MARULENG LOCAL MUNICIPALITY

FINAL REVIEWED IDP 2026/27

(2021-2026 version)

The power house of socio-economic development through sustainable and integrated agriculture and tourism

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LIST OF ACRONYMS

AGSA	Auditor General of South Africa
AU	African Union
BBBEE	Broad Based Black Economic Empowerment
CPA	Community Property Association
COGHSTA	Cooperative Governance Human Settlement and Traditional Affairs
CDW	Community Development Worker
CRDP	Comprehensive Rural Development Plan
DDM	District Development Model
DGDS	District Growth Development Summit
DCOG	Department of Co-operative Governance
DOE	Department of Education
DSAC	Department of Sports, Arts and Culture
DWA	Department of Water Affairs
EPWP	Expanded Public Works Program
ESKOM	Electricity Supply Committee

GDP	Gross Domestic Product
GEAR	Growth Employment and Redistribution
GIS	Geographic Information System
GVA	Gross Value Added
IDP	Integrated Development Plan
ILO	International Labor Organization
IGR	Inter-Governmental Relations
KMs	Kilometers
LDP	Limpopo Development Plan
LED	Local Economic Development
LUMS	Land Use Management Scheme
MDM	Mopani District Municipality
MEC	Member of Executive Council
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
MLM	Maruleng Local Municipality
MSA	Municipal Structures Act
MSA	Municipal Systems Act
MSCOA	Municipal Standards Chart of Accounts
MTERF	Medium Term Expenditure Revenue Framework
MTSF	Medium Term Strategic Framework
NDP	National Development Plan
NSDP	National Spatial Development Perspective
OPEX	Operational Expenditure
PMS	Performance Management System
PPPFA	Preferential Procurement Policy Framework Act
RAL	Road Agency Limpopo
RDP	Reconstruction nad Development Program

SDBIP	Service Delivery and Budget Implementation Plan
SDGS	Sustainable Development Goals
SMME	Small Medium Micro Enterprise
Stats SA	Statistic South Africa
SWOT	Strength, Weaknesses, Opportunities and Threats
UIFW	Unauthorized Irregular Fruitless and Wasteful

FOREWORD BY THE MAYOR

The adoption of the IDP and Budget marks an important milestone in the Municipality's commitment to responsive, sustainable development, and improved service delivery for communities across Maruleng. The approved budget is aligned with Municipality's developmental mandate and seeks to address the needs and priorities raised by communities during public participation. I am happy to report that a lot has been achieved since the inception of this council from 2021 to date despite the limited resources at our disposal, but we know there is still more that needs to be achieved to fulfil the Municipality's constitutional obligation to provide sustainable basic services to communities. Amongst others:

- About 69.629 Kilometres paved or tarred
- Number of yellow fleets
- Lorraine community hall
- About 1582 Jobs created through EPWP and other municipal initiatives
- Established strategic relationships with Sector Departments, Traditional Leaders, Business and community leaders
- Sustained unqualified audit opinions with annual reduced audit findings
- Electrified 413 households through INEP grant

- Increased revenue collection from 56% in 2020/21 financial year to 80% from 60% in 2020/21 financial year
- Received additional MIG allocational as a result of good spending on annual basis
- 5/6 senior management positions filled, with 2 permanently filled in terms of the amended MSA, Act 32 of 2000 (CFO and Director Technical Services)
- About 89 council sittings held of which 67 were special sittings
- About 90 public participation meetings held
- Effective council and oversight structures established
- Facilitated the construction and establishment of 2 shopping centres, private hospital, Five-stars hotels etc.
- Facilitated the international licence of Hoedspruit Airport (underway)
- Major achievement – 95% completion of The Calvin Louis Moagi Sports Complex, which upon completion will feature:
    - A standard soccer pitch, Combi-court,
    - A rubberised running track, and
    - An indoor multipurpose centre catering for a range of indoor sporting codes.

The municipality is still faced with huge challenges of water, roads, electricity (load reduction), refuse removal and unemployed youth. In order to address these challenges, the municipality will be spending in the next three years about R800m of the total budget on infrastructure development and upgrading of existing infrastructure. The municipality has for the first time in 2024/25 financial year electrified 413 households through INEP and further 209 connections will be made in 2026/27 financial year as well as MKV electrification line. The municipality has received unqualified audit opinion for eight consecutive years with reduced findings in 2024/25 Financial Year. The 2026/27 budget allocation was informed by Council's IDP priorities which include road infrastructure development and storm water, electricity, local economic development, integrated human settlement, environmental management, financial management and viability, community development, good governance and public participation.

There have been ongoing processes to review the institutional arrangements of the administrative structures of the Council to enable the municipality to meet the developmental challenges as per its Constitutional mandate. Council is also improving its communication, participatory and decision-making mechanisms to ensure that IDP remains the only popular strategic roadmap to the betterment of life for all. The focus for this financial year will be on accelerated service delivery and creating enablers for job creation. On behalf of Council, I would like to appreciate the contribution of all our stakeholders through the IDP process.

"**No government can claim legitimacy if is not based on the will of the people."**

LET'S DO MORE, TOGETHER.

CLLR. T.C MUSOLWA

MAYOR

EXECUTIVE SUMMARY BY ACTING MUNICIPAL MANAGER

It is my great pleasure to present the Municipality's Integrated Development Plan (IDP) Review for 2026/2027 financial year. The adoption of the IDP is a statutory obligation in terms sections 25 and 34 of the Local Government: Municipal Systems Act (Act 32 of 2000 as amended) which requires each municipality to adopt and annually review a single, inclusive strategic plan that will guide its developmental initiatives.

The IDP is a comprehensive document which details the elected council's development plans and service delivery commitments to its community and spans for a five-year circle. The Municipality's IDP for 2026/20267as approved by Council on the 30 March 2026 serves as a principal strategic planning instrument which guides and informs the planning and development processes in the municipality.

The IDP was compiled in line with community priorities, district priorities, provincial priorities and national priorities, State of Nation Address (SONA), State of the Provincial Address (SOPA), Department of Cooperative Governance, Human Settlement and Traditional Affairs (COGHSTA) IDP guidelines and the District Development Model (DDM).

The IDP has identified eleven development priorities, which are i) water supply and sanitation, ii) road infrastructure development and storm water, iii) electricity, iv) local economic development, v) waste and environment management, vi) financial management and viability, vii) integrated human settlement, viii) good governance and public participation, ix) community development and public safety.

It must be stated the process that led to this IDP was politically driven which included community participation. The municipality appreciates the commitment provided by all the role players particularly the Councilors, ward committee members, Traditional leaders, community members, municipal officials and various stakeholders including provincial departments. Together we can do more in fulfilling the Local Government mandate to provide basic services to the community of Maruleng

The following achievements were made from 2021 financial to date:

1. **SPATIAL RATIONALE**
   - Facilitated the construction of Hoedspruit private hospital, Mahlakung mall and The Oaks mall (100% completed)
   - Successful implemented Valuation roll
   - Demarcated more 1000 sites.
   - Implemented GIS
   - Approved over 50 business plans and over 500 residential plans.

2. **BASIC SERVICES AND INFRASTRUCTUE DEVELOPMENT**
   - Access to refuse removal increased from 38.9% to 66.6%.
   - Access to paved or tarred road increased from 53% to 66.6%.
   - 20 roads mainly in rural areas were either tarred or paved.
   - Facilitated the provision of water from 43.3% to 57%.
   - Facilitated the provision of sanitation from 79% to 97.8%.
   - Facilitated the provision of housing from 95.6% to 96.9%.
   - Facilitated the provision of electricity from 94.4% to 96.3%.
   - 2 stadiums, Indoor sports complex 85% completed and 3 community halls were constructed.
   - About 30 km or road paved or tarred (surfaced)

3. **LOCAL ECONOMIC DEVELOPMENT**
   - Created over 1 500 jobs through EPWP and other municipal initiatives.
   - Development of smart partnership with private and public sectors
   - Supported the growth of tourism and agriculture sectors.
   - Provide support to about 100 emerging businesses.
   - Facilitated the construction of highly rated hotels (Radisson, Mahlakung mall and The Oaks mall
   - Impletion of LIBRA (Limpopo Business Registration Act, and etc.

4. **FINANCIAL VIABILITY AND MANAGEMENT**
   - Less reliance on government grants
   - Funded more capital projects from own funding.
   - Compliance on MFMA and other financial regulations and circulars
   - Effective bid committees
   - Successful migrated to MSCOA

- Recorded no unauthorised expenditure in the 2024/25 financial year
- Clean audit on SCM and Asset and properties management
- 80% revenue collection

5. GOOD GOVERNANCE AND PUBLIC PARTICIPATION

- Sustained unqualified audit opinion.
- Effective council structures
- Functional ward committees
- Regular public participation
- Strengthen governance and oversight structures.

6. MUNICIPAL TRANSFORMATION AND ORGANISATION DEVELOPMENT

- All senior management (except the position of the Municipal Manager) and strategic positions filled.
- Periodical performance assessments
- About 85% of the funded positions filled
- All staff members have signed performance agreements.
- Fully implementation of the new staff regulation
- Compliance to Employment Equity Plan
- Developed and implemented WSP.
- Capacitated councillors and staff

Through the IDP, the municipality improves the lives of ordinary people in the municipality

Mr. M.L MUROA
ACTING MUNICIPAL MANAGER

1. LEGAL FRAMEWORK AND MANDATE

It is the purpose of the IDP to give effect to the constitutional and legal mandate of Maruleng Local Municipality which is drawn from the following legal prescripts:

The Constitution of the Republic of South Africa

Section 152. Objectives of local government – (1) The objectives of local government are-

(a) To provide democratic and accountable government for local communities.
(b) To ensure the provision of services in a sustainable manner.
(c) To promote social and economic development.
(d) To promote a safe and healthy environment; and
(e) To encourage the involvement of communities and community organisations in the matters of local government.

Municipal System Act, Act 32 of 2000

Section 83 and 84 of the Municipal Structures outlines powers and functions of the municipalities and the focus being the development of integrated development planning.

Municipal Systems Act 32 of 2000 defines the IDP as one core functions of a municipality and makes it a legal 'requirement for every Municipal Council to adopt a single, inclusive and strategic plan (IDP) for the development of its municipality. This plan should link, integrate and coordinate plans and consider community proposals for the development of the municipality. It should also align the municipality's resources and capacity of the plan; it should form the policy framework and the basis on which annual budgets must be based and compatible with national and provincial development plans and planning requirements.

Municipal Finance Management Act, Act 56 of 2003

Section 21 (1) The mayor of a municipality must co-ordinate the processes for preparing the annual budget and for reviewing the municipality's integrated development plan and budget-related policies to ensure that the tabled budget and any revisions of the integrated development plan and budget-related policies are mutually consistent and credible.

National Development Plan: Vision 2030

The National cabinet of South Africa in 2012 adopted the National Development Plan, an action plan that offers a long-term perspective to secure a better future for South Africans. The aim of the NDP is to eradicate poverty, unemployment and inequality. The following are the objectives of the NDP:

- An economy that will create more jobs.
- Improving infrastructure.
- Transition to low carbon economy.
- Reversing the spatial effects of apartheid.
- Improving the quality of education, training and innovation.
- Quality health for all.
- Social protection.
- Building safer communities; and
- Reforming the public sector

Medium Term Development Plan (2024-2029)

The Medium-Term Development Plan for 2024-2029 is the second 5-year year implementation of the National Development Plan. The NDP sets out the country's long-term version to promote radical economic transformation. The 2024-2029 Medium Term Strategic Framework laid out the plan and outcome-based monitoring for implementation of the NDP. The 2024-2029 MTSF is the country's current plan which outlines the implementation priorities of the sixth administration.
It is therefore pivotal to align Maruleng Local Municipality's IDP with the priorities of the MTDP (2024-2029) as it promotes coordination, alignment and full development of all development planning instruments. The three priorities to be aligned with MLM priorities are as follows:

- To drive inclusive growth and job creation
- To reduce poverty and tackle the high cost of living, and
- To build a capable, ethical and developmental state

Limpopo Development Plan

The Limpopo Development Plan (LDP) is a growth and development plan for the province of Limpopo that spans five years. The Limpopo Development Plan (2024-2029) is a comprehensive socioeconomic planning and implementation document for the province of Limpopo. It encompasses the concerns and ambitions of the residents of Limpopo. LDP aspires to ensure that government resources, efforts, and energy are directed towards fostering an environment that gives residents of the province the chance to actively participate in sustainable growth and development that can enhance their quality of life. The following are the eight priorities of LDP which are aligned with the MTDP priorities:

- **Transform the public service for effective and efficient service delivery.**
- **Transform and modernization of provincial economy.**
- **Provision of quality education and quality health care**
- **Integrated and sustainable socio-economic infrastructure development**
- **Accelerate social change and improve quality of life of Limpopo's citizens.**
- **Spatial transformation for integrated soci0-ecopnomic development**
- **Strengthen crime prevention and social cohesion.**
- **Economic transformation and job creation through regional integration**

District Development Model

The District Development Model (DDM) is a new planning model for Cooperative Governance which seeks to be a new integrated, district-based service delivery approach which aimed at fast-tracking service delivery and ensure that municipalities are adequately supported and resourced to carry out their mandate.

The announcement of the District Development Model (DDM) by the Presidency has added impetus to the municipal integrated planning process as well as national and provincial planning processes as DDM seeks to strengthen the integrated planning process and through this model, all developmental initiatives will be viewed through a district –level across the 44 districts and 8 metros in the country. The DDM seeks to secure maximum coordination and cooperation amongst the national, provincial and local spheres of government, who will act in partnership with civil society- including communities, business and labour- at the district level countrywide.

The One Plan is bold and revolutionary strategy that addresses the linked DDM core transformation focus areas, which its overall strategic Objects are to:

- ✓ Address silos in planning, budgeting and implementing,
- ✓ Maximise impact and align plans as well as resources through One District, One Plan and One budget, and
- ✓ Narrow distances between people and government by strengthening the coordination role and capacities at District level.

Maruleng Local Municipality Strategic Objectives

The municipality has during its strategic planning session and consultative processes agreed on the following priorities which aligned to NDP, MTDP, LDP and Mopani District Municipality objectives:

- **Build capable institution and administration.**
- **Promote integrated human settlement and agrarian reform.**
- **Improve community well-being through accelerated service delivery.**
- **Sound financial management.**
- **Develop partnerships.**
- **Promote local economic development.**
- **Putting people first.**

Powers and Functions for Maruleng Local Municipality.

The powers and functions of the Municipality in terms of section 155(6) (a) and (7) of the Constitution of the Republic of South Africa and powers and functions as delegated by the MEC of Cooperative Governance, Human settlement and Traditional Affairs, those functions include;

- Building regulations.
- Billboards and the display of advertisements in public places.;
- Local tourism.
- Cleansing (cemeteries etc.).
- Municipal planning.
- Storm water management.
- Municipal parks and recreation.
- Municipal roads.
- Disaster management.
- Street lighting.
- Refuse removal, refuse dumps and solid waste; and
- Traffic control and Licensing.

Alignment of plans or strategies

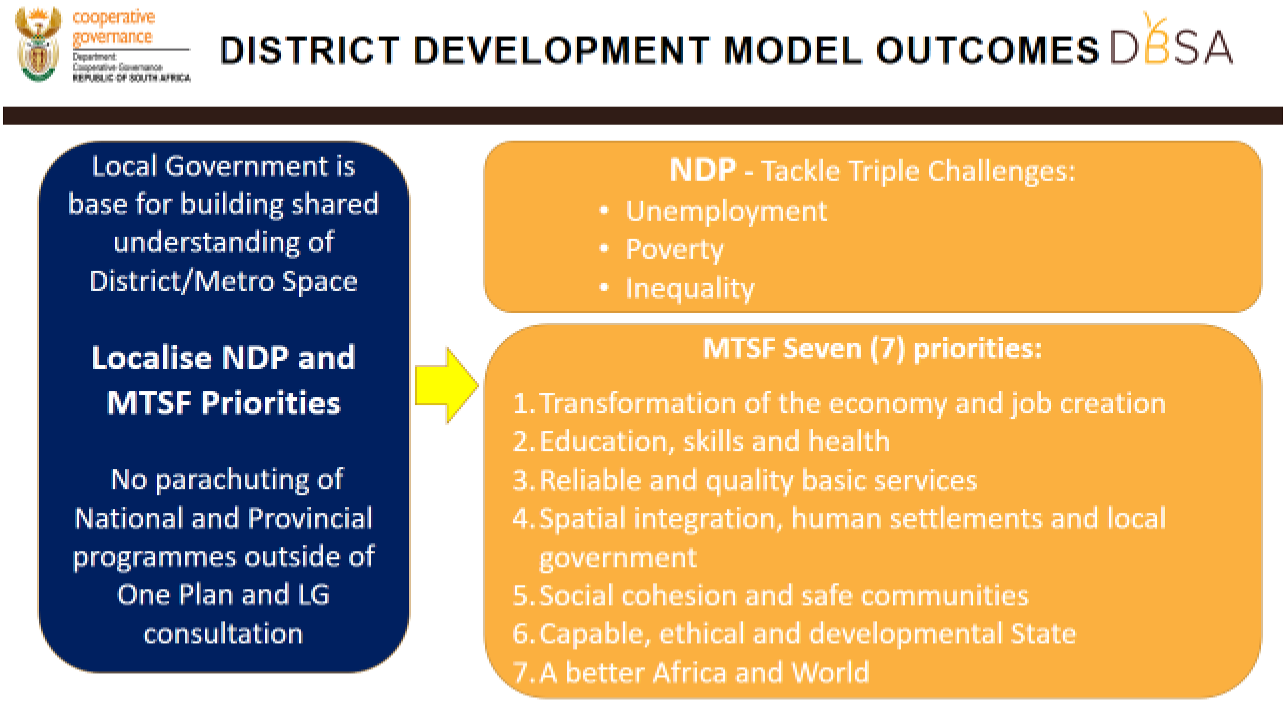


Figure 3

2. OVERVIEW OF THE IDP PROCESS PLAN

2.1. INTRODUCTION

It is required in terms of Section 25 of the Local Government: Municipal Systems Act, 32 of 2000, each municipal council must within a prescribed period after the start of its election term, adopt a strategic plan, known as the Integrated Development Plan (IDP). IDP is a 5 –year plan which guides and informs the municipality's planning, development and budgeting. It is reviewed annually based on its performance and changing circumstances deemed relevant by the municipal council (Section 34 of the MSA, 2000)

IDP is a process through which the municipality conducts a comprehensive analysis of community needs and subsequently prioritizes available resources to address those needs. The process also seeks to ensure vertical and horizontal integration between the municipal planned intervention with planning efforts of national and provincial spheres as well as within various sectors of government. In compliance to the Municipal Systems Act 32 of 2000, municipality developed the IDP for five years (2021-2026), which is reviewed annually.

The IDP is underpinned by key sector plans and strategies, which include the Municipality's Spatial Development Framework (SDF), Local Economic Development (LED) strategy amongst others. The IDP is responding to the community priorities, district, provincial, national priorities and is in line with the State of the Nation Address (SONA), State of the Province Address (SOPA), Department of Cooperative Governance and Traditional Affairs (DCOG) IDP guidelines and District Development Model (DDM).

2.2. THE SCOPE OF THE IDP

The 2026-2027 Draft IDP is comprised of six interlinked chapters that are mandatory for a credible IDP, in terms of the Department of Cooperative Governance and Traditional Affairs (DCOG) IDP framework.

The first chapter provides introductory overview of the process followed in compiling the IDP and in reviewing it annually. The process unfolded in various phases which include preparation, analysis, strategy, projects, and ultimately the approval phases.

The second chapter is a situational analysis, aiming to give a reader a deep understanding of the context in which the IDP has been developed. It outlines the municipal development profile in terms of the institutional and external environmental scan. It captures socio-economic indicators which comprise amongst other demographics, socio-economic analysis, spatial analysis, municipal financial viability, and governance as well organizational development and transformation analysis.

The third chapter details the municipal Developmental Strategies that will be used by the Municipality to respond to its legislative mandate and its developmental and transformation needs. In this chapter, the Municipality's vision, mission, developmental objectives, development priorities, developmental strategies and five-year performance targets are clearly articulated. The alignment between the IDP and priorities and plans at various government levels, which has an influence on IDP are articulated in this chapter.

The fourth chapter provides an outline of the Municipality's planned and budgeted projects to be implemented by the Municipality, and those that will be implemented by sector departments as well as other role players. Most of these projects span out for the duration of the medium –term period (3 years). The planned projects form part of the municipal strategy to respond to the five-year development priorities of the municipality.

The fifth chapter is the financial plan of the municipality over the next Medium-Term Revenue and Expenditure Framework (MTREF). Items covered under this chapter includes inter alia estimate of revenue and capital expenditure. It also includes how this MTREF is linked to the IDP.

The last chapter (chapter six) aligns and integrates departmental programs and projects as well as devising interventions that will assist in the attainment of the Municipality's programs/projects objectives and outcomes that respond to the IDP priorities.

2.3. THE IDP PROCESS

The IDP is the principal strategic planning instrument which guides and informs all planning and development, and all decisions regarding planning, management and development, in the municipality (Municipal System Act, 2000). As a five-year plan, it must be developmentally oriented and aligned to development plans and strategies of the municipality. In this regard, the IDP for 2026-227 as the fifty generation of current council aims to focus on priorities for the designated five – year period it covers.

2.3.1. Strategic role

The Integrated Development Plan was introduced by the White Paper on Local Government in 1998. It is one of the critical tools available in for South African municipalities to drive the attainment of a "Developmental Local Government" by integrating and coordinating the activities of all spheres of government that happen within a municipal space. By encouraging intergovernmental relations through involvement of all spheres of government in ensuring development, the IDPs give municipalities opportunities to respond to socioeconomic challenges and address spatial disparities. In the IDPs the municipal space isn't seen anymore as an exclusive space to be managed by a local authority, but as a space where different roles and responsibilities lie with a wide range of stakeholders, who collaborate to establish a suitable planning for their "pieces of land". The municipal planning process resulting in an IDP document is therefore the basis for all land development and land use planning in South Africa.

Thus, those inter-linkages set the IDPs as a strong component of a global strategy, aiming to empower municipalities to make critical interventions to reach the developmental state targeted by South Africa. Driven by the NDP, an IDP is composed of a variety of plans and policies, both at strategic and implementation levels, from micro to macro scales. The IDP is also placed at the center of a network of plans, while being an implementation tool which allows a municipality to prioritize its actions.

The process used to develop and review the IDP allows it to guide not only the municipal decisions, but also the policies and implementation measures of various stakeholders, ranging from other organs of state to the private sector. Therefore, to serve its population, Maruleng Municipality uses the opportunity provided by the IDP to contribute to its strategic objectives by implementing tangible measures while using this document both as a communication tool and as an instrument for planning.

As prescribed in the Municipal Systems Act, a municipality must review its IDP annually. This process gives the municipality the opportunity to better align its IDP with its long-tern vision, while considering all external influences that might occur. Moreover, the IDP review process also ensures the alignment between the implemented projects and the five-year targets, proposes other ways of reaching the objectives in case of major changes or unforeseen contexts, plans and adjust budgets for this cycle but also integrate issues raised by the consulted stakeholders. It is a component of a multi-year process that aims to provide the implementation of a long-term vision to be effective and efficient.

The process that was followed to guide the development of Maruleng Local Municipality's IDP for 2026-2031 financial years involve various phases which had their respective outcomes. Below are the phases that were followed.

2.3.1.1. Preparation Phase

The IDP Process Plan was approved by the Maruleng Local Municipal Council on 28 of July 2025. The IDP process plan outlined the legislative framework, institutional structures to guide, manage and monitor IDP processes, mechanisms for community participation as well as key deadlines and activities that led to the development of the IDP for 2026-2031 financial years. It was developed in line with Mopani District Municipality's IDP framework.

2.3.1.2. Analysis Phase

During this phase, it was important for the municipality to understand the current existing situation within the municipal area. An in-depth diagnostic assessment was done in relation to the levels of development, service delivery gaps or challenges, causes of existing problems, identification of priority issues, and available resources to help deal with identified challenges or problems.

Sources of information that were used as baseline include annual report, mid-year performance report, Service Delivery and Budget Implementation Plan (SDBIP) quarterly reports, Stats SA surveys or census and LEDET socio-economic profile etc.

2.3.1.3. Strategies Phase

The municipality had its strategic planning sessions to devise means to respond to the priority issues identified during the analysis phase. Management strategic planning session was held on the 15th -16th January 2026. The session of the councilors was held on the 21st -23rd January 2026 where the Municipality reviewed strategies and objectives taking into consideration the results of its internal assessment. Furthermore, the Municipality identified programs and projects which might be critical to respond to the wards priorities as well as the institutional needs.

2.3.1.4. Projects Phase

The fourth chapter provides an outline of the Municipality's planned and budgeted projects to be implemented by the Municipality, and those that will be implemented by sector departments as well as other role players. Most of these projects span out for the duration of the medium –term period (3 years). The planned projects form part of the municipal strategy to respond to the five-year developmental priorities of the municipality.

2.3.1.5. Integration Phase

In this phase the Municipality aligns and integrates departmental programs and projects as well as devising interventions that will assist in the attainment of the Municipality's programs/projects objectives and outcomes that respond to the IDP priorities.

2.3.1.6. Approval Phase

The 2026-2031 IDP was tabled before council on the 28th of May 2026 for approval. As part of the consultation process, the IDP was also advertised on the municipal website, local newspapers and placed in all municipal service centers to give notice to the community as required in terms of the Municipal Systems Act (2000). It was also submitted to MEC of Cooperative Governance, Housing and Traditional Affairs (COGHSTA), Mopani District Municipality and the Treasury for inputs. The table below outlines how the review process unfolded.

Table 2: Process Overview: steps and events

DATE	STRUCTURE/ STAKEHOLDER	PURPOSE/ACTIVITY
24 July 2025	IDP Steering Committee	Development of the Process Plan
25 July 2025	IDP Representative Forum	Presentation of Process Plan
28 July 2025	Council	Adoption of the Process Plan
10 October 2025	IDP Steering Committee	Preparation of the Analysis Phase
11 October 2025	IDP Representative Forum	Presentation of the Analysis Phase
21- 23 January 2026	Councilors, Management, Mopani District Municipality, Sector Departments, OTP, private Sector and Traditional Leaders	Strategic Planning Session
20 March 2026	IDP Steering Committee	Preparation of the Projects Phase
24 March 2026	IDP Representative Forum	Presentation of the Projects Phase
30 March 2026	Council	Adoption of the Draft IDP and Budget
21April 2026 (joint with the District Municipality)	Community Public Participation meeting –Lorraine community Hall • Ward 12 • Ward 13 • Ward 14	Public Participation - Draft IDP and Budget
21April 2026 (joint with the District Municipality)	Community Public Participation meeting –Hoedspruit Hall • Ward 01	Public Participation - Draft IDP and Budget
23 April 2026	Community Public Participation meeting –Hlohlokwe Hall • Ward 10 • Ward 11	Public Participation - Draft IDP and Budget
29 April 2026	Community Public Participation meeting –Makgaung Community Hall • Ward 06 • Ward 07 • Ward 08 • Ward 09	Public Participation - Draft IDP and Budget
30 April 2026	Community Public Participation meeting –The Willows Community Hall • Ward 02 • Ward 03	Public Participation - Draft IDP and Budget
14 May 2026	Community Public Participation meeting – Mametja Traditional Authority Hall • Ward 4 • Ward 5	Public Participation - Draft IDP and Budget
22 May 2026	IDP Steering Committee	Preparation of the final IDP and Budget
25 May 2026	IDP Representative Forum	Presentation of the final IDP and Budget
26 May 2026	Audit Committee meeting	Review of the IDP and Budget
28 May 2026	Council	Adoption of the Reviewed IDP and Budget

2.4. STAKEHOLDER ENGAGEMENT AND CONSULTATION ON THE IDP PROCESS

The following institutional structures have been identified in the municipality's public participation strategy as key structures in the development of the IDP. These structures represent a wider audience of stakeholders which include organized business, labour, civil society, ward committees, Traditional Leaders, NGOs, CBOs, as well as members of the public.

Table 3: IDP Structures, roles and responsibilities

STRUCTURE/ STAKEHOLDER	COMPOSITION	ROLES AND RESPONSIBILITIES	Frequency of meetings
Executive Committee	**Chaired by Mayor** • Portfolio chairpersons and members of the management Committee	• EXCO makes recommendations to Council on IDP processes	Quarterly
Council	**Chaired by Speaker** • All Councillors • Senior Managers • Traditional Leaders	• Approves the IDP /Budget Process and plans	Quarterly
Audit Committee & (Technical committees on AFS & APR)	**Chaired by its Chairperson.** • Audit committee members. • Management • Representatives from Treasury, COGHSTA & SALGA	• Reviews Draft budget and IDP • Reviews municipal reports • Performs other responsibilities as need from time to time	Quarterly
IDP Steering (Technical) Committee	**Chaired by Municipal Manager** • IDP/PMS Manager • Senior Managers • Sectional Heads • Sector Departments & SOEs	• Provide technical expertise and support. Ensure that the annual municipal budget and business plans are linked to and based on the IDP	Quarterly

IDP Representative Forum	**Chaired by Mayor** • Councillors • IDP Steering Committee • Traditional Leaders • Ward Committees • Representative of Organized Groups • Sector Departments and Parastatals	• Represent interest of their constituents in the IDP process • Provide organizational mechanism for discussion, negotiation and decision making amongst stakeholders. • Monitor the performance of the planning and implementation process	Quarterly
Ward Councilors and Ward Committees	**Chaired by ward councilor.** • Ward Committee members	• Link the planning process to their wards and assist the organizing of public consultation and participation	At least once every two months
Community meetings	**Chaired by ward councilor.** • Community members	• Regular feedback • Monitor the implementation of government programmes & projects. • Councillors receive mandates	Quarterly

2.5 ADDRESSING MEC FINDINGS ON IDP ASSESSMENT (2025/26 financial year)

NO	FINDING	PROGRESS IN ADDRESSING FINDING
1	There are no sector projects for e.g. spatial rational, Roads and storm water, Public Transport & LED	Rely on MDM to coordinate receiving projects from sector departments
2	Most sector plans outdated	All sector plans are intact with the recent review of IWMP and adoption of the ITP
3	No clear indication of the state of local skills base and skill needs of the municipality	State of local skills and skills needs of the municipality clearly on page 59

3. MUNICIPAL PROFILE

3.1 Description of Municipal Area

Maruleng is a Sepedi word derived from the name of the fruit “marula” which is indigenous in Limpopo. The name means a place of Marula. The Marula tree is indigent to this area and is used in many ways, for instance marula drink, essential oil, fruit, jam, beer, certain types of nuts and the medicinal bark. The Maruleng municipality is situated in the South-eastern quadrant of the Limpopo province within the Mopani District Municipal Area of jurisdiction. The Maruleng municipality is bordered by the greater Kruger National Park to the east, the Ba-Phalaborwa and Tzaneen municipalities to the north, the Lepelle Nkumpi municipality to the west, and Tubatse and Bushbuckridge to the south. Maruleng is characterized by typical lowveld vegetation. To the south municipal area borders the Drakensberg escarpment. Although resources within the boundaries of the municipal area are scarce, the local of natural resources (in terms of game and nature reserves) within its boundaries as well as on the perimeter of their boundaries offer many opportunities for development. The main access points to the municipal area are Klaserie and the Strijdom tunnel in the south, Ofcolaco in the west and Mica in the north. The town of Hoedspruit is the administrative and economic center of the area. Hoedspruit is 74km south of Ba-Phalaborwa (R40), 135km north-east of Lydenburg and 225 km from Polokwane. It has one major urban area (Hoedspruit) which harbours 2.3% of population and 36 communities which harbour 88.7% and farms which harbour 9% and a total of 14 wards. Hoedspruit also houses South African Air Force Base. The Maruleng municipal area is approximately 3 224 km².

3.2 Demographics Profile

Maruleng’s population is youthful, with Sepedi being the main language. The following analogy provides an overview of the important demographic indicators of the Maruleng Municipality. It covers the population size, age distribution, unemployment, income generation, educational levels and services backlogs. The socio-economic profile of the Municipality provides an indication of poverty levels of and development prospectus. Two sets of data from Stats SA used, namely 2011 and 2022 statistics. It must be noted that 2022 covers only limited information hence the usage of data from 2011 statistics.

3.3 Population Trends

The reconciled total population of Maruleng Municipality is as follows in Table 4 below:

POPULATION			HOUSEHOLDS		
Census 2001	**Census 2011**	**census 2022**	**Census 2001**	**Census 2011**	**Census 2022**
94383	94 857	128 137	19 668	24 470	31 968

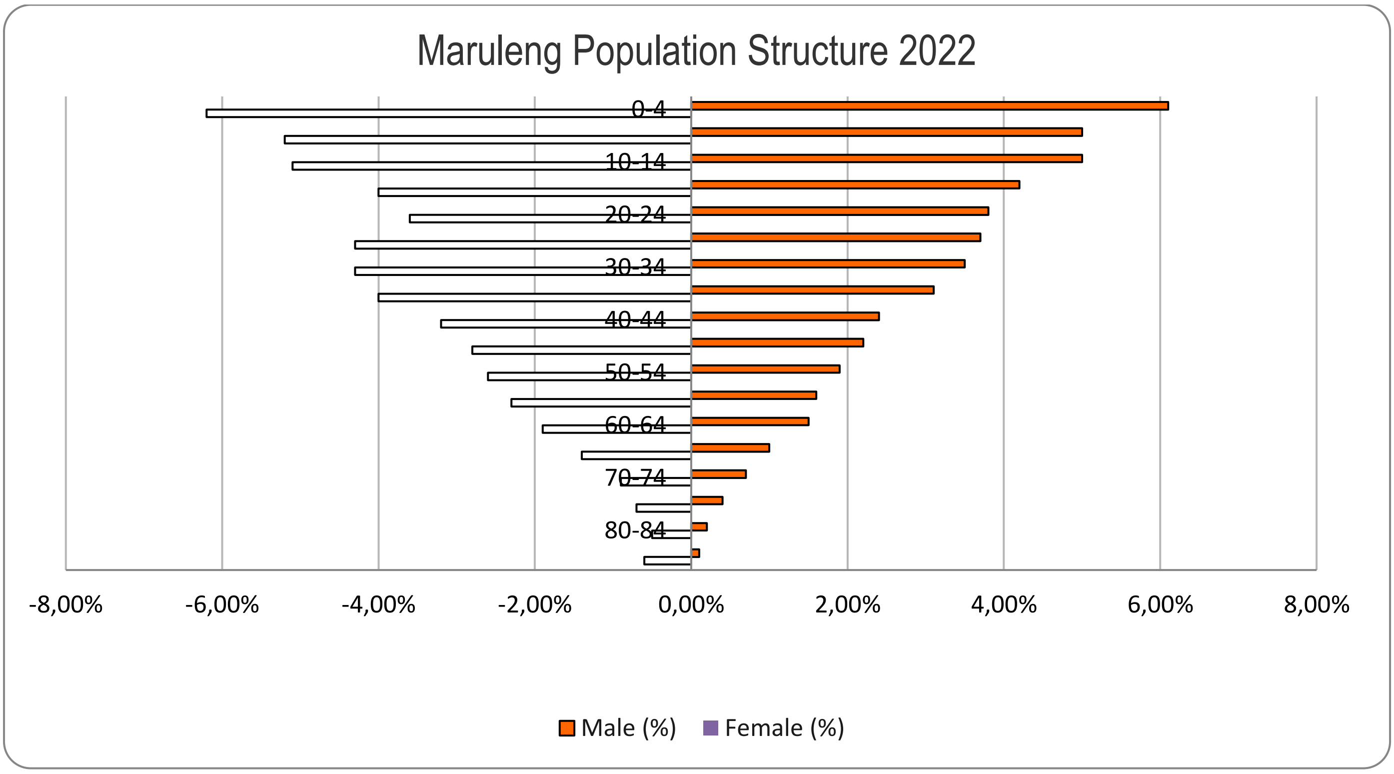
Source: (Stats SA 2022)

Key statistics of Maruleng Local Municipality

Name	**Census 2022**	**census 2011**
Total Population	128 137	95 328
Young Children (0-14 years)	32.7%	34.3%
Working population (15-64 years)	60.9%	60.4%
Elderly (65+ years)	6.5%	5.3%
Dependency ratio	64.3%	65.4%

Sex ratio	86.6%	85.1%
No schooling (20+years)	17.5%	20.9%
Higher education (20+years)	8.7%	6.8%
Number of households	31 968	24 689
Average household size	4.0	3.9
Formal dwellings	96.9%	96.0%
Flush toilets connected to sewerage	26.5%	12.8%
Weekly refuse disposal services	21.7%	5.8%
Access to piped water inside dwelling	30.4%	11.1%
Electricity for lighting	96.3%	90.6%
Access to sanitation (inclusive of VIP toilets and acceptable sanitation facilities	97.8%	30%

Source: (Stats SA 2022)

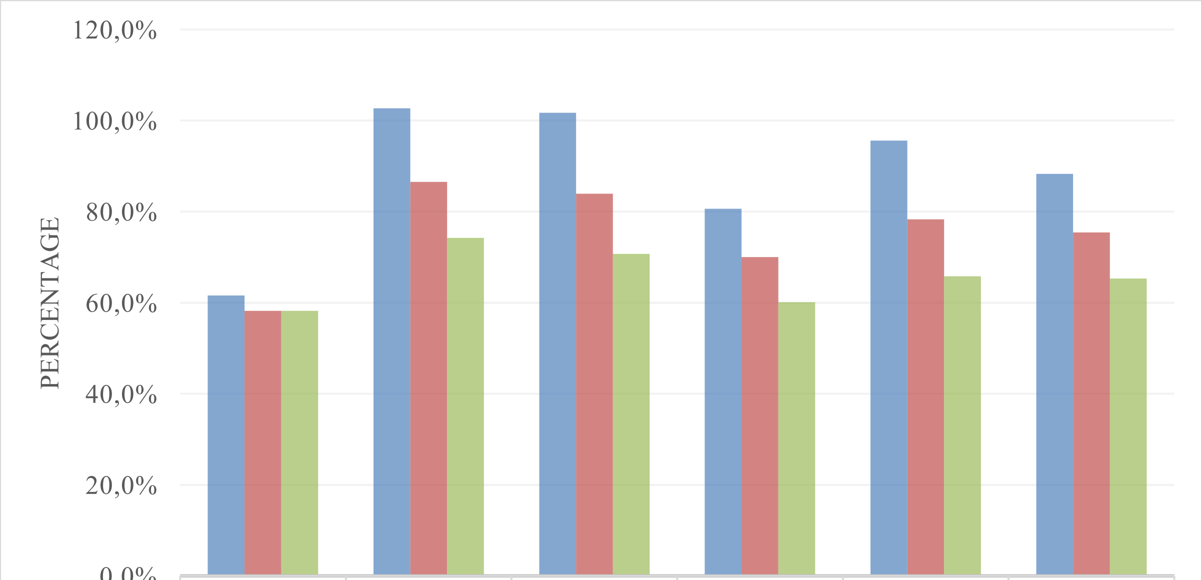


The concept of Demographic Dividend also shows when a municipality has an open or closed window of opportunity in terms of growing its economy faster. It demonstrates the potential a municipality has in terms of growing its economy at a faster rate looking at the sizeable portion of the working group and the dependency ratio. For the municipality to realize this window of opportunity, the population of youth below the age of 15 should be below 30% and the population of people who are 65 and above should be below 15%. According to Census 2022 the dependency ratio of the municipality is at 64.3%, meaning that 64.3% of the population of the municipality is dependent on net producers, which are the people who are still economically active and can bring income home.

3.4 Dependency rate

For MLM, the ratio is depicted in the figure below compared with the other local municipalities within Mopani District.

Figure 6: MLM Dependency Ratio



	Ba-Phalaborwa	Greater Giyani	Greater Letaba	Greater Tzaneen	Maruleng	Mopani
1996	61,6%	102,7%	101,7%	80,6%	95,6%	88,3%
2001	58,2%	86,5%	83,9%	70,0%	78,3%	75,4%
2011	58,2%	74,2%	70,7%	60,1%	65,8%	65,3%

Source: Statistics South Africa

The reflection above demonstrates that the dependency ratio in MLM is the third highest in the district but has been reducing over a period but still at the highest at 65.8%. This situation places a huge burden on the part of the municipality because many of its working age group are financially distressed as they have to support their households.

Table 5: Population per Ward per Gender

Wards	**Total Population**	**Male**	**Female**	**Settlements**
Ward 1	5 622	2 986	2 636	Hoedspruit, Drakensig & Bango
Ward 2	8 255	4 075	4 180	The Willows, Scotia, Bavaria,Junkman & Richmond
Ward 3	6 861	3 083	3 778	Finale & The Oaks
Ward 4	6 298	2 822	3 475	Mahupje, Mametja & Bochabelo
Ward 5	5 927	2 648	3 279	Molalane, Santeng,Sedawa, & Crossing
Ward 6	7 235	3 320	3 914	Mica, Enable & Bismarck
Ward 7	6 184	2 832	3 352	Butswana, Newline, Turkey 01& Turkey 02
Ward 8	7 669	3 421	4 248	Turkey 03, Turkey 04, Makgaung & Sefikeng (Kgeregere)
Ward 9	6 366	2 884	3 523	Metz
Ward 10	6 648	2 902	3 741	Madeira & Sofaya
Ward 11	8 792	3 987	4 807	Hlohlokwe
Ward 12	8 259	3 798	4 460	Bellville, Loraine & Makhutswe
Ward 13	6 083	2 792	3 291	Balloon & Calais
Ward 14	4 659	2 062	2 597	Kanana, Mahlomelong & Moshate
TOTAL	**94 857**	**43 576**	**51 281**	**40**

Source: (census 2011)

Table 6: Households per Ward

Ward	Households	Percentage
Ward 1	2 065	8.43
Ward 2	2 396	9.79
Ward 3	1 675	6.84
Ward 4	1 449	5.92
Ward 5	1 579	6.45
Ward 6	1 959	8.00
Ward 7	1 532	6.26
Ward 8	1 841	7.52
Ward 9	1 652	6.75
Ward 10	1 649	9.08
Ward 11	2 223	9.08
Ward 12	2 014	8.23
Ward 13	1 420	5.80
Ward 14	1 016	4.17
TOTAL	24470	100%

Source: (census 2011)

3.5 Age, Gender and Race Distribution

The population distribution by age categories and gender of the Municipality is presented in Table 4 and table 5, it is clear that the percentage of females increase along with age, implying that women live longer in the age group 0-4 years the percentage of males and females are fairly even, compared to the age group 35-65 and older where female constitute 54 % of the population.

Estimated population by Race

Population			**Youth (15-34 years)**		
Male	Female	Total	Male	Female	Total
59 377	68 760	128 137	19 508	20 675	40 183 (31. 6%)

Source: Stats SA – 2022

Table 7: Estimated population by gender

Populati6on			Youth (15-34 years)		
Male	Female	Total	Male	Female	Total
59 377	68 760	128 137	19 508	20 675	40 183 (31. 6%)

Source: Stats SA – 2022

Table 8: Estimated population by age and gender

	0 – 4	5 – 9	10-14	15-19	20-24	25-29	30-34	35-59	60+	Total
MALE	7818	6 358	6419	5418	4889	4756	4445	14334	5039	59 377
FEMALE	8 002	6 702	6542	5136	4608	5465	5465	19060	14572	68 760
TOTAL	**12036**	**20553**	**12 961**	**10 554**	**9 497**	**9 364**	**9 910**	**33 394**	**19611**	**128 137**

Source: Stats SA 2022

Name	Number	%
Black African	118 917	92.8%
Coloured	337	0.3%
Indian/Asian	358	0.3%
White	8 313	6.5%
Other	212	0.1%
TOTAL	**128 137**	**100%**

Source: Stats SA – 2022

Population age structure

Table 9: Population age structure

Population Under 15	Population 15 To 29 years	Population 30 To 59 years	Population over 60
35.5%	22.9%	33.8%	7.8%

Source: Stats SA 2022

The table above indicates the population distribution according to the age structure where most of the population group is at the age between 30 to 59 years, this age group constitutes 33.8% of the population, followed by under 15 years at 35.5% and over 65 years at 7.8%. This shows a need for economic strategies to identify development thrusts that would address the need of the economically active people.

3.6. Employment Profile

Employment status of the municipality

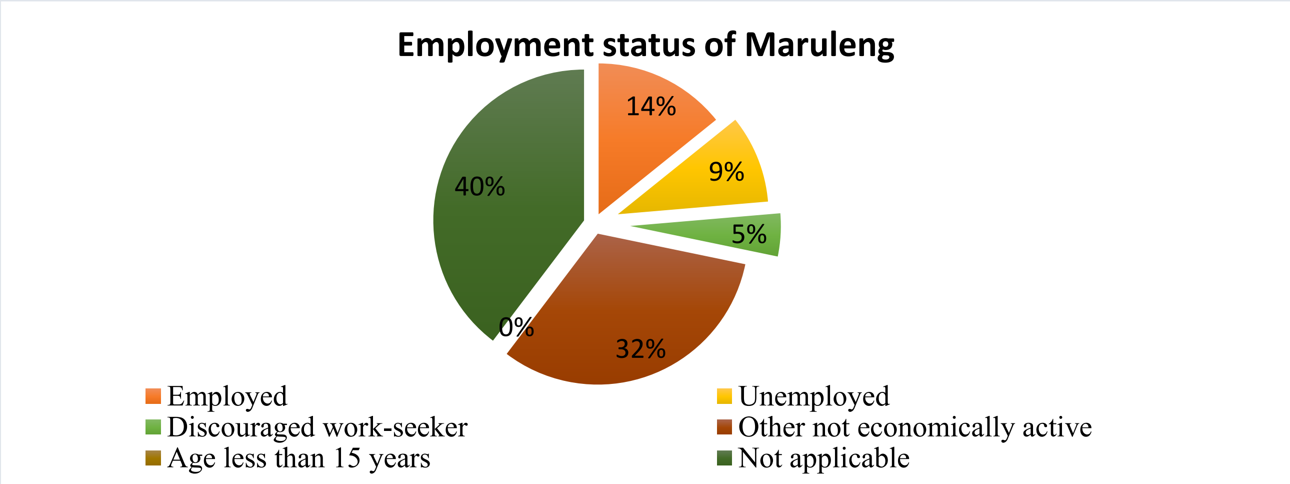


Figure 4: Employment status of the municipality (source, Stats SA Census 2011)

Figure 4 shows that there are 26 798 economically active people in Maruleng Municipality, with 13 142 employed, 8 994 unemployed and 1667 discouraged work seekers. This indicates the need for strategies to identify some of the development thrusts that are linked to job creation and economic growth.

3.7 Household income

About 3891 households (15%) in the municipality fall within the category earning below R1500.00 per month and about 32 871 people live on grants.

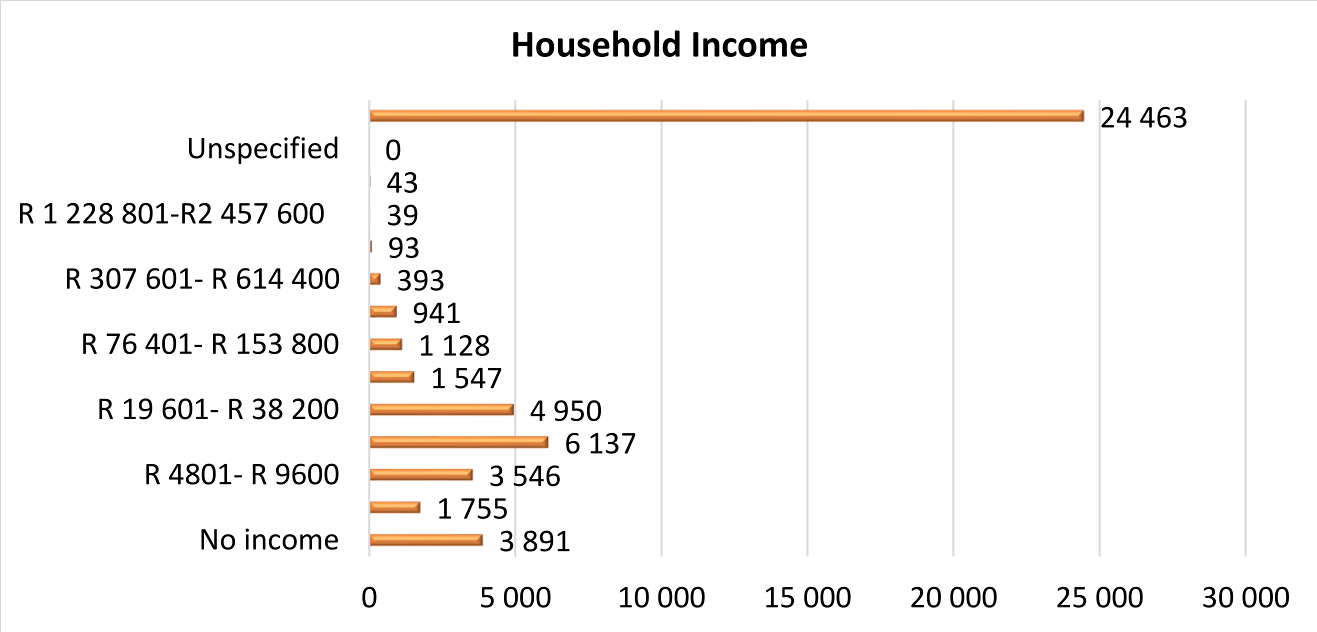


Figure5: Household Income (Source: Statistics South Africa, Census 2011)

Table10: Poverty Levels

	YEAR	%
Poverty head count	2011	18.2
	2016	18.3
Intensity of poverty	2011	41.8
	2016	42.7

Stats SA (2011 & 2016)

3.8 Level of Education

Table 11: Level of education by gender

Level	Number	Male	Female
No schooling	11 011	3 830	7 181
Grade 0	3 872	1 933	1 939
Grade 1 (sub-A)	3 177	1 618	1 559
Grade 7 (Std 5)	4 279	2 186	2 093
Grade 8 (Std 6)	5 867	3 035	2 832
Grade 10 (Std 8)	7 841	4 379	3 462
Grade 12 (Std 10)	9 811	3 996	5 815
Diploma with Grade 12	805	343	462

Higher Diploma	708	307	401
Bachelor's Degree	405	190	215
Bachelor's Degree and Post Graduate Diploma	176	72	104
Honors	211	76	135
Masters and PhD Degrees	132	69	63

(Stats SA; Census 2011)

The above table shows that about 17.5% of the population has no schooling while 8.7% has some form of higher education. The LED strategy should identify the level of the skills that the community has and identify gaps so that more effort is made to address the skills shortage in the municipal area.

3.9. **People with disabilities in the municipality**

There are 3340 people with disability in the municipality. The major challenge facing people with disabilities ranges from lack of skills, lack of employment opportunities as well as assistance devices like wheelchairs, walking sticks, hearing aid etc.

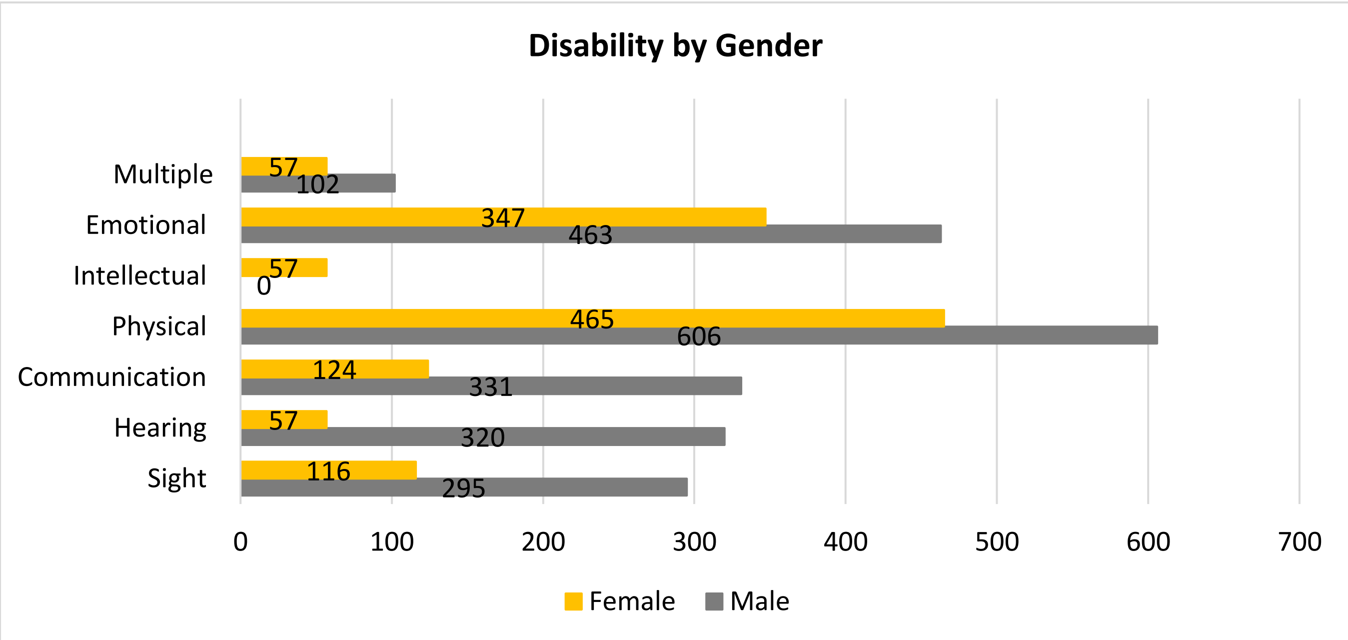


Figure 7: Disability by Gender (Stats SA; Census 2011)

4. SITUATIONAL ANALYSIS

4.1 Spatial Rationale

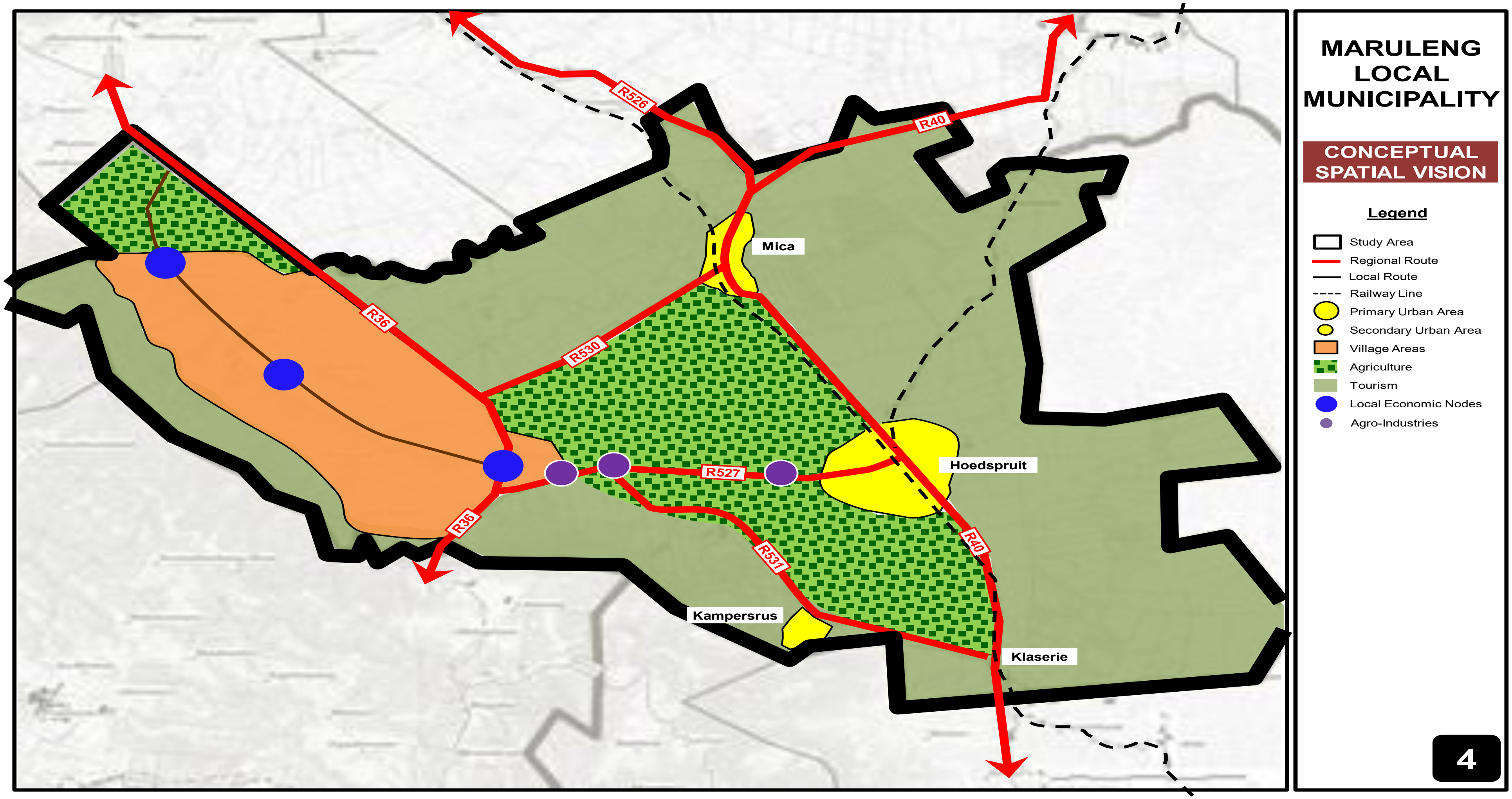
4.1.1. Purpose of spatial analysis

The spatial analysis exercise provides a visual picture of the existing spatial pattern (nodes, networks, and areas) that has emerged in the municipal area. This analysis serves to describe the municipal area in spatial terms and understand how space is utilized in the municipality. It also looks at settlement patterns and growth points (nodes), population concentration areas, land claims and their socio-economic implications. All these aspects have a bearing on future land usage, infrastructure investment, establishment of sustainable human settlements, public transport, and local economic development.

4.1.2. Settlement patterns.

The Maruleng population is concentrated in 33 rural communities. Maruleng's spatial economic development pattern is deeply marked by legacy of Apartheid with most of the black population confined to dense rural settlements with limited economic activity and access to urban infrastructure. The Western quadrant comprises mainly dense residential areas which 90% of Maruleng's population resides and little economic development and major infrastructure and service backlog. The Northern quadrant is dominated by game reserves.

Limited mining in Mica and Hoedspruit at the Southern edge is the administrative and commercial center of the region. While the Southern quadrant is mainly a tourism activity centered on the Blyde Canyon and the Eastern quadrant is mostly game reserves and private lodges with few mainly white residents

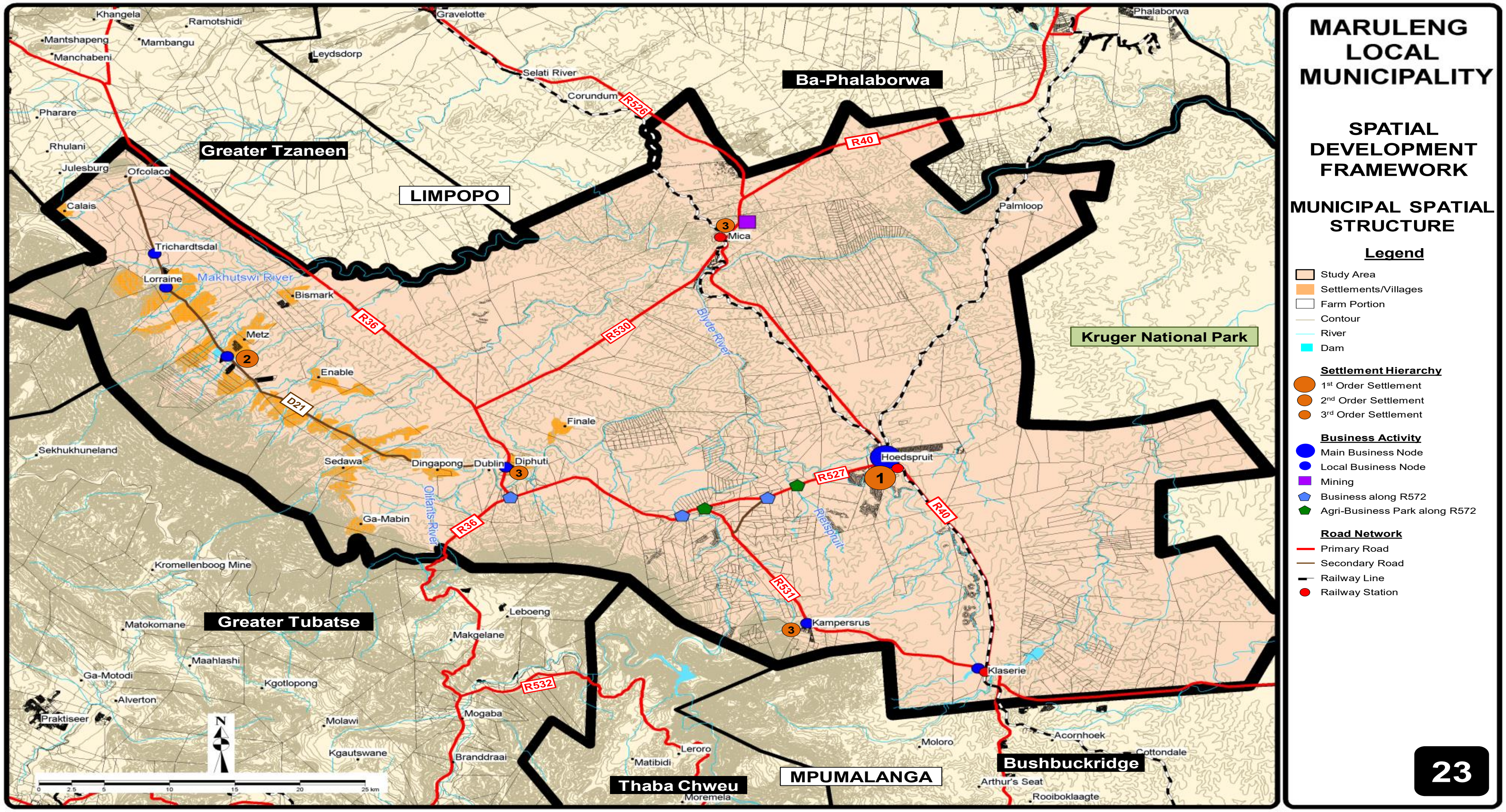

MARULENG LOCAL MUNICIPALITY
CONCEPTUAL SPATIAL VISION
Legend
Study Area
Regional Route
Local Route
Railway Line
Primary Urban Area
Secondary Urban Area
Village Areas
Agriculture
Tourism
Local Economic Nodes
Agro-Industries
R526
R40
R36
R530
R527
R531
Mica
Hoedspruit
Kampersrus
Klaserie
4

Map 2: Conceptual spatial vision

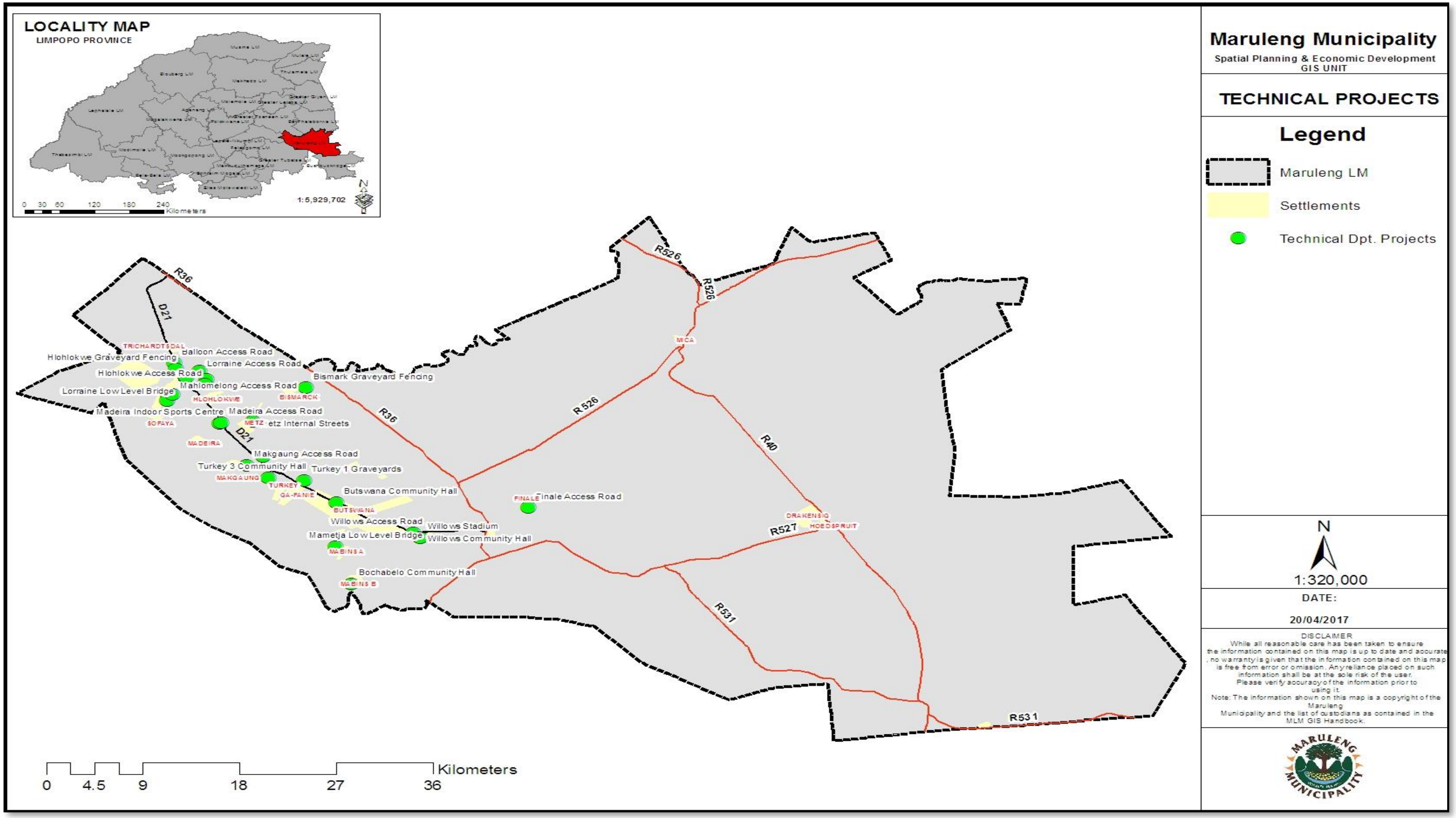
The settlement hierarchy of the municipality is usually based on the classification of individual settlement as depicted below in table 12.

Table 12: Settlement hierarchy of the municipality

Type	**Characteristics**	**Areas**
First order- District growth point	• Centre of the tourism industry in the municipality • Well- developed with existing infrastructure • It has potential for further growth	Hoedspruit
Second order- municipal growth point	• Villages are strategically located. • There are existing infrastructure and Potential for further development	Metz central
Third order – high population density area	• Different areas with high population density exist in the Oaks-Metz-Trichardtsdal development corridor – establishment of a municipal development corridor linking the rural villages. • Need for infrastructure network linking all villages to further stimulate economic development. • Limited mining in Mica	The Oaks Kampersrus Mica and Blyde
Fourth order- Little economic activities	• Challenge with infrastructure backlogs. • Opportunity for local economic development along the foothills of the Drakensberg Environmental Area	All other villages



Map 3: Hierarchy of settlements



Map 4: Location of Infrastructure projects in the municipality

4.1.3 Land use composition and management tools- LUMS and GIS

The Land Use Management Scheme determines and regulates the use and development of the land in the municipal area in accordance with Town-planning and Town ordinance (Ordinance no.15 of 1986). Geographic Information System assists with the information regarding land development and upgrading and the municipality upgrades the system regularly.

4.1.4 Spatial Development Growth Points Areas

Table 13: Municipal growth point areas

Provincial	District Growth	Municipal Growth	
None	Hoedspruit	Metz Lorraine	The Oaks Kampersrus Mica Blyde

4.1.5 Land Claims and their socio-economic implications

Approximately 18.5% of the total land area is subject to 5 registered land claims. Considerable land area held in ownership by the state under custodianship of traditional Authorities which accommodates some 90% of the residents of the municipal area. Large areas of land in private ownership are utilized mainly for Conservation/Tourism/game farming and commercial hunting. The situation exerts considerable existing and potential influence on future land use and management. Land restitution and redistribution processes may result in many people access to land, resulting in improved living standards and quality of life. However, it could result in large-scale sterilization of economically productive land and consequential loss of job opportunities, if not well planned and managed within the context of a spatial development framework. About five land claims were settled. One of which is Moletele CPA which entered a Private-Public-Partnership. This PPP is working so well, and the municipality will use this PPP as a benchmark of further land settlements.

Table 14 below gives the status of land claims and claims settled respectively:

Total number lodged	21
Total after consolidation	20
Total settled	5
Hectares restored	16 702.2483
Households benefited	2820
Beneficiaries	19492
Money spent	R 276 300 478.00
Claims outstanding	16

Table 15: Claims settled.

REF/KPA NO.	CLAIMANT
4028	Moletele Community
2098	Sekororo
5346	MpuruLetebele
836	Mokgwanatjane N.M (consolidated to Sekororo claim)
1453	Baropodi Ba Moraba

4.1.6 Illegal land occupation (informal settlements)

Table 16: Illegal Land Occupation

Property Description	Land Ownership	Comment(s)
Bango	Remainder portion farm of Welverdiend 243KT	About 200 people sharing shacks
Jonkermanspruit	SANRAL Servitude	About 191 occupants

The illegal land occupation will be dealt with enforcement Land Use Scheme and enforcement of by-laws.

4.1.7 Spatial Challenges

- Scattered settlements thus become too cost to provide services.
- Hoedspruit, which is the economic hub, is located far away from the villages and it is not easily accessible by the poor.
- The apartheid residential is still very much evident with sprawling rural villages situated in traditional authority areas located far away from employment opportunities, thus become too costly for people to travel to their working places.
- Large areas of land in Hoedspruit are privately owned and not easily accessible for development.
- State- owned land is mostly under the custodianship of Traditional Authorities. Large percentage of land is held under leasehold title and Permission to Occupy. Because of this, land ownership is regarded as insecure, which in turn acts as a hurdle to land development
- Land in state ownership includes Hoedspruit Air Force Base which owns considerable hectares of land which cannot be utilised for development because of state security considerations.

4.1.8 Opportunities

Maruleng is characterized by clearly identifiable land use areas, including: extensive agriculture areas, predominated by the growing of citrus fruit; game reserves and nature reserves, including game lodges; sprawling rural residential villages along the foothills of the Drakensberg escarpment; extensive areas in the form of wildlife estates, centered on Hoedspruit; the Hoedspruit Air Force Base and East Gate Airport, which shares runways; rural residential development at Kampersrus; and, low-intensity mining at Mica.

4.1.9 Spatial Development Considerations (Land availability)

- Private owned- land in Hoedspruit - Intensification and expansion of the provincial growth node which includes the provision of land for affordable housing for people employed at Hoedspruit, but who currently cannot find suitable residential accommodation in the town.
- Communal land- The Oaks-Metz-Trichardtsdal development corridor – establishment of a municipal development corridor linking the rural villages.
- Communal land- Metz Central (including Lorraine) - development of a municipal growth node.
- Extensive land areas devoted to agriculture, which include agricultural processing facilities, and areas devoted to game reserves.
- K2C Biosphere- establishment of the Drakensberg Environmental Zone

SPATIAL RATIONALE SWOT

STRENGTH	WEAKNESS	OPPORTUNITIES	THREATS
• Effective implementation of SDF • Growing population (census 2022) • Illegal land use enforcement	• Aging bulk infrastructure and inadequate infrastructure • Inadequate compliance to land use • Management schemes in rural areas • Illegal billboards • Lack of audit report on status of buildings	• Growth points in the SDF • Township establishment for revenue enhancement • Declaration of non-protected areas for revenue generation • Acquire land in rural strategic locations	• Informal settlements • Lack of affordable housing opportunities in Hoedspruit • Unresolved land claims • Land-lock in Hoedspruit. • Illegal buildings on free standing stands

4.2. BASIC SERVICES DELIVERY (INFRASTRUCTURE ANALYSIS)

Background

The Constitution of the Republic of South Africa in Section 152 (c) indicates that municipalities must "ensure the provision of services to communities in a sustainable manner". The success of local economic development is tied to the provision of basic and other types of infrastructure to the people. All services in this section are in a specific locality (as per SDF) and have potential to boost socio-economic development. Infrastructure analysis focuses on the status quo regarding water supply, sanitation facilities, energy and housing provision, roads and public transport, waste management and telecommunications – all of which underpins socio-economic development and determines people's quality of life. The provision of adequate municipal infrastructure remains a challenge throughout the municipality.

4.2.1. Water and Sanitation Provision

Mopani District Municipality is the Water Service Authority (WSA) and the municipality is the Water Service Provider (WSP). Mopani district municipality is responsible for bulk water supply and sanitation infrastructure. The municipality is responsible for water reticulation. The municipality provides these services in terms of the service level agreement it has with the district municipality.

4.2.1.1 Water analysis

The Maruleng municipality is characterized by low rainfall. This results in limited water resources culminating in severe water shortages and drought conditions. There is stiff competition amongst different water users. Water for domestic purposes becomes crucial.

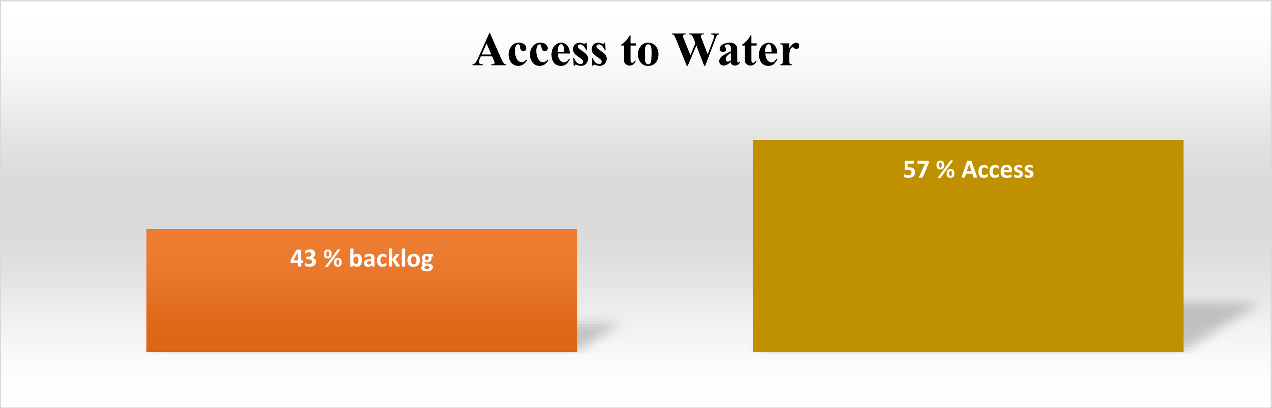
However, great strides have been made in providing water in the municipality. About 15 986 households, which amount to 49.9% of the population, have access to water in terms of RDP standard. However, it must be noted that only 57% of the population have access to portable water.

Table 17: Access to water

TYPE	NUMBER OF HOUSEHOLDS
Piped (tap) water inside dwelling	30.4%
Piped (tap) water inside yard	26.6%
Piped (tap) water on communal stand: distance less than 200m from dwelling	20.9%
No access to piped (tap) water	22.2%

(Source: census 2022)

Access to piped water.



(Stats SA 2022)
Figure: 8 Access to Water

4.2.1.1.1. Water Sources

The Mametja-Sekororo Regional Water Scheme that will supply the entire municipality will rely on the Blyde River which as enough water source. Most of our villages rely on poorly surveyed ground water. Most of the boreholes are often not well maintained. Villages that are under the mountains rely on water from the mountains. Other villages rely on the water supply by the municipality through water tankers.

Table 18: Water sources

Source of water for households use			
Census 2011		Census 2022	
Regional/ local water scheme	8 209 (33.2%)	14 390	(45%)
Other	16 480 (66.8%)	17 579	(55%)

(Sources: census 2011 &2022)

Motlatse River (Blyde)

4.2.1.2 Sanitation

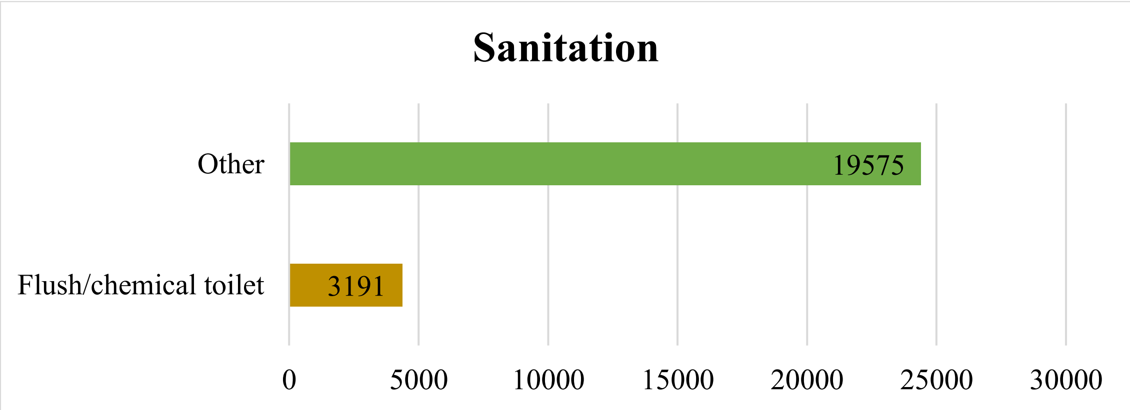
The municipality through Mopani District Municipality has made a major stride regarding provision of sanitation. About 31 272 households, which account to 97.8% of the population have access to basic sanitation and the backlog 696 households.

Table 19: depicts percentage distribution of households by type of toilet facility as of 2022.

Type of toilet facility	**Census 2011**	**Census 2022**
Flush toilet connected to sewerage	12.8	26.5
VIP toilets	79.9	71.3
None	6.1	2.2
Total Access	93.9	97.8

Stats SA 2022

<u>Sanitation</u>



(Stats SA 2022)
Figure: 9 Sanitation

4.2.1.3 Water and sanitation backlog

Water backlog in terms the RDP standard is at 15 986 households (43%) while sanitation is about 692 (2.3%) households.

Table 20: Water and sanitation backlog

Services	**Total households**	**Level of services**	**Coverage**	**% access**	**% of backlog**
Water	**31 968**	Inside dwelling	2669	**57%**	**43%**
		Inside yard	9006		
		Communal standpipe > 200m	4987		
		Communal standpipe < 200m	3440		
Sanitation	**31 968**	Flush toilet (sewerage, septic tank and chemical)	3191	**97.8%**	**2.2%**
		Pit latrine (ventilation)	7335		
		Pit latrine (without ventilation)	12340		

4.2.1.4 Water and sanitation challenges

- The main challenge is bulk water supply but Mopani District Municipality which is the WSA is currently constructing water purification plant in The Oaks which will carter almost all villages and major developments.
- Ageing water and sanitation infrastructure (Hoedspruit and Kampersus)
- Over-reliance on boreholes
- Illegal connections, theft and vandalism
- Inadequate funding
- Water rights and allocation
- Quality of drinking water

4.2.1.5 Free Basic Water and Free Basic Sanitation

The municipality gives 6KL of free basic water to all households with piped water.

Table 21: Free basic services

SERVICE	NO. INDIGENT HOUSEHOLDS	ACCESS	BACKLOG
Water	1100	400	700
Sanitation	1100	404	696
Electricity	1100	869	231
Refuse Removal	1100	380	720

4.2.2. Energy and electricity.

Energy distribution has important economic developmental implications with potential to make considerable impact. This impact relates to improved living conditions, increased productivity, and greater sustainability of the environment. In the municipality electricity is largely generated by Eskom. The provision of electricity to houses has been achieved to a larger extent. About 30 785 households have access to electricity which amounts to 96.3% of the population. All villages are electrified except post connections and new extensions. The backlog is about 1 129 (3.7%) households. However, ESKOM is currently electrifying 969 households.

Table 22: Electricity Backlog per village:

VILLAGE	BACKLOG
Santeng	105
Balloon	320
Calais	80
Molalane	155
Mabins and Sedawa	136
Ga-Mametja	91
Mahlomelong	40
Moshate and Jerusalem	15
Kanana	80
Shikwane	36
Matshelapata	50
Turkey 1,2,3 & 4	121
Butswana	65
TOTAL	**1294**

Table 23: Electricity Usage

Usage	No. Households
Cooking	7 299
Heating	6 431
Lighting	30 785

(Census 2022

Table 24: Energy sources for Lighting

Energy	Number of Households
Electricity	28 574
Gas	62
Candles (not a valid option)	113
Solar	1 960
None	76
Grand Total	**30 785**
Source: (census 2022)	

Access to Electricity

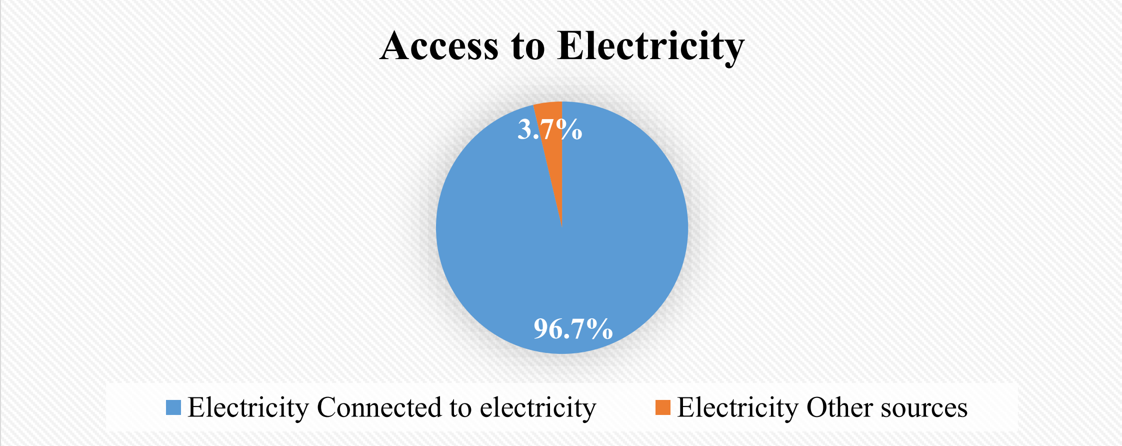


Figure 10: Access to Electricity (Stats SA 2022)

In the mean electricity is used for lighting. About 16 575 (67.7%) households use wood for cooking. The usage of wood as a source of energy is a worrying factor as it is harmful to the environment. The Municipality and the Department of Environmental Affairs need to conduct educational awareness campaigns against this practice.

4.2.3 Free Basic Electricity

The municipality has budgeted R 1,000,000 for the provision of FBE to its 687 indigent households. Only 692 indigent households have access to free basic electricity due to the snail-pace of ESKOM in configuration of the register. However, the municipality is currently updating the indigent register.

4.2.4 Indigent Register

The municipality has adopted an indigent policy and registered. This register facilitates the provision of free basic services. The municipality has budgeted R1,000,000 for free basic services for the year 2025/26. The updated indigent register has about 692 households as beneficiaries.

4.2. 5 Transport Infrastructure

4.2.5.1 Road Network

Transportation and transportation infrastructure make a major contribution to the facilitation of economic activity. A major stride has been made in improving the condition of the roads in the municipality. The municipality has a total of 563.2km road network.332.417km road tarred which constituents 59.002km of the total road network. But maintenance remains a major challenge. The following strategic roads are tarred:

- The R527, from Strijdom tunnel to Hoedspruit
- The R40, linking Hoedspruit with Mica and Tzaneen to the North-West
- Southwards from Hoedspruit, the R40 leads to Klaserie and onwards to Nelspruit.
- The R531, which runs along the Drakensberg foothills, linking the R527 with Kampersrus and Klaserie
- North of Mica the R530 links Hoedspruit with the town of Phalaborwa
- The road between Mica and R36, runs south-westward from Mica.
- The R36, which leads northwards from R527 towards Tzaneen

- Development Corridor

The strategic road is The Oaks-Trichardsdal Road linking the rural villages with Tzaneen and Hoedspruit. This road leads from R36 to the south, in a northern-westerly direction linking Trichardsdal, Sekororo, and The Oaks to Ofcolaco in the north. This road has greatly improved movement between the villages, as well as providing access to the main road network and Hoedspruit (economic hub).

Issues associated with the road network include the following:

- Local farmers regard the poor condition of roads as key inhibitor to increased exports.
- Most of our people use mini-bus taxis and the subsidized bus provided by Great North Transport

Table 24: Status of roads

National Tar Roads – Maruleng	**(Number of kilometers)**	
R40	Gravelotte to Klaserie (to Nelspruit)	38
Total		**38**
Provincial Tar Roads – Maruleng	**(Number of kilometers)**	
P181/1	Ofcolaco-The Oaks	22.5
P146/1	Snake Park-Klaseria	12.5
P116/1	Hoedspruit- Manoutsa	32.2
P194/1	Klaseria-Orpen	13.8
P181	D21-Mica	4.81
Total		**85.8**
District Tar Roads – Maruleng		
D5016	P17/4&P116/1- D5012	0.69
D5012	D5016-Hoedspruit- Air Force Base	5.14
D2119	PP194/1D1909	28
D263	P181/1-D202	11
D1909	P17/1 -Motswai	12.87
D3910	D21-P181/1	4.35
D202	D263-P181/1	22
D2009	D21-Calais	12.3
D3914	The Oaks -Trichartdsdal	65
D3914	D21-Sedawa	3.9
Total		**52.05**
District Gravel Roads – Maruleng	**(Number of kilometers)**	
D2009	D21- Calais	9.3
D 3873	Sekororo-Balloon	9.4
D3887	The Oaks- Finale	10
D 3900	P181/1- Metz	11.6
D 3904	D 3900-Banareng	14
D3905	D3900- Ga-Rakoma	1
D3908	D21- Enable	8.7
D3902	Sekororo-Madeira	4
D3910	P181/1- Butswana	10.3
D3911	D21-Molalane	5.4
D3912	D21-Bochabelo	10.7
D3913	D21- Willows	5.2
D3914	D21- Sedawa	2.5
D1583	The Downs-Lekgalametse	10.7
D2124	D21-P142/1	6.2

D1828	P181/1-D202	12.3
D263	P181/1-D202	8.3
D202	P181/1-Gravelotte	40
D240	P116/1-Essex	8.5
D70	Klaseria-Saligue	9.2
D1909	P17/4-Motswari	11
D2119	P194/1-D1909	29.8
D1771	P194/1-Avoca	15
D1662	P17/4-Cheetah-Inn	4
D2446	D1662- Klaseria Dam	1.7
D2259	D1909-Control Gate	4
Total		**250.4**

4.2.5.2 State of roads

Table 25: State of road and responsible party

	Kilometres	Road Authority
Tarred	269 km	National and Provincial
	127.734 km	District and Municipality
Gravel	107.743 km	District and Municipality

Tarred and paved roads in Maruleng

4.2.5.3 Backlogs on roads and storm water drainage

The backlog is estimated at 107.743 km road including storm water drainage. The municipality has a backlog of about 10 roads that need storm water drainage. In the current financial year only, the following roads will be addressed regarding storm water drainage:

- Scortia internal street
- Rehabilitation of Lorraine access road
- Essex road
- Mashoshing internal street

- Makgaung internal street
- Balloon access road.
- Sedawa internal street
- Madeira access road
- Molalane access road
- Metz internal street phase 1

4.2.5.4 Prioritized Roads

The municipality has prioritized the following new roads which fall under its competency for the next financial years (2026/27 onwards):

- Scortia internal street
- Rehabilitation of Lorraine access road
- Rehabilitation of Hlohlokwe /GA Mohlala access
- Rehabilitation of Bochabelo access road
- Rebalitation of Moshate access road
- Sedawa access road
- Essex road
- Rehabilitation of Oaks to Finale Road
- Metz internal street phase 1
- Bismarck access road
- Morareleng access road
- Jerusalem access road
- Bokhalva section access road
- Willows internal street phase 2
- Madeira access road
- Paving of Willows internal street
- Lorraine -Belville – Nkopedji access road
- Mahupshe ring road

4.2.6 Public Transport

4.2.6.1Taxi Facilities.

Within the municipality, there are four major taxi facilities:

4.2.6.1.1 Metz taxi rank

The rank is formal and is situated at Metz village. It has the following facilities: shelter, loading bays, ablution block which needs water, no seating facilities, it is paved and has dustbins. Telephone facilities are at the nearby shop. The rank covers the following main destinations: Tzaneen, Phalaborwa, and Johannesburg.

4.2.6.1.2 The Oaks taxi rank

The rank is situated at The Oaks. It has the following facilities: paved surface, shelter, information boards, ablution block, telephone facilities, no dustbins and seating facilities. The rank covers the following destinations: Tzaneen, Phalaborwa, Hoedspruit and Johannesburg.

4.2.6.1.3 Masokisi

This is a formal rank situated at Ga-Sekororo. It has the following facilities: information boards, shelter, loading bays, lights, ablution block which needs proper maintenance, no seating facilities, paved and has dustbins. The rank covers the following destinations: Tzaneen, Phalaborwa, Hoedspruit and Johannesburg.

4.2.6.1.4 Hoedspruit taxi rank

A new taxi amenity is completed in Hoedspruit and the is one informal minibus taxi rank in Hoedspruit without any shelter. The routes are Phalaborwa, The Oaks and Acornhoek.

4.2.6.2. Air Links

A regional airport, East Gate Airport, is located outside Hoedspruit. This civilian airport is situated at the southern end of the Air Force Base Hoedspruit, with which it shares airport infrastructure. The airport serves mainly the international tourist market, with connecting flights from and to O.R. Tambo International Airport, Cape Town and new route to Georgia. The municipality also has some airstrips.

4.2.6.3 Railway links

Hoedspruit is linked by rail with Nelspruit in the south, Tzaneen in the north-west and Phalaborwa in the north-east. The main function of the rail network is transportation of goods. This mode of transport, if upgraded, could relieve the overburden road usage.

4.2.6.4 Public Transport Opportunities & Challenges

- Railway and Airlinks
- In-fighting amongst taxi associations for routes
- No integrated transport system
- Heavy traffic due to trucks (Phalaborwa-Hoedspruit – Nelspruit Road)

. 4.2.7 Comparative analysis of Basic Services

Table 26: Basic services analysis

SERVICE	NO. HOUSEHOLDS	ACCESS	% ACCESS	BACKLOG	% Backlog
Water	31 968	18 223	57%	13 647	43%
Sanitation	31 968	31 272	97.8%	696	2.2%
Electricity	31 968	30 785	96.3%	1 183	3.7%
Refuse Removal	31 968	20 520	64.18%	11 448	37.4%
Housing	31 968	30 982	96.9%	986	3.1%
Roads	563.2km	332.417 km	66.6%	230.783km	32.4%

BASIC SERVICE AND INFRASTRUCTURE DEVELOPMENT SWOT

STRENGTH	WEAKNESS	OPPORTUNITIES	THREATS
• 100% MIG spending • Most strategic roads are tarred. • Construction of low-level bridges in strategically places • Sports and recreational facilities in rural villages • Utilization of own funding on road tarring or paving • Effective waste management in town • Effective services in Thusong centre • Quality licensing services	• Inadequate earthmoving machines to work in multiple areas. • Huge backlog on maintenance of infrastructure • No integrated transport plans. • No road master plan • Inadequate funding for infrastructure development • Ageing water and sanitation infrastructure in town and Kampersrus • Lack of resources to maintain public lighting (cherry picker)	• Railway lines and air links • Support from other public sectors on infrastructure development and basic services. • Bulk water supply from Blyde river • Alternative energy source (solar)	• Climate change which affects construction of roads • Natural disasters • Service delivery protests mainly on water related issues. • Illegal dumping and mining

4.3. ECONOMIC ANALYSIS (LED)

4.3.1 Background

To undertake a proper analysis of the political economy of the district, it becomes important to consider the background of the South African economy in general. Thus, the district economy needs to be viewed as an integral part of the provincial economy that is linked to the national economy. The national economy is part of the Southern African regional economy within the world economy. Thus, Maruleng municipality as part of Mopani is a constituent to the global economy positioned to take advantage of its comparative strengths in its relation to the other regions of the world.

4.3.2 A Broad Economic Overview of South Africa

South Africa is a middle-income developing country with an abundant supply of natural resources, well-developed financial, legal, communication, energy and transport sectors, a modern infrastructure, and a stock exchange which rank among the 10 largest in the world.

Its economic policy over the past nine years has been shaped by the government's development strategy in areas of education, health, social development, security, land reform and poverty alleviation. The government's policy decisions have been designed to promote sustainable economic growth, and to ensure that the benefits of growth are shared across an increasingly greater spectrum of society.

The country's economic policy is based on the macro-economic policy called Growth, Employment and Redistribution (GEAR). It aims to find a balance between promoting economic growth on one hand, and social service delivery and job creation on the other. Gear combines the goals of deficit reduction, reprioritization of government expenditure to enhance poverty reduction, and embarking on macro-economic reforms to promote job creation.

The social transition that has accompanied the demise of apartheid has seen a vast increase in economic participation. Factors underlying this have included an increase on female participation in the economy, as well as migration to urban areas by the rural poor. South Africa also has a dual agricultural economy: a well-developed commercial sector and a predominantly subsistence-oriented sector in the traditionally settled rural areas, of which Mopani district is constituted. This is probably one of the glaring factors that provides for the South African economy as consisting of the First and the Second Economy. The first and second Economy in our country is separated from each other by a structural fault.

The second economy emerged during the long period of colonialism and apartheid because of the deliberate imposition of social, political and economic exclusion of the African majority by a racist state.

Whilst exacerbated by the imperatives of globalization, the restructuring of the economy also reflects, to some degree the response of capital to the extension of citizenship and economic rights to the previously disenfranchised. This restructuring has segmented the labour market into three overlapping zones, namely core workforce, non-core workforce and the peripheral workforce.

The core workforce consists of workers that benefit directly from global integration, advances in worker rights and other forms of inclusion in social, economic and political institutions. Formal sector workers are generally highly organized in the trade union movement, although new jobs created in the formal sector tend to be associated with lower levels of worker organization. Though the size of the formal sector workforce has diminished, it still constitutes more than half of the economically active population.

While they enjoy higher salaries, secure employment and good working conditions, growing numbers of people depend on their wages. Men rather than women are more easily absorbed into this core of labour market.

The restructuring of the workforce is increasing the levels of typical employment. This includes actualization, fixed term contracts and working from home.

Those pushed into these more precarious and intensive working conditions become part of a non-core workforce. Because of the temporary nature of their work, union organizations are much harder amongst the non-core workforces. The rights won by workers in the core of the economy are difficult to realize in an environment of poorly organized temporary workers, where women are more likely to find work.

The peripheral zone consists of those who have been excluded from the formal economy and engage in informal income generating activities on the margins or depend on the support of friends and family and/or social grants.

This includes the street traders and hawkers who sell basic commodities to the poor, memorabilia to the tourists and food to urban workers. While some of those operating in the urban economy can secure relatively stable niches in markets created by formal sector economic activity, others find themselves excluded from such markets altogether and eke out a survival though dependence on welfare grants and the barter of goods and services.

4.3.3. Policy Framework

4.3.3.1 Sustainable Development Goals (SDGs)

The SDG framework is aligned seamlessly with the NDP. The SDGs are also imbedded, by extension, in the LDP and IDPs of municipalities. Maruleng LED strategy was crafted with SDG Goals N0. 5, 8 and 9 in mind.

- Goal 5- pushes for an economic development path that places women within MLM at the centre of mainstream economic activity,
- Goal 8- calls MLM to prioritise development projects that enhance the job absorption capacity of the local economy.
-
- Goal 9- underscores the centrality of a resilient infrastructure to MLM's economy. It also implores MLM to build its manufacturing and innovation capacity.

4.3.3.2 The ILO Resolution 204 of 2015

In line with this resolution, MLM needs to step up efforts to transform the informal sector into the formal economy. The idea is to avert the in formalization of formal jobs by the local private sector through building their productive capabilities.

4.3.3.3 African Continental Free Trade Agreement

The ACFTA aims to:

- Deepens economic integration in Africa in accordance with Agenda 2063
- Create a continental custom union.
- Liberalise intra-Africa trade.
- Contribute to the movement of capital and natural persons.
- Promote sustainable and inclusive socio-economic development, gender equality and structural transformation.
- Promote industrialisation.

Without doubt, this historic pact recently ratified by South African parliament comes as welcome relief to those local exporters who for years have been struggling to penetrate the lucrative but highly protected African niche. Opening local tourism operators and agricultural exporters to a "mega market of 1.2 billion new consumers" is a historic game changer.

By tapping into ACFTA space, we expect local tourism volumes and agro-exports receipts to experience a marked increase. However, the fact that most local exporters are not fully aware of this ground-breaking trade pact. MLM needs to

4.3.3.4 AU Agenda 2063

Agenda 2063 is an African Union approved master plan that seeks to turn the African continent into a global economic powerhouse. At the centre of this master plan are 20 goals, but goals 4 and 18 have a direct bearing on MLM economic developmental goals.

- Goal No.4 – emphasizes the need for MLM to grow an inclusive economy that rewards young people with decent work opportunities.
- Goal No.18 – advocates for MLM to prioritise projects that economically empowers the youth and women.

4.3.3.5 Regional Indicative Strategic Development Plan

There are two goals in this plan that are relevant in the MLM namely:

- Goal No.1 -seeks to eliminate trade barriers that undermine interregional trade among SADC counties.
- Goal No.2- emphasises the need for SADC countries to effectively coordinate their infrastructure development programmes in order to accelerate the regional integration agenda.

4.3.3.6 Industrial Policy Action Plan

The IPAP focuses on 8 areas that MLM should take cognisance of:

1. IPAP provides a broader policy framework that MLM must use to build its weak manufacturing, agro-processing, and exporting capability.
2. Link any other rural municipality, MLM's industrial base or manufacturing capability is relatively low.
3. Lack of appropriate industrial infrastructure in form of zoned industrialized land, industrial development master plan, dedicated industrial parks, productive finance schemes and incubation facilities continue to undermine efforts by MLM to awaken its industrial potential.
4. It is important to note that over years, successive MLM leaders have been criticised for displaying an uneven bias towards tourism and agriculture sectors obviously at the expense of non-tourism and agricultural sectors.
5. Even to this today, evidence shows that there is no significant appetite at the top to diversify into non-tourism and agricultural sectors.
6. The dangers of running a non-diversified economy have been laid bare during the recent Covid-19 crisis.
7. The tourism sector was the hardest hit by the ripple effects of Covid-19 – induced lockdowns, a development which almost cost local economy millions of rands.

4.3.3.7 Medium Term Strategic Framework

The MTSF is a five- year program of action that aims to translate the NDP vision into concrete actions and outcomes. Although the framework outlines 7 key priority areas, this strategy is linked to Priority 1 and 2.

- Priority 1: Inclusive Economic growth and job creation- underscores the centrality of growing an inclusive economy on which HDI owned companies become key beneficiaries of opportunities generated within MLM.
- Priority 2: To build a capable, ethical and developmental state- places skills at the heart of on-going efforts to drive forward MLM's local economic development agenda.

4.3.3.8 Limpopo Development Plan

Three (3) LDP priorities that correlate with the MLM LED Strategy include inter-alia.

1. Create decent employment through inclusive economic development and sustainable livelihoods.
2. Promote vibrate and equitable sustainable rural communities.
3. Ensure sustainable development.

As one of the coalfaces of service delivery and by implication the local executor and driver of the LDP, MLM must lead efforts to roll-out LDP projects falling under its geographical jurisdiction. MLM must also see to it that spinoffs arising from these projects benefit local companies.

4.3.3.9 District Development t Model

The recent launch of the DDM in Mopani District Municipality by Premier Mathabatha heralds a new era in the development history of the district in that for the first time, the district will have a more synchronised district plan that integrates the development aspirations of all 5 local municipalities into a single banquet to attain greater coordination and co-funding efficiencies. However, despite the nobility of its objectives, the main challenge is that at municipality level, the model is still to be both institutionalised and internalised. Since the survival and growth of Maruleng's economy (especially its agriculture and tourism sectors) are intertwined with its neighbouring municipalities, the successful roll-out of DDM projects will unlock more economic value especially in priority areas such as; the development and upgrade of network infrastructure, agro-processing, destination branding and marketing, economic intelligence sharing, co-funding of overlapping projects etc.

4.3.3. 10. National Small Enterprise Act 1996 (No.102 of 1996)

The National Small Enterprise Act, Act 102 of 1996 prescribes that the Minister facilitates a process aimed at the establishment of the Advisory Body to represent and promote the interest of small enterprises as contemplated in the White Paper. The Act provides the basis in MLM will partner relevant business development agencies to intensify its pro-SMMEs empowerment agenda.

4.3.3.11 Industrial Development Corporation Act 1940 (No.22 of 1940)

The IDC act provides the basis and mechanisms on which local tourism operators, exporters and agro processors can access productive finance provided they meet its set qualifying targets. Although IDC is reputable for its game changing financial solutions, companies based in MLM constantly fail to tap IDC funds due to stringent qualifying criteria and inability to submit bankable business plans.

4.3.4 Locating the Mopani District and Maruleng Economy within the Provincial Economy

The provincial economic development study of 2000 identified tourism, agriculture, mining and trade and manufacturing as sectors with a potential for growth in the Mopani district. The Mopani District also has a large number and of diverse under exploited tourism assets e.g., the northern portion of the Kruger National Park. A national park, nature reserves and game farms cover almost half of the district, identified as one of the five best conserved ecosystems in the world, providing ample opportunity for Eco-Tourism and SMMEs development. The district also has comparative advantages in agriculture, manufacturing, and trade. Hereunder is an analysis of the district economy. A superficial glance at the available statistics suggests that Mopani District has one of Limpopo's more developed economies. 2006 per capita GDP (R24, 056) was above the provincial average (R21, 787) and the 2006 Mopani GDP (R27.3 billion) placed the district third behind Waterberg and Capricorn by way of economic contribution to the province. The Mopani economy grew by 4%, above the provincial and national average, between 1996 and 2006.

The Maruleng economy in the Mopani District of Limpopo Province is significant but small (R1.9 billion in 2006), influenced by the global and national economies, and structurally dependent on the economies of the Limpopo and Mpumalanga Provinces.

Maruleng, despite a reasonable GDP, is one of poorer nodes, over 80% of households live below the household's subsistence level, only 28% of the adult population is employed, and a significant number of households are dependent on pension/grants as their primary source of income. Growth in the Maruleng economy between 2016 and 2021 was volatile but average 3.1%, which is below the national (3.5%) and provincial (3.9%) average.

Maruleng essentially comprises four divergent sub-economies:

- The Public sector, which is the largest contributor to GDP
- Agriculture comprising mainly large-scale commercial farming which contributes 41% of all formal employment and small-scale or subsistence agriculture.
- Retail and Service businesses (mainly in Hoedspruit)
- Transport and Communications, which is the second biggest GDP contributor.

4.3.5 Opportunities for economic growth and employment in Maruleng

The Maruleng municipality has a large game farm from which the municipality can its tax base. It also boasts of the East-gate Airport through which it can promote its tourism status and ensure direct access to other provinces and countries for marketing. The area is also imbued with agro-products across the seasons from which jobs can be created to ensure poverty alleviation. Its strategic location in relation to the Maputo Corridor, positions it to can attract investment in its area. There is also Kruger to Canyon Biosphere that is recognized internationally through UNSECO. The following are the economic niche areas:

- K2C Biosphere ecotourism
- Perennial agro products
- The valley of Olifant route
- Largest game farms
- Magnificent tourism centre
- Stone crushing in Mica

The following are the major economic pillars of the municipality:

- Agriculture, including agro-processing, is already the largest source of formal employment.
- Tourism, which is a key sector with significant opportunities for expansion and growth.
- Retail and Service businesses.

4.3.6 Comparative advantages

The Maruleng municipality has comparative advantage in irrigated agriculture where water is available along the banks of the Blyde River. The striking natural landscapes and proximity to Kruger National Park and other iconic natural parks ensures sophisticated and expanding tourism.

4.3.7. Local skills base

Skills training within MLM should concentrate on the three priority sectors, namely agriculture, tourism, and retail. There is generally a shortage of technical skills in these sectors. The municipality relies on the Department of Agriculture on agricultural technical skills. On tourism, mostly private operators have skills and very few blacks appointed by these operators have skills. The municipality has developed a bursary scheme to develop local skill base on these economic sectors mainly to the previous historic disadvantaged people. There is critical shortage of skills in the following two critical economic areas:

- ✓ **Agriculture**
- Agricultural engineering
- Agricultural science
- ✓ **Tourism**
- **Food and beverage technician**
- **Park rangers**
- **Outdoor adventure guide**
- **Inbound contact centre consultant**

The municipality introduced Community Bursary to build capacity on critical skills in order to mitigate shortage of skills and build local skills base. So far 48 students have benefited:

- 8 agricultural related fields, 8 tourism related fields
- 8 engineering related fields
- 3 Medicine
- 1 pilot
- 10 technical fields

The municipality has also built capacity on the following using Staff bursary:

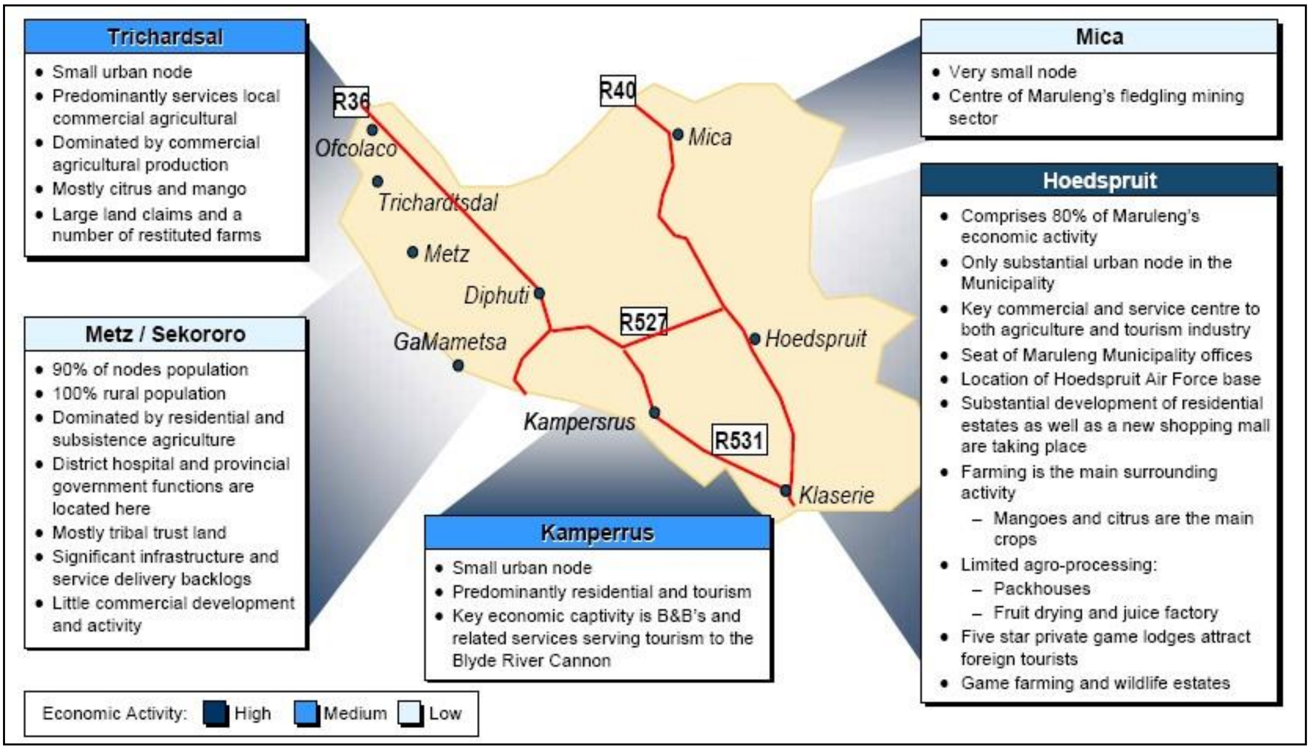
- Financial capacity to development Annual Financial Statements in- house.
- Technicians (Development of complicated road designs etc)
- Skilful planners
- Engineering both electrical and technical

4.3.8 Challenges in the Municipal Economy

Most people in Maruleng are located far away from the economic hub of the municipality, namely, Hoedspruit. The town which is the economic node of the municipality, is surrounded by privately-owned land which is not readily available for new development. There is general shortage of technical skills in the area and most of the rural communities of Maruleng get jobs in Tzaneen and Phalaborwa and thus promote economic activities outside their municipality. One other issue is that many people working in Hoedspruit are from Bushbuckridge in Mpumalanga province, and they spent their income outside Maruleng. 18, 5% of the municipal area is subject to 21 registered land claims. There is also a general infrastructure backlog which hampers potential new economic infrastructure development in the area.

4.3.9 Strategically located land for economic development.

The two nodal points in the municipality are strategically located land in which the LED could thrive. The Hoedspruit nodal point which is largely private-owned does well in agriculture, tourism, and retail, while Metz which is earmarked for the development of shopping complex will do well in terms of retail.



Map 8: spatial and economic development.

4.3.10. SECTOR ANALYSIS

4.3.10.1 Mining Sector

The Mintek mineral survey of Limpopo shows the Maruleng Municipality has few mineral deposits relative to the rest of the province, with the exception of sparse industrial minerals. Mining is a small contributor to the municipal economy. As with other mining operations the concessions to mine at Mica are issued between the National and Provincial Department of Minerals and Energy. Municipal employees appear to know little about how these concessions were allocated, the nature of the activity or exit agreements with the mine.

i. Status and achievements of the identified initiatives

The mine is operational under Pegmin Mine (Pty) LTD at Mica village. It has employed around 21 employees working on the mine. The mine is operating on a small scale and using 50% of capital and 50% labour investment. The life span of the mine is approximately 80 years from 2010 and operating at 40 000 tons per year. The mineral is mined by means of opencast methods, sorted by hand, and sold to a processing plant near the mine. The mine plans to establish an employee trust and transfer 26% BEE ownership into the concern. The Municipality has created good working relation with the new owners of the mine. The mine has submitted the Social and Labour Plan to the municipality for information.

ii. Brick, Sand and Stone mining

The sand, stone, bricks, mining is being illegally practiced in Maruleng. There are large number of illegal miners within the municipality. However, the formalisation of the industry may provide opportunities for the involvement of SMME's, and government control against degrading the environment. For these opportunities to be realised the Maruleng Municipality should ensure that miners are permitted to operate while also included in the database of the municipality to supply the municipality with the mined product.

4.3.10.2 Retail Sector

Commercial retail opportunities are concentrated in Hoedspruit, The Oaks and Metz central, but dominant in Hoedspruit.

Retail still dominates in Hoedspruit town, while there is an increase in small grocery outlets and informal activities exist in the rural areas. The business has grown dramatically and double the sales compare to the 2009 status. There are an additional new retail shops added at the entrance of Pick 'n Pay shopping centre which have the daily turn-up of local and international customers.

Retailers in Hoedspruit all concur that the shortage of land in and around the town affects them both in terms of the physical expansion of their businesses and the size of the local market. Among the other constraints listed by retailers is:

- Freight of produce and supplies.
- The mobility of consumers and their staff
- Poor street lighting on the major R40, 4-way intersection.
- Functional water supply and reservoir.
- Greater linkages with the region's lodges and farms.
- Affordable accommodation

The identified constraints classically form part of the "enabling environment" for business in Hoedspruit. Many of them could be easily addressed by the Maruleng Local Municipality in conjunction with provincial authorities to the great benefit of the businesses and people of Maruleng.

i. Nodal Business Development

The purchasing power it's the crux for business development. This is shown by the relationship between economic developments as supported by nodal development. In Maruleng Municipality there is a concentration of people in the following wards:

- Hoedspruit - 2065
- Willows & Kampersrus - 2396
- Hlohlokwe - 2223
- Lorraine - 2014

Of all this highly populated wards Hoedspruit is the highly developed area. Employment, economic growth and social facilities are mainly concentrated in Hoedspruit ward. Therefore, there is a need for the Municipality to decentralise some of these developments in other nodal wards as mentioned above. This is supported by the Municipal Spatial Development Framework.

Informal Business trading

There are informal trading areas in Maruleng Municipality which are in Hoedspruit, The Oaks, Metz, Lorraine and Trichardtsdal. They sell fruit, vegetables, and food. They are mainly using their organized infrastructure as their market stalls. These traders have no permits for trading and formal agreement with the Municipality. It is important for the municipality to identify the development support needs of these traders such infrastructure development to compliment /support the initiatives.

ii. Banking

The municipality has various financial institutions i.e., Standard Bank, FNB, ABSA, Capitec, and other money lending services such as cash loans and mashonisa. Most of these institutions are around the Hoedspruit and Mahlakung shopping centre while there are auto-teller machines around the villages and strategic areas within town. This has minimised the distance travelled to access financial services.
However, there is a need to strengthen the relationship between the banking sector and the municipality on Local Economic Development through their involvement in community development and empowerment.

4.3.10.3 Tourism Sector

Maruleng's bustling tourism corridor is anchored on two gateways, (that is the R36 and R40 gateways). whilst the R36 gateway links with Hoedspruit via Strydom tunnel through the Drakensberg mountain to Tzaneen, the R40 which passes through Hoedspruit provides vital passage to the famous Maputo Development Corridor (MDC) via the Hoedspruit channel. Similarly, the same R40, connects Hoedspruit with Tzaneen and Phalaborwa to the north as well as the City of Polokwane to the far north. Each day, thousands of tons of cargo/freight pass through this link. These gateways make the municipality 's magnificent tourist attractions that include amongst others, game farms, hunting safaris, nature reserves (privately and government owned, world class lodges, B&B and hotels easily accessible to tourists. This corridor still has space for more investors with interest in lodging, hotelling, tour operations, tour guides, game breeding, travel and booking agencies etc. other notable routes to market channels are the R527 which links Strijdom tunnel and Hoedspruit ; the R531, which runs along the Drakensberg foothills, and in the process linking the R527 with Kampersrus and Klaseria; the R530 which connects Hoedspruit with Phalaborwa and R36 which leads northwards from the R527 towards Tzaneen. The challenge for MLM is to facilitate the upgrade, modernising and maintenance of the corridor's network infrastructure to unlock maximum connectivity and travelling value.

Tourism's contribution to GDP-R18b is difficult to quantify as the sector is not defined as a distinct in the National Accounting System. Maruleng tourism industry is based on the region's striking landscapes and proximity to the Kruger National Park. The mild winter climate in Maruleng sees many Gauteng people attracted to the region at this time, and the hunting season between May and September represents lucrative business for the lodges.

i. Achievements of the identified initiatives

A review on the Mopani LED Strategy has identified tourism as a sector having a high performing trade and services in the district. The sector reflects the strength, opportunities, uniqueness characteristics and potential for growth and development. There are about 2million visitors who visit Mopani District per year for day and overnight. They spent around 15 billion annually. The Maruleng Municipality has a large game farm from which the municipality can grow its tax base.

This could be achieved through trophy hunting, wildlife festival and shows. On the eastern side, there is the East Gate Airport that has flight from OR Tambo and Cape Town International Airports. It is wedged between the prime tourism attraction such as the Kruger National Park, Timbavati Private Game, and Blyde to Canyon with its biosphere. The municipality boast tourist attraction areas such as the Khamai Reptile Park, Bombyrx Mori Silk, and Moholoholo Animal Rehabilitation centre. Other tourism attraction activities include bird watching, adventure tourism such as hiking, rafting, abseiling, wild beast festivals, air force show and other tourism activities.

- The Hlokomela Herb Banquet- is held every year at the beginning of September. It involves support and participation from various lodges in the region who prepare and present a range of foods made using herbs produced by Hlokomela in their Herb Garden. It is held in a scenic location at the Thornybush Game Reserve. It produces a wide range of herbs and vegetables produced in the community garden to Food Banks. This helps to sustain Hlokomela financially through their sales to lodges and major retail outlets in the region.

4.3.10.4 Agriculture Sector

Agriculture is the one activity with which people in Maruleng are familiar. It is proposed that stimulating agriculture represents an important opportunity to support poverty alleviating growth. The emphasis in this regard should be on linking producers and markets, low-capital intensive practices, achieving higher yields and more efficient use of available water and land. According to the finding of the LED report of 2009, Agriculture was perceived to be one of the most important sectors in Maruleng, although it was behind “community services”, “trade”, “finance” and “transport” in terms of GDP contribution.

The sector has absorbed large numbers of unskilled people, and it contributes to export revenue. The sector is predominately composing of commercial farmers mainly producing citrus and crop, and small-scale farmers while producing vegetables and mango. Commercial agriculture is along the Blyde River. The river supports 8,970 hectares of irrigated land – 50% citrus, 40% mangoes and 20% vegetables. There are pack houses in most of this citrus farm. Most of their produce are sold at the export market but currently they are affected by outbreak of the fruit fly.
Types of products that are produced in Maruleng are oranges, grapefruit, pawpaws, litchi, bananas, limes, mangoes, avocados on orchards and vegetables such as tomatoes, green beans, green peppers, okra, dry beans, cabbages, spinach, beetroot, carrots, potatoes, baby marrows,
Previously identified initiatives.

- Small-scale growers and co-operatives such as Itereleng Vegetable Co-operative produce crops for the local market.
- In the northwest of the municipality, subsistence farmers keep livestock and maize.
- The IDC identified Hoedspruit as one of five South African towns targeted to produce bioethanol from sugarcane as part of a R3 billion national project. Sugarcane is successfully cultivated under contract at TSB millers to the south in the Inkomati Basin but given the water requirements of the crop and the shortage of water in Maruleng, this project should be scrutinised before receiving approval.
- The breeding and trading of game animals for distribution to game farms represents a poorly recorded but vibrant activity in Maruleng. Hoedspruit is in the “red zone” for “Foot and Mouth” disease, and local buffalo are known to be affected. They are however quarantined prior to sale to overcome this issue. In 2008 a single antelope from the Selati game lodge was auctioned for R3 million.

- The wild harvest of medicinal plants, fuel wood, bush meat, marula berries and thatch grass take place on a seasonal basis throughout Maruleng. The collected produce supports rural livelihoods, but the unregulated way these harvests take place, places them and the natural systems that support them, at risk.

i. Achievements of the identified initiatives

Agriculture is the fourth largest contributor to Maruleng economy. It contributes 9% to the local economy. It employed 17% of the labour force making it the largest single employer. The contribution of this sector to the district agriculture is 14% whilst making a contribution of 13% to the district employment in the agricultural sector.

ii. Support for Agricultural Cooperatives

Itereleng Cooperative was identified in the 2009 LED as one of the projects that needs support. However, the cooperative has been supported by the Department of Agriculture and Social Development. It has diversified its business from vegetables to poultry production. The cooperative manages to build two poultry houses with the capacity to carry 1000 chickens. There are +_41 cooperatives that are operational in Maruleng for both agriculture and retail business. Some are moving towards the secondary cooperative's formation. These cooperatives are supported by various departments, the Local Municipality, Kodumela, Hand in Hand, LIMA, and other institutions.

iii. Livestock Production

Most of the large stock farmers are using the communal grazing while fewer farmers have grazing camps. There are +_ 20 000 cattle under communal farming. These animals are affected by drought during the winter season. The farmers have the livestock farmers association that is responsible for overseeing the livestock farming composed of various dipping committee members. They are supported by the Department of Agriculture on infrastructure development and renovation.
There is the Bulwer large stock breeding station managed by the Department of Agriculture that assist with livestock improvement for the Nguni breed.

For poultry production, there are more than 80 small scale poultry producers with the poultry houses ranging from 200 to 2000 carrying capacity. Some of these farmers are supported by government departments, NGOs such as World Vision/Kodumela, Hand in Hand SA, LIMA, etc., with infrastructure and production inputs. They sell their chicken live during pension and some manually processed for funerals. There are some who have contractual market with some lodges and retail. Some of these farmers have supplied their chicken to the Champaign abattoir in Bohlabela. It is through this that there is a potential to have a micro processing unit within the municipality. The initiative is at an advanced stage as the site, machinery and funding towards the establishment are secured. The establishment is currently co-funded by Maruleng Local Municipality and Hand in Hand South Africa.

iv. Wild harvest of medicinal plants

The wild harvest of medicinal plants, fuel wood, bush meat, marula berries and thatch grass take place on a seasonal basis throughout Maruleng. The collected produce supports rural livelihoods, but the unregulated way these harvests take place, places them and the natural systems that support them, at risk. On medicinal plant, the Department of Agriculture through its Indigenous Knowledge Systems, is educating the community to care for the nature and to produce some of the medicinal plants. Fuel for wood has changed to business as bakkies are seen around the villages carrying wood for sale; however, the Department of Economic Development is doing its best to prevent this informal trade.

4.3.10.5 Manufacturing Sector

The manufacturing sector only contributes about 5% to the economy of the municipality and it employs 7% of the work force in the area. Maruleng contribute at least 8% to the total manufacturing GVA of the District and contribute 10% to employment in the district manufacturing sector. Manufacturing is centred on the production of food and beverages products with the majority of product produce from mango and citrus. It is done by large manufacturers along the Blyde River.

Processors such as Cape Fruit have opened the factor in 2010 operating as Limpopo Processors. It processes fruit juice and fruit concentrates at +_40 000 tons. 80% of these products are sold at the export market and 20% to local markets such as Ceres and Parmalaat. There is Hoedspruit processors, Unifruit and Mohlatsi dried fruit, Southampton Boerdery, Bavaria Fruit Estate, Landman Droe Produkte, are processing dried mangos, bananas, on a custom-built drying tunnel. There are other manufacturing activities for art and craft and woodwork such as Licata and Ofcolaco that have employed a minimum of five people.

4.3.11 Expanded Public Works Programme and LED job created.

The municipality has implemented about six capital projects which were all falling under EPWP. These projects as yielded the following outputs:

- About 408 jobs were created and of which 295 benefitted youth, 98 benefitted women and 04 benefitted people with disabilities. Furthermore, skills were transferred during this program.
- Most women, youth and people with disability benefitted from the program.
- About 64 jobs were created through LED initiatives of which 24 were permanent employment.

4.3.12 Employment Profile

Table 27: Employment by type of sector:

Sector	Number	Percentage
Agriculture	2,272	11.02
Mining	1,162	5.64
Manufacturing	1,030	5.00
Electricity	54	0.26
Construction	1,919	9.31
Trade	3,693	17.92
Transport	2,900	14.07
Finance	1,216	5.90
Community Services	4,810	23.35
Household	1,543	7.49
	20,599	

Source: Stats SA Census 2011

Table above shows that Maruleng municipality has a lower number of employments in all sectors compared to other municipalities within Mopani district. This shows that there is a need for the municipality through its prioritized thrusts to focus on areas that have been identified as having potential towards economic growth and job creation.

4.3.13 Gross Value Added

Gross Value Added (GVA) is the difference between output and intermediate consumption for any given sector or industry. That is the difference between the value of goods and services produced and the cost of raw materials and other inputs which are used up in production. The Mopani GVA has grown from R23 billion in 2017 to R34 billion in 2021 The GVA of Mopani only constitutes 1.27% of the national GVA.

Table 28: Gross Value Added

Mopani GVA R/Billion	2017	2018	2019	2020	2021
Mopani	R 23 710	R 26 701	R 27 704	R 30 796	R 34 021
Ba-Phalaborwa	R 8 618,8	R 9 753,7	R 9 530,0	R 10 608	R 11 885
Greater Giyani	R 4 100,2	R 4 769,1	R 5 288,4	R 6 025,3	R 6 729,8
Greater Letaba	R 2 893,1	R 3 311,4	R 3 625,7	R 3 961,4	R 4 278,5
Greater Tzaneen	R 6 614,7	R 7 240,3	R 7 552,8	R 8 267,8	R 8 952,0
Maruleng	**1 381,6**	**R 1 517,1**	**R 1 590,7**	**R 1 797,2**	**R 2 003,1**

Source: Quantec Research (2021)

The above table depicts the contribution of local municipalities to the GVA of the District in 2021. It is evident that Ba-Phalaborwa Local Municipality contributed 35% to the economy of Mopani District. It is followed by Greater Tzaneen (26%), Greater Giyani (20%), Greater Letaba (13), and Maruleng (6%). The table shows the need for Maruleng Local Municipality's economic sectors to contribute more on the GVA of the Mopani District. This can be achieved through investments in the prioritized opportunities in all sectors.

4.3. 14 Community Works Program

Community Works Program is a program initiated by COGHSA in a drive to create jobs for the unemployed in line with the government priority of job creation. About 1582 jobs have been created thus far.

Table 29: Spatial perspective economic clusters

Cluster	Analysis of economic activity	Economic opportunity analysis
Northwestern Cluster	Comprising of sprawling village settlements along the foothills of the Drakensburg range. The cluster accounts for approximately 80% of MLM's population. Besides being impoverished, the cluster is characterised by limited economic opportunity, low entrepreneurial activity, and absence of meaningful economic infrastructure. Smallholder farming activity, vending and spaza shops remains the dominant economic activity.	Due to its demographic advantage, the cluster provides a fertile ground for a retail boom. The aim is to turn the cluster into MLM's retail hub. It also possesses untapped light manufacturing and livestock breeding potential. The reawakening of the cluster's cultural and sports tourism potential remains some of the cluster's future game changers. Revitalising the cluster's rural economy should remain a key policy priority going forward.
North Eastern Cluster	Widely known for its spectacular tourism sites and world class lodges especially around the Klaserie Game Reserve, the cluster is also home to feldspar mining at Mica.	Focus must be directed towards building the entrepreneurial capability of new entrants and ensuring that small businesses in the tourism value chain maximally benefit from spin offs. Promotion of local beneficiation and curbing

		illegal sand mining activity remain key policy priorities.
Central and Southern Cluster	Popular for its endowment in abundant agricultural wealth the cluster is also a well-known agro-processing hub. The central and southern cluster is popular with holidaymakers for its centrally sited game reserves and tourism facilities. The Blyde River, is the main catalytic driver of tourism and agricultural activity in the cluster.	Game changing projects in this cluster include among others; Agri-parks, agro processing industries, leather tanning, taxidermy, shoe manufacturing projects etc.
South-eastern Cluster	The cluster is home to Hoedspruit, a designated Provincial Growth point and MLM's administrative capital. Some of the notable economic activity include among others, The Eastgate Airport, the Airforce Base, banks, insurance firms, shopping centres and a modern taxi holding facility.	Due to its excellent network infrastructure and geographical centrality, opportunities exist to invest in the property and logistic ventures. Game changers in the cluster include inter-alia; office parks, shopping malls/centres, social housing projects, warehouse, and logistics infrastructure.

LOCAL ECONOMIC DEVELOPMENT SWOT

STRENGTH	WEAKNESS	OPPORTUNITIES	THREATS
• Implementation of reviewed LED Strategy	• Inadequate implementation of LIBRA Act	• Vibrant agriculture and tourism sectors • The growth of residential and tourism market • Appointed panel of investors to support economic development projects	• High rate of unemployment •

4.4. FINANCIAL VIABILITY

Background

The purpose of analyzing the financial status of the municipality is to determine the financial soundness of the institution so that the municipality can improve its financial management capacity and revenues.

Financial viability is about being able to generate sufficient income to meet operating payments, debt commitments and, where applicable, to allow growth while maintaining service levels. The Local Government Municipal Finance Management Act, Act 56 of 2003 seeks to:

- Secure sound and sustainable management of financial affairs of the municipalities and other institutions in the local sphere of government
- Establish treasury norms and standards for the local sphere of government; and
- Provide matters connected therewith financial management.

There are 5 underlying principles in the MFMA which are:

- Promoting sound financial governance by clarifying roles and responsibilities
- A strategic approach to budgeting and financial management
- Modernisation of financial management
- Promoting co-operative government
- Promoting sustainability and improved performance

4.4.1. Financial Management Policies

The financial management system comprises of policies, procedures, personnel, and equipment. The Municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies, and related policies.

The following financial management policies and procedures were developed and reviewed.

4.4.1.1 Review of credit control and debt collection procedures/policies

The Credit Control and Debt Collection Policy were reviewed; the 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 revisions included 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. The 2026/27 MTREF has been prepared based on achieving an average debtors' collection rate on current billings. In addition, the collection of debt more than 90 days has been prioritized as a relevant strategy in increasing the Municipality's cash levels.

4.4.1.2 Inventory and Asset Management 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.

4.4.1.3 Supply Chain Management Policy

The Supply Chain Management Policy was reviewed and changes to the PPPF Act were considered.

4.4.1.4 Banking and Investment Policy

The Municipality's banking and Investment Policy were reviewed. 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 a cash equivalent required at any point in time and introduces time frames to achieve certain benchmarks.

4.4.1.5 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 envisaged to be compiled for ease of administration and implementation of the next two years.

4.4.1.6 Indigent Policy

In terms of the Municipality's Indigent policy, Households with a total monthly gross income of R1 500,00 or less qualifies to a subsidy on property rates and services charges for sewerage and refuse removal and will additionally receive 6 kl of water per month free of charge.

4.4.1.7 Rates Policy

Maruleng council in adopting this rates policy has sought to give effect to the sentiments expressed in the preamble of the Property Rates Act, The Rates policy allows the municipality to exercise their power to impose rates within a statutory framework which enhance certainty, uniformity, and simplicity across the nation, and which takes account of historical imbalances and the burden of rates on the poor.

4.4.1.8 Write off Policy.

The policy is in accordance with the Local Government Municipal Finance Management Act 2003, Local Government Municipal Systems Act 2000, as amended and other related legislation. The Policy ensures that before any debt is written off it must be proved that the debt has become irrecoverable.

4.4.1.9 Travel and Subsistence Policy

The purpose of this policy is to reimburse the necessary extra costs of meals, accommodation and travel arising as results of official duties away from home.

4.4.2 FINANCIAL PERFORMANCE

The municipality's financial plan has been compiled using the sound budget and financial management practices and principles thus ensuring that municipal services are provided in a sustainable, economical, and efficient manner to all communities. The financial sustainability and resilience of the municipality remain fundamental due to the persistent cash flow constraints experienced during the year.

Council has at its meeting held on the 29 May 2025 approved a reviewed revenue enhancement strategy which has been implemented during the year to ensure that the financial sustainability and liquidity management objectives of the municipality are significantly improved.as part of the strategy a debt collector was appointed to assist the municipality in collecting debt of more than 90 days. This initiative saw the municipality improving in revenue collection from 77% in 2023/2024 to 80% in the year under review.

4.4.2.1. Financial Planning and Budget Performance

The planning and budget process for the municipality was driven through the implementation of the process plan for Integrated Development Planning, Budget and Performance Management approved by council which was developed in terms of Section 28 of MSA (2000). The 2026/2027 budget and medium -term revenue and expenditure framework was prepared within the times of the municipal process plan and in line with chapter 4 of the MFMA (2003).

The 2026/2027 Annual Budget and Medium-Term Revenue and Expenditure Framework was prepared based on the fundamentals of the municipal development priorities **contained** on the Integrated Development Plan.

4.4.2.2 Financial Health Status

6.1 Financial Health Status

The municipality had total revenue of **R 489,988,176** in 2024/25 financial year when compared to **R 468,055,082** in 2023/24 financial year. This marked an increase of **R20,933,094 (3.63%)** when compared to the 2023/24 financial year. The municipal revenue is categorized into internal and external sources. The internal sources of revenue contributed **R 236,098,572** which is **47.04%** of the total revenue while external sources contributed 52.96% of the total revenue at **R253,889,604 i.e. R151 988 136** (operational revenue) and **R 76, 609,604 (MIG allocation for 2024/25 -**capital revenue).

Total expenditure for the 2024/25 stood at R **413,814,625 which** illustrate an increase of **R90,751,596 (14.42%)** when compared to **R386,674,679** in 2023/24. The distribution of expenditure is **R99,197, 487(.85%)** for employee's related costs, **R101,776,932 (23.66%)** on general expenses stand at **150,293,568** while councillors' remuneration stood at **R12,517,552 (4.10%), contracted services at R 58,615,174 and other expenditures amount to R 73 800 209.** The overall expenditure led to a surplus of **R73,669,732** comparison to a surplus **of R79,424,098** in 2023/24 financial year.

The above information depicts a healthy financial status for the municipality

6.2 STATEMENT OF FINANCIAL PERFORMANCE

Revenue		
Revenue from exchange transactions		
	2025	**2024**
Service Charges	5,706,552	5,385,733
Government grants & subsidies - INEP	9, 129,309	-
Rental of facilities and equipment	291,211	410,484
Interest received (trading)	360,774	470,185
Agency services	3, 236,741	3,000,479
Licenses and permits	2,567,372	3,869,919
Other revenue	5,774,293	4,704,684
Interest received- investment	12,257,112	11,054,983
Total revenue from exchange transactions	**39,328,319**	**28,923,467**

Revenue from non-exchange transactions		
Taxation revenue		
	2025	**2024**
Property rates	186,026,301	172, 692,071
Fines, penalties and forfeits	432,700	869,800
Interest on receivables	19,440,554	17,701,824
Transfer revenue		
Government grants & subsidies	244,760,305	247,867,920
Total revenue from non-exchange transactions	**450,659,860**	**439,131,615**
Total revenue	**489,988,179**	**468,055,082**

EXPENDITURE

	2025	2024
Employee related costs	(101,776,932)	(93, 366,583)
Remuneration of councillors	(12,517,552)	(12,297,853)
Depreciation and amortisation	(30,742,032)	(27,421,168)
Finance costs	(2,436,487)	(1,918,767)
Debt impairment	(57,432,880)	(38, 440,721)
Contracted services	(58,615,174)	(41,886,936)
General expenses	(150,293,568)	(70,896.487)
Total Expenditure	**(413,814,625)**	**(386,674,679)**
Operating surplus	**78,173,554**	**81,380,403**
Loss on disposal of assets and liabilities	(174,320)	(277,255)
Fair value adjustments	422,322	699,849
Actuarial gains/losses	(101,065)	(135,026)
Impaired loss	(2,650,759)	(26,121)
	(2,503,822)	**261,447**
Surplus for the year	**73,669,732**	**81,641,850**

6.3 GRANTS

Details	Dora Allocation 2024/25	Original Allocation	Funds Withheld	Additional Funding	Roll over	Received this year	Expenditure
Equitable Shares	173,864,000	173,864,00,000	0.00	0.00	0.00	173,864,000	173,864,000
Finance Management Grant	1,800,000	1,800,000	0.00	0.00	0.00	1,800,000	1,800,000
Municipal Infrastructure Grant	76,609,604	39,367,350	-	40,000,000	16,144,864	76,609,604	62,032,045
Expanded Public Works Program	1,616,000	1,616,000	0.00	0.00	0.00	1,616,000	1,616,000
INEP	9,848,000	5,085,221	0.00	4,762,779	0.00	9,848,000	9,099,299
Total Received	**263,737,604**	**220,277,571**	**0.00**	44,762,779	16,144,864	**263,737,604**	253,887,533

4.4.3 OTHER FINANCIAL MATTERS

4.4.3.1 Supply Chain Management

The municipality has established three committees, namely The Bid Specification Committee, Bid Evaluation Committee and Bid Adjudication Committee in consistent with the MFMA Supply Chain Management Regulations. The members of the respective committees have been appointed by the Accounting Officer in written. The Treasury department has assisted the municipality in training of the bids committee members. All supply chain management quarterly reports were consistently reported to the Mayor as required by regulation 6 (3) of the supply chain management of 27636 dated 30 May 2005 issued by National Treasury which stipulates that "Municipal Manager must within ten (10) days of the end of each quarter, submit a report on the implementation of supply chain management policy to the Mayor of the Municipality or the board of directors of the municipal entity".

4.4.3.2 Accounting Services and Reporting

The annual financial statements of the municipality were prepared on an actual basis of accounting in accordance with standards of the General Recognized Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board (ASB) which forms part of GRAP reporting framework. GRAP is the acronym for **G**enerally **R**ecognized **A**ccounting **P**ractice, and it provides the rules by which municipalities are required to maintain their financial accounts. Successful GRAP compliance will ensure that municipal accounts are comparable and more informative for the municipality. It will also ensure that the municipality is more accountable to its citizens and other stakeholders. Information on GRAP compliance is needed to enable National Treasury to assess the pace of progress and consider the implications. The annual financial statements were also presented to the municipal Audit Committee.

Operating Transfers and Grant Receipts (National and provincial allocations)

Table 30: Operating Transfers and Grant Receipts

BREAK DOWN OF GOVERNMENT GRANTS 2024/27	**DRAFT BUDGET 2026/27**	**Budget Year +2 2027/28**	**Budget Year +3 2028/29**
	R	**R**	**R**
EQUITABLE SHARE	170 372 000	169 306 000	181 277 000
FMG GRANT	2 000 000	2 220 000	2 300 000
MIG GRANT	31 166 650	43 295 950	35 290 600
MIG SALARIES (5% operational)	1 640 350	-	
EPWP	1 519 000	-	-
INEP	22 654 000		
TOTAL GRANTS	**229 352 000**	**207 607 000**	**220 725 000**

0

4.4.3. 4 Financial Sources of the Municipality

Table 31: Revenue- Consolidated

	2021/22	2022/23	2023/24	2024/25
REVENUE	**R**	**R**	**R**	**R**
Grants & Transfers	176 427 405	231 843 867	247 867 920	244 760 305
Rates & Services Charges	165 060 758	164 346 945	209 998 662	186 026 301
Rental of Facilities	244 875	431 214	410 484	432 700
Interest Earned	4 409 385	8 336 552	19 701 824	19 440 554
Total Revenue	**345 897 548**	**404 958 578**	**468 055 082**	**489 988 179**
EXPENDITURE				
Personnel	78 733 180	87 345 949	93 366 583	101 776 932
Councillors	11 097 327	11 257 219	11 976 799	12 517 552
Depreciation	24 227 529	27 732 170	33 443 674	30 742 032
Finance Charges	1 020 945	2 002 589	1 918 767	2 436 487
Contracted Services	27 360 166	33 978 479	41 886 936	58 615 174
General	47 360 834	62 679 856	70 896 467	150 293 568
Total Expenditure	**211 227 480**	**250 540 423**	**291 929 967**	**413 814 625**
Surplus for the year	**133 099 208**	**154 081 910**	**176 125 115**	**73 669 732**

4.4.4 Budget and Treasury Management

- Currently the budget preparation process of the municipality is linked to the IDP Process and Performance Management System. Treasury management entails the management of cash flows, bank accounts and investments. Monthly and quarterly reconciliations and reporting are done by the municipality to comply with the MFMA, for example SDBIP and Treasury regulations.

4.4.4.1 Previous and current Budgets

Table 32: Comparison of budget to previous budgets

2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
345 897 548	404 958 579	497 535 461	536 169 700	611 743 112.03	639 512 170.87

4.4.4.2 Submission of financial statements to the Office of A-G

The municipality also adheres to the stipulated timeframes with regard to submission of financial statements to A-G in terms of Section 71 of MFMA and addresses audit queries raised timeously.

4.4.4.3 Addressing comments from the Auditor General's report.

The municipality has developed an annual action plan which responds to A-G's comments. The plan has clear targets with timeframes. This plan will also assist the municipality in improving the management of the municipal business. For the past five financial years in succession the municipality has received an unqualified opinion. Major issues that led to unqualified (with matters) are supply chain management.

4.4.4.4 Revenue Management

The municipality has the following revenue management systems or tools:

4.4.4.4.1 Billing System

The municipality has an effective billing system. This system enables the municipality to generate its income. This income amounts to 27.76% of the revenue budget in the audited 2024/25 financial year. The implementation of the supplementary valuation roll led to an increase in Property Rates.

4.4.4.4.2 Revenue Enhancement Strategy

The municipality has a revenue enhancement strategy to address revenue collection with regards to rates and services. This strategy enables the municipality to collect own revenue.

4.4.4.4.3 Expenditure Management

The municipality has formulated and implemented a Supply Chain Management Policy as a legislative requirement. Creditors are paid within 30 days from date of submission of invoices. The critical challenge is staffing to manage this policy and compliance.

4.4.4.4.4 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 improves financial knowledge of 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 provided for as cash inflow based on actual performance. In other words, the *actual collection rate* of billed revenue

4.4.4.5 Expenditure trends of the municipality

Table 33: Expenditure trends of the municipality

	2021/22	**2022/23**	**2023/24**	**2024/25**
Total Revenue	345 897 548	404 958 578	**468 055 082**	**489 988 179**
Total Expenditure	211 227 480	250 540 423	**291 929 967**	**413 814 625**
Net surplus/Deficit	**133 099 208**	**154 081 910**	**176 125 115**	**73 669 732**

<u>FINANCIAL VIABILITY AND MANAGEMENT SWOT</u>

STRENGTH	**WEAKNESS**	**OPPORTUNITIES**	**THREATS**
• Sound cash flow and budget management! • Non-reliance on overdrafts and loans • 100% spending of conditional grants • MFMA compliance • Improved SCM controls • Funded budget • Improved debt collection	• Grant dependency • Small revenue base • Reliance on audit adjustments to attain a better audit opinion	• Intergovernmental support • MSCOA system mapping • Proclamation of Scotia township and development of Berlin farm for additional revenue sources	• Non-payment of services • Cyber attacks • Fraud

4.5. GOOD GOVERNANCE AND PUBLIC PARTICIPATION

4.5.1 Background

One of the Objectives of Local Government captured in section 152 of the Constitution is to encourage the involvement of communities and community organizations in the matters of local government. The white paper on local government expects the municipalities to be working with citizens and groups within the community to find sustainable ways to meet their economic, social and material needs and improve the quality of their lives. Therefore, the municipality is using several ways and systems to involve communities and improve governance.

4.5.2 Functionality of Municipal Council and Committees

The Municipal Council Committees, such as the Executive and Portfolios committees, are fully functional. Council meetings are held quarterly with special council meetings convened when needs arise.

4.5.3 Relationship with traditional Leaders

In general, the municipality has a good relationship with the traditional leaders. Traditional leaders participate in most municipal activities such as IDP Representative Forums, Public Participation meetings, Council sittings etc.

4.5.4. Inter-Governmental Relations

Maruleng municipality is responsible for facilitating inter-governmental relations within its area of jurisdiction. The municipality is the convener of the manager's forum a "key forum for strategic alignment, coordination and integration" that serves as an intergovernmental structure where Sector Departmental managers in the municipality meet with their municipal counterparts. The relationship between the municipality and Sector departments has improved.

4.5.5 Oversight Committees

4.5.5.1Municipal Public Accounts Committee

The municipality has established a Municipal Public Accounts Committee in terms of Sections 33 and 79 of the Municipal Structures Act 1998. This committee plays an oversight role of the council. The committee consists of nine non-executive councilors.

4.5.5.2. Audit, Anti-Corruption, and risk management.

4.5.5.2.1. Internal Audits

An internal audit is an independent appraisal function established by management of an organization for the view of internal control system as a service to the organizations. It objectively examines, evaluates, and reports on the adequacy of internal controls as a contribution to the proper, economic, efficient, and effective use of resources.

The municipality has established an independent effective internal audit unit. The primary role of the Internal Audit Unit includes the following:

- Evaluate the adequacy of the system of internal controls.
- Recommend improvements in controls.
- Assess compliance with policies and procedures and sound business practices.
- Assess compliance of laws and contractual obligations

The municipal Internal Audit Unit is led by The Chief Internal Auditor and reports to Audit Committee appointed by the Council.

4.5.5.2.2. Audit Committee

An audit committee plays a key role in assisting a municipality to fulfil its governance and oversight responsibilities in relation to financial reporting, internal controls, risk management systems, legislative compliance, ethical accountability, and internal and external audit functions. The municipality has appointed an independent effective Audit Committee. The primary role of the Audit Committee includes the following:

- The primary purpose of a municipality's audit committee is to provide oversight of the financing and other reporting processes, the audit process, the municipality's system of internal controls and compliance with laws and regulations and performance management review.
- Two technical committees were established to strength oversight role of the Audit committee, namely technical committee of performance reporting and Technical committee on final statements (reporting)

4.5.5.2.3. Risk Management and Fraud prevention.

To successfully mitigate risks that may prevent Maruleng municipality to reach its IDP objectives, a Risk Management Policy and Strategy are in place. Risk management forms part of management core responsibilities and it is an integral part of the internal processes of the municipality. Risk management is seen as a systematic process to identify, evaluate, and mitigate risks on a continuous basis before the risks impact negatively on the institution's service delivery capacity. It is believed that when properly executed, risk management provides a reasonable, but not absolute assurance, that the municipality will be successful in achieving its goals and objectives. Thus, it should be embedded into the systems and culture of the municipality.

The municipality has in place a Risk management unit (though it has only one official) that plays a central role in risk management. The strategic objective of this unit is to add value by assisting council, Municipal Manager, and management to ensure that all risks facing the municipality are identified, rated, tolerance levels established, mitigating strategies formulated and action plans compiled to manage risks. The primary role of the Risk Management Unit includes the following:

- To act as champions of risk management in the municipality
- To facilitate the establishment of effective and efficient risk management structures in the municipality
- To advise management on all matters pertaining to risk management
- To continually advise management about possible new risks

Maruleng municipality maintains a zero –tolerance stance with regards to fraud and corruption. To municipality has developed a fraud policy. A financial Disciplinary Board has been established to assist with issues that related to fraud and corruption.

4.5.5.2.4 Risk management

The municipality has identified the following as the major risks:

- Unstructured and unsustainable settlements
- Inadequate financial sustainability
- Business disruptions
- Ineffective and inadequate information technology infrastructure
- Inadequate capacity to support the administration of the municipality.

Below on table 34 are the top ten (10) Strategic Risks (2025/26):

No.	Risk description	Inherent rating	Action to improve/ mitigate risk
1.	Unstructured and unsustainable settlements.	High	• Engage National Public Works on Kampersrus stand Land Reform on land that is ate properties • Engagement with landowners to dispose properties. • Facilitate meeting with Department of Rural Development and Land Reform on land that is owned by state. • Identification of all potential hotspots for land invasion • Draft guidelines for traditional authorities for business land allocation. .
2.	Inadequate provision of safety and security to the communities.	High	• Appointment of Manager: Environmental Management Services. • Disaster awareness campaigns • Appointment of service provider for traffic control system • Gazetting of by-laws • Appointment of 2 traffic officers • Fencing of Thusong service center • Auditing of landfill site compliance • Conducting EIA on vehicle testing station • Development of level 2 Disaster risk assessment report • Safety and environmental management awareness campaigns
3	Inadequate financial sustainability.	High	• Review the Revenue Enhancement Strategy • Continue implementing cost containment policy. • Training of Bid Committees • Training of GRAP standards for key officials • Gazetting of Credit Control By-law • Implementation of internal/external Audit recommendations
4.	Negative audit opinion	High	• Implementation of recommendations from assurance providers on Audit Action Plan (internal audit, audit committee, AGSA, Treasury & COGHSTA) • Compilation and review of 6 months financial statements • Compilation and review of 9 months financial statements

			• Training on GRAP standards • Quarterly updating of fixed asset register • Monitoring of service providers on skills transfer
5	Failure to comply with legislations and standards (MFMA, GRAP, SCM, DORA, MSCOA etc.)		• Quarterly MSCOA meetings • Integration of VIP to munsoft • Automation of fixed Asset Register • MFMA quarterly compliance report
6.	Inadequate capacity to support the administration of the municipality.	High	● Monitoring the implementation of the Work Skills Plan. ● Focused and integrated training programs. ● Perform skills audit to verify qualifications, training attended and skills gap. ● Budgeting for Employee Bursary Funds.
7.	Ineffective and inadequate information technology infrastructure.	High	● Training of officials and councillors. ● Submission of budget inputs to the Budget and Treasury office for increased allocation of funds for development of System Master Plan and upgrading of ICT infrastructure. ● Review of Information Technology Governance documents. ● Development of help desk policy.
8.	Unethical organizational culture	High	● Anti-fraud and corruption awareness sessions for officials ● Appointment of Ethics Ambassadors ● Training of Ethics Ambassadors ● Review of anti-fraud & corruption policy and strategy ● Investigation of UIFW's. .
9	.Cyber attack	High	● IT security awareness workshops ● Consequence management for violation of security policies ● Timeously application of IT security patches and updates ● Review IT security policies. ● Procure anti-virus software. ● Procure laptops. ● Development of the Master System Plan ● Penetration testing

4.5.6. Functionality of Ward committees and Community Development Workers

The municipality has functional ward committees in all its 14 Wards and 09 CDW's which serve as conduits between the municipality and community regarding municipal business. They are attending all municipal activities as expected.

4.5.7 Complaints Management System

The municipality has established a complaints management system in order to address service delivery related complaints. Through this system the municipality is able to attend and address complaints raised by community members. The municipality also liaises with both the Office of the Presidency and the Premier through hotlines to address issues concerning the municipality directed to these two offices.

4.5.8 Municipal Audit Outcomes

Table 34: Municipal Audit Outcomes for the previous five financial years

2019/20	2020/21	2021/22	2022/23	2023/24
Unqualified	Unqualified	Unqualified	Unqualified	Unqualified

The municipality also developed action plan to address issues raised by the A-G regarding SCM, wasteful, unauthorized, and fruitless expenditures. The municipality has obtained unqualified audit opinion for 2023/2024 financial year. The unqualified audit opinion was achieved through the commitment and dedication from the entire staff, management, and political leadership. The municipality has developed a clean audit road map.

4.5.9 Public Participation Strategy

The municipality has developed an annual public participation program in terms of its Public Participation Strategy. The program targets all wards and specific villages. These meetings afford politicians the opportunity to report back on progress made and direct contact with ordinary community members. Mayoral imbizos, ward committees report back meetings are held quarterly. IDP/Budget public participations are held across all wards to afford communities to input before adoption by council on an annual basis.

4.5.10 Communication System

The municipality has a communication strategy which is reviewed annually and appointed Communication Officer. These initiatives have improved communication amongst stakeholders around key municipal activities and programs.

<u>GOOD GOVERNANCE AND PUBLIC PARTICIPATION SWOT</u>

STRENGTH	WEAKNESS	OPPORTUNITIES	THREATS
• Positive audit opinion • Regular public participation meetings • Functional council structures • IDP, PMS and Budget aligned • Functional ward committees • Community feedback meetings	• Recurring audit findings • UIWF which dates back to 2011	• Clean audit opinion • Support from traditional leaders • Cordial relationship with business community	• Cyber attacks • Strikes/ community protests

4.6. MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT

4.6.1. Institutional Analysis

The purpose of conducting an institutional analysis is to ensure that the municipal development strategies take existing institutional capacities into consideration and that institutional shortcomings are addressed. The Maruleng local municipality was established in 2000 in terms of the Municipal Structures Act, 1998 (Act No.117 of 1998). The municipal offices are situated in Hoedspruit town, 65 Springbok Street.

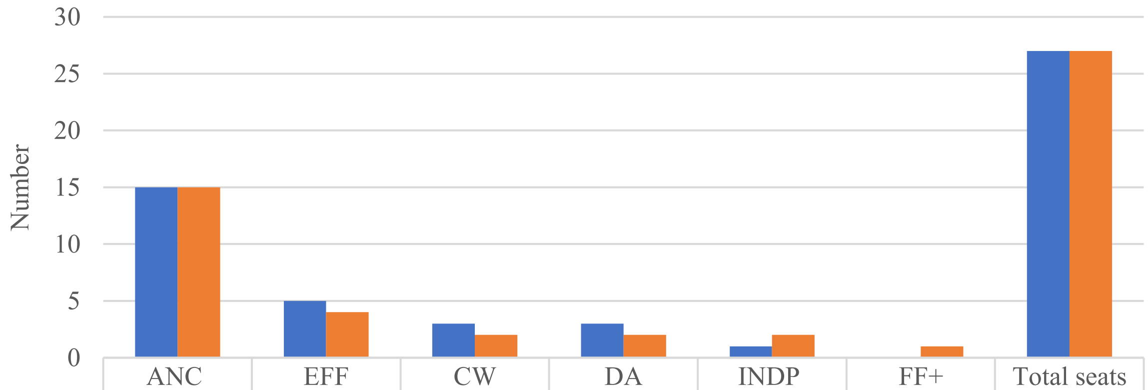
4.6.2. Institutional Structure

The Maruleng Local Municipality has implemented an Executive and Ward Participatory System of local governance which ensures that governance is taken right down to community level and that all citizens within the municipality are represented in decision making. This increases residents' sense of belonging, accountability and empowerment and actively involves them in all issues dealt with by the municipality.

4.6.3 Political Structure

Local government has emerged from the 2021 local government elections and the results were declared free and fair by the Independent Electoral Commission. The composition of the Municipal Council reflects the interest of the communities on matters of politics. Since the dawn of democracy, the municipality has been politically stable despite the latest developments in our politics wherein some of the municipalities are under a coalition government. We have seen in other municipalities during the previous term of Councils the effects of a coalition municipality. The figure below depicts the party-political representation in MLM since 2011

Table 36: MLM Seat allocations for political parties



	ANC	EFF	CW	DA	INDP	FF+	Total seats
2016	15	5	3	3	1	0	27
2021	15	4	2	2	2	1	27

Source: Independent Electoral Commission

The table above clearly confirms the existence of political stability within MLM with the presence of a multi-party democracy hard at work. The political situation within the municipality must be taken into consideration during the planning process and be utilized effectively for the benefit of the communities within the municipality.

Despite the representation within the Council, the importance of government policies may not be ignored. One critical aspect to be highlighted is the fact that local government is a highly regulated environment and at times places a huge strain on the work of municipalities. It is therefore important for the municipality to be awaken to the realities and possibilities of duplication of policy and regulatory framework. At times, the laws that are promulgated do not assist municipalities to achieve their developmental goals but instead tend to become a constraint that takes more time away from the real mandate. Such a situation requires the municipality to have the capability and ability to pick-up at an early stage during the planning process.

The Council consists of 27 councilors of both elected (ward representatives) and proportional (14 Councillors). Each of the 14 ward councillors chairs a ward committee as part of the Ward Participatory System that brings participation down to community level. Ward councillors play a central role in the communication process between the communities they represent and the council, reporting back regularly through ward meetings and assisting the community in identifying needs and priority areas of development which feed into the municipality's planning processes. The mayor heads the Executive Committee which is comprised of five councilors. The municipality has six full-time councillors i.e., is the Mayor, Speaker, Chairperson of MPAC and 3 EXCO members. Political oversight of the administration is ensured via Section 80 Committees in control of different portfolios in Council, which comprise:

All Municipal Oversight Committees

COMMUNITY SERVICES	CORPORATE SERVICES	BUDGET & TREASURY	SPATIAL PLANNING& ECONOMIC DEVELOPMENT	TECHNICAL SERVICES	SPORTS, ARTS & CULTURE
Cllr. Shai .M (Chairperson)	Cllr. Mathaba M.A (Chairperson)	Cllr. Mathaba M.A (Chairperson)	Cllr. Tshehla M.T (Chairperson)	Cllr. Tshehla M.T (Chairperson)	Cllr. Mathaba T.A (Chairperson)
Cllr. LetebeleS. P	Cllr.Mokgahla T. J	Cllr. Rakgoale M. J	Cllr. Malepe P. S	Cllr. Rakgoale M. J	Cllr. Shai T. I
Cllr. Rakgoale M. J	Cllr. Mokgahla T	Cllr. Shai T. I	Cllr. Rammala M. S	Cllr. Gerber WP	Cllr. Letebele T
Cllr. Madike M. F	Cllr. Mabilo T	Cllr. Mokgotho D	Cllr. Sekgobela K. J	Cllr. Rammala M. S	Cllr. Masete B. E
Cllr. Maakamela M. R	Cllr. Rammala M. S		Cllr. Shai T. I	Cllr. Maakamela M. R	Cllr. MadikeM. F
	Cllr. Rakgoale M. J		Cllr. Du Preez C. E	Cllr. Morema T. J	

MPAC	RULES & ETHICS COMMITTEE	SPECIAL PROGRMS		
Cllr. Raganya S.B (Chairperson)	Cllr. Maakamela M.R (Chairperson)	**YOUTH**	**DISABILITY**	**GENDER**
Cllr. Letebele S. P	Cllr. Rammala M	Cllr. Monashane S. M	Cllr. Mokgotho D	Cllr. Masete B.E (Chairperson)
Cllr. Masete B. E	Cllr. Moropane L			
Cllr. Madike M.F	Cllr. Diboko D			
	Cllr. Mokgotho D			

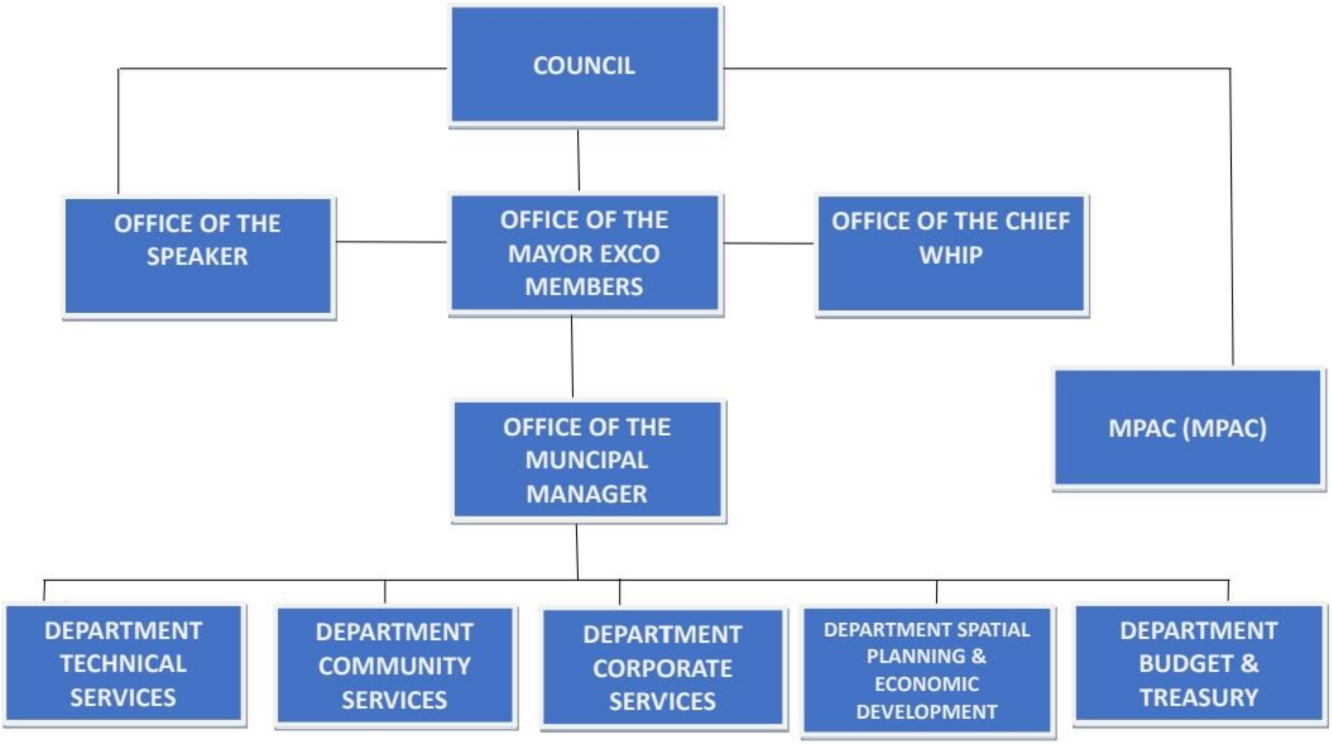
4.6.4 Administration development /arrangement

There is a significant relationship between an IDP and institutional arrangement. The municipality cannot implement its IDP effectively without proper organizational structure. Consequently, the municipality has developed an organizational structure which will be table before council for approval in line with the Municipal Staff regulation Notice No.890: Local

Government: Municipal Systems Act (32/200): Local Government: Municipal Staff Regulations which amongst other Seeks to professionalize local government and provide uniformity with regards to staff establishments in municipalities. The regulation focus on the following critical areas:

- **Staff establishment, job description and job evaluation**
- **Recruitment, selection and appointment of staff**
- **Performance management and development system**
- **Skills development**
- **Dispute resolution.**
- **Disciplinary code and procedures, and**
- **Remuneration related matters**

Figure 11 shows the top layer of the organizational structure.



The municipal manager, who is the Chief Accounting Officer, heads the administration. The total positions in the organ gram stand at 269 whereas the positions filled are 189 which amounts to 70.26% while the vacant positions are 74 which constitute 29.74%. Most of the critical positions are filled. Only 33.3 % of senior managers are women. The municipality has developed and approved its organizational structure to assist in the delivery of services to the communities. The figure below outlines the human capital of the municipality.

Table38: MLM Staff compliment

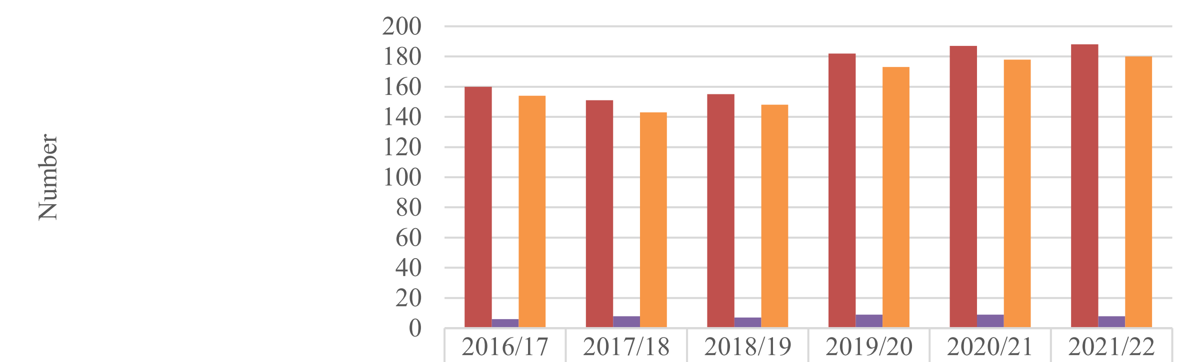
Financial Year	Approved Posts (Funded)	Filled	Vacant	Vacancy rate %
2019/20	208	182	26	12,5%
2020/21	276	187	89	32,14%
2021/22	272	188	84	30,88%
2022/23	267	191	67	28.5%
2023/24	**220**	**188**	**32**	**14.5%**
2024 /25	**218**	**187**	**31**	**14.22%**

Source: MLM Organizational Structure

The vacancy rate within MLM clearly indicates that the municipality has the capacity at 85.78% to deliver on its mandate if the data was to be interpreted directly. However, possibilities may arise wherein the structure may not be aligned to the strategy which will hinder the performance of the municipality. The analysis of its human capital must assist in reviewing and align the structure with the strategy of the municipality.

The one thing that has been proven to be consistent within the municipality, is the ability to retain its staff. The figure below highlights the staff turnover of the municipality.

Figure 12: Staff Turnover



	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Total Staff	160	151	155	182	187	188
Total resigned	6	8	7	9	9	8
Total remained in the municipality	154	143	148	173	178	180

Source: MLM Organizational Structure

The staff turnover was high in 2020/21 and 2021/22 but declined from 2022/23 to date as only 2 staff member resigned in 2024/5 financial year. In this regard, the municipality is able to retain its institutional memory, but it must not allow complacency to creep in as that may lead to the capacity compromised.

Table 39: Departmental or Directorates Responsibilities

MUNICIPAL MANAGER'S OFFICE	CORPORATE SERVICES
• Overall responsibility for the organization • Strategic Planning (IDP, PMS, SDBIP) • Internal Auditing & Risk Management • Legal Services	• General Administration (Human Resource) • Council Support • Policies and Procedures • Capacity Building/Training • Occupational Health and Safety • Information Technology • Public Participation • Communication
SPATIAL PLANNING AND ECONOMIC DEVELOPMENT	**TECHNICAL SERVICES**
• Spatial Planning • LED • Land Reform • Building Regulations • LIBRA	• Municipal Roads and Storm Water • Infrastructure management • Project Management • Drainage and Storm Water • Housing Facilitation
BUDGET AND TREASURY	**COMMUNITY SERVICES**
• Income and Expenditure • Debt Management • Budgets • Asset Management • Financial Reporting • Supply Chain Management • Fleet Management	• Waste Management • Sports, Recreation and Library services (unfunded) • Parks and Cemeteries • Traffic and licensing • Youth and Gender matters (unfunded) • Thusong Services Centre • Disaster Management

4.6.5 Management Systems

The Management has developed management systems that are used to deliver services to the municipal constituencies. A management system consists of policies, procedures, personnel, plans and equipments to enable the municipality to have good governance, cost effective and efficient delivery of services. A synopsis of the various management systems are highlighted hereunder:

. 4**.6.6. Employment Equity Plan**

The municipality has developed and approved the Employment Equity Plan in terms of the Employment Equity Act (Act 55 of 1998). The plan reflects the municipality's employment equity implementation program. It also represents the critical link between the current workforce profile and possible barriers in employment policies, practices and procedures, and the implementation of remedial steps to ultimately result in equitable representation of the workforce. The objectives of the plan are stated below:

- To do away with all forms of unfair discrimination regarding employment practices and policies
- To eradicate all barriers that may hamper the advancement of the designated groups.
- To ensure that management is actively committed to implementing employment equity measures.
- To create and employ IDP related strategies to make reasonable and serious progress on employment equity on all occupational levels.
- To ensure that the numerical goals and targets for each year, as set out in this plan are achieved.

4.6.7 Information Communication Technology System

The municipality has an Information Technology (IT) Sub-Division which is responsible for assisting the municipality by providing a stable information technology infrastructure and optimal functioning of internal application systems to meet the service delivery needs of the community. The key functional areas of the IT Division are:

- Corporate IT governance and strategy
- Servers, network systems & desktop maintenance
- IT infrastructure and application management
- IT disaster recovery and business continuity
- IT security
- Records management

4.6.8 Skills Development

The municipality places greater emphasis towards capacitating its personnel in line with the Skills Development Act (Act.NO.97 of 1998) and the Skills Development Levies Act (Act No. 9 of 1999).

The municipality has developed a comprehensive Work Skills Plan of which the Equity Plan forms an integral part and has registered with the Local Government Sector Education and Training Authority.

This legal framework and the National Skills Development Strategy are intended to encourage employers to comply with legislations by so doing:

Support economic growth for employment creation and poverty eradication.

- Promote productive citizens by aligning skills development with national strategies for growth and development.
- Accelerate Broad based Black Economic Empowerment and Employment Equity, and
- Help to create a competitive and productive work environment.

The municipality experiences the following challenges regarding skills development:

- About 40 employees are without grade 12
- Conduct management.

4.6.9. Performance Management System

The municipality has a functional performance management system aligned to the IDP, Budget and SDBIP. This system assists the municipality to monitor measure and assess performance of both the institution and individuals. Reports are generated on a monthly, quarterly, and annual basis. The Performance Management System has been escalated to all employees as per Municipal Regulations of 2021

4.6.10 Sector Plans, Strategies, By-laws and Policies Status Quo

The municipality has developed sector plans in order to effectively achieve its priorities and objectives and comply with relevant legislation such as MSA, MFMA, NEMA and others. The table below outlines sector plans that have been developed for service delivery and compliance purposes.

Sector Plans & Strategies	Status Quo
Spatial Development Framework	Approved
LED Strategy	Approved
Housing Chapter	Approved
Integrated Transportation Plan	Under development
Integrated Waste Management Plan	Under review
Infrastructure Maintenance plan	Under development
Road Master Plan	Under development
Workplace Skills Plan	Approved
Disaster Management Plan	Approved
Public Participation Strategy	Approved
Credit control & Debt collection Policy	Approved
Property Rates Policy	Approved

Tariff Policy	Approved
EPWP Policy	Approved
Bursary Policy	Approved
By –Laws on Noise, Street & Public Nuisance	Approved
Parks and Public –Open Spaces By-laws	Approved
Budget Management Policy	Approved
Cash Management Policy	Approved
Deposits and Refunds Policy	Approved
Supply Chain Management Policy	Approved
Virement Policy	Approved
Travel and Subsistence Policy	Approved
Indigent Policy	Approved
Municipal Five-Year Financial Plan	Approved

<u>MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT SWOT</u>

STRENGTH	WEAKNESS	OPPORTUNITIES	THREATS
• Credible IDP • Most positions filled. • PMS cascaded to all levels. • Implementation of the new staff regulation	• Few trainings conducted. • Poor record management • Non-compliance to the Code of Ethics • Delay in submission of reports (PMS) by some directorates	• Support from sector departments. • Sound labour relations. • Youthful employees	• Unable to retain competent personnel. • Non-attendance of IDP activities by some sector departments

4.7 ENVIRONMENTAL ANALYSIS

4.7.1. Background

The Maruleng Municipal Area is faced with environmental risks and trends that lead to environmental degradation. To ensure that developments carried out by the municipality are sustainable, the IDP takes into consideration environmental and socio-economic issues in decision making, project planning and implementation. A summary of an environmental analysis is here outlined, and it will provide the basis for identification of priority environmental challenges facing the municipality.

4.7.2 Topography and hydrology

Maruleng is relatively rich in water as there are four major river systems that transverse the municipality namely Ga-selati, Makhutswi, Olifants and Klaserie river. There are few dams and of which the most prominent include the Hlakula and Jan Wassenaar. Most of the municipal area is evenly sloped except the south due to the Drakensberg escarpment, around the area of Mica due and to the north of Trichardtsdal.

It should be noted that the northern escarpment of the Drakensberg series represents some Strategic Water Source Areas and also Threatened Terrestrial Ecosystems. The strategic Water Source Area supply a disproportionate amount of mean annual runoff to the municipal area, and the deterioration of water-quality and quantity in this area can have an excessively large negative effect on the functioning of downstream ecosystems in Maruleng.

Several Wildlife Estates and Conservancies also exist in their triangular area between Hoedspruit, Klaserie and route R36 as it enters the Municipal Area in the vicinity of Ga-Mabins. It is evident that the areas to the north, east and south almost represent a continuous strip of National Parks and Provincial and Private Natural Reserves.

In terms of climate conditions, large parts of the municipality are identified as a semi-arid zone which means that the municipal area receives low annual rainfall, roughly 401-600mm rainfall per annum. The southern parts towards the Drakensberg escarpment does not experience dry climate when compared to the entire municipal area, as rainfall is estimated to be from 600mm and can even exceed 1000mm per annum.

4.7.3 Nature reserves and protected areas

The Municipal Area and surroundings represent some pristine Protected Areas and Conservation Areas, including the Kruger National Park (KNP), Timbavati Game Reserve, Klaserie Nature Reserve and Blyde River Canyon Nature Reserve to the south. These areas from the backbone to the municipalities' wildlife economy and both state and private nature reserves enjoy the same status under the Protected Areas Act.Although not all private nature reserves in the area are fully proclaimed, government backed initiatives are underway to secure this status for all portions which are not yet proclaimed.

4.7.4 Climate

Most of the rain in the municipal area is received during summer (75%). The temperature ranges from a high average of 21 degrees Celsius to a very high average of 25 degrees Celsius.

4.7.5 Global Warming

Global warming is defined as the increase in the average temperature on earth. As the earth gets hotter, disasters like hurricanes, floods, droughts, and raging forest fires do get more frequent. The municipality experienced heavy flooding during the 2011/12 financial year. Global warming is caused by climate change that results in a rise of temperatures. Turkey 1-4, Enable, Butswana, Worcester A&B and Molalane cross are the most drought-stricken areas, and they are either depended on mountain stream or boreholes for domestic water supply and livestock.

4.7.6 Air Pollution

Pollution of the air is a major environmental problem. Vehicles, mines, and industries pollute the air by releasing harmful gases. Another source of air pollution is leakage of sewage and companies burning their waste, causing bad odour.

4.7.7 Water pollution

Water pollution in the municipal area affects most people as many of them stay in rural areas and depend on river water. The major cause of water pollution is the sewage leakage and release of industrial waste into streams as well as illegal solid waste dumping along the river system. People washing their clothes in rivers using detergents also cause water pollution as well as usage of herbicides and pesticides by farmers. The lack of water-borne sewerage systems leads to the contamination of ground water. The municipality has lost five lives due to cholera as a result of contaminated water.

4.7.8 Deforestation

Deforestation is one of the identified major environmental problems affecting most areas in the municipality. This is a problem affecting almost every forest or veld in the municipality. This problem is caused by the wood carvers, firewood collectors, farmers and villagers residing around deforested areas. This can be attributed to poverty, lack of knowledge, unemployment, unclear land policy, traditional practices, and economic gains.

4.7.9 Veld fires

The municipal area often experiences uncontrolled veld fires. These fires have a negative environmental and economic impact. The veld fires are also a threat to human and animal life. The major cause of this problem is poaching, firewood collector, uncontrolled burning for green bite, lack of knowledge about veld fire destruction, lightning and negligence.

4.7.10. Soil erosion

Soil erosion has a negative effect on the environment as it affects the larger part of the municipal area. This affects people residing in eroded areas, by worsening floods and decreasing agricultural production. The major causes of this condition are deforestation, overgrazing and poor land use management.

4.7.11 Chemical spills and hazardous accidents

There are numerous areas in the municipality that are subject to chemical spills and hazardous accidents that have a detrimental impact on the lives of people. This occurs mainly on the railway lines and along major routes, polluting the air and ground.

4.7.12 Overgrazing

Overgrazing on agricultural land around villagers in the municipality is a common phenomenon. The major cause of this condition is overstocking by farmers as well as drought and floods.

4.7.13 Heritage Sites

There are number of heritage sites in the municipality such as Lekgalametse which is government owned and privately owned Klaseri, Thornybush and Timbavati. There is also natural heritage in the Westfalia Estates.

4.7.14 Natural Water Bodies/Wetlands

A wetland was identified in Makgaung area and if properly managed, could be of economic importance to the local community.

4.8 WASTE MANAGEMENT

4.8.1. Refuse removal.

The municipality provides waste collection services to 20 520 households which constitutes 64.18% of which 17 955 households are rural households and 2 065 are urban households. The municipality only collects refuse removal revenue from three urbanized areas, namely, Hoedspruit, Kampersrus. In both commercial and residential areas in urban areas collection takes place once a week. These households rely mostly on backyard dumping and burning. Maruleng has outsourced collection and transportation.

4.8.2 Waste disposal.

The municipality has one licensed land fill in the Worcester area, which is poorly managed. However, the landfill site ownership has been recently transferred to the municipality by Mopani District Municipality.

4.8.3 Challenges and opportunities.

- The municipality has one licensed land fill in Worcester area.
- Revenue collection on refuse removal only in urban areas.
- Extension of revenue collection to be extended to none-indigent households in rural areas to expand revenue base

4. 8.4 Opportunities

4.8.4 .1 National and Provincial interventions

The Department of Environmental Affairs has deployed a dedicated official based at the District Municipality to support Mopani District Municipality and its local municipalities with environmental management services. DEA has also supported the municipality financially through the funding of projects.

4.8.4.2 KRUGER TO CANYONS BIOSPHERE REGION

The K2C Biosphere runs a waste management project called London Waste Beneficiation Centre at London landfill site in Maruleng municipality. The centre is pioneering initiatives that empowers waste reclaimers and entrepreneurs in the region. As a waste reduction and recycling demonstration site, the centre fosters a micro-economy, giving reclaimers direct access to for recyclables and interweaving reclaimers into broader waste management network. The milestones for the centre include using solar power equipment, further integration of waste reclaimers into the local economy, reclaimers' capacity-building workshops, and waste data captured through the Kobo toolkit software, market access, and developing partnerships. Through these efforts, the centre has reinforced its capacity to drive a circular economy in the Maruleng Municipality.

The London Waste Beneficiation Centre demonstrates that effective waste management is crucial for a sustainable future. As the project progresses, it's essential to adopt a circular economy mindset, educate and engage communities, continuously innovate and improve, and seek sustainable waste management practices.


SOURCE: KRUGER TO CANYONS BIOSPHERE REGION

4.9. SOCIAL ANALYSIS.

4.9.1 Background

The historic imbalances in South African society resulted in the majority of our people living without land and housing, access to safe water and sanitation for all, affordable and sustainable energy sources, illiteracy, poor quality education and training, poor and inaccessible health services. Here is the socio-analytic reflection of MLM.

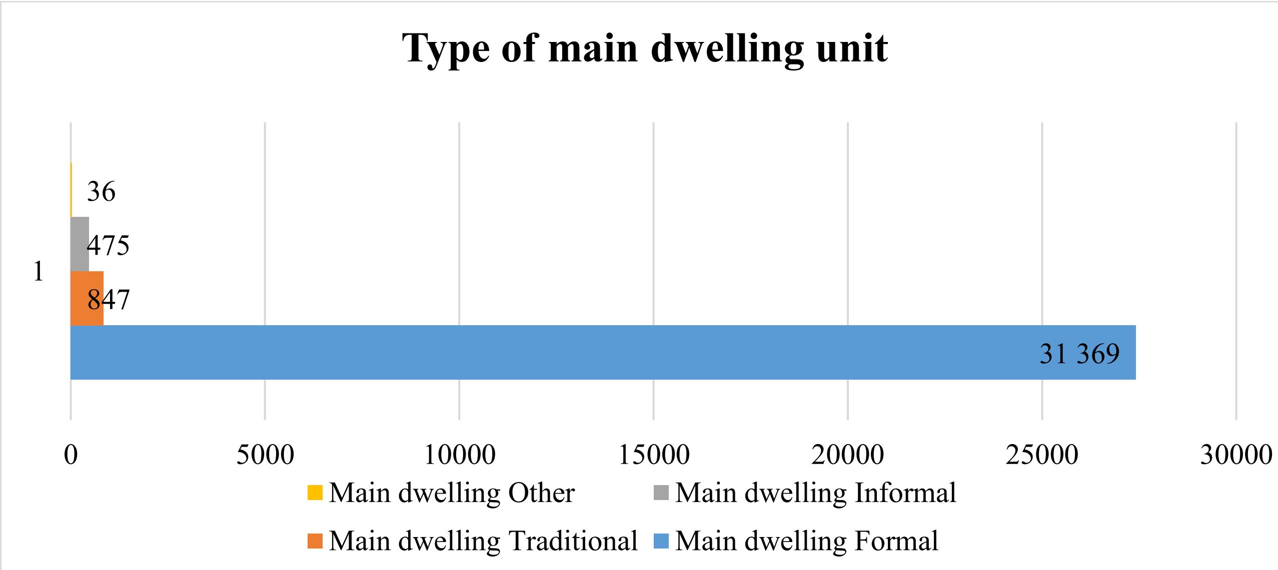
4.9.2 Integrated and Sustainable Human Settlements

Housing is the mandate of COGHSTA, and the municipality plays a facilitation role between the community and the department. About 31 369(96.9 %) of all households are residing in a formal dwelling and 3.1% households reside in either informal or traditional dwelling. Table 18: below depicts the type of dwelling.

Table 41: Types of Dwelling

Type of dwelling	Census 2011	Census 2022
Formal dwelling	95.3%	96.9%
Traditional dwelling	2.0%	1.7%
Informal dwelling	0.9	0.5
other	1.8%	0.9

Type of main dwelling unit



(Stats SA -2022)

Figure 13: Type of Main Dwelling Units

4.9.2.1 Housing Backlog

According to municipal information the current housing backlog exists mainly in the rural villages and is estimated at 320 households. COGHSTA for the financial year 2025/26 has allocated 51 houses and of which 10 are completed and 41 under construction and this will reduce the backlog 990. The municipality has a Housing Chapter that outlines how the backlog will be eradicated.

4.9.2.3. Challenges

- None availability of land in Hoedspruit (economic hub) to build low costing housing as an attempt to build integrated human settlement.
- Poor quality of some RDP houses

4.9.2.4 Informal settlement.

Informal settlement has major negative effect to the environment in that through its practice the vegetation is destroyed when buildings are built. The major causes of informal settlements are poverty, unemployment, population growth and urbanization. The municipality has two informal settlements with 590 dwellings accommodating 3540 households.

4.9.3 Health

The challenge of the health sector in South Africa is to develop a unified national health system capable of delivering quality health care to all citizens efficiently and a caring environment. The Department of Health is established to negotiate sustenance of life in the shadow of death. Natural causes, injuries and human actions cause a surge on human survival which need both society and health care providers to collaborate. Primary Health Care is largely preventative while hospitals are curative-orientated.

4.9.3.1 Health Provision Standards

The World Health Organization set the standard of 1: 40 (1 Professional Nurse should serve about 40 patients). The municipal status quo implies that 1 Professional Nurse is to the population of 1 832 as opposed to a standard of 891 calculated against the population and the staff. The national standard for access to health services is at about 5 km radius. The Maruleng municipality has approximately 70.83 of the communities situated within a 5 km radius of a clinic. This means that the municipality has 1 clinic for every 6 841 people compared to Ba-Phalaborwa municipality which has a ratio of 12 731 per clinic. Patients should not spend more than 3 hours waiting to be served. Utilization rate of clinics is targeted at 3% calculated against head by population. Maruleng stands at 3.2% for > 5 and 6.1 for the above age. There are 2 hospitals, 1 public hospital at Sekororo, 1 private hospital in Hoedspruit, and 10 clinics at various villages.

Table 42: Health Facilities and Population Nexus

Eastern Local Area

Facility/Clinic	**Headcount**
Hoedspruit	19 089
The Oaks	18 440
The Willows	25 752
Mabins	25 399
Turkey	33 068

Western Local Area

Facility/Clinic	**Headcount**
Bismarck	20 244
Sofaya	23 644
Lorraine	23 568
Sekororo	24 942
Calais	11 527
Sekororo Gateway	17 148

Mobile Clinic Services

- Mobile clinic services are clustered into five components namely:
- Hoedspruit Mobile Clinic has three units servicing about 27 851 populaces, and
- Sekororo Mobile Clinic has two units servicing about 28 424 populaces.

4.9.3.2 Prevalence range of diseases

During the past decades, there has been an exponential growth in the number of HIV/AIDS infections in South Africa. This growth has been accompanied by greater visibility of the epidemic, especially owing to the increasing number of AIDS deaths. Despite the scale of the epidemic, there is relatively limited data on the impact at personal, community, business, or national level. One reasons for this undoubtedly the enormous stigma that is still attached to HIV infections. The contributory factors for high prevalence of HIV/AIDS and related diseases amongst others are:

- Poverty, gender inequality and orphanage
- Rapid urbanization and cultural modernization.
- Cross border gates and national route
- Dynamics of a growing economy
- Increase in the commercialization of sexual activities.
- High unemployment rate
- Low literacy rate
- Alcohol and substance abuse
- High crime rate
- Submissive feeling to superiors

Although the epidemic affects all sectors of society, poor households carry the greatest burden and have the least resources available to cope with the impact of the disease. There are number of non-governmental organizations focusing on HIV/AIDS education, awareness, and prevention programs such as Hlokomela. Other prevalent diseases in the municipality are:

- Hypertension
- Tuberculosis
- Arthritis
- Malaria
- Cholera

ble 45: Health Challenges and Interventions

Health Case	Challenges	interventions
HIV/AIDS and Sexually Transmitted Diseases and Tuberculosis (HAST)	Defaulting of patients	Outreach, tracing of defaulters and civil responsibility
Human Resource	Shortage of health professionals and resignations	Direct appointments, bursary granting and establish maintenance hubs
Infrastructure Development	Small and dilapidated structures	Expanding of the structures in preparation of ideal clinics and maintenance
Disease burden	HIV/AIDS, pneumonia	Recommend for Community Health Centre and advocate for healthy lifestyle
Old buildings	Small sized consulting rooms	Mobile structures and revitalization of Sekororo Hospital
Patient waiting time	Patients stay long in the facility	Triaging, pre-retrieval of chronic files, guided bookings with designated Professional Nurses with specific number of patients
Staff accommodation	Nurses' homes	Revitalization of nurses' homes
Social determinants	Attraction and retention of skilled personnel	Liaise with municipalities for provision of social amenities
Governance	Non-functionality of clinic committees and lapse of boards	Launch and workshops of statutory bodies
24 hours services	Insufficient 24 hours services	Policy development and engagement are underway
Community Health Centre	Coverage of population and adequate staff mix	Building of Community Health Centre
Spiritual antagonisms	Beliefs impairs compliance to medical prescription	Community awareness programs on health education

.9.4 Social Development

Welfare policies and programs form an important part of the government's anti-poverty strategy, with most of the budget being allocated to provinces. About 7592 people receive social grants. There is still limited knowledge of, and access to these grants, especially in rural areas. One more critical challenge is recorded in Foster Care grants whereby a delay is witnessed when social workers take unreasonable time to assess the families.

To this end, a sizeable number of poor households are currently not receiving any form of social assistance and the child support grant has failed to respond to the deepening problem of child poverty. There are 69 Early Childhood Development centers and 13 DSD service points.

4.9.5 Safety and Security.

The South African Police service (SAPS) is responsible for the safety and security in the municipality. Hoedspruit police station has shown a decline since 2002. However, crime, particularly malicious damage to property has recently increased in the municipality due to service delivery protests. The most common crimes in the area are assault and theft. There are Community Policing Forums (CPFs) in all the wards. There is one police station which is in Hoedspruit and one satellite police station in Hlohlokwe. Maake police station also provides service to some of our areas. Shortage of police personnel and effective community policing are critical challenges.

For the municipality to achieve economic growth, safety and security is required to attract investments and thus create jobs and poverty alleviation. The municipality should work jointly with the Department of Safety and Security, develop, and implement crime prevention strategies. The table below depicts crime ratings and frequencies:

Table 44: indicates crime ratings and frequency (Aril 2021-March 2024)

CRIME CATEGORY	Number	FACILITIES
All theft not mentioned elsewhere	159	▪ 1 Police station ▪ 2 satellite stations
Burglary at residential premises	62	
Burglary at non-residential premises	48	
Assault with intent to inflict grievous bodily harm	91	
Common assault	53	
Malicious damage to property	43	
Sexual crimes	18	
Shoplifting	14	
Common robbery	10	
Robbery with aggravating circumstances	19	
Crimen injuria	9	
Stock theft	4	
Culpable homicide	10	
Arson	5	

Murder	7	
Theft of vehicles	9	
Illegal possession of firearms	4	
Car hijacking	2	
Public violence	0	
Kidnapping	2	
Truck hijacking	0	

Source: Dept. Safety & Security.

4.9.6 Education

There are 39 primary schools, 1 combined school and 22 secondary schools. There are also approximately 32000 learners in schools. The teacher pupil ratio is 1:43 on average in primary and 1:39 in secondary schools, although the norm is 1:35 in secondary schools and 1: 40 in primary schools. Learner: teacher ratios are substantially higher than the national norm.

There is a serious shortage of schools, and more especially, classrooms in both primary and secondary schools. Infrastructure such as electricity, water, sanitation is also needed in many schools. Education investments are crucial for sustained economic growth as it directly contributes to increased work productivity, more rapid technological adaptation and innovation, as well as better natural resource management. There are 15 ABET centers.

The municipality does not have a single institution of higher learning, hence the shortage of skills in the area. The municipality has a backlog of 66 classrooms.

4.9.7 Sports, Arts and Culture and community facilities

Sports and recreational activities are coordinated by the Department of Sports, Arts and Culture in liaison with the local municipality. The sports council was established in the municipality which co-ordinates sporting activities (comprised by community members, Department of sports and officials from the municipality). The development of sports in the municipality is still a challenge. The municipality has three stadiums, namely Maruleng showground, The Willows and Calais stadium. There is also Metz sports hub which has facilities of different sporting codes. Currently the Municipality is constructing a world-class indoor center sports facility (Calvin Louis Moagi sports complex) at Maderia village is almost 85% complete. Once completed it will serve as a hub for sporting Excellence, talent development, and community development empowerment. Upon completion the sports complex will boast world-class facilities, including:

- An outdoor combi-court,
- A standard soccer pitch,
- A rubberised running track,
- An indoor multi-purpose centre catering for a range of indoor sporting codes. The complex will serve as a beacon of development and remembrance in the municipality.

Calvin Moagi Sports Complex.

4.9.7.1 Arts and Culture

The Arts and Culture Committee was established to coordinate Arts and Cultural activities in the municipality. The municipality also participates in the annual district Arts and Cultural competitions.

4.9.7.2 Library Facilities.

There are three libraries in the municipality, two managed by the municipality and the other by the South African National Defence Force. The library in Metz is an important milestone because of its location and accessibility for most community members.

4.9.7.3 Thusong Centre Services

Thusong center in Metz is functional from the beginning of February 2008. Between the 1st of January 2013 and January 2014 about 48000 people were serviced at the Center. These community members were supposed to travel long distance to access these services. The Center intends to bring government close to the people.

The following organizations provide services in the Center:

- SAPS
- LEDET
- Home Affairs
- Department of Labour
- Department of Agriculture
- Maruleng Municipality
- IEC
- Khutso-Kurhula

4.9.7. 4 Community Facilities

The municipality has 16 community halls.

Community Hall

4.9.7.5 Telecommunications

Telecommunications is an information infrastructure that plays a crucial role in the development of other socio-economic sectors. Thus, an effective telecommunication infrastructure, that includes universal access, is essential to enable the delivery of basic services and the reconstruction and development of deprived areas. About 53% of all households have access to a public telephone and as much as 21.6% of households have access to a cell phone but the proportion of households with an in-house telephone within their dwelling is limited to just over 6%. Telkom has a problem regarding telephone infrastructure in terms of new connections.

Access to telecommunications facilities is as follows:

- About 21 368 households have access to cellphone (Vodacom, MTN and Cell-C)
- Only 580 households have access to landline.
- About 10 533 households have access to radio
- About 16 298 households have access to television
- Only 3 182 households have access to satellite television.
- Only 1 299 households have access to a computer.
- Only 519 households have access to internet from home.

4.10. Disaster Risk Management

4.10. 1 Background

Disaster Management is a continuous and integrated multi-sectorial and multi- disciplinary process of planning and implementation of measures aimed at disaster prevention, mitigation, preparedness, response, recovery, and rehabilitation (Disaster Management Act, Act 57 of 2000). The municipality has a Disaster Risk Management Plan which is in line with Act 57 of 2000. The plan will soon be adopted by Council. The responsibility for the coordination of the overall implementation of the plan is the Disaster Officer and assisted by two interns.

The following were identified as the major disaster risk challenges:

Table 47: depicts major disaster risks prevalent in the municipality.

	TYPE	RISK
1	Hydro meteological hazards	Drought, Cyclone, Floods, Fire, Hailstorms, Lightning, Severe storms, Windstorms & Tornado
2	Geological hazards	Landslide/mudflow
3	Biological hazards	Food poisoning, foot and mouth disease, malaria, rabies (animals) & communicable diseases
4	Technological hazards	Dam failure, Hazardous material by road accidents
5	Environmental degradation	Air pollution, Deforestation, Soil pollution, Siltation & Land degradation

4.11. MUNICIPAL SWOT ANALYSIS

The Strategic plan of any organization can only be developed once a proper environmental analysis has been conducted. One of the best-known strategic tools for environmental analysis is the SWOT analysis. The SWOT analysis focuses on the internal environment by determining the Strengths and Weaknesses within the organization. When analyzing the external environment, the focus should be on identifying Opportunities, and Threats facing the organization. After meaningful participation, the following SWOT identified by the participants as the strong and weak points of the Municipality, were tabled as follows:

Table 48: Municipal SWOT Analysis

STRENGHTS (Internal)	**WEAKNESSES (Internal)**	**OPPORTUNITIES (External)**	**THREATS (External)**
Positive audit opinion	Maintenance of infrastructure	Agriculture	Water shortage
IDP,PMS and Budget aligned	Grant dependent	Tourism, Tourism Body	Land claims
Effective council structures	Revenue collection	Support from Sector Departments	Lack of available land for development in town
Batho Pele principles are lived out	Enforcement of By-laws and policies	K2C Biosphere	Lack of affordable accommodation in Hoedspruit
Effective implementation of SDF	Records management	Peaceful environment	Climate change, drought, fires, floods etc.
Non-reliance on bank loans and overdrafts	Delay in filling vacant Section 56 positions	East Gate Airport (customs and excise Unit, chartered flights to land at East Gate, commercial opportunities	Hazardous materials

Infrastructure (offices and roads)	Unable to attract and retain skilful and competent personnel	Blyde 800 Water Resource (bulk water from Blyde)	HIV/AIDS and communicable diseases
Most positions filled	Non-compliance to workplace skill plan	Alternative energy source (Hydro and solar)	Lack of tertiary institutions
MIG expenditure	Few trainings conducted	Smart partnerships	Crime- Theft
Regular Public Participation	Delay in submission of quarterly PMS reports	Cooperation with traditional Leadership	Load shedding
PMS cascaded to all levels	Recurring audit findings (UIWF which date back to 2011)	Political support	

4.12. PRIORITIZATION

Government does not have sufficient resources to address all issues identified by communities. Prioritization assists the government, and in this case, primarily the municipality in allocating scarce resources. The following informed the municipality in determining municipal-wide priorities:

- Greatest needy area
- Impact the service will make.
- The potential for poverty alleviation, cost recovery and job creation
- Revenue generation

4.13 Community priorities

The following are the priorities of the municipality:

- **Water**
- **Sanitation**
- **Electricity**
- **Roads and storm water management**
- **Waste management.**
- **Human settlement (in Hoedspruit for the poor)**
- **LED**
- **Education**
- **Health**
- **Community facilities**
- **Safety & security**

4.13.1. Priorities, Problem Statement and Objectives

Table 49: Priorities, Problem Statement and Objectives

Priorities	Problem Statement	Objectives
Water	The main problem regarding water is source	• Reach balance between the supply and demand of water sources. • To roll-out provision of new water connections to formalized areas. • To improve quality of portable water to consumers • To maintain the existing infrastructure • To provide new infrastructure for new development

Sanitation	Lack of access to basic sanitation has created massive and environmental and health problems in both rural and urban areas in the municipality	• To address backlogs regarding sanitation • To maintain and upgrade existing infrastructure
LED	High rate of unemployment	• To promote local economic development in the municipality in order to create sustainable jobs
Energy	Failure or interruption of supply and communities receive inadequate services	• To ensure that there is a balance between supply and demand of electricity. • To have cost effective electricity serving mechanisms • To ensure reviewal of service provision methods to communities
HIV/AIDS and other diseases	HIV and AIDS is a serious problem threatening our workforce and the community at large, thus increasing the number of orphans and child-headed families	• To manage and prevent the spread of HIV/AIDS and other diseases in the workforce and community.
Emergency services and Disaster Management	Unavailability of Disaster and Emergency centers	• To have advanced communication and dispatching system in the centers • To render effective and efficient service delivery to the community by quick respond to all emergency calls • To have proper accommodation for public safety
Roads and storm water	Most roads are not well maintained and there is a general shortage of bridges	• To ensure the existing of planning and budgeting tools for road maintenance • To improve road mobility in the municipal roads
Institutional Development	Shortage of personnel in Finance and Planning	• Filling of strategic positions
Transport and Communication	• Non- formalization of tax Industry within the municipality • No proper bus and taxi ranks in Hoedspruit • No access of telecommunication in most rural areas	• To formalize the taxi industry • To build multi-modal public transport stop in Hoedspruit. • Access of telecommunication by rural communities
Environmental Management	The municipality experiences severe environmental effects/problems	• To develop and implement Environmental Management Plan

Safety and Security	Shortage of police stations in the municipality	• To provide safety and security to all residents by providing adequate facilities and police visibility • To make Maruleng safer tourist destination
Housing	About 4.6% of our population reside in either informal or traditional housing	• To provide proper shelter to all residents of Maruleng
Health and social Welfare	• There is only one hospital and nine clinics. • There is a general shortage of sports and recreational facilities. • Not enough pay points for social grants	• To provide comprehensive primary health care services • To render an effective sport and recreational services in the municipality • To make social welfare facilities accessible to community members
Education	• There is a serious need for education and skills and only 6% of the population have tertiary education. • Shortage of educational infrastructure	• To develop education and training strategy which will be informed by the LED Strategy • To communicate all educational needs and issues to the department of education
Land Use Management and ownership	Shortage of land for development and residential for low and middle income in Hoedspruit	• To purchase land for development and residential
Refuse Removal and Waste Management	• The municipal collects waste in urban areas only • The municipality does not have a land fill site	• To render a sustainable, cost-effective refuse removal services to domestic as well as businesses in the entire municipal area • To manage waste effectively • To have a licensed land fill site

4.13.3 Detailed Community Priorities

In order to understand the overall, extend of the challenges faced by communities, the priorities were analysed and arranged in chronological order, based on the most raised challenge and least raised challenge. Table 50 below gives a summary of community priorities:

Focus Area	Sub-Focus Area	Order of Priorities	Affected Areas/Wards
Spatial Development	Land	Land for development & human settlement in Hoedspruit	Hoedspruit
	SDF	Review and implementation of SDF	All wards
Social Services	Education	1. Repairs of storm damage schools 2. Replace of old classrooms 3. Extra classrooms 4. Administration blocks 5. Building of circuit offices 6. Establishment of new schools in needy areas 7. Institutions of higher learning	The whole municipality (institution of higher learning and circuit administrative offices)
	Housing	1. RDP houses & repairing the existing houses	All villages
	Health	1. New clinics 2. Additional hospital	All villages (except Hoedspruit, The Willows,
	Safety & security	1. Additional police stations at strategic areas 2. Satellite stations 3. Visibility of law enforcement areas on communities without stations	All villages that are without these facilities
	Community facilities	1. Community halls 2. Building and maintenance of sports facilities	

		3. New cemeteries and maintenance of existing cemeteries	
Economic	Local Economic Development	1. Job creation 2. Shopping malls 3. Resuscitation of defunct projects 4. Building capacity on SMMEs 5. Exploiting existing and new economic opportunities	All villages
Infrastructural Development	Water	1. Bulk supply 2. Reticulation 3. Boreholes and pump machines 4. Maintenance	All villages
	Roads & storm water	1. Tarring of access roads 2. Maintenance and grading 3. Storm water and drainage 4. Low level bridges 5. Robots at strategic areas 6. Speed humps	All villages
	Sanitation	1. VIP toilets 2. Sewer system 3. Replacement of the ageing sewer systems in Hoedspruit and Kampersrus	All villages
	Electricity	1. Electrification of the remaining households 2. High mast lights & maintenance of existing mast lights	All villages (extensions only)
Environmental Management	Environmental and Waste management	Health environment and extending refuse removal to rural areas	Wards 2 - 14
Financial Viability	Revenue enhancement	Expand revenue base	The entire municipal area
Institutional Development	Organizational Development	1. Filling of vacant S56 position 2. Staff capacity building	Municipality

This Developmental Analysis comprises of the technical analysis and needs. Both provide a proper understanding of the status quo in the municipality. Having undertaken the various analysis approach to issues (per sector, per social strata etc.), the municipality has come to understand the strengths, weaknesses, opportunities and threats of its own municipal area. The needs and technical issues raised in this Developmental Analysis are critical for the way forward because they are the foundation on which strategies, projects and implementation are based.

5. DEVELOPMENTAL STRATEGIES

Maruleng Local Municipality Integrated Development Plan (IDP) maps the needs of the community and determines strategies and plans to address the needs as highlighted by the communities through the process of consultation. This section outlines the vision, objectives and strategies set by the municipality to achieve its developmental aims. The approach adopted in this section is based on developing a strategic intent which is firmly entrenched in:

- Responding to the gap analysis and ensuring a developmental approach and an integrated response

5.1. THE STRATEGIC INTENT OF MARULENG LOCAL MUNICIPALITY

An effective integrated planning review process which included a Strategic Planning session held on the 22-23 January 2025 culminated in the review of the strategic intent which ultimately is a summary of what the municipality intends to achieve. The foundation built through strategic planning will assist Maruleng Local Municipality to focus all efforts and actions towards the attainment of the objectives identified, enabling the municipality to live up to the expectations of the communities.

5.1.1. VISION

A vision is the most ambitious dream for the organization and as such it provides direction. A vision defines what the organization hopes to achieve in 5 or 10 years. Maruleng Local Municipality confirmed the already existing vision during the Strategic Planning session to be still steering the municipality as an organization to its dream.

The vision of Maruleng Local Municipality is:

"The powerhouse of socio-economic development through sustainable and integrated agriculture and tourism"

This vision culminates from the following factors: The diverse cultural opportunities within the Maruleng Local Municipality area should be developed into tourist attractions. The agriculture sector growth, and processing opportunities together with that, motivates the opportunity for even more superseded agricultural sector growth and processing.
Maruleng Local Municipality's vision compliments the vision of Mopani District Municipality, which is: "To be the food basket of Southern Africa and tourism destination of choice" as well as the other municipalities within the district area in order for the district as a whole to succeed.

5.1.2. MISSION

A Mission Statement portrays the municipality's reason for existence; it maps out how the vision of Maruleng Local Municipality as an organization is going to be achieved.

The reviewed mission of Maruleng Local Municipality is:

***"Maruleng Local Municipality is committed to the accelerated provision of quality basic services and promotion of socio-economic development through the harnessing of all resource endowments in an integrated and sustainable manner*."**

This mission addresses the objectives of local government section 152 of the constitution and also supports the key provisions of the System Act that is to: "…provide for the core principles, mechanisms and processes that are necessary to enable municipalities to move progressively towards the social and economic upliftment of local communities and ensure universal access to essential services that is affordable to all."

5.1.3. VALUES

The values describe the interrelationship between and the people they serve. As such it describes the business practice applied and values placed on certain principles. The following values were identified:

- Value for money
- Accountability
- Accessible
- Transparency
- Trustworthy
- Professionalism

VALUES	DESCRIPTION
Accountability	The obligation to account. To take responsibility for one's actions.
Accessibility	The obligation to be accessible to everyone.
Commitment	The state or quality of being dedicated to a cause or activity. Willingness to give time and energy to the municipality activities
Integrity	Living this value means that MLM representatives will display behaviour, attitudes and actions informed by honesty, commitment to the company, its policies, procedures and processes.
Professionalism	Living this value means that MLM representatives should treat its communities and customers in a manner that resonates with respect and responsiveness.
Transparency	The obligation to act in an open and transparent manner.
Value for money	Living this value means that MLM representatives ensure that the municipality has obtained the maximum benefit from the goods and services it both acquires and provides, within the resources available to it

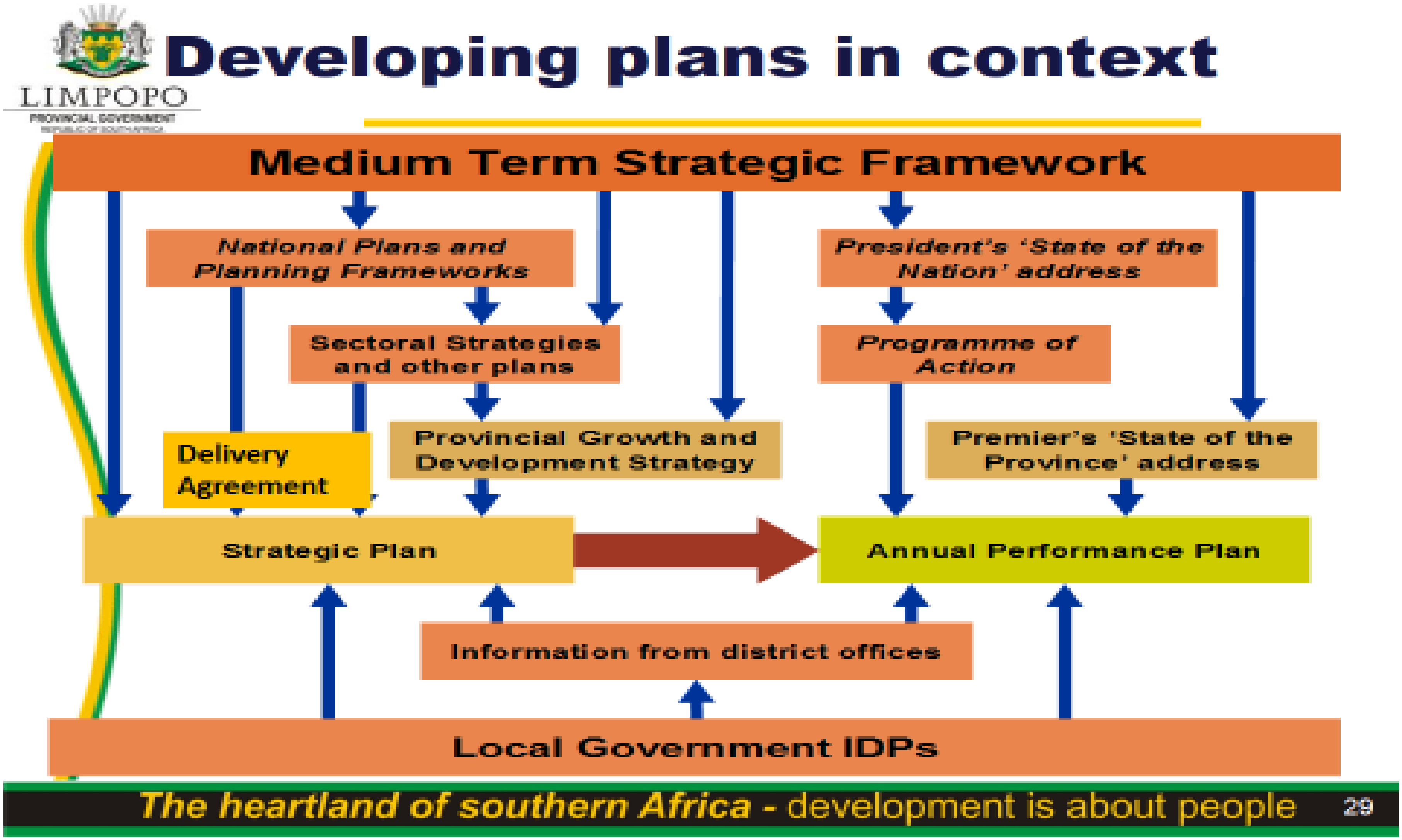
5.1.4 SLOGAN

A slogan is a memorable motto or phrase used in a repetitive expression of an idea or purpose. A slogan expresses the uniqueness of an organization. The proposed slogan for Maruleng Local Municipality is:

"Wildlife Haven"

This slogan is informed by the fact that the municipality has the largest game/wild farming in the world as part of the municipal area. Many of these game farms are also situated adjacent to the Kruger National Park and therefore provides access to this renowned international natural resource.

5.2. ALIGNMENT WITH PROVINCIAL AND NATIONAL PRIORITIES/STRATEGIES



NATIONAL OUTCOMES

- Improved quality of basic education
- Along and healthy life for all South Africans
- All people in South Africa feel and are safe.
- Decent employment through inclusive economic growth
- Skilled and capable work force to support inclusive growth path.
- An efficient, competitive, and responsive economic infrastructure network
- Vibrant, equitable and sustainable rural communities with food security for all
- Sustainable human settlement and improved quality of household life
- A responsive, accountable, effective, and efficient local government system
- Environmental assets and natural resources that are well protected and continually enhanced.
- Create a better South Africa and contribute to a better and safer Africa and World
- An efficient, effective and development oriented public service and empowered, fair and inclusive citizenship.

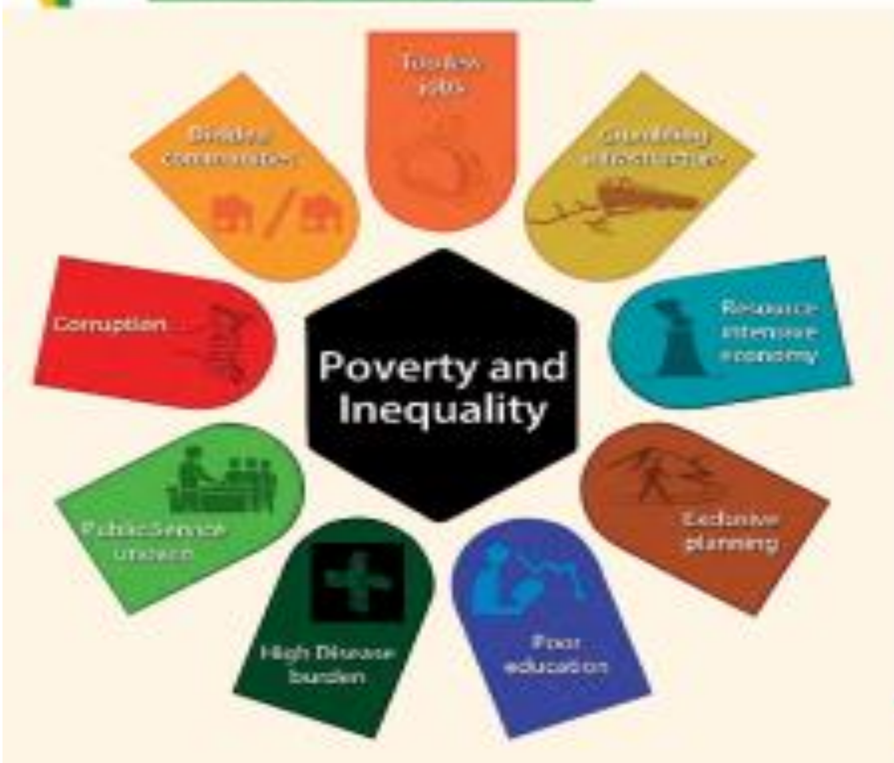
GOVERNMENT OF NATIONAL UNITY MEDIUM –TERM DEVELOPMENTAL PLAN (PRIORITIES)

- To drive inclusive growth and job creation
- To reduce poverty and tackle the high cost of living, and
- To build a capable, ethical and developmental state

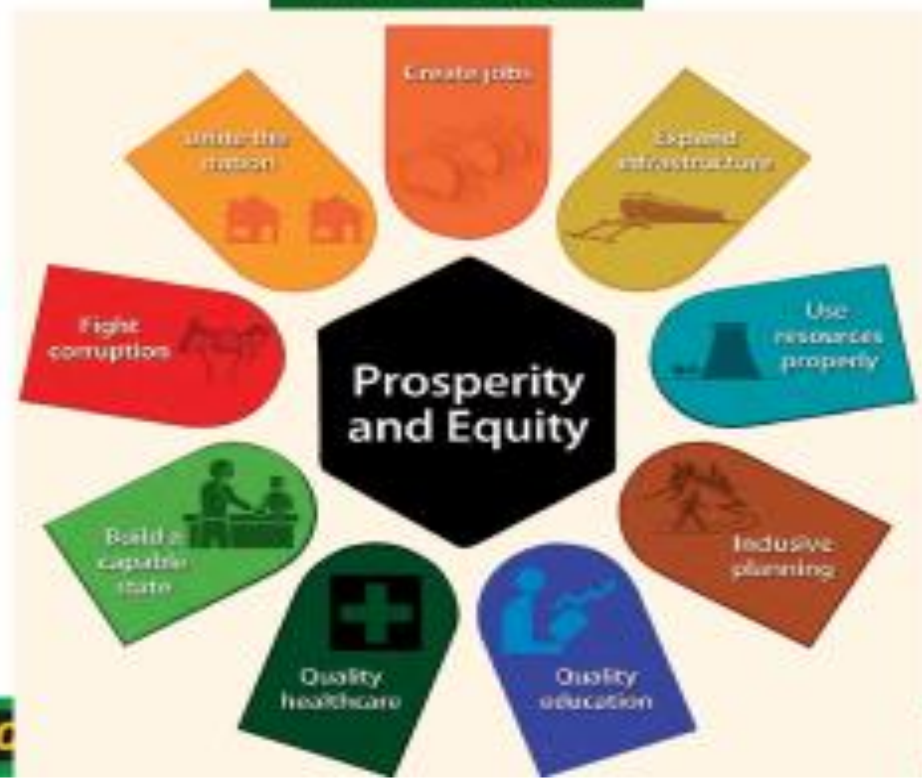
Long term planning

1. National Development Plan (Vision for 2030)

THE DIAGNOSTIC



THE PLAN



The National Development Plan Priorities

- An economy that will create more jobs.
- Improving infrastructure.
- Transition to low carbon economy.
- Reversing the spatial effects of apartheid.
- Improving the quality of education, training, and innovation.
- Quality health for all.
- Social protection.
- Building safer communities; and
- Reforming the public sector

Provincial Objectives

- Create decent employment through inclusive economic development and sustainable livelihood.
- Improve the quality of life of citizens.
- Prioritize social protection and social investment.
- Promote vibrant and equitable sustainable rural communities.
- Raise the effectiveness and efficiency of developmental public services.
- Ensure sustainable development.

GNU"s Medium-Term Developmental Plan (PRIORITIES)	NDP Chapters	LDP Objectives	Outcomes 9	Municipal Strategic Objectives
To build a capable, ethical and developmental state	Improving education, training, and innovation	Raise the effectiveness and efficiency of a developmental public service		Building capable institution and administration
To reduce poverty and tackle the high cost of living	Promoting health	Improve the quality of life of citizens		Improve community well-being through accelerated service delivery.
To build a capable, ethical and developmental state	Building safe communities Fighting corruption	Prioritize social protection and social investment	Deepen democracy through a refined ward committee model	Promote integrated human settlement and agrarian reform
To drive inclusive growth and job creation	Economy and employment Economy infrastructure	Create decent employment through inclusive economic growth and sustainable livelihoods	Improved access to basic services	Building capable institution and administration
To build a capable, ethical and developmental state	Improving education, training, and innovation	Raise the effectiveness and efficiency of a developmental public service	Improve administrative capacity	Building capable institution and administration
To drive inclusive growth and job creation	Economy infrastructure	Raise the effectiveness and efficiency of a developmental public service		Develop partnerships. Sound financial management

To drive inclusive growth and job creation	Transforming human settlement and the national space economy	Create decent employment through inclusive economic growth and sustainable livelihoods	Actions supportive to human settlement outcomes	
To build a capable, ethical and developmental state	Building a capable and a developmental state	Improve the quality of life of citizens	Implement a differentiated approach to municipal financing, planning and support.	
To drive inclusive growth and job creation	Environmental sustainability: an equitable transition to low carbon economy	Prioritize social protection and social investment		Putting people first
To build a capable, ethical and developmental state	Positioning South Africa in the World	Improve the quality of life of citizens	Single window of coordination	Promote intergovernmental function and coordination. Promote local economic development.
To build a capable, ethical and developmental state	Building a capable and a developmental state	Raise the effectiveness and efficiency of a developmental public service		Building capable institution and administration
To build a capable, ethical and developmental state	Social protection	Prioritize social protection and social investment		Putting people first
To build a capable, ethical and developmental state	Transforming society and uniting the country	Improve the quality of life of citizens		Putting people first

During the strategizing process, further cognizance was taken of the national guidelines to guide local development. The localized strategic guidelines are an important element of the strategies phase that determines how development should be undertaken taking into cognizance the relevant policy guidelines and legislation. The rationale behind the need to develop localized strategic guidelines to ensure that cross cutting dimensions such as the spatial development principles, local economic development strategies, environmental sustainability and poverty alleviation and gender equity aspects are adequately considered when strategies and projects are planned. The localized strategic guideline discussed hereunder, outline the way in which the municipality development strategies and projects consider the national guidelines into consideration the specific conditions in the municipality as indicated in the analysis phase.

5.3. STRATEGY MAP

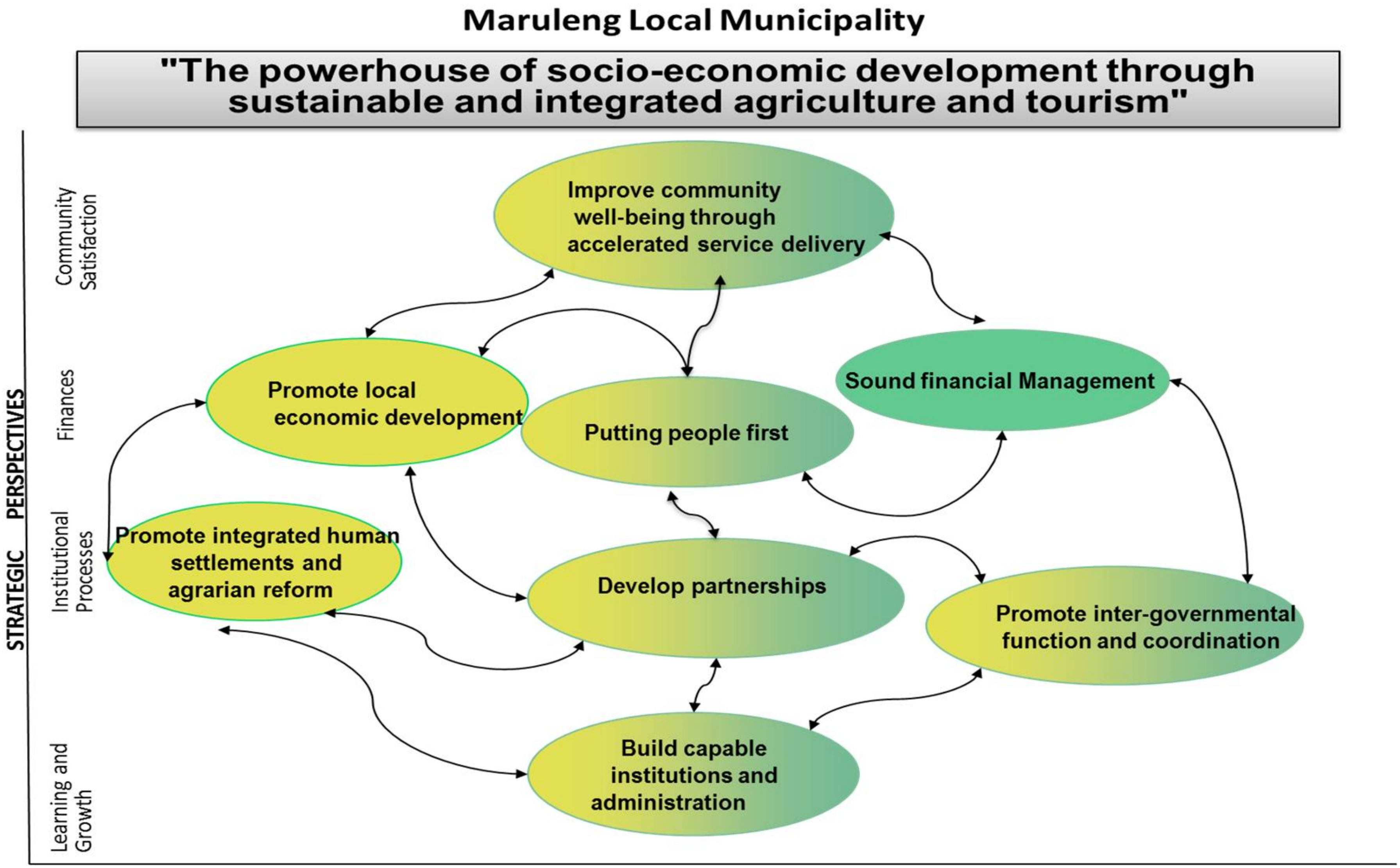
As part of the Balanced Scorecard methodology a strategy map is used to develop a picture of the strategy of the municipality. It depicts the objectives in support of the strategy in terms of different perspectives, namely the learning perspective, institutional perspective, the financial and the customer perspective. This step strategy formulation acts as the integration of strategy and operational planning. The following are the most important benefits of developing a strategy map:

- It focuses on the most important institutional processes that need to be addressed.
- It combines a growth strategy as well as a productivity strategy to be sustainable.
- It creates a foundation to be innovative.
- It focuses on both the tangible as well as intangible.
- The Strategy Map's methodology is aimed to steer away from a sectoral approach to ensure integrated development of the needs of the municipality.

The strategy map leads to the development of Scorecards at different levels that will be used as the management tool whereby planning, implementation, monitoring, review measurement and assessment can be facilitated. This approach aims to ascertain whether the Maruleng Local Municipality has made any progress towards attainment of its strategies and the objectives as identified. A good strategy map focuses on the strategic logic between cause-and-effect relationships and between current activities and long-term success. The revised strategy map is shown in the picture below:

The strategy map identifies the objectives that Maruleng Local Municipality will aim to achieve.

Stratergy Map



5.4 STRATEGIC OBJECTIVES

Using the perspectives of the Balanced Scorecard Methodology, the Strategy Map was developed by focusing on the Learning and Growth Perspective as point of departure:

Build capable institution and administration – In order for Maruleng Local Municipality to be able to deliver on its constitutional mandate there is a need to put in place a viable and practical workplace skills plan which will in result in the development of a strategy whereby skilled and capacitated employees will enable the municipality to deliver on their objectives and plans. Critical for the municipality is also to retain those employees who have been trained and capacitated and not to lose them to larger municipalities and other sector departments.

Focusing on the above objectives will enable the Municipalities to have a better equipped and capacitated workforce and thereby improve the institutional processes:

- **Promote integrated human settlement and agrarian reform** – In order for the municipality to achieve its vision, it needs to focus on planning to ensure co-ordination of all sector plans to avoid duplication of efforts and conflicting goals. The planning and implementation cycles within the municipality should be seamlessly integrated and efforts should be focused on to manage information more effectively, including the identification and determination of baseline information and smart application of information to achieve results.
- **Improve community well-being through accelerated service delivery -** In order to become an effective and efficient area, urgent attention needs to be paid to the provision of services (as per the constitutional requirements) to improve the accessibility of services to all members within the municipal area.
- **Build capable institution and administration** – To improve effectiveness and efficiency, standardized policies and procedures need to be established within the municipality. This will lead to open and transparent decision-making and sound governance practices.

Improved effectiveness and efficiency within the municipality will advance the utilization and allocation of financial resources:

- **Sound financial management**– The municipality needs to improve its financial position to ensure optimal utilization of financial resources and thereby becoming financially viable to ensure sustainable service delivery to the communities.
- **Develop partnerships** – The municipality will not be able to achieve financial viability on its own. Partnerships will have to be developed with private enterprises, NGOs, and other agencies with a view to increasing its financial viability.
- **Promote local economic development** – As a result of the high unemployment rate within the municipal area, special emphasis should be placed on local economic development and job creation initiatives.

The objectives within the three perspectives discussed above, will lead to addressing the strategic objectives on the community satisfaction and well-being perspective:

- **Putting people first**– The main focus will be on the upliftment of the socio-economic status of the communities within the municipal area. Maruleng will work to keep the town one of the safest in the country and to create "an informed, aware and involved community."

5.5. OUTCOMES

The Department of Co-operative Governance and Traditional Affairs (COGTA) has identified outcomes whereby the Strategic Agenda can be implemented and monitored. Of critical nature for the municipality will be to link its strategic objectives to Outcome 9. The table below provides the details whereby the strategic objectives of the municipality can be linked to the six outputs, or five Key Performance Areas as stipulated by the Department of Co-operative Governance and Traditional Affairs (DCOGTA)

DCOGTA KPA	Outcome 9	Strategic Objectives
Municipal Transformation and Organizational Development	Implementation of differentiated approaches to planning, financing, and administration. Administrative and financial capability	Building capable institution and administration
Basic Service Delivery	Improved access to basic services	Improve Community well-being through accelerated service delivery. Promote integrated human settlement and agrarian reform
LED	Community works program	Promote Local Economic Development Develop Partnerships
Municipal Financial Viability and Management	Administrative and financial capability	Sound financial management
Good Governance and Public Participation	Deepen democracy through refined ward committee system	Putting people first Building capable institution and administration Improve intergovernmental function and coordination

5.6 OPERATIONAL STRATEGIES

Section 26 (1) (g) of the Municipal Systems Act (Act 32 of 200) clearly stipulate that the IDP should also contain the operational strategies of the municipality and Maruleng has achieved this by linking programs implemented within the municipality to the KPA's identified and linked to the Strategic objectives as contained within the strategy map. Council also must be able to measure the impact that the program intends to achieve, and this is indicated by the intended program result as shown in the tables below. This result must further be measured to determine and indicate progress towards the outcome and therefore a column indicating the program KPI is also included in the table below. The development of a strategy means that the municipality must be able to plan on a longer term, and the strategies should provide an indication on how the municipality intends to achieve the results as shown in the table below.

The operational strategies are represented below in terms of the different KPA's as mentioned previously, but because the Integrated Development Plan should be implemented within a specific spatial area within the borders of South Africa all of this should be linked to the Spatial Rationale within which planning takes place.

5.6.1 SPATIAL RATIONALE

STRATEGIC OBJECTIVE: Promote integrated human settlement and agrarian reform.

STRATEGIC OBJECTIVE: Promote integrated human settlement and agrarian reform.

Priority Issues	Problems/Issues	Objective	Strategies/Interventions	KPI	Baseline	Backlog	5 Year Target (2027-2031)	Annual Target (2026/27)
Housing and township development	Uncoordinated development in villages and lack of municipal land for large scale development	To provide housing opportunities in urban and rural areas	• Strengthening development cooperation between municipalities and traditional authorities. • Spatial targeting and demarcation of sites for township establishment • Formalize informal settlements and areas with existing general plans. • Prioritize bulk infrastructure availability to support new developments.	Number of RDP houses constructed. Number of private stands allocated (Hoedspruit)	**151** **0**	**990** **600**	**102** **600**	**51** **200**
Building control	None-compliance with national building regulations	To enforce compliance with the national building regulations & standards	• To approve compliant building plans with 30 days from the date of submission • To issue occupational certificate within 14 days from the date of final inspection	Percentage of building plans approved within 30 days of complete submission	100%	100%	100%	100%
			• Engage with RAL and SANRAL on building encroachments on road reserves.	Percentage of non-compliant buildings issued with notice in terms of National Building	New	New	100%	100%

			• SPLUMA and building compliance awareness	Regulations and Building Standards				
Property Valuation	Introduction of 4IR applications format	To introduce new 4IR applications in property valuation	• Maintenance of the general valuation roll in terms of SV and SVR • Procurement of new valuation system	Percentage implementation of 4IR technologies in property valuation	0%	100%	50%	100%
Demarcation of sites	Uncoordinated site demarcations	Demarcation of sites in line with SDF	• To partner with traditional authorities on demarcation of sites	Number of sites demarcated	1000	300	850	300
Geographic Information systems	Implementation of GIS	Update of GIS	• Ensure implementation of GIS system	Number of GIS updates conducted	72	60	50	40

5.6. 2 BASIC SERVICE DELIVERY

IMPROVE COMMUNITY WELL-BEING THROUGH ACCELERATED SERVICE DELIVERY

Priority Issues	Problems/Issues	Objective	Strategies/Interventions	KPI	Baseline	Backlog	5 Year Target (2027/31)	Annual Target (2026/27)
Water	Bulk water supply and reticulation	To ensure that all households have access to basic water by 2030	Liaise with MDM to fast-track the construction of water infrastructure and replace the ageing infrastructure.	Number of households with access to basic water	18 223	13 647	31 968	1250
Sanitation	Emerging households	To ensure that all households have access to basic sanitation by 2030	Liaise with MDM to fast-track the construction of sanitation infrastructure and replace the ageing infrastructure.	Number of households with access to basic sanitation	31 272	696	31 968	230
Refuse removal	Backyard refuse dumping and lack of adequate resources	To ensure that all households have access to basic refuse removal by 2030	Extending refuse removal to all households in the municipality	Number of households with access to basic refuse removal	20 520	11 448	31 968	20 520
Electricity	Load shedding and power grid	To ensure that all households have access to basic electricity by 2030	Develop strategies and liaise with ESKOM on how electricity will be provided to all households, provision of cost effective, sustainability, and also on maintaining municipality electricity assets. Explore alternative energy sources.	Number of households with access to basic electricity	30 962	1 006	31 968	357

Priority Issues	Problems/Issues	Objective	Strategies/Interventions	KPI	Baseline	Backlog	5 Year Target (2027/31)	Annual Target (2026/27)
Free Basic Services	Bulk water supply and reticulation	To ensure that all Indigent households have access to free basic water by 2030	• To establish backlogs on the provision of free basic services. • Develop and implement strategies on the provisioning of Free Basic Services. • Update indigent register on a regular basis.	Number of indigent households with access to free basic water	400	700	700	230
	Emerging households	To ensure that all indigent households have access to free basic sanitation by 2030		Number of indigent households with access to free basic sanitation	404	696	696	235
	Load reduction and power grid	To ensure that all indigent households have access to free basic refuse removal by 2030		Number of households with access to free electricity	692	720	720	687
	Backyard refuse dumping and lack of adequate resources	To ensure that all indigent households have access to free basic electricity by 2030		Number of indigent households with access to free basic refuse removal	692	231	231	687

Priority Issues	Problems/Issues	Objective	Strategies/Interventions	KPI	Baseline	Backlog	5 Year Target (2027/31)	Annual Target (2026/27)
Roads & Transport	• Insufficient budget for new road infrastructure • Poor maintenance of roads • Emerging road potholes • Insufficient road machines such as graders	To provide safe, affordable, reliable and fully integrated transport, roads and storm water infrastructure by 2030	Develop and implement road storm water management systems to assist in managing the provision of road infrastructure. Increased the accessibility of communities through provisioning of sustainable roads and storm water infrastructure. Development of infrastructure master plan.	Km roads tarred or paved	332.417km	230.783 km	563.2km	28.2 km
				Km roads bladed	230.783 km	230.783 km	230.783 km	600km
				Km roads maintained	563.2km	230.783 km	230.783 km	230.783 km
	Unintegrated transport system in the municipality		Development and implementation of Integrated Transport Plan	Number ITP implemented	Draft ITP	1	1	1
Human Settlement	Emerging new settlements	To ensure that all households have access to proper and safe housing by 2030	Develop status quo of housing backlog in the municipality. Liaise with COGHSTA to eradicate housing backlog	Number of households with access to at least RDP standard housing	30 982	986	986	51

Priority Issues	Problems/Issues	Objective	Strategies/Interventions	KPI	Baseline	Backlog	5 Year Target (2027/31)	Annual Target (2026/7)
Maintenance of Infrastructure	Lack of maintenance plan	To ensure that all buildings are maintained	• Development of maintenance schedule • Regular inspection of buildings • Timeously purchasing of maintenance equipments • Capacitating maintenance team	Number of buildings maintained	19	8	28	28
	Lack of maintenance plan	To ensure that all municipal parks are maintained	• Development of maintenance schedule • Regular inspection of parks and gardens • Timeously purchasing of maintenance equipments Capacitating maintenance team	Number of gardens maintained	4	0	4	4
				Number of parks maintained	2	0	2	2
	Shortage of resources (cherry picker)	To ensure that all municipal streets lighting are maintained	• Purchasing of the cherry picker • Development of maintenance schedule • Capacitating maintenance team	Number of street lighting maintained	0	148	148	148
Recreational Facilities	Shortage of recreational facilities	To ensure that community members have access to recreational facilities.	Develop status quo on recreational facilities. Liaise with DSAC to eradicate sporting facilities. Prioritize recreational facilities to be provided through MIG.	Number of recreational facilities to be constructed	15	10	10	0

5.6. 3 LOCAL ECONOMIC DEVELOPMENT

PROMOTE LOCAL ECONOMIC DEVELOPMENT AND DEVELOP PARTNERSHIPS

Priority Issue	Problems/ Issues	Objectives	Strategies/Interventions	Performance Indicator	Baseline	Backlog	5 Year Target (2027/31)	Annual Target (2026/27)
Job creation	• Unemployment and poverty	Ensure the creation of jobs through EPWP and other initiatives	• Implementation and monitoring of LED strategy/plans. Labour intensive initiatives.	Number of jobs created through EPWP and other initiatives.	470	3 490	1450	300
	•	To promote economic growth and development in the municipality	• To eradicate poverty through support to Agriculture and tourism initiatives • Implementation of anchor/catalytic projects • Support establishment of FET College • Support business compliance. • To provide information and support all economic industries. • To capacitate SMME's with business skills •	• Number of local economic initiatives supported. • Number of jobs created through LED and other initiatives.	348	3 490	3 490 jobs & 30 LED initiatives supported	150 jobs & 6 initiatives supported
	Inadequate reporting on job opportunities •	To report on job creation on municipal infrastructure and other projects/ programs	• To report on quarterly basis on jobs created by the municipality. • Coordinate external departments and private on job creation reporting. • Resuscitation of LED Forums and other relevant forums	Number of reports on job creation compiled.	New	New	20	4

Priority Issue	Problems/ Issues	Objectives	Strategies/Interventions	Performance Indicator	Baseline	Backlog	5 Year Target (2027/31)	Annual Target (2026/27)
Tourism Development	Inadequate support to tourism initiatives •	To facilitate the growth of tourism sector	• Support to community tourism initiatives. • Working with tourism stakeholders and organizations to support tourism sector. • Working with other spheres of government to support community tourism (PPP	Number of tourism initiatives promoted and supported.	New	New	25	5
Agricultural Development	Inadequate support to agricultural initiatives •	To facilitate the growth of agricultural sector	• Develop partnerships (PPP) with agricultural sector. • Develop strategies to assist emerging farmers. • Establish partnerships for skills transfers to emerging farmers. •	Number of agricultural initiatives promoted and supported.	New	New	20	4
Enterprise Development	Inadequate support to enterprise initiatives •	To facilitate the growth of enterprise development	• Support the establishment of SMME's and local service providers programs. • Establishment of partnerships (PPP) with established businesses and monitor sustainability.	Number of SMME's supported.	80	None	1000	260
Business Licensing	Implementation of LIBRA	Registration of Businesses through LIBRA	• To provide licensing businesses in the municipal area	Number of businesses licensed through LIBRA	150	1 300	1 300	350

5.6. 4 FINANCIAL VIABILITY AND MANAGEMENT

SOUND FINANCIAL MANAGEMENT

Priority Issue	Problems/ Issues	Objectives	Strategies/Interventions	Performance Indicator	Baseline	Backlog	5 Year Target (2027/31)	Annual Target (2026/27)
Revenue Management	• Low revenue collection • Less effective credit control • Unknown deposit • Rental SLA not reviewed	To increase revenue base to become financially sustainable by 2030	• Review of revenue enhancement strategy • Ensure that measures are put in place for cost recovery and credit control. • Reconciliation of valuation and billing • Source deeds information for properties in spatial data that are not in valuation roll to identify registered properties that need to be valued and billed (property management) • Revise escalation and duration terms of the contracts to be market related. • Investigate long outstanding unknown deposits (liabilities) and implementation of the policy. • Improve the internal controls for the prevention & detection of errors and/or fraud	% of revenue collected	80%	20%	100%	87%
Expenditure and Budget and Reporting	• Ballooning UIFW expenditure • Underspending or overspending	Ensure expenditure as per budget and optimal utilization of funds	• Payments within 30 days • Deviation report to council for noting. • Adherence to cost containment measures. • Alignment of budget and IDP • Compliance with budget regulations	% compliant MFMA reports	100%	100%	100%	100%

5.6. 4 FINANCIAL VIABILITIES

SOUND FINANCIAL MANAGEMENT

Priority Issue	Problems/ Issues	Objectives	Strategies/Interventions	Performance Indicator	Baseline	Backlog	5 Year Target (2027/31)	Annual Target (2026/27)
Supply Chain Management	• Procurement planning • Non fulfilment of orders by some service providers • Transgression of regulations	To ensure compliance with SCM regulations and National Treasury Guide on procurement processes	• Review the SCM policy. • Development of credible procurement plan • General conditions of contracts (GGC) • Adherence to legislation • Continuous training of SCM officials & all role players	% Compliance to SCM regulations	100%	0%	100%	100%
Asset and Inventory	• Assets in poor conditions • Deterioration of infrastructure assets • Shortage of inventory	Ensure compliance to asset and inventory regulations (GRAP 17)	• Assets verification • GPS tagging of infrastructure assets- unique tags. • Perform regular condition assessment of assets. • Disposal of obsolete, redundant and unserviceable assets • Minimum inventory holding levels	% Compliance to asset and inventory regulations (GRAP 17)	100%	0%	100%	100%

5.6. 5 GOOD GOVERNANCE AND PUBLIC PARTICIPATION

BUILD CAPABLE INSTITUTION AND ADMINISTRATION

Priority Issue	Problems/ Issues	Objectives	Strategies/Interventions	Performance Indicator	Baseline	Backlog	5 Year Target (2027/31)	Annual Target (2026/27)
Audit	Non implementation of recommendations (internal & external audit)	Good governance	• Monitor the implementation of agreed actions. • Implementation of findings encapsulated in the performance agreements of sec. 54 & 56 managers	% implementation of AG findings %	97%	3%	100%	100%
				implementation of IA findings	97%	3%	100%	100%
	Road to clean audit	Good governance	• Status of review audit- records management • Preparation and review of quarterly financial statements • Intensifying the review process of AFS and APR (Technical Committee) • Quarterly review of performance reporting • Monitoring of AFS process plan • Monitoring of the action plans (IA & AG) • Development and monitoring of risk registers • Extend invitation to PMT for audit steering committee meetings. • Enhance consequence management processes. • Development of clean audit strategy	# of improved audit opinions (unqualified without matters)	1 (unqualified with matters)	1(unqualified without matters)	1(unqualified without matters- clean audit)	1(unqualified without matters- clean audit)

5.6. 5 GOOD GOVERNANCE AND PUBLIC PARTICIPATION

BUILD CAPABLE INSTITUTION AND ADMINISTRATION

Priority Issue	Problems/ Issues	Objectives	Strategies/Interventions	Performance Indicator	Baseline	Backlog	5 Year Target (2027/31)	Annual Target (2026/27)
Risk Management	Compliance monitoring	Good governance	• Appointment of compliance officer • Development and monitoring of compliance checklists • Awareness trainings	% compliance to legislations	90%	10%	100%	100%
	Non implementation of agreed actions to mitigate the risk	Good governance	• Monitoring the implementation of agreed actions- Dashboard reporting	% of implemented actions to mitigate the risks	81%	19%	100%	100%
	Ethics management programs	Good governance	• Review and implementation of ethics management policies/ procedures. • Identification of personnel- ethics	% compliance to organizational ethics practices	50%	50%	100%	70%
	Lack of risk management software	Good governance	• Procurement of risk management software	# of risk management software procured	0	1	1	1
	Lack of municipal anti-fraud and corruption hotline	Good governance	• Procurement of municipal anti-fraud and corruption hotline	# of municipal hotlines procured	0	1	1	1

BUILD CAPABLE INSTITUTION AND ADMINISTRATION

Priority Issue	Problems/ Issues	Objectives	Strategies/Interventions	Performance Indicator	Baseline	Backlog	5 Year Target (2027/31)	Annual Target (2026/27)
MPAC	Delay in implementation of MPAC resolutions.	Ensure effective oversight by Council	• Timeously implementation of resolutions and monitoring of MPAC register. • By-monthly monitoring of implemented projects • Capacitating MPAC members on regular basis • Effective MPAC public hearing meetings • Enforcement of consequence management	% implementation of MPAC resolutions	100%	0%	100%	100%
ICT Management	Lack of ICT infrastructure	Ensure adequate and effective ICT infrastructure	• Assessment of ICT infrastructure • Upgrading and maintaining of ICT infrastructure • Upgrading of ICT security environment in all municipal buildings • Upgrading of computer security	% of upgrading and maintaining ICT infrastructure	80%	20%	100%	100%
Records Administration	Lack of records management	Effective records management	• Implementation of records management policy • Implementation of file plan • Implementation of records administration manual • Development of records disaster recovery plan • Procurement of electronic management system	% effectiveness of records management system	60%	40%	100%	100%

PUTTING PEOPLE FIRST

Priority Issue	Problems/ Issues	Objectives	Strategies/Interventions	Performance Indicator	Baseline	Backlog	5 Year Target (2027/31)	Annual Target (2026/27)
Public Participation	Regular public participation meetings	To promote community participation and council accountability	• Development of public participation plan and implementation of public participation strategy • Conduct public participation awareness campaigns. • Intensify Batho Pele feedback meetings	# of public participation meetings	19	None	90	4
Ward Committees Support	Non-functional ward committees	Deepening democracy and accountability	• Regular capacity building of ward committees • Submission of monthly wards committee reports • Monthly ward and community feedback meetings	# of functional ward committees	14	14	14	14
Council support	Non - adherence to corporate calendar	Ensure effective and efficient functional council structures/ committees	• Adherence to corporate calendar	% effective and efficient of council and council committees	100%	0%	100%	100%
Intergovernmental relations	Non-attendance of municipal activities by some sector departments	Establishment and development of sound intergovernmental relations	• Development of corporate intergovernmental calendar • Monitor the implementation of programs through IGR structures. • Evaluate impact of partnerships	% increase in the sustainable corporative governance	80%	20%	100%	100%
Disaster Management	Effective disaster management	Ensure appropriate response to disaster management	• Development and implementation of Disaster Risk Management Plan	% level of preparedness against the number of disasters occurred	100%	0%	100%	100%

5.6. 6 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

BUILD CAPABLE INSTITUTION AND ADMINISTRATION

Priority Issue	Problems/ Issues	Objectives	Strategies/Interventions	Performance Indicator	Baseline	Backlog	5 Year Target (2027/31)	Annual Target (2026/27)
IDP Review	Compliance to IDP Processes	Ensure that IDP is done within the legislated timeframes	• Development and implementation of IDP Process Plan • Strengthen IDP structures	IDP adopted within stimulated timeframes	IDP adopted by council by 31 May 2025	None	IDP adopted by council by 31 May	IDP adopted by council by 31 May 2026
PMS	None-compliance to PMS Framework	To promote accountability and compliance	• Conduct regular reporting, reviews and capacity on PMS management. • Signing of performance plans by all employees • Automated PMS which will improve records management	% compliance to PMS regulations	80%	20%	100%	100%
Skills Development	Few trainings conducted	Building capable and competent workforce	• Conduct skills audit. • Prioritization of staff in the coalface of service delivery • Develop train plan in line with workplace skills plan. • Enrol/place employees on job relevant trainings. • Compile an annual register of completed trainings. • Council development plans	% of employees and Councillors capacitated in terms of workplace skills plan	80%	20%	100%	100%
Employment Equity	Unable to retain people from EEP target	Ensure compliance to EEP plan	• Development and review of recruitment plan • Recruitment and retention of competent people from EEP target group • Capacitation of the recruited employees from EEP targets	% of people in three highest levels from equity target group	43.7% (7/16)	6.8% (1 employee)	100% of the targeted quote	6.8%

Priority Issues	**Problems/Issues**	**Objective**	**Strategies/Interventions**	**KPI**	**Baseline**	**Backlog**	**5 Year Target (2027/31)**	**Annual Target (2026/27)**
Policy and by-laws development	None enforcement of policies and by-laws	Providing and improving compliance to municipal regulatory environment	• Needs analysis of policies and by-laws development • Development and review of policies and by-laws • Conduct public participation on by-laws. • Enforcement of policies and by-laws	% development and implementation of policies and by-laws	80%	20%	100%	100%
Communication	Shortage of personnel and resources	Effective and efficient communication of the strategic objectives of the municipality	• Enhance and protect Maruleng municipality's institutional reputation. • Strengthen the brand, encourage engagement and reinforce the municipal relevance in service delivery. • Capacitate and resource Communication unit	% capacitated and resourced communication unit	80%	20%	100%	100%
Legal Services	Monitoring of SLA	Ensure that the municipality has SLA with all service providers	• Conclude SLA with all service providers within 14 days. • Centralisation of contract management • Maintaining and updating of contracts and SLA	% of SLA agreement signed within 14 of the agreement	100%	100%	100%	100%
Labour Relations	Conducive working environment	Ensure sound labour relations	• Development Local Labour Forum calendar • Functional and effective local labour forum	% of functional and effective labour forum	100%	100%	100%	100%
OHS	None compliance to OHS Act and regulations	To ensure safe working environment	• Training management on OHS compliance. • Training of Safe reps and committee members • Enforcement of OHS Act and regulations compliance	% compliance to OHS regulations	80%	20%	100%	100%

Priority Issues	**Problems/Issues**	**Objective**	**Strategies/Interventions**	**KPI**	**Baseline**	**Backlog**	**5 Year Target (2027/31)**	**Annual Target (2026/27)**
Payroll Management	Management of payroll	Ensure accurate payroll management	• Monitor departmental budgets against the actual spending (overtime, travelling and standby) • Development and implementation of payroll schedules • Conduct payroll audits to identify and correct any potential errors/hazards. • Assessment of municipality payroll system and practices	% accurate payroll management	100%	None	100%	100%
Fleet Management	Management of Fleet	Ensure that municipal fleet is managed effectively	• Daily monitoring of itineraries • Monitoring of tracking reports • Proper maintenance of vehicles repairs and maintenance. • Fuel management. • Training of drivers on fleet management	Number of monthly reports issued on fleet management	12	0	12	12

ENVIRONMENTAL MANAGEMENT

PUTTING PEOPLE FIRST

Priority Issues	**Problems/Issues**	**Objective**	**Strategies/Interventions**	**KPI**	**Baseline**	**Backlog**	**5 Year Target (2027/31)**	**Annual Target (2026/27)**
Environmental Health Management	Polluted environment	To provide a safe, healthy and sustainable environment	• Development and implementation of environmental policies.	% reduction in air pollution and other environmental challenges	50%	50%	100%	70%
Climate Change	Weather patterns	Mitigate against climate	• Development and implementation of climate change mitigation strategy	% development and implementation of climate change mitigation strategy	5%	95%	95%	50%
Environmental protected areas	Endangered protected areas	Actively protect, enhance, and manage the natural environmental assets of the municipality	• Update Kruger to Canyon Biosphere zoning to include all protected areas and nature reserves as part of core Zone.	% update and implementation of K2C Biosphere zoning strategy	40%	60%	100%	100%
Migration	Undocumented emigrates	To ensure effective management of emigrates	• Liaise with Home Affairs and other relevant authority in effective management of emigration	% effective management of emigration	New	New	100%	10%

SPECIAL PROGRAMMES OF COUNCIL

Priority Issue	Problems/ Issues	Objectives	Strategies/Interventions	Performance Indicator	Baseline	Backlog	5 Year Target (2027/31`)	Annual Target (2026/27)
Youth Development	Participation of youth in government activities/ programs	Ensure quality of life for youth through national, provincial, municipal and other initiatives	• Intensify the involvement of youth in these initiatives and programmes	% increase in participation by youth in municipal initiatives and mainstream programmes	70%	30%	100%	100%
Disability Development	Participation of people with disability in government activities/ programs	Ensure the quality of life of people with disability	• Intensify the involvement of people with disability in these initiatives and programmes	% increase in participation by people with disability in municipal initiatives and mainstream programmes	50%	50%	100%	100%
Gender Development	Participation of women in government activities/ programs	To ensure that gender equality is promoted through government initiatives	• Intensify the support and promotion of gender equality in the municipality	% increase in participation of communities in gender municipal initiatives and mainstream programmes	60%	40%	100%	100%
Programme for the Elderly	Participation of elderly in government activities/ programs	Ensure that elderly people are taken care	• Support and promotion of elderly programmes	% increase in participation by elderly in municipal initiatives and mainstream programmes	50%	50%	100%	100%
HIV/AIDS Programmes	Mainstreaming of HIV/Programs in government activities or programs	Promoting mainstreaming of HIV/AIDS issues in the programmes of the municipality	• Mainstreaming of HIV/AIDS issues in all municipal programmes	% increase in HIV/AIDS programmes in the municipality	30%	70%	100%	80%

SOCIAL SERVICES

PUTTING PEOPLE FIRST

Priority Issue	Problems/ Issues	Strategic Objective	Strategies	KPI	Baseline	Backlog	5 Year Targets (2027/31)	Annual Target (2026/27)
Education	Shortage of classrooms	Ensure the provision of educational facilities.	• Liaise with Department of Education to provide requisite educational facilities. • Liaise with the Department of Higher Education for the establishment of higher institution of learning in the municipality.	% reduction in educational facilities backlog	290 classrooms	66 classrooms	400 classrooms	33 classrooms
Health and Social Development services	Shortage of health facilities	Ensure accessible and affordable health and social services	• Liaise with Departments of Health and Social development to provide services	Number increased of health social services in the municipality	30%		30%	5%
Sports, Arts & Culture	Shortage of recreational facilities	To ensure a mental and physical health nation	• Develop SAC programs. Liaise with DSAC in coordination of programs	Number of people participating in DSAC activities	1000		10 500	2000
Safety and Security	Crime	Ensure the safety of community and visitors	• Liaise with the Department of Safety and Security to provide personnel and facilities and implementation of safety programs	% reduction in crime in the municipality	20%	20%	5%	15%
Telecommunication	Lack of accessibility to communication facilities	Ensure that all households have access to telecommunication services	• Liaise will all telecommunication service providers in order to ensure provision of telecommunication services	% access to telecommunication services	50%	50%	100%	70%

6. PROJECTS PHASE

This phase involves the design and specifications of projects identified in the strategy phase by proving clear targets to measure performance and impact of the project, timeframe, responsible agent to manage the project, cost implication of the project and the who will be funding the projects.

6.1. KPA: SPATIAL RATIONALE (spatial planning)

Strategic Objective: Promote integrated human settlements and agrarian reform.

Project Name	Project Description	Project Location	Baseline	Annual Performance Indicator	Annual Target	Medium Term Expenditure Framework			Implementing Agent
						2026/2027	2027/2028	2028/2029	
Site Development plans	To process development plans	Municipality	New	% site development plans processed within 30 days from date of submission	100%	OPEX	OPEX	OPEX	MLM
Land use applications	To process land use applications	Municipality	100%	% of land use applications process within 90 days from the date received with completed documents	100%	OPEX	OPEX	OPEX	MLM
			New	% of occupation certificates issued within 30 days from the date of request after final inspection	100%	OPEX	OPEX	OPEX	MLM
			New	Number of buildings inspection undertaken	60	OPEX	OPEX	OPEX	MLM
				% of buildings plans processed within 30 days from the date submitted with completed documents					

Land use inspections	To process land use applications	Municipality	New	Number of land use inspection undertaken	40	OPEX	OPEX	OPEX	OPEX
Update of GIS	Updating of new information in the GIS	Municipality	72	Number of GIS updates conducted	40	OPEX	OPEX	OPEX	MLM
Catalytic Projects	Monitor the implementation of catalytic projects in the municipal area	Municipality	9	Number of Catalytic Projects monitored	9	OPEX	OPEX	OPEX	MLM

6.2 KPA: BASIC SERVICES AND INFRASTRUCTURE DEVELOPMENT

Strategic Objective: Improve community well-being through accelerated service delivery.

6.2.1 Priority: Roads, Storm water and Bridges

Project Name	Project Description	Project Location	Baseline	Annual Performance Indicator	Annual Target	Medium Term Expenditure Framework			Implementing Agent
						2026/2027	2027/2028	2028/2029	
Maruleng access bridges	Construction of access bridges	Maruleng villages	New	Number of access bridges constructed	9	26 000 000	20 000 000	6 680 000	MLM
Makgaung internal street	Construction of km gravel road to paved road	Balloon	0.27km roadbed completed	Number of kilometers of Makgaung internal street paved	2km	24 068 561.87	24 068 561.87	0.00	MLM
Scotia internal street	Construction of km gravel road to paved road	Scotia	0 km	Number of km of Scotia internal street paved	1.4 km	11 309 073.00	0.00	0.00	MLM
Madeira access road	Construction of km gravel road to paved road	Madeira	0 km	Number of km of Madeira access paved	1 km	27 000 000	28 320 277.11	0.00	MLM
Essex access road	Construction of km gravel road to surfaced road	Essex	3.5km	Number of km of Essex access road surfaced	1 km	27 031 148.07	0.00	0.00	MLM
Willows internal street phase 2	Construction of km gravel road to paved road	Willows	New	Number of km of Willows internal street phase 2 paved	1 km	2 623 150.43	14 804 739.13	0.00	MLMM

Project Name	Project Description	Project Location	Baseline	Annual Performance Indicator	Annual Target	Medium Term Expenditure Framework			Implementing Agent
						2026/2027	2027/2028	2028/2029	
Lorraine – Bellville Nkopedjie access road	Construction of km gravel road to paved road	Lorraine	1.320 km road paved	Number of km of Lorraine- Bellville-Nkopedjie access road paved	1 km	12 456 522.00	0.00	0.00	MLM
Construction of Metz internal street Phase1	Construction of km gravel road to paved road	Metz	Designs	Number of km of Metz internal street Phase1 paved	5 km	28 721 762.61 (co-funded).	0.00	0.00	MLM
Rehabilitation of Lorraine access road Phase 2	Construction of km gravel road to paved road	Lorraine	2.5 km (1.9km asphalt surfacing and 0.67k of pavement)	No target this year	No target this year	0.00	0.00	10 000 000	MLM
Mahupje ring road	Construction of km gravel road to paved road	Mahupje	New	Number of designs developed	1	2 550 000.00	0.00	13 000 000	MLM

Project Name	Project Description	Project Location	Baseline	Annual Performance Indicator	Annual Target	Medium Term Expenditure Framework			Implementing Agent
						2026/2027	2027/2028	2028/2029	
Morareleng access road	Construction of km gravel road to paved road	Morareleng	New	Number of designs of Morarelang access road developed	1	500 000	6 500 000	0.00	MLM
Rehabilitation of Hlohlokwe/ Ga Mohlala access road	Rehabilitation of a road	Hlohlokwe/ GA Mohlala	Designs	Number of km of Hlohlokwe /Ga Mohlala rehabilitated	1.8 km	6 382 192.00	0.00	0.00	MLM
Rehabilitation of The Oaks to Final access road	Installation of stormwater management system	Oaks- Finale	New	Number of kilometers of stormwater management system installed	2km	8 091 04700	0.00	0.00	MLM
Rehabilitation of Giraffe Street	Rehabilitate a road	Hoedspruit	New	Number of designs of rehabilitation of Giraffe Street developed	1	1 500 000	0.00	0.00	MLM
Bokhalva section access road	Rehabilitate a road	Hlohlokwe	New	Number of designs of Bokhalva section access road developed	1	500 000	0.00	0.00	MLM
Bismarck internal street	Construction of km gravel road to paved road	Bismarck	New	No target this year	No target this year	0.00	0.00	17 391 304.35	MLM

Project Name	Project Description	Project Location	Baseline	Annual Performance Indicator	t	Medium Term Expenditure Framework			Implementing Agent
						2026/2027	2027/2028	2028/2029	
Jerusalem access road	Construction of km gravel road to paved road	Jerusalem	New	No target this year	No target this year	0.00	7 900 000	0.00	MLM
Sedawa access road	Construction of km gravel road to paved road	Sedawa	New	Number of designs of Sedawa access road developed	1	410.000	0.00	0.00	MLM
Rehabilitation of Bochabelo access road	Rehabilitate a road	Bochabelo	New	No target this year	No target this year	0.00	0.00	9 600 000	MLM
Reconstruction of Moshate access road	Reconstruction of a road	Moshate	New	Number of designs of reconstruction of Moshate access road developed	1	1 420 000	0.00	10 000 000	MLM
Turkey 2 to Turkey 3 internal street	Construction of km gravel road to paved road	Turkey 2 to Turkey 3	New	No target this year	No target this year	0.00	11 617 826.09	0.00	MLM
Integrated Transport Plan (ITP)	Implementation of the ITP	Municipal area	New	Number ITP implemented	1	OPEX	OPEX	OPEX	MLM

Project Name	Project Description	Project Location	Baseline	Annual Performance Indicator	Annual Target	Medium Term Expenditure Framework			Implementing Agent
						2026/2027	2027/2028	2028/2029	
Stormwater installation for Makgaung ring road	Installation of stormwater management system	Makgaung	New	No target this year	No target this year	0.00	3 000 000	3 000 000	MLM
Stormwater installation for Metz Road	Installation of stormwater management system	Metz	New	No target this year	No target this year	0.00	3 000 000	3 000 000	MLM
Paving willows internal street	Construction of kilometers of gravel to paved road	Willows	5.3km	Number of kilometers of Willows internal street paved	1 km	4 252 000.00	0.00	0.00	MLM

6.2.2 Priority Issues: Maintenance and Repairs

Project Name	Project Description	Project Location	Baseline	Annual Performance Indicator	Annual Target	Medium Term Expenditure Framework			Implementing Agent
						2026/2027	2027/2028	2028/2029	
Maintenance of roads & bridges	Routine maintenance of municipal roads and bridges	Maruleng municipal area	26 057.4 m ²	Number of m^2 of municipal roads maintained	$4\ 500m^2$	7 000 000	6 792 500	6 962 312.50	MLM
			971.84km	Number of km of municipal roads maintained (bladed)	468km				MLM
Buildings	Maintenance of municipal buildings	Maruleng municipal area	19	Number of municipal buildings maintained	28	1 000 000	1 045 000	1 071 125.00	MLM
Maintenance of machines (Graders, TLB & trucks)	Routine maintenance of municipal heavy machinery	Maruleng municipal area	4	Number of municipal heavy machines maintained	3	3 000 000	3 135 000	3 213 375	MLM
Maintenance of speed Machines	Routine Maintenance of speed machines	Maruleng municipal area	2	Number of speed machines maintained	2	50 000	52 2 50	53 556.25	MLM
Vehicles	Routine maintenance of vehicles	Maruleng municipal area	32	Number of vehicles maintained	32	2 000 000	2 612 500	2 677 812.50	MLM
Maintenance of streetlights	Routine maintenance of streetlights	Maruleng municipal area	117	Number of streetlights maintained	148	1 000 000	1 045 000	1 071 125	MLM
Maintenance of electricity assets	Maintenance of electricity assets	Municipal area	300	Number of electrification assets maintained	300	1 250 000	783 750	803 343.75	MLM
Maintenance of parks & gardens	Routine maintenance of 4 municipal parks and gardens	Maruleng municipal area	2	Number of municipal parks maintained	2	500 000	522 500	535 562.50	MLM
			4	Number of municipal gardens maintained	4				

6.2.3 Priority Issue: Electricity.

Project Name	Project Description	Project Location	Baseline	Annual Performance Indicator	Annual Target	Medium Term Expenditure Framework			Implementing Agent
						2026/2027	2027/2028	2028/2029	
High mast light	Construction of high mast lights	Maruleng Municipal Area	4	Number of high mast lights constructed	7	4 782 608.74 (co-funded)	5 400 000 (co-funded)	6 100 521.74 (co-funded)	MLM
Household electrification	Electrification of households	Kanana	New	Number of households electrified	124 households	3 043 478.26	0.00	0.00	MLM
		Oaks	New		16 households	391 304.35	0.00	0.00	MLM
		Balloon	New		106 households	2 608 695.65	0.00	0.00	MLM
		Finale	New		40 households	956 521.74	0.00	0.00	MLM
		Hlohlokwe	New		71 households	1 739 130.43	0.00	0.00	MLM
Makhutswe MKV Feeder Line	Construction of MKV Feeder line	Makhutswe	New	Number of feeder lines constructed	1	10 960 000	0.00	0.00	MLM

6.2 .4 Priority Issues: Recreation & other facilities

Project Name	Project Description	Project Location	Baseline	Annual Performance Indicator	Annual Target	Medium Term Expenditure Framework			Implementing Agent
						2026/2027	2027/2028	2028/2029	
Security fences for the main office	Fencing of main office	Hoedspruit	New	No target for this year	No target for this year	0.00	0I.00	2 000 000	MLM
Fences for cemeteries and halls	Fencing community cemeteries and halls	Maruleng villages	0	Number of cemeteries and halls fenced	3 cemeteries & 1 hall	2 000 000	2 500 000	2 683 043.11	MLM
Security fences for DLTC	Fencing of DLTC	Hoedspruit	1	Number DLTC fenced	1	1 500 000	0.00	0.00	MLM
Balloon community hall	Construction of a community hall	Balloon	New	No target this year	No target this year	0.00	0.00	7 800 000	MLM
Mafa Mosoma community hall	Construction of a community hall	Ward 10	Designs developed	No target this year	No target this year	0.00	10 000 000	0.00	MLM
Vehicles	Purchasing of vehicles to enhance service delivery	Municipality		Number of vehicles purchased	3	8 500 000	3 000 000	25 855 000	MLM

Project Name	Project Description	Project Location	Baseline	Annual Performance Indicator	Annual Target	Medium Term Expenditure Framework			Implementing Agent
						2026/2027	2027/2028	2028/2029	
Upgrading of municipal sports field	Upgrading of municipal sports field	Willows	New	Number of municipal sports fields upgraded	1	2 000 000	4 000 000	4 000 000	MLM
Fences for Thusong	Fencing Thusong Centre services	Thusong Centre	New	Number of Thusong center Services fenced	1	1 500 000	0.00	0.00	MLM
London landfill site	Maintenance of landfill site	Worcester	New	Number of London landfill sites maintained	1	1000 000	0.00	8 695 652.17	MLM
Rehabilitation of municipal halls	Rehabilitate municipal halls	Maruleng municipal area	New	Number of municipal halls rehabilitated	1	1 000 000	0.00	0.00	MLM
Security fence for main office	Fencing of the main office	Hoedspruit	New	No target this year	No target this year	0.00	2 000 000	0.00	MLM
Market stalls	Construction of market stalls	The Oaks	New	No target this year	No target this year	0.00	0.00	1 000 000	MLM

6.2.5 Other Assets

Project Name	Project Description	Project Location	Baseline	Annual Performance Indicator	Annual Target	Medium Term Expenditure Framework			Implementing Agent
						2026/2027	2027/2028	2028/2029	
Air-conditioners	Purchasing of Air-conditioners	Municipality	20	Number of air conditioners installed	15	200 000	200 000	0.00	MLM
Access control	Installing access control equipment	Municipality	0	Number of access controls installed	5	750,000	200 000	0.00	MLM
IT Equipment	Purchasing of IT equipment	Municipality	68 laptops	Number of laptops purchased	50 laptops	500 000	1 000 000	1 000 000	MLM
Office furniture	Purchasing of office furniture	Municipality	4 (3 freezers and 1 microwave)	Number of office furniture purchased	20 office chairs, 20 office tables & 200 community halls chairs	700 000	1 000 000	1 000 000	MLM
Software	Regular upgrading of software	Municipality	2	Number of serves upgraded	2	2 500 000	200 000	200 000	MLM
Plant and Equipment	Purchasing of plant and equipment	Municipality	195	Number of plant and equipment purchased	40	300 000	150 000	200 000	MLM
Office Equipment	Purchasing of office equipment	Municipality	94	Number of office equipment purchased	5	400 000	270 000	250 000	MLM

6.2.6 Priority Issue: Free Basic Services

Project Name	Project Description	Project Location	Baseline	Annual Performance Indicator	Annual Target	Medium Term Expenditure Framework			Implementing Agent
						2026/2027	2027/2028	2028/2029	
Free basic electricity	Provision of free basic electricity to indigent households	Maruleng Municipal area	692	Number of indigent households with access to free basic electricity	687	800 000	826 400	852 844.80	MLM
Free basic refuse removal	Provision of free basic refuse removal to households	Maruleng Municipal area	18 455	Number of indigent households with access to refuse removal	18 455	OPEX	OPEX	OPEX	MLM

6.3 KPA: LOCAL ECONOMIC DEVELOPMENT

Promote local economic development.

Project Name	Project Description	Project Location	Baseline	Annual Performance Indicator	Annual Target	Medium Term Expenditure Framework			Implementing Agent
						2026/2027	2027/2028	2028/2029	
LED Programs	Provision of support to LED initiatives and programs	Municipal area	194	Number of LED programs supported	120	1 000 000	3 099 000	3 198 168	MLM
K2C Support	Provision of support of K2C Biosphere	Hoedspruit Ward 1	8	Number of K2C programs supported	8	60 000	61 980	63 963.36	MLM
LED Forum	Coordination of LED forum	Municipal area	2	Number of LED forums supported	2	OPEX	OPEX	OPEX	MLM
LIBRA inspections	To undertake LIBRA inspections	Municipal area	New	Number of LIBRA inspections undertaken	80	OPEX	OPEX	OPEX	MLM
LIBRA implementation	Implementation of Limpopo Business Regulation Act (LIBRA)	Municipal area	New	Number of LIBRA application approved	80	OPEX	OPEX	OPEX	MLM
EPWP	Job creation through EPWP	Municipal area	407	Number of work opportunities created through EPWP and other municipal initiatives	300	3 000 000 (1 519 000 -Grant and 1 481 000 – Own funding)	0.00	0.00	MLM

6.4 KPA: FINANCIAL VIABILITY

Strategic Objective: Sound financial management

6.4.1 Priority Issues: Financial & Asset Management

Project Name	Project Description	Project Location	Baseline	Annual Performance Indicator	Annual Target	Medium Term Expenditure Framework			Implementing Agent
						2026/2027	2027/2028	2028/2029	
Supplementary valuation roll	Development of supplementary valuation roll	Municipality	1	Number of supplementary valuation schedules compiled	1	OPEX	OPEX	OPEX	MLM
Property Rates Policy	Annual review of property rates policy	Municipality	New	Number of rates policies reviewed	1	OPEX	OPEX	OPEX	MLM
Property valuation inspection	To undertake property valuation inspections	Municipality	New	Number of property valuations inspections undertaken	60	OPEX	OPEX	OPEX	MLM
Valuation schedules	To compile monthly supplementary valuation roll schedules	Municipality	New	Number of supplementary valuation rolls developed	9	OPEX	OPEX	OPEX	MLM

Revenue enhancement	Review revenue enhancement strategy	Municipality	1	Number of Revenue enhancement strategy reviewed	1	OPEX	OPEX	OPEX	MLM
Cost Coverage	Municipal sustainability rate	Municipality	8 months	Number of acceptable months for municipal sustainability	3 months	OPEX	OPEX	OPEX	MLM
Rates policy	Review of rates policy	Municipality	New	Number of rates reviewed	2	OPEX	OPEX	OPEX	MLM
Revenue collection	Revenue collected monthly	Municipality	80%	% of revenue collected monthly	87%	OPEX	OPEX	OPEX	MLM
Debt coverage	Management of debt	Municipality	0%	0%	0%	OPEX	OPEX	OPEX	MLM
Outstanding service debtors to revenue	Management of debtors	Municipality	26%	% of outstanding service debtors collected	26%	OPEX	OPEX	OPEX	MLM

Asset & inventory management	Development of fully GRAP compliant asset register	Municipality	100 % compliance to Asset Standard (GRAP 17)	% compliance to Asset standard (GRAP 17)	100%	OPEX	OPEX	OPEX	MLM
Asset & inventory management	Development of fully GRAP compliant asset register	Municipality	12	Number of assets update schedules	12	OPEX	OPEX	OPEX	MLM
Supply chain management	Compliance to Supply chain management regulations	Municipality	100 % compliance	% compliance to SCM Regulations	100%	OPEX	OPEX	OPEX	MLM
			12	Number Of compliant in -year SCM reports submitted on time to council and Treasury	4	OPEX	OPEX	OPEX	MLM
MSCOA	Uniform reporting for municipality	Municipality	90%	% compliance to MSCOA (uniform reporting for municipalities)	100%	OPEX	OPEX	OPEX	MLM

6.4.2 Priority Issues: Financial Reporting

Project Name	Project Description	Project Location	Baseline	Annual Performance Indicator	Annual Target	Medium Term Expenditure Framework			Implementing Agent
						2026/2027	2027/2028	2028/2029	
MFMA Reports	Submission of monthly reports	Municipality	12 reports	Number of Sec 71 reports submitted to the mayor and provincial treasury within 10 working days of the start of the month	12	OPEX	OPEX	OPEX	MLM
	Submission of quarterly reports	Municipality	4	Number of S52 reports submitted to council within 30 days of the end of each quarter	4	OPEX	OPEX	OPEX	MLM
	Submission of mid-year report	Municipality	1	Number of sec 72 reports submitted to Council and Provincial Treasury after assessment by accounting officer by 25 January	1	OPEX	OPEX	OPEX	MLM
	Submission of adjusted budget	Municipality	1	Number of adjustment budget reports submitted to council in terms of S28	1	OPEX	OPEX	OPEX	MLM
	Submission of AFS	Municipality	1	Number of annual financial statements submitted to A-G within prescribed time frames	1	OPEX	OPEX	OPEX	MLM

6.4.3 Priority Issues: Financial Management & Expenditure Management

Project Name	Project Description	Project Location	Baseline	Annual Performance Indicator	Annual Target	Medium Term Expenditure Framework			Implementing Agent
						2026/2027	2027/2028	2028/2029	
Personnel Expenditure	Expenditure on personnel budget	Municipality	95%	% of personnel budget spent	100%	121 386 538	128 549 730	136 389 914	MLM
MIG Expenditure	Compliance to MIG expenditure	Municipality	83%	% compliance to MIG expenditure	100%	46 800 565.22	29 822 565.21	30 687 478.26	MLM
Maintenance expenditure	Expenditure on maintenance budget	Municipality	91%	% of maintenance budget spent	100%	15 800 000	15 988 500	16 388 212.50	MLM
Capital Expenditure	Expenditure on capital budget	Municipality	87%	% of capital budget spent	100%	238 796 156.89	159 931 404.60	126 815 521.32	MLM
Fleet management	Management of municipal vehicles	Municipality	12	Number of monthly reports submitted on fleet management	4 reports	OPEX	OPEX	OPEX	MLM
LIBRA	Implementation of Limpopo Business Regulation Act	Municipality	New	Number of LIBRA inspections undertaken	80	OPEX	OPEX	OPEX	MLM
			New	Number of LIBRA applications approved	80	OPEX	OPEX	OPEX	MLM

6.5 KPA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Strategic Objective: putting people first.

6.5.1 Good Governance

Project Name	Project Description	Project Location	Baseline	Annual Performance Indicator	Annual Target	Medium Term Expenditure Framework			Implementing Agent
						2026/2027	2027/2028	2028/2029	
External auditing	External Auditing by the office of Auditor-General	Municipality	0(Unqualified audit opinion with matters)	Number of improved audit opinion (clean audit opinion)	1 (unqualified audit opinion without matters)	7 000 000	7 231 000	7 462 392	MLM
			100%	% compliance of AG audit action plan (external auditing	100%	OPEX	OPEX	OPEX	MLM
			Submitted AG Action Plan on the 25 January 2025	Submit AG action plan to council by 31 January	Submit AG action plan to Council by 31 January	OPEX	OPEX	OPEX	MLM
			98%	% of AG queries resolved	100%	OPEX	OPEX	OPEX	MLM
Internal auditing	Audit plans & programs.	Municipality	4	Number of quarterly internal audit reports with recommendations generated	4	1 750 000	1 807 750	1 865 598	MLM
			1	Number of risks based internal audit plan approved	1	OPEX	OPEX	OPEX	MLM
			94%	% of audit and performance resolutions implemented	100%	OPEX	OPEX	OPEX	MLM
			4	Number of PMS audit conducted	4	OPEX	OPEX	OPEX	MLM

Project Name	Project Description	Project Location	Baseline	Annual Performance Indicator	Annual Target	Medium Term Expenditure Framework			Implementing Agent
						2026/2027	2027/2028	2028/2029	
Audit Committee	Functionality of Audit Committee	Municipality	12	Number of Audit committee meetings held.	10	2 500 000	2 090 000	2 142 250	MLM
Risk Management	Risk management	Municipality	1 (risk-based plan)	Number of Annual reviews of strategic risks plan	1	OPEX	OPEX	OPEX	MLM
			81%	% of risk mitigation measures implemented	100%	OPEX	OPEX	OPEX	MLM
			1	Number of risk assessment conducted	2	OPEX	OPEX	OPEX	MLM
			5	Number of institutional Risk Management Committee meetings held.	4	OPEX	OPEX	OPEX	MLM

6.5.2 Priority Issue: Governance

Project Name	Project Description	Project Location	Baseline	Annual Performance Indicator	Annual Target	Medium Term Expenditure Framework			Implementing Agent
						2026/2027	2027/2028	2028/2029	
MPAC	Council oversight role	Municipality	100%	% of MPAC resolutions implemented	100%	OPEX	OPEX	OPEX	MLM
			17	Number of MPAC meetings held	4	300 000	309 900	319 816.80	MLM
Council function & support	Functionality of Council structures	Municipality	13	Number of Council sitting supported	4	OPEX	OPEX	OPEX	MLM
			16	Number of scheduled executive committee meeting held	12	OPEX	OPEX	OPEX	MLM
			40	Number of scheduled portfolio committee meetings held	16	OPEX	OPEX	OPEX	MLM

6.5.3 Priority Issue: Public Participation

Project Name	Project Description	Project Location	Baseline	Annual Performance Indicator	Annual Target	Medium Term Expenditure Framework			Implementing Agent
						2026/2027	2027/2028	2028/2029	
Public Participation	Mayoral public participation meetings	Municipality	19	Number of Mayoral imbizo/public participation meetings held	4	500 000	516 500	533 028	MLM
	Community feedback meeting	Municipality	36	Number of community feedback meeting held	56	OPEX	OPEX	OPEX	MLM
Complaints management	Promote accountability	Municipality	100%	% of complaints resolved	100%	OPEX	OPEX	OPEX	MLM
Ward committees support	Deepen democracy	Municipality	14	Number of functional ward committees	14	7 600 000	7 850 800	8 102 025.60	MLM
			168	Number of monthly ward committee reports submitted	168	OPEX	OPEX	OPEX	MLM
Communication	Review of the strategy	Municipality	1	Number of Communication strategies reviewed	1	200 000	206 600	213 211.20	MLM
Mayoral bursary fund	Bursaries to needy and deserving matriculates	Municipality	13	Number of learners supported	15	2 600 000	2 685 800	2 771 745	MLM

Licensing and administration	Monitor and oversee implementation of daily licensing and administration	Municipality	100%	% monitoring of daily licensing	100%	OPEX	OPEX	OPEX	MLM
Traffic law and enforcement	Monitor compliance to traffic and law enforcement	Municipality	100%	% compliance to traffic law enforcement regulations	100%	OPEX	OPEX	OPEX	MLM
Thusong center services	Ensure that Thusong services delivered are fully operational and effective	Maruleng Thusong center	100%	% effectiveness of services provided at Thusong center	100%	OPEX	OPEX	OPEX	MLM

6.6 KPA: MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT

Strategic Objective: building capable institution and administration.

6.6.1 Priority issues: IDP & PERFORMANCE MANAGEMENT

Project Name	Project Description	Project Location	Baseline	Annual Performance Indicator	Annual Target	Medium Term Expenditure Framework			Implementing Agent
						2026/2027	2027/2028	2028/2029	
IDP Review	IDP Review process	Municipality	IDP/Budget Adopted by council on 29 May 2025	IDP/budget adopted by Council by 31 May 2026	Adopted by Council by 31 May 2026	300 000	309 900	319 816.80	MLM
IDP/PMS strategic planning session	IDP strategies review	Municipality	2	Number of strategic planning session held	1	800 000	8 216 400	852 844.80	MLM
PMS	Performance management	Municipality	5	Number of senior managers (S 54 & 56) with signed performance agreement within prescribed time	5	OPEX	OPEX	OPEX	MLM

Project Name	Project Description	Project Location	Baseline	Annual Performance Indicator	Annual Target	Medium Term Expenditure Framework			Implementing Agent
						2026/2027	2027/2028	2028/2029	
PMS	S54 & 56 Assessments	Municipality	2	Number of formal assessments conducted (S54 & 56)	2	OPEX	OPEX	OPEX	MLM
	Performance Assessment	Municipality	97%	% of officials other than S57 managers formally assessed as per municipal staff regulations	100%	OPEX	OPEX	OPEX	MLM
	PMS reports	Municipality	4	Number of in- year performance management reports submitted to council	4	OPEX	OPEX	OPEX	MLM
	Oversight Report	Municipality	1	Number of oversight report on annual report adopted within stipulated time frames	1	OPEX	OPEX	OPEX	MLM
	APR	Municipality	1	Number of Annual performance report submitted to AG within prescribed time frames	1	OPEX	OPEX	OPEX	MLM

6.6.2 HUMAN RESOURCE DEVELOPMENT

Project Name	Project Description	Project Location	Baseline	Annual Performance Indicator	Annual Target	Medium Term Expenditure Framework			Implementing Agent
						2026/2027	2027/2028	2028/2029	
Skills Development Workplace skills plan	Skills development for staff and councilors	Municipality	77	Number of employees and councilors capacitated in terms of workplace skills plan	45	2 500 000	2 582 500	2 665 140	MLM
			1 926 293.68	Amount actual spent(1 % of the salary budget of municipality) on implementing workplace skills plan (National Indicator)	2 500 000	2 500 000	2 582 500	2 665 140	MLM
	Appointment of people with necessary skills to accelerate service delivery	Municipality	5	Number of personnel with technical skills (technicians and engineer)	3	OPEX	OPEX	OPEX	MLM
	Appointment of municipal minimum competency requirements	Municipality	15	Number of municipal personnel with financial minimum competency requirements	9	OPEX	OPEX	OPEX	MLM

Employment Equity	Compliance to EPP	Municipality	4	Number of people from equity target employed in the three highest levels of the municipality	2	OPEX	OPEX	OPEX	MLM
		Municipality	4	Number of staff complement with disability	5	OPEX	OPEX	OPEX	MLM
Policy development, by-laws & reviews	Review and development of Council policies and review	Municipality	115	Number of policies developed/ Reviewed	57	OPEX	OPEX	OPEX	MLM
			2	Number of by-laws developed/ Reviewed	2	OPEX	OPEX	OPEX	MLM
Policy workshop	Development and review of municipal policies	Municipality	2	Number of policy workshops held	1	200 000	206 600	213 211.20	MLM

6.6.3 LEGAL, OVERTIME AND PAYROLL MANAGEMENT

Project Name	Project Description	Project Location	Baseline	Annual Performance Indicator	Annual Target	Medium Term Expenditure Framework			Implementing Agent
						2026/2027	2027/2028	2028/2029	
Labour Forum	Sound labour relations	Municipality	4	Number of Local Labour Forum meetings held	4	OPEX	OPEX	OPEX	MLM
Legal Services	Ensure that the municipality has SLA With all service providers	Municipality	100%	% of service providers with signed Service Level Agreement	100%	5 000 000	5 165 000	5 330 280	MLM
Payroll Management	Management of salaries and benefits of councilors and staff	Municipality	100%	% accuracy on payroll information	100%	121 386 538	128 549 730	136 389 914	MLM
Overtime Management	Management of overtime of employees required to work overtime	Municipality	100%	% compliance to overtime management regulations	100%	4 400 000	4 664 000	4 943 840	MLM
OHS	Adherence to health and safety standards	Municipality	4	Number of OHS compliance reports generated	4	1 200 000	1 239 600	1 279 267.20	MLM

6.7 Priority Issue: Waste Management

Project Name	Project Description	Project Location	Baseline	Annual Performance Indicator	Annual Target	Medium Term Expenditure Framework			Implementing Agent
						2026/2027	2027/2028	2028/2029	
Refuse removal	Refuse removal from households to the landfill site in Worcester	Maruleng municipal area	20 050 households	Number of households with ccess to basic waste collection	20 520	14 000 000	14 875 200	13 512 006.40	MLM
			90 business establishments	Number of business establishments with access to refuse removal	90 business establishments				MLM

6.8 DISASTER RISK MANAGEMENT

Strategic Objective: Build capable institution and administration.

Project Name	Project Description	Project Location	Baseline	Annual Performance Indicator	Annual Target	Medium Term Expenditure Framework			Implementing Agent
						2026/2027	2027/2028	2028/2029	
Disaster Risk Management (DRM) awareness campaigns	Awareness campaigns on disaster risks and management	Municipality	17	Number of awareness campaigns on disaster risks management held	4	1 000 000	1 033 000	1 066 055	MLM
DRM strategic planning session	Strategic planning session on DRM	Municipality	1	Number Disaster risk strategic planning session held	1				MLM
Disaster relief	Providing relief to the victims of disaster	Municipality	100%	% of disaster affected households provided with relief measures	100%				MLM
Review of the DRM Plan	DRM Plan review	Municipality	1	Number of Disaster Risk Management plan reviewed	1	OPEX	OPEX	OPEX	MLM

6.9 CATALYTIC PROJECTS

No.	**PROJECT NAME**	Location	**PROJECT DESCRIPTION**	Progress	**Implementing Agency**	**Remedial Action**
1	Hoedspruit shopping Centre	Hoedspruit	Construction of a new mall in Hoedspruit	The developer is busy negotiating with possible Anchor tenant on the project. The commencement date has not been determined yet.	Private	None
2	Township Establishment project portion 39 Berlin	Hoedspruit	Establishment of a mixed residential area in Hoedspruit	The environmental impact assessment process has commenced. Layout plan for 405 stands has been completed.	COGHSTA	The target date is to complete township process by end of December 2027.
3	International License	Hoedspruit Air force base	Acquiring of international license for Hoedspruit East Gate Airport	Signed 20-year lease with Air force year lease to utilize to runway and currently year lease use of building airport buildings with National Department of Public Works	Private	Documents submitted to public works and awaiting signatures
4	Solar energy	Sekororo	Establishment of a solar plant in Hoedspruit	The service provider Triviron has started with appointed of sub-consultants to engaged in pre-feasibility studies	Private	None
5	Metz police station	Metz	Establishment of a police station	EIA approved by DEA	private	None

No.	**PROJECT NAME**	Location	**PROJECT DESCRIPTION**	Progress	**Implementing Agency**	**Remedial Action**
6	Maruleng fresh produce market	The Oaks	establishment of fresh produce market	The market has started although support to obtain private partners to work with local farmers to activate the market	private	Head hunting for existing markets such as Tzaneen and Polokwane for partnership
7	Strategic land parcels	Municipal wide	Land development	Engagements with public works as well Rural Development for land development processes	Intergovernmental	To engage Traditional leaders as well as public works and rural development
8	R527 Transport hub	R 527 Road	Public transport facility	Engagements held with Indigo to deal with public transport facility along the R527 road to deal with trucks that are ferrying farm workers as part of road safety	Private	Follow up with Indigo on allocation of land
9	The Oaks atchaar factory	The Oaks	Construction of atchaar factory	Engagements underway with the developer of the Oaks Mall to assist with building atchaar factory to assist locals and SMME's	Private	On going

6.10 MOPANI DISTRICT MUNICIPALITY CAPITAL PROJECTS

Project Name	Project Description	Project Location	Medium Term Expenditure Framework			Implementing Agent
			2026/2027	2027/2028	2028/2029	
Hoedspruit bulk water supply	Construction of raw water bulk line, construction of WTW, command reservoir and clear water pumping main.	Hoedspruit	0.00	869 565.00	0.00	MDM
Kampersrus bulk water scheme & Scotia water reticulation	Completion and commissioning of the WWTW and construction of outfall sewer and networks	Kampersrus & Scotia	0.00	869 565.00	0.00	MDM
Maruleng Rural Households Sanitation MTEF -02	Construction of VIP toilets for backlog eradication	MLM	8 673 385	0.00	0.00	MDM
Mametja – Sekororo RWS	Bulk water supply	MLM	501 474 000	531 861 000	566 099 000	MDM

611.SECTOR DEPARTMENTS PROJECTS

Project Name	Project Description	Project Location	Medium Term Expenditure Framework			Implementing Agent
			2026/2027	2027/2028	2028/2029	
Motlakamoshuma	Upgrading and additions	Maruleng	1 187 000	0.00	0.00	Department of Agriculture
Sekooro hospital projects	Upgrading and additions	Maruleng	12 050 000	0.00	0.00	Department of Health
Sekooro hospital projects	Upgrade of Guardhouse and related works	Maruleng	1 670 000	1 850 000	0.00	Department of Health
Sekooro hospital projects	Upgrade 72 hr. units	Maruleng	2 100 000	2 875 000	0.00	Department of Health
Housing	Construction of 51 RDP houses	Maruleng	8 460 716	0.00	7 599 637	COGHSTA
GNT Hoedspruit	Bus subsidized services	Maruleng	41 464 108	-	-	Department of Transport and Community Services
Infrastructure development	Rehabilitation, refurbishment & renovation	Lepono primary	1 104 759	-	-	Department of Education
Rehabilitation of infrastructure	Rehabilitation of bridges	Maruleng	TBC	TBC	TBC	RAL

6.12 KRUGER TO CANYON RESERVE

Project Name	Program Area	Beneficiaries
Absorbent hygiene products	Pro-nature livelihoods	Ward 6- 8 beneficiaries
Fresh water monitoring	Catchment and conservation	5 beneficiaries
Environment monitors program	Community solutions	Wards 2,6 & 8 – 24 beneficiaries
TASC cookstove project	Community solutions	All wards- 300 beneficiaries
Protected area expansion corridor	Catchment and conservation	3 reserves

7. 2026-2029 BUDGET (MEDIUM TERM REVENUE EXPENDITURE FRAMEWORK)

7.1. Budget Summary

The Maruleng budget is MFMA complaint, but the municipality needs to address its financial challenges on the following basis:

- Ensuring that the systems introduced continuously improved during the year.
- Preserving the municipality's cash flow position
- Introducing efficiency measures to provide resources to ensure value for money for taxpayers.
- Further enhancing public participation in the next budget cycle
- Continuing to improve on information provided to decision makers.
- Ensuring that growth in services is more closely aligned with citizen's expectations.

The tables below give comparative analysis of the previous MEF Cycle, current year as well as the next Cycle in terms of:

- ❖ Financial Performance
- ❖ Revenue and Expenditure by Source
- ❖ Capital Expenditure
- ❖ Revenue and Expenditure by Municipal Vote
- ❖ Capital Expenditure Program per Vote

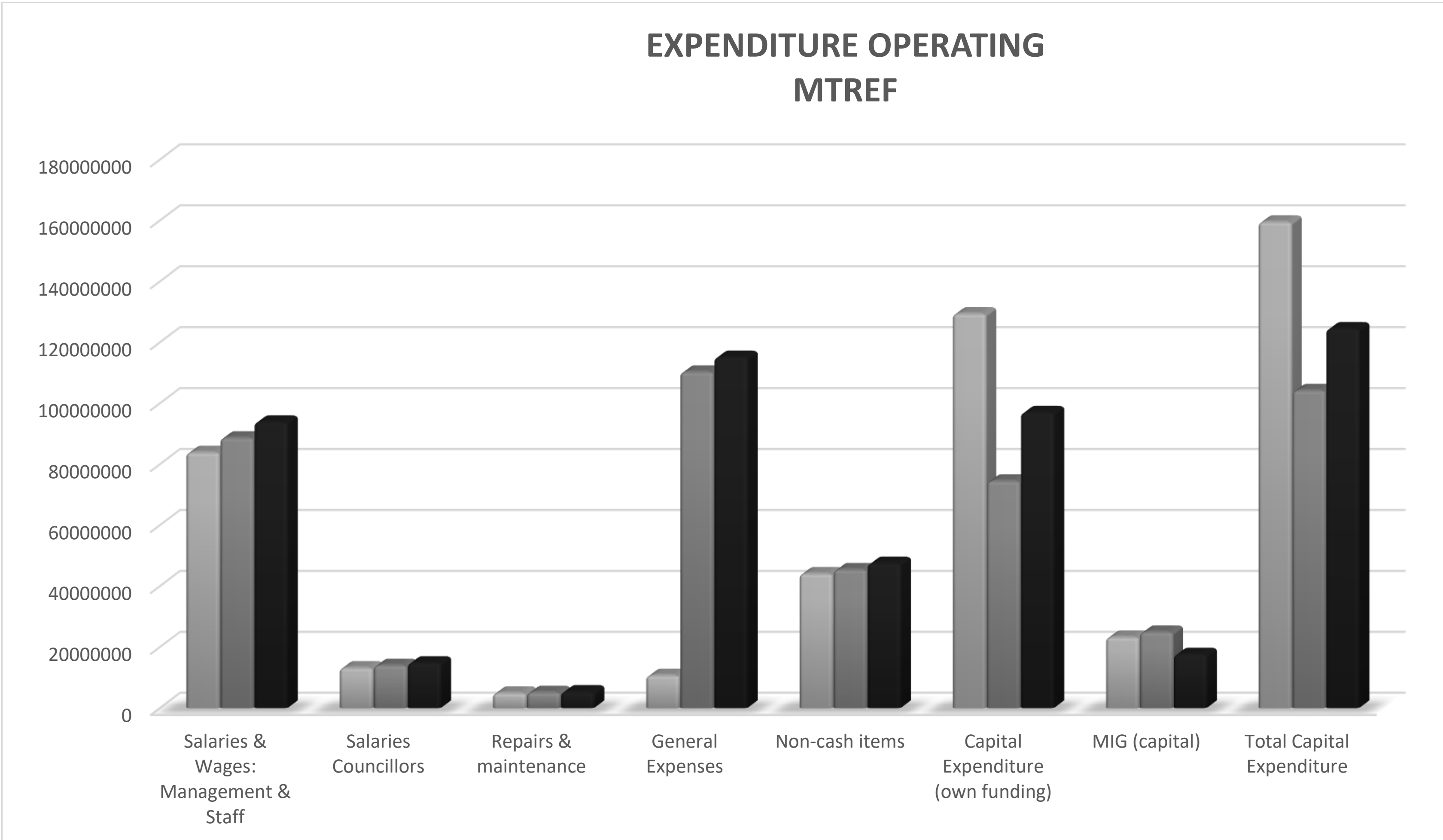
REVENUE BY SOURCE					
REVENUE BY SOURCE **Operating Revenue by Source**	**ADJUSTMENT BUDGET 2025/26**	**FINAL BUDGET 2026/27**	**FULL YEAR FORECAST**	**FINAL BUDGET YEAR +2 2027/28**	**FINAL BUDGET YEAR+3 2028/29**
Property rates	260 721 496,00	270 368 191,35	270 368 191,35	279 290 341,67	288 227 632,60
Service charges refuse removal from tariff billings	6 300 000,00	6 533 100,00	6 533 100,00	6 748 692,30	6 964 650,45
Service charges clearance certificate	527 000,00	546 499,00	546 499,00	564 533,47	582 598,54
Service charges building plans	3 710 502,00	3 847 790,57	3 847 790,57	3 974 767,66	4 101 960,23
Service charges town planning fees	38 000,00	39 406,00	39 406,00	40 706,40	42 009,00
Rezoning	75 000,00	77 775,00	77 775,00	80 341,58	82 912,51
Building inspection fees	10 000,00	10 370,00	10 370,00	10 712,21	11 055,00
Trading licence fees/LIBRA	180 000,00	186 660,00	186 660,00	192 819,78	198 990,01
Swimming pool application fees	62 640,00	64 957,68	64 957,68	67 101,28	69 248,52
Sign board/billboards	100 000,00	103 700,00	103 700,00	107 122,10	110 550,01
Rental of facilities and equipment	425 000,00	440 725,00	440 725,00	455 268,93	469 837,53
Interest earned external investments	9 600 000,00	9 955 200,00	9 955 200,00	10 283 721,60	10 612 800,69
Interest earned outstanding debtors	22 832 000,00	23 676 784,00	23 676 784,00	24 458 117,87	25 240 777,64
Traffic motor licensing (80%)	3 742 740,00	3 881 221,38	3 881 221,38	4 009 301,69	4 137 599,34
Traffic learners	3 500 000,00	3 629 500,00	3 629 500,00	3 749 273,50	3 869 250,25
Tender documents	365 400,00	378 919,80	378 919,80	391 424,15	403 949,73
Penalties	-	-	-	-	-

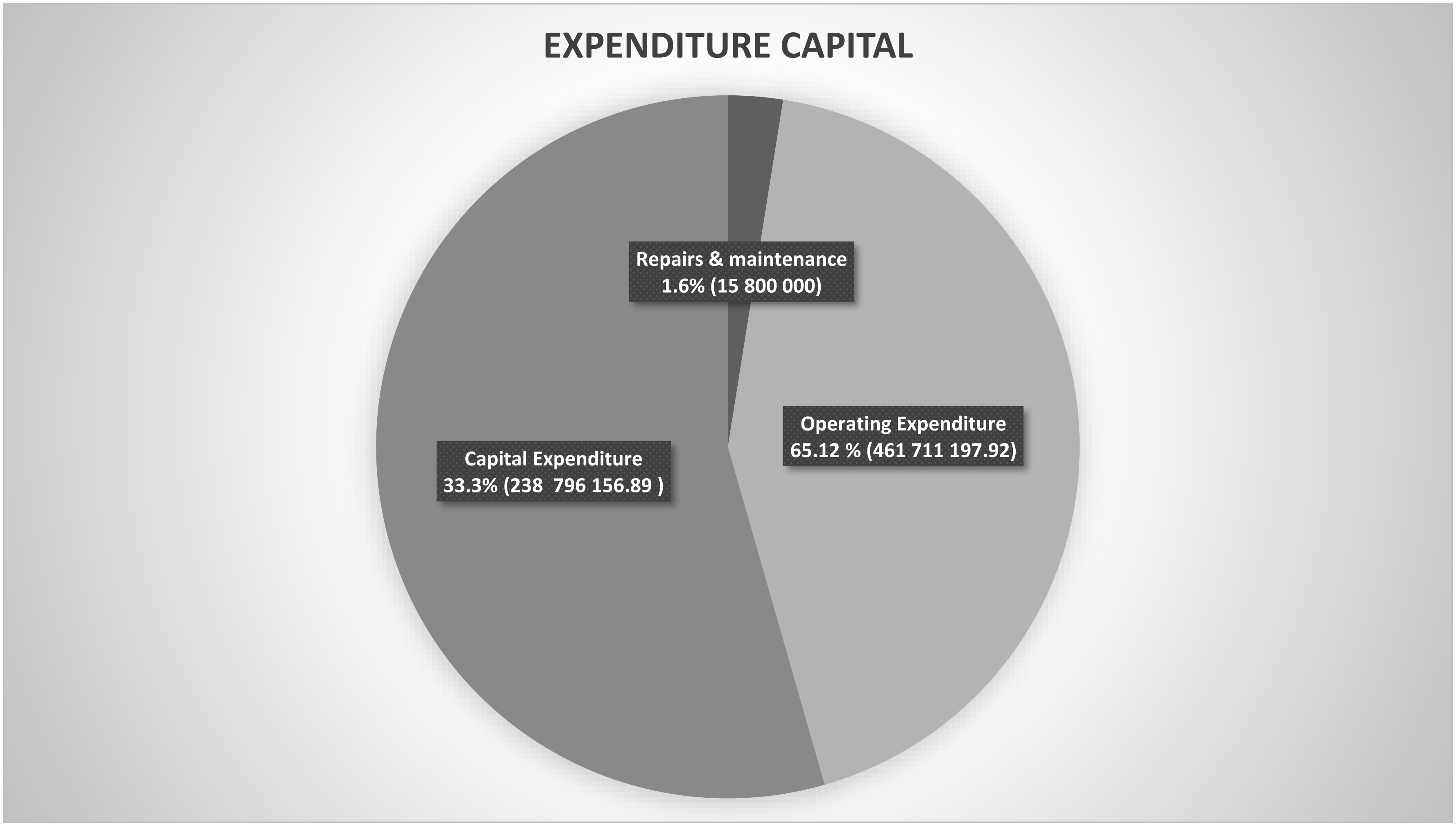
VAT Recovery	32 750 000,00	35 900 000,00	35 900 000,00	37 084 700,00	38 271 410,40
Income from accumulated funds	50 000 000,00	50 000 000,00	50 000 000,00	51 650 000,00	53 302 800,00
Government grants & subsidies	267 118 300,00	229 352 000,00	229 352 000,00	207 607 000,00	220 725 000,00
Membership fees Library	10 440,00	10 826,28	10 826,28	11 183,55	11 541,42
Traffic fines	490 400,00	508 544,80	508 544,80	525 326,78	542 137,24
Total Revenue by Source	**662 558 918,00**	**639 512 170,87**	**639 512 170,87**	**631 302 456,50**	**657 978 711,11**

BREAK DOWN OF GOVERNMENT GRANTS 2026/2027	**ADJUSTMENT BUDGET 2025/26**	**FINAL BUDGET 2026/27**	**FULL YEAR FORECAST**	**FINAL BUDGET YEAR +2 2027/28**	**FINAL BUDGET YEAR+3 2028/29**
EQUITABLE SHARE	173 600 000,00	170 372 000,00	170 372 000,00	169 306 000,00	181 277 000,00
FMG GRANT	1 900 000,00	2 000 000,00	2 000 000,00	2 200 000,00	2 300 000,00
MIG GRANT	45 394 649,00	31 166 650,00	31 166 650,00	34 295 950,00	35 290 600,00
MIG SALARIES (5%) Operational	1 621 950,00	1 640 350,00	1 640 350,00	1 805 050,00	1 857 400,00
EPWP	1 512 000,00	1 519 000,00	1 519 000,00		
INEP	6 089 701,00	22 654 000,00	22 654 000,00		
DISASTER RECOVERY GRANT	27 000 000,00				
DISASTER RESPOND GRANT	10 000 000,00		-		
TOTAL GRANTS	**267 118 300,00**	**229 352 000,00**	**229 352 000,00**	**207 607 000,00**	**220 725 000,00**

7.2 EXPENDITURE

Type of Expenditure	Final Budget 2026/27	Budget Year +2 2027/28	Budget Year +3 2028/29
Salaries & Wages: Management & Staff	131 571 583.22	139 465 878.22	147 833 830.91
Salaries Councillors	14 819 614,70	15 708 791,58	16 651 319,07
Repairs & maintenance	15 800 000,00	15 988 500,00	16 388 212,50
General Expenses	202 070 000,00	215 401 160,00	222 293 997,12
Capital Expenditure (own funding)	164 595 591,67	124 188 839,38	67 263 043,11
MIG (capital)	31 166 650,00	34 295 950,00	35 290 600,00
MIG Salaries (5%) Operational	1 640 350,00	1 805 050,00	1 857 400,00
EPWP	1 519 000,00		
INEP	22 654 000,00		
TOTAL CAPTAL EXPENDITURE	**238 797 156 .89**	**159 931 404,60**	**126 815 521,37**


EXPENDITURE OPERATING
MTREF
180000000
160000000
140000000
120000000
100000000
80000000
60000000
40000000
20000000
0
Salaries & Wages: Management & Staff
Salaries Councillors
Repairs & maintenance
General Expenses
Non-cash items
Capital Expenditure (own funding)
MIG (capital)
Total Capital Expenditure


EXPENDITURE CAPITAL
Repairs & maintenance
1.6% (15 800 000)
Operating Expenditure
65.12 % (461 711 197.92)
Capital Expenditure
33.3% (238 796 156.89)

8. INTEGRATION PHASE

The major output of this phase is the integration of plans and programs.

The municipality has developed sector plans to effectively achieve its priorities and objectives and comply with relevant legislation such as MSA, MFMA, NEMA and others. The table below outlines sector plans that have been developed for service delivery and compliance purposes.

Sector Plans & Strategies	Status Quo	Date of Approval
Spatial Development Framework	Approved	29 May 2025
LED Strategy	Approved	29 May 2025
Housing Chapter	Approved	29 May 2025
Integrated Transportation Plan	Approved	9 November 2025
Integrated Waste Management Plan	Approved	9 November 2025
Infrastructure Maintenance plan	Approved	28 May 2026
Road Master Plan	Approved	28 May 2026
Workplace Skills Plan	Approved	28 May 2026
Disaster Management Plan	Approved	28 May 2026
Housing Chapter	Approved	28 May 2026
Land Use Scheme	Approved	28 May 2026
Institutional and Human Resource Management Strategy	Approved	28 May 2026
Strategic Audit Plan	Approved	28 May 2026
Risk Management Policy	Approved	28 May 2026
Employment Equity Plan	approved	28 May 2026
HIV/AIDS Policy	Approved	28 May 2026
Anti- corruption Policy	Approved	28 May 2026
Municipal Five-Year Financial Plan (2026/27-2030/31	Approved	28 May 2026

8. 1 OVERVIEW OF SECTOR PLANS

8.2 SPATIAL DEVELOPMENT FRAMEWORK (SDF)

Legislative imperative

Municipal Systems Act, 32 of 2000) requires a municipality to compile a Spatial Development Framework (SDF) for its area of jurisdiction to serve as a core component of its IDP.

In addition to the aforementioned Act, the formulation of a SDF for a municipal area is also guided by the following:

- Municipal Planning and Performance Management Regulations,2001
- White Paper on Spatial Planning and Land Use Management,2001

The Municipal SDF together with the IDP must:

- Give effect to the principles contained in chapter 1 of the Development Facilitation Act,1995
- Set out objectives that reflect that desired spatial form of the municipality.
- Contain strategies and policies regarding the way to achieve the objectives referred to, which strategies and policies must:
- Indicate the desired patterns of land use within the municipality.
- Address the spatial reconstruction of the location and nature of development within the municipality.
- Provide strategic guidance in respect of the location and nature of development within the municipality.
- Set out basic guidelines for a land-use management system in the municipality.
- Set out a capital investment framework for the municipal's development programs.
- Contain a strategic assessment of the environmental impact of the spatial development framework.
- Identify programs and projects for the development of land within the municipality.
- Be aligned with the spatial development frameworks reflected in the integrated development plans of neighboring municipalities, etc.

Executive Summary of Maruleng SDF

The SDF for the municipality, which forms part of Mopani District Municipality in the Limpopo Province, which was adopted by council in one of its sittings in January 2021, focuses on the spatial dimensions of development in Maruleng and, as such, is a core component of the municipal IDP. The SDF seeks to create a spatial environment that supports economic growth and development to the benefit of the people of Maruleng.

The analysis of development in Maruleng revealed that most people are poor, with at least half unemployed. They live in rural villages in which the level of economic activity is low with most people being dependent on subsistence living. Places of employment are generally far from the villages, where more than ninety percent of the people live. While the situation is improving, many residents have limited or no access to basic services.

Tourism and agriculture are cornerstones of the Maruleng economy. Hoedspruit is the only urban node of note, with growth of the town driven by tourism. Maruleng is blessed with tremendous natural assets, including rivers and mountain areas, an abundance of wildlife, and areas of great natural beauty. Maruleng contains a large part of the most extensive area of private game reserves on earth, making it an international tourist destination. The world-famous Kruger National Park is situated to the east of Maruleng and the SDF include the following:

- Intensification and expansion of the provincial growth node at Hoedspruit
- Establishment of a municipal development corridor linking the rural villages (The Oaks-Metz-Trichardtsdal development corridor)
- Development of a municipal growth node at Metz Central
- Concentration of economic activity at a strategic location within each village
- Establishment of Drakensberg Environmental Zone (K2C Biosphere)
- Extensive land areas devoted to agriculture, which include agricultural processing facilities and areas devoted to game reserve.

Alignment with SPLUMA Principles

The MLM SDF is compatible and supportive of the principles /norms parting to spatial planning and LUMS as contained in Chapter 2, Sections 7 and 8 of the Spatial Planning and Land Use Management Act (SPLUMA). The MLM SDF incorporates and functionally integrates a wide range of developmental disciplines. These development disciplines are interdependent and collectively contribute towards achieving the principles stipulated in SPLUMA.

8.3. LAND USE SCHEME

Background

The Council at its sitting of the 2008 adopted the Land Use Scheme which determines and regulates the use and development of land in the municipal area in accordance with the Town-planning and Township Ordinance, 1986 (Ordinance No. 15 of 1986) and is a component of land use management.

Purpose

- Land Use Management Scheme enables the municipality to enforce SDF.
- LUS is an implementation tool of the Spatial Development Framework

Components of LUS

In the LUS contains the following important components:

- General conditions applicable to all properties
- Interpretation of use zones and use of land and buildings
- Specific conditions and development criteria applicable to use zones
- Special, written, and temporary consent of the local municipality, and
- Application of scheme and powers of the local municipality.

8.4. LOCAL ECONOMIC DEVELOPMENT (LED) STRATEGY

The LED is aligned to the National Development Plan (NDP), New Growth Path, Limpopo Employment, Growth and Development Plan (LEGDP), Mopani LED strategy, Maruleng IDP and other national, provincial, and local plans that guide development within the Republic of South Africa. These policies are guided by the Constitution of South Africa which empowers all local authorities to promote economic development. Policy and strategy formulation in a democracy should be as consultative as possible otherwise it would lack credibility and acceptance among the stakeholders. On the other hand, the implementation of the policy should be guided by a strategy and plans that is a product of a thorough analysis of the environment in which the policy would be implemented. Therefore, a broad and meaningful consultation with all the critical stakeholders was done to have a simple, practical and empowering approach.

Summary of identified critical intervention.

- Tourism as a sector having a high performing trade and services in the district. The sector reflects the strength, opportunities, uniqueness characteristics and potential for growth and development. There are about 2million visitors who visit Mopani District per year for day and overnight. They spent around 15 billion annually. The Maruleng Municipality has a large game farm from which the municipality can grow its tax base. This could be achieved through trophy hunting, wildlife festivals and shows.

- Agriculture is the fourth largest contributor to Maruleng economy. It contributes 9% to the local economy. It employs 17% of the labour force making it the largest single employer. The contribution of this sector to the district agriculture is 14% whilst contributing of 13% to the district employment in the agricultural sector. Most of the land claims has been settled, however, there is a need to re-develop some of the land-claimed farms.

- Hoedspruit Eastgate Airport has applied for international customs point licence which is on process. The approval of custom points licence will impact on the increase in tourism visitor's status and expenditure patterns within Maruleng areas. As a means of advertising the Eastgate Airport has to increase signage to the airport on the R40 driving from Ba-Phalaborwa and Acornhoek,

- Aerotel (Aeroplane-Hotel) is a recycled boeing 737-200, it was converted into a 12-sleeper boutique hotel. The hotel is situated in Zandspruit Bush Aero Estates in Hoedspruit-Limpopo under Maruleng Municipality which is on the R527 Provincial Road**.**

8.5. Integrated Waste Management Plan

Overall aims and goals.

The Integrated Waste Management Plan was developed so that the municipality can provide services on waste management to all households and businesses in its municipal area. The IWMP provides universal services, cost effectiveness, reduce the negative impact of waste on human health and the environment, maximize job creation and create opportunity to promote Broad-Based Black Economic Empowerment.

Collection

The municipality provides waste collection services in three urbanized areas: Hoedspruit, Kampersrus and Drakensig for a total of 660 households and 17 955 rural households. Collection in urban households is done once per week.

Transporting waste

The municipality has outsourced collection and transportation. The municipality provides a collection service only for garden waste. Waste is removed from households and businesses in Hoedspruit and Kampersrus directly to the disposal site.

Recycling

A recycling company from Phalaborwa collects materials from a recycling collection point at the gate of the Timbavati Game Reserve. No recycling companies were identified that are based in Maruleng.

Disposal

All collected waste is disposed at the Worcester landfill site.

8.6 AN INTEGRATED HIV/AIDS POLICY

Background

Municipalities have a constitutional mandate to promote a safe and healthy environment. But during the past decades, there has been an exponential growth in the number of HIV/AIDS infections in South Africa. This growth has been accompanied by greater visibility of the epidemic, especially owing to the increased number of AIDS deaths. Mopani District Municipality has the highest HIV/ AIDS prevalence which has resulted in the increase of child-headed families without any source of income and Maruleng Municipality is no exception as the HIV prevalence rate has sharply increased from 1996 to 2024 and it stands at 26%.

The contributory factors for high prevalence of HIV/AIDS and related diseases amongst others are:

- Poverty, gender inequality and orphanage
- Rapid urbanization and cultural modernization
- Cross border gates and national routes
- Dynamics of growing economy
- Increased in the commercialization of sexual activities.
- High unemployment rate
- Low literacy rate
- Alcohol and substance abuse
- High crime rate
- The municipality has developed an HIV/AIDS program in line with the National Policies and Guidelines.

Objectives

- To ensure that there will be a collaborative effort by all in ensuring that a program is put in place and implemented to support those living with HIV/AIDS
- To prevent the spread of the disease
- To provide clear guidelines in line with legal mandates on dealing with this scourge
- The management of HIV/AIDS will include that of STDs as there is a linkage between them.

Legal Mandates

- Labour Relations Act
- Basic Condition of Employment Act
- The Constitution of RSA
- National HIV/AIDS policy guidelines
- Occupational Health and Safety Act
- Compensation for Occupational Injuries and Disease Act

Interaction With stakeholders

The municipality will endeavor to interact and utilize available resources to ensure its contributions to the fight against HIV/AIDS. The municipality will interact with sector departments, private sector, CBOs, NGOs etc. and participate in their programs. Moreover, the municipality has committed itself to prioritization of HIV/AIDS awareness in all internal and external programs of the municipality.

8.7 SKILLS DEVELOPMENT PLAN

The municipality places greater emphasis towards capacitating its personnel in line with the Skills Development Act (Act.NO.97 of 1998) and the Skills Development Levies Act (Act No. 9 of 1999).

The municipality has developed a comprehensive Work Skills Plan of which the Equity Plan forms an integral part and has registered with the Local Government Sector Education and Training Authority.

This legal framework and the National Skills Development Strategy are intended to encourage employers to comply with legislation by so doing:

- Support economic growth for employment creation and poverty eradication.
- Promote productive citizens by aligning skills development with national strategies for growth and development.
- Accelerate Broad based Black Economic Empowerment and Employment Equity, and
- Help to create a competitive and productive work environment.

8.8 EMPLOYMENT EQUITY PLAN

Preamble

Maruleng Municipality has taken into cognizance the history of apartheid laws and practices with the resultant disparities and inequalities, in the spirit of Employment Equity Act is geared towards achieving employment equity across all occupational levels and categories.

It is further committed to the right to equality as clearly enshrined the Constitution of the Republic of South Africa.

Attempts will be made in order to ensure that the workforce is a true reflection of the demographics of the municipal area, the province and the country.

The plan is also aimed at ensuring that South Africa fulfills her obligations as a member of the International Labour Organization.

Objectives

- To do away with all forms of unfair discrimination regarding employment practices and policies.
- To develop and communicate a sexual harassment policy that is in line with the Code of Conduct on Sexual Harassment
- To eradicate all barriers that may hamper the advancement of the designated groups.
- To create a corporate culture that affirms and exploits workplace diversity.
- To ensure that management is actively committed to implementing employment equity.
- To create IDP related strategies that can be employed to make reasonable and serious progress on employment equity on all occupational levels and categories.

8.9 HOUSING CHAPTER

Background

The following matters were highlighted by the municipality as being the major housing related problems/concerns in the municipality:

The municipality does not have a dedicated housing unit. At the moment the housing function is housed with the PMU, which only deals with the monitoring of both the waiting list and construction of RDP housing units allocated by the Department of Local Government and Housing. The previous housing facilitator has also resigned, and the duties are currently handled by the Building Inspector.

The municipality does not own any land, both in Hoedspruit and its outposts.

The municipality is unable to access land for low to middle income housing development in and around the town of Hoedspruit. This is because most of the land is privately owned and also priced way above what the municipality can afford to pay. At the moment the municipality does not own any land. However, some government departments and parastatals own portion of land in the area:

- National Department of Public Work owns land on Berlin 209 KT and Amsterdam 208 KT,
- Limpopo Department of Public Works owns land at Bedford 419 KT. These three portions are strategically situated to address the issue of integrated housing development within the town, if only negotiations with the sister departments can succeed, and
- Transnet owns property in town, and the houses are currently occupied by illegal tenants. (Transnet is no longer operational in the area). This fact adds to the strain on municipal infrastructure because there is no management therefore there is no payment for municipal services used. Illegal occupation has led to overcrowding and construction of informal structures.
- Applications to the COGHSTA to assist in purchasing such land is ongoing, but it takes too long, and it is also overtaken by private developer driven residential projects.
    - The lack of racial and economic integration within the municipality, i.e., the residents in the Hoedspruit town are predominantly white and affluent, whilst those that live almost 40km northwest are predominantly black and poor. High prices of land and houses in and around town. This fact makes it almost impossible for the black people who work in town to afford property nearer their places of work.
    - Residential development is largely developer driven, making it a challenge for the municipality to have control over housing development.
    - The over-extended bulk infrastructure in the town of Hoedspruit, which needs an upgrade. At the moment the municipality lacks the capacity and funds to deal with this problem. However, Mopani District Municipality has appointed service providers to upgrade the current bulk water and sewerage infrastructure.
    - Minimal or total lack of bulk infrastructure in the villages. Municipality lacks capacity and funds to address current backlog.

The municipality also raised challenges in relation to the way the COGHSTA deals with issues without proper consultations with the municipality. The following issues were listed:

- Blocked projects – housing units that are either incomplete or of poor quality,
- The allocation of houses and beneficiary screening,
- Appointment of developers, and how their work needs to be monitored, and
- The non-payment of local laborers by developers

8.10 STRATEGIC AUDIT PLAN

Purpose of this document

This document sets out the Strategic Three-year rolling Internal Audit Plan as well as the Annual Internal Audit Plan for the financial year ending 30 June 2018 (collectively referred to as the Internal Audit Plan), for consideration and approval by the Audit Committee. It was prepared on the combined assurance principle with the aim to avoid excessive duplication of effort between the various assurance providers of serving Maruleng Local Municipality.

The Internal Audit Plan for Maruleng Local Municipality was prepared to provide an efficient and effective assurance service to: The Mayor, The Executive Council, Municipal Manager, The Audit Committee; and Line Management.

The approach was to formulate a risk-based plan to align the priorities of the Maruleng Local Municipality Internal Audit with the objectives and goals of the municipality and the related strategic risks as identified for the three years 2025/26 to 2027/28.

Restriction on distribution of this document

This document has been prepared for the sole and exclusive use of Maruleng Local Municipality and may not be made available to anyone other than authorised persons within Maruleng Local Municipality, nor relied upon by any third party without the prior written consent of Maruleng Local Municipality Internal Audit.

Internal Audit Roles and responsibilities

The Institute of Internal Auditors defines internal auditing as follows:

"*An independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.****"***

Maruleng Local Municipality Internal Audit therefore evaluates and contributes to the improvement of risk management, control and governance systems.

Governance

Internal Audit should assist Council and Management in achieving goals of Maruleng Local Municipality by evaluating the process through which:

Goals and values are established and communicated.

Goals are accomplished and monitored; and

Accountability is ensured and corporate values are preserved.

Risk Management

The Maruleng Local Municipality Internal Audit should assist the municipality in identifying, evaluating, and assessing significant organisational risks and should provide assurance as to the effectiveness of related internal controls regarding the focus areas reviewed.

Furthermore, Internal Audit should evaluate the risk management process of the municipality for efficiency and effectiveness.

Controls

Internal audit should evaluate if the controls of the focus areas as set out in the Internal Audit Plan and which management relies on to manage the risks down to acceptable levels, are appropriate and functioning as intended (i.e., are they effective and efficient) and make recommendations for enhancement or improvement of the current system of internal control.

It must be stressed that Internal Audit is not responsible for implementing and managing controls. Internal Audit is responsible for reporting on the effectiveness of the control environment.

Internal Audit is authorised to:

Have unrestricted access to all functions, records, property and personnel.

Have full and uninhibited access to the Audit Committee.

Allocate its own resources; determine frequencies, subjects, scope of work to be performed; and apply the techniques required to accomplish its audit objectives; and

Obtain the necessary assistance of personnel in departments and functions of Maruleng Local Municipality where they perform audits, as well as other specialised services from within or outside the organisation.

Internal Audit is not authorised to:

Perform any operational duties for Maruleng Local Municipality.

Initiate or approve accounting transactions external to the internal auditing function; and

Direct the activities of any employee outside Internal Audit, except to the extent that such employees have been appropriately assigned to auditing teams or to otherwise assist Internal Audit in carrying out its functions.

8.11 RISK MANAGEMENT POLICY

According to sec 62(1)(c) of the MFMA, the accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure that the municipality has and maintains effective and efficient and transparent systems:

i. Of financial and risk management and internal control; and

ii. Of internal audit operating in accordance with prescribed norms and standards.

The municipality subscribe to the fundamental principles that all resources will be utilized economically to ensure:

- Maintain the highest standards of service delivery.
- Management system containing the appropriate elements aimed at minimising risks and costs in the interest of all stakeholders.
- Educating and training of all our staff members to ensure continuous improvement in knowledge, skills and capabilities which facilitate constituent conformance to stakeholders' expectations; and
- Maintaining an environment, which promotes the right attitude and sensitivity towards internal and external stakeholder satisfaction.

8.12. ANTI-CORRUPTION POLICY

Introduction

The MLM as established through Systems Act of 2000 is one of the high interactive government levels. The inter-activeness nature has a potential to generate illegal, fraudulent, and corrupt activities. The MLM has zero tolerance to illegal activities inclusive fraud and corruption. This policy is intended to stop and limit corruption and fraud friendly environment.

Objectives

- To give effect to prevention and combating of corrupt activities in terms of Act 12 of 2004, MFMA, MLM Code of Conduct and MLM Supply Chain Policy
- To prevent and combat fraud and corruption and related corrupt activities.
- To punish perpetrators of corruption and fraud
- To safeguard MLM properties, funds, business, and interest

8.13 DISASTER RISK MANAGEMENT PLAN

Background

With the new Disaster Management Act (Act 57 of 2002), disaster management is approached in South Africa has undergone major reform when government took the decision to move away from the customary perception that disasters were inevitable and therefore could only be dealt with once they had occurred. The essence of the Disaster Management Act can broadly be summarized as:

- The integration of risk reduction strategies into development initiatives.
- The development of a strategy to reduce the vulnerability of South Africans especially poor and disadvantaged communities – to disasters.
- The establishment of a National Disaster Management Centre to:
  - Ensure that an effective disaster management strategy is established and implemented.
  - Co-ordinate disaster management at various levels of government.
  - Promote and assist the implementation of disaster management activities in all sectors of society.
- The introduction of a new disaster management funding system which:
  - Ensures that risk reduction measures are taken.
  - Builds sufficient capacity to respond to disasters.
  - Provides adequate post-disaster recovery.
- The new Disaster Management Act.
  - Brings about uniform approach to disaster management.
  - Seeks to eliminate the confusion created by current legislation regarding declarations of disasters.
  - Addresses legislative shortcomings by implementing key policy objectives.

- The establishment of a framework (strategic policy) to enable communities to be informed, alert and self-reliant and capable of supporting and co-operating with government in disaster prevention and mitigation.

8.14 INSTITUTIONAL PLAN AND HUMAN RESOURCE MANAGEMENT STRATEGY

Preamble

The Maruleng Municipality has observed with concern the rate at which staff members are exiting the municipality. Such a phenomenon has the potential to frustrate efforts towards the achievements of the municipality's objectives as outlined in the IDP and SDBIP. The municipality needs to ensure that the above situation is addressed. For example, it has been observed that certain specific occupational categories are characterized by resignations of staff due to a variety of reasons such as lower salaries, career advancement and general working conditions, etc. In addition, notwithstanding the fact that the Municipality does assist its employees to achieve some tertiary qualifications, and there are those employees who pursue those qualifications at their own expense, it has also been observed that no follow-up is made by the Municipality to ensure that the employees are correctly placed and effectively utilized after the completion of their studies. All the above anomalies and /or omissions have to be addressed by the Municipality if it is to retain and attract competent staff from the labour market.

Objectives

To ensure a conducive and harmonious working environment for employees throughout the Municipality

- To attract and retain competent staff.
- To retain staff members whose services are regarded as critical.
- To identify the individual 's potential for assuming a higher degree of responsibility
- To help develop a skills base for succession planning.
- To ensure career development for staff

Mandates and legislative Framework

- Recruitment and Selection Policy
- Employment Equity Act 55,1998
- Performance Management Policy
- Affirmative Action and Employment Equity Plan
- Skills Development Act 97,1998
- Bursary Policy
- Labour Relations Act, 1995 cleaning team to check the relevancy.
- Systems Act
- Basic Condition of Employment Act

The municipality has developed the following policies as part of its human resource development (strategy):

- Career management and retention policy
- Leave policy.
- Overtime policy
- Policy on training and development
- Employees bursary policy succession planning policy
- Ill Health policy
- Records management policy
- Employee performance policy

8.16 PUBLIC PARTICIPATION STRATEGY

MLM is a sphere of government established by the Constitution of the RSA and MSA OF 1998 premised on constitutional democracy. The legal framework obligates municipalities to establish and maintain systems for participatory governance through involvement of the public.

The purpose of the Public Participation Strategy is to guide and regulate public participation in the municipality. To outline roles and responsibilities of councilors, council officials and the members of the public during public participation meetings.

The process of community involvement must be premised on inclusiveness. All sections of the community must be catered for within the framework of the municipality, there must be arrangements and mechanisms for support the elderly and disabled.

The language barrier and literacy levels must be factored during public participation meetings.

8.17 FIVE YEAR FINANCIAL PLAN: 2026- 2031

1) **<u>INTRODUCTION</u>**

This plan is prepared in terms of section 26 (h) of the Local Government; Municipal Systems Act, as a •mended, which stipulates that a financial plan must be prepared as part of the Integrated Development Plan (IDP).

The five-year financial plan includes an Operating Budget, a Capital Investment Programme, and the sources of funding for the Capital Investment Programme, financial strategies and programmes, various financial management policies adopted by council, key financial targets, key performance indicators, and a budget according to the IDP priorities.

2) **<u>PURPOSE</u>**

To create a medium term strategic financial framework for allocation municipal resources, through the municipal budgeting process to ensure the financial viability and sustainability of the municipality's investments and operations.

3) <u>REPONSIBILITY</u>

The finance department collects revenues due to the municipality and pays all amounts due for payrolls and outside vendors. The finance department also manages the investments of municipal funds and municipal borrowings, if any.

The Finance Department is therefore charged with the responsibility of compiling the financial plan in close consultation with the municipal manager, heads of department, IDP, Representative forum, and council or the mayor.

A Finance Portfolio Committee assisted by competent financial planners (Treasurers) should assist in the formulation of alternative financial strategies to be presented to the IDP Representative Forum under the leadership of the councillor Responsible for financial matters.

It is important to note that the priority issue from a financial perspective is the viability and sustainability of the municipality. This goal can best be achieved through efficient and effective financial management. The plans and the strategies that have been formulated were prepared with this in mind.

Maintaining healthy financial base that fully supports municipal services according to mayoral priorities requires constant vigilance. this two is reflected in restructuring and reshaping municipal services, implementing new financial management systems, securing sound recurring revenues and making responsible spending adjustments in fight of the revenue growth limitations to achieve a balanced budget.

Budget assumptions and parameters are determined in advance of the budget process to allow budgets to be constructed to support the achievement of the longer —term financial and strategic targets.

The municipal fiscal environment is influenced by a variety of macro — economic control measures. National Treasury determines the ceiling of year —on- year increases in the total Operating Budget. Various government departments also affect municipal service delivery through the level Of grants and subsidies.

4) OPERATING BUDGET

As reflected in Table 1 below, the municipality expects to break even in the period under review. Selected key assumptions relating to this budget are as follows.

Government grants are as per Division of Revenue Act; and the estimation are as per municipal populations. The inflation rate has been estimated to be 3.4% to 3.2 % per annum.
Growth in the salary and wage bill has been provided for in the budget at 4.1 % per annum, growth in the remaining expense items in general range from O •1 0 % per annum.
Provision has been made for tariff increases relating to property rates at an average of 3.4 % per annum. The amount for contribution expense included in the budget relates largely to leave provision and the provision for bad debts.
Equitable share capital portion as well as other conditional grants reflected in the funding sources for capital investment programme (Table 2) may also be allocated to revenue.

Table 1: Operating Budget (Revenue and Expenditure)

LIM335 Maruleng - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	####	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
Revenue											
Exchange Revenue											
Service charges - Electricity	2	-	-	-	-	-	-	-	-	-	-
Service charges - Water	2	(0)	(531)	0	-	-	-	1 133	-	-	-
Service charges - Waste Water Management	2	(0)	531	(0)	-	-	-	112	-	-	-
Service charges - Waste Management	2	4 923	5 386	5 707	6 300	6 300	6 300	5 114	6 533	6 749	6 965
Sale of Goods and Rendering of Services	2	4 245	4 257	4 344	3 477	4 888	4 888	3 643	5 069	5 236	5 404
Agency services	2	239	180	290	3 132	3 500	3 500	2 646	3 630	3 749	3 869
Interest		-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	2	14 322	18 582	(1 409)	1 495	716	716	(2 495)	742	767	792
Interest earned from Current and Non Current Assets	2	8 337	11 055	12 257	12 854	9 600	9 600	7 669	9 955	10 284	10 613
Dividends	2	-	-	-	-	-	-	-	-	-	-
Rent on Land	2	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets	2	-	-	73	438	425	425	86	441	455	470
Licence and permits	2	2 861	3 897	2 567	3 132	3 743	3 743	(0)	3 881	4 009	4 138
Special rating levies	2	-	-	-	-	-	-	-	-	-	-
Construction Contract Revenue	2	-	-	-	-	-	-	-	-	-	-
Development Charges	2	-	-	-	-	-	-	-	-	-	-
Operational Revenue	2	438	428	1 277	422	40	40	4 365	41	43	44
Non-Exchange Revenue											
Property rates	2	126 291	172 692	186 026	222 681	222 681	222 681	172 031	230 921	238 541	246 174
Surcharges and Taxes	2	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	2	1 063	870	433	1 045	491	491	272	510	526	543
Licences or permits	2	2 730	2 840	3 100	3 816	150	150	2 914	156	161	166
Transfer and subsidies - Operational	2	158 022	169 349	187 658	184 005	213 724	213 724	182 977	198 185	173 311	185 434
Interest	2	-	-	21 434	19 836	22 116	22 116	19 967	22 934	23 691	24 449
Fuel Levy	2	-	-	-	-	-	-	-	-	-	-
Operational Revenue	2	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Fixed and Intangible Assets	2	-	-	-	-	-	-	-	-	-	-
Other Gains	2	-	2	19	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		**323 471**	**389 538**	**423 775**	**462 633**	**488 374**	**488 374**	**400 435**	**482 998**	**467 523**	**489 061**
Expenditure											
Employee related costs	2	85 861	93 338	101 171	124 320	117 637	117 637	(93 316)	134 178	142 228	150 762
Remuneration of councillors	2	11 820	11 977	12 518	13 377	13 377	13 377	(12 146)	13 759	14 584	15 459
Bulk purchases - electricity	2	718	565	611	-	-	-	-	-	-	-
Inventory consumed	2,8	4 708	4 147	4 863	10 000	9 750	9 750	(13 369)	10 400	10 743	11 087
Debt impairment	2,3	25 643	38 441	58 491	35 970	55 000	55 000	(29 453)	57 400	59 294	61 192
Depreciation, amortisation and impairment	2	27 692	27 421	30 742	37 000	34 500	34 500	(28 443)	36 500	37 705	38 911
Interest, Dividends and Rent on Land	2	1 429	1 919	2 436	2 100	2 700	2 700	(327)	2 800	2 892	2 985
Contracted services	2	51 522	60 962	88 404	85 265	185 571	185 571	(149 197)	138 116	113 559	117 193
Transfers and subsidies	2	-	102 198	59 754	-	-	-	-	-	-	-
Irrecoverable debts written off	2	-	-	(1 058)	-	5 000	5 000	-	4 500	4 649	4 797
Operational costs	2	42 859	47 900	55 882	79 004	76 776	76 776	(44 982)	80 016	82 657	85 302
Disposal of Fixed and Intangible Assets	2	1 519	277	559	500	500	500	-	300	310	320
Other Losses	2	-	179	120	15	200	200	-	250	258	267
Total Expenditure		**253 771**	**389 324**	**414 493**	**387 552**	**501 011**	**501 011**	**(371 233)**	**478 218**	**468 879**	**488 274**
Surplus/(Deficit)		**69 700**	**214**	**9 282**	**75 080**	**(12 636)**	**(12 636)**	**771 668**	**4 780**	**(1 357)**	**787**
Transfers and subsidies - capital (monetary allocations)	6	73 822	78 519	66 232	30 817	85 395	85 395	43 774	31 167	34 296	35 291
Transfers and subsidies - capital (in-kind)	6	7 357	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		**150 878**	**78 733**	**75 514**	**105 897**	**72 758**	**72 758**	**815 442**	**35 947**	**32 939**	**36 077**
Income Tax		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		**150 878**	**78 733**	**75 514**	**105 897**	**72 758**	**72 758**	**815 442**	**35 947**	**32 939**	**36 077**
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		**150 878**	**78 733**	**75 514**	**105 897**	**72 758**	**72 758**	**815 442**	**35 947**	**32 939**	**36 077**
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	1	**150 878**	**78 733**	**75 514**	**105 897**	**72 758**	**72 758**	**815 442**	**35 947**	**32 939**	**36 077**

Table 2: Capital Expenditure by vote and funding source

LIM335 Maruleng - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	###	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 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 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue											
Exchange Revenue											
Service charges - Electricity	2	-	-	-	-	-	-	-	-	-	-
Service charges - Water	2	2,213	0	(0)	-	-	-	-	-	-	-
Service charges - Waste Water Management	2	(2,177)	0	(0)	-	-	-	-	-	-	-
Service charges - Waste Management	2	3,979	4,367	4,923	5,200	5,200	5,200	5,200	5,550	5,805	6,067
Sale of Goods and Rendering of Services		1,984	2,806	4,245	3,414	3,558	3,558	3,558	3,785	3,959	4,137
Agency services		–	216	239	14,089	4,000	4,000	4,000	4,196	4,389	4,587
Interest		–	–	–	–	–	–	–	–	–	–
Interest earned from Receivables		13,150	14,315	14,354	4,940	3,000	3,000	3,000	4,500	4,707	4,919
Interest earned from Current and Non Current Assets		4,163	4,409	8,337	7,000	8,500	8,500	8,500	8,917	9,327	9,746
Dividends		–	–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		–	–	–	468	468	468	468	491	514	537
Licence and permits		2,452	2,237	2,861	2,700	2,700	2,700	2,700	2,832	2,963	3,096
Operational Revenue		2,606	413	438	483	408	408	408	428	447	467
Non-Exchange Revenue											
Property rates	2	106,898	117,430	126,552	132,444	162,850	162,850	162,850	173,650	181,638	189,812
Surcharges and Taxes		–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		2,950	321	1,063	759	1,309	1,309	1,309	1,373	1,436	1,501
Licences or permits		19	2,658	2,730	–	–	–	–	–	–	–
Transfer and subsidies - Operational		162,391	142,768	158,022	168,133	169,702	169,702	169,702	178,826	176,363	171,139
Interest		–	–	–	9,342	12,782	12,782	12,782	15,050	15,742	16,451
Fuel Levy		–	–	–	–	–	–	–	–	–	–
Operational Revenue		–	–	–	–	–	–	–	–	–	–
Gains on disposal of Assets		738	(183)	–	–	–	–	–	–	–	–
Other Gains		–	1,736	345	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and cont		**301,365**	**293,493**	**324,108**	**348,971**	**374,476**	**374,476**	**374,476**	**399,597**	**407,290**	**412,457**
Expenditure											
Employee related costs	2	75,972	79,163	85,861	101,015	100,067	100,067	100,067	108,892	113,901	119,027
Remuneration of councillors		11,120	11,097	11,257	12,246	12,143	12,143	12,143	13,332	13,946	14,573
Bulk purchases - electricity	2	652	721	718	1,000	1,000	1,000	1,000	750	785	820
Inventory consumed	8	4,193	3,490	4,708	5,200	6,600	6,600	6,600	6,900	7,217	7,542
Debt impairment	3	476	10	–	24,500	28,500	28,500	28,500	29,500	30,857	32,246
Depreciation and amortisation		22,302	24,228	27,715	32,257	32,257	32,257	32,257	33,000	34,902	36,874
Interest		744	1,021	1,429	850	2,100	2,100	2,100	2,100	2,197	2,295
Contracted services		32,008	37,610	48,544	52,110	61,775	61,775	61,775	62,620	65,678	68,820
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		36,856	21,113	25,643	–	–	–	–	–	–	–
Operational costs		34,137	33,766	43,236	56,412	59,203	59,203	59,203	65,260	68,262	71,334
Losses on disposal of Assets		114	405	1,519	750	1,500	1,500	1,500	1,500	1,569	1,640
Other Losses		–	–	–	–	–	–	–	–	–	–
Total Expenditure		**218,572**	**212,624**	**250,631**	**286,339**	**305,144**	**305,144**	**305,144**	**323,855**	**339,314**	**355,170**
Surplus/(Deficit)		**82,793**	**80,869**	**73,476**	**62,632**	**69,332**	**69,332**	**69,332**	**75,742**	**67,976**	**57,287**
Transfers and subsidies - capital (monetary allocations)	6	46,296	33,659	73,822	31,372	94,311	94,311	94,311	45,215	30,655	33,051
Transfers and subsidies - capital (in-kind)	6	–	18,562	7,357	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**129,089**	**133,090**	**154,655**	**94,004**	**163,643**	**163,643**	**163,643**	**120,958**	**98,631**	**90,338**
Income Tax		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after income tax		**129,089**	**133,090**	**154,655**	**94,004**	**163,643**	**163,643**	**163,643**	**120,958**	**98,631**	**90,338**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		**129,089**	**133,090**	**154,655**	**94,004**	**163,643**	**163,643**	**163,643**	**120,958**	**98,631**	**90,338**
Share of Surplus/Deficit attributable to Associate	7	–	–	–	–	–	–	–	–	–	–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	1	**129,089**	**133,090**	**154,655**	**94,004**	**163,643**	**163,643**	**163,643**	**120,958**	**98,631**	**90,338**

LIM335 Maruleng - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	###	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 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 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Capital expenditure - Vote											
Multi-year expenditure ***to be appropriated***	2										
Vote 1 - EXECUTIVE AND COUNCIL		–	–	–	–	–	–	–	–	–	–
Vote 2 - BUDGET AND TREASURY		–	–	–	–	–	–	–	–	–	–
Vote 3 - CORPORATE SERVICES		–	–	–	–	–	–	–	–	–	–
Vote 4 - PLANNING AND DEVELOPMENT		–	–	–	–	–	–	–	–	–	–
Vote 5 - COMMUNITY AND SOCIAL SERVICES		–	–	–	–	–	–	–	–	–	–
Vote 6 - SPORT AND RECREATION		–	–	–	–	–	–	–	–	–	–
Vote 7 - WASTE MANAGEMENT		–	–	–	–	–	–	–	–	–	–
Vote 8 - WASTE WATER MANAGEMENT		–	–	–	–	–	–	–	–	–	–
Vote 9 - ROADS AND TRANSPORT		–	–	12,804	–	1,396	1,396	1,396	–	–	–
Vote 10 - WATER		–	–	–	–	–	–	–	–	–	–
Vote 11 - PUBLIC SAFETY		–	–	–	–	–	–	–	–	–	–
Vote 12 - ELECTRICITY DISTRIBUTION		–	–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	7	–	–	**12,804**	–	**1,396**	**1,396**	**1,396**	–	–	–
Single-year expenditure ***to be appropriated***	2										
Vote 1 - EXECUTIVE AND COUNCIL		–	–	1,441	–	–	–	–	–	–	–
Vote 2 - BUDGET AND TREASURY		5,714	40,507	53,390	11,600	10,600	10,600	10,600	13,200	5,690	8,970
Vote 3 - CORPORATE SERVICES		–	–	–	–	–	–	–	–	–	–
Vote 4 - PLANNING AND DEVELOPMENT		–	–	–	–	–	–	–	–	–	–
Vote 5 - COMMUNITY AND SOCIAL SERVICES		2,862	8,002	27,882	7,450	2,250	2,250	2,250	34,922	6,718	13,049
Vote 6 - SPORT AND RECREATION		–	–	–	–	–	–	–	–	–	–
Vote 7 - WASTE MANAGEMENT		–	–	–	–	–	–	–	–	–	–
Vote 8 - WASTE WATER MANAGEMENT		–	–	–	–	–	–	–	–	–	–
Vote 9 - ROADS AND TRANSPORT		211,967	225,453	170,393	148,566	210,613	210,613	210,613	134,553	140,780	111,907
Vote 10 - WATER		–	–	–	–	–	–	–	–	–	–
Vote 11 - PUBLIC SAFETY		–	–	–	–	–	–	–	–	–	–
Vote 12 - ELECTRICITY DISTRIBUTION		–	–	1,502	–	–	–	–	5,085	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total		**220,542**	**273,962**	**254,608**	**167,616**	**223,463**	**223,463**	**223,463**	**187,760**	**153,188**	**133,926**
Total Capital Expenditure - Vote		**220,542**	**273,962**	**267,411**	**167,616**	**224,860**	**224,860**	**224,860**	**187,760**	**153,188**	**133,926**
Capital Expenditure - Functional											
Governance and administration		**5,714**	**40,507**	**54,830**	**11,600**	**10,600**	**10,600**	**10,600**	**13,200**	**5,690**	**8,970**
Executive and council		–	–	1,441	–	–	–	–	–	–	–
Finance and administration		5,714	40,507	53,390	11,600	10,600	10,600	10,600	13,200	5,690	8,970
Internal audit		–	–	–	–	–	–	–	–	–	–
Community and public safety		**2,862**	**8,002**	**27,882**	**7,450**	**2,250**	**2,250**	**2,250**	**34,922**	**6,718**	**13,049**
Community and social services		2,862	8,002	27,882	7,450	2,250	2,250	2,250	34,922	6,718	13,049
Sport and recreation		–	–	–	–	–	–	–	–	–	–
Public safety		–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–
Economic and environmental services		**211,967**	**225,453**	**183,197**	**148,566**	**212,010**	**212,010**	**212,010**	**134,553**	**140,780**	**111,907**
Planning and development		12,611	2,153	1,815	1,600	2,200	2,200	2,200	3,700	2,417	2,461
Road transport		199,356	223,299	181,382	146,966	209,810	209,810	209,810	130,853	138,363	109,447
Environmental protection		–	–	–	–	–	–	–	–	–	–
Trading services		–	–	**1,502**	–	–	–	–	**5,085**	–	–
Energy sources		–	–	1,502	–	–	–	–	5,085	–	–
Water management		–	–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–	–
Waste management		–	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional	3	**220,542**	**273,962**	**267,411**	**167,616**	**224,860**	**224,860**	**224,860**	**187,760**	**153,188**	**133,926**
Funded by:											
National Government		34,796	36,298	57,045	25,916	82,010	82,010	82,010	39,318	26,656	28,740
Provincial Government		–	–	–	–	–	–	–	–	–	–
District Municipality		–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	4	**34,796**	**36,298**	**57,045**	**25,916**	**82,010**	**82,010**	**82,010**	**39,318**	**26,656**	**28,740**
Borrowing	6	–	–	–	–	–	–	–	–	–	–
Internally generated funds		194,632	177,800	161,315	141,700	142,850	142,850	142,850	148,443	126,532	105,186
Total Capital Funding	7	**229,428**	**214,099**	**218,360**	**167,616**	**224,860**	**224,860**	**224,860**	**187,760**	**153,188**	**133,926**
References											

For 2026/27 an amount of RI 44.3 million has been appropriate for the development of Transport and roads which represents 78.89 per cent of the total capital budget. In the outer years this amount totals RI 37.1 million, 85.7 per cent and R67.6 million, 53.36 per cent respectively for each of the financial years. Transport and roads receive the highest allocation when compared to other capital expenditure followed by community and social services by 1 1.8 percent with an amount of 21.5 million in 2026/27 financial period and finance and administration by 8. T 1 percent with an amount of 14.8 million.
The Capital Expenditure Programme will be subjected to the availability of funding.

5. FINANCIAL STRATEGY

Managing municipal finances involves both a strategic and operational component. Strategically, the finances must be managed to accommodate fluctuations in the economy and the resulting changes in costs and revenues. Operationally, the municipality must put in place clear financial goals, policies, and tools to implement its strategic plan.
It must be noted that not all municipalities are the same and this should be kept in mind when assessing the financial health of and the setting of benchmarks for a municipality. A municipality can be categorized into either:

- Developed — maintenance
- Developing — growing

Maruleng Local Municipality can be categorized as a developing — growing municipality. Such municipalities require significant additional resources and funding to conduct the growth that is expected of them. In contrast, already developed — maintenance municipalities are mainly concerned with the need to maintain existing infrastructure.

With the demands for growth, come risks that need to be managed. Wherever possible, the Municipality will set benchmarks appropriate for a developing — growing municipality and strive to achieve these benchmarks within the medium term.

As mentioned at the beginning of this plan, the priority from the financial perspective is viability and sustainability of the Municipality. The financial plan and related strategies will need to address several key areas to achieve this goal. The areas which have been identified are detailed below.

5.1 The Financial Framework

5.1.1 Revenue Adequacy and Certainty

It is essential that the municipality has access to adequate sources of revenue, from both its own operations and intergovernmental transfers, to enable it to carry out its functions .it is furthermore necessary that there is a reasonable degree of certainty with regard to source, amount and timing of revenue. The Division of Revenue Act has laid out the level of funding from national government that will be received in 2026/27 to 2030/31 financial years.

It is important to track the respective sources of revenue received by the municipality as they can be quite different and can vary substantially depending upon the phase that the municipality is in. Knowledge of the sources of funds will illustrate the municipality 's position more accurately. Its ability to secure loans relative to its income streams and its borrowing capacity.

I. Cash I Liquidity position

Cash and cash management is vital for the short- and long-term survival and good management of any organisation. The appropriate benchmark s which can assist in assessing the financial health of the municipality is:

The current ratio expresses the current assets as a proportion to current liabilities. "current "refers to those assets that could be converted into cash within 1 2 months and those liabilities which could be settled within 1 2 months. A current ratio more than 1.3 is considered to be healthy.

Debtors' collection measurements have a great impact of liquidity of the municipality.

II. Sustainability

The Municipality needs to ensure that the budget is balanced (income covers expenditure).As there are limits on revenue , coupled with the increased reliance on government grants to fund operational needs , it is necessary to ensure that the services are provided at levels that are affordable and that the full costs of service delivery are recovered .

However, to ensure that households which are too poor to pay for even a proportion of service costs, at least have access to basic services, there is a need for subsidisation of these households.

I II. Effective use of-Resources

In an environment of limited resources, it is essential that the municipality make maximum use of the resources at its disposal by using them in an effective, efficient and economical manner. Efficiency in operations and investment will increase poor people 's access to basic services.

IV. Acceptability, Transparency and Good Governance

The municipality is accountable to the people who provide the resources, for what they do with the resources. The budgeting process and other financial decisions must therefore be open to public scrutiny and participation. In addition, the accounting and financial reporting procedures must minimise opportunities for corruption. it is also essential that accurate financial information is produced within acceptable timeframes.

V. Equity Redistribution

The municipality must treat people fairly and justly when it comes to the provision of services. In the same way, the municipality should be treated equitably by national and provincial government when it comes to intergovernmental transfers. "The equitable share "from national government will be used primarily for targeted subsidies to poorer households. In addition, the municipality reserves the right to cress subsidize between high and low-income consumers within a specific service or between services.

VI. Development and Investment

To deal effectively with backlogs in services there is a need for the municipality to maximise its investment in municipal infrastructure (see table 2). In restructuring the financial systems of the municipality, the underlying policies should encourage the maximum degree of private sector investment.

VII. Macro-Economic Investment

As the municipality plays a significant role in the area, it is essential that it operates efficiently within the national macro — economic framework. The municipality 's financial and developmental activities should therefore support national fiscal policy.

VIN. borrowing

The strong capital market in South Africa (banks and other lending institutions like DBSA, etc) provides additional instrument to access financial resources. However, it is clear that the municipality cannot borrow to balance its budget and pay for overspending.

Safeguards need to be put in place to ensure that the municipality borrows in a responsible way. In order to have access to this market, the Municipality will need to have accurate and appropriate financial accounting policies and procedures and effective reporting systems.

The manner in which the municipality manages debt or takes on new debt to finance activities will have a significant impact on the solvency and long — term viability of the council.

6. STRATEGIES AND PROGRAMMES

With the above financial framework as a background, strategies and programmes have been identified and form part of the financial plan to achieve the desired objective — the financial viability and sustainability of the municipality. In terms of time frames, each of the projects have been identified will be embarked on and completed during a five-year plan.

6.1 Revenue Raising Strategies and Programmes

The following are some of the more significant programs that has been identified;

The development and implementation of a credit control and debt collection policy.

This policy and relevant procedures will detail all areas of credit control, debt collection of amounts billed to consumers, procedures for non- payment, etc.

The development and implementation of on indigent support policy.
This policy will define qualification criteria of an indigent, the level of free basic services that will be enjoyed by indigent households, penalties for abuse, etc.

The development and implementation of a uniform tariff policy.
This policy will ensure that fair tariffs are charged in a uniform manner throughout the municipal area.

The development and implementation of a customer incentive policy
This policy Wilf detail the incentive and prizes that will be made available to encourage customers to pay their accounts promptly.

Project consolidate — Free basic services, billing systems and municipal service debt
This project aims to enhance the delivery of free basic services to poor households and assist the municipality in developing innovative, reliable and integrated billing systems that would allow for improved delivery Of services and an effective and efficient billing system for the debtors / consumers of the municipality.

Improved Payment Strategy
This strategy aims at implementing innovative cost-effective processes to encourage customers to pay their accounts fully on time every month. Ensure that effective and efficient customer care and repayment procedures are implemented.

Customer care and Prepayment
Ensure that effective and efficient customer care and prepayment procedures are implemented.

Ensuring Effective and Efficient Customer Services
The municipality 's technological advancement needs must be continually assessed and updated. The municipality must perform an analysis of strategies to strengthen its Citizens Relationship Management systems that should result in operational efficiencies and improved customs service. An implementation plan must be developed to improve the handling of citizen service cause and implement supporting technology in selected front — line agencies

6.2 Asset Management Strategies and Programmes

The following are some of the more significant programs that has been identified:

The implementation of a fixed asset register and asset control system as well as maintenance thereof.
This programme will involve the formulation of policies regarding fixed assets, the purchase of suitable system, and the capture of all assets onto this system and the maintenance of this system in terms of GRAP requirements.
The development and implementation of a disaster recovery plan.
This plan will detail the procedures to be followed regarding the operations and administration of the municipality in the event of a disaster, to ensure that there are the least possible disruption and loss of service rendition. The plan will detail alternative locations, IT arrangements, back —up / start — up procedures, etc. The establishment of a disaster recovery centre the building and or equipping of an alternative site from which to manage the municipality 's operations, in the event of a disaster rendering the current operational centres unusable.
The development and implementation of a repairs and maintenance policy.
Such a policy will set out the details regarding repairs and maintenance of all assets categories e.g. Infrastructure assets, buildings, motor vehicles, etc. the intention is to ensure that planned and preventive maintenance is always on going

The development and implementation of fleet management systems. This system will ensure that the municipality 's fleet is managed in the most effective manner and that UP- to- date and comprehensive e information required for the y fleet is readily available.

6.3 Financial Management Strategies and Programmes

The following are some of the more significant programs that has been identified:

The development and implementation of an integrated information technology plan.

Such a plan will (ensure that the municipality 's IT needs are met in the most cost-effective manner, that the IT resources are well — managed and secured and that the administrators and users are well -trained.

Integration of alt computerised systems and acquisition of hardware and software required.

Financial management is supported through the municipality 's Mun soft accounting systems. This integrated financial management system is designed to track and control s daily activities and report the financial position and performance of the municipality. This system supports the rigorous monitoring control and reporting requirements required of the municipality.

The integration of all other computerised to this financial management system and the acquisition of the required hardware and the software must be finalized to ensure that information is accurate, relevant and prom pt, which in turn will facilitate the smooth running and effective management of the municipality.

Upgrading and restructuring of the budget office in line with the budget reform process initiated by National Treasury. This will result in better control of expenditure and improved reporting.

6.4 Capital Financing Strategies and Programmes

The following are some of the more significant programs that has been identified;

The development and implementation of a debt capacity policy

This policy will ensure that any borrowings taken by the municipality will be done in a responsible manner and that the repayment and servicing of such a debt will be affordable. The development and implementation of a large-scale economic policy.

This policy, including targeted procurement, will set out ways in which the municipality can become more effective in attracting large scale economic investment. It will be the framework to provide an environment that is investor friendly, efficient (with quick decision — making ability) and will detail' any incentives, which may be given to attract large business.

The development and implementation of a policy for accessing donor finance

This policy will create a framework for the accessing of funds from local and overseas donors. It will detail the type of project s for which funding will be sought, the procedures to be used and donor conditions which are acceptable or unacceptable.

6.5 Operational Financing Strategies and Programmes

The following programme has been identified;

Investigation of service delivery options and public/private partnerships

This refers to the ongoing investigation into how the Municipality can service the community in the most efficient and effective manner, including an investigation of public/private partnerships for service delivery.

6.6 Strategies to enhance Cost-effectiveness

The following are some of the more significant programmes that have been identified:

The establishment of benchmarks and performance indicators are paramount. This will include:

Training and development of financial (and other) staff

The aim of this project will be to constantly ensure that the financial staffs (and other) receive the training they require to ensure a cost — effective and efficient service of the municipality.

➢Enhanced budgetary controls and timeliness of financial data
To improve the operation of the budget office, in respect of producing financial information and the monitoring and reporting of budget variances. Some of the more significant measures of acceptable performance in this area will be, financial bottom line matched to forecast to a 10% variance level, receipt of unqualified audit reports, monthly financial statements produced within 1 0 working days of month end, etc.

7) FINANCIAL MANAGENT POLICIES

7.1 General Financial Philosophy

The financial policy of the Maruleng Municipality is to provide a sound financial base and the resources necessary to sustain a satisfactory level of municipal services for the citizens of the municipality.

It is the goal of the municipality to achieve a strong financial position with the ability to:

- ➢ Withstand total and regional economic impact
- ➢ Adjust efficiently to the community 's changing service requirements
- ➢ Effectively maintain and improve and expand the municipal infrastructure;
- ➢ Manage the municipality 's budget and cash flow to the maximum benefit of the community;
- ➢ Prudently plan, coordinate and implement responsible and sustainable community development and growth;
- ➢ Provide a high level of social services to assure public health and safety

Maruleng Municipality's financial policy shall address the following fiscal goals:

- ➢ Keep the municipality in a sound financial position in both the short and long term;
- ➢ Maintain sufficient financial liquidity through regular reviews and adjustments to meet normal operating and contingent obligations;
- ➢ Apply a credit control and debt collection policies which maximise collection while providing relief for the indigent;
- ➢ Credit control and debt collection policies that recognises the basic policy for customer care and convenience
- ➢ Operate utilities in a responsive and fiscally sound manner;
- ➢ Maintain existing infrastructure and capital assets;
- ➢ Provide framework for prudent use of debt financing •
- ➢ Direct the municipality's financial resources toward meeting the goals of the municipality's Integrated Development plan.

7.2 Budget Policies

The annual budget is the central financial planning document that embodies all operating revenue and expenditure and capital budget decisions. It establishes the level of services to be provided by such department.

The municipal manager shall priorities in the formulation of the preliminary and final budget proposal.

The budget will be subject to a monthly control and be resorted to council with recommendations of action to be taken to achieve the budget's goals. The budget will be subject to a mid- term review, which may result in an adjustment budget. The budget shall balance recurring operating expenses to recurring operating revenues.

The budget will have Revenue plans based on realistically expected income and expenditure figures. Plans will be included to achieve maximum revenue collection percentages.

7.3 Capital Infrastructure Investment Policies

The municipality will establish and implement a comprehensive rolling five years Capital Investment Plon (CIP). This plan will be updated annually. The capital planning process must be synchronized with the annual operating budget cycle, allowing for the regular reassessment of capital needs and projections, as well as the update of the rolling five-year capital plan. An annual capital investment budget will be developed and adopted by the municipality as part of the annual budget. The Municipality will make all capital improvements in accordance with the CIP. Unexpected capital project budget shall not be carried forward or rolled over to future fiscal years unless the projected Expenditure is omitted or funded from grant funding.

Routine and administrative capital needs shall be financed from current revenues (Capital Replacement- Reserve) as opposed to the issuance of long — term debt. The municipality will maintain all assets at a level adequate to protect the Municipality's capital investment and to minimize future maintenance and replacement costs-

7.4 Revenue Policies

The municipality will estimate annual revenues through a conservative, prudent, objective and analytical process based on realistically expected income. The municipality will consider market rates charged levied by other public and private organisations for similar services in establishing tariffs and charges. The municipality will set fees and user charges at a level that fully supports the total direct and indirect cost of operations. Tariffs will be set to reflect the Development and Social Policies of the Municipality. The municipality will continue to identify and pursue grants and appropriations from provincial and national government and other agencies that are consistent with the municipality's goals and strategic plan. The municipality will follow an aggressive policy of collecting revenues.

7.5 Credit Control and Debt Collection Policies and Procedures

The municipality must adopt a credit control and debt collection policy
The principles supported in this policy, amongst others, should cover at least the following;

- The administrative integrity of the municipality must be maintained at all costs. The democratically elected councillors are responsible for the policy making, while it is the responsibility of the Municipal Manager to ensure the execution of these policies.
- All customers must complete an official application form, formats requesting the municipality to connect them to a service supply. Existing customers may be required to complete new application forms from time to time, as determined by the municipal manager.
- A copy of the application form, conditions of service and relevant exactions of the council 's credit control and debt collection policy and by —laws must be handed to every customer on request, at such fees as may be prescribed by council.
- Billing to be accurate, timeous and understandable.
- Customer is entitled to reasonable access to pay points and to a variety of reliable payments methods.
- Customer is entitled to an efficient and effective and reasonable response to appeals and should suffer no disadvantage during the processing of a reasonable appeal.
- Enforcement of payment must be prompt, consistent and effective.
- Unauthorised consumption and connection and re- connection, the tempering with or theft of meters, service supply equipment and the reticulation network and any fraudulent activity in connection with the provision of municipal services will lead to disconnection, penalties, loss of rights and criminal prosecutions.

- Incentives and disincentives may be used in collection procedures.
- The collection process must be cost- effective.
- Results will be regularly and efficiently reported by the Municipal Manager and the mayor.
- Application forms will be used to, inter- alias, categorise customers according to credit risk and to determine relevant levels of service and deposits required.
- Targets for performance in both customer service and debt collection will be set out and remedies implemented for non — performance.

The policy document must, amongst others cover:

- Duties and Functions of Council, Mayor, Ward Councillors, Municipal Manager and of the communities.
- Area of Application
- Application of services
- Deposits and guarantees
- Accounts and billing
- Metering of services
- Customer Assistance Programmes
- Communication
- Payment facilities and Methods
- Enquiries and appeals
- Tenders for business
- Debt collection
- Theft and fraud
- Reporting and performance management
- Income collection target application policy
- Impact of the National Credit Act.

A document titled "Debt Collection Procedures "must support or form on integral part of the Credit Control and Debt Collection Policy.

7.6 Indigent Support Policy

An indigent support policy must be adopted by council.

This policy should identify the conditions that must be satisfied to be regarded as an indigent and the process to be followed to apply for indigent Status.
The form of subsidy is identified, as is the process of auditing the indigent applications.
in addition, procedures which will be followed in the event of a death of an indigent, and a false indigent application must be covered. Finally, the treatment of the outstanding debt of a customer on becoming an indigent must be addressed.

7.7 Investment and Cash Management Policies

In terms of the Municipal Finance Management Act, Act 56 of 2003, and section 1 3 (2):"Each Municipal Council shall adopt by resolution an investment policy regarding the investment of its money not immediately required.

Investment of the municipality shall be undertaken in a manner that seeks to ensure preservation of capital in the overall portfolio. The portfolio shall remain sufficiently liquid to enable the municipality to meet daily cash flow demands and conform to all state and focal requirements governing the investment of public funds. The preservation of the principal amount is the foremost objective of the investment program.

The municipality will continue with the current cash management and investment practices, which are designed to emphasize safety of capital first, sufficient liquidity to meet obligations second and the highest possible yield third.

Investments shall be made with care, skill, practice and diligence. The approach must be that which a prudent person acting in a like capacity and familiar with investment matters would use in the investment of fund of like character and with like aims, to safeguard the principal amount and maintain the liquidity need of the municipality . The standard of prudence to be used by investment officials shall be the "prudent person "standard and shall be applied in the context of managing an overall investment portfolio.

Investment officials are required to:

a) Adhere to written procedures and policy guidelines.
b) Exercise due diligence
c) Prepare all reports timeously
d) Exercise strict compliance with all legislation

The municipality shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific requirement, the municipality will not directly invest in securities maturing more than two years from date of issue.

The municipality 's financial information systems will provide adequate information concerning cash position and investment performance. The municipality will not invest monies in contradiction to the policy guidelines as adopted by council. The Municipality is also discouraged from investing more than 30 %of available funds with a single institution.

The minister of finance may identify by regulation of section 1 68 of the Municipal Finance Management Act, instrument or investments other than those referred to below in which municipality may invest.

- Deposits with banks registered in terms of the Banks Act 1990 (Act no 94 of 1 990);
- Securities issued by the National Government:
- Investment with the public investment commissioners as contemplated by the Public Investment Commissions Act, 1984 (Act no 5 of 1 984);
- Listed corporate bonds with an investment grade rating from a nationally or internationally recognised credit rating agency;
- Deposits with the corporation for public deposits as contemplated by the corporation for public deposits Act 1984 (Act 46 of 1984)
- Bankers' acceptance certificates or negotiable certificates of deposits of banks registered in terms of a banks Act 1990 (Act 94 of 1990); Municipal bonds issued by a municipality;
- Guaranteed endowment policies with the intention of establishing a sinking fund; and
- Repurchase agreements with banks registered in terms of the Banks Act, 1990 (Act 94 of 1990)

7.8 Investment and Cash Management Policies

The Financial Department manages all municipal borrowings. The municipality's cash flow must be carefully managed and anchored by at least quarterly loan draw downs, so as to eliminate the need for short —term borrowings, Guidelines must be established by the Treasury Department to set forth the municipality's management policies toward rapidity of debt repayment, affordability, the limitations on the level of variable rate debt the municipality will issue and the target savings amount on debt to be refinanced.

The municipality shall incur a debt only when necessary to meet a public need and when funding for such protect is not available from the current revenues, reserves or other sources.

Long term borrowings will be used to finance capital programmes, including refurbishment, as approved in the municipality 'capital investment plan.

Capital projects financed through the issuance e of debt shall be financed for a period not exceeding the expected useful life of the project.

The municipality will not incur debt to finance current operations.

Leasing options, after a cost benefit analysis, may be used as a medium- term method o f borrowing for the financing of vehicle, computers other specialised types of equipment, or other capital refurbishment programmes.

7.9 Asset management Policy

The objective of the asset management policy is to prescribe the accounting and administrative policies and procedures relating to Property, Plant & Equipment (PPE). which are fixed assets of the Maruleng Municipality.

A summary of the principle supported in this policy amongst others, should cover:

A fixed asset shall mean an asset, either movable or immovable, under the control of the municipality, and from which the municipality reasonably expects to derive economic benefits, or reasonably expects to use in- service delivery, over a period extending beyond 12 months.

The fixed asset register shall comply with the requirements of Generally Recognized Accounting Practice (GRAP) and any other accounting requirements, which may be prescribed.

Fixed assets are classified under the following heading:

- Land and infrastructure assets In
- Community assets
- Heritage assets
- Investment properties

Other assets

- Every Head of Department shall be directly responsible for the physical safekeeping of any fixed asset controlled or used by the department in question.
- PPE is stated at cost less accumulated depreciation or fair value at date of acquisition less accumulated depreciation where assets have been acquired by grant or donation.
- Subsequent expenditure relating to property, Plant and equipment is capitalised if it is probable that future economic benefits or potential service delivery of the asset are enhanced more than the originally assessed standard of performance. If expenditure only tore's the originally assessed standard performance, then it is regarded as repairs and maintenance and is expensed. The enhancement of an existing asset, so that it's use is expanded or; the further development of an asset so that its original life is extended, are examples of subsequent expenditure which should be capitalized.
- Assets are capitalised according to a capitalization criterion and all expenditure below a capitalisation threshold, as determined in the approved policy, is expensed when incurred
- Depreciation is calculated on cost, using a straight-line method, over the estimated useful lives of the assets
- Heritage assets, which are defined, as culturally significant resources, are not depreciated as there are regarded as having an infinite life. In general, Land is also not depreciated for the same reasons; the exception to the policy is that cemetery land and land fill site are depreciated.
- Incomplete construction work is stated at historic cost.
- The carrying amount of an item or a group of identical items of PPE will be reviewed periodically to assess whether the recoverable amount has declined below the carrying amount. When such decline has occurred the carrying amount will be reduced to the recoverable amount (also termed as impairment of assets). The amount of the reduction will be recognised as an expense immediately, unless it reverses a previous revaluation, in which case it will be charged to the revaluation non-distributable reserve.
- Assets are eliminated from the statement of financial position on disposal or retirement.
- The difference between the net book value of assets (cost less accumulated depreciation) and the sales proceeds is reflected as a gain or loss in the statement of financial performance,

7.10 Asset management Information

To ensure that assets are adequately maintained, a programme for the planned maintenance and replacement of all fixed and movable assets is essential.

The magnitude of differed maintenance due to past lack of funding must be reviewed, quantified and appropriate steps taken to address same within these next five years, whilst at the same time ensuring that the current and ongoing preventative maintenance plan does not fall behind and end UP as unbudgeted for differed maintenance in future years.

8. KEY FINANCIAL TARGETS

- ✓ The multi — year budget is underpinned by the following key financial target assumptions:
- ✓ Tariff increase,
- ✓ Macro Growth factor indicator
- ✓ Capital Charges
- ✓ Total expenditure increases allowed (excluding repairs and maintenance)
- ✓ Increased in repairs and maintenance

9.KEY PERFAMANCE INDICATORS

Table 5 overleaf, gives details of commonly used financial ratios / benchmarks. The information in this table is the targeted position the municipality shall strive to achieve year on year, over the next five financial years.

TABLE 5: Targeted Ratio Analysis / Financial Benchmarks, Year on Year, over the next five financial years

LIM335 Maruleng - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited	Audited	Original	Adjusted	Full Year	Pre-audit	Budget Year	Budget Year	Budget Year
Borrowing Management											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating	0.2%	0.5%	0.6%	0.5%	0.5%	0.5%	0.1%	0.6%	0.6%	0.6%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing	0.2%	0.5%	0.6%	0.5%	0.6%	0.6%	-0.1%	0.6%	0.6%	0.6%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity											
Current Ratio	Current assets/current liabilities	1.5	1.4	1.3	1.4	1.4	(1.4)	(1.2)	1.3	0.9	0.7
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current	1.5	1.4	0.9	1.0	1.0	(1.0)	(0.9)	0.4	0.0	(6.3)
Liquidity Ratio	Monetary Assets/Current Liabilities	0.5	0.6	0.5	0.3	0.3	(0.3)	(0.4)	0.2	(0.2)	(0.3)
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing	0.0%	12.2%	1540.2%	1590.5%	1725.9%	1540.1%	1540.1%	1722.6%	1527.9%	1527.9%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		12.2%	1540.2%	1590.5%	1725.9%	1540.1%	1540.1%	1722.6%	1527.9%	1527.9%	1532.4%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	88.2%	72.5%	77.2%	95.3%	86.0%	86.0%	96.5%	45.2%	55.2%	61.1%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors										
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within`MFMA' s 65(e))										
Creditors to Cash and Investments		36.9%	52.0%	53.8%	104.8%	91.9%	-91.9%	-78.6%	2384.3%	-295.4%	-258.7%
Other Indicators											
Electricity Distribution Losses (2)	Total Volume Losses (kW) technical	0	0	0	0	0	0	0	0	0	0
	Total Volume Losses (kW) non technical	0	0	0	0	0	0	0	0	0	0
	Total Cost of Losses (Rand '000)	0	0	0	0	0	0	0	0	0	0
	% Volume (units purchased and generated less units sold)/units purchased and generated	0	0	0	0	0	0	0	0	0	0
Water Volumes :System input	Bulk Purchase	0	0	0	0	0	0	0	0	0	0
	Water treatment works	0	0	0	0	0	0	0	0	0	0
	Natural sources	0	0	0	0	0	0	0	0	0	0
Water Distribution Losses (2)	Total Volume Losses (kℓ)	0	0	0	0	0	0	0	0	0	0
	Total Cost of Losses (Rand '000)	0	0	0	0	0	0	0	0	0	0
	% Volume (units purchased and generated less units sold)/units purchased and generated	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Employee costs	Employee costs/(Total Revenue - capital	26.5%	24.0%	23.9%	26.9%	24.1%	24.1%	-23.3%	27.8%	30.4%	30.8%
Remuneration	Total remuneration/(Total Revenue - capital	30.5%	27.0%	26.8%	29.8%	26.8%	26.8%	36.9%	30.6%	33.5%	34.0%
Repairs & Maintenance	R&M/(Total Revenue excluding capital	1.3%	1.8%	3.1%	3.3%	4.1%	4.1%	3.9%	3.3%	3.5%	3.4%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	9.0%	7.5%	7.8%	8.5%	7.6%	7.6%	-7.2%	8.1%	8.7%	8.6%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating	291.5	295.9	33.0	48.2	50.9	50.9	40.2	47.0	44.1	46.1
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual	2920.1%	2762.9%	3082.1%	3328.8%	2783.3%	2783.3%	2988.1%	1359.6%	1569.0%	1770.8%
iii. Cost coverage	(Available cash + Investments)/monthly fixed	–	–	–	–	–	–	–	–	–	–

10. SUMMARY AND CONCLUDING REMARKS

The five-year financial plan includes an Operating Budget, a Capital Investment Programme, and the Sources of Funding for the Capital investment Programme, financial strategies and programmes, various finances. Management policies adopted by Council, key financial targets, key performance indicators, and a bud get according to the IDP priorities.

A municipality can be categorized as either:

- Developed - maintenance
- Developing — growing

Maruleng Local Municipality can be categorized as a developing - growing municipality. Such a municipality requires significant additional resources and funding to conduct the growth that is expected of it. in contrast, already developed - maintenance municipalities ore mainly concerned with the need to maintain existing infrastructure.

The five-year financial plan forms an integral part of the integrated development plan of the municipality. These exact ingredients are in fact the financial plan, for without it being included in the integrated development plan, service delivery would cease to exist.

8.18 INTEGRATED TRANSPORT PLAN

Background

The National Land Transport Act (NTLA) 5 of 2009 is the primary legislation governing integrated transport plans, requiring municipalities to develop and implement them. These plans, including District Integrated Transport Plans (DITPs) and Local Integrated Transport Plans (LITPs), are crucial for creating effective and sustainable transport systems.

Purpose

ITP set the strategy for the management, maintenance and development of the area's transport system. It further helps to promote transport as an enabler to deliver on economic, environmental and social objectives by planning for infrastructure and initiatives to improve transportation in the municipality.

8.19 PERFORMANCE MANAGEMENT SYSTEM

Background

The Municipal Systems Act of 2000 requires municipalities to develop a PMS. It concludes that Integrated Development Planning, Budgeting and Performance Management are essential aspects that can assist municipalities to develop an integrated perspective on development in their areas. It is against this background that this policy document for developing and implementing a PMS for the Maruleng Local Municipality should be approached.

The purpose of this policy document is to develop a performance management framework for the MLM. This framework caters for the initiation, development, implementation, reporting and rewarding of performance management within the Municipality.

The policy framework offers the MLM a platform to implement, assess, monitor, measure, review, manage and reward performance throughout the municipality. It is important to note that that a PMS is dynamic and will change and develop over time to reflect the unique features of Maruleng municipal environment. This policy framework aligns itself with improved performance in the MLM with the express aimed of achieving its stated objectives and levels of performance.

A “system” implies the integration of all processes, which collectively cause such a system to function. A system is therefore made up of separate, but inter-related parts or components that are linked together and which collectively operate as a system. Performance management is largely dependent on other processes such as IDP, budgeting and human resource management and development. A performance Management System (PMS) therefore also integrates distinctive processes or components around performance in order for such a system to be developed, managed and operated.

9. CONCLUSION

Maruleng Local Municipality addressed gaps that were identified by adopting a developmental approach and by ensuring that it can respond to and meet the challenges it faces as an organization. The municipality has developed its strategic focus within its integrated developmental processes with programs based on both national KPA’s and municipal strategic priorities.

Maruleng Local Municipality has properly planned on how it will be able to deliver services efficiently, effectively and economically and complying with the identified needs. The Balanced Scorecard methodology will help the municipality to focus on attainment of its strategic objectives and measurements of effective implementation of its strategies.