

TSANTSABANE LOCAL MUNICIPALITY



DRAFT INTEGRATED DEVELOPMENT PLAN

2026/2027 - 2030/2031

Council resolution: SCM.....

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GLOSSARY

AIDS	Acquired Immune Deficiency Syndrome
ANC	African National Congress
BEE	Black Economic Empowerment
CDW	Community Development Worker
CIP	Consolidated Infrastructure Plan
DBSA	Development Bank of Southern Africa
DEAT	National Department of Environmental Affairs and Tourism
DME	Department of Minerals and Energy
DTI	Department of Trade and Industry
DWAF	National Department of Water Affairs and Forestry
EIA	Environmental Impact Assessment
EMF	Environmental Management Framework
EPWP	Extended Public Works Programme
FET	Further Education and Training
GDP	Gross Domestic Product
GGP	Gross Geographical Product
HIV	Human Immune Virus
HOD	Head of Department
HSSP	Housing Sector Plan
IDP	Integrated Development Plan / Planning
IWMP	Integrated Waste Management Plan
LED	Local Economic Development
MEC	Member of Executive Committee
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
MSA	Municipal Systems Act
MTEF	Medium Term Expenditure Framework
NSDP	National Spatial Development Perspective
PGDS	Provincial Growth and Development Strategy
PHC	Primary Health Care
PPP	Public Private Partnership
SDBIP	Service Delivery Budget Implementation Plan
SDF	Spatial Development Framework
SEA	Strategic Environmental Assessment
SMME	Small, Medium, and Micro Enterprises
SoER	State of the Environment Report

STATSSA	Statistics South Africa
TLM	Tsantsabane Local Municipality
TSASSAMBA	Tsantsabane, Assmang & Kumba
TYC	Tsantsabane Youth Council
WMP	Waste Management Plan
WSDP	Water Services Development Plan
CFO	Chief Financial Officer
MM	Municipal Manager
CPI	Consumer Price Index
CRRF	Capital Replacement Reserve Fund
DBSA	Development Bank of South Africa
DoRA	Division of Revenue Act
DWA	Department of Water Affairs
EE	Employment Equity
EEDSM	Energy Efficiency Demand Side Management
EM	Executive Mayor
FBS	Free basic services
GDP	Gross domestic product
GDS	Gauteng Growth and Development Strategy
GFS	Government Financial Statistics
GRAP	General Recognised Accounting Practice
HR	Human Resources
IDP	Integrated Development Strategy
IT	Information Technology
kℓ	kilolitre
km	kilometre
KPA	Key Performance Area
KPI	Key Performance Indicator
kWh	kilowatt
ℓ	litre
LED	Local Economic Development
MEC	Member of the Executive Committee
ORGB	Annual Original Budget
INEP	Integrated National Electrification Program

FMG	Financial Management Grant
WSIG	Water Services Infrastructure Grant
A4	Financial Performance Statement
A5	Capital Expenditure
A6	Financial Position Statement
MSCOA	Municipal Standard Chart of Account
MFMA	Municipal Financial Management Act
Programme	
MIG	Municipal Infrastructure Grant
MMC	Member of Mayoral Committee
MPRA	Municipal Properties Rates Act
MSA	Municipal Systems Act
MTEF	Medium-term Expenditure Framework
MTREF	Medium-term Revenue and Expenditure Framework
NERSA	National Electricity Regulator South Africa
NGO	non-governmental organisations
NKPIs	National Key Performance Indicators
OHS	Occupational Health and Safety
OP	Operational Plan
PBO	Public Benefit Organisations
PHC	Provincial Health Care
PMS	Performance Management System
PPE	Property Plant and Equipment
PPP	Public Private Partnership
PTIS	Public Transport Infrastructure System
RG	Restructuring Grant
RSC	Regional Services Council
SALGA	South African Local Government Association
SDBIP	Service Delivery Budget Implementation Plan
SMME	Small Micro and Medium Enterprises
ADJB	Adjustment Budget
DORA	Division of Revenue Act

RBIG Regional Bulk Infrastructure Grant

ADJB Adjustment Budget

FOREWORD BY MAYOR

The 29 May 2024 National General Elections have ushered a new governance and political dispensation for our nation depicted by the establishment of the National Government of National Units (commonly referred to as GNU). This is loud message by the electorate for unity and collaboration towards seeking service delivery and socio- economic development vision and objectives. At local government we are expecting the implications of this dispensation in the government IGR system and service delivery models.

Local being mining and solar invested municipality we aren't spared from the unintended implications in the national and international economy implications influenced by the rail network; harbour challenges; GNU's economic policies and global market forces. The negative implications of these is increasing unemployment, poverty; increased pressure of social support services, and so on.

This situation is further compounded by poor to non-payment for services despite continued service delivery with limited resources. The New Council through its Council Meets the People we made the communities aware of this and pleaded for improved services payment particularly in the following: - Boichoko, Postdene, Newtown, Stasie, White City, Carnation, and Maranteng

Within this context the Tsantsabane Local Municipal Council in August 2024 pursuant to the provision of the chapter five (5) of the municipal systems act as amended approved the IDP/Budget process plan. This instrument is a guiding framework for the municipality and all relevant parties towards democratising planning and implementation of service delivery and development facilitation

The Council is still battling with various bulk and link service delivery intervention projects taking place within the strategic catalytic impact project scope called Mix typology Human Settlement Bulk and Link Service for 5215 units.

The municipality remains committed to embark on industrialisation of the municipality through government programmes like Mining Towns Regeneration, Small Town Regeneration, Strategic Industrial Plans, Industrial Policy Action Plan, Manufacturing Development Act, and the National Industrial Policy Framework.

This IDP cycle should see serious interventions through discussions with various stakeholders so to ensure synergy between the education sector and the markets.

TLM is currently reviewing its third generation Spatial Development Framework (SDF) with the assistance of the Centre for Scientific Industrial Research CSIR seeking to resolve displeasing apartheid set-up, i.e. previously disadvantaged areas are planned as RDP areas where amenities are not aligned to facilitate integration. Moving forward spatial impressions should integrate our communities and create equal access to economic activities.

Back to basics must form cornerstone of our service delivery.

Public Participation:

This has been the biggest challenge to our planning process, stakeholders are not participating and do not attend meetings when called to meetings. New strategies need to be developed to encourage sectoral participation in our planning process.

In conclusion must ensure we build an organization pinned on sound financial principles and continue to encourage private sector to create jobs and therefore fight the triple challenge of poverty, inequality and unemployment. We must improve on what our predecessors left behind and build on a solid foundation going forward.

Thank you.

Cllr English, H

Mayor, Tsantsabane Local Municipality



CHAPTER 1: INTRODUCTION AND PURPOSE

1.1. LEGAL FRAMEWORK OF THE IDP

1.1.1. Constitution and the Municipal Systems Act

Section 153 of the **South African Constitution** establish a legal framework for the developmental duties of local government, while section 152 indicates that the municipality must strive, within its financial and administrative capacity, to achieve the following objectives:

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

Premised on the provision of the RSA Constitution, the **Municipal Systems Act (MSA)** section 25 (1) states that “each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive, and strategic plan for the development of the municipality which:

- a) links, integrates and co-ordinates plans and considers proposals for the development of the municipality;
- b) aligns the resources and capacity of the municipality with the implementation of the plan;
- c) forms the policy framework and general basis on which annual budget must be based”.

The MSA is very clear on the internal systems that must be in place to allow the municipality to move progressively towards the social and economic upliftment of its local communities. That a *municipality must undertake developmentally oriented planning to ensure that it: strives to achieve the objects of local government set out in section 152 of the Constitution and gives effect to its developmental duties as required by section 153 of the Constitution*

This Integrated Development Plan (IDP) once adopted by the municipal council will be *the principal strategic planning instrument which guides and informs all planning and development, and all decisions regarding planning, management, and development, in the municipality.*

1.1.2. Municipal Finance Management Act (2003)

National Treasury states that “the MFMA aims to modernise budget, accounting, and financial management practices by placing local government finances on a sustainable footing to maximise the capacity of municipalities to deliver services to communities. It also aims to put in place a sound financial governance framework by clarifying and separating the roles and responsibilities of the council, mayor, and officials”.

Table 1: Roles and Responsibilities – The Financial Government Framework

Designation	Responsible for	Oversight over	Accountable to
Council	Development and Approving policies, IDP and budget	Mayor and Executive Committee	Community
Mayor & Executive Committee	Oversee Execution of Policies, SDBIP & Council Resolutions	Municipal Manager & Directors	Council
Municipal Manager	Outputs and implementation	Administration through Directors	Mayor, Executive Committee & Council
Directors: - Finance, Corporate Services, Technical & Community Services	Outputs	Financial management, Service Delivery Operations Management & Development Projects Facilitation	Municipal Manager

The MFMA (2003) obliges all municipalities to formulate service delivery and budget implementation plan (SDBIP) annually. The SDBIP should be viewed as a performance contract between municipal council and the community as well as municipal council and the administration. The SDBIP then provides a summary of all the activities and targets that a municipality commits to deliver in the coming year.

1.1.3. The National Development Plan (vision 2030)

The Diagnostic Report released by the National Planning Commission in June 2011 identified challenges and achievement that the country has registered since 1994. The report alluded to a failure to implement policies and an absence of broad partnerships as the main reasons for slow progress and further alluded to nine primary challenges confronting South Africa:

1. Very few people work
2. The quality of school education for black people is poor
3. Infrastructure is poorly located, inadequate and under-maintained
4. Spatial divides hobble inclusive development
5. The economy is unsustainably resource intensive
6. The public health system cannot meet demand or sustain quality

7. Public services are uneven and often of poor quality
8. Corruption levels are high
9. South Africa remains a divided society.

The Tsantsabane Local Municipality will in this IDP indicate how it intends to play a role in responding to challenges identified by the National Development Plan (NDP).

1.1.4. Northern Cape Provincial Spatial Development Framework (PSDF, 2012)

The Northern Cape Provincial Spatial Development Framework 2012 is an integrated document compiled and prepared by various stakeholders from different departments and professions. The purpose of the document is to:

- Ensure sustainability through the effective environmental economic and social planning
- Provide guidelines for instilling a developmental state
- Prioritize government programmes and projects
- Premise for governmental management, and
- To provide a manual for integrated land- use planning

The overarching goal of the PSDF is to enhance the well-being of the people of the province and the integrity of the environment through the efficient use of the resources of the province.

The following issues are applicable to the preparation of the Tsantsabane Municipal Spatial Development Framework (SDF) and IDP upon at review processes: -

- A common spatial vision and directives have been set for all other SDF's to be aligned with;
- A framework and guiding principles have been set to ensure sustainable development.
- The positioning of the Northern Cape nationally while recognizing its strengths and weaknesses is addressed.

1.1.5. Provincial Growth and Development Strategy (PGDS, 2011)

The PGDS, seeks to ensure *sustainable economic growth and development and increased spatial equity of that growth and development* (PGDS, 2011: 6).

The principles of the PDGS;

- **Equality** – notwithstanding the need to advance previously disadvantaged people, development planning should ensure that all persons should be treated equally.
- **Efficiency** – the promotion of the optimal utilisation of existing physical, human and financial resources.
- **Integration** – the integration of spatially coherent regional and local economic development and improved service delivery systems.

- **Good Governance** – the promotion of democratic, participatory, co-operative and accountable systems of governance along with the efficient and effective administration of development institutions.
- **Sustainability** – the promotion of economic and social development through the sustainable management, utilisation of natural resources and the maintenance of the productive value of the physical environment.
- **Batho Pele** – the placement of people and their needs at the forefront of its concern and to serve their physical, psychological, developmental, economic, social and cultural interests equitably.
- **Mainstreaming** - issues of women, children and persons with disabilities must be an integral part of all planning processes, implementation and monitoring of all plans and activities (PGDS 2011: 11).

Figure 1: The PGDP Conceptual Framework Towards 2040 Vision



1.1.6. National Spatial Development Perspective (NSDP)

- The NSDP's goal is to "fundamentally reconfigure apartheid spatial relations and to implement spatial priorities that meet the constitutional imperative of providing basic services to all and alleviating poverty and inequality" (NSDP, 2006: 1). It seeks to ensure that there is accelerated and shared economic growth, so as to reduce social exclusion and the levels of inequality. Some areas or provinces have generally limited potential. These areas might not even have the threshold that is needed to sustain the development that might be proposed for the area, so the best thing is to invest in the personal development of people living in those areas thus the focus should be on 'PEOPLE NOT PLACES' (NSDP 2003:27).

- According to the National Spatial Development Perspective, The ZFM District of which Tsantsabane Local Municipality is a part of has been classified as “medium” importance area which means that no significant investment is concentrated in the region. Whereas the region has been classified as a “medium” rating area on most of the categories of development potential, it is rated low on innovation and experimentation as well as the production of high value, differentiated goods.

In most cases, the “medium” judgment of the NSDP hides a more comprehensive lack of real potential:

- Mining activities have been rapidly on the increase in the last few years. Agriculture has never been a key feature of the local economy. There is no evident labor-intensive manufacturing. Manufacturing is in decline across the board.
- Retail and services: This is a growing sector of the economy, but its potential is very limited by the smallness of the market and by the competitive proximity of Kimberley, which has taken a lot of business away from the City.
- Useful investments have been and are being made in tourism, but the volume of tourists is simply not sufficient to act as a driver of the economy.
- Solar Energy Project: there is growing development of solar plants within the ZFM District and Tsantsabane Local Municipality.

1.1.7. Spatial Planning and Land Use Management Act (2014)

On the 3rd August 2013, the SPLUMA was promulgated into law. Its promulgation reinforces the centrality and the authority of first instance in relation to submission of land use development applications. The Act alludes to what should be contained in a Spatial Development Framework, Land Use Management schemes and how land management issues should be handled. On the 1st July 2015 the Act came into effect and it transformed the land development application processes of the municipality.

Strategic Goals and Priorities of Z F Mgcawu District Municipality

- To monitor and determine the housing backlogs in the district as well as to inform the public on housing information
- To assess and provide targeted support improving institutional capacity and service delivery
- capabilities of category B-municipalities
- To promote environmental health and safety of communities in the Z F Mgcawu District through the
- proactive prevention, mitigation, identification and management of environmental health services, fire
- and disaster risks
- To promote safety of communities in the district through the proactive prevention, mitigation,
- identification and management of fire and disaster risks

- To market, develop and co-ordinate tourism in the Z F Mgcawu District
- To assess and monitor the status of infrastructure needs and requirements of B Municipalities
- To ensure efficient business operations and to fulfill the assurance statutory requirements of the Z F Mgcawu District Municipality

1.1.8. ZF Mgcawu District Municipality Spatial Development Framework (2012)

The spatial vision for the district is:

“An exciting mix of:

- Tourism: Cultural, wilderness, floristic, river tourism ranging from the Kgalagadi international trans frontier park to the culture of the Riemvasmak community to river tourism on the mighty Orange River;
- Mining and mining beneficiation.
- Agriculture: riverbank vineyards and expansive stock and game farming in the Kalahari; and
- Renewable energy technology opportunities.”

1.1.9. Tsantsabane Spatial Development Framework (2015)

The municipal spatial vision is ***“to create a place of opportunities, in cooperation with the private sector, where the basic needs of all residents are met in a safe, healthy and sustainable environment”***.

The development objectives of the SDF are:

- “the integration of various areas in the municipal to form a well-functioning space economy
- the development of sustainable human settlements and renewal of existing settlements
- the promotion and facilitation of economic development
- the sustainable management of the natural environmental assets and heritage
- the promotion of tourism development
- the promotion of sustainable rural development
- the development and improvement of linkages with surrounding areas of importance
- service delivery, specifically focusing on providing sufficient capacity in development priority areas” (Draft Tsantsabane SDF, 2015: 44).

Whilst the SPLUMA reinforces the centrality and the authority of the municipality in relation to land user development application, Tsantsabane Local Municipality is faced with challenges of illegal land use development, occupations, pressure of spatial development demand (due to mining and solar investments in the area.), limited town planning capacity.

The municipality has developed its Spatial Development Framework (SDF) and Land Use Management Scheme (LUMS) compliant to SPLUMA. With the assistance of the Department of the Office of the Premier (OTP) both documents are due for review.

At present the municipality remains part of the ZFM District Municipal Planning Tribunal, which assist to consider the application refereed to for taking decision regarding land use amendment applications.

1.2. PURPOSE OF THE IDP DOCUMENT

Section 34 of the Municipal Systems Act (MSA) directs a municipality to develop a five-year Integrated Development Plan (IDP) and to review it annually. The Integrated Development Plan is a single, inclusive, strategic plan of a municipality that clearly outlines the development objectives and provided a policy framework that would guide management in decision-making related to budgeting and planning for the municipal area for the five-year electoral period. The annual review is necessary to assess work that the municipality has done to improve the lives of those residing in the municipal area, to evaluate what still needs to be done and consider changing conditions.

Section 23 of the MSA states that “a municipality must undertake developmentally oriented planning so as to ensure that it:

- a) “strives to achieve the object of local government set out in section 152 of the Constitution;
- b) gives effect to its developmental duties as required by section 153 of the Constitution; and
- c) together with the other organs of state contribute to the progressive realization of the fundamental rights contained in section 24, 25, 26, 27 and 29 of the Constitution”

1.2.1. The IDP aims

The intention of compiling the IDP is to amongst others

- To articulate how the municipality aims to address and align with the national objectives of shared growth, reduction of poverty and social inclusion;
- Determine the strategic priorities guiding the actions of the municipality for the next financial year through linking and co-ordination between sectoral strategies;
- Aligning financial and human resources with implementation needs;
- Set out a strategically informed programmer of action for the medium-term revenue and expenditure framework;
- Strengthening the focus on sustainable development;
- Provide the basis for annual and medium-term budgeting;
- Guide Council’s development decision-making;
- Enable legislative compliance; and
- Provide a monitoring and evaluation framework of the implementation of the IDP.

1.2.2. IDP process followed

Section 28 of the Municipal Systems Act (2000) indicates that “each municipal council, within a prescribed period (nine month before the new financial year) must adopt a process plan setting the planning and review its integrated development Plan and budget. The process alludes to how the review will unfold, who will take part in the process and how communities will be consulted in the compilation of the five-year 2021 – 2025 IDP and three (3) year Medium Term Revenue Expenditure Framework (MTREF).

In August 2021 the outgoing Council approved the IDP and MTREF review process plan which provided amongst others for the following:

- Institutional structures to be established for management of the process.
- Approach and structures for public participation.
- Time schedule for the planning process.
- Roles and responsibilities for both internal and external role players.
- Monitoring, evaluation, and reporting of the processes.

1.2.3. IDP Organisation Structures

- **IDP Steering Committee:** - facilitates the process of planning, implementation, and management of the IDP in the Municipality and plays a vital role in driving the process. The IDP Representative Forum is the structure which keeps the Municipality accountable and, on the forum, different representatives from the municipality sit on it. The Council approves the IDP and the administration ensures that the IDP objectives are achieved.
- **IDP Representative Forum:** -has been meeting on a quarterly basis to monitor and evaluate the IDP process, project implementation, as well as to give inputs and make recommendations regarding priority issues, objectives, strategies, projects, and programs.

1.2.4. Public Participation

Aligned to the approved 2025/2026 IDP/MTREF process plan the public participation took place under normal conditions considering the engagement of COVID 19 and how it has changed. The process involves community engagement ward to ward and area to area per schedule October.

- The Constitution of the Republic of South Africa, Act 108 of 1996, places an obligation on municipalities to encourage the involvement of communities and community organisations in the matters of local government. With the promulgation of the Municipal Systems Act, 32 of 2000, the attention of municipalities was focused anew on the need to encourage the involvement of communities in the affairs of the municipality.
- Through public participation the municipality can make development plans and render services that are more relevant to the needs and conditions of local communities. This empowers local communities to have control over their own lives and livelihoods.

- Section 16 of the Municipal Systems Act indicates that a municipality needs to develop a culture of community participation. That “a municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance and must for this purpose (a) encourage and create conditions for, the local community to participate in the affairs of the municipality including the preparation, implementation and review of its integrated development plan in terms of Chapter 5”.
- TLM approved the 2024/25 Budget/IDP process plan in August 2023 however owed to reasons that the Council will have to review its implementation failed to realize some milestones of the process plan owed to mSCOA System and related municipal operational challenges.
- According to the schedule of key deadlines approved in August 2023 a community engagement sessions were supposed to be held in October 2023 and again in March 2024. This sessions did not take place for various reasons. However and adjusted plan is herewith submitted for consideration and approval of Executive committee and tabled before council.
- At these meetings, members of the public will be given the opportunity to comment on, and provide inputs into the Tsantsabane Local Municipality’s Draft Revised 2024/25 Integrated Development Plan (IDP), Draft 2024/25 Budget, Draft 2024/25 Service Delivery and Budget Implementation Plan (SDBIP), and the review of the Spatial Development Framework (SDF). Below follow the proposal of dates for public participation.

Public Participation 2026/2027

- These engagements were planned in October 2025 and the process plan were approved in August. The engagements only took off in February 2026.

Ward/Area	Date	Time	Venue
Ward 2	Monday 02, February	15H00	Newtown Community Hall
Ward 7 & 4	Tuesday 03, February	15H00	Boichoko Makazol soccer ground (Tent)
Ward 5	Wednesday 04, February	12H00	Open Space (Tent)
Ward 1 & 3	Wednesday 04, February	16H00	Postdene first Park (Tent)
Ward 6, Stasie	Thursday 05, February	11H00	Tent next to 7 th Ave (Tent)
Ward 4 Hopeville	Thursday 05, February	16H00	Hopeville open space (Tent)
Ward 6, Maremane	Monday 09, February	11H00	Community Hall
Ward 3, Jenn haven	Monday 09, February	16H00	Community Hall
Ward 7, Skeyfontein 1	Tuesday 10, February	11H00	Community Hall
Ward 7, Skeyfontein 2	Tuesday 10, February	13H00	Community House
Ward 7, Skeyfontein 3	Tuesday 10, February	14H30	Community House

Ward 1, Groenwater Stasie	Wednesday 11, February	12H00	Pre - school
Ward 1, Groenwater Shanties	Wednesday 11, February	15H00	Groenwater community Hall
Ward 7, Postmasburg	Thursday 12, February	12H00	Mountain view Open space (Tent)
Ward 5,7	Thursday 12, February	17H00	Postmasburg Town Hall
Ward 1 Greenfield	Monday 16, February	17H00	Open Space Electrical Power station (Tent)
Ward 6 white City	Tuesday 17, February	17H00	White City Park (Tent)

Newtown Ward 2, 02 February 2026

Area	Description
NT	Solar lights in Stasie street are out of order and need maintenance
NT	Gravel roads in Newtown needs maintenance and be graded
NT	Bugie street is currently overflowing with storm water during rain, needs water channel
NT	The is a need for land for non-commercial farmers
NT	Trees needs to be trimmed under ESKOM lines
NT	Muddy houses are falling apart
NT	The community need high mass lights and be maintained
NT	Community hall need upgrading
NT	The is a need to renovate the Newtown life skills youth projects offices
NT	There is no regular collection of waste in the community
NT	There is a need for RDP and electricity in the area
NT	There is high crime activities happening in the community
NT	Only one road is paved in the community, more roads need to be paved
NT	Youth need to be developed on small business and be given opportunities
NT	There is drainage problem in the area but officials are paid for overtime by the municipality

Boichoko Ward 4&7 03 February 2026

AREA	Description
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B	Municipality must have plans to clean the dumping sites
B	The refuse truck is not collecting in all the streets.
B	Gangsterism in the community is a problem, people are robbed almost every day.
B	What is the plan of the Municipality and SAPS to fight drug dealers in the community?
B	The community is asking for pavement for all main roads in Boichoko
B	Most Shacks in Mountain view does not have people. What is the plan of Municipality on those shanties?
B	What is the plan of the municipality regarding storm water in Boichoko ?
B	The community of ward 7 at Mountain view are in need for master lights
B	The Hopevalli community is awaiting town establishment
B	The Parks of Boichoko need maintainance
B	There are shanties that need electricity in mountain view
B	The allocated budget of the municipality is not benefiting communities
B	The sewer is running all over in the community and is not fixed
B	There old two room houses in Boichoko are cracking down
B	Gravel roads are not graded
B	The sewer station at the shanties is coursing health hazards for the people leaving nearer to it.

Postdene Ward 1&3 04 February 2026

Area	Description
P	The gravel roads in Postdene need grading and continues maintenance
P	Postdene and Pensfontein roads are experiencing storm water challenges. The community roads need s proper roads
P	Greenfield need high master lights
P	There is also a need of temporary roads in Greenfield
P	The municipality is not delivering basic services in Greenfield
P	The municipality must develop the speed bumps in Postdene
P	Pensfontein needs master lights
P	The presentation of IDP is silence on youth issues
P	The municipality need to enforce bi-laws on noncompliance by the public
P	Public parks are not opened for the public since been completed by Kolomela
P	There are issues in the allocation of stances in green field
P	The current water meter in the community is creating problems
P	There are people who have applied for indigent but not been approved
P	The unemployment rate is high in the community
P	When is the historic debt of residence going to be written off
P	Police are taking very long to attend to complains
P	Empty shanties in Greenfield are used by criminals for crime purposes
P	The community has problem with street that are flooded during rain
P	The waste collection in the community is not taken seriously by the municipality, the area that was an open place is now occupied by Mr Amos and this and the people were not allowed to use it before. The municipality must explain
P	The municipality is too much focused In taking development to Greenfield. The people staying in Greenfield are not originally from Postmasburg.

Marantheng Ward 5 February 2026

Area	Description
M	The issue of bucket toilet system in the area is not regularly cleaned.

M	Majority of Streets in Marantheng are not in good condition,
M	Cleaning of dumping sites is not happening regularly.
M	The reservoir in Maratheng need to be fenced as it is posing a risk for the community.
M	Refuse collection is not done regularly and pose a health risk to the community
M	The community is awaiting township establishment
M	The community need the streets names
M	The is high unemployment rate amongst youth.
M	The is a problem of drugs abuse amongst the youth in the community.
M	Maratheng community is the oldest but most underdeveloped.
M	Municipality need to create a project to employ the youth.
M	There are areas that don't receive water in Maranteng for years
M	Only Pendoring project is implemented in the community out of all the proposed inputs by the community
M	All gravel roads need a serious repair and maintenance in the community
M	Municipality when naming streets need to consider the historic events of the struggle
M	There are still outstanding subsidies for Marantheng
M	Some houses are receiving electricity from Eskom and other don't have
M	There is a need for master lights in the Area

Stasie 05 February 2026

Area	Description
S	The is a need for the maintenance of gravel roads
S	The community has storm water challenges and no proper roads in Stasie
S	Stasie has never been developed since 1994
S	Stasie community need high mast lights
S	What happened to all the inputs previously submitted by the people of Stasie
S	There is nothing mentioned on the SLP's agreed upon my the municipality and mines for development of Stasie
S	No delivery of basic services in Stasie
S	The MM must act on Transnet to come to the table
S	Stasie people are not considered for job opportunities
S	The current developed parks in Postmasburg have become white elephant than developing people

S	The Waste collection truck is collecting too early while people are still sleeping Stasie
S	One community member has applied for bursary but was declined by Kolomela
S	There are extra fee charges by shops owners when communities are using their bank cards
S	The community has problem of not receiving water due to old infrastructure
S	There is a electricity pool that has felled in a resident's yard

Boichoko Hopeville 05 February 2026

a	Description
B	Municipality must have plans to clean dumping site
B	The refuse truck is not collecting waste in the streets.
B	The community is asking for paving in the streets because there is a problem of storm water
B	The community of ward 4 need master lights
B	Hopevalli community is awaiting township establishment
B	There are shanties that need electricity
B	The allocated budget is not benefiting community of Hopeville
B	The sewer is running all over in the community and is not fixed
B	The community roads are not graded
B	The ward has problem of underground water which damages the infrastructure of houses in the area
B	There are no development happening in the area because the report only mention Postdene and other areas
B	Where is the budget going from national government for development
B	Hopevalli never receive basic service even though it is missioned in the IDP
B	Development for Hopevalli need to be prioritised in the new financial year budget
B	There is water flooding crisis in Barnard street
B	The graveyard of Boichoko is never maintained by the municipality
B	Mines in Tsantsabane need to provide a plan for the youth of Tsantsabane
B	The IDP reporting on development must be specific on all the wards
B	Department of government need also to present their plans on the IDP

B	Ntsatsabane need new Mall, police station, Hospital and a new college
B	The new public park build by Kolomela has become a white elephant .
B	There are municipal buildings in the area that are used by criminals and can be given to youth for projects for the empowerment of youth
B	Hopeville need more Jojo tanks and Mobile toilets
B	Land field site has become a site for criminals. The municipality must do something about it

Maremane 09 February 2026

Area	Description
MR	What happened to the previous inputs that community has submitted
MR	Many IDP were called previously, and nothing has been delivered today
MR	All community members of Maremane must have access to water
MR	The electricity installation was jumped at other people during the project
MR	How will the community of Maremane access the newly build library in Postmasburg because the is far from the people of Maremane
MR	Where is the road that was promised by private companies around Maremane and was stopped by CPA?
MR	The Maremane gravel roads need to be graded and maintained
MR	Many people in the area are staying in shanties. The community need RDP houses.
MR	The people of Maremane are not employed EPWP project
MR	Who auththorised the Officials from the municipality to collect water tanks from Maremane?
MR	The Maremane young people need bursaries to further their education
MR	The people staying outside Maremane are using the physical address for job opportunities
MR	Community of Maremane need recreational facilities
MR	The community need a siter light police station
MR	The public toilets are not regularly serviced
MR	The collection of waste in the area is a problem
MR	The post for general workers were advertise in the municipality and the Maremane community did not benefit.

Jenn Haven 09 February 2026

Area	Description
JH	5 RDP houses in Jean haven don't have electricity.
JH	The dumping sites are not cleaned regularly
JH	The newly installed high mast lights are not working,
JH	The community has shortage of water supply
JH	The municipality must assist the community with renovating and upgrading the shopping centre in Jen haven.
JH	Mass lights are needed to curb criminal activities

Skeifontein 2&3 10 February 2026

Area	Description
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SF	When council want to have meeting with the communities of Skeyfontein they must hold meeting in all 3 communities.
SF	All areas must be equally recognised and be developed equally.
SF	Graveyards at Skeyfontein 2 and 3 needs to be fenced.
SF	Graveyards at Skeyfontein needs toilets.
SF	The roads of Skeyfontein need to be graded
SF	The road from village 1 to village 3 is not in good condition to drive on.
SF	The department of public works do not repair or grade roads in all villages they only end at the entrance of Skeyfontein 1.
SF	The community money was out to fix the roads, but nothings has been done.
SF	Is there anything that the municipality could help regarding the network problem.
SF	Mobile clinic can't go to all villages due to the roads.
SF	The housing project in Skeyfontein is still incomplete
SF	The Skeyfontein bridge is awaiting a reconstruction process
SF	The municipality need to put together a team of councillors and officials to engage all mines and companies not contributing in the Tsantsabane development
SF	The community is awaiting a road project from public works
SF	Toilets are not regularly serviced
SF	Waste are not collected in Skeifontein
SF	Budget allocations don't benefit Skeifontein
SF	The post for general workers advertised in the municipality, Skeyfontein community did not benefit.
SF	The municipality can build tollgates for trucks using our road to generating revenue.
SF	The municipality appoint peoples who will be pumping water from the boreholes to fill up the tanks in communities
SF	There is a need for higher mast lights in Skeyfontein

Groenwater Shanties 11 February 2026

Area	Description
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GW	The municipality started with public parks in Groen water and never completed the project
GW	The Groenwater roads need to be pavements
GW	The solar high mast lights are not working
GW	There is a high rate of employment in the community
GW	Gravel roads are not driveable
GW	The local school is not regularly maintained
GW	CPA members don't attend meetings to take note of the community concerns
GW	Some of the toilets in the community are not been serviced by municipal workers
GW	Groenwater people are not been considered when employing EPWP.
GW	Groenwater is only remembered during elections
GW	Is the municipality budgeting for Groenwater?
GW	The community have a problem of water. The tanks currently don't have water
GW	Can the municipality cut Groenwater from the demarcation of Tsantabane ? as the community feel that they are not been properly serviced
GW	The coming election Groenwater must be given an opportunity to elect their councillor
GW	The municipal officials visits the area, but could not resolve issue of water problems in the community
GW	The number of employed people from Groenwater in the municipality must be increased
GW	Young people must be assisted with licence and learners licences
GW	There are children who want to go to school but struggling with bursaries
	The solar companies have promised the community developments and nothing delivered.

Groenwater Stasie 11 February 2026

Area	Description
GW	The municipality is failing to deliver just basic thing in the village
GW	There is a need for roads to be graded and developed
GW	The community has a shortage of water

GW	The community garden has been vandalised
GW	The CPW officials is not effective in the community or serving both communities
GW	The pre-school is not regularly cleaned and is not used
GW	The is some houses that need electricity in the community
GW	Members of the community feel that they are not considered for job opportunities in the municipality
GW	Municipality must help young people with transport to attend college in Postmasburg
GW	There is a need for library in Groenwater
GW	The is no parks and recreational facilities for children's and young people
GW	Unemployment rate is very high in Groenwater
GW	The community need a community clinic as the mobile clinic is not a solution for the community

MV	The community has shortage water
MV	The new reservoir that is currently at mountain view is not supplying water to the community.
MV	Alignment of shacks according to the plan of mountain view is a problem.
MV	Some of the residents have received electricity without registrations. The municipality need to investigate such
MV	There are residents who occupy more than 1 stand in different areas
MV	Most community members stays in the Shanties. There is a need for RDP houses
MV	The need toilets facilities
MV	The crime rate is high in Mountainview
MV	The is a high rate of unemployment
MV	The police take time to attended to community calls or complains
MV	The waste collection is not done in Mountain view
MV	The community need recreational facilities

Greenfield 16 February 2026

Area	Description
GF	The community of Greenfields has a problem with clean water and toilets
GF	Implement bi-laws for illegal dumping and other lawlessness
GF	The is a need for the economic development in the area
GF	The crime rate is too high in the community due to unoccupied shacks.
GF	The is a high unemployment in greenfield
GF	The is water shortages in greenfield
GF	The is a need for transportation of school children
GF	No consultation done for developments by the municipality for Greenfield
GF	More exit roads must be created. As the is currently one
GF	Requesting the municipality to connect a pipe at the borehole to the centre of the community
GF	The municipality must form public private partnership to assist in the delivery of service
GF	The main roads of green field need to be paved
GF	The municipality must stop the payment for the prof of resident

White City 17 February 2026

Area	Description
WC	Drugs are been smuggled in the area
WC	Streets are very dark. There is a need for mast lights
WC	Unemployment rate is high in the area
WC	The gravel roads need to be paved
WC	There is a need for storm water channels
WC	There is illegal connection on prepaid water meters in white city
WC	The ambulance is taking for ever to arrive for services
WC	Sanral is not creating jobs for the people of white city
WC	The current high solar mast light are not functioning
WC	Most of the roads are flooded during raining
WC	Waste is not regularly collected by the municipality
WC	When will the electricity be installed in the area that was currently formalised?
WC	Solar lights in Stasie street are poorly lighting
WC	The offices for indigent beneficiaries need to be taken to the people
WC	The municipality must build more speedbumps in the Stasie road
WC	The police reaction to calls is very slow

Postmasburg Town 18 February 2026

Area	Description
T	The community need the following street to be repaired: Gagliano street, Hodget, Kroomme laan, and Tuin street
T	Clean crossing for safer visibility and clear the storm water system
T	Close illegal entrances
T	Repair the parking area in front of the department of labour
T	Supply a standby generator at Gatkopies reservoir to supply power to the borehole when Eskom is down
T	The municipality must deal away with contractors installing prepaid water meters to safe 50% for the municipality

T	Replace open wires with bundle conductors to prevent crossing and shorting of open wires due to wind and trees
T	Replace broken wooden poles
T	Maintenance needed on mini substations
T	Install telemetry to Gatkoppies, Newtown, and Airfield reservoirs to monitor water levels and to switch power on when power on when a power trip occurs after a power outage
T	The municipality has not resolve the sewerage spillages in the Vlei
T	The community has sewerage problems in the following areas: Groenwater (Tuin street), Griekwastad pumpstation, Broken screens, Blocked manholes, ground water and surface water pollution and ongoing safety and water issues
T	The electrical software of the meters need to be updated or corrected
T	All the mines in Postmasburg must have SLP for the developments of Postmasburg
T	The municipality must do away with the third-party contractors to save more funds for service delivery
T	There is a negative impact of trucks driving through the internal roads in town. This affects traffic and impact badly on the infrastructure
T	The lawlessness displayed by the taxi drivers is unacceptable and the municipality need to do something about it.
T	The crime is too high in the town of Postmasburg
T	Tsantsabane town is falling apart and need a new plan to develop it
T	There are only two mines assisting in developments of Postmasburg. Where are the other businesses
T	There is a need for a technical college in Postmasburg to enhance skills for local communities
T	The parks of Tsantsabane need a PPP for better management and enhancement of the municipal revenue
T	There must not be decision on rates without the engagement of the communities
T	The community complain that they are not correctly charged when billing by the municipality
T	The municipality must do something with animals in town
T	The community need maintenance of lights and installation of new lights
T	Education awareness is needed for taxi drivers for the usage of the road
T	Municipality must do something with the long lines the proof of residence
T	Pump stations are been vandalised
T	Increase security in the area to safe guard municipal assets

COMMON AND CRITICAL INPUTS MADE BY TSANTSABANE COMMUNITIES

Area	Description
T	Maintenance of gravel roads
T	Storm water challenges
T	Potholes on public roads
T	The high rate of crime in Tsantsabane
T	There is a need for a technical college in Postmasburg to enhance skills for local communities
T	Lack of public parks maintenance
T	Pavement of main roads in the communities
T	The community need maintenance of lights and installation of new mast lights
T	The overflowing of sewer in communities
T	The illegal dumping and no regular removal of waste
T	High unemployment in communities

INPUTS FROM BEGIN AFRICA OF MIXED TYPOLOGY PROJECTS FOR 2024/25.

Housing development

- Housing development for green field need funding source

Electrical

- Self build substation for green field: R650 000.00 funding to pay ESKOM to build the substation
- DMRE application to fund the electrification of new township establishment

Bulk water

- Completion of Mountain view link water pipeline/ mobilize extra funding
- Project on facilitation of extra water from Kolomela and Sedibeng for link water pipeline of Tsantsabane (The protection of Tsantsabane water interests) Bigen to also give input on how to express the project into the IDP

Bulk/link sewer

- New wastewater treatment to be included in the IDP as incomplete

- Project on the empowerment of emerging farmers in the newly acquired land for new wastewater treatment
- The municipality to have a project on reusing the sewer water for human consumption
- All incomplete mixed typology project must be included in the IDP

Bulk/link roads & SW

- All road and storm water priorities to be submitted to Bigen for business plan and look for possible funder. These priorities to be included also on IDP
- The list of priority roads by councillor's be submitted to Bigen for business plans and included in the IDP
- Project plans to be developed to offramp trucks passing through town and begin to also develop business plans for funding purposes. All this project to be in the IDP
- Tsantsabane and Bigen to develop project on investment of skills development for infrastructure

KOLOMELA PUBLIC PARTICIPATION INPUTS

Key Considerations for Projects Design

Social Return on Investment (SROI) Methodology – Projects that create lasting socio-economic and environmental value for the communities, which break dependency and foster sustainable development.

- Social Impact – Recognizing that community development is more than just sets of SLP activities.

- Capacity Development – Competency of Municipal, NPOs, NGO and other partners is critical to catalyse

sustainable development.

• What are the Developmental Priorities of Broad-Based Community groups?

- To what extent do potential projects bring broad-based impact and enable communities to become

economically active i.e., project identification for sustainability, transformation and building the local

economy?

- **How do they align with current Municipal IDP, SDFs, PGDPs, SDGs and other developmental strategies?**

Action plan:

- Aged debt incentive scheme for all communities

- Consideration should be given to all parks and public spaces to enter a public private partnership arrangement for private entities.
- SGB's and office managers of public institutions will be invited to the quarterly finance committee meeting for enforcing our credit policy
- Postdene Water Intervention
- Drilling of three boreholes and construction of rising main
- Repairs to the rising main from Gatkoppies to the reservoir
- Pipeline from Postdene reservoir to Postdene reticulation network
- Construction of End Street stormwater channel phase 1
- Electrification of 1000 households in Greenfield
- Planning on sanitation for Mixed typology

1.2.5. Self-Assessment on the Planning Process

- A good participation process is characterized by commitment from the municipality and those from the community that participate in the process. All relevant stakeholders that have an interest in the IDP process were provided the opportunity to participate directly or through representation.
- The situational analysis and statistics presented in this chapter indicate the developmental challenges facing Tsantsabane municipal area. This is crucial as it provides the municipality and its social partners with deep insight into local socio-economic trends, patterns and development challenges. The objective is to identify major strengths and weaknesses per geographical area as well as ascertaining the available information and current development required.
- Issues highlighted during the ward based public participation process during 2021/22 public participation remained relevant in the development of this IDP. Below are development and service delivery inputs made and categorized per ward. The programs and projects in this IDP are informed by this scenario.

Table 2: Tsantsabane Council Identified Priorities for 2026- 2031

AREA	PROJECTS IDENTIFIED
GREENFIELDS	1. Bulk water supply - resevoir & bulk line
	2. Water reticulation network
	3. Bulk sewer supply - Upgrade of WWTW
	4. Sewer reticulation network
	5. Construction of RDP housing
	6. Construction of internal roads & stormwater
	7. Capacity increase of substation (7.2MV- 10MV)
	8. Electrification of houses
GROENWATER	1. Township establishment - Extension
	2. Upgrade of storage tanks and boreholes
	3. Extension of water reticulation network
	4. Implementation of sewer package plant & reticulation
	5. Implementation of Highmast lights
	6. Electrification of houses
	7. Construction of RDP housing
	8. Construction of internal roads & stormwater
POSTDENE (WARD 1)	1. Construction of internal roads & stormwater
	2. Bulk water supply - resevoir and bulk line
	3. Extension of water reticulation network
	4. Bulk sewer supply - Upgrade of WWTW
	5. Construction of Sewer reticulation network
	6. Electrification of houses
	7. Construction of RDP housing

	8. Construction of internal roads & stormwater
	9. Implementation of Highmast lights
NEWTOWN	1. Bulk water supply - resevoir and supply
	2. Upgrade of Water reticulation network
	3. Construction of boreholes
	4. Upgrade of the sewer reticulation network
	5. Construction of RDP housing
	6. Construction of internal roads & stormwater
	7. Implementation of Highmast lights
Jenn Haven	
1. Replacement of asbestos pipes (water)	
2. Upgrade of Water reticulation network (shanties)	
3. Township establishment - Extension	
4. Lining of the oxidation pond	
5. Upgrade of the existing sewer reticulation network	
6. Extension of the sewer network (shanties)	
7. Construction of RDP housing	
8. Construction of internal roads & stormwater	
9. Electrification of houses	
10. Implementation of Highmast lights	
Postdene (Ward 3)	
1. Construction of internal roads & stormwater	
2. Implementation of Highmast lights	
3. Upgrade of the sewer reticulation network	
4. Replacement of the asbestos water pipes	
Boichoko	
1. Construction of internal roads & stormwater	
2. Construction of community hall	
3. Replacement of asbestos pipes (water)	
4. Construction of boreholes	
5. Upgrade of the sewer reticulation network	
6. Implementation of Highmast lights	
7. Township establishment (specialized studies- hopeville)	
8. Construction of sports facility	
Marantheng	
1. Township establishment	
2. Water reticulation network	
3. Sewer reticulation network	
4. Construction of RDP housing	
5. Electrification of houses	
6. Implementation of Highmast lights	

7. Construction of internal roads & stormwater
Kanonbult
1. Construction of internal roads & stormwater
2. Replacement of asbestos and galvanized steel pipe (water)
3. Upgrade of the sewer reticulation network
4. Construction of street lights
White City
1. Extension of the water reticulation network
2. Extension of the sewer reticulation network
3. Construction of internal roads & stormwater
4. Construction of RDP housing
5. Electrification of houses
6. Implementation of Highmast lights
Maremane
1. Water reticulation network
2. Upgrade of water pumps
3. Implementation of sewer package plant & reticulation
4. Construction of RDP housing
5. Electrification of houses
6. Implementation of Highmast lights
Stasie
1. Upgrade of Water reticulation network
2. Upgrade of Sewer reticulation network
3. Upgrade of electrical network
4. Implementation of Highmast lights
5. Construction of internal roads & stormwater
Skeyfontein 1
1. Upgrade of Water reticulation network
2. Upgrade of storage tanks and boreholes
3. Implementation of sewer package plant & reticulation
4. Construction of RDP housing
5. Construction of internal roads & stormwater
6. Electrification of houses
7. Implementation of Highmast lights
Skeyfontein 2
1. Upgrade of Water reticulation network- communal taps
2. Upgrade of storage tanks and boreholes
3. Implementation of VIP toilets
4. Construction of RDP housing
6. Electrification of houses

7. Implementation of Highmast lights
Skeyfontein 3
1. Implementation of Highmast lights
Mountain View
1. Water reticulation network
2. Sewer reticulation network
3. Electrification of houses
4. Construction of RDP housing
5. Implementation of Highmast lights
6. Construction of internal roads & stormwater
Postmasburg Town
1. Replacement of asbestos and galvanized steel pipe (water)
2. Construction of internal roads & stormwater
3. Upgrade of Sewer reticulation network
4. Upgrade of existing electrical network
5. Replacement of street lights
6. Construction of electrical line (glimlag to hospital)



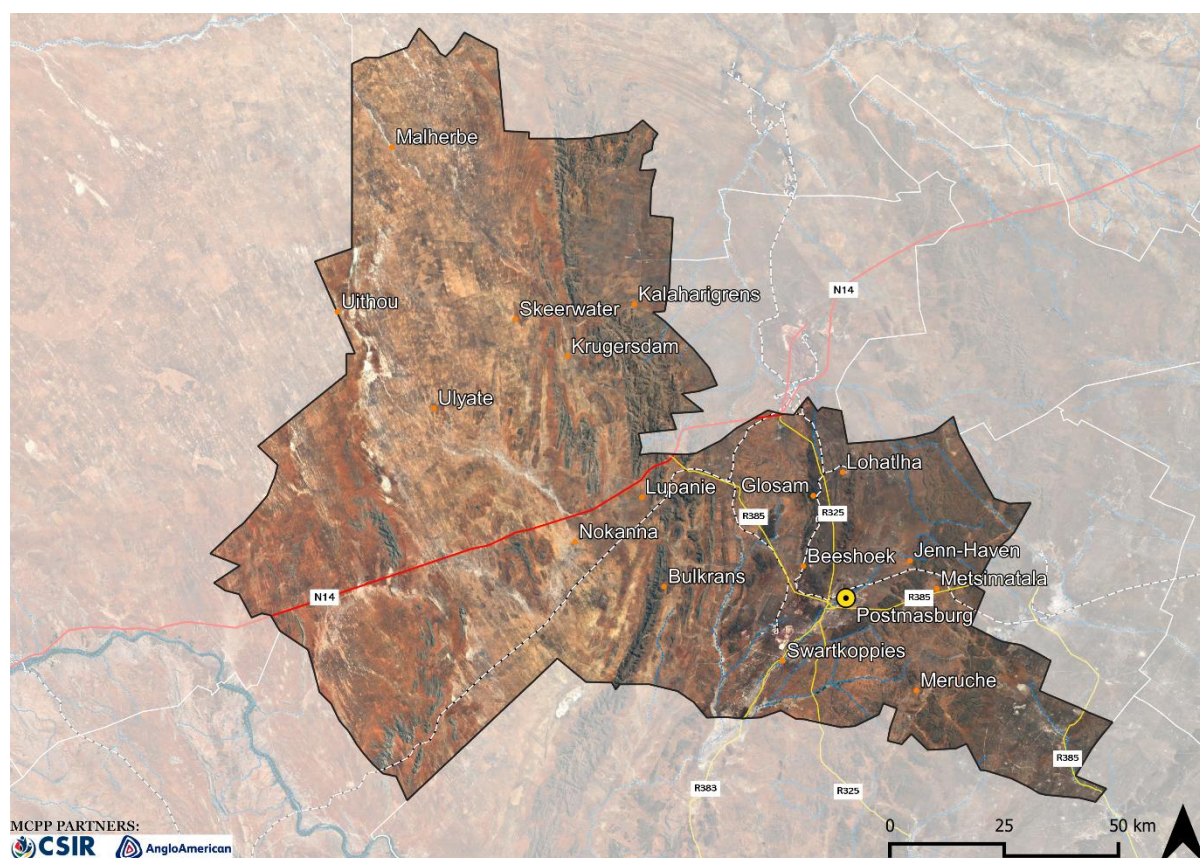
CHAPTER 2: MUNICIPAL PROFILE

2.1. INTRODUCTION

This chapter briefly describes the spatial, social, environmental, and economic elements that shaped the pattern of development in the municipal area. The purpose of the profiling is threefold: (a) to serve as reference framework for integrated development planning, (b) to better understand and report on the urban and rural context, and (c) to track, measure and consider change over time. The work done includes a situational analysis which, together with the annual report, informed our understanding of the environment within which government operates.

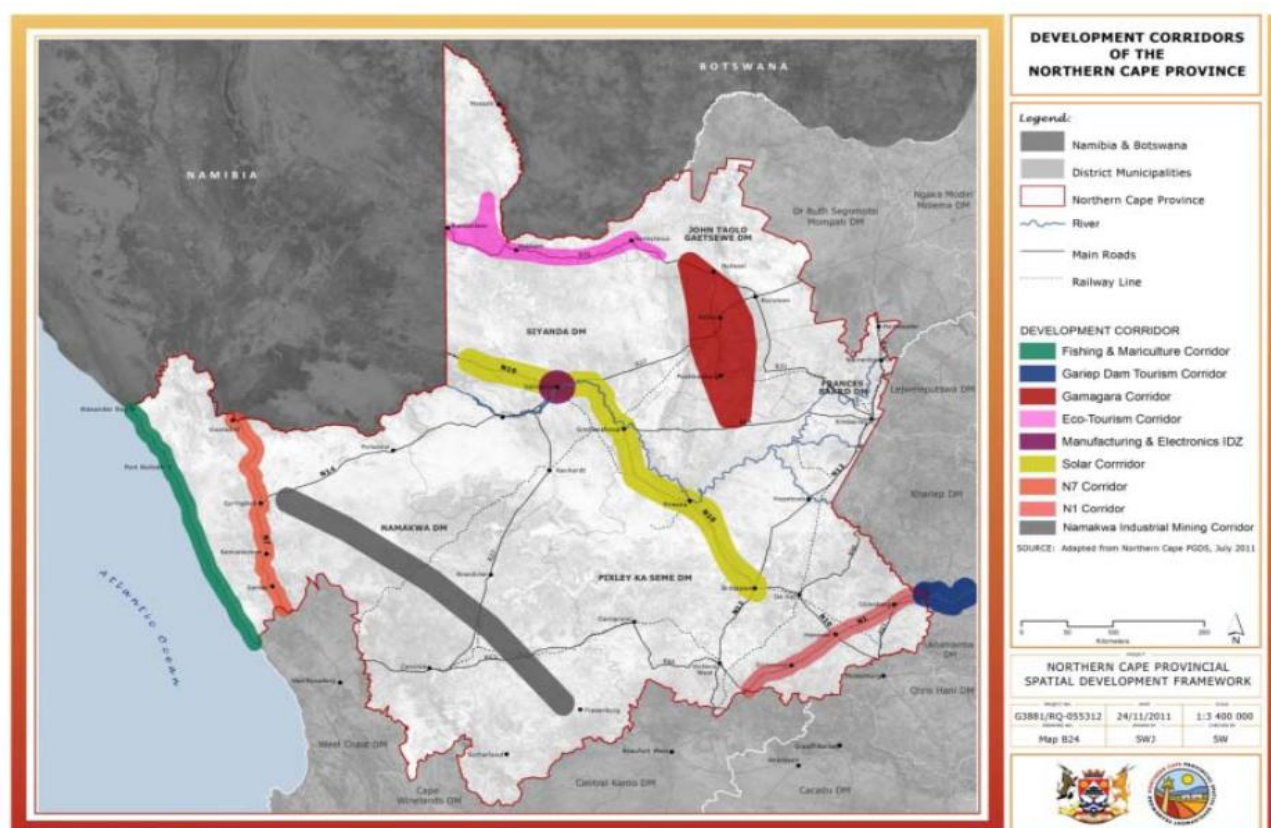
2.2. LOCATING THE MUNICIPALITY

Figure 2: Tsantsabane Local Municipality Context



Tsantsabane Local Municipality is situated in the ZFM District Municipality and covers geographic area of 5 887km² (Surveyor General, 2008). Tsantsabane Local Municipality is bordered by Siyancuma LM, //Dawid Kruiper LM, !Kheis LM, Gamagara LM and Kgatelopele LM.

Figure 3: Northern Cape Provincial Spatial Development Framework 2012



The municipal area falls in the Gamagara Corridor. The NCPSPDF (2012: 68) defines the Gamagara Corridor as “comprises the mining belt of the John Taolo Gaetsewe and Siyanda (ZF Mgcawu) districts and runs from Lime Acres and Danielskuil to Hotazel in the north. The corridor focuses on the mining of iron and manganese”.

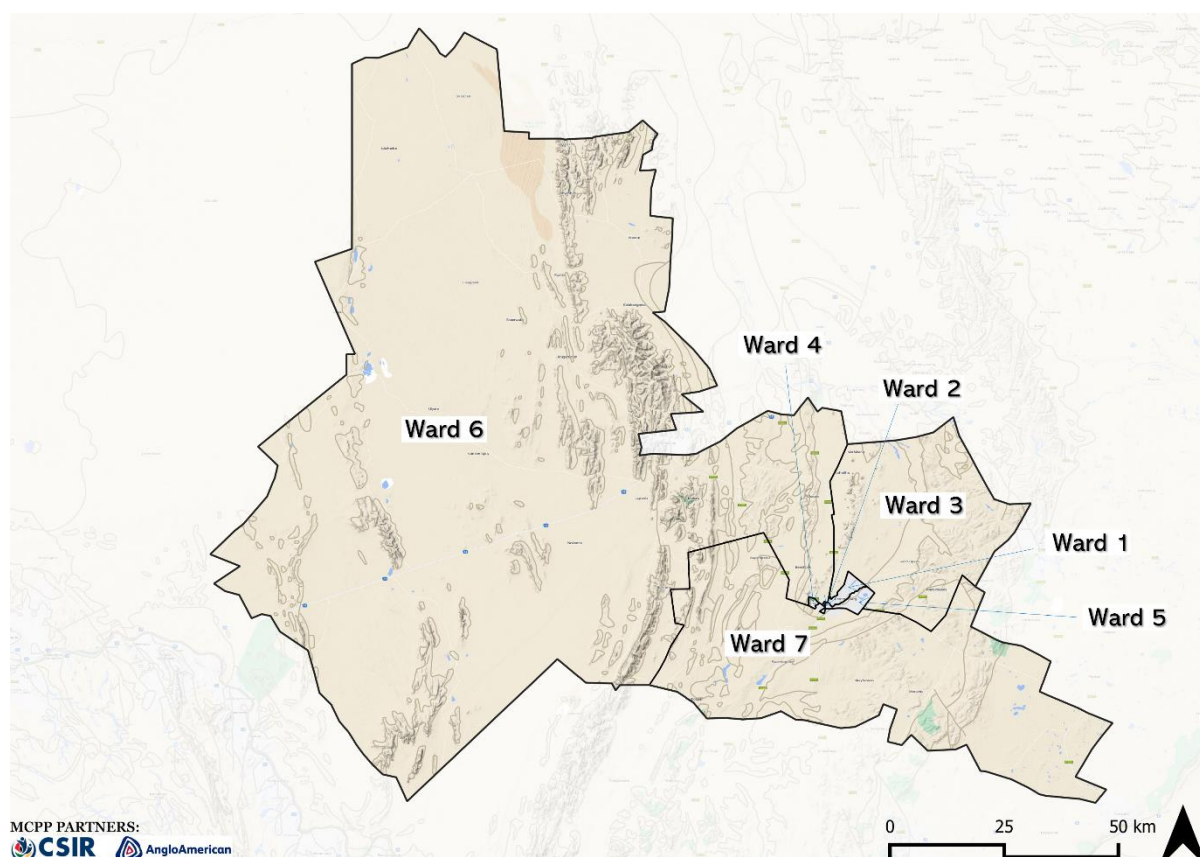
The municipality comprises of seven (7) wards and it is also a host to the Lohahla South Africa Military Training Base. The municipal area is divided into the following wards:

WARD	SETTLEMENTS
Ward 1	Groenwater; Portion of Postdene; and Carnation. – Cllr M.J. Lottering
Ward 2	Newtown – Cllr H. English
Ward 3	Jenn Haven; Portion of Postdene; and Kolomela houses – Cllr S.L.R. Devajee
Ward 4	Boichoko – Cllr G. Kerometswe
Ward 5	Maranteng; Kanonbult – Cllr K.G. Tonyane
Ward 6	White City; Glossom; Maremane; Beeshoek; Stasie - Cllr H. Minnies

WARD	SETTLEMENTS
Ward 7	Skeifontein; Soetfontein; Strathmore; Part of Boichoko, and Postmasburg Town – Cllr L.M. Teise

Table 3: Tsantsabane Wards.

Figure 4: Tsantsabane Wards



2.3. SPATIAL ANALYSIS

- Patterns and Trends: Tsantsabane Local Municipality Spatial Development Framework (SDF) and Land Use Management Scheme (LUMS) was completed and adopted by Council in 2015 and it is due to be reviewed within the 2022/23 financial year. The SDF also contains basic principles pertaining to long term spatial development as well as possible strategies and principles on how to achieve this desired spatial form.
- The municipal spatial vision is **“to create a place of opportunities, in cooperation with the private sector, where the basic needs of all residents are met in a safe, healthy and sustainable environment”**.

The following key spatial issues were identified and evaluated to determine their impact:

- Access to land for residential; retail and industrial use
- Land development
- Spatial integration
- Sustainable land management
- Proper distribution network
- Land reform and restitution
- Land conservation

2.3.1. Structuring elements

The major routes running through Postmasburg include the R385 from Kimberley that runs through Beeshoek, the R309 and the R325 to Kathu. Postmasburg is situated 200 kilometers from Kimberley and 240 kilometers to Upington.

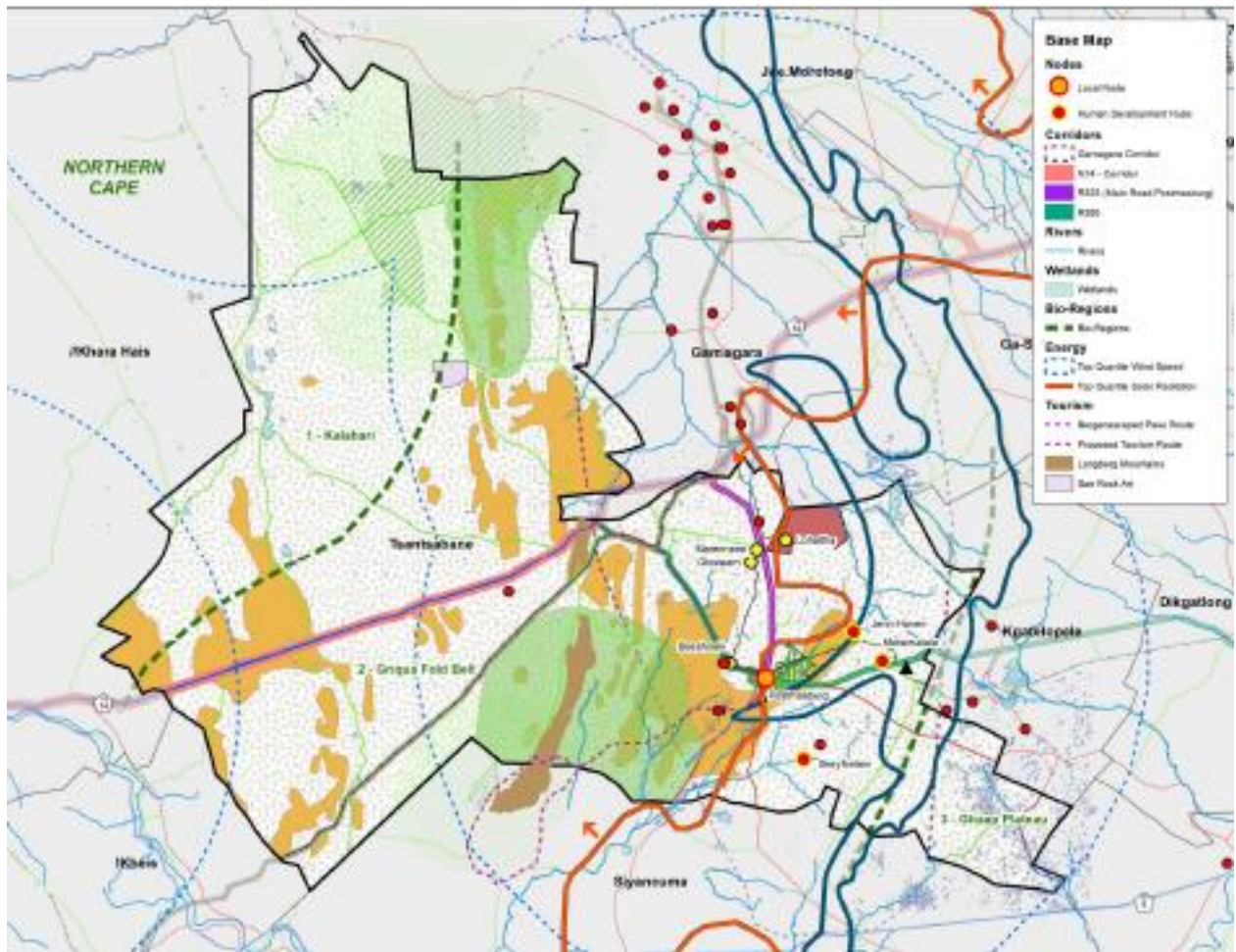
Key municipal settlement areas can be categorized as follows:

- **Main town:** Postmasburg
- **Rural settlements:** Jenn-Haven, Maremane, Groenwater and Skeyfontein (latter three (3) under CPA)
- **Established Townships:** - Boichoko, Newtown, Whitecity, and Potsdene.
- **New Settlements Developments:** - Mountainview, Greenfields, Postdene Phase 1 & 2.

The Municipal SDF (2015) refers to the following spatial restructuring elements:

- Different nodes: CBD node, Sibilo shopping centre business node, Postdene business node, Boichoko/Newton Business node.
- Primary movement corridors (N14 and Sishen Saldanha Railways)
- Secondary movement corridors (R385 and R325)
- Gamagara mining corridor
- Activity streets

Figure 5: Tsantsabane SDF 2015 Municipal Map



2.4. Socio-Economic Analysis

2.4.1. Population and Households

Census 2022

According to the 2022 Census, the total population in Tsantsabane has *declined* from 35 093 in 2011 to 30 969 in 2022. The Municipality has the 3rd largest population in the District. There are 9 381 households in the municipality, almost 500 households less than in 2011. The average household size has declined from 3.6 in 2011 to 3.3 in 2022.

Table 4: Z.F. Mgqawu District Municipality Population

Municipality	Total population	Rank
Dawid Kruiper	125 744	1
Kai !Garib	85 104	2
Tsantsabane	30 969	3
!Kheis	21 954	4
Kgatelopele	19 854	5

Alternative Households Scenario

There is a concern that the official 2022 Census figure is an understatement of the actual number of households in Tsantsabane Local Municipality. The support this statement use was made of alternative data sources to get an accurate picture of household residing in TLM:

- Kolomela Mine commissioned a study in 2022 to count the number of structures in the Postmasburg area (Site Induced Migration Study, 2022).
- This GIS points representing a structure was updated using 2024 imagery available from Google. This not only provided an indication of growth over time, but also allows for a more accurate households count.

Table 5: Alternative TLM Household Scenario

Town	Backyard	Informal	Formal	Total
Boichoko	139	398	1 975	2 512
Carnation		168	393	561
Greenfields		1 154	7	1 161
Groenwater		118	0	118
Jenn-Haven		112	153	265
Maranteng		337	732	1 069
Maremane 1		404	0	404
Maremane 2		180	0	180
Metsimatala			468	468
Mountainview		2 175	99	2 274
Newtown			1 209	1 209
Postdene	158	973	1 741	2 872
Postmasburg	97		1 734	1 831
Skeyfontein 1			155	155
Skeyfontein 2			106	106
Skeyfontein 3			68	68
White City		174	512	686
Farms			1 117	1 117
Total	394	6 193	10 469	17 056

Source: Kolomela SIM (2022) updated using GIS and Google Imagery (2024)

The above methodology highlights the fact that the number of households in 2024 can be almost double that of the official Census 2022 number of households (**17 056**). Using the average household size of 3.3 results in a potential population of **56 306**. Between 2011 and 2024, **21 213** people were added to the population of TLM, representing a **4.65%** per annum growth rate. This population growth trend is expected to increase the number of people that the municipality must provide services to, keeping in mind that the municipality is currently facing challenges in meeting its present demand on water, sanitation, and electricity provision.

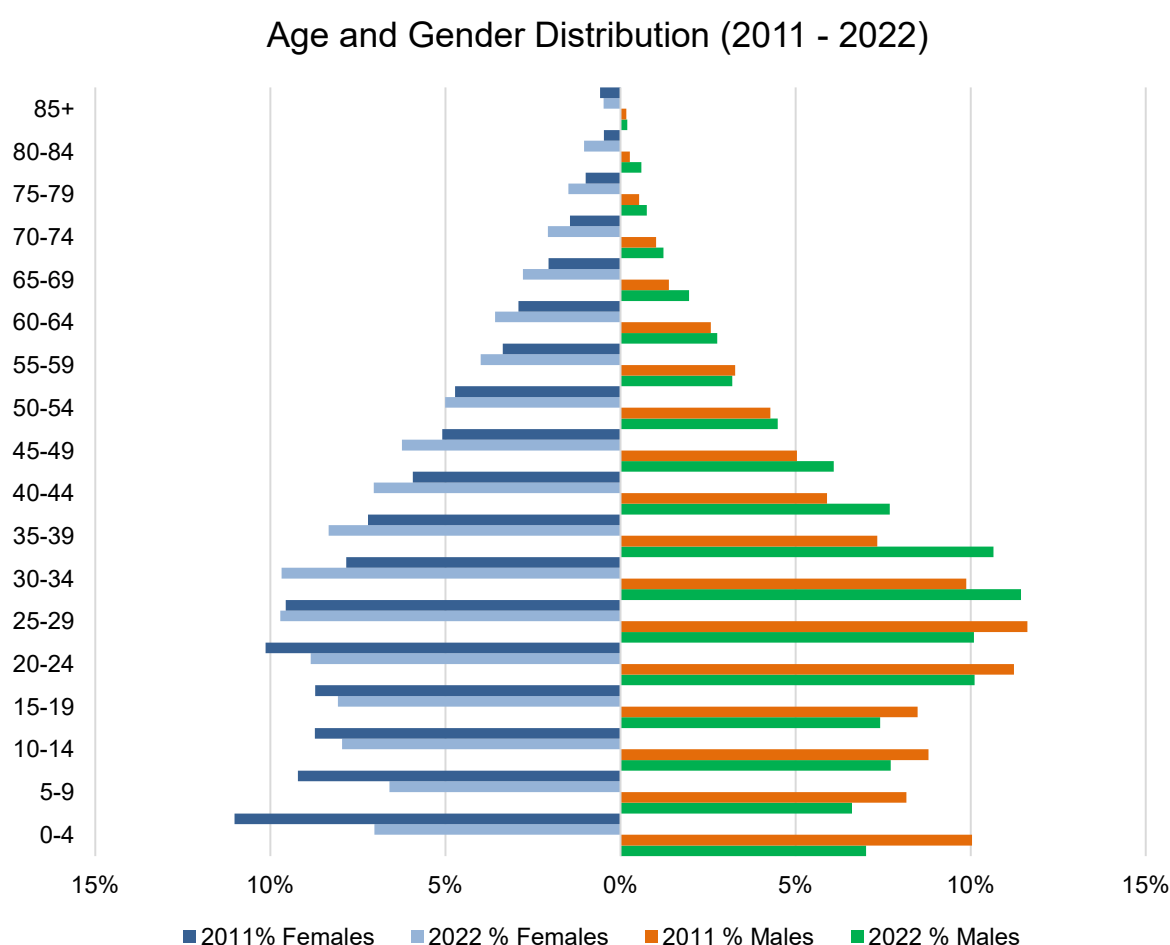
2.4.2. Age and Gender

The figure below provides gender by age distribution for the Census years 2011 and 2022 (note that though the population and Household figures quote in the section above differs from

the Census, no updated data regarding gender and age is available). The sex ratio (the ratio of males to females in a population) of a **102.1** in 2022 shows that there are more males than females in TLM. Though this figure is somewhat down from 2011 (**109.8**), this could still indicate that males enter the municipality in search for work, while the family resides somewhere outside the Municipality.

The population is maturing, with the number of young children declining from 27.9% in 2011 to 21.5% in 2022. The working age population (15-64 years old) have increased from 67.6% in 2011 to 72.3% in 2022. There are also more older people (65 years and older) in 2022, 6.3% as opposed to 4.4% in 2011.

Figure 6: Trends in age and gender distribution of population 2011-2022



This information is critical to support decision making in the prioritization of resources allocation to sustain basic service delivery and facilitation of social and economic development within the Tsantsabane Local Municipal area. TLM and key stakeholders must reflect on the following issues: -

- Implications of age distribution in the Municipality for the provision of social development services (e.g. community facilities; educational facilities; settlement planning; etc)

- Implication of age distribution on employment in the Municipality and on socio-economic development by key stakeholders.
- Implications on municipality and key stakeholders to address gender inequalities and how effectiveness of development interventions and its benefit to the elderly, disabled, women, men, and children.

2.4.3. Education levels

66 % of people aged between 5-24 years attend an educational institution. The percentage of adults (20 years plus) with no education has decreased substantially from 2011, only 6% of adults have no schooling (2022) compared to 13.7% in 2011. Most people aged 20 years or more have some secondary schooling as their highest level of education (39.3%) with an additional 35% having completed grade 12. Only 5% of adults have some form of higher education, this has reduced from 6% in 2011.

Table 6: Education Levels

Highest Level of Education	People	%
No Schooling	1 232	6.0 %
Some Primary	1 954	9.6 %
Completed Primary	913	4.5 %
Some Secondary	8 004	39.3 %
Grade 12/Std10	7 092	34.8 %
Higher Education	1 037	5.1 %
Other	145	0.7 %

Source: 2022 Census.

The above picture when compared with the 2019 Kumba Kolomela Social Impact Assessment Survey conducted in the whole of Tsantsabane Local Municipality through 1 284 respondents there is no improvements. The graphs below show data for both school and post-school education.

Figure 7: Highest grade passed in school

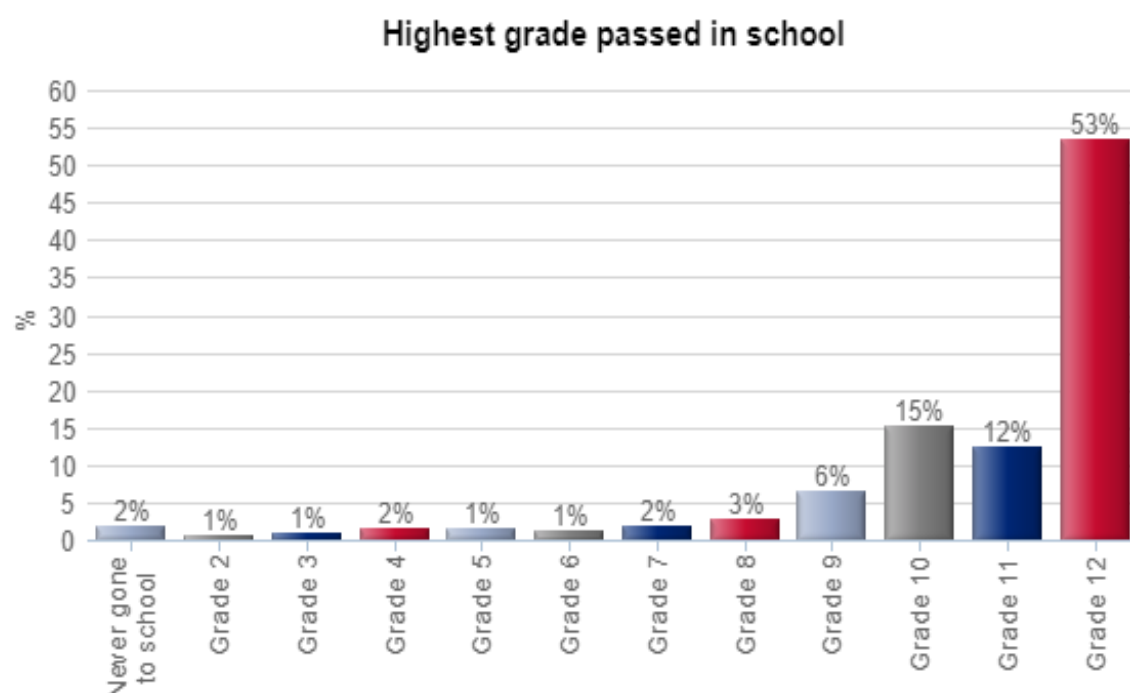
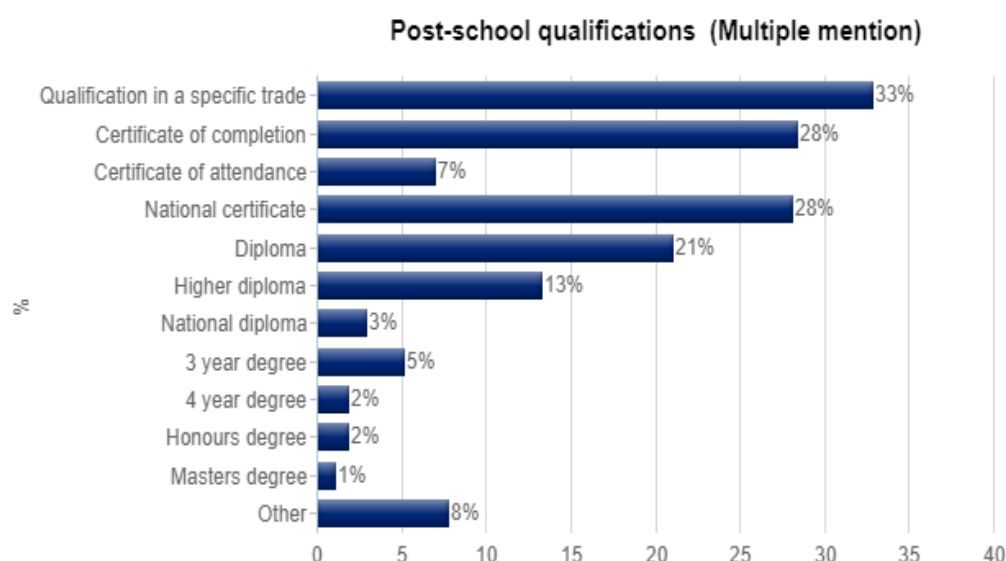


Figure 8: Post-school qualifications



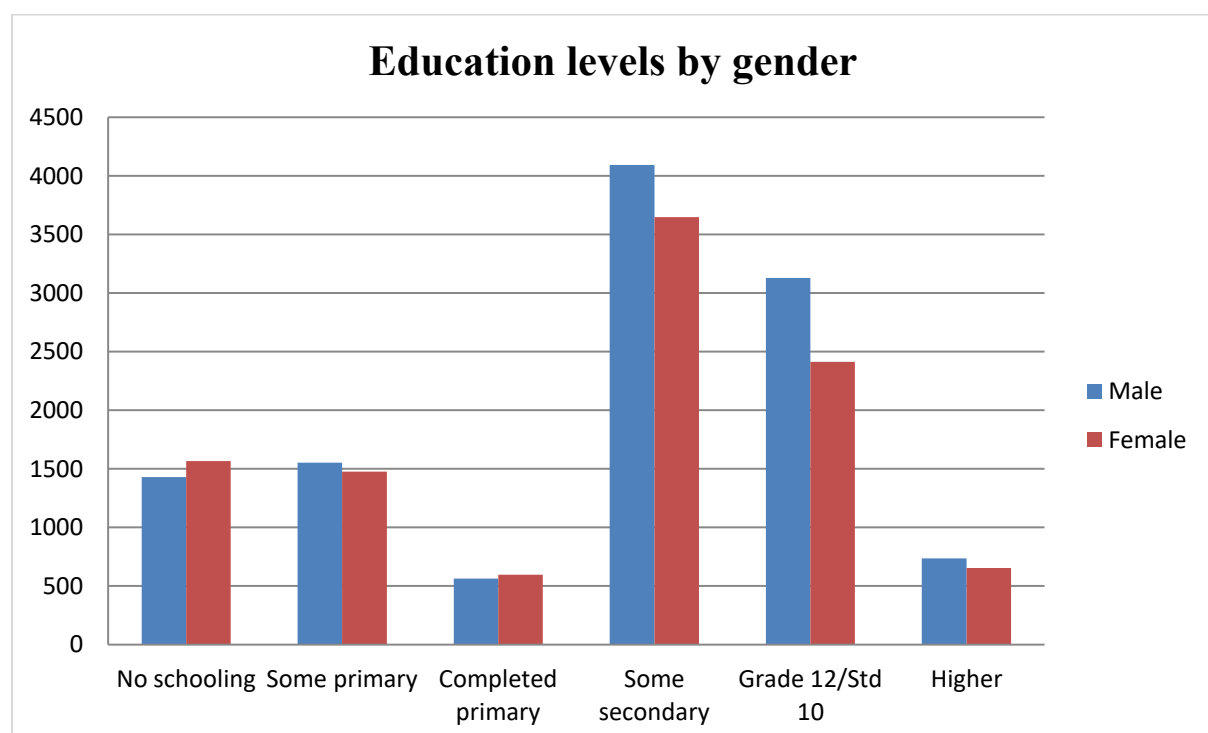
From the above it is evident that the Municipality and all key stakeholders need to put concerted efforts to address the structural flaws that contribute to the above concerning picture on education levels in Tsantsabane Local Municipality. The statistics indicate that although a high number of students enrolling for primary school, a very low number of students complete grade 12. This has resulted in a very low probability for tertiary education enrolment or employment opportunities. Only 5% of those who enrolled for grade 1 make it into tertiary. Less than 15% of the population has a tertiary qualification or have completed Grade 12. It must, however, be mentioned that the education level is affected negatively by the urbanization process, in the past since it mostly involves matriculates and those with a better qualification, due to the

local lack of job opportunities. This can also be attributed to the fact that the nearest University of Technology (Central University of Technology, in Bloemfontein) is almost 400km away and the Sol Plaatjie University has recently started a limited offering of some courses.

In response to this situation the municipality has made provision in its Mountain View and Greenfield Township establishment project (part of the Mix typology Human Settlement Bulk & Link Infrastructure Project) provided for space for two primary and secondary schools respectively. And through the ZFM District Intergovernmental Forum the Regional Department confirm that the Provincial Government has approved the building of high school English medium Secondary Education School.

With regards to education levels per gender, the diagram below depicts data of a concerning picture of low education level in general and it negative impact particularly on the ability of females to gain exposure and perform well at various levels of education system. The general implications are dire for the whole population and its ability to take advantage of socio-economic opportunity presented by the mining and solar industry investment in the area both with regards to enterprise development and employment.

Figure 9: Education levels by gender



2.4.4. Employment and Labour Force Characteristics

The table below describes key labour force characteristics between 1995 and 2022. The following needs to be highlighted:

- The labour force participation rate is a measure that indicates the percentage of the working-age population (typically ages 15 to 64) that is either employed or actively seeking employment. It is a useful indicator of the proportion of the population that is engaged in the labour market. The participation rate has declined slightly, from **62%** in 1995 to **58%** in 2022.
- The labour force absorption rate refers to the rate at which the labour force is absorbed or employed within an economy. In other words, it could be a measure of how effectively the labour force is utilised or integrated into productive activities. The absorption rate decreased from **56%** in 1995 to **37%** in 2022.
- Unemployment has increased dramatically, from **9%** in 1995 to **37%** in 2022. More than 6 000 people are currently unemployed in the Municipality.

Table 7: Labour Force Characteristics

Concept	1995	2000	2005	2010	2015	2020	2021	2022
Population - Total (Number)	24 718	26 760	29 579	34 116	37 399	42 004	42 698	43 424
Population - Working age (Number)	14 859	16 689	19 374	23 190	25 621	29 074	29 596	30 135
Labour force / economically active (Number)	9 160	10 258	12 036	13 409	15 443	15 667	16 489	17 544
Labour force participation rate (Percentage)	62	61	62	58	60	54	56	58
Employed - Formal and informal - Total (Number)	8 330	9 124	9 697	10 485	11 902	10 727	10 332	11 269
Employed - Formal - Total (Number)	6 388	6 937	6 918	6 880	7 829	7 751	7 845	7 923
Employed - Informal (Number)	1 943	2 187	2 778	3 605	4 073	2 976	2 488	3 346
Unemployed (Number)	830	1 134	2 339	2 924	3 541	4 940	6 157	6 275
Unemployment rate (Percentage)	9%	11%	19%	22%	23%	32%	37%	36%
Labour absorption rate / employment-to-population ratio (Percentage)	56%	55%	50%	45%	46%	37%	35%	37%
Not economically active (Number)	5 699	6 431	7 338	9 781	10 178	13 407	13 107	12 591

Source: Quantec.

The 2019 Kumba Kolomela Social Impact Assessment Survey conducted in the whole of Tsantsabane Local Municipality capturing 4 039 respondents give the following details in terms of employment status and per sector in the Tsantsabane Municipal Area.

Figure 10: Employment status

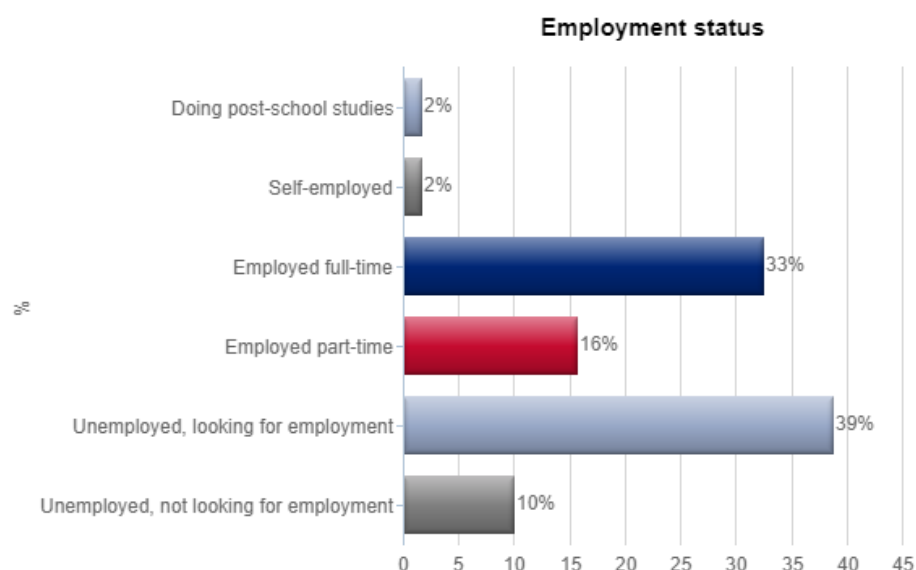
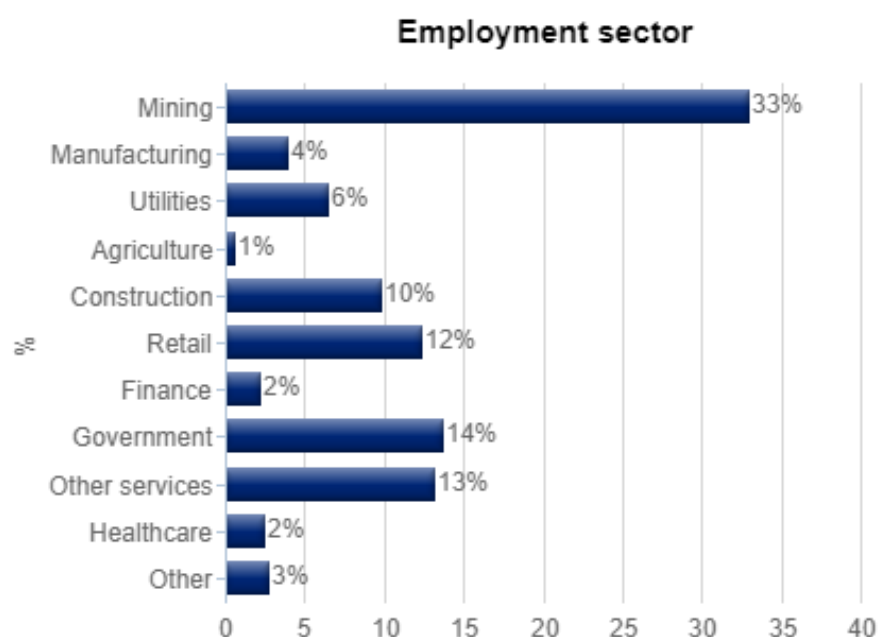


Figure 11: Employment sector



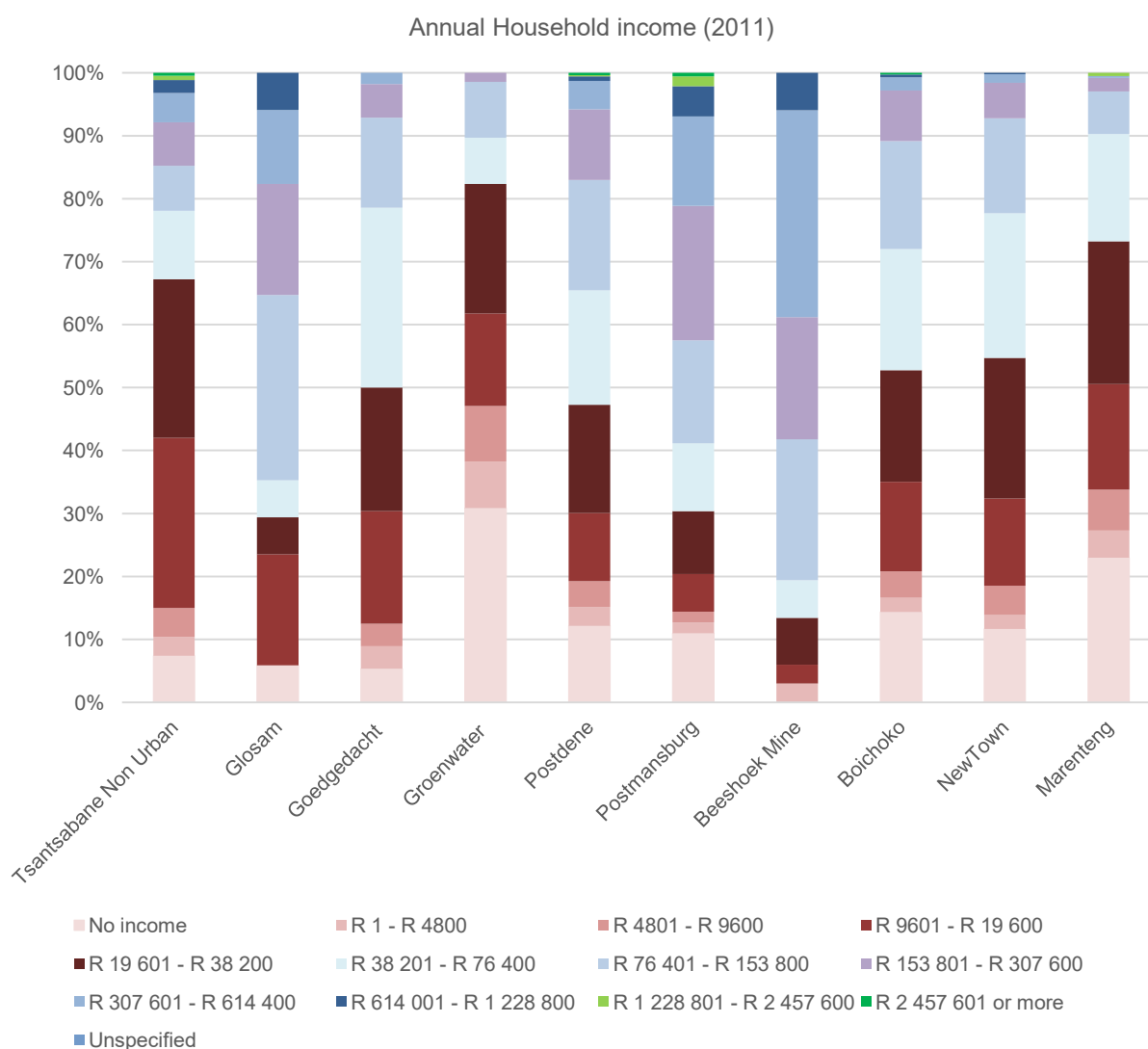
Whilst the above picture creates comfort the concern for Tsantsabane Municipal Council remains the sustainability of this picture or its positive impact on local population given the data of education levels, impact on special groups (youth, women & disabled), impact of COVID 19 pandemic on the above. Moreover, the concern remains the importing and extraction nature of solar and mining industries in relation to production requirements and lack of beneficiation respectively.

The review of the TLM local economic development strategy and spatial development framework documents must put focus on creating sustainability beyond life of mining investment.

2.4.5. Income Levels

The 2011 Census is still to date the only available income data that can be used at a municipal level. In 2011, **13%** of all households in TLM did not receive any income. In addition, **53%** of households are considered “very poor” (households earning less than R39 000 per year). **16.5%** of households are considered “poor” (up to R76 000/annum).

Figure 12: Annual Household Income (2011)



However, the 2019 Kumba Kolomela Social Impact Survey assessment gives additional details on household income and various government grant incomes this is based on 1289 respondents, further confirming the dire poverty situation of the community. This situation has indeed changed to the worst given the socio-economic decline caused by COVID 19 pandemic, the June 2021 unrest, and KZN and TLM flooding events.

Figure 13: Household income

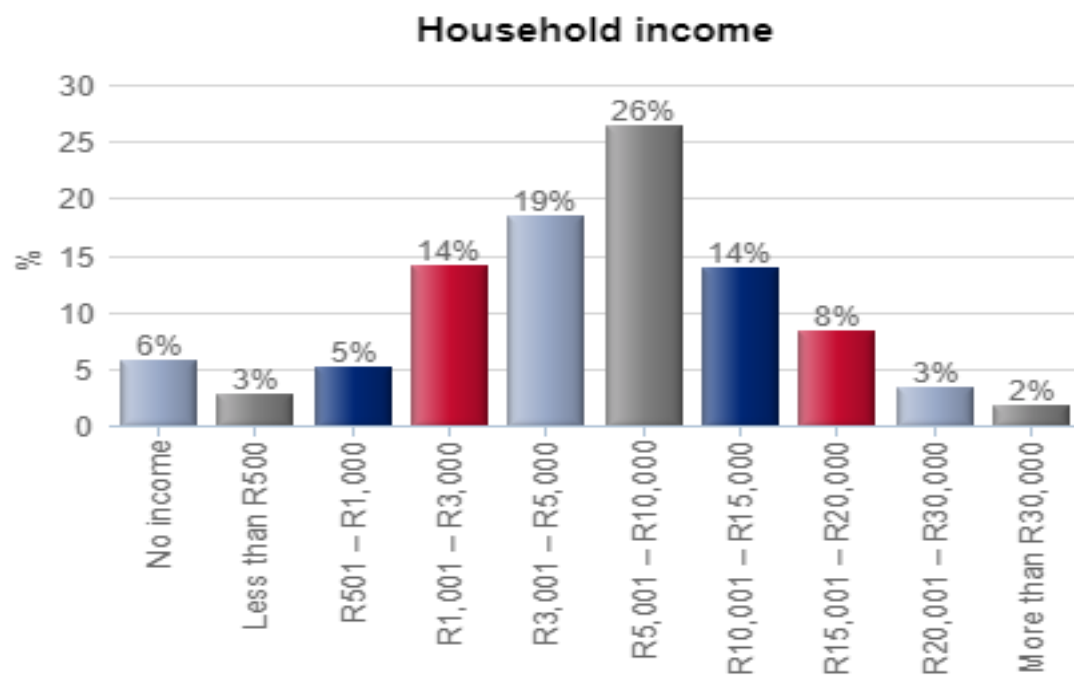
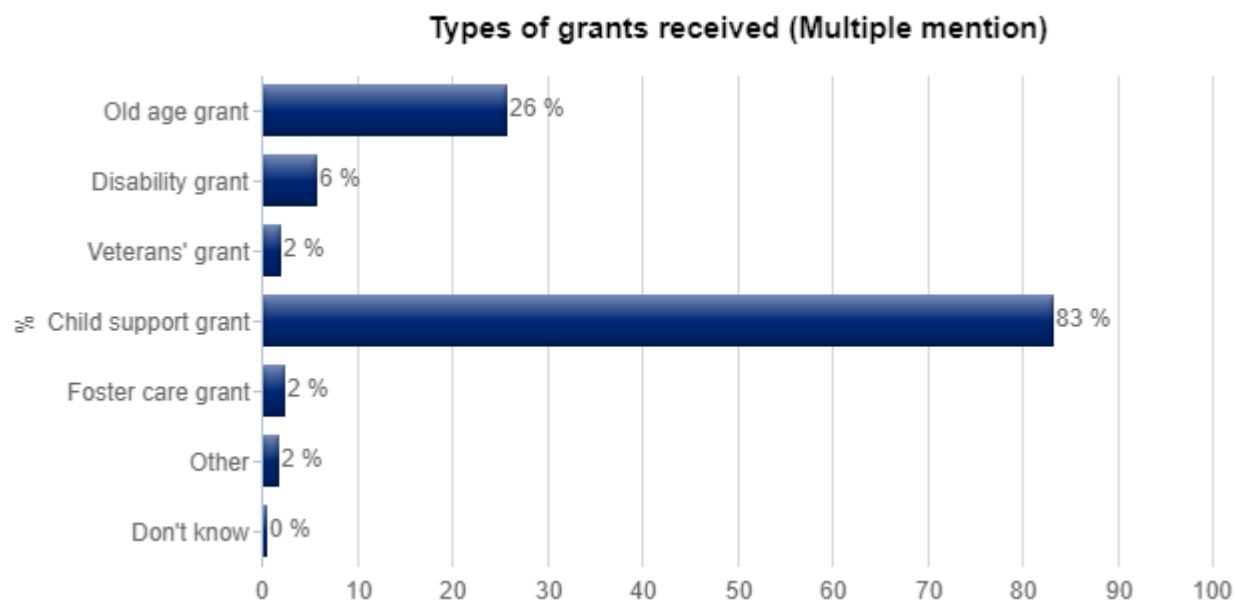


Figure 14: Types of grants received

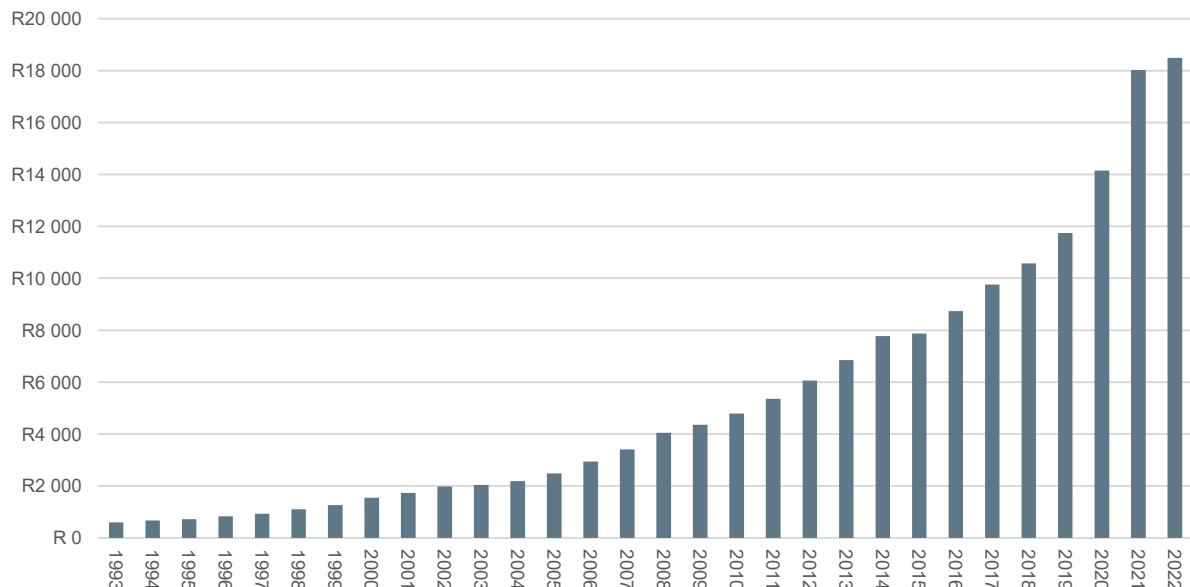


2.5. ECONOMIC ANALYSIS

2.5.1. Production and Output

In 2022, Tsantsabane produced R18.4 billion worth of goods and services. This accounts for 6% of all goods and services produced in the Northern Cape and 23% of what is produced in Z.F. Mgcawu District Municipality. The chart below shows that GVA has steadily increased since 1993.

Figure 15: Tsantsabane Local Municipality - GVA (R millions current prices)



The primary sector contributes two thirds to the economy, with the tertiary sector contributing 28%. The secondary sector (manufacturing; construction and electricity, gas and water) contributes only 6.17%. Mining metals accounts for 60.57% of the GVA, by far the largest industry. Agriculture (also primary sector) contributes 4.16% to the economy. The chart on the following page provides GVA (2022) figures at the most disaggregated level available.

Contributions by the tertiary sector can mostly be found in transport and storage (6.08%), professional business services (4.69%, wholesale and retail trade (4.07%) and private education (3.03%). **Error! Reference source not found.** displays the geographic distribution of GVA, clearly indicating Postmasburg as the main economic node¹.

¹ Source; CSIR

Figure 16: % Contribution to GVA per Economic Sector

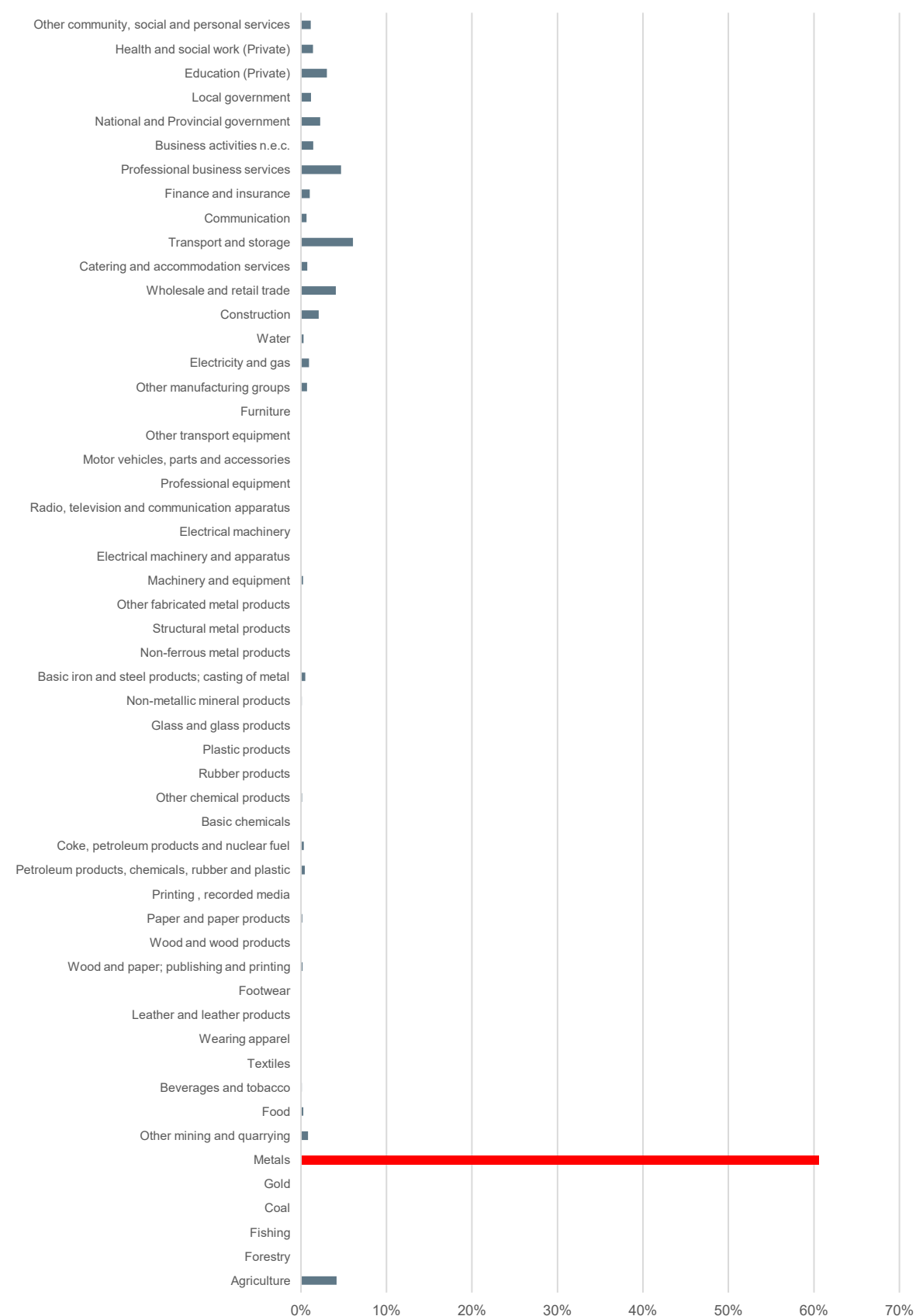
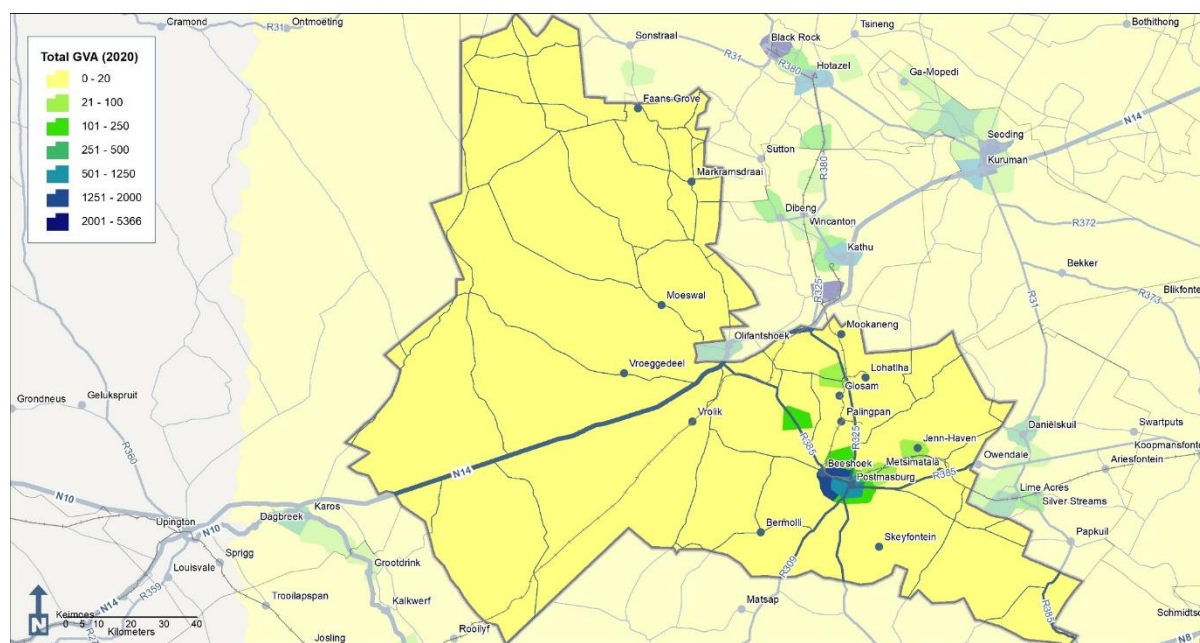


Figure 17: Spatial Depiction of GVA

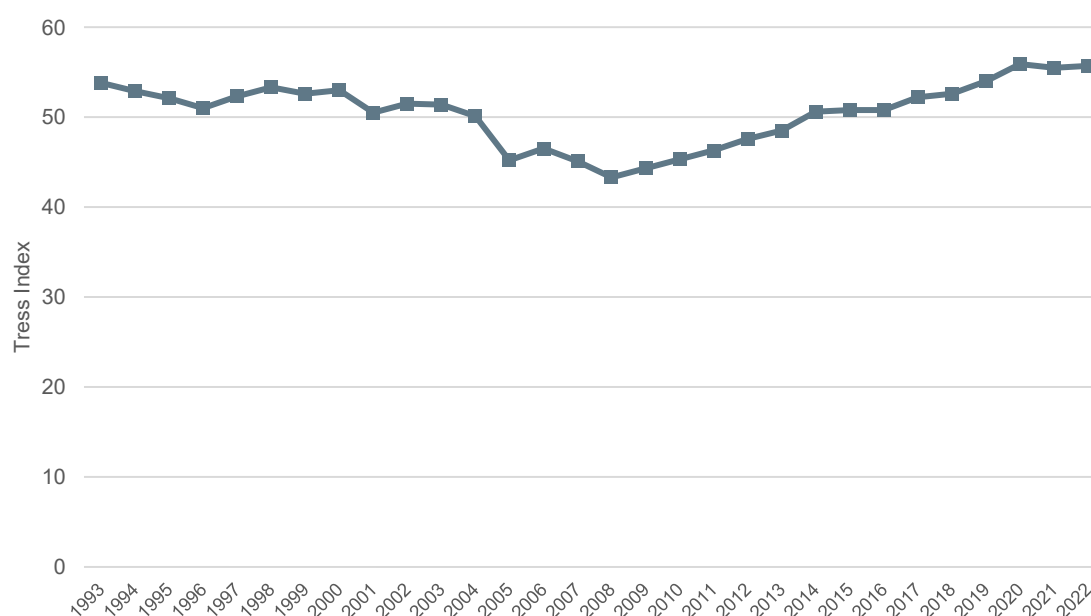


2.5.2. Level of Specialisation in the Economy

The size of the economy and sectors driving the local economy are obviously important. However, the vulnerability of the local economy is equally important, and the ability of the economy to sustain itself through economic cycles will determine sustainability at many levels of development and operations. Economic diversity is one of the major factors that determine risk. It simply implies that the more diverse an economy is, the more resilient it is when one or more sectors are affected by external change and pressures on the local economy. Diversity in an economy is measured through the tress index. A tress index of zero represents a totally diversified economy. On the other hand, the higher the index (closer to 100), the more concentrated or vulnerable the region's economy is to exogenous variables, such as adverse climatic conditions, commodity price fluctuations, etc.

The Figure below indicates that the Tsantsabane's economy is not very diversified. This can be explained considering the role that mining is playing in the region. Of concern is that the level of diversification in the economy has decreased steadily since 2008.

Figure 18: Tsantsabane Tress Index 1993-2022

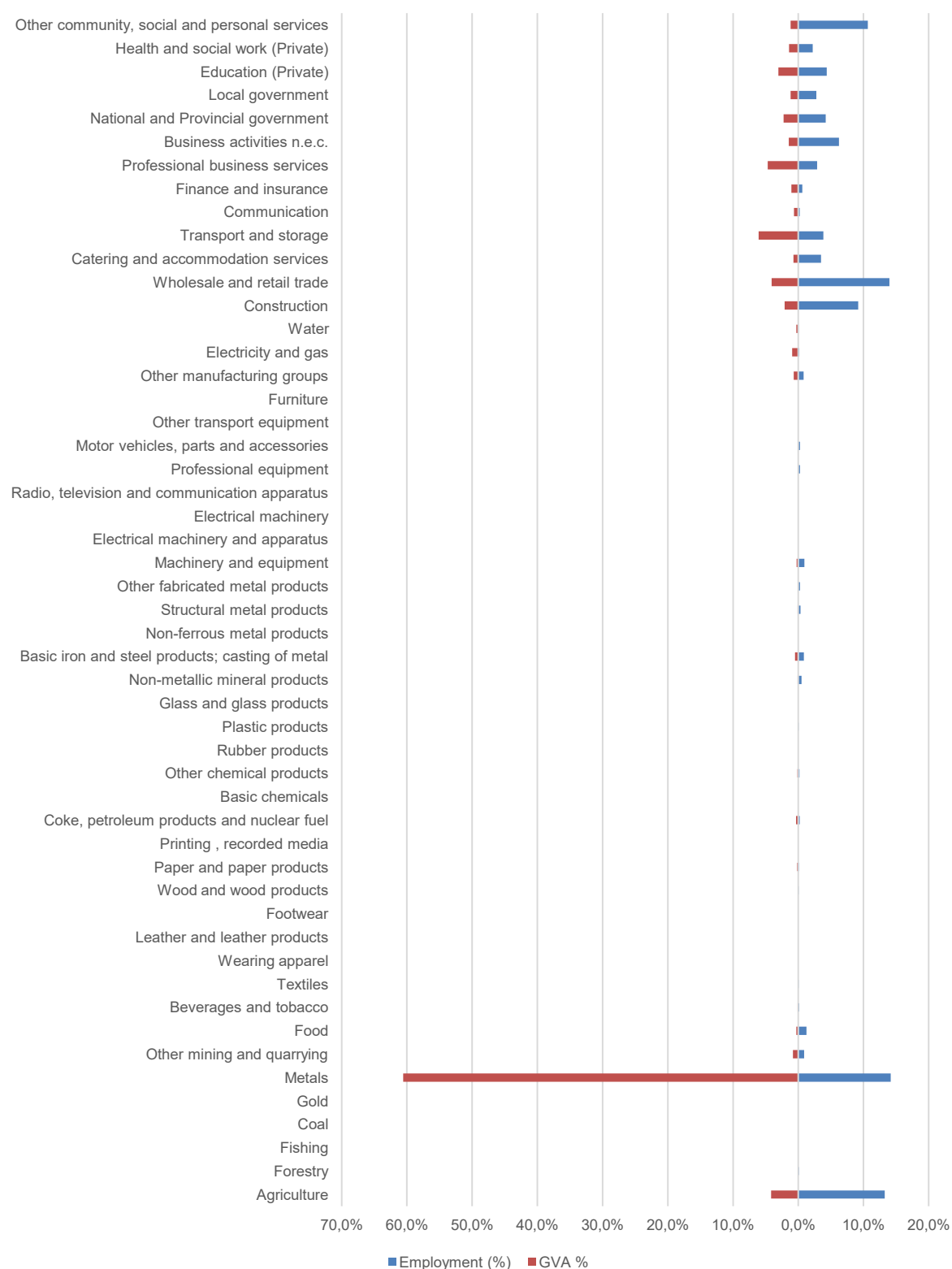


Source: Quantac, 2023

2.5.3. Employment and Economic Sector

The figure below illustrates the percentage employment per economic sector as well as the % GV generated within that sector. While mining contributes a staggering 61% to GVA, it only accounts for 14% employment, the same as the agricultural (4.2% GVA) and wholesale and retail trade (4% GVA) sectors. This represents disproportionate or jobless growth, where revenue increases without actual employment also increasing to match. This is often caused by deep structural challenges which cements a stubbornly poor labour force absorption rate (the ability for the economy to make full use of its working age population). This also means that the other sectors that are employing the workforce may not have the revenue capacity to lift the municipality's economy out of poverty or offer sufficient (vertical or horizontal) socio-economic mobility.

Figure 19: % Contribution to GVA and Employment per Economic Sector



Source: Quantec, 2023

2.5.4. Economic Drivers

In economics, the location quotient is a measure used to assess the concentration of a particular industry or occupation in a specific region compared to its concentration in the overall economy. It provides insights into the relative importance of an industry or occupation in a particular area. The resulting value of the location quotient indicates whether a particular industry or occupation is overrepresented or underrepresented in a specific region compared to the national or overall average. The location quotient is expressed as a ratio between employment within a sub-sector of the economy divided by the total employment within the local/regional/national economy. A ratio greater than one, suggests that the specific economy employs proportionally more people within the local economy than the economy it is being compared to. As a result, it generates more than what can be consumed locally, and the sector is thus a net exporting sector. This implies that it generates income for the local economy (i.e. a comparative advantage and key driver). The opposite is then true for ratios smaller than one.

Table 8: Location Quotient

Industry	Location quotient relative to District Municipality	Location quotient relative to Province	Location quotient relative to National
Agriculture	1.7	8.3	8.6
Forestry	1.3	2.7	1.1
Fishing	0.2	1.1	6.0
Coal	0.0	0.0	0.0
Gold	0.0	0.0	0.0
Metals	6.9	141.6	0.3
Other mining and quarrying	4.5	15.6	5.4
Food	0.5	1.6	2.1
Beverages and tobacco	0.7	1.9	3.2
Textiles	0.3	0.3	0.5
Wearing apparel	0.4	0.2	0.3
Leather and leather products	0.0	0.0	0.0
Footwear	0.0	0.0	0.0
Wood and wood products	0.6	0.7	0.7
Paper and paper products	0.8	0.5	0.5
Printing, recorded media	0.4	0.1	0.3
Coke, petroleum products and nuclear fuel	0.6	0.3	0.2
Basic chemicals	0.5	0.3	0.2
Other chemical products	1.5	1.0	0.8
Rubber products	0.2	0.2	0.1
Plastic products	0.0	0.0	0.0
Glass and glass products	0.7	0.2	0.3
Non-metallic mineral products	1.8	3.9	3.3
Basic iron and steel products; casting of metal	0.6	1.3	0.7
Non-ferrous metal products	0.0	0.0	0.0

Industry	Location quotient relative to District Municipality	Location quotient relative to Province	Location quotient relative to National
Structural metal products	0.8	0.6	0.6
Other fabricated metal products	0.9	1.0	0.9
Machinery and equipment	0.8	0.5	0.4
Electrical machinery	0.5	0.0	0.0
Radio, television and communication apparatus	0.3	0.2	0.2
Professional equipment	1.1	0.5	0.5
Motor vehicles, parts and accessories	1.1	0.5	0.4
Other transport equipment	0.0	0.0	0.0
Furniture	1.2	0.6	0.6
Other manufacturing groups	1.8	1.0	1.2
Electricity and gas	1.0	0.7	0.5
Water	3.6	2.9	1.5
Construction	1.0	0.8	1.1
Wholesale and retail trade	1.1	1.0	1.1
Catering and accommodation services	1.0	0.9	1.0
Catering and accommodation services	1.0	0.9	1.0
Transport and storage	0.9	0.8	0.8
Communication	1.0	0.4	0.4
Finance and insurance	0.9	0.4	0.5
Professional business services	0.9	0.4	0.5
Business activities n.e.c.	0.8	0.6	0.6
National and Provincial government	1.1	0.9	1.0
Local government	1.0	1.2	1.7
Education (Private)	0.9	0.8	0.5
Health and social work (Private)	1.0	0.7	0.5
Other community, social and personal services	1.0	1.1	0.7

Source: Quantec

Relative to the District Economy, Tsantsabane shows competitive advantage mainly in the following sectors: Metals (mining), Other mining and quarrying, Water, Non-metallic mineral products (manufacturing), Other manufacturing groups, Agriculture, Other chemical products, Forestry, Manufacturing of Furniture.

At a Provincial level, Tsantsabane shows competitive advantage mainly in the following sectors:

Mining Metals, Other mining and quarrying, Agriculture, Non-metallic mineral products, Water, Forestry, Beverages and tobacco, Food, Basic iron and steel products; casting of metal and Local government.

Relative to the National Economy, Tsantsabane shows competitive advantage mainly in the following sectors: Agriculture, Fishing, Other mining and quarrying, Non-metallic mineral products, Beverages and tobacco, Food, Local government, Water and Other manufacturing groups.

2.5.5. Local economic development

Local government is mandated to create the necessary conditions for economic growth and job creation. The municipality has a LED Strategy, which is due for review. The municipal area places an important role in the economy of the region/province, as it is in the Gamagara Development Corridor.

2.5.6. Macro-Economic Environment

- All businesses operate in an environment that is changing daily. When referring to the environment, it is not only one global external environment that is referred to. Conducting business includes analyzing the environment to look for gaps in the market and opportunities to explore.
- Boom and bust cycles are anonymous within the mining industry. Host communities should understand that in boom time's jobs, investment in infrastructure and the infusion of cash will regress into bust times of population decline, unemployment, and losses in income (Vadgama, et al., 2008). New small mining towns benefit substantially in terms of local economic growth as well as poverty alleviation (Owusu-Koranteng, 2008). But as noted by the World Bank (2002, p. 14), this does not happen automatically and the community should be aware to reduce the dependency on the natural resource very early in the development of the mining sector in the region.
- Furthermore, Rogerson (2012, p. 107) reiterates that economic development is not only about growth in the economy but also concerned with the diversification of the local economic base to enable economic sustainability of the area once mining is ceased.
- As in many other parts of the world, several South African small towns are dominated by "economically undiversified, single-resource small towns" (Pelser, et al., 2012, p. 45). Looking at the mining industry in South Africa, any fluctuations in their activities can influence the market and micro environments of its immediate environment, especially towns situated close to where a mine is being established. In many of these mining communities the responsibility of economic development has been transferred to the mining company through the social and labour planning requirements of the Mineral and Petroleum Resources Act No. 28 of 2002 (MPRDA ss.25(2)f)) and the corporate social responsibility of the large mining companies (Sorensen, 2015; Republic of South Africa (RSA), 2004). This is often referred to as the **"company town syndrome"** (Crabb, 2002).

2.5.7. Market Economy of Tsantsabane

The macro environment influences the market or industry in which a business is operating. The market or industry analysis gives a better understanding of the market or players in the industry, showing who the market leaders are. The influence, positive or negative, can impact local business conditions because of several factors such as the decrease in expenditure, equipment, retrenchment, or general working conditions such as overtime which ultimately affects disposable income of the employees. The opposite can also be a reality, meaning the expansion in the mining industry can create many business opportunities for entrepreneurs and therefore also more job opportunities (Bec, et al., 2015) .

2.5.7.1. Reflections from micro environment of local businesses

The mining industry can have a great impact (positive and negative) on other industries. A mining town like Postmasburg, has had a positive business impact from mining the last few years because of a new mine (Kolomela) starting with construction near the town in the middle of 2008. The older mine, Assmang Beeshoek, has a constant impact on the town because the mine was established many years ago (1968) and moved all the workers into the town. According to Carrington and Pereira (2011) the mining industry does not support the local businesses. Similar sentiments were expressed by local business people (Local Business Economic Group, 2014). This is the view from the small black as well as the large white businesses (Local Business 3, 2015). One interviewee expressed these concerns in the following words *“All the previous open spaces in town are now occupied by foreign nationals. The local black and white businesses do not have money to pay the inflated rental prices in town”*. This was often the case in previous studies as well (Bec, et al., 2015). The Mining Charter does targets for regional or local black economic empowerment (BEE) procurement, examples are seen with Kumba Kolomela Mine has been committed to create business opportunities for black-owned and empowered businesses in the Northern Cape and the Tsantsabane Municipal area. In 2014 the local procurement made up 25% (R860 million into the local economy) through combined bidding of large local businesses as well as Broad Based Black Economic Empowerment (BBBEE) with training and various means of assistance. Black business owners have mobilized themselves into forums such as the Emerging Contractors' Forum (ECF), Tsantsabane Black Business Chamber (TBBC) and the Tsantsabane Local Business Forum (TLBF) as instruments to formally put pressure on the mine and make demands for fast-tracking localized BEE procurement. (Kumba Iron Ore Limited, 2014).

Almost 80% of the businesses involved in the survey were in formal structures, whereas almost 17% were in informal structures and only 4% made use of business opportunities without shelter. There are many newer businesses in Postmasburg because 57% of those businesses interviewed are less than 5 years old. When looking at the individual new businesses, 53% were involved in retail and wholesale; 19% in personal services; 16% in transport, 6% in catering and accommodation and 3% in financial services.

The management of business risks or opportunities largely depends on the strengths and weaknesses of the internal or micro environment. The micro or internal environment is of equal importance to the business as the two other mentioned environments (macro and market or industry). Knowing the internal environment of the business, is not only a detail understanding of the strengths and weaknesses inside the business that can contribute to the sustainable

existence, but also how and to what extent to change business activities to adapt to the industry or macro environmental influences.

2.5.8. Economic Opportunities

2.5.8.1. Current Economic Opportunities

- **Redstone Concentrated Solar Project.**
 - Redstone concentrated solar thermal power (CSP) project is a 100MW integrated CSP plant being developed in South Africa. The South Africa Department of Energy (DOE) awarded the contract to develop the CSP project to the consortium of SolarReserve and ACWA Power, in January 2015. The contract was awarded under the Renewable Energy Independent Power Producer Procurement Program (REIPPPP) initiated by the DOE.
 - Redstone is the first of its kind to be developed in Africa and is expected to produce 480,000MW of clean energy a year. It is expected to electrify approximately 210,000 South African households during peak demand and is also anticipated to create more than 3,500 jobs.
 - The CSP project is estimated to involve an investment of \$789m and is expected to have an operational life of more than 30 years.

- **The Kapstevel South Mining Project.**
 - The Kapstevel south project involves development of a new pit, Kapstevel South as well as the associated infrastructure at Kolomela. To be located at Kolomela mine in South Africa, the project is expected to cost ZAR7bn (\$424m), including pre-stripping.
 - The project involves development of a new pit, Kapstevel South as well as the associated infrastructure at Kolomela, which is located 22km from Postmasburg in the Northern Cape province of South Africa.
 - The pit is included in the current life of Kolomela mine and is expected to contribute significantly for sustaining production of approximately 13 million tonnes for the remaining life of mine.
 - While the new pit does not extend mine life as it is included in the current life of mine, it ranks as a stay-in-business project as it will contribute significantly to sustaining production of approximately 13 Mtpa for the remaining life of mine.

2.5.8.2. Long-term Economic Diversification Opportunities

This section presents a comprehensive analysis of the economic potential of various sectors in the Tsantsabane Local Municipality. The investment map unveils sectors (based on the

Standard Industrial Classification or SIC²) with the greatest potential to be engines of economic growth in the Gamagara Mining Corridor. Multipliers quantify the broader economic effects resulting from a change in economic activity within the region, acting as a measure of the ripple effect when an industry expands, or a new project is launched.

- **GDP Multiplier:** Measures the total change in the Northern Cape's Gross Domestic Product (GDP) for every Rand of new economic activity. A high GDP multiplier indicates a strong potential to boost the region's overall economic size and health.
- **Jobs Multiplier (Total, Skilled, Semi-skilled, Low-skilled, Informal):** Indicates the number of jobs created across different skill levels throughout the province for each new job in a specific sector. These multipliers are crucial for policymakers aiming to maximise job creation, align development projects with the existing skills in the region, or identify areas where upskilling is needed.
- **Income Multiplier:** Reveals how much additional income is generated across the Northern Cape economy for every Rand of income created in a specific sector. This multiplier is helpful for understanding how new industries or projects might impact living standards and overall prosperity.
- **Output Multiplier:** This crucial figure estimates the total economic output (sales) generated in the Northern Cape for every Rand of output from a specific sector. It underscores the interconnectedness of industries, demonstrating how growth in one sector can positively affect suppliers and other related sectors, fostering a sense of collaboration and mutual growth among stakeholders.
- **Tax Multiplier:** Estimates the increase in tax revenue for the Northern Cape government for every Rand of new economic activity. This multiplier is essential for understanding how development projects might contribute to funding public services and infrastructure.
- **Gross Operating Surplus (GOS) Multiplier:** This multiplier focuses on the income generated for business and capital owners in the Northern Cape, providing insights into the potential for further private investment and regional growth.
- **Capital Investment Multiplier:** This figure reveals the potential for long-term economic growth, indicating how much additional capital investment is likely to be attracted to the Northern Cape for every Rand of initial investment in a sector. It is a good indicator of a sector's ability to stimulate long-term economic growth and development, instilling confidence in the Northern Cape's economic prospects among potential investors.

The labour classifications used include:

- **Skilled occupations:** Jobs requiring specialised knowledge and expertise, such as professionals, technicians, and managers.
- **Semi-skilled occupations:** Jobs requiring some training or experience, such as clerical workers, salespersons, and artisans.
- **Low-skilled occupations:** Jobs requiring minimal training or experience.

² The Standard Industrial Classification of all Economic Activities (SIC) is based upon the (5th revision which appeared in 1990) International Standard Industrial Classification of all Economic Activities (ISIC) with suitable adaptations for local conditions – published by Statistics South Africa (StatsSA), <http://www.statssa.gov.za/classifications/codelists/sic.zip>.

- **Informal employment:** Work that is often unregulated and may lack formal contracts or benefits.

The investment map is presented with a visual analysis using a colour gradient (green = highest multiplier, red = lowest) to quickly identify the top-performing sectors for each metric. Additionally, both simple and weighted averages of the multipliers are calculated. The simple average gives equal importance to all multipliers, providing an overall assessment of sector performance. The weighted average emphasises certain multipliers based on their relative importance for decision-making in the Northern Cape context.

- **Direct Impacts:** These represent the immediate effects of an investment within the specific sector where it occurs. For instance, if an investment is made in the construction sector, the direct impact would be the increase in output, employment, and income within that sector.
- **Indirect Impacts:** These capture the knock-on effects on other sectors that supply goods and services to the directly impacted sector. In the construction example, indirect impacts would include increased output and employment in sectors providing cement, steel, or machinery to construction companies.
- **Induced Impacts:** These represent the broader effects on the economy resulting from increased household spending due to the rise in income from direct and indirect impacts. As workers in the construction and related sectors earn more, they spend more on goods and services, creating further demand and economic activity in various sectors like retail, hospitality, and healthcare.

The multipliers in the investment map account for all three types of impacts, providing a comprehensive picture of the potential economic benefits of investments in different sectors.

By analysing these multipliers, policymakers and investors can identify sectors with the highest potential for driving economic growth, creating jobs, and generating income in the Municipality. This information can inform strategic investments and policy decisions that support a transition away from mining dependency, ensuring a more diversified, resilient, and sustainable economic future for the region.

Table 9: Selected TLM investment map (2022)

Sectors Description [SIC Code]	GDP Multiplier (fm)	Jobs Multiplier (Total) [Jobs created per fm of sector output]	Jobs Multiplier (Skilled)	Jobs Multiplier (Semi-skilled)	Jobs Multiplier (Low-skilled)	Jobs Multiplier (Informal)	Income Multiplier (fm)	Output Multiplier (fm)	Tax Multiplier (fm)	Gross Operating Surplus (GOS) Multiplier (fm)	Capital Investment Multiplier (fm)	Composite Rank (Simple Average)	Composite Rank (Weighted Average)
Agriculture [SIC 11]	1.48	5.76	0.45	2.16	2.01	1.14	0.55	4.07	0.09	0.84	3.6	2.34	2.51
Forestry [SIC 12]	1.4	16.13	0.48	1.03	9.53	5.09	0.48	3.92	0.1	0.82	2.84	3.67	4.46
Fishing [SIC 13]	0	0	0	0	0	0	0	2	0	0	0	0.29	0.2
Coal [SIC 21]	0	0	0	0	0	0	0	2	0	0	0	0.29	0.2
Gold [SIC 23]	0	0	0	0	0	0	0	2	0	0	0	0.29	0.2
Metals [SIC 24]	1.54	1.66	0.3	0.67	0.39	0.3	0.47	3.13	0.11	0.97	1.93	1.4	1.46
Other mining and quarrying [SIC 22, 25-29]	1.71	3.18	0.56	1.24	0.76	0.62	0.69	3.94	0.11	0.91	3	1.93	2.01
Food [SIC 301-304]	1.95	7.61	0.59	4.2	1.34	1.49	1	4.68	0.1	0.84	3.4	2.8	3.11
Beverages and tobacco [SIC 305-306]	2.07	4.25	0.49	2.02	0.74	1	0.92	4.07	0.1	1.06	3.36	2.26	2.42

Textiles [SIC 311-312]	1.97	10.92	0.56	4.22	0.78	5.37	1.17	4.22	0.09	0.71	3.13	3.17	3.71
Wearing apparel [SIC 313-314]	1.86	4.31	2.25	0.9	0.65	0.52	1.06	3.92	0.07	0.73	2.2	2.02	2.22
Leather and leather and fur products [SIC 315-316]	0	0	0	0	0	0	0	2	0	0	0	0.29	0.2
Footwear [SIC 317]	0	0	0	0	0	0	0	2	0	0	0	0.29	0.2
Wood and wood products [SIC 321-322]	2.21	9.14	0.66	4.7	0.99	2.79	1.28	4.59	0.11	0.81	3.07	3.03	3.48
Paper and paper products [SIC 323]	2.07	3.11	1.07	0.87	0.57	0.6	1.04	3.93	0.09	0.94	2.57	1.96	2.1
Printing, recorded media [SIC 324-326]	2.37	6.96	1.94	1.08	0.74	3.2	1.44	4.44	0.1	0.83	3.02	2.74	3.09
Coke, petroleum products and nuclear fuel [SIC 331-333]	1.25	2.38	0.37	1.08	0.5	0.44	0.5	3.81	0.07	0.68	2	1.53	1.56
Basic chemicals [SIC 334]	0	0	0	0	0	0	0	2	0	0	0	0.29	0.2
Other chemical products [SIC 335-336]	1.99	4.47	1.51	1.05	1.01	0.9	1.13	4.12	0.09	0.76	2.61	2.17	2.36
Rubber products [SIC 337]	0	0	0	0	0	0	0	2	0	0	0	0.29	0.2
Plastic products [SIC 338]	2.09	9.27	0.6	1.07	0.71	6.89	1.34	4.39	0.11	0.64	3.09	2.99	3.44
Glass and glass products [SIC 341]	0	0	0	0	0	0	0	2	0	0	0	0.29	0.2
Non-metallic mineral products [SIC 342]	1.84	6.99	0.68	3.37	0.96	1.96	1.02	4.22	0.11	0.71	4.72	2.8	3.03
Basic iron and steel products; casting of metal [SIC 351, 353]	1.51	2.87	0.46	1.29	0.52	0.61	0.78	3.81	0.14	0.6	2.29	1.72	1.79
Non-ferrous metal products [SIC 352]	1.62	2.57	0.42	1.19	0.51	0.45	0.71	3.98	0.21	0.69	2.64	1.78	1.82
Structural metal products [SIC 354]	2.06	6.42	0.53	3.21	1.04	1.64	1.22	4.21	0.15	0.7	2.49	2.46	2.78
Other fabricated metal products [SIC 355]	2.19	6.82	0.56	2.18	2.36	1.72	1.29	4.29	0.14	0.76	2.57	2.58	2.93
Machinery and equipment [SIC 356-359]	2.14	6.39	1.86	2.83	0.64	1.06	1.32	4.15	0.09	0.73	2.26	2.44	2.77
Electrical machinery [SIC 361-366]	0	0	0	0	0	0	0	2	0	0	0	0.29	0.2
Radio, television and communication apparatus [SIC 371-373]	1.38	4.77	0.46	3.35	0.52	0.45	0.8	3.93	0.12	0.46	2.39	1.98	2.14
Professional equipment [SIC 374-376]	0	0	0	0	0	0	0	2	0	0	0	0.29	0.2
Motor vehicles, parts and accessories [SIC 381-383]	1.46	4.09	0.42	2.04	0.7	0.93	0.81	3.74	0.12	0.53	1.76	1.79	1.95
Other transport equipment [SIC 384-387]	2.43	6.67	0.66	4.61	0.78	0.63	1.61	4.55	0.12	0.69	3.53	2.8	3.11
Furniture [SIC 391]	0	0	0	0	0	0	0	2	0	0	0	0.29	0.2
Other manufacturing groups [SIC 392 - 395]	1.5	2.42	0.47	0.63	0.52	0.81	0.72	3.36	0.09	0.69	1.46	1.46	1.57
Electricity and gas [SIC 41]	1.91	1.83	0.4	0.65	0.41	0.38	0.59	3.28	0.22	1.09	8.26	2.46	2.28
Water [SIC 42]	2.05	2.11	0.33	0.88	0.44	0.46	0.64	3.3	0.07	1.34	7.14	2.38	2.29
Construction [SIC 5]	1.9	6.32	0.54	2.66	1	2.11	1.08	3.86	0.1	0.72	2.25	2.32	2.64
Wholesale and retail trade [SIC 61-63]	2.41	7.42	1.02	2.48	0.98	2.95	1.08	3.8	0.1	1.23	2.51	2.65	3.08
Catering and accommodation services [SIC 64]	2.21	7.67	0.78	2.59	1.56	2.74	1.01	3.98	0.17	1.03	3.16	2.75	3.13
Transport and storage [SIC 71-74]	1.84	2.25	0.32	0.89	0.41	0.63	0.63	3.11	0.08	1.12	5.7	2.11	2.07
Communication [SIC 75]	1.56	2.02	0.38	0.77	0.48	0.38	0.51	3.5	0.1	0.95	1.77	1.49	1.55
Finance and insurance [SIC 81-82]	2.31	2.95	0.68	1.23	0.6	0.44	0.88	3.6	0.1	1.32	3.87	2.15	2.26
Professional business services [SIC 831-883]	2.19	2.71	0.69	0.96	0.51	0.55	0.68	3.31	0.14	1.36	4.61	2.14	2.21
Business activities n.e.c. [SIC 889]	2.45	8.43	1.01	3.49	1.48	2.45	1.27	4.24	0.12	1.06	3.7	3.04	3.46
National and Provincial government [SIC 911]	3.07	6.96	2.12	2.86	1.25	0.74	2.01	4.98	0.12	0.94	9.51	3.94	4.07
Local government [SIC 913]	3.18	8.6	1.84	3.52	2.55	0.68	2.03	4.85	0.12	1.03	7.06	3.84	4.18
Education (Private) [SIC 92]	3.16	6.81	3.6	1.35	1.12	0.74	1.97	4.77	0.09	1.09	3.59	3.07	3.46
Health and social work (Private) [SIC 93]	2.54	5.6	1.77	1.66	1.11	1.05	1.47	4.3	0.1	0.96	3.47	2.64	2.91
Other community, social and personal services [SIC 94-96, 99]	2.86	23.16	0.93	2.43	13.86	5.94	1.85	4.72	0.1	0.9	3.32	5.27	6.58
Agriculture [SIC 11]	1.52	5.48	0.57	1.72	2.02	1.17	0.58	4.14	0.09	0.85	3.66	2.33	2.49

Forestry [SIC 12]	1.4	15.04	0.47	1.01	8.7	4.85	0.48	3.91	0.1	0.83	2.84	3.51	4.24
Fishing [SIC 13]	0	0	0	0	0	0	0	2	0	0	0	0.29	0.2
Coal [SIC 21]	0	0	0	0	0	0	0	2	0	0	0	0.29	0.2
Gold [SIC 23]	0	0	0	0	0	0	0	2	0	0	0	0.29	0.2
Metals [SIC 24]	1.54	1.81	0.35	0.72	0.44	0.3	0.48	3.2	0.1	0.96	1.98	1.44	1.5
Other mining and quarrying [SIC 22, 25-29]	1.71	3.48	0.59	1.32	0.91	0.67	0.71	4.1	0.11	0.9	3.13	2.02	2.1
Food [SIC 301-304]	1.79	5.87	0.58	2.08	2.02	1.18	0.87	4.69	0.11	0.81	3.09	2.46	2.67
Beverages and tobacco [SIC 305-306]	2.09	4.04	0.84	1.57	0.75	0.88	0.94	4.1	0.1	1.05	3.38	2.24	2.39
Textiles [SIC 311-312]	1.93	7.16	0.35	4.83	0.47	1.51	0.79	3.38	0.07	1.07	3.27	2.53	2.87
Wearing apparel [SIC 313-314]	1.8	6.69	1	2.84	1.49	1.37	1	3.84	0.07	0.73	2.11	2.32	2.65
Leather and leather and fur products [SIC 315-316]	1.83	6.9	0.61	3.96	1.4	0.93	0.96	4.88	0.1	0.78	3.2	2.66	2.92
Footwear [SIC 317]	0	0	0	0	0	0	0	2	0	0	0	0.29	0.2
Wood and wood products [SIC 321-322]	2.16	9.09	0.67	5.66	1.06	1.68	1.24	4.6	0.11	0.81	3.05	3.01	3.45
Paper and paper products [SIC 323]	0	0	0	0	0	0	0	2	0	0	0	0.29	0.2
Printing, recorded media [SIC 324-326]	2.39	6.54	0.95	3.3	0.75	1.54	1.46	4.48	0.1	0.83	3.08	2.7	3.02
Coke, petroleum products and nuclear fuel [SIC 331-333]	1.21	2.21	0.32	1.09	0.42	0.37	0.46	3.41	0.07	0.67	1.65	1.38	1.43
Basic chemicals [SIC 334]	1.65	3.22	0.68	1.1	0.93	0.52	0.91	3.89	0.09	0.65	2.93	1.91	1.98
Other chemical products [SIC 335-336]	1.91	5.2	0.92	2.02	1.57	0.68	1.05	4.09	0.09	0.76	2.55	2.23	2.47
Rubber products [SIC 337]	1.78	7	0.59	1.21	3.28	1.91	1.05	4.27	0.1	0.64	3.03	2.55	2.84
Plastic products [SIC 338]	0	0	0	0	0	0	0	2	0	0	0	0.29	0.2
Glass and glass products [SIC 341]	2.25	7.33	0.67	4.22	0.78	1.66	1.47	4.58	0.13	0.65	6.83	3.32	3.51
Non-metallic mineral products [SIC 342]	1.86	6.52	0.79	2.78	2	0.95	1.05	4.2	0.11	0.71	4.73	2.74	2.94
Basic iron and steel products; casting of metal [SIC 351, 353]	1.5	3.23	0.4	1.63	0.7	0.5	0.76	3.84	0.14	0.6	2.33	1.77	1.86
Non-ferrous metal products [SIC 352]	1.69	2.59	0.44	1.01	0.66	0.48	0.77	4.01	0.22	0.7	2.72	1.81	1.87
Structural metal products [SIC 354]	2.09	6.64	0.55	4.24	0.65	1.21	1.24	4.21	0.15	0.7	2.51	2.51	2.84
Other fabricated metal products [SIC 355]	2.26	6.14	1.25	3.05	1.12	0.72	1.35	4.29	0.14	0.77	2.59	2.5	2.82
Machinery and equipment [SIC 356-359]	2.07	6.58	1.42	1.84	1.4	1.92	1.26	4.15	0.09	0.72	2.27	2.45	2.79
Electrical machinery [SIC 361-366]	0	0	0	0	0	0	0	2	0	0	0	0.29	0.2
Radio, television and communication apparatus [SIC 371-373]	0	0	0	0	0	0	0	2	0	0	0	0.29	0.2
Professional equipment [SIC 374-376]	0	0	0	0	0	0	0	2	0	0	0	0.29	0.2
Motor vehicles, parts and accessories [SIC 381-383]	0	0	0	0	0	0	0	2	0	0	0	0.29	0.2
Other transport equipment [SIC 384-387]	2.48	6.65	0.68	2.85	0.8	2.32	1.66	4.6	0.12	0.7	3.57	2.83	3.14
Furniture [SIC 391]	2.02	9.92	0.64	6.34	0.85	2.08	1.27	4.55	0.11	0.64	2.76	3.04	3.53
Other manufacturing groups [SIC 392 - 395]	1.55	2.33	0.36	0.93	0.54	0.49	0.76	3.43	0.09	0.7	1.55	1.49	1.58
Electricity and gas [SIC 41]	1.9	1.98	0.34	0.76	0.48	0.39	0.59	3.31	0.22	1.09	8.19	2.47	2.31
Water [SIC 42]	2.11	2.03	0.48	0.62	0.51	0.43	0.7	3.34	0.07	1.34	7.26	2.41	2.31
Construction [SIC 5]	1.88	6.09	0.7	2.87	1.26	1.26	1.08	4.12	0.1	0.69	2.39	2.34	2.62
Wholesale and retail trade [SIC 61-63]	2.49	5.78	0.99	2.1	1.42	1.27	1.13	3.74	0.1	1.26	2.34	2.41	2.76
Catering and accommodation services [SIC 64]	2.2	6.3	1.06	2.46	1.44	1.34	1.04	4.14	0.16	1	3.31	2.59	2.89
Transport and storage [SIC 71-74]	1.83	2.43	0.38	0.97	0.49	0.59	0.64	3.22	0.08	1.1	5.62	2.13	2.1
Communication [SIC 75]	1.55	2.03	0.36	0.81	0.45	0.4	0.51	3.51	0.1	0.94	1.65	1.47	1.54
Finance and insurance [SIC 81-82]	2.36	2.91	0.8	1.18	0.53	0.4	0.88	3.48	0.11	1.37	3.66	2.11	2.24

Professional business services [SIC 831-883]	2.31	3.97	0.87	1.65	0.83	0.62	1.03	4.03	0.11	1.17	2.32	2.13	2.35
Business activities n.e.c. [SIC 889]	2.51	7.52	0.94	3.39	1.95	1.24	1.32	4.25	0.13	1.06	3.63	2.92	3.3
National and Provincial government [SIC 911]	3.07	7.29	2.27	2.91	1.38	0.73	2	4.98	0.12	0.94	9.41	3.97	4.12
Local government [SIC 913]	3.18	8.51	1.21	3.13	3.48	0.69	2.03	4.86	0.12	1.03	7.06	3.83	4.16
Education (Private) [SIC 92]	3.15	7.16	3.69	1.57	1.17	0.74	1.96	4.75	0.09	1.1	3.56	3.11	3.52
Health and social work (Private) [SIC 93]	2.54	5.66	1.53	2.17	1.14	0.82	1.47	4.28	0.1	0.97	3.42	2.64	2.92
Other community, social and personal services [SIC 94-96, 99]	2.87	14.24	0.96	2.24	8.34	2.7	1.85	4.69	0.1	0.92	3.43	4.01	4.81

Source: Economic Diversification and Resilience Strategies for the Gamagara Mining Corridor in the Northern Cape. October 2024. Professor Riaan Rossouw.

Tsantsabane Sectoral Strengths:

- **Government services (National, Provincial, and Local) (SIC 911, 913):** Like Gamagara, these sectors have high GDP (3.07 and 3.18, respectively) and income multipliers, reflecting their importance in the local economy. However, their potential for future growth and diversification may be limited.
- **Wood and wood products (SIC 321-322):** This sector exhibits a high GDP multiplier (2.21), indicating its potential to contribute significantly to economic growth. Tsantsabane could leverage this strength by promoting sustainable forestry practices and investing in value-added wood processing industries, such as furniture manufacturing or the production of wood-based construction materials.
- **Catering and accommodation services (SIC 64):** This sector also has a high GDP multiplier (2.21) and a high total jobs multiplier (7.67), suggesting its potential for both economic growth and job creation. The municipality could capitalise on this by investing in tourism infrastructure and promoting the region's unique attractions, such as the Kgalagadi Transfrontier Park and the Wonderwerk Cave.
- **Textiles (SIC 311-312):** This sector has the highest total jobs multiplier (10.92), primarily for low-skilled and informal jobs. This could be a potential avenue for job creation and economic growth, but its environmental impact needs to be considered. Tsantsabane could explore opportunities in sustainable textile production, such as using organic cotton or recycled materials, and promote fair labour practices in the industry.

Tsantsabane Sectoral Weaknesses:

- **Mining:** Like Gamagara, the mining sector has low multipliers, reflecting its declining importance in the local economy.
- **Other sectors:** Most other sectors in Tsantsabane have moderate multipliers, indicating that they may not be as competitive as the top-performing sectors.

Tsantsabane Considerations for Investment:

- Tsantsabane should leverage its strengths in government services, wood and wood products, and catering and accommodation services to drive economic growth and job creation.
- The textiles sector could be a potential avenue for job creation, but its environmental impact needs to be carefully evaluated.

Efforts should be made to diversify away from mining and explore opportunities in other sectors with higher growth potential, such as renewable energy, specialised manufacturing, and tourism.

2.5.8.3. Catalytic Diversification Opportunities

The following is a summary of current initiatives (in various stages) that has been identified (through various instruments) that could assist in diversifying the Tsantsabane Economy.

- **Tsantsabane Fuel Depot (Kalahari Fuel Depot):** This project involves constructing a fuel depot with a storage capacity of 40 million litres for petrol, diesel, transmission oil, and lubricants. The project has secured funding from the Development Bank of Southern Africa (DBSA) and the Industrial Development Corporation (IDC) and has been approved for integration into the Saldanha-Sishen rail corridor by Transnet (Dobbin International, 2020³). The estimated CAPEX for this project is R400 million, and the implementation period is from 2025 to 2030. Operational costs are estimated at approximately 20% of the capital expenditure, based on data from similar projects.
- **The Tsantsabane Iron Ore / Manganese Smelter project,** drawing parallels from the Veer Steel Mills project in Kathu, is poised to significantly impact the local economy. The construction phase, spanning three phases, is projected to generate 900 jobs, primarily in construction-related activities. The operational phase, following the completion of construction, is expected to create 1,050 permanent jobs, showcasing the project's potential for long-term employment generation. The project's emphasis on skills development and training, as evidenced by the inclusion of a Training Centre in the Veer Steel Mills project, further underscores its commitment to enhancing the local workforce's capabilities. The Tsantsabane Iron Ore / Manganese Smelter, by mirroring the successful model of the Veer Steel Mills, has the potential to become a cornerstone of economic growth and diversification in the region, providing sustainable employment opportunities and contributing to the overall development of the community.⁴
- **Korakobab Hydrogen Facility⁵:** The Korakobab Hydrogen Facility, part of the Taaibosch Puts Energy Cluster in Tsantsabane Local Municipality, is poised to be a pioneering venture in green hydrogen production. With an estimated construction expenditure of R2.3 billion over 18 months, the project is expected to create 152 to 251 temporary jobs and generate between R32 million and R58 million in direct household income during this phase. Once operational, the facility is projected to have an annual operational expenditure of R93 million to R168 million, sustaining 54 to 143 permanent jobs. The facility's focus on green hydrogen production aligns with the

³ Dobbin International. (2020). Northern Cape Economic Development Initiative Part 1 Rev 29052020.

⁴ Goliath, M. A. (2019). *Scoping Report in Accordance with Appendix 2: Kapstewel 436 Portion 4 Manganese Treatment Plant*. BNL Nake Trading (PTY) LTD.

⁵ van Zyl, H. and Kinghorn, J. (2023). *Socio-Economic Impact Assessment Report: The Proposed Taaibosch Puts Renewable Energy Cluster near Postmasburg, Northern Cape*. Prepared for Jones & Wagener (Pty) Ltd by Independent Economic Researchers. September 15, 2023.

global shift towards renewable energy and positions the Northern Cape as a potential leader in this emerging sector.

- **Kei Korana Ammonia Facility⁶:** The Kei Korana Ammonia Facility, also part of the Taaibosch Puts Energy Cluster in Tsantsabane Local Municipality, aims to leverage the region's renewable energy resources to produce green ammonia. The construction phase, with an estimated expenditure of R1.5 billion over 18-24 months, is anticipated to create approximately 70 temporary jobs. The operational phase, expected to last over 20 years, will require an annual expenditure of R60 million to R85 million and is projected to generate 54 to 143 permanent jobs. This facility, by focusing on green ammonia production, further contributes to the region's efforts towards a sustainable and diversified economy.
- The **"Pensfontein Mixed Typology Housing Project"** aims to develop a diverse range of housing options, including 636 single residential units, 185 gap housing units, and provisions for municipal, commercial, and community spaces. The project's total budget is R24.6 million, with most of the expenditure planned for the 2027/2028 and 2028/2029 fiscal years. The project's mixed typology approach is expected to cater to the varied housing needs of the community, contributing to social development and improving the quality of life in the area.
- **Postmasburg Small Town Revitalisation Project:** This project aims to revitalise the Postmasburg central business district (CBD) by improving infrastructure, enhancing public spaces, and attracting new businesses and investment. The project's focus is on the construction phase, with an estimated CAPEX of R200 million and an implementation period from 2025 to 2029.
- **Tsantsabane Housing Development Programme:** Job creation estimates for this project are based on the employment potential of the ongoing Kathu Housing Project (Kathu 5700).
- **Tsantsabane Integrated Waste Management Solution (IWMS) Project:** This initiative aims to enhance waste management practices in Tsantsabane by establishing mini transfer stations and a buy-back centre. It is projected to create 480 permanent jobs, primarily for waste pickers. The project will also provide support through equipment funding and access to training, incentives, and business support programs, fostering participation of small, medium, and micro enterprises (SMMEs) in the waste economy.

In addition to the listed catalytic projects, the ZF Mgcawu District Municipality is also undertaking various infrastructure development initiatives to support the proposed catalytic projects. These initiatives include upgrading roads, expanding water and sanitation networks, and improving electricity supply. By investing in bulk infrastructure, the municipality aims to create a more attractive environment for businesses and investors, stimulating economic growth and diversification. The estimated costs for these projects are not explicitly stated in the available documents but are likely substantial given the scale of the infrastructure needs in the municipality. The following two bulk infrastructure projects were selected for further analysis in this study:

⁶ Kristensen, D. and Minnaar (de Jager), J. (2023). Kei Korana Ammonia Facility Environmental Impact Assessment Process Consultation EIA Report. Prepared for Kei Korana Ammonia (RF) (Pty) Ltd by Jones & Wagener (Pty) Ltd. October 18, 2023.

- **Bulk Water Infrastructure Upgrade:** This project aims to address the increasing demand for water in Tsantsabane by upgrading the bulk water infrastructure. The estimated cost for the preferred option (Option 2, which combines supply from boreholes and Sedibeng Water) is R583.4 million. The project implementation is planned to be phased over three financial years (Bigen Africa Services (Pty) Ltd., 2020⁷).
- **Bulk Sanitation Infrastructure Upgrade:** This project focuses on improving sanitation services in Tsantsabane by upgrading the bulk sanitation infrastructure. The estimated cost for the preferred option (Option 4, which involves constructing a new WWTW at an alternative site downstream) is R343.5 million. Like the water infrastructure project, this project is also expected to be implemented over three financial years (Bigen Africa Services (Pty) Ltd., 2021⁸).

These catalytic projects hold the potential to significantly impact the economies of Gamagara and Tsantsabane. However, their successful implementation requires addressing several key challenges, including infrastructure constraints, skills shortages, and environmental concerns. A comprehensive plan for each project, encompassing detailed feasibility studies, environmental impact assessments, and community engagement strategies, is also crucial for their viability and success.

⁷ Bigen Africa Services (Pty) Ltd. (2020). Bulk Water Infrastructure Upgrade: Technical Feasibility and Scoping Report. Report No. 2296/30/01/IR04. Prepared for the Northern Cape Department of Water and Sanitation.

⁸ Bigen Africa Services (Pty) Ltd. (2021). Bulk Sanitation Infrastructure Upgrade: Technical Feasibility and Scoping Report. Revision 1. Report No. 2296/30/01/IR03. Prepared for the Northern Cape Department of Water and Sanitation.

2.6. BUILT-ENVIRONMENT ANALYSIS

The constitution of South Africa mandates local government to make sure that people have access to basic services, such as access to proper sanitation, clean/drinkable water, energy, and waste removal.

2.6.1. Housing

According to StatsSA, 81.1% of households resides in formal dwellings, with 16.4% of households live in informal dwellings (**1 538 households**). While this is the official Census figure, actual conditions may differ.

Table 10: Dwelling Type Census 2022

Dwelling Type	Households	%
Formal dwelling	7 610	81.1%
Traditional dwelling	135	1.4%
Informal dwelling	1 538	16.4%
Other	98	1.0%
Total	9 381	100.0%

Source: Census 2022

The earlier section on demographics highlighted the alternative method followed to test the validity of the Census Figure. The same methodology was used to determine households living in informal and backyard dwellings.

There are **6 193** households living in informal dwellings, with Mountainview and Greenfields the largest informal settlements. An additional **394** households live in backyard shacks, mostly in Postdene and Boichoko.

Table 11: Informal and Backyard Shacks

Area	Backyard	Informal	Grand Total
Boichoko	139	398	537
Carnation		168	168
Greenfields		1 154	1 154
Groenwater		118	118
Jenn-Haven		112	112
Maranteng		337	337
Maremane 1		404	404
Maremane 2		180	180
Mountainview		2 175	2 175
Postdene	158	973	1 131
Postmasburg	97		97
White City		174	174
Total	394	6 193	6 587

Source: TLM MSDF 2024

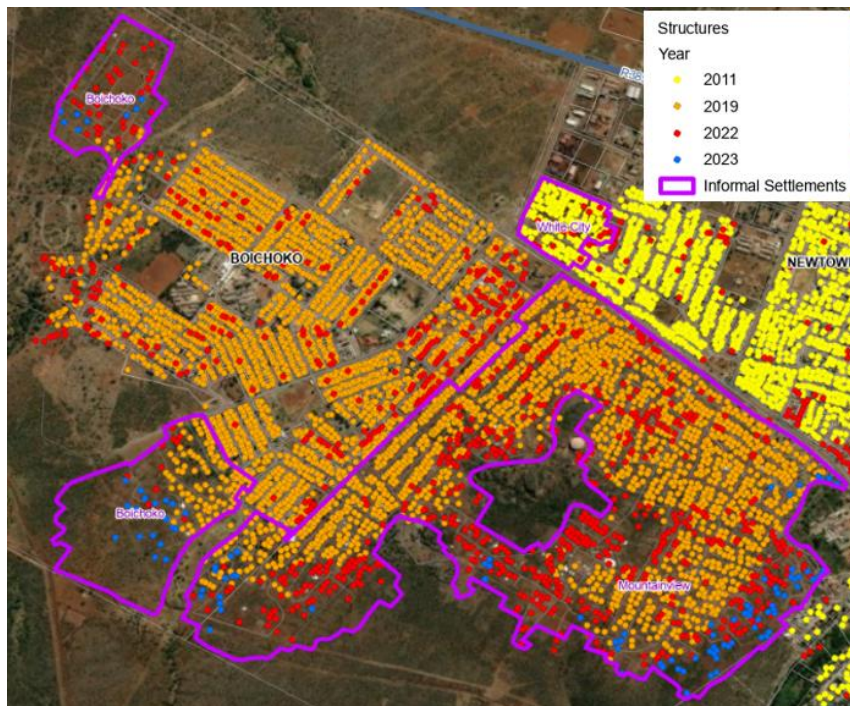
Figure 20: Informal Settlements - Postmasburg



2.6.1.1. Growth in Informal Settlements

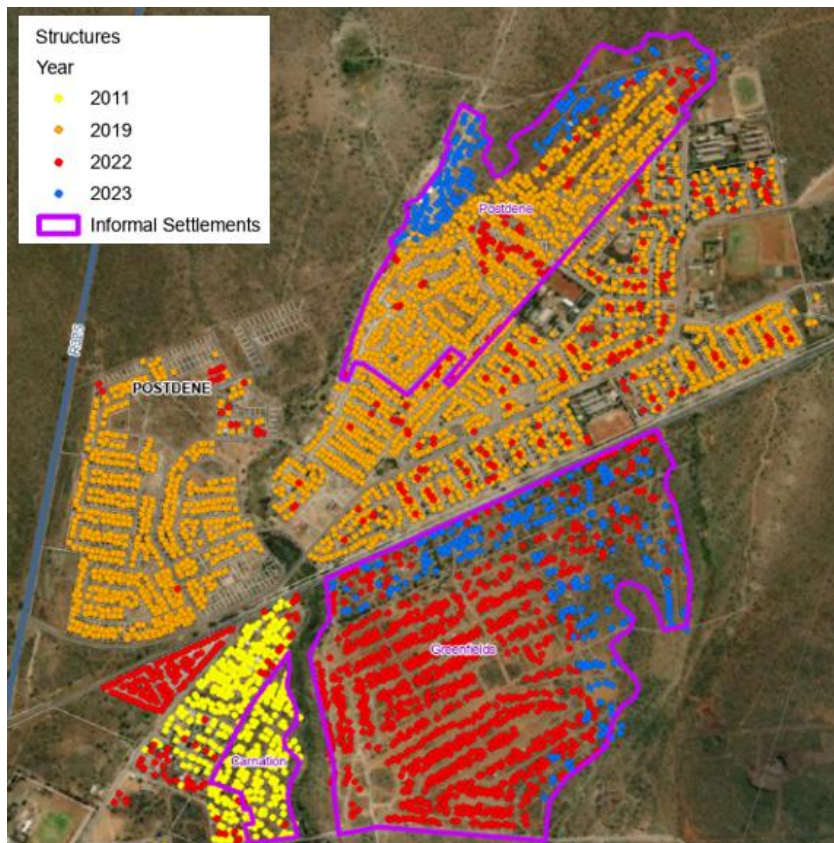
the informal settlements around Mountainview, Boichoko and Greenfields have been targeted for upgrading in the “mixed typology” township proposals. While these proposals have been ongoing for some time, growth in informal settlements have continued. Much of this growth is unplanned in nature, meaning that settlers locate on land that is not part of the general plans of Mountainview or Greenfields.

Figure 21: Growth Mountainview



Source: Points – Eskom Spot Building Count (2011-2015), StatsSA Dwelling Frame 2017, Kolomela Site Induced Migration Plan (2022), Google Satellite Imagery 2023.

Figure 22: Growth Greenfields



2.6.2. Water

Tsantsabane Local Municipality is a Water Services Authority (WSA).

Water Supply (Mariswe, 2023)

- **Postmasburg.** Postmasburg is supplied with surface water abstracted from the Vaal River via the Vaal Gamagara pipeline and groundwater abstracted from 8 boreholes. There is no water treatment plant in the Postmasburg scheme. The water is however chlorinated before distribution. Two of the boreholes from Postdene pump into a 3MI reservoir in Postdene. The two boreholes from Postmasburg pumps into two reservoirs with a combined capacity of 4.28 MI and serves Newton and Postmasburg. The other boreholes pump directly into the water reticulation system of Postmasburg. 60% of all water is currently obtained from the water scheme and 40% from groundwater. Boichoko is supplied with purified water from the Vaal Gamagara scheme. The water is stored in a 1.9 Ml reservoir from where it is distributed to the Boichoko network. A current study is in process to investigate the feasibility of changing this mix to 40% from the water scheme and 60% from groundwater (Viljoen, 2024).
- **Jenn-Haven.** Raw water is abstracted from two boreholes and pumped into a steel reservoir from where it is distributed to the Jenn-Haven community.
- **Groenwater/Metsimatala.** Raw water is abstracted from two boreholes and pumped into a steel reservoir from where it is distributed to the Groenwater community.
- **Skeyfontein.** Raw water is abstracted from one borehole and pumped into four plastic tanks from where it is distributed to the Skeyfontein community.

Water Supply Issues

- **Postmasburg.**
 - The area is plagued by water pipe failures due to aging asbestos cement water pipes. A project has been identified to replace the asbestos cement water pipes (R90 million).
 - Areas without water infrastructure includes Mountain View, Greenfield, Postdene shanties. Extensions are required to these areas.
 - Postdene experiences low water pressure due to Kolomela and Beeshoek developments affecting pressure in Postdene.
 - Stasie – the area is affected due to low pressure and high demand from Newtown reservoir.
 - The low pressures experienced could be solved through the construction of pressure towers or booster pump stations
- **Jenn-Haven.**
 - The pump station has reached the end of its lifespan and needs to be assessed to determine if refurbishment or replacement is required
 - A water supply upgrading project is currently under construction in Jenn-Haven
 - Water supply is affected by illegal connections from the new shanties, requires formalisation of the illegal connections.
- **Groenwater/Metsimatala.**
 - Groenwater experienced a water resource shortfall in 2015. Additional resources will be required to meet the future water requirements of Groenwater (can be supplied from the Vaal Gamagara Scheme).
 - Water from boreholes have high nitrate values which is not suitable for human consumption unless treated.
 - Although a water supply upgrading project was identified for the area, said project is not currently under construction.
- **Skeyfontein.**
 - A water supply upgrading project is currently under construction in the Skeyfontein scheme.

Access to Water.

Census 2022 estimates the number of households without access to piped water at 775 households.

Table 12: Access to Piped Water

Level of Service	Households	%
Piped (tap) water inside the dwelling	6 344	67,6%
Piped (tap) water inside the yard	1 914	20,4%
Piped (tap) water on community stand	347	3,7%
No access to piped water	775	8,3%

This number could be understated and could be as high as **2 835** households (Mariswe, 2023).

Settlement Name	Households requiring Extensions
Groenwater/Metsimatala	155
Jenn-Haven	76
Mountain View	450
Greenfields	2 150
Maremane 2	4
Total	2 835

The **2 835** households currently rely on water tankers for its water supply, and therefore water supply infrastructure needs to be extended to all these areas.

Reliability of Water.

7 034 households do not have a reliable service due to one or more of the reliability categories (Mariswe, 2023).

- 2 888 households require functionality interventions
- 3 858 households require replacement of old existing infrastructure)
- 3 395 households have access to water but inadequate supply because of upgrade/refurbishment issues.

Mine De-Watering

Mine water dewatering is a major source of water for Tsantsabane, though the water is pumped from the mines (e.g. Kolomela) to the Vaal Authority (formerly Sedibeng) water and then sold back to the Municipality in terms of the original agreement.

2.6.3. Sanitation

There are two Wastewater Treatment Plants located in the municipality, one in Postmasburg and the other at Jenn-Haven. The current Wastewater Treatment Plant in Postmasburg is under severe pressure, working at 114% capacity. There is a current initiative to provide a modular WWTP to service both existing and future wastewater needs.

- **Postmasburg.** Postmasburg and all its extensions utilises a mixture of waterborne, flush, VIP, pit toilets and Buckets for sanitation. There are also several households with no formal sanitation (Mariswe, 2023):
 - 57 Bucket toilets must be upgraded to VIP sanitation
 - 224 Households with no formal sanitation must be upgraded to waterborne sanitation
 - 222 Households with buckets must be upgraded to waterborne sanitation
 - 2322 Households with VIP sanitation must be upgraded to waterborne sanitation (note that VIP toilets are an acceptable level of service and does not necessarily count as backlog).

- **Jenn-Haven.** The town utilises flush toilets as sanitation system (septic tanks). The Jenn-Haven oxidation ponds need to be lined.
- **Groenwater/Metsimatala.** The town utilises a mixture of VIP and Pit toilets as sanitation system. The 209 pit toilets must be upgraded to VIP sanitation.

Skeyfontein. Skeyfontein utilises Pit toilets as well as VIP toilets 435 Households utilising Pit toilets must be upgraded to VIP sanitation

Census 2022 estimates that **1 368** households do not have access to a flushing toilet.

Table 13: Main Toilet Facilities

Level of Service	Households	%
Flush toilet	8 012	85,4%
Chemical toilet	45	0,5%
Pit toilet	234	2,5%
Bucket toilet	462	4,9%
Other	49	0,5%
None	578	6,2%

2.6.4. Solid Waste

Census 2022 states that 76% of households have refuse removed by the Municipality at least once a week. Refuse removal, however, remains a significant concern for the Municipality. There are currently two Refuse Removal Site, one at Jenn Haven and the other located at Boichoko. The Boichoko landfill site will consume available airspace in 2 years' time, with Jenn Haven and estimated 9 years available (note that Jenn-Haven is located almost 30min drive from Postmasburg).

Table 14: Refuse Removal

Level of Service	Households	%
Removed by local authority at least once a week	7 137	76.08 %
Removed by local authority less often	34	0.36 %
Communal refuse dump	98	1.04 %
Communal container/central collection point	277	2.95 %
Own refuse dump	1 347	14.36 %
No Rubbish Disposal	377	4.02 %
Other	111	1.18 %
Total	9 381	

2.6.5. Electricity

Census 2022 estimates that 68.5% of households use electricity for cooking purposes, while 92% of households use electricity for lighting purposes.

Table 15: Energy for Cooking

Level of Service	Households	%
Electricity from mains	6 422	68,5%
Gas	2 722	29,0%
Paraffin	94	1,0%
Wood	72	0,8%
Coal	6	0,1%
Animal dung	0	0,0%
Solar	36	0,4%
Other	5	0,1%
None	23	0,2%

Table 16: Energy for Lighting

Level of Service	Households	%
Electricity from mains	8 626	92,0%
Gas	38	0,4%
Paraffin	93	1,0%
Candles	408	4,3%
Solar	192	2,0%
Other	15	0,2%
None	9	0,1%

The following graphic and excel representation below provide a high-level summary of the basic services delivery status at the Tsantsabane Local Municipality as per StasSA 2011 Census.

Figure 23: Basic services

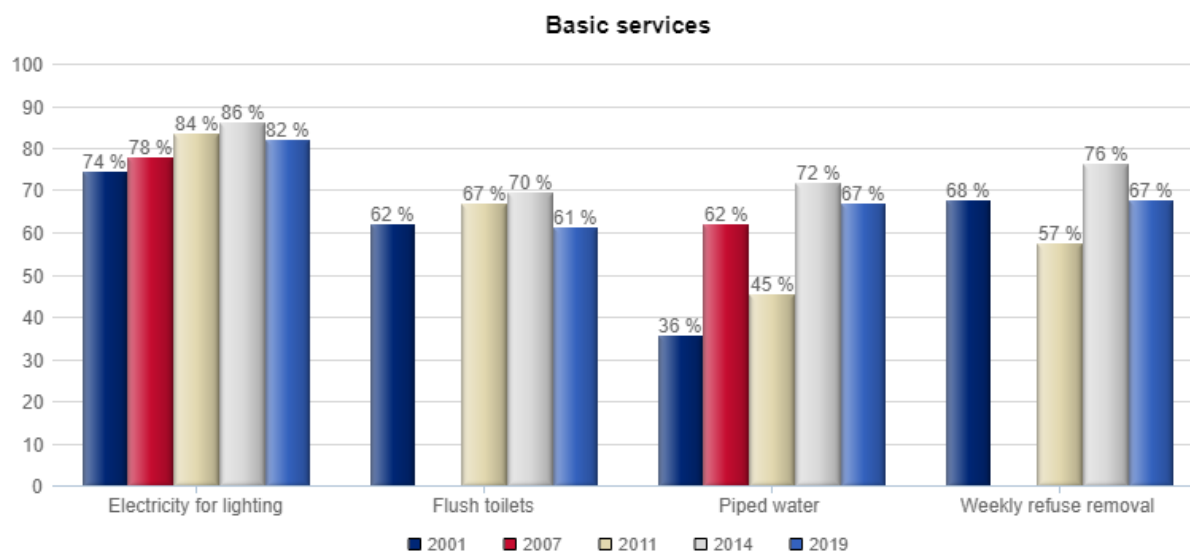


Table 17: Basic services

Basic services	2001	2007	2011	2014	2019	2020
Electricity for lighting	74,4 %	77,8 %	83,5 %	86,2 %	81,9 %	80,8 %
Flush toilets	61,7 %		66,7 %	69,6 %	61,0 %	64,8 %
Piped water	35,5 %	62,0 %	45,3 %	71,5 %	66,9 %	56,2 %
Weekly refuse removal	67,5 %		57,4 %	76,1 %	67,4 %	67,1 %

There are backlogs service delivery in settlement areas of Tsantsabane Municipality that through incremental service delivery interventions are progressively addressed. These are as result of inward migration due to mining and solar investment but also illegally land grabs. These illegal land grab impact negatively on service delivery of Water and Sanitation, Electricity and Refuse Removal mostly informal settlements.

Following the recent township establishment of Mountain View and Greenfield there is verified backlog for service delivery of water, sanitation, electricity, refuse removal for 2600 and 2158 respectively. Despite that the municipality as reflected in the above graphs and table we are a higher level of service in almost all the formalized areas, namely Postmasburg Town, Boichoko, White city, Newtown, Groenwater, Jean Heaven, Postdene, Maranteng, Skeifontein 1, Stasie area, and Carnation. In these areas we provide electricity (mainly by ESKOM, except Town and Carnation), refuse removal water and sanitation.

2.6.6. Land

The Private sector is by far the largest owner of land in Tsantsabane Local Municipality (87.6% plus an additional 3% owned by mines). National Government owns 5.2% of land, mostly concentrated around Lohatla Army Base. While the Municipality is not a considerable landowner (only 0.7% of land belongs to the Municipality), **the land they do own is well**

located, with the bulk consisting of the commonage in and around the core node of Postmasburg.

In November 2021 the municipality advertised for request for proposal for public private partnership for residential and industrial development on the available greenfield land portions owned by the municipality. Moreover, the municipality is also in process of negotiating with the mine for small piece of land for further development.

Table 18: Land Ownership

Ownership Category	Extent (Ha)	% Extent	No. of Properties
National Government	113 789	5.2%	310
Parastatal	1 226	0.1%	108
Provincial Government	11 794	0.5%	12
Municipal	15 689	0.7%	729
Communal Property Association	56 814	2.6%	364
Mining	64 629	3.0%	785
Private	1 900 742	87.6%	9 957
Unknown	4 540	0.2%	6
Grand Total	2 169 223	100.0%	12 272

Source: Tsantsabane Land Audit (Part of the Land Use Scheme review, 2024)

Figure 24: Land Ownership - Tsantsabane Local Municipality

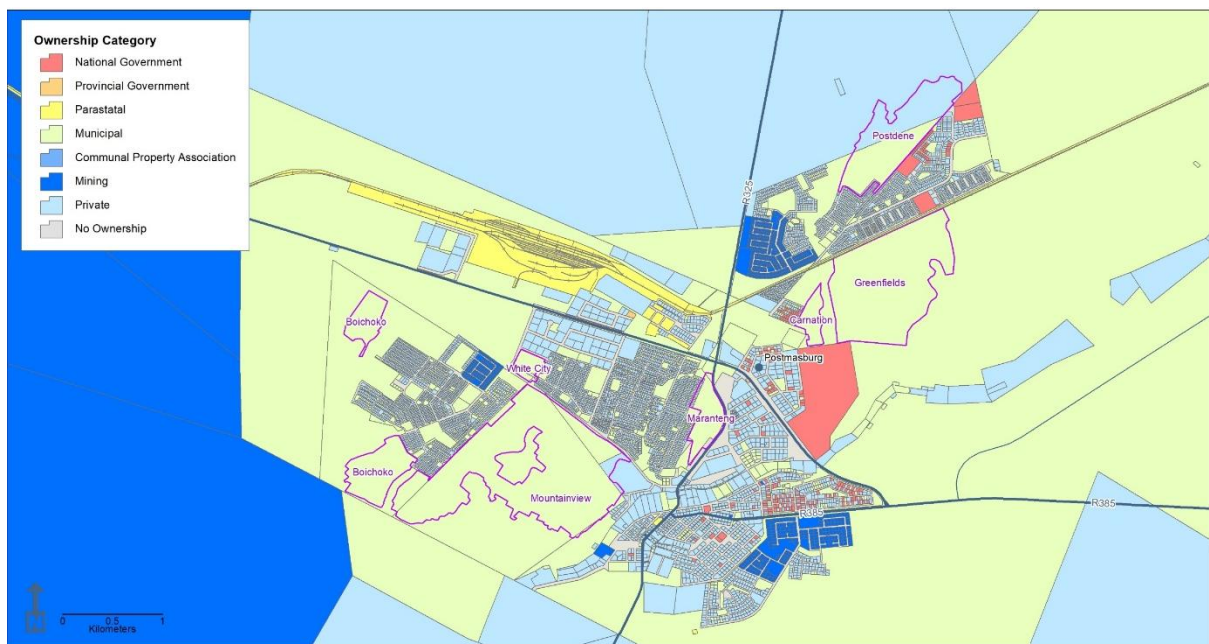
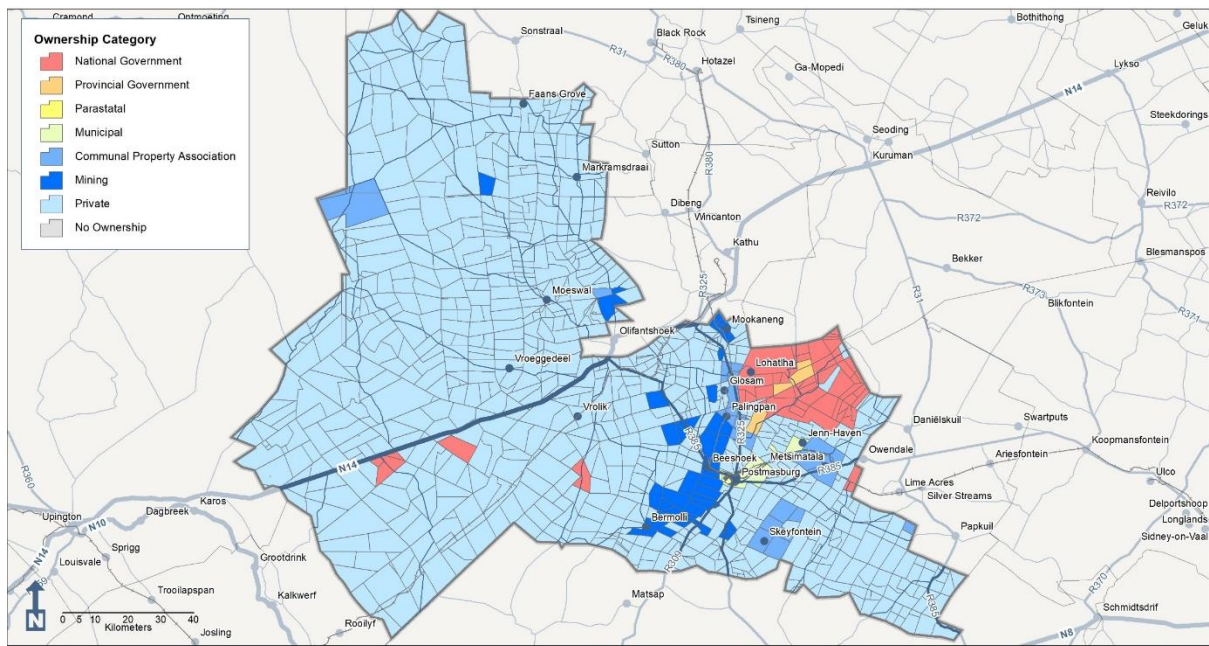
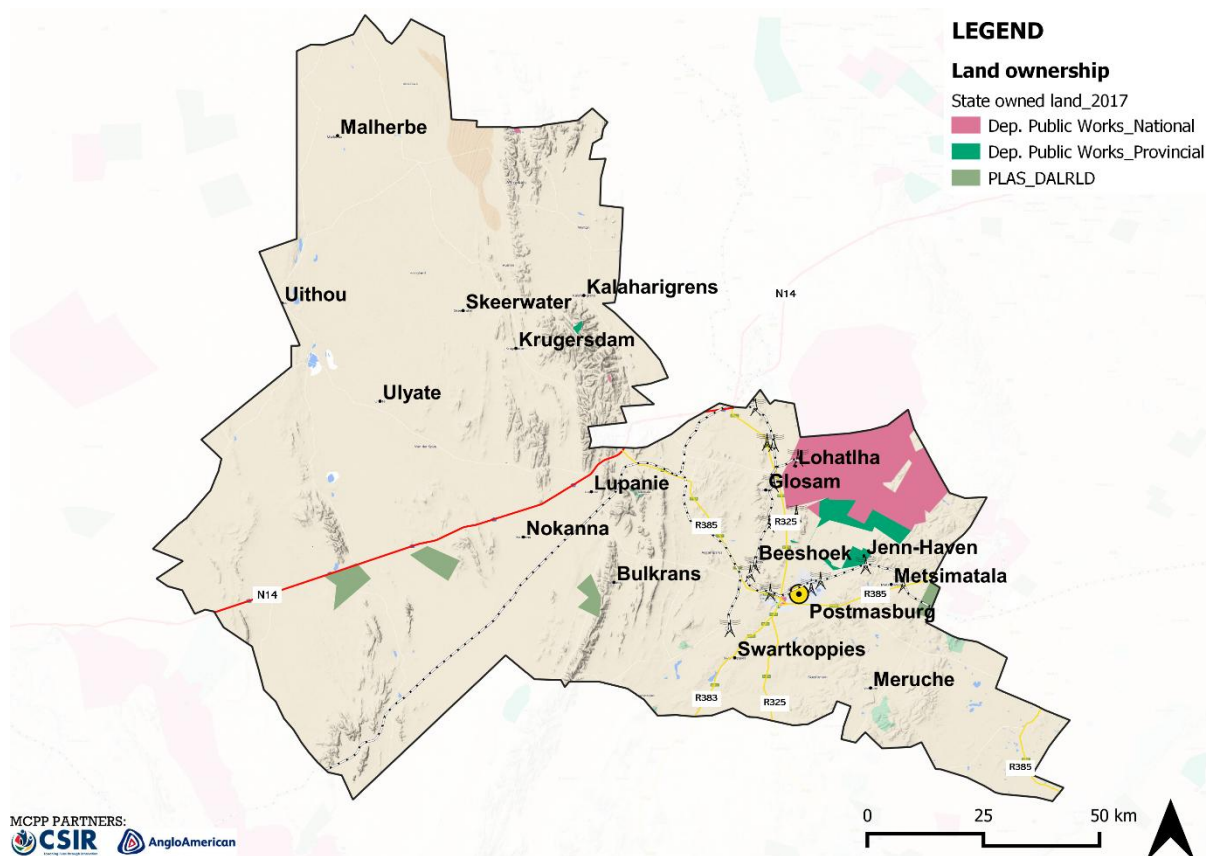


Figure 25: Tsantsabane state-owned land map



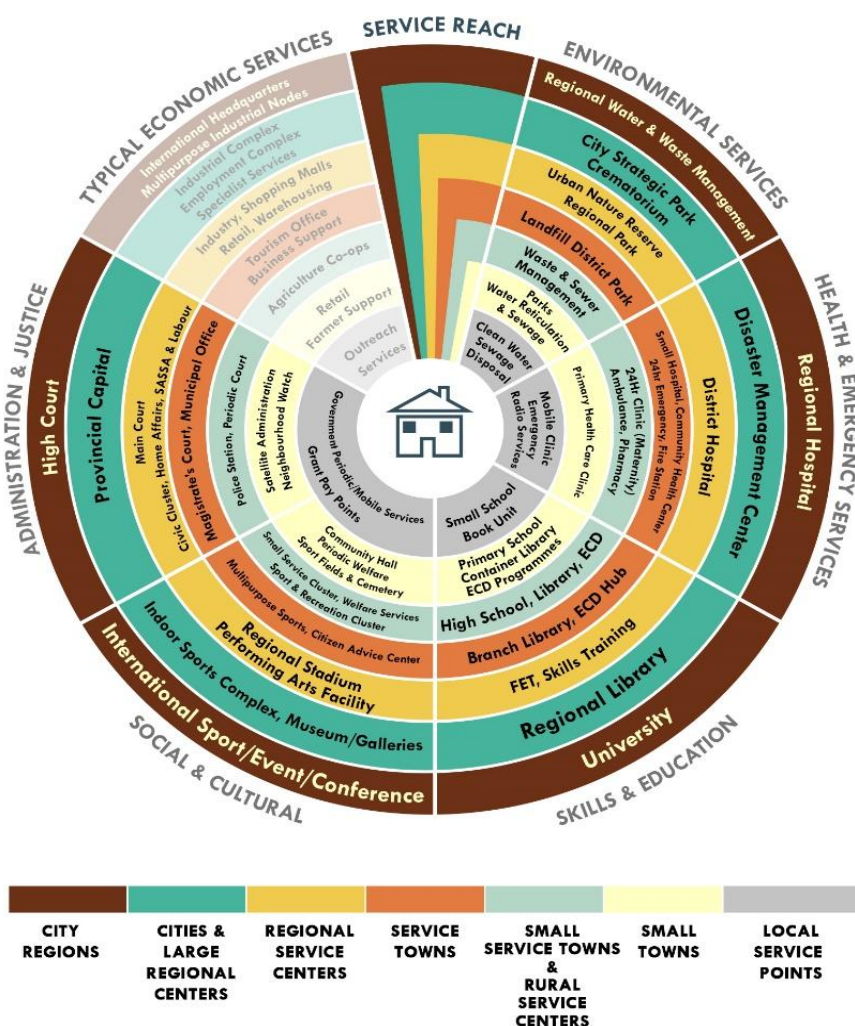
2.6.7. Community Facilities

In terms of the CSIR, Human Settlement Planning and Design, 2000, Settlements that perform well are those that are convenient and give people access to facilities. Social amenities contribute to the human development of people in a particular area. Access to social amenities may contribute to a person's development but their absence can also pose various challenges. In 2018 the CSIR updated the South African Town Typology was updated, drawing on the spatial logic, in which the size of a settlement, its level of economic activity and its role within the surrounding area, are linked to the type and size of social facilities needed⁹. This typology of functionally linked South African cities, towns and villages is more finely differentiated (in

⁹ Chéri Green, Zukisa Sogoni, Valentine Ragoasha. 2018. Socially Just and Rational Social Services Provision for South African Settlements. CSIR document. Available at: http://stepsa.org/service_wheel_typology.html. Accessed 18 December 2021.

terms of the level of inclusion of smaller settlements) than any previous national scale typology.

Figure 26: South African Town Typology



Based on the above this is the CSIR Typology, the following are implications for the Tsantsabane Municipality

Tsantsabane	
Local service node	Lohatlha
Service Town	Postmasburg

This an important information for Tsantsabane Municipality to consider to support continuous planning and review of its strategic document particularly spatial development framework (SDF) and smart city framework document. The following considerations are important going forward:

- What social service-level categories does the municipal town fall and its surrounds settlements fall?
- In line with the NSDF, PSDF, TLM SDF what role is the Municipality expected to perform in the province and the district?
- What level of services should be provided in the town and how it interlink with rural areas within the Municipality?
- How can this information improve the prioritization of social service delivery in the Municipality?
- Which social services exist and which should still be planned for?

Schools

There are 9 primary schools, 3 secondary schools, 1 combined school and 1 intermediate school within Tsantsabane Local Municipality. The following table provides more detail regarding the schools.

Table 19: Schools in Tsantsabane Local Municipality

Schools	Sector	Phase_PED
Asmandia Primary School	Public	Primary School
Assmang Primary School	Public	Primary School
Htt Bidi Memorial Primary School	Public	Primary School
Khosis (Met) Primary School	Public	Primary School
Postmasburg Primary School	Public	Primary School
Saambou Primary School	Public	Primary School
Postdene Primary School	Public	Primary School
Shiloah Academy	Independent	Intermediate School
Re Fentse Primary School	Public	Primary School
Agang-Thuto Primary School	Public	Primary School
Blinkklip Secondary School	Public	Secondary School
Postmasburg Secondary School	Public	Secondary School
Ratang-Thuto Secondary School	Public	Secondary School
Trinity College	Independent	Combined School

The residents have access to educational facilities such as primary schools and high schools, however there is a need for more Primary Schools, as per the threshold's standards set by the CSIR Human Settlement Planning and Design.

Challenges confronting schools include:

- There is an urgent need for additional school facilities in (Postmasburg) and Groenwater / Skeyfontein.
- Lack of a Setswana medium school/s.

- Lack of specialized schools focusing on specialized traits i.e. Technical or Agricultural
- Lack of proper water and sanitation services at schools
- Not enough classrooms and high learners and teacher ratio
- There is a need for an additional technical high school that will respond/address for the needs of the mining sector.

Community Halls

The following community halls are located within the municipality:

- Jenn-Haven Community Hall
- Groenwater Community Hall
- Metsimatala Community Hall
- Skeyfontein Community Hall
- Boichoko Community Hall
- Postmasburg Community Hall (Town Hall)
- Postdene Community Hall
- Newtown Community Hall

Libraries

The following libraries are located within the municipality:

- Jenn-Haven Library
- Boichoko Library
- Postdene Library
- Postmasburg Library
- Newtown Library (note that the project is on hold)

Paypoints

Paypoints are in Boichoko, Postdene, Jenn-Haven, Skeyfontein, Groenwater, Newtown as well as at the Municipal Offices in Postmasburg.

Police Station. One police station serves the municipality, located in Postmasburg.

Health Facilities.

The following health facilities serves the communities of Tsantsabane:

Table 20: Health Facilities in Tsantsabane Local Municipality

Health Facilities	Type
Boichoko Clinic	Clinic
Postdene Clinic	Clinic
Postmasburg Clinic	Clinic
Postmasburg Hospital	District Hospital
Jenn-Haven Clinic	Mobile Clinic
Kolomela Life Health Clinic	Clinic
Beeshoek Life Health Clinic	Clinic

Fire and Ambulance Stations

The only Fire and Ambulance stations in the Municipality is owned and operated by Kolomela and Beeshoek mines (location to be determined).

One **vehicle testing station** is located at the traffic department in Postmasburg.

Sports Facilities and Parks

The table below provides breakdown of sports facilities in Tsantsabane

Table 21: Sports Facilities in Tsantsabane Local Municipality

Type	Erf No	Town
Combi Court	720	Boichoko
Netball Field	453	Groenwater
Netball Field	11	Postmasburg
Netball Field	674	Maramane
Parks	1	Postmasburg
Parks	1	Postmasburg
Parks	85	Postmasburg
Parks	176	Postmasburg
Parks	1257	Postmasburg
Parks	1650	Postmasburg
Parks	2511	Postdene
Parks	3505	Postdene
Parks	4440	Newtown
Parks	444	Boichoko
Parks	720	Boichoko

Parks	1145	Boichoko
Sport Field	453	Groenwater
Sport Field	11	Postmasburg
Sport Field	2617	Postdene
Sport Field	4680	Newtown
Sport Field	1	Boichoko
Sport Field	674	Maramane
Swimming Pool	711	Postmasburg
Swimming Pool	2617	Postdene
Tennis Court	11	Postmasburg

Cemeteries

The following cemeteries are located in the TLM:

- Postdene Cemetery
- Boichoko Cemetery
- Jenn-Haven Cemetery
- Metsimatala Cemetery
- Skeyfontein Cemetery
- Glosam Cemetery
- Postmasburg Cemetery 2
- Postmasburg Old Cemetery
- Postmasburg Cemetery 3

2.7. ENVIROMENTAL ANALYSIS

2.7.1. *Biodiversity*

According to the National Biodiversity Strategy (NBS), biodiversity considerations are to be integrated into all other strategies and plans at local government level, such as poverty eradication and developmental programmes. The NBS provides a map for achieving the biodiversity related objectives contained, i.e. reducing the rate at which biodiversity is lost. The goal of the NBS has always been to conserve and manage biodiversity to ensure sustainability and that it can benefit to the people of South Africa, through co-operation and partnerships that build on strengths and opportunities.

Protected areas, Critical Biodiversity Areas (CBAs) and Ecological Support Areas (ESA) form a network of terrestrial and/or aquatic areas that are required to ensure sustainable landscapes and the continued delivery of ecosystem services (e.g. flood attenuation and

climate regulation)^{10 11}. CBAs are needed in order to meet biodiversity targets related to ecosystems, species, and ecological processes¹⁶. Such CBA's are identified in systematic biodiversity plans and most provinces have developed, or are in the process of developing, provincial spatial biodiversity plans, that include maps of CBA's and ESAs¹⁶. ESAs are important to the ecological functioning of CBA's and/or the delivery of ecosystem services, however, unlike CBA's they are not essential for meeting biodiversity targets¹⁶.

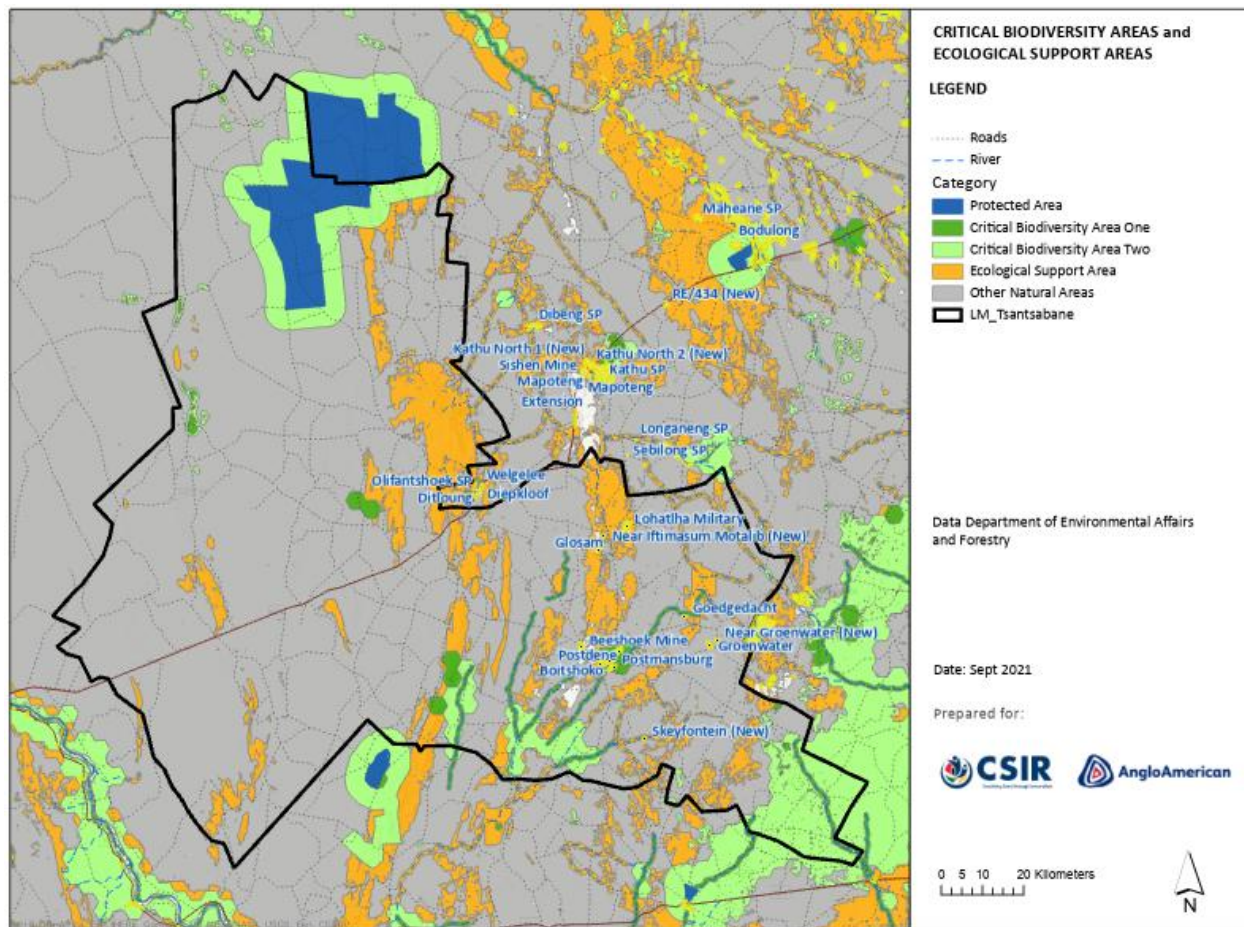
The main purpose of CBA's and ESA's is to guide decision-making, particularly as it relates to strategic land use planning and development projects¹⁶. For example, CBA's and ESA's should guide the formulation of Spatial Development Frameworks (SDFs) and Integrated Development Plans (IDPs), as well as project-specific environmental assessment and authorisations.

It is also essential that policy making, and implementation is fully participatory. The Environmental Impact Assessment (EIA) processes need to be followed at all relevant levels, which include extensive public participation. IDP's should also include biodiversity considerations in all planning. Biodiversity must therefore be fully integrated into all planning processes. The environmental Management and Implementation Plans required under the National Environmental Management Act (NEMA) needs to provide a broader understanding of the roles and responsibilities, process, structures, and mechanisms to facilitate co-operative governance and are required to identify weaknesses, establish clear actions for addressing them, and measurable indicators for monitoring success. The diagram below shows critical Biodiversity Areas and Ecological Support Areas for Tsantsabane Municipal area

¹⁰ South African National Biodiversity Institute (SANBI). 2021. *Critical Biodiversity Areas and Ecological Support Areas*. Biodiversity Advisor. Available [online]: <http://biodiversityadvisor.sanbi.org/industry-and-conservation/biodiversity-in-the-urban-economy/understand/definitions-related-to-urban-land-use-planning/critical-biodiversity-areas-and-ecological-support-areas/>. Accessed 21 December 2021.

¹¹ South African National Biodiversity Institute (SANBI). 2018. *Using CBA Maps to support land-use planning and decision-making*. SANBI Factsheet Series. South African National Biodiversity Institute, Pretoria. Available [online]: <http://biodiversityadvisor.sanbi.org/wp-content/uploads/2019/01/SANBI-Using-CBA-Maps-to-support-land-use-planning-and-decision-making-2018-.pdf>. Accessed 21 December 2021.

Figure 27: Critical Biodiversity Areas



This information is useful to support discussion and decision making with regards to the following matters:-

- How can the Municipality and Key Stakeholders more effectively maintain and enhance the CBAs and ECAs within the Tsantsabane municipal area (e.g. through clearing of alien invasive plants)?
- Is engagement with other spheres of government (e.g. provincial government, neighboring municipalities) and external stakeholders required to ensure the sustainability of CBAs in the municipality?
- How can the maintenance and enhancement of CBA's and ECA's be integrated into strategic development planning, Spatial Development Frameworks (SDFs) and Integrated Development Plans (IDPs)?
- How can the CBAs be more effectively integrated into project-specific municipal land use decisions?

2.7.2. Climate Change

Climate change is associated with an increase in average global temperatures, leading to changes in rainfall patterns, and is likely to have significant impacts in some part of the world, especially Africa. Indications are that climate change will result in worse floods and droughts reduce production and worsen diseases.

The Municipality held its first capacity building and awareness campaign in March 2010: National Water Week (15-19 March) and Earth Hour (27 March). The purpose was to sensitize officials and councilors on the role of that the municipality should play about climate change and how to take it into consideration when planning for projects and programmes (as indicated in the IDP).

The Green Book (CSIR, 2019) project analysed the main risks that climate change and the associated hazards pose to South Africa, with a focus on their impact on human settlements. This work utilised a detailed set of climate change projections generated specifically through Green Book research, but also the larger body of evidence generated through the IPCC assessment reports and South Africa's national communications on climate change. The following climate change impacts will affect the Municipality in the next 3 years:

- The Greenbook modelling suggests that (where low mitigation is implemented), the study area will experience a change **of between 3 and 3.5 degrees Celsius** by 2050. In addition, the average Minimum Temperature will increase by about 3 **degrees Celsius**. Changes in minimum and maximum temperature will increase the number of very hot days, adding between **21 and 70 additional very hot** days per annum.
- The average rainfall for the study area will also be affected by climate change. The Greenbook modelling suggests that, by 2050, areas around Jenn-Haven and Metsimatala could experience **up to a 100mm extra rainfall** per annum could experience 100mm additional rainfall per annum. The majority of the Municipality will experience a slight increase in rainfall (**less than 50mm per annum**).
- Changes in temperature and rainfall patterns can also lead to additional fire hazard. It is anticipated that Tsantsabane could experience **an additional 60 days of fire danger** by 2050.

2.7.3. Invasive Alien Species

The uncontrolled spread of invasive species (as later highlighted in the NC-SOER) is one of the key threats to indigenous biodiversity in our country. This spread has negative impacts on the economy, in sectors as diverse as: health, agriculture, water supply and tourism and is likely to become much worse with climate change. Therefore there is an urgency to attend to the development of a Plan to monitor, control and eradicate these species.

2.7.4. Environmental Threats

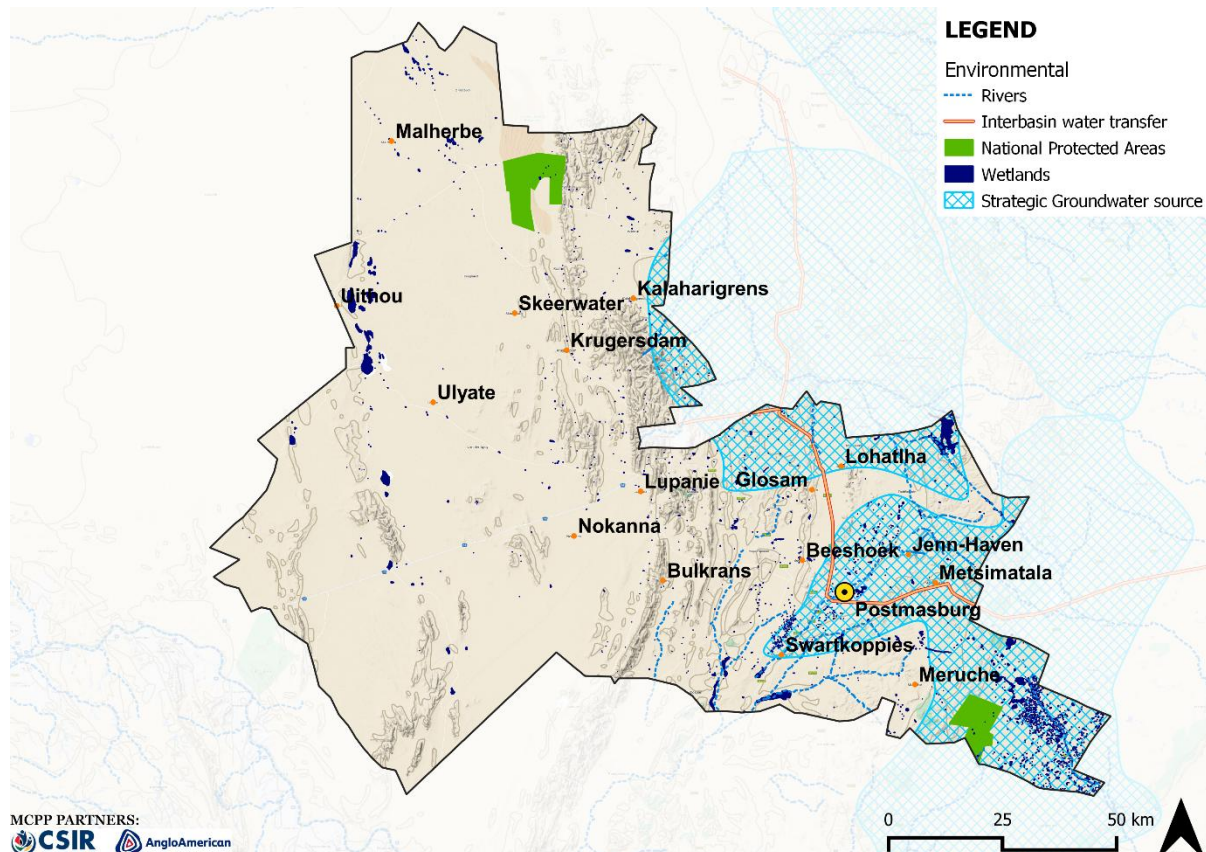
One of the key environmental issues identified in the province is the generation and disposal of a variety of waste types, including municipal waste, agricultural, agro-processing etc. Given this variety, an equally varied approach and appropriate competencies are required to manage the different types of waste and to address the improper storage, handling and disposal of environmentally hazardous materials.

Another key issue of concern is the over-exploitation of natural resources, which include the following in the case of Tsantsabane Local Municipality:

- unsustainable consumption and use of natural environment,

- uncontrolled development and expansion of the settlement area, especially the urban edge
- negative impact of mining on the ground water (either contamination or depletion due to dewatering)
- diminishing ecological footprint in the area
- The state of air quality in the area which may diminish due continuous emissions from both mining machinery and processes to the atmosphere.

Figure 28: Tsantsabane groundwater availability map



2.7.5. Northern Cape State of the Environment Report

According to the Report the following themes in the Province were identified:

- Atmosphere and Climate
- Biodiversity
- Environmental Management
- Fresh Water
- Human Settlements
- Land
- Marine and Coast

With regard to atmosphere and climate trends in temperature deviations indicate that temperature has been increasing over the past few years, making it more important for Tsantsabane Local Municipality to start taking into consideration the impact of climate change and global warming on planning. Air pollution is furthermore not perceived as an important issue for the province. In Tsantsabane, however, this needs to be prioritized because of the major increase in mining developments over the last few years and its impact on air quality and pollution in the area.

The primary threats to biodiversity, ecosystem goods and services are habitat transformation and degradation, and invasive alien species. The concern regarding threats to biodiversity is borne out of the recognition that our natural resources base provides a variety of goods and services on which life depends. In Tsantsabane Local Municipality this natural resource base is directly threatened by mining developments. The management of these is critical in ensuring effective conservation and sustainable use of the biodiversity. Again, making the need for Environmental Conservation and Management Plans as well as plans to eradicate and/or monitor Alien Invasive Species very important for Tsantsabane.

With all the development taking place in the area, the demands for water have increase as well as for the rest of the semi-arid province.

Furthermore, the Province is characterized by very low population size and density, mostly owing to the large land size of the Province. Human settlements are characterized by the legacy of apartheid, with some areas in Tsantsabane Local Municipality showing a distinct lack of services and infrastructure in comparison to other areas in the municipal area. Whilst the municipality has tried to address the issues of basic service delivery and the provision of housing, some of the population still lacks these services. Access to appropriate modes of transport is also a Provincial issue and concern. Issues such as culture and heritage have been raised as important for consideration in the future planning of human settlements. The province is susceptible to land degradation. Policies and programmes are required to promote the sustainable management of land resources in the province. Mining has played a major role in shaping the economic development of the area, but as mentioned above, has also had a negative impact on land resources.

2.7.6. ZFM DM Environmental Management Framework --

The area is rich in minerals which has historically been the mainstay of the area's economy. Iron and manganese mining are an important activity in the economy of the area. Haematite deposits in the form of ferriginised banded ironstone occur as a cake or capping to the Gamagara hills which lies between Postmasburg and Sishen. The ore is very pure and typically consist of 95% ferric oxide.

There are significant undeveloped mineral resources left in the area that can contribute to future economic growth in the area depending on the future viability of exploiting the minerals. Large areas of un-rehabilitated and poorly rehabilitated mining activities (current and closed) have a significant negative effect on the scenic environment in the area, especially in the mountainous areas.

Significant water requirements are the sub-area for urban use as well as rural domestic supplies and stock watering. Groundwater utilization is important in the area and constitutes the only source of water over much of the rural areas. As a result of the low rainfall over the area, the groundwater is mainly used for rural domestic water supplies, stock watering and water supplies to inland towns. Recharge of groundwater is limited, and only small quantities can be abstracted on a sustainable basis.

Most of the ZFM District Area is in a natural state and the most significant spatial impact on the environment has come from mining, which occupies an area of almost 7% of the total area.

The area has a good primary tarred road network that links the major towns with each other and to areas outside the area. The secondary network is less developed and vast areas with sparse populations are served only by means of a vast network of dirt roads of varying quality. Many of these roads are, however, in such a bad state that it is an impediment to the development of the tourism potential of the area.

The Sishen / Saldanha railway line which was built to transport iron ore from Sishen to the iron works at Saldanha passes through an area and crosses the N10 highway and the Orange River just north of Groblershoop from where it continues in a south-westerly direction past Kenhardt towards the coast. Postmasburg and Lime Acres are also linked to Kimberley in the south-east and Sishen in the north by a second railway line.

Both general and hazardous wastes are produced in the area. Waste in the “garden waste” classification originating from households and agriculture is the biggest contributor to the waste stream. Waste prevention and minimization are generally not practiced in the area. Recycling is concentrated in the Upington area due to the availability of adequate quantities of recyclable material. Recycling focuses mainly on cardboard and paper. Tsantsabane Local Municipality have a draft plan for future waste management.

There is a need to develop and upgrade landfill sites to prevent environmental degradation and meet the needs of the community.

The EMF further indicates strategies focusing on the alleviation of potential key development / environment friction areas by providing direction in respect of how these friction areas should be dealt with. The following strategies have been compiled and in future Tsantsabane will align its own environmental planning to these:

- Strategy for the protection and conservation of high-quality natural vegetation
- Protection of sensitive environmental features on large properties
- Protection of sensitive environmental features on large properties across ZFM DM
- Strategy for the protection of sensitive environmental features, surrounded or abutted by small properties



CHAPTER 3: MUNICIPAL INSTITUTIONAL DEVELOPMENT & TRANSFORMATION

3.1. INTRODUCTION

This chapter provides a synopsis of the institutional profile of the municipality and baseline information on its capacity to deliver mandatory (local government) services within a five-year planning and implementation timeframe. This capacity is also measured by service as listed in the 'Schedule of service delivery standards.

3.2. POLITICAL STRUCTURE

Section 151(3) of the Constitution states that a municipal Council has the right to govern, on its own initiative, the local government affairs of communities within the municipal area. Council performs both legislative and executive functions and formulates policy within an oversight and participatory role. Tsantsabane Municipal Council is a collective executive type and consists of thirteen (13) members, seven (7) wards councillor's and five (5) proportional representative councillors. The majority party in the Council is the ANC.

Table 22: Council and sub-committees

Ward	Councillor	Portfolio	Political party	Gender
1	Cllr. M Lottering	Ward 1 councillor, Council Whip and Member of Technical Services Committee	ANC	Male
2	Cllr. H English	Ward 2 Councillor, Mayor& Chairperson of Finance	ANC	Female
3	Cllr. M.SR Devajee	Ward 3 Councillor & Chairperson of MPAC	ANC	Female
4	Cllr. G Keoromecwe	Ward 4 Councillor and Member of MPAC, Technical & Community Services Committee	ANC	Male
5	Cllr. M Tonyane	Ward 5 Councillor and Member Of and Member of Technical & Community Services Committee	ANC	Female
6	Cllr. H D Miennies	Ward 6 Councillor, EXCO & Chairperson of Technical and Community Services Committee	ANC	Male
7	Cllr. L Teise	Ward 7 Councillor and Speaker	ANC	Female
8	Cllr. H Beets	PR Councillor, EXCO Member & Chairperson of Good Governance & Corporate Services, Local Labour Forum	STC	Male

10	Cllr M Mabilo	PR Councillor, Member of Good Governance & Corporate Services, Local Labour Forum	STC	Male
10	Cllr J Boucher	PR Councillor & Member of MPAC & Technical and Community Services Committee, District Rep	DA	Male
11	Cllr A Ruiters	PR Councillor, Finance,	DA	Female
12	Cllr G Sibiya	PR Councillor, MPAC	EFF	Female
13	Cllr D Esau	PR Councillor	EFF	Male

The core mandate of the Council is focused on the five themes listed below:

- Accountability, Oversight and Scrutiny
- Strengthen Capacity of the Council
- Public Participation to safeguard the local democratic processes
- Monitoring and Evaluation
- Sound Financial Management

Legislative functions also include the approval of By-laws, policies, budget, the Integrated Development Plan, tariffs, rates, taxes and service charges. Council further considers reports received from the Mayor, focuses on public participation related to Council matters through discussions, stimulates debate in multi-party portfolio committees, ensures community and stakeholder participation as well as playing an oversight role of the on the Executive.

The system of delegations guides committees in terms of the role of oversight they play within the Council. Councilors also physically visit sites where projects, especially service delivery projects are implemented, to fulfil the oversight role that they play.

Section 79 Portfolio Committees perform an oversight role by monitoring the delivery and outputs of the Executive. These committees do not have any delegated decision-making powers.

3.3. ORGANISATIONAL STRUCTURE

In order for Tsantsabane Local Municipality to implement its IDP, sufficient resources are needed, i.e. financial, human, equipment, assets and skills etc. This plan will look at the current state of the institution in order to highlight the strengths and weaknesses, as well as to look at possible strategies to overcome the gaps and challenges in order to be able to implement the IDP accordingly.

Figure 29: High level organogram



3.4. HUMAN CAPITAL

The framework for a Recruitment and Retention Strategy of staff has been developed in the 2017/18 financial year is revised annually. The implementation of the Framework will entail the development of a plan to recruit and retain staff as a resource in the Municipality.

3.5. SKILLS DEVELOPMENT PLAN

A skills development plan exists and has been approved for the financial year 2018/19 and it has been aligned to the priorities of the municipality for the financial year 2014/15. Through the IDP, the Municipality identified a need to review the organizational structure of the Municipality with a view to maximize service delivery efficiency and effectiveness. The intention and purpose of such a review factors a significant role in delivering the objectives and goals as outlined in chapter 3.

The review and possible adjustment of the organizational structure will be a monumental managerial challenge, but it is needed to ensure that Tsantsabane management practices and procedures are efficient and functional so that work can be done and goals can be met.

3.6. RESOURCES AND ARCHIVES

An archive system exists in the municipalities that are effective and efficient. This system needs to be upgraded in terms of human resources procedures and policies.

1.6. ORGANISATIONAL POLICIES

Table 23: Organisational policies

Policy	Approved	To Be Reviewed	Amended
Advertising Procedures in the Development Process	Nov 2003	Yes -2020/21	
Customer Care	Nov 2003	Yes -2020/21	
Delegation of Framework	Nov 2003	Yes -2020/21	
Tariffs	Nov 2003	Yes -2020/21	
Financial Standing Orders	Nov 2003	Yes -2020/21	
Travel and Subsistence	Dec 2003	Yes -2020/21	
Vehicle Policy for Councillors, Mayor and Officials	Sep 2007	Yes -2020/21	
Banking and Investment	Nov 2007	Yes -2020/21	
Fixed Asset Management	Nov 2007	Yes -2020/21	
Fraud and Anti-Corruption	Nov 2007	Yes -2020/21	
Information and Communication Technology	Nov 2007	Yes -2020/21	
Supply Chain Management System	Nov 2007	Yes -2020/21	
Property Rates	March 2008	Yes -2020/21	
Petty Cash	April 2009	Yes -2020/21	
Bad Debt Write-off	June 2009	Yes -2020/21	
Indigent Policy	June 2009		Yes - 2020/21
Credit Control	June 2009		Yes - 2020/21
Debt Collection	June 2009		Yes - 2020/21
Free Basic Services		Yes -2020/21	
Human Resources		Yes -2020/21	
Other Policies			Impacting IDP Strategies
Code of conduct for Councillors: Disclosure of Interests			Yes -2020/21
Vehicle			Yes -2020/21

Recruitment and Selection	Yes -2020/21
Lock and Key	Yes -2020/21
Employment Equity	Yes -2020/21
Employment Practice	Yes -2020/21
HIV/AIDS	Yes -2020/21
Incapacity: Due to ill health / Injury	Yes -2020/21
Incapacity: Due to poor work performance	Yes -2020/21
Internal Bursary	Yes -2020/21
Employees under the influence of intoxicating substances	Yes -2020/21
Legal Aid	Yes -2020/21
Occupational Health and Safety	Yes -2020/21
Private work and declaration of interests	Yes -2020/21
Relocation	Yes -2020/21
Sexual Harassment	Yes -2020/21
Land Alienation Policy	Yes -2020/21

3.7. MUNICIPAL BUILDING

Short summary of buildings as part of the asset register of the Municipality include:

Municipal Offices	Payment Offices	Satellite Office
Postmasburg	None	Jenn Haven

3.8. INFORMATION TECHNOLOGY

Previously Tsantsabane Local Municipality has been operating its information Technology with the assistance of contracted companies which has not assisted in its envisaged long-term solutions to its internal infrastructure and information secrecy. A lot of problems were encountered in the appointment of some of the contractors.

There are improvements on the general state of information technology of the municipality in terms of the audit outcome of the 2017/18 financial year. Apart from that there has been a huge visible improvement on the IT Division which has been achieved since the employment of a permanent IT Officer. Improvements such as:

- Prepaid electricity & water meter system
- IT Infrastructure upgrade
- Network cabling

- Server room
- Hardware procurement
- Municipality website
- Internet and E-mail connection
- Online Technology for Electricity Vending

Municipality Policies: IT unit implemented a workshop schedule to workshop the employees and councillors on the ICT Policies.

3.9. ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM

Tsantsabane Local Municipality as part of the mSCOA implementation, we have adopted Performance Management System developed by INZALO and in line approved policy performance management is implemented through quarterly review processes. For the 2022/23 the municipality will prioritize improvement implementation of performance management system as critical tool for organizational performance management, evaluation, and public accountability. The MFMA Circular No.13 prescribes that:

- The IDP and budget must be aligned;
- The budget must address the strategic priorities;
- The SDBIP should indicate what the municipality is going to do during next 12 months;
- The SDBIP should form the basis for measuring the performance against goals set during the budget /IDP processes.

The SDBIP were prepared as described in the paragraphs below and approved by the Mayor 28 days after approval of the budget. The overall assessment of actual performance against targets set for the Key Performance Indicators as documented in the SDBIP is illustrated in terms of the following assessment methodology:

Figure 30: PM System – Five levels of maturity



3.10. SERVICE DELIVERY BUDEGT IMPLEMENTATION PLAN (SDBIP)

3.10.1. Key Performance Indicators: Office of the Municipal Manager

- Submission of AFS & APR
- Ensure 100% submission of all statutory reports to Council, Provincial and National Treasury by the prescribed deadlines
- Achieve 90% implementation of Internal Audit and Auditor-General findings by June 2026
- Report to Audit committee & Finance Committee on the progress with the implementation of the Audit Recovery Plan (Number)
- Risk Assessment conducted across all departments in the municipality (Number)
- Submit a Risk Management plan to Audit Committee & Finance Committee annually (Number)
- Submission of the draft Integrated Development Plan (IDP) to the Council for approval (Number)
- 4 SDBIP Evaluations conducted within 30 days of each quarter
- Submit an Audit Recovery Plan to Council annually by 30 June (number)
- Quarterly assesment report on the implementation plan of the IDP process plan by 30 June 2026
- Submit the Performance Report (Section 46) to the Auditor-General annually by 31 August (Number)
- Adherence to the quarterly APRC meetings schedule by June 2026
- Ensure presentation of Audit report by the AGSA by January 2026
- Implement revenue enhancement plan to improve revenue by 90% by June 2026
- To develop and approve the performance management framework by 30 June 2026
- The monitoring of grant spending on projects to ensure that 80% of spending on grants has been achieved by 30 June 2026
- To facilitate Bi-Annual LED Forum meetings
- Quaterly assesment reports to monitor Mining & Solar SLP & SED projects by June 2026

- Quarterly reports on the implementation of the LED Strategy by June 2026

3.10.2. Key Performance Indicators: Community Services & Development

- Maintenance of 5 burial sites.
- Conduct 2 community outreach waste education awareness programmes by June 2026
- Conduct 2 community outreach waste education awareness programmes by June 2026
- Quarterly reports on the maintenance of 9 parks by June 2026
- Monthly report on refuse removal services rendered to business
- Quarterly report on the cleaning of 76 illegal dumping in 7 wards by June 2026
- Quarterly reports on the maintenance of 1 landfill site by June 2026
- Maintenance of community halls in Skeyfontein ; Postdene; Newtown and Boichoko; Maremane and Townhall by June 2026
- Quarterly progress report on the upgrade for the 1 Traffic Vehicle Testing Station by June 2026
- Job opportunities created through the municipalities public employment programmes (Number)(NKPI)
- Submit a report to HR on the approval of overtime for Community Services to ensure that 40% of reduction rate of overtime is achieved
- Quarterly report to ensure 100% reduction of Unauthorized Irregular and Fruitless Expenditure in the department is achieved by 30 June 2026
- To compile and submit a quarterly report to reduce 90% deviation of actual expenditure vs departmental budget by 30 June 2026
- Quarterly reports on 80% of recoverability of fines issued per annum
- Quarterly progress report on the upgrade of community halls in Skeyfontein ; Postdene ;Boichoko; Maremane and Townhall by June 2026
- Quarterly progress report on communicable diseases; health surveillance and food control
- Monthly reports on the use of libraries by June 2026

3.10.3. Key Performance Indicators: Finance

- Submit 100% of statutory financial reports (S71, S72, AFS) by prescribed deadlines
- Ensure 100% of approved suppliers are paid within 30 days of invoice receipt
- Maintain a cash coverage ratio of at least 1.5 over the financial year

- Develop and table the MTREF Budget, including the IDP-linked SDBIP, by the legislated deadline
- Conduct 2 credit control campaigns and indigent registration drives annually
- Formal households with access to water (Number) (NKPI)
- Increase the average monthly revenue collection rate from 60% to 90% by June 2026 through enhanced billing accuracy and customer engagement, as reflected in financial system reports.
- To ensure that operational revenue is increased quarterly by implementing the debt collection policy, cost containment and revenue enhancement plan and strategy.
- Achieve 100% compliance with all mSCOA Phase 7 requirements by June 2026, as verified through Provincial Treasury compliance reports.
- To reduce qualification matters on the Annual Financial Statements with 50%
- The development of a Skills transfer plan to ensure that capacity is build to compile and submit the Annual Financial Statement
- To compile and submit a monthly report on the Capital spending of projects
- To compile and submit a monthly report on the spending of all grants in the municipality
- To ensure that the review of Finance related policies, and by-Laws and procedures is approved by Council on 31 May 2026
- Registered **indigent** households with access to free
- basic electricity provided by the municipality (Percentage) (NKPI)
- Formal households with access to refuse removal (Number) (NKPI)
- Applications for residential water connections completed within the agreed response time (Percentage) (NKPI)
- Applications for residential electricity connections completed within the agreed response time (Percentage) (NKPI)
- Registered **indigent** formal households with access to free basic refuse removal (Percentage) (NKPI)
- Registered **indigent** formal households with access to free basic sanitation (Percentage) (NKPI)
- Formal households with access to sanitation (Number) (NKPI)
- Financial viability measured in terms of the outstanding service debtors. (Report) (NKPI)

- Submission of Annual Financial Statements to the Auditor General, annually by 31 August (Number)
- Conduct an Asset Count verification of Assets at the end of each Financial year
- The monitoring of grant spending on projects to ensure that 80% of spending on grants has been achieved by 30 June 2026
- Number of revenue enhancements programmes implemented for the financial year 2025/26
- To achieve 80% of planned targets quarterly for the financial year 2025/26

3.10.4. 3.10.4 Key Performance Indicators: Corporate Services

- Achieve 95% compliance with Skills Development Plan implementation by June 2026
- Ensure 100% of disciplinary cases are finalised within 90 days of initiation
- Maintain 95% ICT system uptime for core municipal applications and infrastructure
- Achieve 100% compliance with municipal records management policy
- Allocated Budget spent on implementation of Workplace Skills Plan (Percentage) (NKPI)
- The number of people from the employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan by 30 June (Number) NKPI)
- Annual review of the WSP for submission by 30 April (Number)
- Maintain a 90% resolution rate of service delivery complaints registered through the municipal complaints management system per quarter
- To approve and monitor the Human resource development plan for TLM by 30 September 2025
- To compile a submit a quarterly report on the 40% reduction of overtime for the departments Technical and Community Services to the Municipal Manager by 30 June 2026
- To schedule 2 Bi-Annual workshops with departments for the review and update of policies
- To submit a report to the Municipal Manager on the number of policies that was updated and approved by Council for the financial year
- Quarterly report to ensure 100% reduction of Unauthorized Irregular and Fruitless Expenditure in the department is achieved by 30 June 2026

- To compile and submit a quarterly report to reduce 90% deviation of actual expenditure vs departmental budget by 30 June 2026
- To ensure that 4 quarterly LLF meetings are held by June 2026
- To develop a quarterly progress report on the implementation of TASK job evaluation process by 30 June 2026
- Quarterly report on percentage of Council Resolutions implemented for the current financial year
- Quarterly report to Council for claims and legal matters against and towards Council
- Annual review of organogram to align municipal organogram with core function of municipality as per the legislation
- To submit quarterly reports on implementation of recruitment policy
- To submit an Annual report on Implementation & monitoring of leave policy
- Quarterly report on implementation of Council approved organogram by June 2026

3.10.5. Key Performance Indicators: Technical Services

- Increase the percentage of infrastructure maintenance requests (Water, Sanitation, Roads, and Electricity) resolved within 7 working days from 70% to 90% by June 2026,
- Formal and informal households with access to water (Number)
- Monthly report on the electricity services rendered to Greenfield, Mountain View, Hopeville, Jenn Haven, Skeyfontein, Maremane per month
- Achieve 95% weekly waste water treatment plant functionality rate
- Respond to and resolve 90% of reported sewer blockages within 48 hours
- % implementation of the Roads maintenance plan for (Gladys provide names for areas)
- Compile and submit a monthly report on stormwater maintenance work undertaken.
- Spend of approved municipal capital budget (Percentage) (NKPI)
- Limit unaccounted water to less than 25% (Percentage)
- Limit unaccounted for electricity to less than 15% for each quarter (Percentage)
- Limit unaccounted for electricity to less than 15% for each quarter (Percentage)
- Attendance of 4 Municipal Planning Tribunal meetings by June 2026

3.11. GOOD GOVERNANCE

3.11.1. Communication Strategy

The Communication Strategy was compiled with the assistance of GCIS and was approved by Council in 2021/22. The challenge currently faced by the municipality is the implementation of the strategy. The strategy focuses on basic legislation applicable to local government with regard to proper communication internally and externally. It includes further methods and best practices. It also looks at each of the departments and their responsibility to communicate with other departments within the Municipality as well as with the broader public. The strategy should be reviewed with the focus on implementation. An implementation plan should be developed to form part of the IDP Process Plan for future review processes.

3.11.2. HIV/AIDS Policy

According to the list of policies, the HIV/AIDS policy for the Municipality is still outstanding. As part of the IDP implementation, the Mayor and Council committed themselves to the development of the policy which will include information sessions with all of the employees. It will further give way to the establishment of an HIV/AIDS Forum for the municipal area. The Forum will have to compile a strategic plan to address the issue across the different sectors in the area.

3.11.3. Ward committees

All 7 wards has established ward committees for the term of office 2022 – 2027 in the municipal area. They have undergone trainings provided through the department of CoGHSTA, for them to understand their roles and responsibilities in the municipality. However, have identified shortcomings, few of the committees meet on a regular basis, in the past very few give collective inputs to the IDP and other related processes, very few of them are completely functional and filling the gap between local government and the broader community.

The Mayor and Council has committed themselves to a second round of capacity building workshops as well as to kick start the ward-based planning processes in each of the wards. The objective of the ward committees' training would be to become fully functional and to assist the municipality and its council with community consultations around IDP and other processes; i.e. budgets, PMS etc. It would also enhance public participation and would further assist the Municipality with identifying priority areas and empowerment needs.

3.11.4. Community Development Workers (CDW)

Community Development Workers are civil servants with specific and limited levels of training. They are deployed at the community level and are community-based resource persons for government. They are accountable to all three spheres of government and are to facilitate community engagement and participation. They are further supported by government and the public sector, but are not there to replace it.

Community Development Workers in Tsantsabane serves to:

- strengthen and enhance participatory democracy, by educating, empowering and creating community awareness on government processes, policies and projects e.g. Integrated Development Plan (IDP), Budget, Community Based Participation and Development, etc.
- work with ward councilors and ward committee members to ensure that ward committees are functional.
- work together with local municipalities, government sectors, NGO and CBO's in initiating and facilitating job creation opportunities in a government effort to push back the frontiers of poverty; and
- provide the necessary support to all emerging small business entrepreneurs by assisting them with issues around access to capital and in some instances advise or refer them to the relevant public or private agencies and institutions for the drafting of business plans.

3.12. SPECIAL PROGRAMMES

- **Disabled:** -The municipality has a responsibility to mainstream disability issues as an integral part of relevant strategies for sustainable development of its municipal area and its community, by ensuring that people with disability are not excluded from any sphere of life; this can only be achieved through effective participation and inclusion in society for all persons with disabilities.

In 2015/16 municipal council has resolved to allocated Erf 4400 Phutadichaba Street (White City) for the development of a center for the disabled. In 2019/20 Council in partnership with Kolomela, Assmag Beeshoek, Lesedi Solar and Department of Social Development (National Development Agency) has established Project Steering Committee to support Lebelelang Disability Non-Profit Organization (NPO) to build a center for the disabled.

- **Children:** - The municipality is responsible for mainstreaming children interest when it comes to policy development, programming, and resources allocation and communication. In whatever program municipalities engage on, there must be a child centered governance approach. The children's rights emerging issues for advocacy in service delivery, and policy formulation. There are nine (9) Early Child Development Centers (ECD) within the municipal area that caters for the development of children through education. With the ever-increasing population growth, the need for additional ECD Centers must be confirmed.
- **Gender:** -The municipality has a role to provide policy guidelines, support and monitor and evaluate implementation of gender friendly policies. It must provide strategic interventions to facilitate gender policy implementation. Gender mainstreaming is the systematic incorporation of considerations into the policy, programs and practices, so that before decisions are taken an analysis is made of circumstances and how they will impact on women and men. It is not just focused on the participation of women but the quality and conditions of their participation. Mainstreaming is a process towards achievement of transformation and development goals. The municipality has engaged

on a process of economic development of women such as farming, SMME, gardening project and mining.

- **Youth Programmes:-** With the assistance of the municipality and in collaboration with Kumba Resources, the Tsantsabane Youth Service Centre was established in 2009 and subsequently in 2019/20 the Youth Development Strategy was adopted by Council. The focus is skills development for young people residing in the municipal area, to empower them to play a vital role in the economy of the area.

In the 2019/20 financial year Council has approved the implementation of various youth development interventions for small medium enterprise development located in Boichoko, Newtown and Postdene funded by the Kolomela Social Labour Plan (SLP) arrangement. The Council has also resolved to allocate land and mobilize external stakeholder partnership towards the building of the Youth Center in the 2021/22 Financial year.



CHAPTER 4: STRATEGIC FRAMEWORK

4.1. INTRODUCTION

This chapter outlines the vision and the strategic goals and objectives of the municipality. It gives a picture on the ideal state of the municipality, what it will do to achieve its objectives. Outcome of this strategic planning process was the vision, mission, strategic objectives and values that the Special Council meeting dating January 2022 adopted,

Vision

“Tsantsabane will be a municipality providing sustainable, effective and efficient services to all its communities through sound management of scarce resources in order to better the quality of life for all its residents”

Mission

- Contribute to the Modern, Growing and Sustainable development within municipal boundaries and the rest of the Northern Cape.
- Promotion of a Local Economic Development should promote manufacturing and other mining related sectors and investor interest in the region,

Corporate values

Tsantsabane Local Municipality believes that a **customer-centric approach** must define the character of the municipal leadership, employees and its partners. We therefore subscribe to the following core values:

- Transparency
- Excellence
- Responsiveness
- Integrity

4.2. KEY PERFORMANCE AREAS

The municipality aligned its key performance areas to the national KPAs and they are the municipality's strategic objectives.

KPA 1: Basic Services and Infrastructure Development

Outcome: -

- All communities must have access to basic services (Water, Sanitation, Electricity, & Refuse Collection) delivered at an acceptable and agreed upon standard and the infrastructure is maintained to deliver such services in a sustainable manner.
- To collaborate with other provincial and national government departments to respond to the current needs in the community around water, electricity, sanitation, housing, roads and sport and recreation
- To provide good quality water available to citizens & income generated through provision of this service

- To provide free basic service, i.e. water, electricity, sanitation and refuse removal
- To maintain a fully functional sewerage system
- To maintain the road infrastructure
- To improve storm water management
- To improve community safety through adequate street lighting
- To provide waste management services

KPA 2: Local Economic Development and Growth

Outcome: - A local economic development strategy that responds to food security, job creation, education and skills development, developed.

- To implement a LED strategy leading to economic growth and job creation
- To establish Tsantsabane Local Economic Development Agency to facilitate sustainable socio-economic development.
- To improve the municipal procurement processes and related programmes to promote local economic development
- To respond to environmental challenges and how the environment can be used to contribute to social and economic development

KPA 3: Municipal Financial Viability & Sustainability

Outcome: - The municipality has a system in place to track spending in terms of budget allocations and is financially viable to deliver services to the community. Financial Management standards implemented in such a way that it received a clean audit.

- To pay all grants and creditors due
- To increase the revenue base during the next 5 years
- To increase accountability and fiscal discipline
- To work towards achieving a clean audit
- To develop financial policies, budget management system, asset and liability control mechanisms and strategies
- To develop ongoing skills of staff

KPA 4: Municipal Transformation and Institutional Development

Outcome: - The municipality is internally transformed to deliver the services required at an acceptable level with the support administrative systems and skilled staff whose performance is regularly monitored

- To embark on strategy to address administrative and financial challenges
- To implement structures, mechanisms and systems
- To improve the administrative management of the municipality

- To fill budgeted vacant posts
- To develop a comprehensive skills development plan based on actual training needs
- To secure funds from SETAs and training delivered
- To implement an organizational performance management system
- To implement a system to monitor and evaluate staff performance
- To improve the utilization of staff at National

KPA 5: Good Governance and Public Participation

Outcome: - Good governance systems are maintained in order to support proper communication and a healthy administration working towards a clean audit.

- To train councillors on their role and responsibilities
- To improve audit outcome i.t.o. compliance and governance matters
- To improve the functioning of the ward committee system
- To improve communication to all municipal stakeholders, including the public
- To strengthen the public participation processes
- To manage the municipal risk environment with internal audit processes
- To improve the management of performance in the municipality
- To maintain a healthy, safe and secure environment for all citizens in the municipal area

Organizational Gap analysis Report

The draft IDP 2026/27 informed by the implementation of the schedule key deadlines approved in August 2025. It was further commended by the activities amongst other steering committee meetings the municipality embarked upon which culminated in a strategic planning session in Dec / February 2025. (3) A municipal council must consider the MEC's proposals, and within 30 days of receiving the MEC's request must-

(a) if it agrees with those proposals, adjust its integrated development plan or amendment in accordance with the MEC's request; The inputs in this document include the response from the municipality but are not limited to the comments received from the MEC in August 2023 as well as the report from the auditor general and the risk management strategy of the municipality.

We scheduled a steering committee meeting in November / December 2023, but it was later moved to January 2024. This session was informed by a micro and macro desktop gap analysis session which include a SWOT analysis per department, which will form the basis of the strategic plan.

An IDP needs to be reviewed annually in terms of Chapter 5 of the Municipal Systems act which stipulates below:

34 Annual review and amendment of integrated development plan

The draft IDP 2024/25 was informed by the implementation of the schedule key deadlines approved in August 2023. It was further commended by the activities amongst other steering committee meetings the municipality embarked upon which culminated in a strategic planning session in Dec / February 2024. (3) A municipal council must consider the MEC's proposals, and within 30 days of receiving the MEC's request must-

- (a) if it agrees with those proposals, adjust its integrated development plan or

Response from the MEC dated August 2025

The overall assessment outcome suggests that the content of the IDP need minor changes and the Municipality is advised to work on the on the following:

The current Spatial Development Framework (SDF) and Land Use Management Scheme (LUMS) is compliant to SPLUMA, but both documents are due for review.

Include all maps in the IDP.

- No sector plans are found in the IDP. All sector plans need be reviewed, adopted, and included in the IDP.
- Include the Action Plan in the IDP
- No SWOT analysis is used as the analysis tool to assess the local economy.
- No adopted informal Economy and Investment policies
- Health, Safety and Security and Education sectors is not analysed in the Situational Analysis, however there is a municipal safety plan in place.
- No budget to fund LED programmes and projects
- A strategy should be put in place to reduce the growing list of indigency.
- Create a conducive environment for investment so that more jobs can be created through the private sector.

Cooperation and engagements with sector departments must take place frequently so that they plans can find expression in the IDP so that service delivery is not compromised.

Corporate Services

Strengths

- Organizational structure with Job Description's
- Procedures and policies in place
- Sound financial Management /administration
- Annual review of organizational structure
- Effective management of Work skills Plan
- Competent staff (knowledge & expertise)
- Successful implementation of Learnerships or Internships
- Sound recruitment and selection processes and procedures in place.
- Have the Clocking System
- Have an improved TGIS (IMIS)

Weaknesses

- Non implementation of the structure
- Not following the Task Job Description's
- Not following organizational procedures, policies, and by-laws.
- Not reviewing policies
- Strategic and operational HR Management lacking
- Strategic Risk Management insufficient
- Inability to retain talent.
- Lack of Talent Management planning
- Lack of Succession Planning
- Change management to be accelerated.
- HRM Data not analysed / monitored
- Unapproved organogram
- Lack of Teamwork/ non functionality of committees
- Non implementation of council resolutions
- Zero consequence management
- Unreviewed and annually updated policies
- Lack of annual workforce planning session
- Delay in the recruitment and selection processes
- Political interference
- Office space, safety and environment
- Non-compliance with all OHS Legislation and regulations in the workplace
- Resources ending their lifetimes

Opportunities

- Support from COGTA, COGHSTA, SALGA
- Continuous development of the existing workforce by training

- Better and improved communication systems (IMIS) and record management
- Support from Mining Companies
- Involve private sector (joint ventures)
- Develop expertise in all disciplines of HR.
- Development of Service Standards for each discipline
- Audit Action plans.

Threats

- Loss of knowledge and experience (due to pre-mature exits)
- Low staff productivity levels
- Too much time spent on compliance and no innovation.
- Staff have a negative view of the implementation of HR functions.
- Budget constraints
- Lack of disaster recovery and business continuity plan
- Collapse of IT system

Technical services

Strengths

- Appointed official : Building inspector
- Prepare reports.
- Assess plans.
- Serve in committees (Building related projects)
- Prepare technical papers.
- Building inspectorate from Civil Engineering utilities perspective can make valuable inputs i.e. Potable water, Sanitary sewer infrastructure and stormwater.
- Programme and project management capability, enables effective management of the organization
- Ability to maintain assets on a daily basis
- VETA system for monitoring assets performance for electrical meters (IOM)
- Sebata System to link technical & finance department in terms monitoring of asserts
- Generating cashflow through operational & maintenance services

Weaknesses

- Lack of structured.
- Lack of support from other units.
- Vacant position of a Snr Building Inspector is very demoralising in terms of expanding a strengthening the unit.
- By-laws not reviewed
- Law enforcement not put in place to argument the unit.
- In many instances, project priorities are not explicitly defined, and projects are not explicitly associated with strategic objectives
- Asset register is incomplete
- Dilapidated infrastructure

The lack of:

- Electronic maintenance management system for project. Unit rate and estimating system
- Dedicated Asset information
- Management systems staff
- The scope of assets in MIG is not comprehensive
- Cloud drive for asset management
- Key professional and administration positions remain vacant
- No human capacity development in the technical department
- Instability in PMU due to fixed employment contracts
- Unable to attract investors

Opportunities

- Appointed official
- Prepare reports.
- Assess plans.
- Serve in committees (Building related projects)
- Prepare technical papers.
- The unit has an opportunity to grow and contribute to a positive development of the area.
- Size of the town and surrounding areas can be managed by the current capacity as it appears on the organogram.
- Improvements in the optimization of expenditure to achieve “value-for money”.
- Improvements in the alignment between strategy, projects and operation & maintenance
- Acquire new systems for asset management
- Business processes improvements
- MIG-MIS system for assets
- IRIS System for monitoring water & sanitation qualities
- Recession may make it easier to recruit and retain professional staff
- New professional staff may reduce the dependence on consultants
- SLPs addressing backlog
- Governmental grants
- Restructure the organisation to support asset management

Threats

- Prevailing lawlessness : Illegal building
- Irreversible state/circumstances
- Continuous urban sprawl
- Future litigation and natural disasters that can occur cause injury or death to persons while prevailing situation. i.e. Fire, structural collapse or floods.
- Not optimising the full scope of the work undertaken by the
- Influx of people due mining activities
- Vandalism of essential asserts due to lack of security
- Governance of asset information is inadequate, leading to a lack of credibility in the information provided and possible poor decisions based on inaccurate information

- Uncompetitive remuneration levels at professional level makes it difficult to attract and retain professional staff
- The large number of vacant posts undermines the ability of the Branch to manage its assets, thereby undermining the economy.
- Under-funding of the Branch increases the backlog causing the projects to deteriorate to a point where it cannot be economically repaired or maintained
- Not all customers are paying services
- The long duration of the engagement with Organisational Development to finalise the structure and the time required for the final approval by the Department of Public Service and Administration

Finance swot report

Strength

- Regulated framework of role & responsibilities e.g.
- Define by various Acts.
- Timelines and submission dates
- Compliance targets.
- Functioning Units – Retention of institutional memory
- Innovative solutions and strategy in operational limitation and inefficiencies

Weaknesses

- Lack of structured capacity.
- Lack of support from other departments.
- Years Numerous critical vacancies
- No collaborative strategy planning – tariffs and policies zero inputs from other departments.
- Regulated process not understood or supported by other departments
- By-laws not reviewed
- Finance used as clean up support function

Opportunities

- Restructuring to optimise operations.
- MFMG increase absorbing trained skilled graduates into department
- Capacity/skills increase by exposing and giving staff opportunities (Internalise AFS plan and auditing)
- Collaborative strategy planning – tariffs and policies zero inputs from other departments.
- Regulated (e.g. GV Mid-years reviews) understood or supported by other departments
- By-laws & Policies collaboratively reviewed by ALL
- Education through continuous reforms within local government

Threats

- Slow recruitment and appointments process, Risk losing grants – FMG & MIG PMU
- Non- compliance to Law & Regulation threatens the financial liability – withholding of grants
- Zero strategic planning = 100% failure outcome
- Council not understanding own policies and compliance calendar's
- Abuse of SCM rules and regulation – increase possible litigations
- Finance seen as clean up support function – risk segregation of duties overly reliance on limited resource in the very same department in form of staff replacement.

MICRO/UNIT LEVEL FOR FINANCE

Strengths

- Direct involvement with preparation and audit of annual financial statements.
- Keeping abreast with reforms in municipal financial management.
- Continuously improving and strengthening financial planning and budgeting.
- Improving compliance of tabling deadlines
- To avoid disputes with legality of rates and tariffs
- Budgets always mSCOA compliant.

Weaknesses

- Recruit and retain skilled staff (results in shortage of skilled staff)
- Poor expenditure of government grants.
- Inadequate planning which leads to poor financial planning and overriding of budgets.
- Lack of self-generated funding apart from that which generated from trading services.
- Capacity: Lack of segregation of duties
 - Staff → **(No Supervisors)** → (Accountants) → **(No Finance Manager)** (CFO)
- CFO leads and manages the entire Finance department, Officials initiate, execute and review their own work.
- Lack of non-financial information – quarterly reports & annual reports
- Costing (Budget used as a costing tool)
- Properly aligning municipalities' priorities, plans, budgets, implementation actions and reports (Strategic priorities, IDP, MTREF, SDBIP and in-year reporting)
- Inadequately provision for the maintenance and renewal of existing infrastructure in the budget.
- Not meeting funding compliance criteria
- Coordinated departmental and organisational reporting.
- Contract Management
- Cash-Flow Management (Not only use budget as a tool)
- Not improving audit opinion

- Revenue and Debt collection office lack staff to operate effectively and efficiently.
- Similar in Expenditure unit – only accountant

Organogram

- Fully capacitate SCM, Expenditure and Revenue with skilled personnel in accordance with organogram.
- Have an all-rounder Finance Manager to manage finance department
- This will relieve the burden on CFOs shoulders of having not only to lead the department but also to attend operational manage it.
- Hold units-heads accountable and equally be held accountable leading to an improved line of reporting within finance.
- Input – and changes to be decentralised.

Current Performance

- Still high level of surrendered government conditional grants
- Disjointed efforts on rollover applications.
- Meeting tabling deadlines (Budgets)
- Internal preparation of annual financial statements
- Not regressing the annual audit opinion.

Project Conceptualization

- Improved engagement with PMU to avoid risking of EQs meant for service delivery.
- Non- compliance to Law & Regulation threatens the financial liability – withholding of grants

Projects, if not done, institutions will collapse.

- Loadshedding relief/Immunity
- Cost reflective tariff implementation
- NERSA cost of supply study application
- Debt Write off
- Departmental cost recovery and revenue protection projects
- Electricity loss reduction & Eskom Debt relief
- Bloem Water Debt reduction

Vision and Mission (Of a department if possible)

- Establish a sustainable financial and reporting department
- Functional Budget Office & Treasury office, Revenue & Expenditure management, Supply chain Management and Fleet and Assets units
- Comply fully with MFMA, Regulated framework of role & responsibilities



CHAPTER 5: BUDGET SUMMARY

MBRR SA26 - Budgeted monthly revenue and expenditure (municipal vote)

All other supporting schedules are available on request and will also be placed on the website:

MBRR SA28 - Budgeted monthly capital expenditure (municipal vote)

All other supporting schedules are available on request and will also be placed on the website

MBRR SA29 - Budgeted monthly capital expenditure (standard classification)

All other supporting schedules are available on request and will also be placed on the website

**TSANTSABANE
MUNICIPALITY
MEDIUM TERM REVENUE AND
EXPENDITURE FRAMEWORK
2026/27 TO 2028/29**

ANNUAL BUDGET OF
TSANTSABANE
MUNICIPALITY

2026/27 TO 2028/29
MEDIUM TERM REVENUE AND
EXPENDITURE FORECASTS

Copies of this document can be viewed:

- **In the foyers of all municipal buildings**
- **All public libraries within the municipality**
- **At www.tsantsabane.gov.za**

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List of documents attached.

Full Tariff List

Detail Capital Budget

A-Schedule

Abbreviations and Acronyms

BPC	Budget Planning Committee	MSCOA	Municipal Standard Chart of Account
CFO	Chief Financial Officer		
MM	Municipal Manager		
CPI	Consumer Price Index	MFMA	Municipal Financial Management Act Programme
CRRF	Capital Replacement Reserve Fund	MIG	Municipal Infrastructure Grant
DBSA	Development Bank of South Africa	MMC	Member of Mayoral Committee
DoRA	Division of Revenue Act	MPRA	Municipal Properties Rates Act
DWA	Department of Water Affairs	MSA	Municipal Systems Act
EE	Employment Equity	MTEF	Medium-term Expenditure Framework
EEDSM	Energy Efficiency Demand Side Management	MTREF	Medium-term Revenue and Expenditure Framework
EM	Executive Mayor	NERSA	National Electricity Regulator South Africa
FBS	Free basic services	NGO	Non-Governmental organisations
GDP	Gross domestic product	NKPIs	National Key Performance Indicators
GDS	Gauteng Growth and Development Strategy	OHS	Occupational Health and Safety
GFS	Government Financial Statistics	OP	Operational Plan
GRAP	General Recognised Accounting Practice	PBO	Public Benefit Organisations
HR	Human Resources	PHC	Provincial Health Care
IDP	Integrated Development Strategy	PMS	Performance Management System
IT	Information Technology	PPE	Property Plant and Equipment
kℓ	kilolitre	PPP	Public Private Partnership
km	kilometre	PTIS	Public Transport Infrastructure System
KPA	Key Performance Area	RG	Restructuring Grant
KPI	Key Performance Indicator	RSC	Regional Services Council
kWh	kilowatt	SALGA	South African Local Government Association
ℓ	litre	SDBIP	Service Delivery Budget Implementation Plan
LED	Local Economic Development	SMME	Small Micro and Medium Enterprises
MEC	Member of the Executive Committee	ADJB	Adjustment Budget
ORGB	Annual Original Budget	DORA	Division of Revenue Act
INEP	Integrated National Electrification Program	RBIG	Regional Bulk Infrastructure Grant
FMG	Financial Management Grant	ADJB	Adjustment Budget
WSIG	Water Services Infrastructure Grant		
A4	Financial Performance Statement		
A5	Capital Expenditure		
A6	Financial Position Statement		

Part 1 – Annual Budget

5.1. Mayor's Report

Recommendation of the draft budget for purpose of public inputs.

5.2. Council Resolutions

On **31 March 2025**, the Council of Tsantsabane Local Municipality met in the Council Chambers to consider the draft annual budget of the municipality for the financial year 2026/27.

The Council of Tsantsabane Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) **approves and adopts**:

- 1.1. The annual budget of the municipality for the financial year 2026/27 and the multi-year and single-year capital appropriations as set out in the following tables:
 - 1.1.1. Budgeted Financial Performance (revenue and expenditure by source and type classification, **A4** table 1 & 2, respectively.
 - 1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote, **A3** table 13.
 - 1.1.3. Budgeted Financial Performance (revenue by source and expenditure by function, **A2** table 12; and
 - 1.1.4. Multi-year and single-year capital appropriations by municipal vote and function and associated funding by source, **A5** table 10;
- 1.2. The financial position, cash flow budget, cash-backed reserve/accumulated surplus/re-visit, asset management and basic service delivery targets are approved as set out in the following tables attached in the budget documentation:
 - 1.2.1. Budgeted Financial Position **A6** in table 16.
 - 1.2.2. Budgeted Cash Flows; **A7** in table 17;
 - 1.2.3. Cash backed reserves and accumulated surplus reconciliation; **A8** in table 18.
 - 1.2.4. Asset management in **A9** table 18; and
 - 1.2.5. Basic service delivery measurement in **A10**; and
2. The Council of Tsantsabane Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) **resolved to approve and adopt** the following **draft tariffs** as attached in **List of Attachments**, with effect from 1 July 2026:
 - 2.1. The tariffs for property rates
 - 2.2. The tariffs for electricity
 - 2.3. The tariffs for the supply of water
 - 2.4. The tariffs for sanitation services
 - 2.5. The tariffs for solid waste services

3. The Council of Tsantsabane Municipality, acting in terms of 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) **resolved to approve and adopt** with effect from 1 July 2026 the draft tariffs for other services, which are increasing on average by the same tariff increase related to key service charge (**List of Attachments**).
4. To give proper effect to the municipality's annual budget, the Council of Tsantsabane Municipality **resolved**:
 - 4.1. That cash backing is implemented through the utilisation of a portion of the revenue generated from property rates and gains on disposal of land to ensure that all capital reserves and provisions, and unspent conditional grants are cash backed as required in terms of the municipality's funding and reserves policy as prescribed by section 8 of the Municipal Budget and Reporting Regulations.

5.3. Executive Summary

The application of sound financial management principles for the compilation of the Municipality's financial plan is essential and critical to ensure that the Municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities. The Municipal Budget and Reporting Regulations, as well as various circulars issued by National Treasury, provides the guidance for budget preparation by local government.

The main items identified can be summarised as follows:

- Improved service delivery;
- Underdeveloped areas;
- Impoverished communities;
- Co-operative governance;
- Unfunded mandates, core functions service delivery agents;
- Land availability for e.g. economic development;
- Land availability for establishing tip-sites;
- Alternative service delivery options;
- Obtaining a "clean audit" inclusive of performance management;
- Delegation- and procedure manuals;
- Risk management;
- Improved planning and beyond 5 years;
- High crime rate;
- Service delivery backlogs;
- Improved maintenance programs;
- Local economic development facilitation;
- Adequacy of municipal reserves and financial sustainability;
- Curtail electricity losses;
- Tourism initiatives; and

- Improved public participation.

National Treasury's MFMA Circulars No. 70, 72, 74, 75, 78, 79, 85, 86, 91, 94, 99, 107 & 108 were mainly used to guide the compilation of the 2025/26 MTREF. Some of the key challenges faced by the municipality when compiling the budget were:

- The on-going difficulties in the national and local economy leading to high unemployment rate within our communities.
- Aging roads, asbestos pipes, the capacity of the sewer work and electricity infrastructure.
- The need to prioritise projects and expenditure within the existing resource envelope.
- **The increased cost of electricity (due to tariff increases from Eskom), which is placing upward pressure on service tariffs to residents. Similarly, the effect of the water tariffs, as determined by the Vaal Water Board, on consumers. Continuous high tariff increases are not sustainable - as there will be a point where services will no longer be affordable.**
- Proposed wage increases for municipal staff that continue to exceed consumer inflation, as well as the need to fill critical vacancies.
- Affordability of capital projects and the resultant operational costs associated with new infrastructure projects; and

The municipality is in an unhealthy financial position; however, with an improved cash management and containing municipal running costs, this position can change. The retention of sufficient cash-backed reserves is critical for the long-term sustainability of the municipality, and to this end the municipality is not achieving this objective. The main obstacle is huge creditors book balance mainly being Eskom and Vaal Water. The debtors' book is equally big but with inability to collect old debts, this in turn creates huge amount of possible bad debts which we create a provision for each year when compiling annual financial statements. The Capital Replacement Reserve needs to be at a level where all capital spending should be funded from but currently there are no funds in the CRR (Capital Replacement Reserve) to fund any capital projects.

The following budget principles and guidelines directly informed the compilation of the 2025/26 MTREF:

- Tariff and property rates increase should be affordable and should generally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the cost of bulk electricity. In addition, tariffs need to remain or move towards being cost reflective and should consider the need to address infrastructure backlogs.
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act.
- The budget must be spent in full, and all grants should be utilised in full.

In view of the above, the following tables are an overview of the proposed 2026/27 Medium-term Revenue and Expenditure Framework:

OPERATING REVENUE

Table 1

NC085 Tsantsabane - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand	1										
Revenue											
Exchange Revenue											
Service charges - Electricity	2	58,517	53,053	71,222	67,101	78,734	78,734	78,734	85,161	92,911	101,366
Service charges - Water	2	15,174	2,961	8,903	15,544	9,586	9,586	9,586	10,360	10,702	11,045
Service charges - Waste Water Management	2	26,223	27,741	31,049	31,915	31,915	31,915	31,915	33,096	34,188	35,282
Service charges - Waste Management	2	15,201	16,284	17,754	20,766	38,956	38,956	38,956	40,397	38,753	39,993
Sale of Goods and Rendering of Services	2	897	527	520	771	868	868	868	900	930	959
Agency services	2	-	-	-	502	502	502	502	510	527	544
Interest	2	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	2	-	-	-	-	-	-	-	-	-	-
Interest earned from Current and Non Current Assets	2	1,220	1,120	1,952	1,457	1,483	1,483	1,483	1,538	1,588	1,639
Dividends	2	-	-	-	-	-	-	-	-	-	-
Rent on Land	2	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets	2	589	603	733	630	630	630	630	653	675	696
Licence and permits	2	1	925	2	966	966	966	966	1,001	1,034	1,068
Special rating levies	2	-	-	-	-	-	-	-	-	-	-
Construction Contract Revenue	2	-	-	-	-	-	-	-	-	-	-
Development Charges	2	-	-	-	-	-	-	-	-	-	-
Operational Revenue	2	127	506	218	529	529	529	529	519	536	553
Non-Exchange Revenue											
Property rates	2	-	35,416	32,585	36,316	36,316	36,316	36,316	37,660	38,902	40,147
Surcharges and Taxes	2	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	2	337	432	1,776	2,172	1,640	1,640	1,640	1,645	1,699	1,753
Licences or permits	2	1,104	-	2,716	20	20	20	20	45	46	48
Transfer and subsidies - Operational	2	56,304	63,263	72,551	68,427	68,477	68,477	68,477	71,382	73,101	75,175
Interest	2	-	-	-	-	-	-	-	-	-	-
Fuel Levy	2	-	-	-	-	-	-	-	-	-	-
Operational Revenue	2	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Fixed and Intangible Assets	2	20,989	(9,829)	2,986	12,000	12,000	12,000	12,000	12,000	12,000	12,000
Other Gains	2	-	1,176	(133)	-	-	-	-	-	-	0
Discontinued Operations		-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		196,684	194,180	244,834	259,115	282,621	282,621	282,621	296,867	307,593	322,268

The operating income for **2026/26** MTREF is **R296,867 million**

This is primarily attributed to the revenue generating sources where:

- **Electricity, water and Sanitation** These service charges are based on 2025/26 audited actuals and inflationary projections as per circular 132 and 134 and Nersa application indicate increases. The entire service charge revenue contributes around **57%** of the total municipal operating revenue.

- **Property Rates** has increased from **R 37,660 million** based on the 2023/24 audited outcomes and projections to **R36,316 million** in 2025/26 MTREF budget year. Property Rates contributes around **13%** of the total operating revenue.
- **Other source of income** primarily increased due to the expected disposal of land during the 2026/27 budget year. Land occupied in Greenfields and Mountain view by residents who are not indigent.
- **Operating Government Grants** (Transfers and Subsidies) Government Grants that are operational in nature amount to **R 71,382 million** (24% of total operating revenue) in total with unconditional equitable share sitting at **R 64,383 million** allocated.
- **Interest earned from Current and Non Current Assets** is as a result of investments made at Standard Bank and ABSA Fixed deposits. The municipality is envisaging re-investing interest earned of R760 000 for the year 2025/26.

OPERATING EXPENDITURE

Table 2

NC085 Tsantsabane - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Expenditure											
Employee related costs	2	83,776	87,655	92,084	92,596	94,033	94,033	94,033	107,804	109,939	112,876
Remuneration of councillors	2	5,723	5,750	5,911	6,642	-	-	-	6,178	6,178	6,178
Bulk purchases - electricity	2	49,958	49,135	63,563	60,000	65,000	65,000	65,000	68,000	70,244	72,492
Inventory consumed	2,8	25,454	25,840	6,380	21,501	21,275	21,275	21,275	23,020	23,764	24,058
Debt impairment	2,3	32,454	34,035	41,899	40,152	45,990	45,990	45,990	40,288	42,605	45,065
Depreciation, amortisation and impairment	2	37,801	43,045	61,866	41,544	41,544	41,544	41,544	41,959	43,344	44,731
Interest, Dividends and Rent on Land	2	18,446	42,740	44,055	6,500	23,000	23,000	23,000	-	-	0
Contracted services	2	31,156	16,130	19,790	19,012	21,384	21,384	21,384	19,335	19,890	20,297
Transfers and subsidies	2	-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off	2	-	-	-	-	3,000	3,000	3,000	3,500	3,500	3,500
Operational costs	2	18,006	29,696	35,691	36,225	39,918	39,918	39,918	32,665	52,299	53,907
Disposal of Fixed and Intangible Assets	2	-	-	8,531	-	-	-	-	-	-	-
Other Losses	2	-	970	15,277	-	-	-	-	-	-	-
Total Expenditure		302,774	334,996	395,048	324,172	355,145	355,145	355,145	342,750	371,763	383,104
Surplus/(Deficit)		(106,090)	(140,815)	(150,214)	(65,058)	(72,524)	(72,524)	(72,524)	(45,883)	(64,170)	(60,835)
Transfers and subsidies - capital (monetary allocations)	6	31,585	11,069	35,831	31,190	31,190	31,190	31,190	34,031	25,982	26,781
Transfers and subsidies - capital (in-kind)	6	29,056	9,274	12,751	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(45,448)	(120,472)	(101,632)	(33,868)	(41,334)	(41,334)	(41,334)	(11,851)	(38,188)	(34,054)

With the municipality operating expenditure, there has been a slight decrease of operating expenditure compared to **R 355,145 million** of pre-audit actuals, the current total operating expenditure is at **R 342,750 million**. A decrease of 3% of budgeted expenditure in 2026 /27 financial year.

Employee Related cost has increased from **R 94,033 million** pre-audit in 2025/26 budget year to **R 107,804 million** in 2026/27 MTREF budget year. An increase of 13% is due to additional post budgeted in 2026/27. Municipal workers will get 4,75% wage increase for the year 2026/27.

Depreciation + Debt Impairment are **R41,959 million** and **R40,288 million** These two items, apart from being non-cash items, contribute **(R82,247 million)** 22% of the total operating expenditure adds more pressure on already constraint budget. Hence, we have a deficit of **R45,883 million**.

Given the infrastructural assets the municipality owns, these assets are annually losing value and as a result of wear and tear, usage of obsolesce. Maintenance plan needs to keep up with the depreciating assets.

The municipal debt impairment is influenced by the low collection rate which is less than the norm of 95% hence so much of debt receivable is provided for impairment

Bulk purchases which is electricity and water amount to **R 91.202 million** an increase of bulk purchases from **R 86,275**. Electricity and water purchases budget respectively at **R 68,000 million** and **R 23,020 million** for the financial year 2026/27.

Irrecoverable debts written off is budgeted at **R 3,500 million** for the year 2026/27. No debtors were written off in the year 2025/26.

CAPITAL BUDGET

Table 3

Capital expenditure budgeted for as per the original budget

Project Description	Current Budget FinYear1
NC085_TLM_CAPEX_MIG	5,730,400.00
NC085_TLM_CAPEX_INEP	4,840,000.00
NC085_TLM_CAPEX_WSIG	12,000,000.00
Capital Expenditure_Roads	4,630,900.00
Butterfly Street and Stormwater	5,730,400.00
Newtown Roads:Phase 2 pending street and Storm water	5,730,400.00
	38,662,100.00

Capital Projects			
MIG	Project Cost	Grant Funding	Internally Funding
Pendoring Phase 2	9 149 851.89	9 149 851.89	-
Angelier Street	3 595 101.18	2 624 201.18	970 900.00
Solar High Mast Lights	5 417 146.93	5 417 146.93	-
		18 096 000.00	
INEP			
Tructor Bulk Connection	5 000 000.00	4 840 000.00	160 000.00
WSIG			
Groenwater Water Supply	12 000 000.00	12 000 000.00	-
Internally Projects			
Furniture and Office Equipment			2 500 000.00
Office Equipment (Laptops)			1 000 000.00
Total		34 031 200.00	4 630 900.00

The capital projects have not fully been allocated to allocation as per DoRA but above is what the national government has allocated to the municipality in terms of capital spending and the portion of internally generated funds.

Grants Receipts

NC085 Tsantsabane - Supporting Table SA18 Transfers and grant receipts										
Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
RECEIPTS	1.2									
Operating										
National Government										
Monetary Allocations										
Equitable Share		50,271	55,306	58,842	61,881	61,881	61,881	64,383	67,069	69,020
Expanded Public Works Programme Integrated Grant		1,070	950	1,860	–	–	–	1,239	–	–
Local Government Financial Management Grant		2,984	2,566	3,000	3,000	3,000	3,000	3,000	3,100	3,100
Municipal Infrastructure Grant		604	761	656	896	896	896	905	982	1,007
Programme and Project Preparation Support Grant		–	–	–	1,000	1,000	1,000	–	–	0
Specify (Add grant description)		–	–	–	1,500	1,500	1,500	1,500	1,550	1,598
Total Monetary Allocations		54,929	59,584	64,358	68,277	68,277	68,277	71,027	72,701	74,725
Total Operating/National Government		54,929	59,584	64,358	68,277	68,277	68,277	71,027	72,701	74,725
Provincial Government										
Monetary Allocations										
Construction, Education and Training SETA		75	171	147	150	200	200	355	400	450
Mining Companies		-	-	5,241	-	-	-	-	-	0
Unspecified		-	-	-	-	-	-	-	-	0
Total Operating/Provincial Government		75	171	147	150	200	200	355	400	450
District Municipalities										
Monetary Allocations										
Other transfers/grants [insert description]										
Integrated National Electrification Programme Grant		15,996	4,525	13,486	–	–	–	4,840	7,316	7,647
Municipal Infrastructure Grant		11,328	4,631	16,171	17,027	17,027	17,027	17,191,200	18,665,600	19,133,950
Water Services Infrastructure Grant		4,261	1,913	6,174	14,163	14,163	14,163	12,000	-	-
Total Allocations In-kind		-	-	-	-	-	-	-	-	-
Total Capital/Other Grant Providers		-	-	-	-	-	-	-	-	-
Total Capital	5	-	-	-	-	-	-	-	-	-
TOTAL RECEIPTS OF TRANSFERS AND GRANTS		66,332	64,386	80,677	85,454	85,504	85,504	105,413	99,083	101,956

5.4. Operating Revenue Framework

For Tsantsabane Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times, strong revenue management is fundamental to the financial sustainability of Tsantsabane municipality. The reality is that we are faced with development backlogs and poverty, The expenditure required to address these challenges inevitably always exceed available funding; hence difficult choices must be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- A financially sustainable municipality;
- National Treasury's guidelines and macroeconomic policy;
- Limited growth in the Municipality and continued economic development;
- Efficient revenue management, which aims to ensure a **95** per cent annual collection rate and **100 percent** for property rates and other key service charges. Installation of Water smart meters for the whole of Tsantsabane the annual percentage of 95 percent could be achieved if it is also paired with the Credit and debt collection measures;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- Increase ability to extend new services and recover costs;
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the Municipality.

The **inflation forecasts** for the MTREF 2026/27 period are on an average **3.7%** per annum. The municipality's aim is not to exceed inflation in its annual tariff adjustments but external factors such as the Eskom increases, and which are beyond the control of the municipality, hampers this goal.

In order to ensure all revenues are raised and recovered and further that all ratepayers are being treated equitably, the municipality identified certain areas of concern and is busy implementing measures to address these problem areas.

Strategy
Maintain and improve on debt collection
Secure new sources of income
Counter the potential loss in electricity/water income as well as line-losses
Ensure an accurate and well-maintained income database
Secure more external funding and government grants for soft services including long term funding for operating expenses
Monitor the financial health of the Municipality and cash-back all reserves
Installation of smart prepaid meters for the entire Tsantsabane area

The following table is a summary of the 2025/26 MTREF (classified by main revenue source):

Table 4

Revenue generated from rates and service charges form a significant percentage of the revenue basket for the Municipality. **Rates and service charges revenues** are sitting at **70** per cent of the total revenue over the 2026/27 MTREF period

NC085 Tsantsabane - Table A1 Budget Summary

Description	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousands										
Financial Performance										
Property rates	–	35,416	32,585	36,316	36,316	36,316	36,316	37,660	38,902	40,147
Service charges	115,117	100,040	128,927	135,326	159,190	159,190	159,190	169,015	176,554	187,685
Investment revenue	1,220	1,120	1,952	1,457	1,483	1,483	1,483	1,538	1,588	1,639
Transfer and subsidies - Operational	56,304	63,263	72,551	68,427	68,477	68,477	68,477	71,382	73,101	75,175
Other own revenue	24,043	(5,659)	8,818	17,589	17,155	17,155	17,155	17,273	17,447	17,622
Total Revenue (excluding capital transfers and contributions)	196,684	194,180	244,834	259,115	282,621	282,621	282,621	296,867	307,593	322,268
Employee costs	83,776	87,655	92,084	92,596	94,033	94,033	94,033	107,804	109,939	112,876
Remuneration of councillors	5,723	5,750	5,911	6,642	–	–	–	6,178	6,178	6,178
Depreciation, amortisation and impairment	37,801	43,045	61,866	41,544	41,544	41,544	41,544	41,959	43,344	44,731
Interest, Dividends and Rent on Land	18,446	42,740	44,055	6,500	23,000	23,000	23,000	–	–	0
Inventory consumed and bulk purchases	75,412	74,975	69,943	81,501	86,275	86,275	86,275	91,020	94,008	96,550
Transfers and subsidies	–	–	–	–	–	–	–	–	–	–
Other expenditure	81,617	80,830	121,188	95,389	110,293	110,293	110,293	95,788	118,294	122,768
Total Expenditure	302,774	334,996	395,048	324,172	355,145	355,145	355,145	342,750	371,763	383,104
Surplus/(Deficit)	(106,090)	(140,815)	(150,214)	(65,058)	(72,524)	(72,524)	(72,524)	(45,883)	(64,170)	(60,835)
Transfers and subsidies - capital (monetary allocations)	31,585	11,069	35,831	31,190	31,190	31,190	31,190	34,031	25,982	26,781
Transfers and subsidies - capital (in-kind)	29,056	9,274	12,751	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(45,448)	(120,472)	(101,632)	(33,868)	(41,334)	(41,334)	(41,334)	(11,851)	(38,188)	(34,054)
Share of Surplus/Deficit attributable to Associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	(45,448)	(120,472)	(101,632)	(33,868)	(41,334)	(41,334)	(41,334)	(11,851)	(38,188)	(34,054)

Employee related costs, Depreciation and amortisation and inventory and bulk purchases remain high even when other operating expenditure were cut. This puts pressure on the realistic revenue generated of the municipality and as a results creates a deficit when capital income is not considered.

Tariffs for indigent households are set out below:

1	Rates are free of charge based on the market value of the property to the maximum of R30 000
2	50 kWh free electricity per month
3	6 kilolitres of water free per month
4	Free refuse x 4 removal per month

5	Free sewerage per month
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GRANTS AND SUBSIDIES

Total grants and transfers totals to **R 105,413 million** in the 2026/27 budget year.

Table 7

NC085 Tsantsabane - Supporting Table SA18 Transfers and grant receipts										
Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
RECEIPTS	1.2									
Operating										
<u>National Government</u>										
Monetary Allocations										
Equitable Share		50,271	55,306	58,842	61,881	61,881	61,881	64,383	67,069	69,020
Expanded Public Works Programme Integrated Grant		1,070	950	1,860	-	-	-	1,239	-	-
Local Government Financial Management Grant		2,984	2,566	3,000	3,000	3,000	3,000	3,000	3,100	3,100
Municipal Infrastructure Grant		604	761	656	896	896	896	905	982	1,007
Programme and Project Preparation Support Grant		-	-	-	1,000	1,000	1,000	-	-	0
Specify (Add grant description)		-	-	-	1,500	1,500	1,500	1,500	1,550	1,598
Total Monetary Allocations		54,929	59,584	64,358	68,277	68,277	68,277	71,027	72,701	74,725
Total Operating/National Government		54,929	59,584	64,358	68,277	68,277	68,277	71,027	72,701	74,725
<u>Provincial Government</u>										
Monetary Allocations										
Construction, Education and Training SETA		75	171	147	150	200	200	355	400	450
Mining Companies		-	-	5,241	-	-	-	-	-	0
Unspecified		-	-	-	-	-	-	-	-	0
Total Operating/Provincial Government		75	171	147	150	200	200	355	400	450
<u>District Municipalities</u>										
Monetary Allocations										
Other transfers/grants [insert description]										
Integrated National Electrification Programme Grant		15,996	4,525	13,486	-	-	-	4,840	7,316	7,647
Municipal Infrastructure Grant		11,328	4,631	16,171	17,027	17,027	17,027	17,191,200	18,665,600	19,133,950
Water Services Infrastructure Grant		4,261	1,913	6,174	14,163	14,163	14,163	12,000	-	-
Total Allocations In-kind		-	-	-	-	-	-	-	-	-
Total Capital/Other Grant Providers		-	-	-	-	-	-	-	-	-
Total Capital	5	-	-	-	-	-	-	-	-	-
TOTAL RECEIPTS OF TRANSFERS AND GRANTS		66,332	64,386	80,677	85,454	85,504	85,504	105,413	99,083	101,956

Tariffs

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were taken into account to ensure the financial sustainability of the Municipality.

BUDGET CIRCULAR 132-2025/27 MTREF. It is inflation fall to 4.4 per cent in 2023/24 and is expected average 3.3 per cent in 2025/26 and to 3.7 per cent in 2026/27.

The percentage increases of Eskom bulk tariffs are far beyond the mentioned inflation target. Given that these tariffs increases are determined by an external agency, the impact it has on the municipality's electricity tariffs are largely outside the control of the Municipality. Discounting the

impact of these price increases in lower consumer tariffs will erode the Municipality's future financial position and viability.

The municipality budgets for the non-payment of accounts based on experience of recovery rates. The municipality applies its Credit Control Policy but there are always situations where there are defaults on payment. Experience indicates that contribution for bad debt over the revenue for rates, service charges and rent of facilities on credit percentage should not be more than 10 per cent, however, a cautionary approach is taken in this budget due to the signs of economic stress being experienced by the community.

It must also be appreciated that the consumer price index, as measured by CPI, is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilised for the calculation of the CPI consist of items such as food, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, bulk purchases of electricity and water, petrol, diesel, chemicals, cement etc. The current challenge facing the Municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions. Within this framework the Municipality has undertaken the tariff setting process relating to service charges as follows;

5.4.1. Property Rates

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process.

National Treasury's MFMA Circular No. 51 deals, inter alia with the implementation of the Municipal Property Rates Act, with the regulations issued by the Department of Co-operative Governance. These regulations came into effect on 1 July 2009 and prescribe the rate ratio for the non-residential categories, public service infrastructure and agricultural properties relative to residential properties to be 0,25:1. The implementation of these regulations was done in the previous budget process and the Property Rates Policy of the Municipality has been amended accordingly.

The following stipulations in the Property Rates Policy are highlighted:

- The first R15 000 of the market value of a property used for residential purposes is excluded from the rate-able value (Section 17(h) of the MPRA) Tsantsabane Municipality increased this value to R30 000;
- 100 per cent rebate will be granted to registered indigents in terms of the Indigent Policy to a maximum valuation of R30 000;

The categories of rateable properties for purposes of levying rates and the proposed rates for the 2026/27 financial year will be increase by 3.7%.

Property Rates Tariffs for the 2026/27 Financial year

PROPERTY TAX 3.7%

ASSESSMENT RATES	Approved 2022/23	Approved 2023/24	Approved 2024/25	Tariffs 2025/26	Draft Tariffs 2026/27
Residential	0.006192	0.006315	0.0053318	0.0055664	0.0057724
Residential - vacant land	0.0061915	0.0063154	0.0053318	0.0055664	0.0057724
Formal / Informal Settlements	0.0061915	0.0063154	0.0053318	0.0055664	0.0057724
Small Holdings	0.0061915	0.0063154	0.0053318	0.0055664	0.0057724
Farm Properties used / not used	0.0004226	0.0004311	0.0005044	0.0005266	0.0005461
Industrial	0.0105439	0.0107547	0.0098836	0.0103185	0.0107003
Business and Commercial	0.0105439	0.0107547	0.0098836	0.0103185	0.0107003
Communal land - residential & small holdings	0.0061915	0.0063154	0.0066248	0.0069163	0.0071722
Communal land - Business and commercial	0.0105439	0.0107547	0.0098836	0.0103185	0.0107003
Public Service Infrastructure (P.S.I)	0.0061915	0.0016253	0.0013330	0.0013917	0.0014431
Public Benefits Organisations (P.B.O)	0.0061915	0.0016253	0.0013330	0.0013917	0.0014431
Mining (buildings)	0.0590635	0.0602448	0.0631968	0.0659775	0.0684186
Rebate	30,000	30,000.00	30,000	30,000	30,000
Pensioners / social grants rebate / exemption	20%	0.20	20%	20%	20%
Temporary relief rebate / exemption	20%	0.20	20%	20%	20%
Bona fide farmers rebate / exemption	25%	0.25	25%	25%	25%

5.4.2. Sale of Water and Sanitation and the Impact of Tariff Increases

South Africa faces similar challenges about water supply as it did with electricity, since demand growth outstrips supply. Consequently, National Treasury has indicated that the municipalities tariffs are not costs reflective and there is a shortfall of R42 million thus encouraging municipality to carefully review the level and structure of their water tariffs to ensure. The tariff was not increased mainly because water tankers providing free water in Greenfields and Mountain view contribute to the shortfall.

Water tariffs are not cost-reflective –the cost of maintenance and renewal of purification plants, water networks and the cost associated with reticulation expansion;

Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent); and

Water tariffs are designed to encourage efficient and sustainable consumption.

The municipality obtains water from Vaal at a cost of R14.99p/kl. A tariff increase for 2026/27 effective 1 July 2027 is 3.7%.

The proposed tariffs for the 2026/27 financial year are as follows:

<i>Description</i>	<i>Charges</i>	Approved 2023/24	Approved 2024/25	Tariffs 2025/26	Draft Tariffs 2026/27
<i>Residential - basic</i>		463.18	485.87	507.25	526.02
<i>Residential - consumption</i>	<i>0 - 6kl</i>	17.19	18.03	18.82	19.52
	<i>6.1 - 12kl</i>	19.93	20.90	21.82	22.63
	<i>13kl - 30kl</i>	23.42	24.57	25.65	26.60
	<i>More than 30kl</i>	31.93	33.49	34.97	36.26
<i>Business - basic</i>		463.18	485.87	507.25	526.02
<i>Business - consumption</i>	<i>0 - 6kl</i>	19.93	20.90	21.82	22.63
	<i>6.1 - 12kl</i>	23.42	24.56	25.64	26.59
	<i>13kl - 30kl</i>	31.92	33.49	34.96	36.26
	<i>More than 30kl</i>	40.14	42.11	43.96	45.59
Prepaid Metering					0.00
New Residential consumption	<i>0 - 6kl</i>	16.58	17.39	18.16	18.83
	<i>6.1 - 12kl</i>	19.23	20.17	21.06	21.84
	<i>13kl - 30kl</i>	22.60	23.70	24.75	25.66
	<i>More than 30kl</i>	31.92	33.49	34.96	36.26
					0.00
<i>Hospitals, Old Age Homes Schools and Hostels</i>		13.72	14.39	15.02	15.58
<i>Departmental Use</i>		15.83	16.61	17.34	17.98
<i>Consumer Deposits</i>		2,014.62	2,113.33	2,206.32	2,287.96

The outstanding water **account from Vaal Water amounts to more than R140 million** and needs urgent attention. If the water losses are minimised, which will only be viable through installation of smart meters, the monthly bill of Vaal Water will decrease substantially. The municipality needs to ring-fence the water supply and determine what the actual cost per kl should be. Tsantsabane Municipality need to make use of their own boreholes to minimize the usage of Vaal water. We need to be less dependent on Vaal water in 2025/26 financial year and beyond.

The municipality needs continuously to explore ways to limit the water losses to an acceptable level. There will always be water line losses due to burst pipes and as repairs thereof requires flushing of systems before being distributed again. However, any losses above 13% is considered excessive by the Auditor-General's office and regarded as fruitless expenditure. The municipality will continue to monitor reasons for the excessive losses and to improve systems to limit the water losses to below 13%.

Sanitation fees

The tariffs for sanitation have proposed increased by 3.7% for residential and commercial respectively. The proposed tariffs are listed below:

Description	Charges	Approved 2023/24	Approved 2024/25	Tariffs 2025/26	Draft Tariffs 2026/27
Basic charge		447.82	469.76	490.43	508.58
Residential & Flats		323.40	339.24	354.17	367.28
Buckets		93.57	98.15	102.47	106.26
Business & Guesthouses		821.22	861.46	899.37	932.65
Hotels & Motels		2,483.19	2,604.87	2,719.48	2,820.10
Mall		12,113.17	12,706.71	13,265.81	13,756.64
Hospitals/Old age homes / Schools		2,153.28	2,258.79	2,358.18	2,445.43
Availability - empty serviced stands		478.29	501.73	523.80	543.18
ASSMANG & other (arrangement)	per 1000 l	60.47	63.43	66.22	68.67
Deposit		7,326.68	7,685.68	8,023.85	8,320.74
NEW CONNECTIONS FEES ON STANDS THAT WAS DEVELOPED BY MUNICIPALITY					
Cost of material		1,493.14	1,566.30	1,635.22	1,695.72
Cost of labour		373.28	391.57	408.80	423.93
15% Administration Levy on material and labour cost		279.98	293.70	306.62	317.96
		2,205.32	2,313.38	2,415.17	2,504.53
ADMIN FEE ON STANDS THAT WAS DEVELOPED BY DEVELOPERS					
Admin Fee		1,119.85	1,174.72	1,226.41	1,271.78
Purified Sewerage Water (if available)	per kilo litre	3.36	3.52	3.67	3.81
Per Extraction		479.16	502.64	524.76	544.17
SEWERAGE PUMPING					
Per tanker load		60.47	63.43	66.22	68.67
Pumping on even		848.79	890.38	929.56	963.95
After hours and public holidays		1,023.59	1,073.75	1,121.00	1,162.47

5.4.3. Sale of Electricity and Impact of Tariff Increases

NERSA has announced that it expected the revised bulk electricity pricing structure to be a 8.76% increase in the Eskom bulk electricity tariff to municipalities effectively from 1 July 2026.

On 5 March 2026, the National Energy Regulator of South Africa (NERSA) granted approval for Eskom's Retail Tariff and Structural Adjustment (ERTSA) application. As part of this approval, the Regulator authorised a 9,01% tariff increase for local authorities (municipalities), effective from 1 July 2026 to 30 June 2027.

ELECTRICITY TARIFFS & CHARGES

The tariffs will be included in the budget after NERSA approved the tariffs.

Electricity is regarded as a trading account which should make a profit, although NERSA monitors and limits this profit to an estimate of 6%. The municipality does not make a profit on electricity for the past years.

Electricity line losses are not continuously monitored. It can represent a significant financial loss for the municipality. In general electricity line losses of 10% is being regarded as "acceptable" in the industry and Tsantsabane is well above that norm with a loss of 25.58%.

Comparison between current electricity charges and increases.

It should further be noted that NERSA has advised that a stepped tariff structure must be used. The effect thereof will be that the higher the consumption, the higher the cost per kWh. The aim is to subsidise the lower consumption users (mostly the poor).

2026/27 MTREF tariff proposal for sale of electricity.

TARIFFS FOR THE FINANCIAL YEAR 2026/2027							
ELECTRICITY (Nersa 9.01%)							
Domestic tariffs							
Domestic Conventional							
Tariff blocks	Approved 2022/23	Approved 2023/24	Approved 2024/25	Approved 2025/26	Approved 2026/27		% Increase approved by Nersa
Block 1 (0-50 kWh)	135.23	155.65	173.08	176.48	180.26	cent	2.14%
Block 2 (51-350 kWh)	171.67	197.60	219.73	225.20	231.30	cent	2.71%
Block 3 (351-600 kWh)	231.74	266.74	296.61	306.55	317.74	cent	3.65%
Block 4 (> 600 kWh)	287.76	331.21	368.30	383.62	401.00	cent	4.53%
Basic charge p/month	437.72	503.82	560.24	632.80	689.82	Rand	
Domestic Prepaid							
Tariff blocks	Approved 2022/23	Approved 2023/24	Approved 2024/25	Approved 2025/26	Approved 2026/27		
Block 1 (0-50 kWh)	137.07	157.77	175.44	178.93	182.81	cent	2.17%
Block 2 (51-350 kWh)	186.62	214.80	238.86	245.31	252.52	cent	2.94%
Block 3 (351-600 kWh)	245.00	282.00	313.58	324.71	337.28	cent	3.87%
Block 4 (> 600 kWh)	272.84	314.04	349.21	362.97	378.54	cent	4.29%
Commercial Tariffs							
Commercial Conventional							
	Approved 2022/23	Approved 2023/24	Approved 2024/25	Approved 2025/26	Approved 2026/27		
Basic charge	838.35	964.94	1,073.01	1,211.96	1,321.16	Rand	9.01%
Energy charge	240.74	277.09	308.13	318.85	330.93	cent	3.79%
Commercial Prepaid							
	Approved 2022/23	Approved 2023/24	Approved 2024/25	Approved 2025/26	Approved 2026/27		
Energy charge	280.51	322.87	359.03	373.57	390.04	cent	4.41%
Industrial Tariffs							
Industrial Conventional							
	Approved 2022/23	Approved 2023/24	Approved 2024/25	Approved 2025/26	Approved 2026/27		
Basic charge	707.65	814.51	905.73	1,023.03	1,115.21	Rand	9.01%
Energy charge	214.95	247.41	275.12	283.68	293.30	cent	3.39%
Demand charge	242.16	278.73	309.94	350.09	381.63	Rand	9.01%
Industrial Bulk							
	Approved 2022/23	Approved 2023/24	Approved 2024/25	Approved 2025/26	Draft 2026/27		
Basic charge	356.03	409.79	455.69	514.70	561.07	Rand	9.01%
Energy charge	207.42	238.74	265.48	273.42	282.33	cent	3.26%
Demand charge	240.23	276.50	307.47	347.29	378.58	Rand	9.01%
Industrial Prepaid							
	Approved 2022/23	Approved 2023/24	Approved 2024/25	Approved 2025/26	Approved 2026/27		
Energy charge	249.34	286.99	319.13	330.60	343.56	cent	3.92%
Other Tariffs							
Schools							
	Approved 2022/23	Approved 2023/24	Approved 2024/25	Approved 2025/26	Approved 2026/27		
Energy Charge	249.34	286.99	319.13	330.62	343.58	cent	3.92%
Advertising Boards							
	Approved 2022/23	Approved 2023/24	Approved 2024/25	Approved 2025/26	Approved 2026/27		
Energy charge	280.51	322.87	359.03	373.57	390.04	cent	4.41%

5.4.4. Waste Removal and Impact of Tariff Increases

Solid waste removal tariffs have been proposed to increase by 3.7% for residential and increase commercial by 3.7%.

Description	Charges	Approved 2023/24	Approved 2024/25	Tariffs 2025/26	Draft Tariffs 2026/27
Residential	Per home	198.35	208.06	217.22	225.26
Per additional living unit		198.35	208.06	217.22	225.26
Business	Per point	572.00	600.03	626.43	649.61
Mall		22,800.06	23,917.27	24,969.63	25,893.50
Industrial		572.00	600.03	626.43	649.61
Containers	Per container	459.11	481.61	502.80	521.40

It is widely accepted that the rendering of this service should at least break even, which is currently the case for the 2026/27 MTREF period.

The Municipality will have to implement a solid waste strategy to ensure that this service can be rendered in a sustainable manner over the medium to long-term. The main contributors to the expenditure are the general expenditure (rehabilitation cost) and the maintenance of the landfill site, diesel of vehicles, increases in the cost of remuneration of officials. In addition, the cost of new landfill sites, the effect of depreciation and rehabilitation on these landfill sites all plays an important role in the projected losses or surpluses.

5.5. Operating Expenditure Framework

The Municipality's expenditure framework for the 2026/27 budget and MTREF is informed by the following:

- Guidance provided by National Treasury in Circular 66, 67, 70, 72, 74, 75, 78, 79, 85, 86 and 93,99,122,123,129, 132 & 134
- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit.
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA.
- The capital programme is aligned to the asset renewal strategy and backlog eradication plan.
- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and
- Limitation on tariff increases.

The following table is a high-level summary of the 2025/26 budget and MTREF (classified per main type of operating expenditure):

Table 8

NC085 Tsantsabane - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Expenditure											
Employee related costs	2	83,776	87,655	92,084	92,596	94,033	94,033	94,033	107,804	109,939	112,876
Remuneration of councillors	2	5,723	5,750	5,911	6,642	-	-	-	6,178	6,178	6,178
Bulk purchases - electricity	2	49,958	49,135	63,563	60,000	65,000	65,000	65,000	68,000	70,244	72,492
Inventory consumed	2,8	25,454	25,840	6,380	21,501	21,275	21,275	21,275	23,020	23,764	24,058
Debt impairment	2,3	32,454	34,035	41,899	40,152	45,990	45,990	45,990	40,288	42,605	45,065
Depreciation, amortisation and impairment	2	37,801	43,045	61,866	41,544	41,544	41,544	41,544	41,959	43,344	44,731
Interest, Dividends and Rent on Land	2	18,446	42,740	44,055	6,500	23,000	23,000	23,000	-	-	0
Contracted services	2	31,156	16,130	19,790	19,012	21,384	21,384	21,384	19,335	19,890	20,297
Transfers and subsidies	2	-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off	2	-	-	-	-	3,000	3,000	3,000	3,500	3,500	3,500
Operational costs	2	18,006	29,696	35,691	36,225	39,918	39,918	39,918	32,665	52,299	53,907
Disposal of Fixed and Intangible Assets	2	-	-	8,531	-	-	-	-	-	-	-
Other Losses	2	-	970	15,277	-	-	-	-	-	-	-
Total Expenditure		302,774	334,996	395,048	324,172	355,145	355,145	355,145	342,750	371,763	383,104
Surplus/(Deficit)		(106,090)	(140,815)	(150,214)	(65,058)	(72,524)	(72,524)	(72,524)	(45,883)	(64,170)	(60,835)
Transfers and subsidies - capital (monetary allocations)	6	31,585	11,069	35,831	31,190	31,190	31,190	31,190	34,031	25,982	26,781
Transfers and subsidies - capital (in-kind)	6	29,056	9,274	12,751	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(45,448)	(120,472)	(101,632)	(33,868)	(41,334)	(41,334)	(41,334)	(11,851)	(38,188)	(34,054)

Operationally, there is budgeted deficit of **R 45,883 million** in 2026/27 MTREF Budget. The budget allocation for employee related costs for the 2026/27 financial year totals **R 107,804 million**, which equals 31 per cent of the total operating expenditure.

COUNCILLORS REMUNERATION

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998).

DEBT IMPAIRMENT

For the 2025/26 budget year debt impairment amounts to R45,990 million and escalates to R40,288 million by (2026/27). While this expenditure is a non-cash flow item, it informed the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues

DEPRECIATION AND ASSET INPAIRMENT

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation on assets other than land is calculated on cost, using the Straight-line Method, to allocate their cost or revalued amounts to their residual values over the estimated useful lives of the assets. Each part of an item of Property, Plant and Equipment with a cost that is significant in relation to the total cost of the item is depreciated separately

FINANCE CHARGES

Finance charges consist primarily of the repayment of interest levied on overdue account and finance/operating leases (cost of capital).

Main operational expenditure categories for the 2026/27 financial year

5.5.1. Priority given to repairs and maintenance.

Aligned to the priority being given to preserving and maintaining the Municipality's current infrastructure, the 2026/27 budget and MTREF provide for extensive growth in the area of asset maintenance, as informed by the asset management policy. **Council needs to adopt a repairs and maintenance plan for the Municipality.** In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services.

Considering these cost drivers, National Treasury requires municipalities to adapt their costing systems to reflect these costs as Repairs and Maintenance. The municipality financial systems, as yet, cannot provide for this request and it will be implemented with mSCOA.

During the compilation of the 2026/27 MTREF operational repairs and maintenance was identified as a strategic imperative owing to the aging of the Municipality's infrastructure and historic deferred maintenance. To this end, the municipality identified this, together with other strategic items, as priority to be investigated and changes to be incorporated into the next budget.

Free Basic Services: Basic Social Services Package

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the Municipality's Indigent Policy. The target is to register all indigent households during the 2026/27 financial year, a process reviewed annually.

The cost of the social package of the registered indigent households is financed by the municipality self and largely by utilising the municipality's unconditional equitable share, allocated in terms of the Constitution to local government, and received in terms of the annual Division of Revenue Act. The indigent subsidy as a result of free basic services totals R 5,506 million (2025/26) actuals and increasing to R 6,067 million in 2026/27 and R 6,292 million and R 6,499 million in the outer years.

ACTUALS 2025/26	Property rat	Waste	Sanitation	Water	Electricity
Free basic services provided	- 3,459,098	- 608,992	- 998,723	- 2,344	- 437,281
Total					-5,506,437

Turnaround Strategy

Tsantsabane Municipality has to implement projects that can help to improve the current cash strapped financial position. The Council, Management and Officials need to work together to improve the cash flow situation of Tsantsabane Municipality.

Goals

- Tsantsabane Municipality must provide free basic services to all indigent persons.
- All services that the Municipality renders must be of a high quality.
- The Council and Management must restore the trust of all the residents in Tsantsabane Municipality.
- Council and Management must be transparent with all transactions.
- Council and Management must communicate on a regular basis to all communities.
- Council should have strong partnership with churches, sport bodies, culture groups and the mining houses.
- Council must create an environment that encourages or enhances investment. We need investment to create jobs for the community.
- Council must collect all outstanding debt to maintain all the assets of the Municipality.
- Good governance is essential in Tsantsabane Municipality.

Incentive to residence:

Implement an incentive scheme to attract consumers to settle their debt. Rand for Rand Scheme: the municipality writes-off the amount equal to the amount of the arrears that a consumer is prepared and willing to pay at any given time regardless of the total amount of the debt/arrears of that consumer. The municipality has budget R 3,500 million as Irrecoverable debts written off for the financial 2026/27.

Indigent Households

All outstanding debt of indigent households should be written off as of 30 June 2027. The cost to write off outstanding debt should be calculated and presented to Council. The write off will be in accordance with GRAP standards.

5.6. Annual Budget Tables

The following pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2025/26 budget and MTREF to be approved by the Council. Each table is accompanied by *explanatory notes* on the facing page.

TABLE 11
Table A1 - Budgeted Summary

NC085 Tsantsabane - Table A1 Budget Summary

Description	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousands										
Financial Performance										
Property rates	–	35,416	32,585	36,316	36,316	36,316	36,316	37,660	38,902	40,147
Service charges	115,117	100,040	128,927	135,326	159,190	159,190	159,190	169,015	176,554	187,685
Investment revenue	1,220	1,120	1,952	1,457	1,483	1,483	1,483	1,538	1,588	1,639
Transfer and subsidies - Operational	56,304	63,263	72,551	68,427	68,477	68,477	68,477	71,382	73,101	75,175
Other own revenue	24,043	(5,659)	8,818	17,589	17,155	17,155	17,155	17,273	17,447	17,622
Total Revenue (excluding capital transfers and contributions)	196,684	194,180	244,834	259,115	282,621	282,621	282,621	296,867	307,593	322,268
Employee costs	83,776	87,655	92,084	92,596	94,033	94,033	94,033	107,804	109,939	112,876
Remuneration of councillors	5,723	5,750	5,911	6,642	–	–	–	6,178	6,178	6,178
Depreciation, amortisation and impairment	37,801	43,045	61,866	41,544	41,544	41,544	41,544	41,959	43,344	44,731
Interest, Dividends and Rent on Land	18,446	42,740	44,055	6,500	23,000	23,000	23,000	–	–	0
Inventory consumed and bulk purchases	75,412	74,975	69,943	81,501	86,275	86,275	86,275	91,020	94,008	96,550
Transfers and subsidies	–	–	–	–	–	–	–	–	–	–
Other expenditure	81,617	80,830	121,188	95,389	110,293	110,293	110,293	95,788	118,294	122,768
Total Expenditure	302,774	334,996	395,048	324,172	355,145	355,145	355,145	342,750	371,763	383,104
Surplus/(Deficit)	(106,090)	(140,815)	(150,214)	(65,058)	(72,524)	(72,524)	(72,524)	(45,883)	(64,170)	(60,835)
Transfers and subsidies - capital (monetary allocations)	31,585	11,069	35,831	31,190	31,190	31,190	31,190	34,031	25,982	26,781
Transfers and subsidies - capital (in-kind)	29,056	9,274	12,751	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(45,448)	(120,472)	(101,632)	(33,868)	(41,334)	(41,334)	(41,334)	(11,851)	(38,188)	(34,054)
Share of Surplus/Deficit attributable to Associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	(45,448)	(120,472)	(101,632)	(33,868)	(41,334)	(41,334)	(41,334)	(11,851)	(38,188)	(34,054)

Capital expenditure & funds sources										
Capital expenditure	39,327	27,839	4,147	31,890	33,762	33,762	33,762	42,162	29,482	30,281
Transfers recognised - capital	38,989	18,256	25,755	31,190	31,190	31,190	31,190	34,031	25,982	26,781
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	338	9,584	(21,609)	700	2,573	2,573	2,573	8,131	3,500	3,500
Total sources of capital funds	39,327	27,839	4,147	31,890	33,762	33,762	33,762	42,162	29,482	30,281
Financial position										
Total current assets	42,557	48,396	54,725	104,180	263,146	263,146	263,146	464,158	333,237	349,861
Total non current assets	743,341	729,685	724,493	796,356	638,595	638,595	638,595	726,978	(11,504)	(12,016)
Total current liabilities	493,997	572,075	634,083	896,042	659,485	659,485	659,485	628,062	(83,892)	(86,316)
Total non current liabilities	29,822	25,278	25,278	25,278	25,278	25,278	25,278	47,324	-	0
Community wealth/Equity	344,504	358,023	222,661	237,764	143,066	143,066	143,066	108,969	-	0
Cash flows										
Net cash from (used) operating	105,583	62,929	224,277	32,454	105,549	105,549	105,549	18,845	(3,224)	2,297
Net cash from (used) investing	-	-	550	(19,890)	(3,092)	(3,092)	(3,092)	(30,162)	(17,482)	(18,281)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the year end	121,146	70,627	234,906	19,759	113,068	113,068	113,068	(706)	(21,411)	(37,395)
Cash backing/surplus reconciliation										
Cash and investments available	121,146	70,627	234,906	19,759	113,068	113,068	113,068	(706)	(21,411)	(37,395)
Application of cash and investments	476,752	566,782	630,610	863,253	625,049	625,049	625,049	453,576	(167,774)	(174,502)
Balance - surplus (shortfall)	(355,606)	(496,155)	(395,705)	(843,494)	(511,981)	(511,981)	(511,981)	(454,282)	146,363	137,107
Asset management										
Asset register summary (WDV)	675,732	643,927	656,706	679,008	537,846	537,846		620,529	(37,486)	(38,797)
Depreciation	37,801	43,045	37,198	41,544	41,544	41,544		41,959	43,344	44,731
Renewal and Upgrading of Existing Assets	-	6,010	448	-	-	-		-	-	0
Repairs and Maintenance	89,073	86,110	2,382	9,839	9,939	9,939		11,064	11,429	11,794
Free services										
Cost of Free Basic Services provided	(17,130)	(18,664)	(18,353)	4,639	4,639	4,639		4,639	24,783	25,788
Revenue cost of free services provided	-	2,742	-	6,067	6,067	6,067		6,067	6,292	6,499
Households below minimum service level										
Water:	-	-	-	-	-	-		-	-	-
Sanitation/sewerage:	-	-	-	-	-	-		-	-	-
Energy:	-	-	-	-	-	-		-	-	-
Refuse:	-	-	-	-	-	-		-	-	-

Explanatory notes to Table A1 - Budget Summary

- Table A1 is a budget summary and provides a concise overview of the Municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
- The table provides an overview of the amounts subject to approval by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
 - Financial management reforms emphasises the importance of the municipal budget being funded. The current budget (MTREF 2026/27) is not funded as required by National Treasury due to huge creditors book which the municipality is not able to finance as a result of cash flow problems emanating from cash collection rate from debtors. The assessment of this requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard. The operating surplus/deficit (after Total Expenditure) is Positive over the MTREF.
- The cash backing/surplus reconciliation shows that in previous financial years the municipality was not paying much attention to managing this aspect of its finances, and consequently none of its obligations are cash-backed.

TABLE 12

MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by functional classification)

NC085 Tsantsabane - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand	1									
Revenue - Functional										
<i>Governance and administration</i>		78,749	94,771	110,773	118,819	118,463	118,463	122,753	125,724	129,106
Executive and council		-	-	-	-	-	-	-	-	0
Finance and administration		78,749	94,771	110,773	118,819	118,463	118,463	122,753	125,724	129,106
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		1,601	2,424	1,677	3,436	3,263	3,263	3,328	3,438	3,547
Community and social services		1,363	1,420	1,499	2,387	2,177	2,177	2,202	2,275	2,346
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		238	1,004	178	1,048	1,086	1,086	1,126	1,163	1,201
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		41,590	5,508	32,380	18,565	18,745	18,745	18,962	20,543	21,064
Planning and development		-	-	15,467	140	320	320	1,261	1,350	1,387
Road transport		41,590	5,508	16,913	18,425	18,425	18,425	17,701	19,192	19,678
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		135,386	111,821	148,585	149,485	173,340	173,340	185,855	183,870	195,332
Energy sources		74,513	62,907	84,705	67,097	78,720	78,720	90,001	100,227	109,013
Water management		19,448	4,889	15,077	29,707	23,749	23,749	22,360	10,702	11,045
Waste water management		26,223	27,741	31,049	31,915	31,915	31,915	33,096	34,188	35,282
Waste management		15,201	16,284	17,754	20,766	38,956	38,956	40,397	38,753	39,993
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	257,326	214,524	293,416	290,305	313,811	313,811	330,898	333,575	349,049
Expenditure - Functional										
<i>Governance and administration</i>		132,620	163,504	177,181	90,664	103,586	103,586	81,272	102,420	104,799
Executive and council		16,587	11,564	10,897	14,366	5,314	5,314	10,676	10,937	10,759
Finance and administration		116,014	151,064	164,970	74,803	96,733	96,733	68,832	89,830	92,346
Internal audit		19	877	1,314	1,495	1,540	1,540	1,764	1,653	1,695
<i>Community and public safety</i>		18,394	25,698	26,213	29,184	33,890	33,890	25,819	25,432	26,161
Community and social services		6,748	10,907	12,048	16,948	19,298	19,298	13,596	12,680	13,001
Sport and recreation		7,829	7,963	6,691	5,664	5,294	5,294	5,320	5,495	5,671
Public safety		3,798	6,828	6,235	3,775	6,294	6,294	6,005	6,329	6,532
Housing		19	-	1,239	2,798	3,004	3,004	898	927	957
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		18,132	15,767	23,935	29,889	31,771	31,771	38,373	39,543	40,250
Planning and development		6,637	10,513	5,930	6,926	8,781	8,781	13,471	13,844	14,196
Road transport		11,495	5,253	18,005	22,964	22,990	22,990	24,902	25,699	26,054
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		141,176	152,754	176,922	176,682	188,146	188,146	197,286	204,368	211,892
Energy sources		63,104	63,779	81,201	80,622	104,156	104,156	103,963	108,359	112,900
Water management		33,144	16,932	28,375	37,478	41,637	41,637	38,448	39,370	40,585
Waste water management		37,951	56,006	42,154	43,576	28,971	28,971	33,613	34,699	35,787
Waste management		6,976	16,037	25,192	15,006	13,382	13,382	21,262	21,941	22,620
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	310,323	357,723	404,251	326,420	357,393	357,393	342,750	371,763	383,104
Surplus/(Deficit) for the year		(52,997)	(143,199)	(110,835)	(36,115)	(43,582)	(43,582)	(11,851)	(38,188)	(34,054)

Explanatory notes to MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per functional classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports. This simply means "against which function the transaction should be recorded".
2. Note the Total Revenue on this table includes capital revenues (Transfers recognised – capital) and so does not balance to the operating revenue shown on Table A4.
3. Note that as a general principle the revenue for the Trading Services should exceed their expenditures. The table highlights that this is not the case for any of the trading services. As already noted above, the municipality will be undertaking a detailed study of these functions to explore ways of improving efficiencies and provide a basis for re-evaluating these functions' tariff structures.
4. Other functions that show a deficit between revenue and expenditure are being financed from rates revenues and other revenue sources.

TABLE 14***MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)***

NC085 Tsantsabane - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand	1										
Revenue											
Exchange Revenue											
Service charges - Electricity	2	58,517	53,053	71,222	67,101	78,734	78,734	78,734	85,161	92,911	101,366
Service charges - Water	2	15,174	2,961	8,903	15,544	9,586	9,586	9,586	10,360	10,702	11,045
Service charges - Waste Water Management	2	26,223	27,741	31,049	31,915	31,915	31,915	31,915	33,096	34,188	35,282
Service charges - Waste Management	2	15,201	16,284	17,754	20,766	38,956	38,956	38,956	40,397	38,753	39,993
Sale of Goods and Rendering of Services	2	897	527	520	771	868	868	868	900	930	959
Agency services	2	-	-	-	502	502	502	502	510	527	544
Interest	2	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	2	-	-	-	-	-	-	-	-	-	-
Interest earned from Current and Non Current Assets	2	1,220	1,120	1,952	1,457	1,483	1,483	1,483	1,538	1,588	1,639
Dividends	2	-	-	-	-	-	-	-	-	-	-
Rent on Land	2	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets	2	589	603	733	630	630	630	630	653	675	696
Licence and permits	2	1	925	2	966	966	966	966	1,001	1,034	1,068
Special rating levies	2	-	-	-	-	-	-	-	-	-	-
Construction Contract Revenue	2	-	-	-	-	-	-	-	-	-	-
Development Charges	2	-	-	-	-	-	-	-	-	-	-
Operational Revenue	2	127	506	218	529	529	529	529	519	536	553
Non-Exchange Revenue											
Property rates	2	-	35,416	32,585	36,316	36,316	36,316	36,316	37,660	38,902	40,147
Surcharges and Taxes	2	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	2	337	432	1,776	2,172	1,640	1,640	1,640	1,645	1,699	1,753
Licences or permits	2	1,104	-	2,716	20	20	20	20	45	46	48
Transfer and subsidies - Operational	2	56,304	63,263	72,551	68,427	68,477	68,477	68,477	71,382	73,101	75,175
Interest	2	-	-	-	-	-	-	-	-	-	-
Fuel Levy	2	-	-	-	-	-	-	-	-	-	-
Operational Revenue	2	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Fixed and Intangible Assets	2	20,989	(9,829)	2,986	12,000	12,000	12,000	12,000	12,000	12,000	12,000
Other Gains	2	-	1,176	(133)	-	-	-	-	-	-	0
Discontinued Operations		-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		196,684	194,180	244,834	259,115	282,621	282,621	282,621	296,867	307,593	322,268
Expenditure											
Employee related costs	2	83,776	87,655	92,084	92,596	94,033	94,033	94,033	107,804	109,939	112,876
Remuneration of councillors	2	5,723	5,750	5,911	6,642	-	-	-	6,178	6,178	6,178
Bulk purchases - electricity	2	49,958	49,135	63,563	60,000	65,000	65,000	65,000	68,000	70,244	72,492
Inventory consumed	2,8	25,454	25,840	6,380	21,501	21,275	21,275	21,275	23,020	23,764	24,058
Debt impairment	2,3	32,454	34,035	41,899	40,152	45,990	45,990	45,990	40,288	42,605	45,065
Depreciation, amortisation and impairment	2	37,801	43,045	61,866	41,544	41,544	41,544	41,544	41,959	43,344	44,731
Interest, Dividends and Rent on Land	2	18,446	42,740	44,055	6,500	23,000	23,000	23,000	-	-	0
Contracted services	2	31,156	16,130	19,790	19,012	21,384	21,384	21,384	19,335	19,890	20,297
Transfers and subsidies	2	-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off	2	-	-	-	-	3,000	3,000	3,000	3,500	3,500	3,500
Operational costs	2	18,006	29,696	35,691	36,225	39,918	39,918	39,918	32,665	52,299	53,907
Disposal of Fixed and Intangible Assets	2	-	-	8,531	-	-	-	-	-	-	-
Other Losses	2	-	970	15,277	-	-	-	-	-	-	-
Total Expenditure		302,774	334,996	395,048	324,172	355,145	355,145	355,145	342,750	371,763	383,104
Surplus/(Deficit)		(106,090)	(140,815)	(150,214)	(65,058)	(72,524)	(72,524)	(72,524)	(45,883)	(64,170)	(60,835)
Transfers and subsidies - capital (monetary allocations)	6	31,585	11,069	35,831	31,190	31,190	31,190	31,190	34,031	25,982	26,781
Transfers and subsidies - capital (in-kind)	6	29,056	9,274	12,751	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(45,448)	(120,472)	(101,632)	(33,868)	(41,334)	(41,334)	(41,334)	(11,851)	(38,188)	(34,054)
Income Tax		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		(45,448)	(120,472)	(101,632)	(33,868)	(41,334)	(41,334)	(41,334)	(11,851)	(38,188)	(34,054)
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(45,448)	(120,472)	(101,632)	(33,868)	(41,334)	(41,334)	(41,334)	(11,851)	(38,188)	(34,054)
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	1	(45,448)	(120,472)	(101,632)	(33,868)	(41,334)	(41,334)	(41,334)	(11,851)	(38,188)	(34,054)

Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)

1. The A4 Table seeks to reflect the operating revenue by source and expenditure in order to indicate the municipality's financial performance.

Part 2 – Supporting Documentation

5.7. Overview of the annual budget process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the Mayor.

The primary aims of the Budget Steering Committee is to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the Municipality's IDP and the budget, taking into account the need to protect the financial sustainability of municipality;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

5.7.1. Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year a time schedule that sets out the process to revise the IDP and prepare the budget.

The Mayor must have tabled in Council the required IDP and budget time schedule during August 2024. Key dates applicable to the process were:

- **August 2024** – Joint strategic planning session of the Budget Steering Committee. Aim: to review past performance trends of the capital and operating budgets, the economic realities and to set the prioritisation criteria for the compilation of the 2023/24 MTREF.
- **November 2024** – Detail departmental budget proposals (capital and operating) submitted to the Budget and Treasury Office for consolidation and assessment against the financial planning guidelines.
- **7 to 14 January 2025** - Review of the financial strategy and key economic and financial planning assumptions by the Budget Steering Committee. This included financial forecasting and scenario considerations;

- **January 2025** – Multi-year budget proposals are submitted to the Budget and Steering committee.
- **29 January 2025** - Council considers the *2024/25 Mid-year Review and Adjustments Budget*.
- **February 2025** - Recommendations of the Budget and steering committee. The draft 2024/25 MTREF is revised accordingly.
- **30 March 2025** - Tabling in Council of the draft 2025/26 IDP and 2025/26 MTREF for public consultation.
- **April 2025** – Public consultation;
- **13 May 2025** - Closing date for written comments.
- **13 to 23 May 2025** – finalisation of the 2025/26 IDP and 2025/26 MTREF, taking into consideration comments received from the public, comments from National Treasury, and updated information from the most recent Division of Revenue Bill and financial framework.
- **Workshop councillors on the budget – 26 May 2025** and
- **30 May 2025** - Tabling of the 2025/26 IDP and 2025/26 MTREF before Council for consideration and approval.
- **Mayor sign the SDBIP** and performance contracts of senior managers for 2025/26 by

5.7.2. IDP and Service Delivery and Budget Implementation Plan

The Municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan. The Process Plan applicable to the fifth revision cycle included the following key IDP processes and deliverables:

- Registration of community needs;
- Compilation of departmental business plans including key performance indicators and targets;
- Financial planning and budgeting process;
- Public participation process;
- Compilation of the SDBIP, and
- The review of the performance management and monitoring processes.

The IDP has been taken into a business and financial planning process leading up to the 2026/27 MTREF, based on the approved 2025/26 MTREF, Mid-year Review and adjustments budget. The business planning process has subsequently been refined in the light of current economic circumstances and the resulting revenue projections.

With the compilation of the 2026/27 MTREF, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year and third quarter performance against the 2025/26 Departmental Service Delivery and Budget Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

5.7.3. Financial Modelling and Key Planning Drivers

As part of the compilation of the 2026/27 MTREF, extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2026/27 MTREF:

- Municipality growth
- Policy priorities and strategic objectives
- Asset maintenance
- Economic climate and trends (i.e. inflation, Eskom increases, household debt, migration patterns)
- Performance trends
- The approved 2025/26 adjustments budget and performance against the SDBIP
- Cash Flow Management Strategy
- Debtor payment levels
- Loan and investment possibilities
- The need for tariff increases versus the ability of the community to pay for services;
- Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 70 and 72 has been taken into consideration in the planning and prioritisation process.

5.8. Overview of alignment of annual budget with IDP

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated developmental planning process.

Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five-year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision,

leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality.

It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the Municipality, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the Municipality strategically complies with the key national and provincial priorities.

The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the Municipality's response to these requirements.

The national and provincial priorities, policies and strategies of importance include amongst others:

- Green Paper on National Strategic Planning of 2009;
- Government Programme of Action;
- Development Facilitation Act of 1995;
- Provincial Growth and Development Strategy (GGDS);
- National and Provincial spatial development perspectives;
- Relevant sector plans such as transportation, legislation and policy;
- National Key Performance Indicators (NKPIs);
- Accelerated and Shared Growth Initiative (ASGISA);
- National 2015 Vision;
- National Spatial Development Perspective (NSDP) and
- The National Priority Outcomes.

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. In order to ensure integrated and focused service delivery between all spheres of government it was important for the Municipality to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

Local priorities were identified as part of the IDP review process which is directly aligned to that of the national and provincial priorities. The key performance areas can be summarised as follows against the five strategic objectives:

1. Provision of quality basic services and infrastructure which includes, amongst others:
 - Provide electricity;
 - Provide water;
 - Provide sanitation;
 - Provide waste removal;
 - Provide housing;
 - Provide roads and storm water;
 - Provide public transport;
 - Provide municipal planning services; and
 - Maintaining the infrastructure of the Municipality.
2. Economic growth and development that leads to sustainable job creation by:
 - Ensuring there is a clear structural plan for the Municipality;
 - Ensuring planning processes function in accordance with set timeframes;
 - Facilitating the use of labour-intensive approaches in the delivery of services and the building of infrastructure.
- 3.1 Fight poverty and build clean, healthy, safe and sustainable communities:
 - Effective implementation of the Indigent Policy;
 - Working with the provincial department of health to provide primary health care services;
 - Extending waste removal services and ensuring effective Municipality cleansing;
 - Ensuring all waste water treatment works are operating optimally;
 - Working with strategic partners such as SAPS, to address crime;
 - Ensuring safe working environments by effective enforcement of building and health regulations;
 - Promote viable, sustainable communities through proper zoning; and
 - Promote environmental sustainability by protecting wetlands and key open spaces.
- 3.2 Integrated Social Services for empowered and sustainable communities
 - Work with provincial departments to ensure the development of community infrastructure such as schools and clinics is properly co-ordinated with the informal settlements upgrade programme
4. Foster participatory democracy and Tsantsabane principles through a caring, accessible and accountable service by:
 - Optimising effective community participation in the ward committee system; and
 - Implementing Tsantsabane in the revenue management strategy.
- 5.1 Promote sound governance through:
 - Publishing the outcomes of all tender processes on the municipal website
- 5.2 Ensure financial sustainability through:
 - Reviewing the use of contracted services

- Continuing to implement the infrastructure renewal strategy and the repairs and maintenance plan

5.3 Optimal institutional transformation to ensure capacity to achieve set objectives

- Review of the organizational structure to optimize the use of personnel;

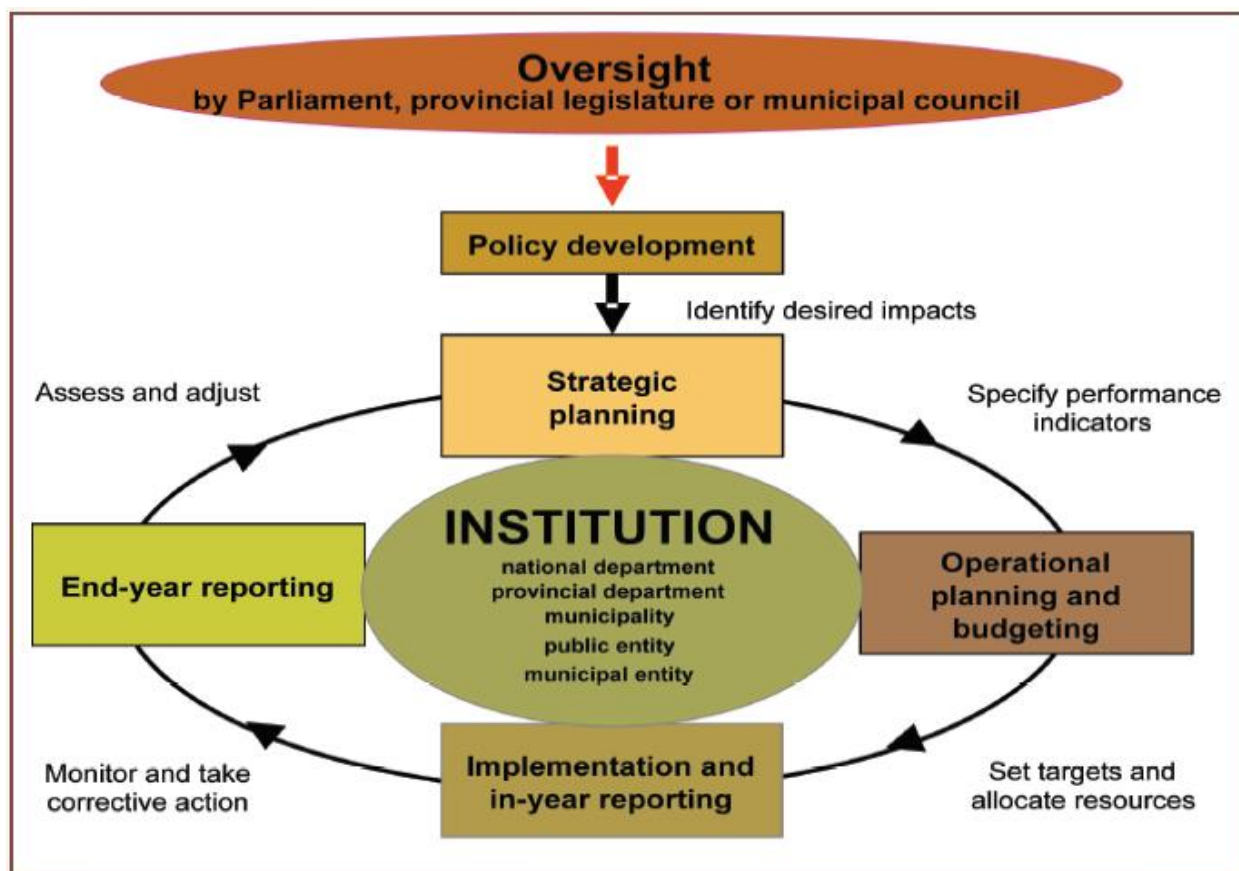
In line with the MSA, the IDP constitutes a single, inclusive strategic plan for the Municipality. The five-year programme responds to the development challenges and opportunities faced by the Municipality by identifying the key performance areas to achieve the five the strategic objectives mentioned above.

In addition to the five-year IDP, the Municipality undertakes an extensive planning and developmental strategy which primarily focuses on a longer-term horizon; 15 to 20 years. This process is aimed at influencing the development path by proposing a substantial programme of public-led investment to restructure current patterns of settlement, activity and access to resources in the Municipality so as to promote greater equity and enhanced opportunity. The strategy specifically targets future developmental opportunities in traditional dormitory settlements. It provides direction to the Municipality's IDP, associated sectoral plans and strategies, and the allocation of resources of the Municipality and other service delivery partners.

5.9. Measurable performance objectives and indicators

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the Municipality with the help of the Municipal Manager, Mr HG Mathobela and the ZFM District Municipality, helped with the development and implemented a performance management system. The Municipality targets, monitors, assess and reviews organisational performance which in turn is directly linked to individual employee's performance.

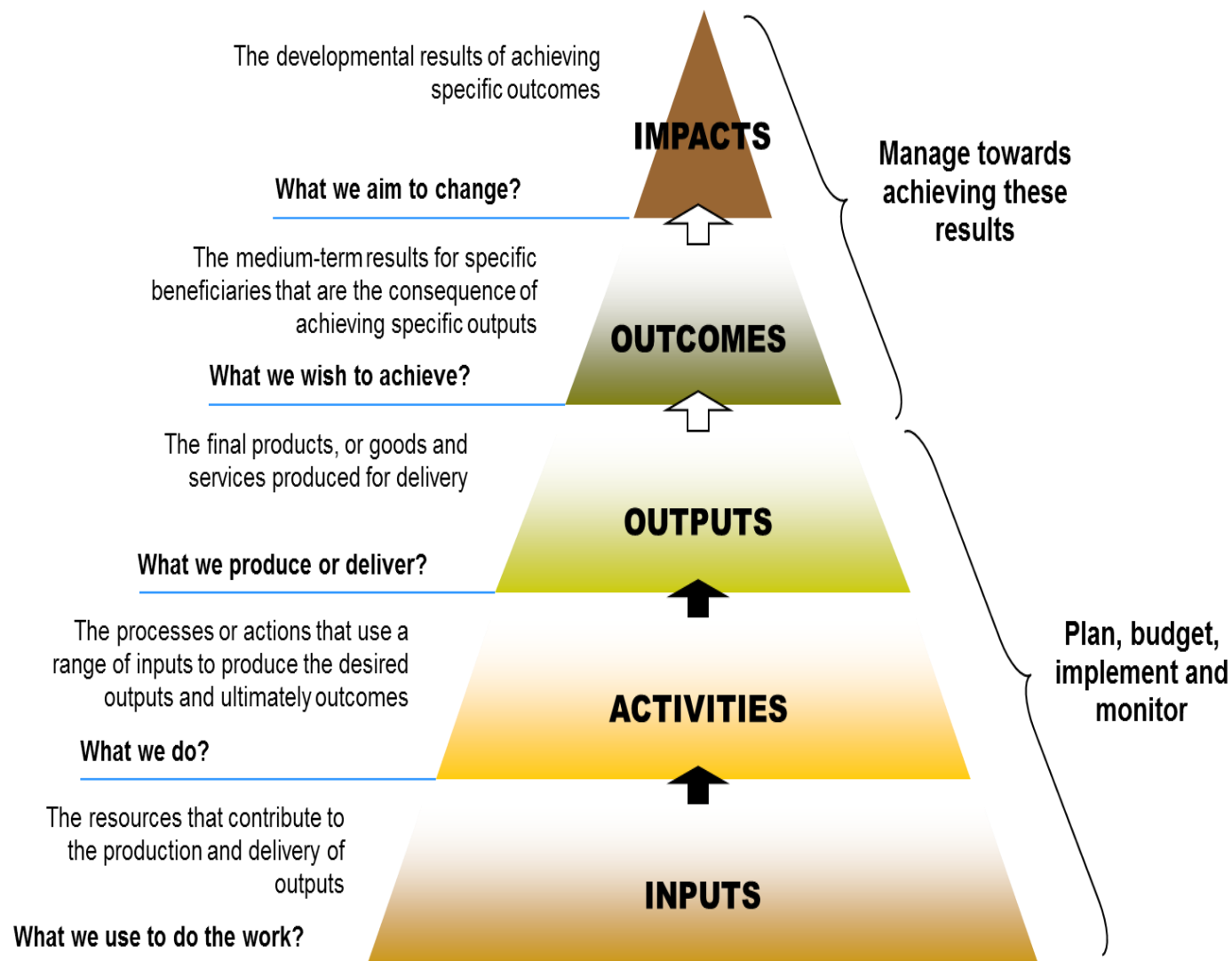
The planning, budgeting and reporting cycle can be graphically illustrated as follows:



The performance of the Municipality relates directly to the extent to which it has achieved success in realising its goals and objectives, complied with legislative requirements and meeting stakeholder expectations. The Municipality therefore has adopted one integrated performance management system which encompasses:

- Planning (setting goals, objectives, targets and benchmarks);
- Monitoring (regular monitoring and checking on the progress against plan);
- Measurement (indicators of success);
- Review (identifying areas requiring change and improvement);
- Reporting (what information, to whom, from whom, how often and for what purpose); and
- Improvement (making changes where necessary).

The performance information concepts used by the Municipality in its integrated performance management system are aligned to the **Framework of Managing Programme Performance Information** issued by the National Treasury:



The following table provides the main measurable performance objectives the municipality undertakes to achieve this financial year.

5.9.1. Performance indicators and benchmarks

5.9.1.1. Borrowing Management

Capital expenditure in local government can be funded by capital grants, own-source revenue and long-term borrowing. The ability of a municipality to raise long term borrowing is largely dependent on its creditworthiness and financial position. As with all other municipalities, Tsantsabane Municipality's borrowing strategy is primarily informed by the affordability of debt repayments. The structure of the Municipality's debt portfolio is dominated by annuity loans. The following financial performance indicators have formed part of the compilation of the 2026/27 MTREF:

- *Borrowing to asset ratio* is a measure of the long-term borrowing as a percentage of the total asset base of the municipality. This ratio is by far below the borrowing capacity of the municipality, but it needs to be noted that capital grants and transfers has contributed significantly to the municipality's capital expenditure programs, thus limiting the need for borrowing.
- *Capital charges to operating expenditure* is a measure of the cost of borrowing in relation to the operating expenditure. It can be seen that the cost of borrowing is less than 1% throughout the MTREF period. While borrowing is considered a prudent financial instrument in financing capital infrastructure development, this indicator will have to be carefully monitored going forward as the Municipality should limit external interest charges to the minimum.
- *Borrowing funding of own capital expenditure* measures the degree to which own capital expenditure (excluding grants and contributions) has been funded by way of borrowing..

In summary, various financial risks could have a negative impact on the future borrowing capacity of the municipality. In particular, the continued ability of the Municipality to meet its revenue targets and ensure its forecasted cash flow targets are achieved will be critical in meeting the repayments of the debt service costs. As part of the compilation of the 2026/27 MTREF the potential of smoothing out the debt profile over the longer term will be investigated.

5.9.1.2. Safety of Capital

- *The debt-to-equity ratio* is a financial ratio indicating the relative proportion of equity and debt used in financing the municipality's assets. The indicator is based on the total of loans, creditors, overdraft and tax provisions as a percentage of funds and reserves. This ratio is well above the norm, indicating a weak financial position.
- *The gearing ratio* is a measure of the total long-term borrowings over funds and reserves. A ratio in the region of 50% is a general benchmark.

5.9.1.3. Liquidity

- *The liquidity ratio* is a measure of the ability of the municipality to utilize cash and cash equivalents to extinguish or retire its current liabilities immediately. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1. Anything below 1 indicates a shortage in cash to meet creditor obligations.

5.9.1.4. Revenue Management

- As part of the financial sustainability strategy, an aggressive revenue management framework has been implemented to increase cash inflow, not only from current billings but also from debtors that are in arrears in excess of 90 days. The intention of the strategy is to streamline the revenue value chain by ensuring accurate billing, customer service, credit control and debt collection. The collection rates in this indicator is based on all cash receipts, also for direct income. The collection rate used for the calculation of debtors' payments was 70 per cent.

5.9.1.5. Creditors Management

- The Municipality did not manage to ensure that creditors are settled within the legislated 30 days of invoice. The liquidity ratio is of concern. This had an impact on suppliers' perceptions of risk of doing business with the Municipality.

5.9.1.6. Other Indicators

- The electricity/water losses have been measured. The Municipality needs to measure all water and electricity losses and is annually reported in the financial statements and monthly in the Section 71 reports.
- Employee costs as a percentage of operating revenue is fairly constant over the MTREF. This is primarily owing to the high increase in bulk purchases which directly increase revenue levels, as well as increased allocation relating to operating grants and transfers.
- Similar to that of employee costs, repairs and maintenance as percentage of operating revenue is also fairly constant owing directly to cost drivers such as bulk purchases increasing above inflation. The expenditure on repairs and maintenance is well below acceptable levels, but the actual cost will only be determined when a costing system is implemented.

5.9.2. Free Basic Services: basic social services package for indigent households

The social package assists residents that have difficulty paying for services and are registered as indigent households in terms of the Indigent Policy of the Municipality. Only registered indigents qualify for the free basic services.

In terms of the Municipality's indigent policy registered households are entitled to 6kl free water, 50 kwh of electricity, free sanitation and free waste removal equivalent once a week, as well as a discount on their property rates.

Further detail relating to the number of households receiving free basic services, the cost of free basic services, highest level of free basic services as well as the revenue cost associated with the free basic services is contained elsewhere in this report.

5.10. Overview of budget related-policies

The Municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

5.10.1. Review of credit control and debt collection procedures/policies

The Collection Policy as approved by Council and will be reviewed annually. While the adopted policy is credible, sustainable, manageable and informed by affordability and value for money

there has been a need to review certain components to achieve a higher collection rate. Some of the possible revisions will include the lowering of the credit periods for the down payment of debt. In addition emphasis will be placed on speeding up the indigent registration process to ensure that credit control and debt collection efforts are not fruitlessly wasted on these debtors.

As most of the indigents within the municipal area are unable to pay for municipal services because they are unemployed, they are entitled to free basic services.

The 2026/27 MTREF has been prepared on the basis of achieving an average debtors' collection rate of 70 per cent on current billings. In addition the collection of debt in excess of 90 days has been prioritised as a pertinent strategy in increasing the Municipality's cash levels.

The Municipality needs to change all water meters to smart water meters. The municipality will not be sustainable if we do not collect all the outstanding debt through the pre-paid water system.

5.10.2. *Asset Management, Infrastructure Investment and Funding Policy*

A proxy for asset consumption can be considered the level of depreciation each asset incurs on an annual basis. Preserving the investment in existing infrastructure needs to be considered a significant strategy in ensuring the future sustainability of infrastructure and the Municipality's revenue base. Within the framework, the need for asset renewal was considered a priority and hence the capital programme was determined based on renewal of current assets versus new asset construction.

Further, continued improvements in technology generally allows many assets to be renewed at a lesser 'real' cost than the original construction cost. Therefore, it is considered prudent to allow for a slightly lesser continual level of annual renewal than the average annual depreciation. The Asset Management Policy is therefore considered a strategic guide in ensuring a sustainable approach to asset renewal, repairs and maintenance and is utilised as a guide to the selection and prioritisation of individual capital projects. In addition, the policy prescribes the accounting and administrative policies and procedures relating to property, plant and equipment (fixed assets).

5.10.3. *Budget Adjustment Policy*

The adjustments budget process is governed by various provisions in the MFMA and is aimed at instilling and establishing an increased level of discipline, responsibility and accountability in the financial management practices of municipalities. To ensure that the Municipality continues to deliver on its core mandate and achieves its developmental goals, the mid-year review and adjustment budget process will be utilised to ensure that underperforming functions are identified, and funds redirected to performing functions.

5.10.4. *Supply Chain Management Policy*

The Supply Chain Management Policy was workshop by Council for approval during May 2026. An amended policy will be considered by Council in due course of which the amendments will be extensively consulted on.

5.10.5. Budget and Virement Policy

The Budget and Virement Policy aims to empower senior managers with an efficient financial and budgetary amendment and control system to ensure optimum service delivery within the legislative framework of the MFMA and the Municipality's system of delegations. The Budget and Virement Policy will be workshop for council for approval.

5.10.6. Cash Management and Investment Policy

The Municipality's Cash Management and Investment Policy was approved by Council. The aim of the policy is to ensure that the Municipality's surplus cash and investments are adequately managed, especially the funds set aside for the cash backing of certain reserves. The policy details the minimum cash and cash equivalents required at any point in time and introduces time frames to achieve certain benchmarks.

5.10.7. Tariff Policies

The Municipality's tariff policies provide a broad framework within which the Council can determine fair, transparent and affordable charges that also promote sustainable service delivery. The policies have been approved on various dates and a consolidated tariff policy is envisaged to be compiled for ease of administration and implementation of the next two years.

All the above policies are available on the Municipality's website, as well as the following budget related policies:

- Contract Management Policy
- Asset Management Policy
- Banking and Investment Policy
- Commitments Policy
- Bad Debt Write Off Policy
- Budget Policy
- Fraud and Anti-corruption Policy
- Virement Policy
- Related party Policy
- UIF Policy
- Credit Control and Debt Collection Policy
- Property Rates Policy
- Tariff Policy
- Supply Chain Management Policy
- Cost containment Policy
- Indigent Policy
- Way Leave Application Policy
- Informal Trading Policy

5.11. Overview of budget assumptions

5.11.1. *External factors*

Domestically, after five years of strong growth, during which lot of jobs were created, our economy shrank fast, and thousands of people lost their jobs. It is expected that recovery from this deterioration will be slow and uneven and that growth for 2023 will be minimal with a slightly better growth in the outer years.

Owing to the economic slowdown, financial resources are limited due to reduced payment levels by consumers. This has resulted in declining cash inflows, which has necessitated restrained expenditure to ensure that cash outflows remain within the affordability parameters of the Municipality's finances.

5.11.2. *General inflation outlook and its impact on the municipal activities*

There are five key factors that have been taken into consideration in the compilation of the 2026/27 MTREF:

- National Government macro-economic targets;
- The general inflationary outlook and the impact on Municipality's residents and businesses;
- The impact of municipal cost drivers;
- The increase in prices for bulk electricity; and
- The increase in the cost of remuneration.

5.11.3. *Credit rating outlook*

There is no credit rating for Tsantsabane Municipality.

5.11.4. *Interest rates for borrowing and investment of funds.*

The municipality did not budget for any loan funding during the 2025/26 financial year.

5.11.5. *Collection rate for revenue services*

The base assumption is that tariff and rating increases will increase at a rate slightly higher than CPI over the long term. It is also assumed that current economic conditions, and relatively controlled inflationary conditions, will continue for the forecasted term.

The rate of revenue collection is currently expressed as a percentage (70 per cent) of annual billings. Cash flow is assumed to be 68 per cent of billings. The performance of any increased

collections or arrear collections will however only be considered a source of additional cash inflow once the performance has been carefully monitored.

5.11.6. Growth or decline in tax base of the municipality.

Debtors' revenue is assumed to increase at a rate that is influenced by the consumer debtor's collection rate, tariff/rate pricing, real growth rate of the Municipality, household formation growth rate and the poor household change rate.

Household formation is the key factor in measuring municipal revenue and expenditure growth, as servicing 'households' is a greater municipal service factor than servicing individuals. Household formation rates are assumed to convert to household dwellings. In addition, the change in the number of poor households influences the net revenue benefit derived from household formation growth, as it assumes that the same costs incurred for servicing the household exist, but that no consumer revenue is derived as the 'poor household' limits consumption to the level of free basic services.

5.11.7. Salary increases.

The Salary and Wage Collective Agreement for the period 01 July 2026 to 31 June 2027 has a new agreement stipulated increase as 4.75%. South African Local Government Bargaining Council (SALGBC), municipalities are advised to consider their financial sustainability when considering salary increases. It has been observed over the previous years that salary increases were above inflation. In addition, municipalities that could not afford such increases did not apply for exemption as provided by SALGBC.

5.11.8. Impact of national, provincial and local policies

Integration of service delivery between national, provincial and local government is critical to ensure focussed service delivery and in this regard various measures were implemented to align IDPs, provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

- Creating jobs;
- Enhancing education and skill development;
- Improving Health services;
- Rural development and agriculture; and
- Fighting crime and corruption.

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives.

5.11.9. *Ability of the municipality to spend and deliver on the programmes.*

It is estimated that a spending rate of at least 75 per cent is achieved on operating expenditure and 100 per cent on the capital programme for the 2026/27 MTREF of which performance has been factored into the cash flow budget on grant funding.

5.12. Overview of budget funding

5.12.1. *Medium-term outlook: operating revenue*

The following table is a breakdown of the operating revenue over the medium-term:

NC085 Tsantsabane - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand	1										
Revenue											
Exchange Revenue											
Service charges - Electricity	2	58,517	53,053	71,222	67,101	78,734	78,734	78,734	85,161	92,911	101,366
Service charges - Water	2	15,174	2,961	8,903	15,544	9,586	9,586	9,586	10,360	10,702	11,045
Service charges - Waste Water Management	2	26,223	27,741	31,049	31,915	31,915	31,915	31,915	33,096	34,188	35,282
Service charges - Waste Management	2	15,201	16,284	17,754	20,766	38,956	38,956	38,956	40,397	38,753	39,993
Sale of Goods and Rendering of Services	2	897	527	520	771	868	868	868	900	930	959
Agency services	2	-	-	-	502	502	502	502	510	527	544
Interest	2	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	2	-	-	-	-	-	-	-	-	-	-
Interest earned from Current and Non Current Assets	2	1,220	1,120	1,952	1,457	1,483	1,483	1,483	1,538	1,588	1,639
Dividends	2	-	-	-	-	-	-	-	-	-	-
Rent on Land	2	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets	2	589	603	733	630	630	630	630	653	675	696
Licence and permits	2	1	925	2	966	966	966	966	1,001	1,034	1,068
Special rating levies	2	-	-	-	-	-	-	-	-	-	-
Construction Contract Revenue	2	-	-	-	-	-	-	-	-	-	-
Development Charges	2	-	-	-	-	-	-	-	-	-	-
Operational Revenue	2	127	506	218	529	529	529	529	519	536	553
Non-Exchange Revenue											
Property rates	2	-	35,416	32,585	36,316	36,316	36,316	36,316	37,660	38,902	40,147
Surcharges and Taxes	2	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	2	337	432	1,776	2,172	1,640	1,640	1,640	1,645	1,699	1,753
Licences or permits	2	1,104	-	2,716	20	20	20	20	45	46	48
Transfer and subsidies - Operational	2	56,304	63,263	72,551	68,427	68,477	68,477	68,477	71,382	73,101	75,175
Interest	2	-	-	-	-	-	-	-	-	-	-
Fuel Levy	2	-	-	-	-	-	-	-	-	-	-
Operational Revenue	2	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Fixed and Intangible Assets	2	20,989	(9,829)	2,986	12,000	12,000	12,000	12,000	12,000	12,000	12,000
Other Gains	2	-	1,176	(133)	-	-	-	-	-	-	0
Discontinued Operations		-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		196,684	194,180	244,834	259,115	282,621	282,621	282,621	296,867	307,593	322,268
Expenditure											
Employee related costs	2	83,776	87,655	92,084	92,596	94,033	94,033	94,033	107,804	109,939	112,876
Remuneration of councillors	2	5,723	5,750	5,911	6,642	-	-	-	6,178	6,176	6,178
Bulk purchases - electricity	2	49,958	49,135	63,563	60,000	65,000	65,000	65,000	68,000	70,244	72,492
Inventory consumed	2,8	25,454	25,840	6,380	21,501	21,275	21,275	21,275	23,020	23,764	24,058
Debt impairment	2,3	32,454	34,035	41,899	40,152	45,990	45,990	45,990	40,288	42,605	45,065
Depreciation, amortisation and impairment	2	37,801	43,045	61,866	41,544	41,544	41,544	41,544	41,959	43,344	44,731
Interest, Dividends and Rent on Land	2	18,446	42,740	44,055	6,500	23,000	23,000	23,000	-	-	0
Contracted services	2	31,156	16,130	19,790	19,012	21,384	21,384	21,384	19,335	19,890	20,297
Transfers and subsidies	2	-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off	2	-	-	-	-	3,000	3,000	3,000	3,500	3,500	3,500
Operational costs	2	18,006	29,696	35,691	36,225	39,918	39,918	39,918	32,665	52,299	53,907
Disposal of Fixed and Intangible Assets	2	-	-	8,531	-	-	-	-	-	-	-
Other Losses	2	-	970	15,277	-	-	-	-	-	-	-
Total Expenditure		302,774	334,996	395,048	324,172	355,145	355,145	355,145	342,750	371,763	383,104
Surplus/(Deficit)		(106,090)	(140,815)	(150,214)	(65,058)	(72,524)	(72,524)	(72,524)	(45,883)	(64,170)	(60,835)
Transfers and subsidies - capital (monetary allocations)	6	31,585	11,069	35,831	31,190	31,190	31,190	31,190	34,031	25,982	26,781
Transfers and subsidies - capital (in-kind)	6	29,056	9,274	12,751	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(45,448)	(120,472)	(101,632)	(33,868)	(41,334)	(41,334)	(41,334)	(11,851)	(38,188)	(34,054)
Income Tax		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		(45,448)	(120,472)	(101,632)	(33,868)	(41,334)	(41,334)	(41,334)	(11,851)	(38,188)	(34,054)
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(45,448)	(120,472)	(101,632)	(33,868)	(41,334)	(41,334)	(41,334)	(11,851)	(38,188)	(34,054)
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	1	(45,448)	(120,472)	(101,632)	(33,868)	(41,334)	(41,334)	(41,334)	(11,851)	(38,188)	(34,054)

Breakdown of operating revenue over the 2026/27 MTREF

Tariff setting plays a major role in ensuring desired levels of revenue. Getting tariffs right assists in the compilation of a credible and funded budget. The Municipality derives most of its operational revenue from the provision of goods and services such as electricity and solid waste

removal, property rates, operating and capital grants from organs of state and other minor charges (such as building plan fees, licenses and permits etc).

The revenue strategy is a function of key components such as:

- Growth in the Municipality and economic development;
- Revenue management and enhancement;
- Achievement of a 70 per cent annual collection rate for consumer revenue;
- National Treasury guidelines;
- Electricity tariff increases within the National Electricity Regulator of South Africa (NERSA) approval;
- Achievement of full cost recovery of specific user charges;
- Determining tariff escalation rate by establishing/calculating revenue requirements;
- The Property Rates Policy in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA), and
- And the ability to extend new services and obtain cost recovery levels.

The above principles guide the annual increase in the tariffs charged to the consumers and the ratepayers aligned to the economic forecasts.

Investment revenue contributes significantly to the revenue base of the Municipality. It needs to be noted that these allocations have been conservatively estimated and as part of the cash backing of reserves and provisions. The actual performance against budget will be carefully monitored. Any variances in this regard will be addressed as part of the mid-year review and adjustments budget.

5.12.2. Cash Flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below is consistent with international standards of good financial management practice and also improves understandability for councillors and management. Some specific features include:

- Clear separation of receipts and payments within each cash flow category;
- Clear separation of capital and operating receipts from government, which also enables cash from 'Ratepayers and other' to be provide for as cash inflow based on actual performance. In other words the *actual collection rate* of billed revenue., and
- Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding the use of long-term borrowing (debt).

5.12.3. Cash Backed Reserves/Accumulated Surplus Reconciliation

This following table does not meet the requirements of MFMA Circular 42 which deals with the funding of a municipal budget in accordance with sections 18 and 19 of the MFMA. The table seeks to answer three key questions regarding the use and availability of cash:

- What are the predicted cash and investments that are available at the end of the budget year?
- How are those funds used?
- What is the net funds available or funding shortfall?

A surplus would indicate the cash-backed accumulated surplus that was/is available. A shortfall (applications > cash and investments) is indicative of non-compliance with section 18 of the MFMA requirement that the municipality's budget must be 'funded'. Non-compliance with section 18 is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded (budgeted spending is greater than funds available or to be collected). It is also important to analyse trends to understand the consequences, e.g. the budget year might indicate a small surplus situation, which in itself is an appropriate outcome, but if in prior years there were much larger surpluses then this negative trend may be a concern that requires closer examination.

5.12.4. Funding compliance measurement

National Treasury requires that the municipality assess its financial sustainability against fourteen different measures that look at various aspects of the financial health of the municipality.

5.12.4.1. Cash/cash equivalent position

The Municipality's forecast cash position was discussed as part of the budgeted cash flow statement. A 'positive' cash position, for each year of the MTREF would generally be a minimum requirement, subject to the planned application of these funds such as cash-backing of reserves and working capital requirements.

If the municipality's forecast cash position is negative, for any year of the medium term budget, the budget is very unlikely to meet MFMA requirements or be sustainable and could indicate a risk of non-compliance with section 45 of the MFMA which deals with the repayment of short term debt at the end of the financial year.

5.12.4.2. Cash plus investments less application of funds

The purpose of this measure is to understand how the municipality has applied the available cash and investments as identified in the budgeted cash flow statement. The detail reconciliation of the cash backed reserves/surpluses is contained in the previous page. The reconciliation is intended to be a relatively simple methodology for understanding the budgeted amount of cash and investments available with any planned or required applications to be made. This has been extensively discussed above.

5.12.4.3. Monthly average payments covered by cash or cash equivalents

The purpose of this measure is to understand the level of financial risk should the municipality be under stress from a collection and cash in-flow perspective. Regardless of the annual cash position an evaluation should be made of the ability of the Municipality to meet monthly payments as and when they fall due. It is especially important to consider the position should the municipality be faced with an unexpected disaster that threatens revenue collection such as rate boycotts.

5.12.4.4. Surplus/deficit excluding depreciation offsets

The main purpose of this measure is to understand if the revenue levels are sufficient to conclude that the community is making a sufficient contribution for the municipal resources consumed each

year. An 'adjusted' surplus/deficit is achieved by offsetting the amount of depreciation related to externally funded assets. Municipalities need to assess the result of this calculation taking into consideration its own circumstances and levels of backlogs. If the outcome is a deficit, it may indicate that rates and service charges are insufficient to ensure that the community is making a sufficient contribution toward the economic benefits they are consuming over the medium term.

It needs to be noted that a surplus or deficit does not necessarily mean that the budget is funded from a cash flow perspective.

5.12.4.5. *Property Rates/service charge revenue as a percentage increase less macro inflation target*

The purpose of this measure is to understand whether the municipality is contributing appropriately to the achievement of national inflation targets. This measure is based on the increase in 'revenue', which will include both the change in the tariff as well as any assumption about real growth such as new property development, services consumption growth etc.

5.12.4.6. *Cash receipts as a percentage of ratepayer and other revenue*

This factor is a macro measure of the rate at which funds are 'collected'. This measure is intended to analyse the underlying assumed collection rate for the MTREF to determine the relevance and credibility of the budget assumptions contained in the budget.

5.12.4.7. *Debt impairment expense as a percentage of billable revenue*

This factor measures whether the provision for debt impairment is being adequately funded and is based on the underlying assumption that the provision for debt impairment (doubtful and bad debts) has to be increased to offset under-collection of billed revenues. The provision has been appropriated at 8 per cent over the MTREF. Considering the debt incentive scheme and the municipality's revenue management strategy's objective to collect outstanding debtors of 90 days, the provision is well within the accepted leading practice.

5.12.4.8. *Capital payments percentage of capital expenditure.*

The purpose of this measure is to determine whether the timing of payments has been taken into consideration when forecasting the cash position. It can be seen that a 90 per cent payments has been factored into the cash position forecasted over the entire financial year.

5.12.4.9. *Transfers/grants revenue as a percentage of Government transfers/grants available*

The purpose of this measurement is mainly to ensure that all available transfers from national and provincial government have been budgeted for. A percentage less than 100 per cent could indicate that not all grants as contained in the Division of Revenue Act (DoRA) have been budgeted for. The Municipality has budgeted for all transfers and therefore no percentage is being shown as outstanding.

5.12.4.10. *Consumer debtors change (Current and Non-current)*

The purpose of these measures is to ascertain whether budgeted reductions in outstanding debtors are realistic. There are 2 measures shown for this factor; the change in current debtors and the change in long term receivables, both from the Budgeted Financial Position.

5.12.4.11. Repairs and maintenance expenditure level

This measure must be considered important within the context of the funding measures criteria because a trend that indicates insufficient funds are being committed to asset repair could also indicate that the overall budget is not credible and/or sustainable in the medium to long term because the revenue budget is not being protected. Details of the Municipality's strategy pertaining to asset management and repairs and maintenance is contained elsewhere in this report.

5.12.4.12. Asset renewal/rehabilitation expenditure level

This measure has a similar objective to aforementioned objective relating to repairs and maintenance. A requirement of the detailed capital budget (since MFMA Circular 28 which was issued in December 2005) is to categorise each capital project as a new asset or a renewal/rehabilitation project. The objective is to summarise and understand the proportion of budgets being provided for new assets and also asset sustainability. A declining or low level of renewal funding may indicate that a budget is not credible and/or sustainable and future revenue is not being protected, similar to the justification for 'repairs and maintenance' budgets. Further details in this regard are contained elsewhere in this report.

5.13. Councillor and employee benefits***MBRR SA22 - Summary of councillor and staff benefits***

All other supporting schedules are available on request and will also be placed on the website

MBRR SA23 - Salaries, allowances and benefits (political office bearers/councillors/ senior managers)**5.14. Other supporting documents**

All other supporting schedules are available on request and will also be placed on the website

MBRR SA26 - Budgeted monthly revenue and expenditure (municipal vote)

All other supporting schedules are available on request and will also be placed on the website:

MBRR SA28 - Budgeted monthly capital expenditure (municipal vote)

All other supporting schedules are available on request and will also be placed on the website

MBRR SA29 - Budgeted monthly capital expenditure (standard classification)

All other supporting schedules are available on request and will also be placed on the website

1.15 Contracts having future budgetary implications.

In terms of the Municipality's Supply Chain Management Policy, no contracts are awarded beyond the medium-term revenue and expenditure framework (three years). In ensuring adherence to this contractual time frame limitation, all reports submitted to either the Bid Evaluation or Adjudication Committees must obtain formal financial comments from the Financial Management Division of the Treasury Department.

1.16 Legislation compliance status

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

1. In year reporting
Reporting to National Treasury in electronic format was not fully complied with on a monthly basis. Section 71 reporting to the Mayor (within 10 working days) has improved. The CFO needs to take Actions to comply with above. The Municipalities website is active as and needs to publish the information on the Municipality's website.
 2. Internship programme
The Municipality is participating in the Municipal Financial Management Internship programme and has employed five (5) interns undergoing training in various divisions of the Financial Services Department.
 3. Budget and Treasury Office
The Budget and Treasury Office has been established in accordance with the MFMA. Additional staff needs to be appointed to help with the compilation of the budget, Treasury reports and the AFS.
 4. Audit Committee
Tsantsabane Municipality has established audit committee.
-

1.17 Municipal Manager's Quality Certificate

I, Heinrich Gaonyadiwe Mathobela, Municipal Manager of Tsantsabane Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name HG Mathobela

Municipal Manager of Tsantsabane Municipality

Signature : _____

Date : _____ 2026

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Project List for the financial year 2026 / 2027.

REVIEWED PROECTS & PROGRAMMES FOR MTREF 2026/2027															
Strategic Objective:		-	-	-	-										
					-										
ID/ Ref Nr.	Key Perfor manc e Area (KPA)	Key Focu s Area (KFA)	Prede termin ed Objec tive (Strat egic Objec tive)	Activities, Programs, Capital Projects	KPIs	Wards	GFS Function	Targets						Del iver y: Int/ Ext	Funding Source
								5 Y r Total	20 26/ 27	27/28	2 8/ 2 9	2 9/ 3 0	3 0/ 3 1		
-															
IDP 00 01	KPA1: Basic Service Delivery and Infrast ructur e Devel opme nt	KFA 14 Water and Sanit ation	Devel opme nt & empo werm ent	NC085 Basic Service Delivery and Infrastructure Development Capital Projects(Gro enwater)	Bulk Water supply	Regional:Re gional Identifier:Lo cal Government by Province:No rthern Cape:Distric t Municipalitie s:DC08 Siyanda:Mu	Function: Water Manage ment:Cor e Function: Water Distributi on	R =	12 00 00 0	R =	R =	R =	R =	Ext ern al	Fund:Operatio nal:Revenue:G eneral Revenue:Taxe s:Property Rates:Levies

						<u>nicipalities:N</u> <u>C085</u> <u>Tsantsaban</u> <u>e:Whole of</u> <u>the</u> <u>Municipality</u>									
<u>IDP</u> <u>00</u> <u>02</u>	<u>KPA1:</u> <u>Basic</u> <u>Service</u> <u>Delivery and</u> <u>Infrastr</u> <u>uctur</u> <u>e</u> <u>Devel</u> <u>opme</u> <u>nt</u>	<u>KFA</u> <u>14</u> <u>Water</u> <u>and</u> <u>Sanit</u> <u>ation</u>	<u>Devel</u> <u>opme</u> <u>nt &</u> <u>empow</u> <u>erment</u>	<u>NC085 Basic</u> <u>Service</u> <u>Delivery and</u> <u>Infrastructure</u> <u>Development</u> <u>Capital</u> <u>Projects</u>	<u>Upgradi</u> <u>ng of</u> <u>street &</u> <u>Storm</u> <u>water</u>	<u>Regional:Re</u> <u>gional</u> <u>Identifier:Lo</u> <u>cal</u> <u>Government</u> <u>by</u> <u>Province:No</u> <u>rthern</u> <u>Cape:Distric</u> <u>t</u> <u>Municipalitie</u> <u>s:DC08</u> <u>Siyanda:Mu</u> <u>nicipalities:N</u> <u>C085</u> <u>Tsantsaban</u> <u>e:Whole of</u> <u>the</u> <u>Municipality</u>	<u>Function:</u> <u>Water</u> <u>Manage</u> <u>ment:Cor</u> <u>e</u> <u>Function:</u> <u>Water</u> <u>Storage</u>	<u>R</u> <u>:</u>	<u>17</u> <u>19</u> <u>1</u> <u>20</u> <u>0</u>	<u>18</u> <u>665</u> <u>600</u>	<u>1</u> <u>9</u> <u>1</u> <u>3</u> <u>3</u> <u>9</u> <u>5</u> <u>0</u>	<u>R</u> <u>:</u>	<u>R</u> <u>:</u>	<u>Ext</u> <u>ern</u> <u>al</u>	<u>Fund:Operatio</u> <u>nal:Revenue:G</u> <u>eneral</u> <u>Revenue:Taxe</u> <u>s:Property</u> <u>Rates:Levies</u>

<u>IDP</u> <u>00</u> <u>03</u>	<u>KPA1:</u> <u>Basic</u> <u>Service</u> <u>Delivery and</u> <u>Infrastructure</u> <u>Development</u>	<u>KFA</u> <u>14</u> <u>Water and</u> <u>Sanitation</u>	<u>Devel</u> <u>opme</u> <u>nt &</u> <u>emp</u> <u>owerm</u> <u>ent</u>	<u>NC085 Basic</u> <u>Service</u> <u>Delivery and</u> <u>Infrastructure</u> <u>Development</u> <u>Capital</u> <u>Projects Non</u> <u>=</u> <u>Infrastructure</u> <u>>Furniture</u> <u>and Office</u> <u>Equipment V</u> <u>acume</u> <u>Cleaner for</u> <u>Library</u> <u>(PMG)</u>	<u>Installat</u> <u>ion of</u> <u>high</u> <u>mass</u> <u>lights</u>	<u>Regional:</u> <u>Regional</u> <u>Identifier:</u> <u>Local</u> <u>Government</u> <u>by Province:</u> <u>Northern</u> <u>Cape:</u> <u>District</u> <u>Municipalitie</u> <u>s:DC08</u> <u>Siyanda:Mu</u> <u>nicipalities:N</u> <u>C085</u> <u>Tsantsaban</u> <u>e:Ward:War</u> <u>d 2</u>	<u>Function:</u> <u>Communi</u> <u>ty and</u> <u>Social</u> <u>Services:</u> <u>Non-core</u> <u>Function:</u> <u>Libraries</u> <u>and</u> <u>Archives</u>	<u>R</u> <u>3</u> <u>8</u> <u>0</u> <u>0</u> <u>0</u>	<u>4</u> <u>84</u> <u>0</u> <u>00</u> <u>0</u>	<u>R</u> <u>9 000</u>	<u>R</u> <u>1</u> <u>0</u> <u>0</u> <u>0</u> <u>0</u>	<u>R</u> <u>1</u> <u>0</u> <u>0</u> <u>0</u>	<u>R</u> <u>9</u> <u>0</u> <u>0</u> <u>0</u>	<u>Ext</u> <u>ern</u> <u>al</u>	<u>Fund:Capital:T</u> <u>ransfers and</u> <u>Subsidies:</u> <u>Monetary</u> <u>Allocations:</u> <u>Provincial</u> <u>Government:</u> <u>Northern</u> <u>Cape:</u> <u>Libraries,</u> <u>Archives and</u> <u>Museums:</u> <u>Library</u> <u>Services</u>
<u>IDP</u> <u>00</u> <u>04</u>	<u>KPA2:</u> <u>Local</u> <u>Econo</u> <u>mic</u> <u>Devel</u> <u>opme</u> <u>nt</u>	<u>KFA</u> <u>22</u> <u>Libra</u> <u>ries</u>	<u>Devel</u> <u>oping</u> <u>Com</u> <u>muniti</u> <u>es</u>	<u>NC085 Basic</u> <u>Service</u> <u>Delivery and</u> <u>Infrastructure</u> <u>Development</u> <u>Capital</u> <u>Projects Non</u> <u>=</u> <u>Infrastructure</u> <u>Furniture and</u> <u>Office</u> <u>Equipment Li</u>	<u>Electrici</u> <u>ty</u> <u>Infrastr</u> <u>ucture</u>	<u>Regional:</u> <u>Regional</u> <u>Identifier:</u> <u>Local</u> <u>Government</u> <u>by Province:</u> <u>Northern</u> <u>Cape:</u> <u>District</u> <u>Municipalitie</u> <u>s:DC08</u> <u>Siyanda:Mu</u> <u>nicipalities:N</u>	<u>Function:</u> <u>Communi</u> <u>ty and</u> <u>Social</u> <u>Services:</u> <u>Non-core</u> <u>Function:</u> <u>Libraries</u> <u>and</u> <u>Archives</u>	<u>R</u> <u>=</u>	<u>85</u> <u>0</u> <u>00</u> <u>0</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>Ext</u> <u>ern</u> <u>al</u>	<u>Fund:Capital:T</u> <u>ransfers and</u> <u>Subsidies:</u> <u>Monetary</u> <u>Allocations:</u> <u>Provincial</u> <u>Government:</u> <u>Northern</u> <u>Cape:</u> <u>Libraries,</u> <u>Archives and</u> <u>Museums:</u>

				<u>brary</u> <u>(Groenwater)</u>		<u>C085</u> <u>Tsantsaban</u> <u>e:Ward:All</u> <u>Wards</u>									<u>Library</u> <u>Services</u>
<u>IDP</u> <u>00</u> <u>05</u>	<u>KPA2:</u> <u>Local</u> <u>Econo</u> <u>mic</u> <u>Devel</u> <u>opme</u> <u>nt</u>	<u>KFA</u> <u>22</u> <u>Libra</u> <u>ries</u>	<u>Devel</u> <u>oping</u> <u>Com</u> <u>muniti</u> <u>es</u>	<u>NC085 Basic</u> <u>Service</u> <u>Delivery and</u> <u>Infrastructure</u> <u>Development</u> <u>Capital</u> <u>Projects Co</u> <u>mputer</u> <u>Equipment T</u> <u>ablets for a</u> <u>reading</u> <u>project Librar</u> <u>y (PMG)</u>	<u>Ammen</u> <u>d</u> <u>General</u> <u>Plans</u> <u>for</u> <u>Mountai</u> <u>nview</u> <u>and</u> <u>Greenfi</u> <u>elds to</u> <u>accom</u> <u>modate</u> <u>higher</u> <u>density</u> <u>rental</u> <u>housing</u>	<u>Regional:</u> <u>Regional</u> <u>Identifier:</u> <u>Local</u> <u>Government</u> <u>by Province:</u> <u>Northern</u> <u>Cape:</u> <u>District</u> <u>Municipalitie</u> <u>s:DC08</u> <u>Siyanda:Mu</u> <u>nicipalities:N</u> <u>C085</u> <u>Tsantsaban</u> <u>e: Whole of</u> <u>the</u> <u>Municipality</u>	<u>Function:</u> <u>Communi</u> <u>ty and</u> <u>Social</u> <u>Services:</u> <u>Non-core</u> <u>Function:</u> <u>Libraries</u> <u>and</u> <u>Archives</u>	<u>R</u> <u>:</u>	<u>R</u> <u>:</u>	<u>R</u> <u>:</u>	<u>R</u> <u>:</u>	<u>R</u> <u>:</u>	<u>Ext</u> <u>ern</u> <u>al</u>	<u>Fund:Capital:T</u> <u>ransfers and</u> <u>Subsidies:</u> <u>Monetary</u> <u>Allocations:</u> <u>Provincial</u> <u>Government:</u> <u>Northern</u> <u>Cape:</u> <u>Libraries,</u> <u>Archives and</u> <u>Museums:</u> <u>Library</u> <u>Services</u>	

<u>IDP</u> <u>00</u> <u>06</u>	<u>KPA2:</u> <u>Local</u> <u>Econo</u> <u>mic</u> <u>Devel</u> <u>opme</u> <u>nt</u>	<u>KFA</u> <u>22</u> <u>Libra</u> <u>ries</u>	<u>Asset</u> <u>Prote</u> <u>ction</u>	<u>NC085 Basic</u> <u>Service</u> <u>Delivery and</u> <u>Infrastructure</u> <u>Development</u> <u>Capital</u> <u>Projects Co</u> <u>mputer</u> <u>Equipment S</u> <u>canners Lib</u> <u>rary (PMG)</u>	<u>Food</u> <u>Garden</u> <u>=</u> <u>Boichok</u> <u>o/Newt</u> <u>own /</u> <u>Metsim</u> <u>atala /</u> <u>Groenw</u> <u>ater /</u> <u>Food</u> <u>Garden</u> <u>=</u> <u>Skeyfon</u> <u>tein /</u> <u>Food</u> <u>Garden</u> <u>=</u> <u>Marem</u> <u>ane 1</u>	<u>Regional:</u> <u>Regional</u> <u>Identifier:</u> <u>Local</u> <u>Government</u> <u>by Province:</u> <u>Northern</u> <u>Cape:</u> <u>District</u> <u>Municipalitie</u> <u>s:DC08</u> <u>Siyanda:Mu</u> <u>nicipalities:N</u> <u>C085</u> <u>Tsantsaban</u> <u>e: Whole of</u> <u>the</u> <u>Municipality</u>	<u>Function:</u> <u>Communi</u> <u>ty and</u> <u>Social</u> <u>Services:</u> <u>Non-core</u> <u>Function:</u> <u>Libraries</u> <u>and</u> <u>Archives</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>Ext</u> <u>ern</u> <u>al</u>	<u>Fund:Capital:T</u> <u>ransfers and</u> <u>Subsidies:</u> <u>Monetary</u> <u>Allocations:</u> <u>Provincial</u> <u>Government:</u> <u>Northern</u> <u>Cape:</u> <u>Libraries,</u> <u>Archives and</u> <u>Museums:</u> <u>Library</u> <u>Services</u>	
<u>IDP</u> <u>00</u> <u>07</u>	<u>KPA1:</u> <u>Basic</u> <u>Service</u> <u>e</u> <u>Delive</u> <u>ry and</u> <u>Infrast</u> <u>ructur</u> <u>e</u> <u>Devel</u>	<u>KFA</u> <u>27</u> <u>Elect</u> <u>ricity</u> <u>Infras</u> <u>tructu</u> <u>re</u>	<u>Electri</u> <u>city</u> <u>provis</u> <u>ion</u> <u>exten</u> <u>d</u>	<u>NC085 Basic</u> <u>Service</u> <u>Delivery and</u> <u>Infrastructure</u> <u>Development</u> <u>Capital</u> <u>Projects Bulk</u> <u>Services Ele</u> <u>ctricity</u>	<u>Plant</u> <u>trees</u> <u>lines</u> <u>along</u> <u>major</u> <u>activity</u> <u>corridor</u> <u>s and</u> <u>streets</u>	<u>Regional:</u> <u>Regional</u> <u>Identifier:</u> <u>Local</u> <u>Government</u> <u>by Province:</u> <u>Northern</u> <u>Cape:</u> <u>District</u> <u>Municipalitie</u>	<u>Function:</u> <u>Road</u> <u>Transport</u> <u>: Core</u> <u>Function:</u> <u>Police</u> <u>Forces,</u> <u>Traffic</u> <u>and</u> <u>Street</u>	<u>R</u> <u>=</u>	<u>4</u> <u>84</u> <u>0</u> <u>00</u> <u>0</u>	<u>7</u> <u>316</u> <u>000</u>	<u>7</u> <u>6</u> <u>4</u> <u>6</u> <u>0</u> <u>0</u> <u>0</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>Ext</u> <u>ern</u> <u>al</u>	<u>Fund:Operatio</u> <u>nal:Revenue:G</u> <u>eneral</u> <u>Revenue:</u> <u>Transfer to</u> <u>Capital Funds</u> <u>Capital>Transf</u> <u>er from</u>

	<u>opment</u>					<u>s:DC08 Siyanda:Municipalities:NC085 Tsantsabane: Whole of the Municipality</u>	<u>Parking Control</u>								<u>Operational Revenue</u>
<u>IDP 00 08</u>	<u>KPA1: Basic Service Delivery and Infrastructure Development Capital Projects New Furniture and Office Equipment Traffic</u>	<u>KFA 8 Traffic Control</u>	<u>Improve Operations</u>	<u>NC085 Basic Service Delivery and Infrastructure Development Capital Projects New Furniture and Office Equipment Traffic</u>	<u>Construction of a Tourism Information Centre in Postmasburg</u>	<u>Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:DC08 Siyanda:Municipalities:NC085 Tsantsabane:Whole of the Municipality</u>	<u>Function: Road Transport :Core Function: Police Forces, Traffic and Street Parking Control</u>	<u>R =</u>	<u>R =</u>	<u>R =</u>	<u>R =</u>	<u>R =</u>	<u>External</u>	<u>Fund:Operational:Revenue:General Revenue:Transfer to Capital FundsCapital> Transfer from Operational Revenue</u>	

<u>IDP</u> <u>00</u> <u>09</u>	<u>KPA2:</u> <u>Local</u> <u>Econo</u> <u>mic</u> <u>Devel</u> <u>opme</u> <u>nt</u>	<u>KFA</u> <u>22</u> <u>Libra</u> <u>ries</u>	<u>Impro</u> <u>ve</u> <u>Opera</u> <u>tions</u>	<u>NC085 Basic</u> <u>Service</u> <u>Delivery and</u> <u>Infrastructure</u> <u>Development</u> <u>Capital</u> <u>Projects Non</u> <u>=</u> <u>Infrastructure</u> <u>Library(Post</u> <u>dene)</u>	<u>Constru</u> <u>ction of</u> <u>a new</u> <u>Fire</u> <u>Station</u> <u>/</u> <u>Emerge</u> <u>ncy</u> <u>Centre</u> <u>in</u> <u>Postma</u> <u>sburg</u> <u>traffic</u> <u>dept</u>	<u>Regional:Re</u> <u>gional</u> <u>Identifier:Lo</u> <u>cal</u> <u>Government</u> <u>by</u> <u>Province:No</u> <u>rthern</u> <u>Cape:Distric</u> <u>t</u> <u>Municipalitie</u> <u>s:DC08</u> <u>Siyanda:Mu</u> <u>nicipalities:N</u> <u>C085</u> <u>Tsantsaban</u> <u>e:Ward:All</u> <u>Wards</u>	<u>Function:</u> <u>Communi</u> <u>ty and</u> <u>Social</u> <u>Services:</u> <u>Core</u> <u>Function:</u> <u>Libraries</u> <u>and</u> <u>Archives</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>Ext</u> <u>ern</u> <u>al</u>	<u>Fund:Capital:T</u> <u>ransfers and</u> <u>Subsidies:Mon</u> <u>etary</u> <u>Allocations:Pro</u> <u>vincial</u> <u>Government:N</u> <u>orthern</u> <u>Cape:Libraries</u> <u>, Archives and</u> <u>Museums:Libr</u> <u>ary Services</u>	
<u>IDP</u> <u>00</u> <u>11</u>	<u>KPA2:</u> <u>Local</u> <u>Econo</u> <u>mic</u> <u>Devel</u> <u>opme</u> <u>nt</u>	<u>KFA</u> <u>22</u> <u>Libra</u> <u>ries</u>	<u>Impro</u> <u>ve</u> <u>Opera</u> <u>tions</u>	<u>NC085 Basic</u> <u>Service</u> <u>Delivery and</u> <u>Infrastructure</u> <u>Development</u> <u>Capital</u> <u>Projects Non</u> <u>=</u> <u>Infrastructure</u> <u>Library(Post</u> <u>dene)</u>	<u>Busines</u> <u>s</u> <u>Incubat</u> <u>or (Mini</u> <u>manufa</u> <u>cturing</u> <u>Hub /</u> <u>Office</u> <u>Park)</u>	<u>Regional:Re</u> <u>gional</u> <u>Identifier:Lo</u> <u>cal</u> <u>Government</u> <u>by</u> <u>Province:No</u> <u>rthern</u> <u>Cape:Distric</u> <u>t</u> <u>Municipalitie</u> <u>s:DC08</u>	<u>Function:</u> <u>Communi</u> <u>ty and</u> <u>Social</u> <u>Services:</u> <u>Non-Core</u> <u>Function:</u> <u>Libraries</u> <u>and</u> <u>Archives</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>Ext</u> <u>ern</u> <u>al</u>	<u>Fund:Capital:T</u> <u>ransfers and</u> <u>Subsidies:Mon</u> <u>etary</u> <u>Allocations:Pro</u> <u>vincial</u> <u>Government:N</u> <u>orthern</u> <u>Cape:Libraries</u> <u>, Archives and</u>	

						<u>Siyanda:Municipalities:NC085</u> <u>Tsantsabane:Ward: All Wards</u>									<u>Museums:Library Services</u>	
<u>IDP</u> <u>00</u> <u>12</u>	<u>KPA1: Basic Service Delivery and Infrastructure Development</u>	<u>KFA 8 Traffic Control</u>	<u>Improve Operations</u>	<u>NC085 Basic Service Delivery and Infrastructure Development Capital Projects Non - Infrastructure Airconditioner Library(Postdene)</u>	<u>NGO Hubs in all major centres in Boichoko, Postdene, Newtown, Greenfield / Mountain view</u>	<u>Regional:Regional Identifier:Local Government by Province:Northern Cape:District Municipalities:DC08</u> <u>Siyanda:Municipalities:NC085</u> <u>Tsantsabane:Whole of the Municipality</u>	<u>Function: Road Transport :Core Function: Police Forces, Traffic and Street Parking Control</u>	<u>R</u> <u>:</u>	<u>R</u> <u>:</u>	<u>R</u> <u>:</u>	<u>R</u> <u>:</u>	<u>R</u> <u>:</u>	<u>R</u> <u>:</u>	<u>External</u>	<u>Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies</u>	

<u>IDP</u> <u>00</u> <u>13</u>	<u>KPA4:</u> <u>Munic</u> <u>ipal</u> <u>Transf</u> <u>ormati</u> <u>on</u> <u>and</u> <u>Institu</u> <u>tional</u> <u>Devel</u> <u>opme</u> <u>nt</u>	<u>KFA</u> <u>36</u> <u>Muni</u> <u>cipal</u> <u>Facili</u> <u>ties</u>	<u>Impro</u> <u>ve</u> <u>Opera</u> <u>tions</u>	<u>NC085 Basic</u> <u>Service</u> <u>Delivery and</u> <u>Infrastructure</u> <u>Development</u> <u>Capital</u> <u>Projects Test</u> <u>ing</u> <u>Stations Traf</u> <u>fic</u>	<u>Constru</u> <u>ction of</u> <u>Angelie</u> <u>r</u> <u>Deurloo</u> <u>p</u>	<u>Regional:Re</u> <u>gional</u> <u>Identifier:Lo</u> <u>cal</u> <u>Government</u> <u>by</u> <u>Province:No</u> <u>rthern</u> <u>Cape:Distric</u> <u>t</u> <u>Municipalitie</u> <u>s:DC08</u> <u>Siyanda:Mu</u> <u>nicipalities:N</u> <u>C085</u> <u>Tsantsaban</u> <u>e:Whole of</u> <u>the</u> <u>Municipality</u>	<u>Function:</u> <u>Finance</u> <u>and</u> <u>Administr</u> <u>ation:Cor</u> <u>e</u> <u>Function:</u> <u>Property</u> <u>Services</u> <u>Administr</u> <u>ative and</u> <u>Corporat</u> <u>e support</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>Ext</u> <u>ernal</u>	<u>Fund:Operatio</u> <u>nal:Revenue:G</u> <u>eneral</u> <u>Revenue:Taxe</u> <u>s:Property</u> <u>Rates:Levies</u>	
<u>IDP</u> <u>00</u> <u>14</u>	<u>KPA4:</u> <u>Munic</u> <u>ipal</u> <u>Transf</u> <u>ormati</u> <u>on</u> <u>and</u> <u>Institu</u> <u>tional</u> <u>Devel</u>	<u>KFA</u> <u>34</u> <u>Syste</u> <u>ms</u> <u>and</u> <u>Tech</u> <u>nolog</u> <u>y</u>	<u>Impro</u> <u>ve</u> <u>Opera</u> <u>tions</u>	<u>NC085 Tran</u> <u>sformation</u> <u>and</u> <u>Institutional</u> <u>Development</u> <u>Capital</u> <u>Projects Mun</u> <u>icipal</u> <u>Buildings and</u> <u>Properties.</u>	<u>Revitilis</u> <u>ation of</u> <u>Makoud</u> <u>am and</u> <u>Koedoe</u> <u>Street -</u> <u>Tourism</u> <u>Attracti</u> <u>on and</u> <u>Events</u>	<u>Regional:Re</u> <u>gional</u> <u>Identifier:Lo</u> <u>cal</u> <u>Government</u> <u>by</u> <u>Province:No</u> <u>rthern</u> <u>Cape:Distric</u> <u>t</u> <u>Municipalitie</u>	<u>Function:</u> <u>Finance</u> <u>and</u> <u>Administr</u> <u>ation:Cor</u> <u>e</u> <u>Function:I</u> <u>nformatio</u> <u>n</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>Ext</u> <u>ernal</u>	<u>Fund:Operatio</u> <u>nal:Revenue:G</u> <u>eneral</u> <u>Revenue:Taxe</u> <u>s:Property</u> <u>Rates:Levies</u>	

	<u>opment</u>					<u>s:DC08</u> <u>Siyanda:Municipalities:N</u> <u>C085</u> <u>Tsantsabane:Whole of the Municipality</u>	<u>Technology</u>								
<u>IDP</u> <u>00</u> <u>15</u>	<u>KPA5: Good Governance and Public Participation</u>	<u>KFA 1 Governance Structures</u>	<u>Improve Operations</u>	<u>NC085 Financial Viability Capital Projects New Computer Software Corporate Services.</u>	<u>Gatkopies/Sibilo Mining-Tourism Attraction and Education</u>	<u>Regional:Regional Identifier:Local Government by Province:Northern Cape:District</u> <u>Municipalities:DC08</u> <u>Siyanda:Municipalities:N</u> <u>C085</u> <u>Tsantsabane:Whole of the Municipality</u>	<u>Function: Finance and Administration:Core Function: Human Resources</u>	<u>R</u> <u>1</u> <u>0</u> <u>1</u> <u>8</u> <u>0</u> <u>9</u>	<u>R</u> <u>32</u> <u>00</u> <u>0</u>	<u>R</u> <u>33</u> <u>888</u>	<u>R</u> <u>3</u> <u>5</u> <u>9</u> <u>2</u> <u>1</u>	<u>R</u> <u>:</u>	<u>R</u> <u>:</u>	<u>External</u>	<u>Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies</u>

<u>IDP</u> <u>00</u> <u>16</u>	<u>KPA5:</u> <u>Good</u> <u>Gover</u> <u>nance</u> <u>and</u> <u>Public</u> <u>Partici</u> <u>pation</u>	<u>KFA</u> <u>1</u> <u>Gove</u> <u>rnan</u> <u>c</u> <u>e</u> <u>Struc</u> <u>tures</u>	<u>Impro</u> <u>ve</u> <u>Opera</u> <u>tions</u>	<u>NC085 Fina</u> <u>ncial</u> <u>Viability Capi</u> <u>tal</u> <u>Projects Ne</u> <u>w Computer</u> <u>Equipment C</u> <u>orporate</u> <u>Services.</u>	<u>Smelter</u> <u>Plant</u>	<u>Regional:Re</u> <u>gional</u> <u>Identifier:Lo</u> <u>cal</u> <u>Government</u> <u>by</u> <u>Province:No</u> <u>rthern</u> <u>Cape:Distric</u> <u>t</u> <u>Municipalitie</u> <u>s:DC08</u> <u>Siyanda:Mu</u> <u>nicipalities:N</u> <u>C085</u> <u>Tsantsaban</u> <u>e:Whole of</u> <u>the</u> <u>Municipality</u>	<u>Function:</u> <u>Finance</u> <u>and</u> <u>Administr</u> <u>ation:Cor</u> <u>e</u> <u>Function:</u> <u>Administr</u> <u>ative and</u> <u>Corporat</u> <u>e Support</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>Ext</u> <u>ernal</u>	<u>Fund:Operatio</u> <u>nal:Revenue:G</u> <u>eneral</u> <u>Revenue:Taxe</u> <u>s:Property</u> <u>Rates:Levies</u>	
<u>IDP</u> <u>00</u> <u>17</u>	<u>KPA1:</u> <u>Basic</u> <u>Servic</u> <u>e</u> <u>Delive</u> <u>ry and</u> <u>Infrast</u> <u>tructur</u> <u>e</u> <u>Devel</u>	<u>KFA</u> <u>14</u> <u>Wate</u> <u>r and</u> <u>Sanit</u> <u>ation</u>	<u>Devel</u> <u>opme</u> <u>nt &</u> <u>empo</u> <u>werment</u>	<u>NC085 Fina</u> <u>ncial</u> <u>Viability Capi</u> <u>tal</u> <u>Projects Ne</u> <u>w Office</u> <u>Furniture and</u> <u>Equipment C</u> <u>orporate</u> <u>Services.</u>	<u>Upgradi</u> <u>ng of</u> <u>butterfly</u> <u>street &</u> <u>Storm</u> <u>water</u>	<u>Regional:Re</u> <u>gional</u> <u>Identifier:Lo</u> <u>cal</u> <u>Government</u> <u>by</u> <u>Province:No</u> <u>rthern</u> <u>Cape:Distric</u> <u>t</u> <u>Municipalitie</u>	<u>Function:</u> <u>Water</u> <u>Manage</u> <u>ment:Cor</u> <u>e</u> <u>Function:</u> <u>Water</u> <u>Distributi</u> <u>on</u>	<u>R</u> <u>2</u> <u>0</u> <u>1</u> <u>4</u> <u>8</u> <u>7</u> <u>1</u>	<u>R</u> <u>=</u>	<u>R</u> <u>2 014</u> <u>871</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>Int</u> <u>ernal</u>	<u>Fund:Operatio</u> <u>nal:Revenue:G</u> <u>eneral</u> <u>Revenue:Taxe</u> <u>s:Property</u> <u>Rates:Levies</u>

	<u>opme nt</u>					<u>s:DC08 Siyanda:Mu nicipalities:N C085 Tsantsaban e:Whole of the Municipality</u>										
<u>IDP 00 18</u>	<u>KPA1: Basic Service Delivery and Infrast ructur e Devel opme nt</u>	<u>KFA 14 Water and Sanit ation</u>	<u>Devel opme nt & empow erment</u>	<u>NC085 Mara mane water supply Phase 3</u>	<u>Bulk Water supply</u>	<u>Regional:Re gional Identifier:Lo cal Government by Province:No rthern Cape:Distric t Municipalitie s:DC08 Siyanda:Mu nicipalities:N C085 Tsantsaban e:Whole of the Municipality</u>	<u>Function: Water Manage ment:Cor e Function: Water Distributi on</u>	<u>R =</u>	<u>R =</u>	<u>11,44 8,296 .16</u>	<u>R =</u>	<u>R =</u>	<u>R =</u>	<u>Int ern al</u>	<u>Fund:Operatio nal:Revenue:G eneral Revenue:Taxe s:Property Rates:Levies</u>	

<u>IDP</u> <u>00</u> <u>19</u>	<u>KPA1:</u> <u>Basic</u> <u>Service</u> <u>Delivery</u> <u>and</u> <u>Infrastructure</u> <u>Development</u>	<u>KFA</u> <u>14</u> <u>Water</u> <u>and</u> <u>Sanitation</u>	<u>Development</u> <u>&</u> <u>Employment</u>	<u>NC085 Groenwater Water</u> <u>supply</u>	<u>Installation</u> <u>of</u> <u>Traction</u> <u>Substation</u> <u>(INEP)</u>	<u>Regional:Regional</u> <u>Identifier:Local</u> <u>Government</u> <u>by</u> <u>Province:Northern</u> <u>Cape:District</u> <u>Municipalities:DC08</u> <u>Siyanda:Municipalities:NC085</u> <u>Tsantsabane:Whole of</u> <u>the</u> <u>Municipality</u>	<u>Function:</u> <u>Water</u> <u>Management:Core</u> <u>Function:</u> <u>Water</u> <u>Storage</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>Internal</u>	<u>Fund:Operational:Revenue:General</u> <u>Revenue:Taxes:Property</u> <u>Rates:Levies</u>	
<u>IDP</u> <u>00</u> <u>20</u>	<u>KPA1:</u> <u>Basic</u> <u>Service</u> <u>Delivery</u> <u>and</u> <u>Infrastructure</u> <u>Development</u>	<u>KFA</u> <u>14</u> <u>Water</u> <u>and</u> <u>Sanitation</u>	<u>Development</u> <u>&</u> <u>Employment</u>	-	<u>Smart</u> <u>Village</u> <u>Project</u> <u>=</u> <u>Groenwater</u>	<u>0</u>	<u>0</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>R</u> <u>=</u>	<u>0</u>	<u>0</u>	

	<u>opme nt</u>															
<u>IDP 00 21</u>	<u>KPA1: Basic Servic e Delive ry and Infrast ructur e Devel opme nt</u>	<u>KFA 14 Wate r and Sanit ation</u>	<u>Devel opme nt & empow erment</u>	<u>NC085 Gree nfield & Mountain View High Mast lighting</u>	<u>Tsantsa bane BFI funding applicat ion – Mix Typolog y & Integrat ed Infrastr ucture Projects</u>	<u>0</u>	<u>0</u>	<u>R =</u>	<u>R =</u>	<u>R =</u>	<u>R =</u>	<u>R =</u>	<u>-</u>	<u>0</u>	<u>0</u>	
<u>IDP 00 22</u>	<u>KPA1: Basic Servic e Delive ry and Infrast ructur e Devel opme nt</u>	<u>KFA 14 Wate r and Sanit ation</u>	<u>Devel opme nt & empow erment</u>	<u>NC085 Gree nfield & Mountain View High Mast lighting</u>	<u>Jenn Haven Water Supply Phase Two</u>	<u>0</u>	<u>0</u>	<u>-</u>	<u>R =</u>	<u>R =</u>	<u>R =</u>	<u>R =</u>	<u>-</u>	<u>0</u>	<u>0</u>	

<u>IDP</u> <u>00</u> <u>23</u>	<u>KPA1:</u> <u>Basic</u> <u>Service</u> <u>Delivery</u> <u>and</u> <u>Infrastructure</u> <u>Development</u>	<u>KFA</u> <u>14</u> <u>Water</u> <u>and</u> <u>Sanitation</u>	<u>Development</u> <u>&</u> <u>employment</u>	<u>NC085 Gree</u> <u>nfield &</u> <u>Mountain</u> <u>View High</u> <u>Mast lighting</u>	<u>Maram</u> <u>ane</u> <u>Solar</u> <u>Project</u>	<u>0</u>	<u>0</u>	-	<u>R</u> =	<u>R</u> =	<u>R</u> =	<u>R</u> =	-	<u>0</u>	<u>0</u>	
<u>IDP</u> <u>00</u> <u>24</u>	<u>KPA1:</u> <u>Basic</u> <u>Service</u> <u>Delivery</u> <u>and</u> <u>Infrastructure</u> <u>Development</u>	<u>KFA</u> <u>14</u> <u>Water</u> <u>and</u> <u>Sanitation</u>	<u>Development</u> <u>&</u> <u>employment</u>	<u>NC085 Gree</u> <u>nfield &</u> <u>Mountain</u> <u>View High</u> <u>Mast lighting</u>	<u>Feasibil</u> <u>ity for</u> <u>Agro</u> <u>processing</u> <u>(TL</u> <u>M</u> <u>Diversifi</u> <u>cation &</u> <u>resilient</u> <u>strategy</u> <u>– Zama</u> <u>Mining)</u>	<u>0</u>	<u>0</u>	-	<u>R</u> =	<u>R</u> =	<u>R</u> =	<u>R</u> =	-	<u>0</u>	<u>0</u>	
<u>IDP</u> <u>00</u> <u>25</u>	<u>KPA1:</u> <u>Basic</u> <u>Service</u> <u>Delive</u>	<u>KFA</u> <u>14</u> <u>Water</u> <u>and</u>	<u>Development</u> <u>&</u> <u>emp</u>	<u>NC085 Gree</u> <u>nfield &</u> <u>Mountain</u> <u>View High</u> <u>Mast lighting</u>	<u>0</u>	<u>0</u>	<u>0</u>	-	<u>R</u> =	<u>R</u> =	<u>R</u> =	<u>R</u> =	-	<u>0</u>	<u>0</u>	

	<u>ry and Infrast ructur e Devel opme nt</u>	<u>Sanit ation</u>	<u>wer ment</u>													
<u>IDP 00 26</u>	<u>KPA1: Basic Servic e Delive ry and Infrast ructur e Devel opme nt</u>	<u>KFA 14 Wate r and Sanit ation</u>	<u>Devel opme nt & empo wer ment</u>	<u>NC085 Gree nfield & Mountain View High Mast lighting</u>	<u>0</u>	<u>0</u>	<u>0</u>	-	<u>R</u> =	<u>R</u> =	<u>R</u> =	<u>R</u> =	-	<u>0</u>	<u>0</u>	
<u>IDP 00 27</u>	<u>KPA1: Basic Servic e Delive ry and Infrast ructur e Devel</u>	<u>KFA 14 Wate r and Sanit ation</u>	<u>Devel opme nt & empo wer ment</u>	<u>NC085 Gree nfield & Mountain View High Mast lighting</u>	<u>0</u>	<u>0</u>	<u>0</u>	-	<u>R</u> =	<u>R</u> =	<u>R</u> =	<u>R</u> =	-	<u>0</u>	<u>0</u>	

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<u>IDP</u> <u>00</u> <u>28</u>	KPA1: <u>Basic</u> <u>Service</u> <u>Delivery</u> <u>and</u> <u>Infrastr</u> <u>uctur</u> <u>e</u> <u>Devel</u> <u>opme</u> <u>nt</u>	KFA <u>14</u> <u>Water</u> <u>and</u> <u>Sanit</u> <u>ation</u>	<u>Devel</u> <u>opme</u> <u>nt &</u> <u>empow</u> <u>erment</u>	NC085 Gree <u>nfield &</u> <u>Mountain</u> <u>View High</u> <u>Mast lighting</u>	<u>0</u>	<u>0</u>	<u>0</u>	-	<u>R</u> =	<u>R</u> =	<u>R</u> =	<u>R</u> =	-	<u>0</u>	<u>0</u>	
<u>IDP</u> <u>00</u> <u>29</u>	KPA1: <u>Basic</u> <u>Service</u> <u>Delivery</u> <u>and</u> <u>Infrastr</u> <u>uctur</u> <u>e</u> <u>Devel</u> <u>opme</u> <u>nt</u>	KFA <u>14</u> <u>Water</u> <u>and</u> <u>Sanit</u> <u>ation</u>	<u>Devel</u> <u>opme</u> <u>nt &</u> <u>empow</u> <u>erment</u>	NC085 Gree <u>nfield &</u> <u>Mountain</u> <u>View High</u> <u>Mast lighting</u>	<u>0</u>	<u>0</u>	<u>0</u>	-	<u>R</u> =	<u>R</u> =	<u>R</u> =	<u>R</u> =	-	<u>0</u>	<u>0</u>	

<u>IDP</u> <u>00</u> <u>30</u>	<u>KPA1:</u> <u>Basic</u> <u>Service</u> <u>e</u> <u>Delivery</u> <u>and</u> <u>Infrastructure</u> <u>e</u> <u>Development</u> <u>nt</u>	<u>KFA</u> <u>14</u> <u>Water</u> <u>and</u> <u>Sanitation</u>	<u>Devel</u> <u>opme</u> <u>nt &</u> <u>empow</u> <u>erment</u>	<u>NC085 Gree</u> <u>nfield &</u> <u>Mountain</u> <u>View High</u> <u>Mast lighting</u>	<u>0</u>	<u>0</u>	<u>0</u>	-	<u>R</u> =	<u>R</u> =	<u>R</u> =	<u>R</u> =	-	<u>0</u>	<u>0</u>	
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MUNICIPAL DEVELOPMENT OBJECTIVES

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR.	KEY PERFORMANCE INDICATOR TITLE	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Roads and Storm Water Infrastructure	To provide road and storm water infrastructure	1	Number of Road and Stormwater infrastructure projects implemented.	4	4	4	4	4
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Roads and Storm Water Infrastructure	To upgrade gravel roads by building road and stormwater infrastructure	2	Number of Business plans developed to upgrade gravel roads in the urban settlements of TLM.	4	4	4	4	4
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Roads and Storm Water Infrastructure	Improvement of Roads and Stormwater infrastructure within the TLM area	3	Number of business plans developed and submitted for funding the development of Roads and Storm water masterplan.	1	1	1	1	1
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Roads and Storm Water Infrastructure	To provide road and transport services within TLM areas	4	Number of internal roads upgraded and maintained within the TLM area.	6	6	6	6	6
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Water and Sanitation Infrastructure	Implement Sustainable basic water services within the TLM municipal area.	5	Number of prepaid water meters to be installed in the TLM area.	7000	-	-	-	-
KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR.	KEY PERFORMANCE INDICATOR TITLE	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26

BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Water and Sanitation Infrastructure	Ensure Supply of Quality Water Drinking within the TLM Area	6	Number of Operation and maintenance measures implemented to ensure quality drinking water within TLM.	10	10	10	10	10
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Water and Sanitation Infrastructure	Ensure sustainable Supply of Quality Water Drinking within the TLM Area (Skeyfontein)	7	Number of reports on Skeyfontein bulk water supply phase 2	4	4	4	4	4
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Water and Sanitation Infrastructure	Ensure Supply of Quality Water Drinking within the TLM Area	8	Number of reports on Postdene water intervention project.	4	4	4	4	4
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Electricity	Ensure sustainable Provision of Electricity Service within the TLM Area	9	Number of streetlights replaced and installed with LED Lights.	20	20	20	20	20
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Electricity	Ensure sustainable Provision of Electricity Service within the TLM Area	10	Number of projects implemented to reduce electricity revenue losses.	4	4	4	4	4
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Electricity	Create access to Electricity Service within the TLM Area	11	Number of interventions to implement bulk electricity infrastructure	1	1	-	-	-
KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR.	KEY PERFORMANCE INDICATOR TITLE	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Roads and Storm Water Infrastructure	Provide of Roads and Stormwater service in TLM	12	Number of reports on roads and stormwater operation and maintenance work undertaken.	4	4	4	4	4

BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Roads and Storm Water Infrastructure	Provide of Roads and Stormwater service in TLM	13	Number of reports on upgrade and storm water for 5 th Avenue Road.	4	4	4	4	4
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Roads and Storm Water Infrastructure	Provide sustainable Water Services in TLM	14	Number of reports on water operation and maintenance work undertaken.	4	4	4	4	4
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Water and Sanitation Infrastructure	Provide sustainable Wastewater/ Sanitation Services in TLM	15	Number of reports on wastewater / sanitation operation and maintenance work undertaken.	2	2	2	2	2
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Waste Management	Create access to Refuse Removal Service within the TLM Area	16	Number of Reports on new households provided with Refuse Removal Service by June 2022. (Mountain View, Greenfields, Postdene Phase 1&2, Skeyfonein, Jenn Haven, Groenwater & Maremane)	2	2	2	2	2
KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR.	KEY PERFORMANCE INDICATOR TITLE	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Waste Management	Provide Refuse Removal Service within TLM	17	Number of reports on refuse collection in all residential areas.	2	2	2	2	2
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Waste Management	Provide healthy living environment to all communities in TLM.	18	Reports on Number interventions implemented to prevent illegal dumping within communities.	2	2	2	2	2
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Waste Management	Provide healthy living environment to all communities in TLM.	19	Number of reports in the Development & implement Integrated Waste Management Strategy and Plan.	2	2	2	2	2

BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Water and Sanitation Infrastructure	Provide sewerage service	20	Review & implement sewerage Infrastructure Maintenance plan.	1	1	1	1	1
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Cemeteries	Provide cemetery services to all communities	21	Number of Bi- Annual reports on the operation and maintenance of cemeteries services provided.	2		2	2	2
KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR.	KEY PERFORMANCE INDICATOR TITLE	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Cemeteries	Provide cemetery services to all communities	22	Number of Bi-Annual reports toward development and implementation of the new cemetery site for all communities.	2	2	2	2	2
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Roads Safety and Traffic Services	Provide Roads Safety and Traffic services to all communities	23	Number of quarterly reports on road safety improvement interventions implemented.	4	4	4	4	4
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Human Settlement	Facilitate implementation of Human Settlement in all communities	24	Reports on Replacement of Asbestos Roofs in Postdene and Town	2	2	2	2	2
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Human Settlement	Facilitate implementation of Human Settlement in all communities	25	Number of Progress Reports on the Implement of Human Settlement System beneficiary registration.	2	2	2	2	2
KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR.	KEY PERFORMANCE INDICATOR TITLE	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26

BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Human Settlement	Facilitate implementation of Human Settlement in all communities	26	Number of Progress Reports on the implementation human settlement projects Skeifontein (CoGSTA)	4	4	4	4	4
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Human Settlement	Facilitate implementation of Human Settlement in all communities	27	Number of bi-annual Progress Reports on implementation of Township establishment (Maremane, Skeifontein (extension to 2&3), White City (Industrial) Boichoko (Hopecity),& Jehn Haven (extension)	2	2	2	2	2
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Human Settlement	Facilitate implementation of Human Settlement in all communities	28	Number of reports on implementation of 200 Temporary housing project in TLM	4	4	4	4	4
KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR.	KEY PERFORMANCE INDICATOR TITLE	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Human Settlement	Facilitate implementation of Human Settlement in all communities	29	Number of beneficiaries identified during profiling of informal settlement in Mountain View & Greenfields	4	4	4	4	4
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Human Settlement	Facilitate implementation of Human Settlement in all communities	30	Bi-annual Progress Reports on implementation of TRANSNET Project (internal infrastructure and 120 houses project) in Stasie	2	2	2	2	2
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of TLM	31	Develop a business plan and funding sources to implement pre-paid and smart meters.	4	4	4	4	4
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Sports and Recreation		32	Number of reports on upgrade of Sports facilities in Postdene	4	4	4	4	4

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR.	KEY PERFORMANCE INDICATOR TITLE	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development (LED)	Support to Local Entrepreneurs	33	Number of LED Forum meetings held to facilitate Local Economic Development	4	4	4	4	4
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	Facilitate the establishment of One Stop Centre for maximum impact. (Bursary Schemes, Youth Development, & LED/SME Support Centre)	34	Bi-Annual Progress Report on meeting outcomes (One Stop Centres)	2	2	2	2	2
LOCAL ECONOMIC DEVELOPMENT	Social Development	Co-ordinate stakeholder's engagement towards construction of a Disability Centre	35	Quarterly Progress Report on the Construction of Disability centre.	4	4	4	4	4
LOCAL ECONOMIC DEVELOPMENT	Development and empowerment	To promote Local economic development	36	Number of PSC meetings held to facilitate implementation of construction of the Multipurpose centre.	4	4	4	4	4
KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR.	KEY PERFORMANCE INDICATOR TITLE	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
LOCAL ECONOMIC DEVELOPMENT	Development and empowerment	To promote Local economic development	37	Submit Feasibility report and scope for Postmasburg airport upgrade to Council.	1	1	-	-	-

LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To promote Local economic development	38	Number of reports on Mining and Solar SLP & SED Investment Coordination meetings.	2	2	2	2	2
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To promote Local economic development	39	Number of reports on EPWP job opportunities created	4	4	4	4	4
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To promote Local economic development	40	Number of reports on the implementation of Smart City concept at TLM.	2	2	2	2	2
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To promote Local economic development	41	Number of reports to facilitate establishment of oil & fuel storage plant as per Provincial Government & Investment plan.	2	2	2	2	2
KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR.	KEY PERFORMANCE INDICATOR TITLE	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To promote Local economic development	42	Number of reports on land use LAMPS applications attended	4	4	4	4	4
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To promote Local economic development	43	Number of reports of TLM Local procurement opportunities	2	2	2	2	2
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To promote Local economic development	44	Number of LED Improvement initiatives implemented.	4	4	4	4	4
MUNICIPAL FINANCIAL MANAGEMENT VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of TLM	45	Collect data from households that do not receive municipal accounts.	4	4	4	4	4

MUNICIPAL FINANCIAL MANAGEMENT VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of TLM	46	Number of reported meters repaired and replaced to reduce revenue losses.	12	12	12	12	12
MUNICIPAL FINANCIAL MANAGEMENT VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of TLM	47	Develop credible, updated indigent register.	4	4	4	4	4
KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR.	KEY PERFORMANCE INDICATOR TITLE	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
MUNICIPAL FINANCIAL MANAGEMENT VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of TLM	48	Submit credible AFS,Draft Annual Report and Annual Performance Report	1	1	1	1	1
MUNICIPAL FINANCIAL MANAGEMENT VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of TLM	49	Implement credible Audit Action and Implementation plan.	4	4	4	4	4
MUNICIPAL FINANCIAL MANAGEMENT VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of TLM	50	Implement cost saving measures in the institution.	4	4	4	4	4
MUNICIPAL FINANCIAL MANAGEMENT VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of TLM	51	Number of Budget Steering Committee meetings held.	4	4	4	4	4

MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To ensure that the municipal assets are properly safeguarded	52	Implement corporate security facility in all municipal buildings.	4	4	4	4	4
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide integrated human resource services	53	Implement bio-matrix time and attendance system.	4	4	4	4	4
KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR.	KEY PERFORMANCE INDICATOR TITLE	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide integrated human resource services	54	Completion and implementation of TASK Job Evaluation	4	4	4	4	4
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide integrated human resource services	55	Annually reviewed WSP submitted to LGSETA	1	1	1	1	1
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide integrated human resource services	56	Number of Reports on Implementation of HR Development plan.	4	4	4	4	4
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To promote effective communication and accountability	57	Number of Reports & attendance registers of Departmental meetings held.	4	4	4	4	4

MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To implement corrective measures to reduce risk areas.	58	Number of Risk management reports.	4	4	4	4	4
KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR.	KEY PERFORMANCE INDICATOR TITLE	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To promote effective audit improvement programmes.	59	Number of Audit queries reports.	4	4	4	4	4
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To promote effective internal audit improvement programmes.	60	Number of Internal Audit reports.	4	4	4	4	4
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To promote health and safety in the working environment.	61	Number of Reports on COVID-19 awareness and compliance.	4	4	4	4	4
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To promote effective audit improvement programmes.	62	Number of Reports on APRC meetings held.	4	4	4	4	4
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	Facilities	To promote Local economic development	63	Development of Business plan and funding application for upgrade of community halls.	4	4	4	4	4

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR.	KEY PERFORMANCE INDICATOR TITLE	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote the interests and rights of targeted groups – women; children;youth;disab led and elderly.	64	Number of meetings held to facilitate program to support for Early Child Development within the TLM Area	4	4	4	4	4
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote the interests and rights of targeted groups – women; children;youth;disab led and elderly.	65	Number of meetings held to facilitate the Launching of Senior Citizens Care & Support Programme.	4	4	4	4	4
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To improve public participation in the municipal area	66	Number of stakeholder meetings held to facilitate the establishment of a community radio station and Tourism Centre.	4	4	4	4	4
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote effective communication and accountability	67	Number of Management meetings held.	12	12	12	12	12
KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR.	KEY PERFORMANCE INDICATOR TITLE	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To improve public participation in the municipal area	68	Number of Council meetings attended.	4	4	4	4	4

GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To improve public participation in the municipal area	69	Number of Committee meetings attended.	6	6	6	6	6
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote the interests and rights of targeted groups – women;children; youth;disabled and elderly.	70	Number of meeting held to facilitate the establishment of Moral Regeneration and Faith Based Organisations to implement the following: Churches, Schools & Community Survey launching.	4	4	4	4	4
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	Enhance the role of CDW's in improving Government service delivery through mentorship	71	Number of meetings held to facilitate the integration of CDW's performance with the municipal Ward Committee system	4	4	4	4	4
KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR.	KEY PERFORMANCE INDICATOR TITLE	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	Facilitate effective intergovernmental relations at a municipal level	72	Number of Facilitated Bi-Monthly Stakeholders meetings	6	6	6	6	6
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	Coordinate calendar of events for all Ceremonial duties of the office of the Mayor	73	Number of CSI interventions aligned to government events calendar and priorities facilitated.	4	4	4	4	4
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To ensure legal compliance	74	Facilitate implementation of municipal by-laws.	4	4	4	4	4

GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Community Development & Infrastructure	Address issues affecting Youth; Women; Children and disabled communities.	75	Participate in the Project Steering Committee meetings dealing with Development projects affecting Youth; Women; Children and people with disability.	4	4	4	4	4
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