on the extent to which the Free State Province achieves various priorities as set out in the Free State Growth and Development Strategy, and more specifically in relation to Pillar 6: Good Governance (Driver 15: Foster good governance to create a conducive climate for growth and development)</p>

Strategic Objective Indicators	Audited/Actual performance			Baseline 2014/2015	2015/2020 Annual Targets				
	2011/2012	2012/2013	2013/2014		2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
1. Increased compliance with Level 3 of the Management Performance Assessment Tool (MPAT) standards for each cycle	-	-	39%	61% (20)	71% (27 from 38)	80%	85%	90%	95%
2. No. of departmental employees targeted through information	-	-	-	104 (28%)	160 (40%)	50%	60%	70%	80%

Strategic Objective Indicators	Audited/Actual performance			Baseline 2014/2015	2015/2020 Annual Targets				
	2011/2012	2012/2013	2013/2014		2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
sessions towards improving the functioning of the Department as per MPAT standards									
3. National Operations Management Framework and Methodology Framework successfully implemented towards improving identified operations of the Department	-	-	-	-	1	1	1	1	1
4. All critical funded posts filled	-	-	-	72% (60)	57% (30 from 53)	100% (23 remaining and all other posts that become vacant)	100% (of filled posts becoming vacant or new vacant posts identified and funded)	100% (of filled posts becoming vacant or new vacant posts identified and funded)	100% (of filled posts becoming vacant or new vacant posts identified and funded)
5. Reasonable functional accommodation secured that facilitates the attainment of the Department's service delivery objectives	-	-	-	0	1	1	1	1	1
6. Unqualified Audit Report with no matter of emphasis	-	-	Unqualified Audit Report with 3 matters of emphasis	Unqualified Audit Report with 2 matters of emphasis	Unqualified Audit Report with 1 matter of emphasis	1	1	1	1
7. Increased compliance with KCM standards	-	-	-	67%	85%	88%	90%	100%	100%

PROGRAMME 2: LOCAL GOVERNANCE

The Municipal Administration Sub-Programme is divided into two Sub-Programmes towards ensuring alignment with the gazetted budget structure, e.g. Sub-Programme Municipal Administration and Sub-Programme Municipal Performance Monitoring. The brief description of Programme 2 is therefore amended as follows:

This Programme consists of the following Sub-Programmes:

1. Municipal Administration
2. Municipal Performance Monitoring
3. Municipal Finance
4. Public Participation
5. Capacity Development

The Strategic Objective, Objective Statement, Justification and Links with National and Provincial Priorities of Sub-Programme 1: Municipal Administration is amended as follows (resulting from the creation of the new Sub-Programme Municipal Performance Monitoring):

Sub-Programme	Municipal Administration			
Strategic Objective	Title: Administratively - and institutionally viable and sustainable municipalities			
Objective statement	To strengthen the administrative and institutional capabilities of municipalities			
Justification	This sub-programme includes the formulation of policy and legislation, the rendering of support on the implementation thereof, the management of legal matters relating to local government and the rendering of support to municipalities insofar as their administrative and institutional capacity is concerned, thereby ensuring that appropriate skills are in place in all municipalities.			
Links with national and provincial priorities	This objective links directly with the following national and/or provincial priorities: 2015/2020 Medium Term Expenditure Framework:			
	<ul style="list-style-type: none"> Outcome 9: Responsive, accountable, effective and efficient local government system of the MTSF (Chapter 13 of the NDP), and more specifically Sub-Outcome 2: Intergovernmental and democratic governance arrangements for a functional system of cooperative governance and participatory democracy strengthened and Sub-Outcome 3: Sound financial and administrative management 			
	Actions as per the MTSF	Ministers responsible	Indicators	Targets
	1. Implement proposed policy reforms for management of assignment of powers and functions, including a review of the district system.	COGTA Finance Sector Ministers MEC's responsible for LG	<ul style="list-style-type: none"> Policy reforms for key assignment areas proposed. Framework for Powers and Functions developed. Adjustments of powers and functions implemented and monitored. 	March 2016 March 2016 March 2016 – March 2019
	2. Review the sustainability of municipalities with no or extremely weak revenue bases and develop proposals on what needs to be done.	COGTA MECs for LG SALGA Finance	<ul style="list-style-type: none"> Review and develop proposals on financially unsustainable municipalities 	Dec 2014
3. Monitor and guide municipalities in the appointments of competent and suitably qualified senior managers in line with the Municipal Systems Act and the MFMA.	COGTA Finance Sector Ministers	<ul style="list-style-type: none"> Number of municipalities monitored and guided to comply with MSA regulations for appointment and conditions of employment for Senior Managers. Number of municipalities monitored and guided to comply with minimum competency regulations for financial management Appointment of competent and suitably qualified senior managers. 	100% of all new senior management appointments by March 2019 100% by March 2019 100% of all new senior management appointments by March 2019	
Free State Growth and Development Strategy:				
<ul style="list-style-type: none"> Pillar 6: Good Governance, and specifically Driver 15: Foster good governance to create a conducive climate for growth and development 				

Strategic Objective Indicators	Audited/Actual performance			Baseline 2014/2015	2015/2020 Annual Targets				
	2011/2012	2012/2013	2013/2014		2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
1. No. of municipalities that have adopted standardized or customized municipal by-laws	-		23	2	9: <ul style="list-style-type: none"> Moghaka Letsemeng Nala MAP Nketoana Metsimaholo Fezile Dabi Masilonyana Thabo Mofutsanyana 	22	22	22	22

The Strategic Objective, Objective Statement, Justification and Links with National and Provincial Priorities as well as Strategic Objective Indicators and 5-year targets of the newly-created Sub-Programme 2: Municipal Performance Monitoring as follows:

Sub-Programme	Municipal Performance Monitoring										
Strategic Objective	Short Title: Effective municipal performance monitoring and -reporting										
Objective statement	To ensure effective municipal performance monitoring and -reporting										
Justification	The Sub-Programme also serves to monitor and evaluate the performance of municipalities in terms of the national municipal performance framework and to report thereon, including proposing improvement measure										
Links with national and provincial priorities	This objective links directly with the following national and/or provincial priorities: 2015/2020 Medium Term Expenditure Framework:										
	<ul style="list-style-type: none"> Outcome 9: Responsive, accountable, effective and efficient local government system of the MTSF (Chapter 13 of the NDP), and more specifically Sub-Outcome 2: Intergovernmental and democratic governance arrangements for a functional system of cooperative governance and participatory democracy strengthened and Sub-Outcome 3: Sound financial and administrative management 										
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Strategic Objective Indicators		Audited/Actual performance			Baseline 2014/2015	2015/2020 Annual Targets				
		2011/2012	2012/2013	2013/2014		2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
1.	No. of municipalities complying with MSA Regulations in relation to the filing of their top 4 posts	-	-	-	13	22	22	22	22	22
2.	No. of municipalities who have filled their top 4 posts	-	-	4	10	22	22	22	22	22
3.	No. of municipalities with functional Performance Management Systems	-	-	16	16	22	22	22	22	22
4.	No of municipalities who submit their annual performance reports as per section 46 of Municipal Systems Act	22	22	22	22	22	22	22	22	22
5.	No. of municipalities who submitted Section	-	-	16	23	22	22	22	22	22

Strategic Objective Indicators		Audited/Actual performance			Baseline 2014/2015	2015/2020 Annual Targets				
		2011/2012	2012/2013	2013/2014		2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
	57 Managers' signed employment contracts within due dates									
6.	No. of municipalities who submitted Section 57 Managers' signed performance agreements within due dates	-	-	16	22	22	22	22	22	22

The Strategic Objective Indicators and 5-year targets for the following Sub-Programmes under Programme 2 are amended as follows:

Sub-Programme	Municipal Finance																																		
Strategic Objective	Title: Financially viable and sustainable municipalities																																		
Objective statement	To strengthen the financial capabilities of municipalities																																		
Justification	This Sub-Programme aims to ensure that a regulatory environment exist for the professionalization of local government administrations and that certain basic public sector governance standards are met by municipalities																																		
Links with the MTSF and FSGDS	<p>This objective links directly with the following national and/or provincial priorities:</p> <p>2014/2019 Medium Term Expenditure Framework:</p> <ul style="list-style-type: none"> Outcome 9: Responsive, accountable, effective and efficient local government system of the MTSF (Chapter 13 of the NDP), and more specifically Sub-Outcome 3: Sound financial and administrative management 																																		
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Support measures that address the financial management and governance of municipalities.</td> <td rowspan="2">CoGTA Finance Provincial MEC's for LG and Finance SALGA</td> <td>• No of municipalities with Audit Action Plans that have been assessed to adequately address the AG findings.</td> <td>All 278 municipalities annually</td> </tr> <tr> <td>• A coordinating structure per province that monitors the implementation of municipal audit action plans on a quarterly basis.</td> <td>March 2015</td> </tr> <tr> <td>3. In conjunction with provinces develop an in-depth understanding of the operating environment and quality of management practices of municipalities using the Local Government Management Improvement and FMCMM Models.</td> <td>PME with support from DCoG, NT, SALGA and provinces Finance - FMCMM</td> <td>• LGMIM and FMCMM scorecards completed.</td> <td>20 LGMIM scorecards by end March 2015</td> </tr> <tr> <td rowspan="2">4. Corruption within local government is tackled more effectively and consistently by identifying key risks and development of appropriate responses to address the risks.</td> <td rowspan="2">COGTA Finance Provincial MECs for LG Finance Sector Ministers</td> <td>• Identify key risk areas, including political interference, associated with corruption.</td> <td>Sept 2014</td> </tr> <tr> <td>• Risks addressed and reported on.</td> <td>Quarterly</td> </tr> </tbody> </table>	Actions as per the MTSF	Ministers responsible	Indicators	Targets	1. Monitor, assess and guide municipalities to comply with all the legislative requirements relating to municipal revenue, financial management and sustainability.	Finance CoGTA Provincial CoGTA Provincial Treasuries DWA / Energy /DEA DME / Nersa	• Number of municipalities monitored, assessed and guided to comply with the MPRA.	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	Impact Indicator as per MTSF	Ministers responsible	Baseline(s) (2013/14)¹	2019 Target
	Number of municipalities that improve their audit outcomes	COGTA	20% adverse and disclaimers 25% qualified audits 50% unqualified audits	No municipalities with disclaimers and adverse opinions Maximum of 25% municipalities with Qualified audits At least 75% of municipalities with unqualified audit opinions
	<ul style="list-style-type: none"> Outcome 14: Nation building and social cohesion (Chapter 15 of the NDP), Sub-Outcome 2: Equal Opportunities, Inclusion and Redress 			
Action as per MTSF	Indicator	Baseline	Target Year 1	
Advising and supporting municipalities in ensuring women-friendly, child-friendly, disability-friendly planning and budgeting processes	Demonstrable advice on gender responsive budgeting	Gender Responsive Budgeting being piloted in 2 municipalities in Free State; 3 earmarked in the Eastern Cape	1% of municipalities able to demonstrate gender/poor friendly budgeting by 2014/15 At least 75% of municipalities able to demonstrate gender/poor friendly budgeting by 2018/19	
Free State Growth and Development Strategy:				
<ul style="list-style-type: none"> Pillar 6: Good Governance, and more specifically Driver 15: Foster good governance to create a conducive climate for growth and development 				

Strategic Objective Indicators		Audited/Actual performance			Baseline 2014/2015	2015/2020 Annual Targets				
		2011/2012	2012/2013	2013/2014		2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
1.	Improved average monthly collection rate on billings within municipalities	-	-	85%	75%	74%	80%	85%	90%	90%
2.	% Reduction of debt owed to municipalities	-	-	20%	0%	0%	20%	40%	70%	70%
3.	No. of municipalities with debtors more than 50% of own revenue	-	-	14	17	20	18	18	18	18
4.	No. of municipalities with unqualified audits: • District Municipalities • Local Municipalities	-	-	15	4 19	2 7	2 10	3 14	4 18	4 18
5.	No. of municipalities with expenditure management systems: • District Municipalities • Local Municipalities	-	-	24	4 19	4 19	4 18	4 18	4 18	4 18
6.	No. of municipalities with credible and standardized cash management systems: • District Municipalities • Local Municipalities	-	-	24	4 19	4 19	4 18	4 18	4 18	4 18
7.	No. of municipalities with functional audit committees: • District Municipalities • Local Municipalities	-	-	-	- -	- -	4 18	4 18	4 18	4 18
8.	No of municipalities with Audit Action Plans that have been assessed to adequately address AG's findings	-	-	-	-	-	22	22	22	22

Sub-Programme	Public Participation
Strategic Objective	Short Title: Cooperative governance and service delivery through effective community participation
Objective statement	To promote cooperative governance and service delivery through effective community participation

¹The baselines for audit outcomes are based on the interim audit outcomes as released by the Auditor-General during May 2014.

Justification	This Sub-Programme facilitates the promotion of cooperative governance and the enhancing of community participation through ensuring the effective and efficient functioning of ward committees and District IGR structures.																																																																		
Links with MTSF and FSGDS	<p>This objective links directly with the following national priorities</p> <p>2014/2019 Medium Term Strategic Framework:</p> <ul style="list-style-type: none"> Outcome 9: Responsive, accountable, effective and efficient local government system of the MTSF (Chapter 13 of the NDP), and more specifically Sub-Outcome 2: Intergovernmental and democratic governance arrangements for a functional system of cooperative governance and participatory democracy strengthened <table border="1" data-bbox="352 539 1417 1285"> <thead> <tr> <th>Actions as per MTSF</th> <th>Ministers responsible</th> <th>Indicators</th> <th>Targets</th> </tr> </thead> <tbody> <tr> <td>1. Enhance the strategic performance of intergovernmental structures for improved inter-sphere alignment and coordination.</td> <td>CoGTA Sectors Premiers MECs</td> <td> <ul style="list-style-type: none"> Performance of IGR structures at national, provincial and district levels assessed. Recommendations for strengthening performance of IGR structures developed and implemented. </td> <td> March 2015 March 2016 until March 2019 </td> </tr> <tr> <td>2. Ward committees to identify a set of basic concerns (potholes, non-functioning traffic lights, service interruptions, billing queries, etc.) of citizens in their wards for attention.</td> <td>COGTA Provincial COGTA</td> <td> <ul style="list-style-type: none"> Number of Ward level improvement plans that include basic ward level issues (potholes, non-functioning traffic lights, service interruptions, billing queries, etc) to be addressed </td> <td>1777 by March 2015 Post 2016 LG elections all wards by March 2019</td> </tr> <tr> <td>3. Ensure an effective ward committee system to deepen participatory democracy by facilitating the establishment of ward committees and strengthening their oversight function in terms of monitoring and reporting to community progress against the IDP and SDBIP and ward service improvement plans/ward operational plans</td> <td>CoGTA Premiers MEC's responsible for LG</td> <td> <ul style="list-style-type: none"> Number of municipalities with established ward committees post 2016 local government elections. Number of ward committees supported to play an oversight function i.t.o. delivery per ward against the SDBIP and the ward level service improvement plans/ward operational plans. </td> <td> All municipalities by Nov 2017 All wards by Nov 2018 </td> </tr> <tr> <td>4. Strengthen the implementation of Schedule 5 of the Local Government Municipal Structures Act (quarterly report back by Councilors) to ensure and encourage formal community involvement in matters of local government.</td> <td>CoGTA</td> <td> <ul style="list-style-type: none"> Monitoring report on the number of community report back meetings convened by Councilors for improved communication on service delivery including IDPs, SDBIP, etc. </td> <td>March 2015 (ongoing until March 2019)</td> </tr> <tr> <td>5. Intergovernmental and democratic governance arrangements for a functional system of cooperative governance strengthened (towards restoring public trust and confidence in local government)</td> <td>COGTA</td> <td>51% (Ipsos 2012)</td> <td>65%</td> </tr> </tbody> </table> <ul style="list-style-type: none"> Outcome 14: Nation building and social cohesion (Chapter 15 of the NDP), Sub-Outcome 2: Equal Opportunities, Inclusion and Redress <table border="1" data-bbox="352 1420 1433 1630"> <thead> <tr> <th colspan="4">Sub-Outcome 2: Equal Opportunities, Inclusion and Redress</th> </tr> <tr> <th>Action</th> <th>Indicator</th> <th>Baseline</th> <th>Target Year 1</th> </tr> </thead> <tbody> <tr> <td>Advising and supporting municipalities in ensuring women-friendly, child-friendly, disability-friendly planning and budgeting processes</td> <td>Demonstrable inclusion of the poor in municipal processes</td> <td>To be established</td> <td> 25% of municipalities able to demonstrate inclusion of the poor in municipal processes by 2014/15 At least 75% of all municipalities able to demonstrate inclusion of the poor in municipal processes by 2018/19 </td> </tr> </tbody> </table> <table border="1" data-bbox="352 1637 1433 1765"> <thead> <tr> <th colspan="5">SUB-OUTCOME 3: PROMOTING SOCIAL COHESION ACROSS SOCIETY THROUGH INCREASED INTERACTION ACROSS RACE AND CLASS</th> </tr> <tr> <th>Action</th> <th>Minister Responsible</th> <th>Indicator</th> <th>Baseline</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>Encourage communities to organise sporting events, leagues and championships</td> <td>COGTA</td> <td>Number of ward based sporting competitions hosted/ward/year</td> <td>Baseline to be determined</td> <td>1 competition/ward/year up to 2018/19</td> </tr> </tbody> </table> <table border="1" data-bbox="352 1771 1433 2002"> <thead> <tr> <th colspan="5">SUB-OUTCOME 4: PROMOTING ACTIVE CITIZENRY AND LEADERSHIP</th> </tr> <tr> <th>Action</th> <th>Minister Responsible</th> <th>Indicators</th> <th>Baseline</th> <th>Targets</th> </tr> </thead> <tbody> <tr> <td>Improve participation in community based governance elective process such as ward committee elections</td> <td>COGTA</td> <td>Number of residents participating in ward committee elections</td> <td>To be determined at national level</td> <td> Develop and approve programmes and interventions to increase residents participating in ward committee elections by 2014/15 10% increase in number of residents participating in ward committee elections by 2018/19 </td> </tr> </tbody> </table>	Actions as per MTSF	Ministers responsible	Indicators	Targets	1. Enhance the strategic performance of intergovernmental structures for improved inter-sphere alignment and coordination.	CoGTA Sectors Premiers MECs	<ul style="list-style-type: none"> Performance of IGR structures at national, provincial and district levels assessed. Recommendations for strengthening performance of IGR structures developed and implemented. 	March 2015 March 2016 until March 2019	2. Ward committees to identify a set of basic concerns (potholes, non-functioning traffic lights, service interruptions, billing queries, etc.) of citizens in their wards for attention.	COGTA Provincial COGTA	<ul style="list-style-type: none"> Number of Ward level improvement plans that include basic ward level issues (potholes, non-functioning traffic lights, service interruptions, billing queries, etc) to be addressed 	1777 by March 2015 Post 2016 LG elections all wards by March 2019	3. Ensure an effective ward committee system to deepen participatory democracy by facilitating the establishment of ward committees and strengthening their oversight function in terms of monitoring and reporting to community progress against the IDP and SDBIP and ward service improvement plans/ward operational plans	CoGTA Premiers MEC's responsible for LG	<ul style="list-style-type: none"> Number of municipalities with established ward committees post 2016 local government elections. Number of ward committees supported to play an oversight function i.t.o. delivery per ward against the SDBIP and the ward level service improvement plans/ward operational plans. 	All municipalities by Nov 2017 All wards by Nov 2018	4. Strengthen the implementation of Schedule 5 of the Local Government Municipal Structures Act (quarterly report back by Councilors) to ensure and encourage formal community involvement in matters of local government.	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	Promotion of social development structures like women's forum, disability forums, youth forums	COGTA	% of municipalities with community forums in place	To be determined at national level	Develop and approve programmes and interventions to increase residents participating in community forums by 2014/15
					At least 95% municipalities have two functioning forums by 2018/19

Strategic Objective Indicators		Audited/Actual performance			Baseline 2014/2015	2015/2020 Annual Targets				
		2011/2012	2012/2013	2013/2014		2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
1.	No. of functional Ward Committees with ward operational plans	-	-	311	98	98	10	100	307	307
2.	No. of municipalities with ward level database reflecting community concerns and remedial actions produced	-	-	-	-	10	10	18	18	18
3.	No. of community report-back meetings convened by Councilors in each ward	-	-	-	-	4	4	4	4	4
4.	No. of municipalities with mechanisms and forums to include vulnerable groups in core municipal processes	-	-	-	-	1	18	18	18	18
5.	Community participation in ward committee election processes	-	-	-	-	-	100%	100%	-	-

Sub-Programme	Capacity Development								
Strategic Objective	Title: Coordinated municipal capacity building initiatives								
Objective statement	To improve municipal service delivery by coordinating all municipal capacity building initiatives								
Justification	This Sub-Programme involves the rendering of support to and building the capacity of municipalities towards ensuring that municipalities are capable of rendering 1 st class services to all citizens of the FS Province								
	<p>This objective links directly with the following national and/or provincial priorities:</p> <p>2015/2020 Medium Term Expenditure Framework</p> <ul style="list-style-type: none"> Outcome 9: Responsive, accountable, effective and efficient local government system of the MTSF (Chapter 13 of the NDP), and more specifically Sub-Outcome 1: Members of society have sustainable and reliable access to basic services <table border="1" data-bbox="432 1637 1422 1973"> <thead> <tr> <th>Actions as per the MTSF (Sub-Outcome 1)</th> <th>Minister responsible</th> <th>Indicators</th> <th>Targets</th> </tr> </thead> <tbody> <tr> <td>Strengthen and support the planning and delivery of services by municipalities (beyond the 27 targeted districts) within the regulatory framework of integrated development planning by: <ul style="list-style-type: none"> Developing, monitoring and implementing a Development Planning Strategy to guide sector support to municipalities; Monitoring and reporting on the SDBIPs that are submitted in line with the prescribed framework. </td> <td>CoGTA Provincial CoGTA Offices of the Premiers Sectoral Ministers Finance</td> <td> <ul style="list-style-type: none"> Development Planning Strategy to guide sector departmental support to municipalities developed. Development Planning Strategy implemented and monitored. Number of SDBIPs monitored and tracked. </td> <td> <p>April 2015 – March 2016</p> <p>April 2016 – March 2019</p> <p>Metro's by 2014/15 Secondary cities by 2015/16 Remainder of municipalities by 2016/17</p> </td> </tr> </tbody> </table>	Actions as per the MTSF (Sub-Outcome 1)	Minister responsible	Indicators	Targets	Strengthen and support the planning and delivery of services by municipalities (beyond the 27 targeted districts) within the regulatory framework of integrated development planning by: <ul style="list-style-type: none"> Developing, monitoring and implementing a Development Planning Strategy to guide sector support to municipalities; Monitoring and reporting on the SDBIPs that are submitted in line with the prescribed framework. 	CoGTA Provincial CoGTA Offices of the Premiers Sectoral Ministers Finance	<ul style="list-style-type: none"> Development Planning Strategy to guide sector departmental support to municipalities developed. Development Planning Strategy implemented and monitored. Number of SDBIPs monitored and tracked. 	<p>April 2015 – March 2016</p> <p>April 2016 – March 2019</p> <p>Metro's by 2014/15 Secondary cities by 2015/16 Remainder of municipalities by 2016/17</p>
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	Co-ordinate sector department commitments within the Municipal Support, Monitoring and Intervention Plans (SMIPs) and the implementation of negotiated integrated support to municipalities through SMIPs.	Premier Provincial MECs of LG and Finance	<ul style="list-style-type: none"> Number of SMIPs developed in consultation with Provinces, municipalities and sector departments. SMIPs approved by Premiers and MEC. Terms of Reference for National Municipal Capacity Coordination and Monitoring Committee (NMCCMC) reviewed to ensure joint decision-making on support and intervention. 	<p>Completion of pilots and full implementation by March 2015</p> <p>Review NMCCMC ToR by March 2015.</p>																				
	Establish a response team to investigate root causes of protests in hotspots and introduce remedial measures to stabilise council-community relations.	COGTA MECs responsible for LG	<ul style="list-style-type: none"> Response team established Remedial measures introduced in hotspot municipalities 	<p>June 2014</p> <p>Dec 2014</p>																				
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Strategic Objective Indicators	Audited/Actual performance			Baseline 2014/2015	2015/2020 Annual Targets				
	2011/2012	2012/2013	2013/2014		2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
1. No. of municipalities implementing Back to Basics Support Plans	-	-	-	-	-	9	12	22	22
2. No. of municipalities implementing the gender policy framework	-	-	-	-	-	6	6	6	22

PROGRAMME 3: DEVELOPMENT AND PLANNING

The Strategic Objective Indicators and 5-year targets for the following Sub-Programmes under Programme 3 are amended as follows:

Sub-Programme	Spatial Planning and Land Use Management
Strategic Objective	Title: Credible Spatial Development Frameworks
Objective statement	To promote the development of credible municipal spatial development frameworks in line with the Provincial Spatial Development Framework

- ²Capacity Building Strategy will be verified and implemented post the 2016 local government elections.
- ³Capacity Building Strategy will be verified and implemented post the 2016 local government elections.

Justification	This Sub-Programme focuses on building the capacity of municipalities and the rendering of support on matters related to land use management, town planning schemes and spatial development frameworks, and the making of well-informed recommendations to the Executive Authority through the Land Use Management Board																																								
Links with the MTSF and FSGDS	<p>This objective links directly with the following national and/or provincial priorities:</p> <p>2015-2020 Medium Term Strategic Framework</p> <ul style="list-style-type: none"> Outcome 8, and more specifically on matters related to spatial structuring for inner city renewal and regeneration, development of secondary cities and ensuring well-located informal settlements. <table border="1" data-bbox="347 510 1441 1350"> <thead> <tr> <th colspan="5">Sub-Outcome 1: Adequate housing and improved quality living environments</th> </tr> <tr> <th>Action</th> <th>Minister</th> <th>Indicator</th> <th>Baseline</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>Fast track release of well-located land for housing and human settlements targeting poor and lower middle income households</td> <td>DHS</td> <td>Hectares of well-located land rezoned and released for new developments targeting poor and lower middle income households</td> <td>11 308 ha (well-located and strategic – to be determined by September 2014)</td> <td>10 000 of hectares of well-located land rezoned and released for new developments targeting poor and lower middle income households</td> </tr> <tr> <td rowspan="3">Implement projects that ensures spatial, social and economic integration</td> <td rowspan="3">DHS</td> <td>Framework to ensure spatial, social and economic integration (spatial targeting) of human settlements developed</td> <td>To be determined based on the NSDP, the NDP, DORA allocation formula</td> <td>Framework for spatial investment in human settlements developed by 2014</td> </tr> <tr> <td>Multyear Human Settlements Development Plans that support spatial targeting, social and economic integration, (drawing from Provincial BP's, SDBIPS, BEPP's, NDPG and CSP)</td> <td>To be determined by September 2014</td> <td>A consolidated Multyear Human Settlements Development Plan by March 2015</td> </tr> <tr> <td>Number of lead catalytic projects that clearly demonstrate spatial, social, and economic integration</td> <td>To be determined (using 12 priorities and criteria to be defined by September 2014)</td> <td>50 lead Catalytic Projects implemented that robustly demonstrate spatial, social and economic integration by 2019</td> </tr> <tr> <td>Provide support for economic development in identified hubs, nodes and linkages to be developed in historical black townships (and where identified in new developments)</td> <td>NT - 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		2011/2012	2012/2013	2013/2014		2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
1.	No. of municipalities with functional Geographical Information Systems	-	-	-	-	4	8	12	16	18
2.	No. of municipalities with updated SDFs	-	-	-	-	4	8	12	16	18
3.	No. of local municipalities with LUMSs	-	-	-	-	0	4	8	12	18
4.	Fully functional Provincial Planning Forum	-	-	1	1	1	1	1	1	1

Strategic Objective Indicators	Audited/Actual performance			Baseline 2014/2015	2015/2020 Annual Targets				
	2011/2012	2012/2013	2013/2014		2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
1. No. of municipalities with updated LED strategies	-	-	24	7	20	23	23	23	23
2. No. of municipalities with functional LED units	-	-	24	21	23	23	23	23	23
3. No. of municipalities implementing the CWP in at least 2 wards	-	14	15	17	18	18	18	18	18
4. No. of municipalities with business development forums	-	3	3	8	11	23	23	23	23
5. No. of (temporary) jobs created through MIG projects	-	-	5748	2708	5,000	4000	4000	4000	4000
6. No. of work opportunities created through the CWP in municipalities	-	-	-	19500	18,845	15,000	15,000	15,000	15,000

Sub-Programme	Local Economic Development (LED)														
Strategic Objective	Title: Improved local economy														
Objective statement	To enhance an improved local economy within the Free State Province														
Justification	This Sub-Programme serves to provide advice and support to municipalities through capacity building on the development of the local economy														
Links with the MTSF and FSGDS	<p>This objective links directly with the following national and/or provincial priorities:</p> <p>2015-2020 Medium Term Strategic Framework</p> <ul style="list-style-type: none"> • Outcome 9 (A responsive, accountable, effective and efficient local government system), and more specifically Sub-Outcome 4 : Promotion of social and economic development, and Sub-Outcome 5: Local public employment programmes expanded through the Community Work Programme ▪ Outcome 4 (Decent employment through inclusive growth), and more specifically through the (joint) implementation of the Community Works Programmes towards creating jobs and reducing unemployment <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;">Actions as per MTSF</th> <th style="width: 30%;">Ministers responsible</th> <th style="width: 30%;">Indicators</th> <th style="width: 10%;">Targets</th> </tr> </thead> <tbody> <tr> <td>1. Initiate and coordinate support for the urban development agenda.</td> <td>CoGTA Finance Sector Departments Provinces</td> <td> <ul style="list-style-type: none"> • Integrated Urban Development Framework (IUDF) approved; • Implementation Plan for IUDF monitored. </td> <td> <p>March 2015</p> <p>April 2015 – March 2019</p> </td> </tr> <tr> <td>2. Position local government to create an enabling environment for economic development to stimulate competitive, inclusive and sustainable local economies.</td> <td>COGTA Finance DTI EDD DRDLR Provinces Premiers Offices SALGA</td> <td> <ul style="list-style-type: none"> • Catalytic economic development programmes facilitated in 27 Rural Districts to create jobs and sustain livelihoods • Cost of doing business lowered by reducing Red Tape in municipalities • Support provided by national and provincial departments to municipalities to implement the National Framework for Local Economic Development </td> <td>2015- 2019</td> </tr> </tbody> </table>			Actions as per MTSF	Ministers responsible	Indicators	Targets	1. Initiate and coordinate support for the urban development agenda.	CoGTA Finance Sector Departments Provinces	<ul style="list-style-type: none"> • Integrated Urban Development Framework (IUDF) approved; • Implementation Plan for IUDF monitored. 	<p>March 2015</p> <p>April 2015 – March 2019</p>	2. Position local government to create an enabling environment for economic development to stimulate competitive, inclusive and sustainable local economies.	COGTA Finance DTI EDD DRDLR Provinces Premiers Offices SALGA	<ul style="list-style-type: none"> • Catalytic economic development programmes facilitated in 27 Rural Districts to create jobs and sustain livelihoods • Cost of doing business lowered by reducing Red Tape in municipalities • Support provided by national and provincial departments to municipalities to implement the National Framework for Local Economic Development 	2015- 2019
Actions as per MTSF	Ministers responsible	Indicators	Targets												
1. Initiate and coordinate support for the urban development agenda.	CoGTA Finance Sector Departments Provinces	<ul style="list-style-type: none"> • Integrated Urban Development Framework (IUDF) approved; • Implementation Plan for IUDF monitored. 	<p>March 2015</p> <p>April 2015 – March 2019</p>												
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	1. Effective and efficient programme management and administration.	CoGTA	<ul style="list-style-type: none"> Functional CWP unit and systems established within DCoG. 	New institutional arrangements implemented by March 2015										
	2. Proactively build capacity of non-profit implementing agencies and participants through skills development at site level.	CoGTA Provincial Departments of Local Government	<ul style="list-style-type: none"> Capacity building strategy and programme developed. Number of participants trained to enhance ability for self-help. Capacity building initiatives for Non-Profit Organisations functioning as implementing agents developed. 	<p>March 2015</p> <p>At least 50000 participants trained annually</p> <p>Capacity of 8 NPO's strengthened by March 2015</p>										
	3. Establish 15 new sites in identified municipalities.	COGTA, Sector Departments Provincial Departments of Local Government	<ul style="list-style-type: none"> 15 additional sites established with a minimum of 1000 participants per site. 	15 000 new work opportunities by March 2015, giving a cumulative total of 187000 participants										
	4. Establish and maintain strategic partners to enhance and sustain quality programme outputs.	COGTA Sector departments	<ul style="list-style-type: none"> Partnership Strategy developed. MOUs with sector departments, state owned enterprises and private sector to contribute resources and technical expertise concluded. 	March 2015 (ongoing guided by strategy)										
	5. Expand CWP sites in 234 municipalities.	CoGTA Provincial Departments of Local Government	<ul style="list-style-type: none"> Sites established in 234 municipalities. Minimum of 1000 participants enrolled per site. 	1 million participants reached by 2019 (depending on funding)										
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<p>Free State Growth and Development Strategy</p> <ul style="list-style-type: none"> Pillar 6: Good Governance, and more specifically Driver 15: Foster good governance to create a conducive climate for growth and development 														

Sub-Programme	Municipal Infrastructure								
Strategic Objective	Title: Successfully-implemented municipal infrastructure programme								
Objective statement	To improve the quantity and quality of municipal basic services in formalized areas								
Justification	This Sub-Programme serves to facilitate the successful implementation of municipal infrastructure within municipalities, to monitor, support and evaluate municipalities' performance thereon, to report on such matters towards providing a basic level of service to all and to ensure the provision of free basic services to the indigent community. To intervene if and where identified								
Links with the MTSF and FSGDS	<p>This objective links directly with the following national and/or provincial priorities:</p> <p>2015-2020 Medium Term Strategic Framework: Outcome 9 (A responsive, accountable, effective and efficient local government system), Sub-outcome 1: Members of society have sustainable and reliable access to basic services</p> <table border="1"> <thead> <tr> <th>Actions as per the MTSF (Sub-Outcome 1)</th> <th>Minister responsible</th> <th>Indicators</th> <th>Targets</th> </tr> </thead> <tbody> <tr> <td>1. Joint initiative for each service (water, sanitation, electricity, refuse removal and roads) by relevant sector in conjunction with COGTA and provincial departments of local government launched, and functional coordinating arrangements in place to undertake the following in each local municipality in the 27 districts:</td> <td>Sectoral Ministers and COGTA Provincial, COGTA (MISA)</td> <td> <ul style="list-style-type: none"> Programme management and coordinating structure established Implementation protocols defining roles and responsibilities of sector departments developed and signed </td> <td> <p>August 2014</p> <p>End December 2014</p> </td> </tr> </tbody> </table>	Actions as per the MTSF (Sub-Outcome 1)	Minister responsible	Indicators	Targets	1. Joint initiative for each service (water, sanitation, electricity, refuse removal and roads) by relevant sector in conjunction with COGTA and provincial departments of local government launched, and functional coordinating arrangements in place to undertake the following in each local municipality in the 27 districts:	Sectoral Ministers and COGTA Provincial, COGTA (MISA)	<ul style="list-style-type: none"> Programme management and coordinating structure established Implementation protocols defining roles and responsibilities of sector departments developed and signed 	<p>August 2014</p> <p>End December 2014</p>
Actions as per the MTSF (Sub-Outcome 1)	Minister responsible	Indicators	Targets						
1. Joint initiative for each service (water, sanitation, electricity, refuse removal and roads) by relevant sector in conjunction with COGTA and provincial departments of local government launched, and functional coordinating arrangements in place to undertake the following in each local municipality in the 27 districts:	Sectoral Ministers and COGTA Provincial, COGTA (MISA)	<ul style="list-style-type: none"> Programme management and coordinating structure established Implementation protocols defining roles and responsibilities of sector departments developed and signed 	<p>August 2014</p> <p>End December 2014</p>						

• ⁴The baselines for audit outcomes are based on the interim audit outcomes as released by the Auditor-General during May 2014.

	i. Confirm service delivery norms and standards for basic services and determine and quantify households without services that meet minimum standards per municipality.	Sectoral Ministers and COGTA	<ul style="list-style-type: none"> Develop and confirm norms and standards. Number of households without services that meet minimum norms and standards established and confirmed at municipal level. 	End December 2014																							
	ii. Prepare a schedule and pipeline of costed projects to address maintenance, upgrading, refurbishment and new infrastructure requirements in each municipality (i.e. prepare an infrastructure capital and maintenance plan for each municipality).	Sectoral Ministers and COGTA	<ul style="list-style-type: none"> Projects to address service demands identified. Pipe line of costed new projects per municipality developed. Maintenance and upgrading demands costed. Infrastructure capital and maintenance plans, as part of IDP, developed and implemented. 	Steps 1 – 3 to be progressively implemented by March 2017 Step 4 progressively by December 2019																							
	iii. Support municipalities to plan, implement, operate and maintain infrastructure projects or implement alternative delivery mechanisms where local municipalities and or districts lack technical capacity.	Sectoral Ministers and COGTA	<ul style="list-style-type: none"> Institutional support plans for municipalities developed or alternative delivery mechanisms utilized 	Dec 2017																							
	iv. Establish integrated monitoring system for tracking the implementation of the pipeline of projects.	Sectoral Ministers and COGTA	<ul style="list-style-type: none"> Information Management System developed. Monitoring system established. 	End March 2015 End March 2015																							
	2. Audit the water and sanitation challenges among Water Services Authorities and develop a strategy to remedy the challenges.	Water and Sanitation and COGTA	<ul style="list-style-type: none"> Assessment of the WSAs Strategy and remedies per WSA 	September 2014 October 2015																							
	3. Strengthen coordination in collaboration with sector departments and provinces to support municipalities to develop mechanisms to provide free basic services to indigent households.	COGTA Finance Supported by sector depts. and Provinces	<ul style="list-style-type: none"> Number of municipalities in the 27 priority districts supported to apply mechanisms to provide FBS to indigent households. Standardised indigent register for provision of free basic services developed 	All municipalities in the 27 priority districts by 2019 September 2016																							
	4. Evaluate and monitor Free Basic Services Programme and make implementable recommendations to accelerate the roll-out of Free Basic Service to indigent households.	CoGTA Finance Supported by sector departments	<ul style="list-style-type: none"> Free Basic Services Programme evaluated. Recommendations of Free Basic Services Programme evaluation implemented. Implementation of recommendations on Free Basic Services monitored. 	March 2016 April 2016 – March 2018 April 2016 – March 2019																							
<table border="1"> <thead> <tr> <th>Indicator(s)</th> <th>Ministers responsible</th> <th>Baseline(s) (2013/14)⁵</th> <th>2019 Target</th> </tr> </thead> <tbody> <tr> <td rowspan="6">Number or percentage of households with access to a functional service at acceptable levels as per norms and standards</td> <td>Water and Sanitation</td> <td>Water: 85% (Number of HHs to be determined)</td> <td>90% functional</td> </tr> <tr> <td>Water and Sanitation</td> <td>Sanitation: 84% (Number of HHs to be determined)</td> <td>90%</td> </tr> <tr> <td>Water and Sanitation; COGTA</td> <td>HHs using bucket sanitation 88127 in formal areas</td> <td>0% households in formal areas with a bucket sanitation service</td> </tr> <tr> <td>Energy</td> <td>Electricity 12,8 million hhs connected to grid</td> <td>1.4 million additional HHs connected</td> </tr> <tr> <td>Energy</td> <td>Electricity: 75000 hhs on non-grid</td> <td>105 000 additional HHs connected</td> </tr> <tr> <td>Environment</td> <td>Refuse: 72%</td> <td>80%</td> </tr> </tbody> </table>					Indicator(s)	Ministers responsible	Baseline(s) (2013/14) ⁵	2019 Target	Number or percentage of households with access to a functional service at acceptable levels as per norms and standards	Water and Sanitation	Water: 85% (Number of HHs to be determined)	90% functional	Water and Sanitation	Sanitation: 84% (Number of HHs to be determined)	90%	Water and Sanitation; COGTA	HHs using bucket sanitation 88127 in formal areas	0% households in formal areas with a bucket sanitation service	Energy	Electricity 12,8 million hhs connected to grid	1.4 million additional HHs connected	Energy	Electricity: 75000 hhs on non-grid	105 000 additional HHs connected	Environment	Refuse: 72%	80%
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Strategic Objective Indicators		Audited/Actual performance			Baseline 2014/2015	2015/2020 Annual Targets																					
		2011/2012	2012/2013	2013/2014		2015/2016	2016/2017	2017/2018	2018/2019	2019/2020																	
1.	No. of indigent households with access to free basic services: <ul style="list-style-type: none"> Water Refuse Removal Electricity Sanitation 	-	-	-	215,882 122,593 122,206 129,727	*62,835 *63,283 *62,534 *63,206	100% 100% 100% 100%	100% 100% 100% 100%	100% 100% 100% 100%	100% 100% 100% 100%																	

⁵The baselines for audit outcomes are based on the interim audit outcomes as released by the Auditor-General during May 2014.

Strategic Objective Indicators		Audited/Actual performance			Baseline 2014/2015	2015/2020 Annual Targets				
		2011/2012	2012/2013	2013/2014		2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
2.	No. of municipalities that have updated indigent Registers for the provision of free basic services	-	-	19	19	20	19	19	19	19
3.	No. of (pre-2004) households with access to basic water supply	-	-	604,068	605077	605,626	611,461	615909	615909	615909
4.	No. of households with access to electricity supply	-	-	899400	900.062	906,503	915606	924709	935607	100%
5.	No. of (pre-2004) households with access to basic level of sanitation services	-	-	605420	607943	614,409	615909	615909	615909	615909
6.	No. of (pre-2004) households with access to basic refuse removal services	-	-	615909	615909	615909	615909	615909	615909	615909

Sub-Programme	Disaster Management
Strategic Objective	Title: Integrated risk planning and management of disasters
Objective statement	To promote an integrated and coordinated approach to disaster risk management in the FS Province and contribute towards meeting agreed basic service delivery target values
Justification	This Sub-Programme intends to ensure that potential disasters are prevented and mitigated through effective planning and co-ordination. It also provides for effective and efficient disaster - and response recovery in the Province
Links with the MTSF and FSGDS	<p>This objective links directly with the following national and/or provincial priorities:</p> <p>2015-2020 Medium Term Strategic Framework</p> <ul style="list-style-type: none"> ▪ Outcome 10 (Protect and enhance our environmental assets and natural resources), and more specifically contributing to an effective climate change mitigation and adaptation response (e.g. through disaster management-related plans and activities). The desired outcomes include a reduction in impacts of climate change, risk mitigation through appropriate disaster responses and the deployment of innovative technologies that combat the effects of climate change. <p>Free State Growth and Development Strategy</p> <ul style="list-style-type: none"> ▪ Pillar 6: Good Governance, and more specifically Driver 12: Integrate environmental concerns into growth and development planning

Strategic Objective Indicators		Audited/Actual performance			Baseline 2014/2015	2015/2020 Annual Targets				
		2011/2012	2012/2013	2013/2014		2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
1.	No. of functional Municipal Disaster Management Centres:	-	-							
	• Metro			1	1	1	1	1	1	1
	• District			2	3	1	4	4	4	4
2.	Functional:	-	-							
	• Provincial DM Centre			-	-	1	1	1	1	1
	• Provincial DM Advisory Forum			1	1	1	1	1	1	1
3.	No. of municipalities with updated Disaster Management Plans	-	-	2	6	11	12	12	12	18
4.	Updated and integrated Provincial Disaster Management Plan	-	-	1	-	0	1	1	1	1

Sub-Programme	Municipal Integrated Development Planning
Strategic Objective	Title: Improved Municipal Integrated Development Planning
Objective statement	To ensure legally-compliant municipal integrated development planning
Justification	This Sub-Programme serves to monitor, report, support and assist municipalities, through effective collaboration processes, on the development and successful implementation of credible IDPs, which must promote full community participation to make them credible
Links with the MTSF and FSGDS	This objective links directly with the following national and/or provincial priorities: 2015-2020 Medium Term Strategic Framework <ul style="list-style-type: none"> Outcome 9 (A responsive, accountable, effective and efficient local government system), specifically on matters related to integrated planning and development across all sphere of government Free State Growth and Development Strategy: <ul style="list-style-type: none"> Pillar 6: Good Governance, and more specifically Driver 15: Foster good governance to create a conducive climate for growth and development

Strategic Objective Indicators	Audited/Actual performance			Baseline 2014/2015	2015/2020 Annual Targets				
	2011/2012	2012/2013	2013/2014		2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
1. No. of municipalities with legally compliant IDPs: • Metro • District • Local	-	-	1 4 19	1 4 19	1 4 19	1 4 18	1 4 18	1 4 18	1 4 18
2. No. of municipalities that have adopted their IDPs: • Metro • District • Local	-	-	1 4 19	1 4 19	1 4 19	1 4 18	1 4 18	1 4 18	1 4 18
3. No. of institutions participating in the IDP processes: • Metro • District • Local • Sector Departments	-	-	1 4 19 12	1 4 19 11	1 4 19 11	1 4 18 11	1 4 18 11	1 4 18 11	1 4 18 11

PROGRAMME 4: TRADITIONAL INSTITUTIONAL MANAGEMENT

The Strategic Objective Indicators and 5-year targets for the following Sub-Programme under Programme 4 are amended as follows:

Sub-Programme	Traditional Institutional Administration
Strategic Objective	Title: Effective administration of traditional leadership institutions
Objective statement	To support and transform the institution of traditional leadership
Baseline	The personnel attached to the respective Traditional Councils have been absorbed into the organizational structure of the Department. Job descriptions, Performance and Development Plans have also been developed for all such employees. The Traditional Councils are visited at least annually towards determining their needs and challenges and to determine the support needed by them towards ensuring effective service delivery by all Traditional Councils
Justification	This Sub-Programme deals with the institutional development of traditional leadership in the FS Province
Links with the MTSF and FSGDS	This objective links directly with the following national and/or provincial priorities: 2015-2020 Medium Term Strategic Framework: Outcome 7: Comprehensive Rural Development and more specifically by ensuring, through effective and efficient assistance and support to the Institution of Traditional Affairs, the

	<p>placement of the institution of traditional affairs at the centre of rural development, service delivery in rural areas and the establishment and maintenance of related partnerships</p> <p>Free State Growth and Development Strategy: Pillar 6: Good Governance, and more specifically Driver 15: Foster good governance to create a conducive climate for growth and development</p>
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Strategic Objective Indicators	Audited/Actual performance			Baseline 2014/2015	2015/2020 Annual Targets				
	2011/2012	2012/2013	2013/2014		2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
1. % Reduction of audit findings iro Traditional Councils	-	6 • Mabilela • Namahadi • Thibella • Monontsha • Matsieng • Barolong • Boo Seleka	5 • Bolata • Phomolong • Thaba Tsoeu • Thaba Bosiu • Dinkoeng	0	12 (63%)	7 (100%)	100%	100%	100%
2. No. of established Kings' Councils	-	-	-	-	-	-	-	2 (functional)	2 (functional)
3. No. of functional Local Houses: • Thabo Mofutsanyana • Mangaung	-	-	-	-	-	-	1 1	1 1	1 1

PROGRAMME 5: HOUSE OF TRADITIONAL LEADERS

The Strategic Objective Indicators and 5-year targets for the following Sub-Programme under Programme 5 are amended as follows:

Sub-Programme	Administration of House of Traditional Leaders
Strategic Objective	Title: Effective functioning of the FS House of Traditional Leaders
Objective statement	To render effective and efficient administrative support to the FS House of Traditional Leaders
Baseline	Various legislations have been drafted and are awaiting adoption by the Free State Legislature. The budget of the House of Traditional Leaders has been separated from the finances of the Traditional Institutional Management unit towards enabling the House to administer its own budget in line with its needs and challenges. A draft organizational structure and post establishment has been developed towards realizing the goals and objectives of the FS House of Traditional Leaders. Administrative and secretariat support is provided to 6 functional Committees of the House
Justification	This Sub-Programme serves to ensure that the FS House of Traditional Leaders are effectively and efficiently supported towards enabling them to fulfil their mandates and obligations
Links with the MTSF and FSGDS	This objective contributes directly to the achievement of some of the key priorities of the (national) Department of Traditional Affairs and also links directly with the Free State Growth and Development Strategy: Pillar 6 (Good Governance), and more specifically Driver 15: Foster good governance to create a conducive climate for growth and development

Sub-Programme		Administration of House of Traditional Leaders								
Strategic Objective Indicators		Audited/Actual performance			Baseline 2014/2015	2015/2020 Annual Targets				
		2011/2012	2012/2013	2013/2014		2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
1.	No. of meetings held by fully functional Committees of the House of Traditional Leaders	-	5	12	10	87	80	80	80	80
2.	No. of sittings held by the Executive Committee to review progress on decisions taken	-	8	15	6	24	24	24	24	24
3.	No. of sittings held by the House of Traditional Leaders to review progress of the institution	-	-	2	3	4	4	4	4	4