



Annual Performance Plan

FINANCIAL YEAR 2016/2017

Final as at 18 March 2016

“Together we move Bokone Bophirima Province forward”

FOREWORD

With continued economic development, social upliftment and sector growth at the heart of both the national and provincial developmental agenda, it gives the North West Development Corporation (NWDC) great pride to present its Strategic and Annual Performance Plans for 2016/2017.

The Board, Management and Staff of the NWDC are fully committed to the goals and objectives of the current provincial administration under the leadership of Premier Supra Mahumapelo and FEED MEC Wendy Nelson.

Premier Mahumapelo's vision of *saam werk, saam trek*, greater visibility, sector growth and the economic development of villages, townships and small "dorpiess" in the Province, have inspired the NWDC's strategic thrust and Annual Performance Plan.

In addition, our strategic plan supports the anchor sectors identified for growth and investment as outlined in the strategy of the Department of Finance, Economy and Enterprise Development. Agriculture, this is over and above which, Culture and Tourism (ACT) have been earmarked as the anchor sectors for aggressive investment. The province is to be promoted as the anchor destination for mineral beneficiation on the back of a significant competitive advantage of rich platinum reserves. Another major strategic focus is to enhance economic growth and job creation through SMME development and support, a sphere where the NWDC is a key player.

Accordingly, our strategy and performance plans have been developed so that we continue employing our suite of service offerings to the benefit of the people and the economy of Bokone Bophirima. The enclosed plans offer more detail, however, key focus areas include inter alia offering affordable commercial and industrial property rental; small business development; product and export promotion, industry development, small business assistance as well as attracting business interest to the province.

Through the leadership of the Board of Directors and the Management team of the NWDC, this document will provide direction and consistency in advancing the growth path; and towards fulfilling our vision of being the heartbeat of trade, investment, sustainable economic development and job creation.



Bridgeman Bhekumusi Khumalo

Chairperson of the North West Development Corporation

OFFICIAL SIGN-OFF

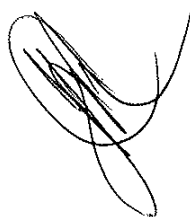
It is hereby certified that this Annual Performance Plan:

- ✚ Was developed by Management of the North West Development Corporation under the guidance of the Board of Directors of the North West Development Corporation;
- ✚ Was prepared in line with the current Strategic Plan of the North West Development Corporation; and
- ✚ Accurately reflects the performance targets which the North West Development Corporation will endeavour to achieve given the resources made available in the budget for 2016/2017



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Abbreviations & Acronyms

APP	Annual Performance Plan	NIPF	National Industrial Policy Framework
BBBEE	Broad Based Black Economic Empowerment	NMMDM	Ngaka Modiri Molema District Municipality
BPDM	Bojanala Platinum District Municipality	NSDP	National Spatial Development Perspective
CFO	Chief Financial Officer	NT	National Treasury
CPI	Consumer Price Index	NWDC	North West Development Corporation
DKKDM	Dr Kenneth Kaunda District Municipality	PFMA	Public Finance Management Act
DTI	Department of Trade & Industry	PDP	Provincial Development Plan
FDI	Foreign Direct Investment	PGDS	Provincial Growth & Development Strategy
FEED	Department of Finance, Economy & Enterprise Development	PIIS	Provincial Industrial Implementation Strategy
GDP	Gross Domestic Product	PPP(s)	Public Private Partnership(s)
GDS	Growth & Development Summit	RDP	Reconstruction & Development Programme
GVA	Gross Value Added	RIDS	Regional Industrial Development Strategy
ICT	Information Communication Technology	RSMDM	Ruth Segomotsi Mompati District Municipality
IDP(s)	Integrated Development Plan(s)	SDI	Spatial Development Initiative
IDZ	Industrial Development Zone	SEDA	Small Enterprise Development Agency
IPAP	Industrial Policy Action Plan	SEZ	Special Economic Zone
LED	Local Economic Development	SIC	Standard Industrial Classification
MEC	Member of Executive Council	SITA	State Information Technology Agency
M&E	Monitoring & Evaluation	SME	Small Medium Enterprise(s)
MTEF	Medium Term Expenditure Framework	SMME	Small Micro Medium Enterprise(s)
MTSF	Medium Term Strategic Framework	SONA	State of the Nation Address
NDP	National Development Plan	SOPA	State of the Province Address

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PART A: *Strategic Overview*

1. UPDATED SITUATIONAL ANALYSIS

1.1 Performance Environment

To be able to place the Bokone Bophirima Province as performance environment into perspective, it is necessary to consider the macro and the micro economy from the global perspective as well as the South African situation.

1.1.1 The Global Economy

The World Economic Outlook Report of July 2015 of the IMF indicates slower growth in emerging markets, a gradual pickup in advanced economies. Global growth is projected at 3.3 percent in 2015, with a gradual pickup in advanced economies and a slowdown in emerging market and developing economies. In 2016, growth is expected to strengthen to 3.8 percent.

Underlying drivers for a gradual acceleration in economic activity in advanced economies are: easy financial conditions, more neutral fiscal policy in the euro area, lower fuel prices, improving confidence and improving labor market conditions—remain intact.

In emerging market economies, the continued growth slowdown reflects several factors, including: lower commodity prices, tighter external financial conditions, structural bottlenecks, rebalancing in China, and economic distress related to geopolitical factors.

Near-term risks include increased financial market volatility and disruptive asset price shifts, while lower potential output growth remains an important medium-term risk in both advanced and emerging market economies. Lower commodity prices also pose risks to the outlook in low-income developing economies after many years of strong growth.

1.1.2 South Africa

A positive indication for the South African economic outlook is Moody's Investors Service's decision to affirm South Africa's sovereign ratings and maintain a stable outlook on the rating at Baa2 based on the expectation that the fiscal consolidation path outlined in budget documents, commitment to sound macroeconomic policies and strong institutions will be maintained (September 2015).

The South African economy is suffering from:

- A steep fall in commodity prices which outweighs the benefits of cheaper oil'
- Electricity constraints,
- Drought that took a heavy toll on agricultural output and is expected to last for at least a year,
- Weak business confidence undermining investments,
- Skills shortages in the labour market,
- Economic inequality,

- Low savings and investment rates,
- Difficult industrial relations,
- Over-dependence on natural resources,
- The mining sector challenged by low mineral prices and higher labour cost following strikes resulting in closures and lay-offs,
- Subdued growth,
- Persistent unemployment rate at 25% as labour costs rise and productivity remains low,
- Consumer demand is also suppressed by expectations of higher inflation and interest rates and relatively high household debt levels.

Government is however aware that the country's economic growth performance needs to be improved in a sustainable manner and has responded as follows:

- Resolved that the energy challenge is an immediate priority,
- Speeding up the implementation of the structural policy reforms embedded in the National Development Plan,
- Maintaining a prudent fiscal position as a priority,
- Remaining committed to adhering to the set expenditure ceiling while reducing the growth of the debt portfolio.

Moody's expects South Africa to avoid recession in 2015, but forecasts growth of only 1.7% in 2015 and 1.9% in 2016, with 3% unlikely before 2017 or 2018, owing to the electricity shortages, low commodity prices, a severe drought and weaker-than-expected global growth influenced by uncertainty in the Chinese economy as well as the timing of any tightening of the US monetary policy that will make capital flows more volatile and have a considerable impact on the second half of 2015.

Despite the difficult background, fiscal planners appear to be stabilizing public finance through spending constraints and efficient tax collection. The Reserve Bank is also keeping inflation broadly under control despite the weakening rand.

1.1.3 Bokone Bophirima Province

- a) The table below summarises the *key demographic and socio-economic characteristics* for the BBP and its four district municipalities' in context of the South African picture with regards to demographics, development, household infrastructure, labour, income and expenditure, economy, tourism and international trade as per the 2014 IHS Global Insight Indicators
- b) The NW region covers approximately 105 076 square kilometres, comprising 8.6% of the national area. The BBP is not densely populated when compared to the national population density. The BBP houses approximately 7% of the country's total population.

Table 1: Key indicators South Africa, Bokone Bophirima Province and District Municipalities (2014)

	South Africa	North-West	Bojanala DM	Ngaka Modiri Molema DM	Dr Ruth Segomotsi Mompoti DM	Dr Kenneth Kaunda DM
Region area (km ²)	1 221 246	105 076	18 370	27 985	44 053	14 668
Total population	53 781 908	3 670 889	1 602 614	866 535	474 823	726 916
Population density (number of people per km ²)	44,04	34.94	87.24	30.96	10.78	49.56
Economically Active Population (EAP) as % of total population, official definition	35,986%	31,310%	38,483%	22,786%	20,684%	32,600%
Number of households	15 341 533	1 098 814	526 384	231 248	127 189	213 993
Annual per household income (Rand, current prices)	168 920	135 990	141 920	116 877	101 838	162 355
Annual per capita income (Rand, current prices)	48 187	40 707	46 615	31 191	27 279	47 796
Gini coefficient	0,64	0,61	0,61	0,61	0,59	0,62
Formal Sector Employment	12 109 001	674 221	371 715	111 955	53 451	137 100
Informal Sector Employment	2 305 887	104 566	58 087	18 268	9 107	19 104
Unemployment rate, official definition (%)	25,007%	26,196%	22,953%	30,229%	30,942%	29,308%
Share below the upper poverty line (StatsSA defined)	46,475%	47,403%	39,831%	56,652%	59,106%	45,427%
Poverty gap rate (from upper poverty line)	28,378%	28,208%	27,466%	28,796%	28,892%	28,191%
Human Development Index (HDI)	0.626	5.578	0.608	0.531	0.500	0.603
Index of buying power	1,000000000	0,055580383	0,027170996	0,010530833	0,005476255	0,012402298
Economic Output (R million in current prices)	3 404 494 638	198 968 011	111 514 503	33 302 311	13 011 912	41 139 285
Share of economic output (GVA % of SA in current prices)	100,00	5,84	3,28	0,98	0,38	1,21
Economic Output (R million in constant 2010 prices (R 1000))	2 729 203 315	153 664 276	88 037 300	25 586 875	9 920 398	30 119 703
Share of economic output (GVA % of SA in constant 2010 prices (R '000))	100,00	5,63	3,23	0,94	0,36	1,10
Average annual growth (Constant 2010 Prices) 2014	1,6%	-0,5%	-1,4%	1,2%	2,3%	-0,2%
Average annual growth (Constant 2010 Prices) 2014 to 2019	2,7%	2,8%	3,4%	2,3%	2,5%	1,8%
Growth in Tourism (using bednights) by origin 2013	5,0%	9,0%	9,1%	7,7%	10,3%	9,3%

	South Africa	North-West	Bojanala DM	Ngaka Modiri Molema DM	Dr Ruth Segomotsi Mompati DM	Dr Kenneth Kaunda DM
Growth in Tourism Spend 2013	5,8%	3,0%	2,7%	3,1%	4,7%	3,1%
International Trade						
Exports (R 1000)	1 003 825 998	18 300 516	14 718 510	1 086 254	364 150	2 131 602
Imports (R 1000)	1 072 463 997	5 553 622	2 131 904	441 338	120 572	2 859 808
Total Trade (R 1000)	2 076 289 995	23 854 138	16 850 414	1 527 592	484 722	4 991 410
Trade Balance (R 1000)	-68 637 999	12 746 893	12 586 606	644 916	243 578	-728 206
Exports as % of GDP	26,4%	8,1%	11,7%	2,8%	2,4%	4,5%
Total trade as % of GDP	54,7%	10,6%	13,4%	4,0%	3,2%	10,6%
Regional share - Exports	100,0%	1,8%	1,5%	0,1%	0,0%	0,2%
Regional share - Imports	100,0%	0,5%	0,2%	0,0%	0,0%	0,3%
Regional share - Total Trade	100,0%	1,1%	0,8%	0,1%	0,0%	0,2%

(Source: Regional eXplorer 832 (2.5q))

- c) The NW shows improvement in most of the *developmental indicators* (2009 used as baseline). Most notable is the improvement in the Human Development Index (HDI) currently at 0.58 from 0.52 in 2009. Similar improvements are seen in both the number and percentage of people living in poverty below the upper poverty line (StatsSA defined), currently measured at 47.4% (59.1% in 2009) respectively. Improvements in all measures relating to schooling and education are also reported.
- d) The Index of Buying Power has also increased for the NW province. IHS Global Insight's Index of Buying Power (IBP) indicates that 5% of the country's spending power is located in the NW. Income levels in the BBP are below the national average (which is to be expected for the more rural areas in South Africa). The unemployment rate is slightly lower than that of the national average, while the percentage of people living in poverty is marginally higher than the national average. The BBP has a share of approximately 10.8% of national employment.
- e) The 2014 Gini coefficient indicates that the level of equality is decreasing from 0,602 in 2009 to 0.614 in 2014 for the Bokone Bophirima Province. This is a trend for South Africa and the District Municipalities as well.
- f) With regards to the economy, the Tress index provides insight into the level of concentration (or diversification) within an economic region. A Tress index value of 0 means that all economic sectors in the region contribute *equally* to GVA, whereas a Tress index of 1 means that only one economic sector makes up the whole GVA of the region. In the table below it is clear that the NW province has become more diversified in its economy from 2009 where it was the 2nd most concentrated economy and in 2014 the 4th most concentrated. This is an indication that the efforts to diversify the economy are paying off and can be contributed to the weaker performance of the mining sector. The BBP is a large and significant local economy in the South African economic context. The area contributes approximately 5.7% to national production with mining,

Table 2: Comparison of the Tress indices of SA, provinces and the NW district Municipalities between 2009 and 2014:

	2009	2014
South Africa	39,67	39,44
Western Cape	47,55	46,76
Eastern Cape	54,16	53,67
Northern Cape	41,19	42,68
Free State	34,13	36,65
KwaZulu-Natal	40,98	39,34
Gauteng	49,97	49,68
Mpumalanga	36,57	36,35
Limpopo	49,55	50,03
North-West	51,08	49,29
Bojanala DM	66,03	62,38
Ngaka Modiri Molema DM	47,56	48,93
Dr Ruth Segomotsi Mompati DM	45,88	46,86
Dr Kenneth Kaunda DM	43,42	43,77

The Average Annual growth rate for the Bokone Bophirima Province has clearly been negatively affected by the labour unrest in the mining sector in 2014 and declined to -0,5 from 3% in 2013. The DRSDM on the contrary has experienced increased growth from 0,8% in 2013 to 2,3% in 2014.

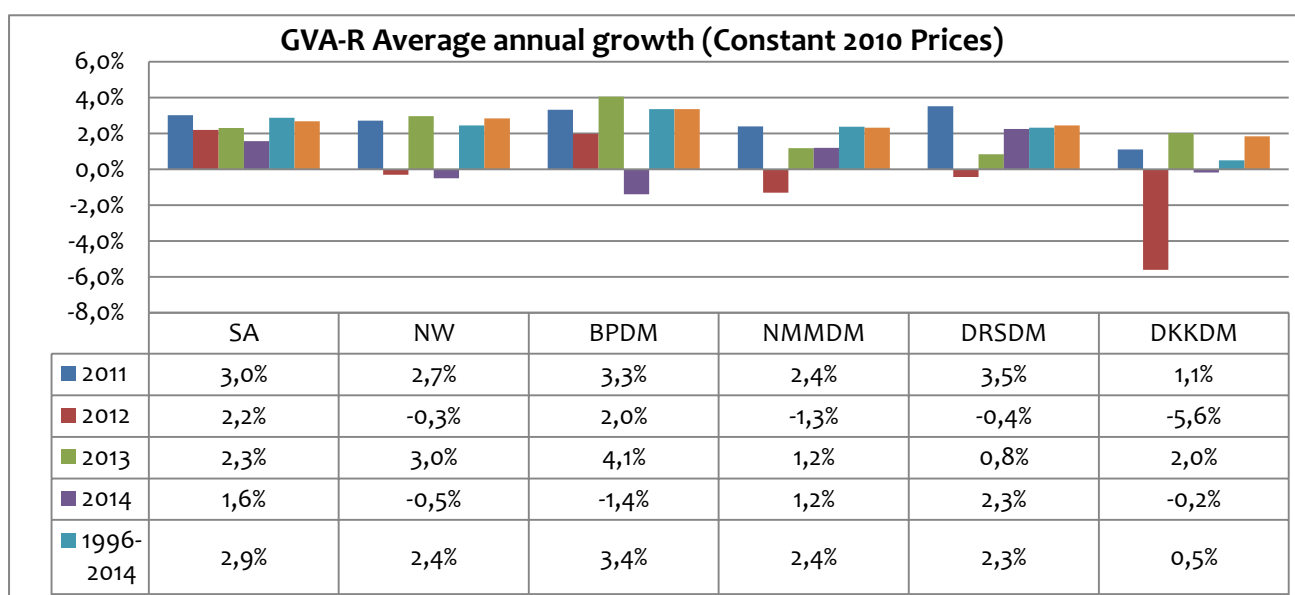
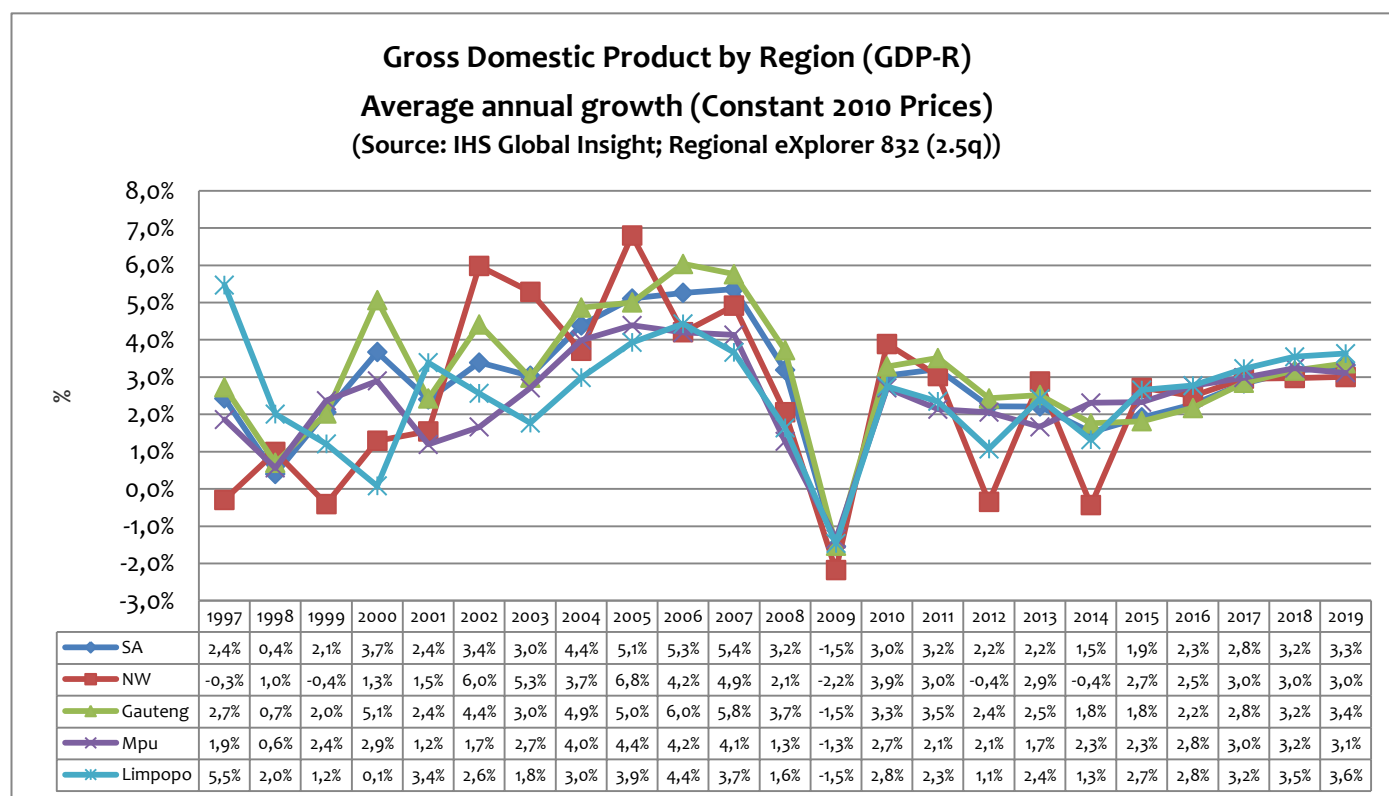


Table 3: Average Annual Growth

In the graph below the average annual growth of the Bokone Bophirima Province is compared with the national growth figures as well as with Gauteng, Limpopo and Mpumalanga and it is clear that the Bokone Bophirima Province growth is more volatile which can be attributed to the heavy reliance on mining.

Table 4: Gross Domestic Product by Region



- g) According to the Regional Economic Review: Current realities in the Bokone Bophirima Province, A report from the TRADE (Trade and Development) research niche area of the North West University; March 2014, the provincial economy is structurally unbalanced with the primary and tertiary sectors contributing more towards GDP-R and growing faster than the secondary sector. The situation is further exacerbated by limited water and electricity supply, the poor state of infrastructure, shortage of skilled labourers and rigid regulatory and legislative policies. A provincial input-output analysis points to a situation of high economic leakages and a dislocation of supply and demand across a number of industries. This has resulted in input and output activities between industries not operating in tandem, minimising the competitiveness of the province.
- h) With the Focus of the 5th Administration on agriculture, culture and tourism it is important to indicate the relative importance of these sectors in the BBP. Agriculture (both narrow [2.8%] and broad [4.4%]) plays a smaller role than in most of the other provinces (with the exception of Gauteng and Limpopo). Along with most other provinces, except Gauteng, the cultural sector makes up a small part of GVA (2.7%). Culture and Tourism is difficult to isolate as it is spread across various sectors in the economy. The tourism sector contributes more (19%) to provincial GVA than agriculture and culture put together. In the total BBP economy ACT contributed approximately 23% of all value added in 2014.

Table 5: Share of Provincial GVA and Employment

Detailed sectors	Share of provincial GVA	Share of provincial employment
Narrow agriculture	2.77%	4.85%
Broad agriculture	4.40%	6.78%
Culture	2.71%	3.60%
Tourism	19.01%	18.82%

The table below shows location quotients above 1.1 (e.g. a location quotient over 1.0 means that an area has a higher concentration of economic output in a particular industry than the national average).

Understanding an area's strengths provides valuable insights into how different sectors within the province may be connected.

Table 6: Areas with location quotients ≥ 1.1 (highlighted in red) by broad economic sector in the NWP (2014)

Source: IHS Global Insight's Regional eXplorer

Area	Economic Sector								
	Agriculture	Mining	Manufacturing	Electricity	Construction	Trade	Transport	Finance	Community services
NWP	1.11	3.72	0.43	1.00	0.64	0.83	0.66	0.66	0.95
<i>District Municipalities</i>									
BJDM	0.47	5.93	0.43	0.70	0.47	0.68	0.50	0.51	0.58
NMMDM	2.01	0.33	0.54	1.74	0.79	0.93	0.85	0.77	1.65
RSMDM	3.68	0.33	0.29	1.39	0.93	1.07	0.92	0.95	1.36
KKDM	1.31	1.52	0.41	1.10	0.87	1.08	0.86	0.87	1.26
<i>Local Municipalities</i>									
Moretele	0.40	0.08	0.81	2.19	0.84	1.23	0.90	1.20	1.07
Madibeng	0.80	2.86	0.85	0.87	0.73	0.91	0.80	0.75	0.86
Rustenburg	0.22	8.96	0.17	0.28	0.24	0.34	0.25	0.30	0.26
Kgetlengrivier	0.90	6.51	0.33	0.43	0.50	0.61	0.56	0.39	0.55
Moses Kotane	0.54	3.83	0.26	1.41	0.60	1.21	0.56	0.53	0.92
Ratlou	2.85	0.24	0.27	0.73	0.82	0.84	0.79	0.84	1.92
Tswaing	6.38	0.40	0.45	0.61	0.79	0.87	0.83	0.60	1.58
Mahikeng	1.04	0.15	0.30	1.78	0.75	0.94	0.84	0.88	1.86
Ditsobotla	2.87	0.52	1.10	0.58	0.95	0.90	1.10	0.69	1.29
Ramotshere Moiloa	1.25	0.56	0.51	4.15	0.66	1.00	0.61	0.60	1.50
Naledi	4.05	0.11	0.29	0.96	0.78	1.33	1.17	1.14	1.04
Mamusa	5.02	0.28	0.23	1.44	1.36	1.14	0.78	1.07	1.09
Greater Taung	1.39	0.62	0.17	2.20	0.82	0.94	0.77	0.96	1.59
Lekwa-Teemane	4.73	0.17	0.73	0.74	1.16	1.12	1.02	0.76	1.19
Kagisano/Molopo	5.37	0.36	0.17	1.18	0.90	0.75	0.75	0.68	1.80
Ventersdorp	8.11	0.44	0.42	0.68	1.00	0.85	0.94	0.63	1.27
Tlokwe City Council	1.58	0.73	0.53	1.24	0.86	0.99	0.72	0.88	1.54
City of Matlosana	0.53	2.00	0.35	1.09	0.85	1.13	0.92	0.88	1.13
Maquassi Hills	5.71	0.66	0.42	0.71	1.14	1.00	0.79	0.77	1.27

Framework of fundamental economic guiding principles: A policy agenda towards sustainable ACT:

To enable stakeholders to move towards more sustainable ACT, there are many elements that are required or must be considered. They may include:

- Clustering;
- Linkages with local suppliers of goods and services;
- Skills and human resources development;
- Access to finance and investment;
- Institutional framework and mainstreaming of ACT in national policies;
- Promotion and marketing;
- Protection and conservation of cultural heritage.

Are small towns likely to be suitable foci for stimulating economic growth in rural areas?

- Small towns have some ability to generate economic growth in surrounding rural areas and further potential if policies are targeted at the appropriate areas or sectors.
- In planning for sustained economic growth in rural areas, what is the appropriate spatial distribution of development in rural areas, i.e. in towns or the surrounding countryside?
- More isolated towns are likely to generate greater spillover effects in rural hinterlands than those close to urban centres, but the ability of small towns to generate economic growth is not simply determined by relative accessibility to urban areas.
- Development within towns is likely to be important to sustaining economic growth in small towns as within-town linkages are stronger than town-hinterland linkages.
- To ensure sustained economic growth in rural areas a balance needs to be struck between town and hinterland development, but the provision of employment in small towns for hinterland residents is an important issue.

What industrial sectors are more likely to have stronger local linkages in the rural economy?

- National retailers could be of greater benefit to town economies if they not only continue to provide local employment opportunities, but also sourced more of their inputs locally.
- Adding value to local produce and marketing it both locally and non-locally may be useful way of stimulating economic growth.
- There is a need for adequate public transport provision in rural areas to improve accessibility of towns for hinterland residents, and not just for those living furthest from the town.

What demographic groups are more likely to have stronger local linkages in the rural economy?

- Higher occupational groups are a potential target group in town centre marketing strategies.

Is combining business and residential development in small towns likely to foster sustainable economic development?

- Combining residential and business development in towns and wider rural areas may help create more sustainable communities by containing income earned by

local residents and reducing the need to travel.

Conclusion

ACT and VTSD do have the potential to contribute to economic growth and poverty reduction in the NWP. However, these sectors' capacity to generate employment and income owing to its low backward and forward linkages makes it relatively less important for economic diversification and economic growth.

To ensure that ACT and VTSD provide employment and income opportunities in the long run and contribute to sustainable development, their operations, including the activities that are linked with them, must be sustainable.

1.1.4 North West Location and Infrastructure

- a) Location is one of the BBP's greatest natural advantages. The main Cape Town to Zimbabwe railway line runs through the provincial capital of Mahikeng, linking the BBP to several southern African countries, including Angola, Zambia and Botswana. An extensive road network connects the major commercial centres of the province to the rest of the country via a network of 1 785 km of national roads. The vital east-west corridor links the eastern Africa seaboard at Maputo to the western African seaboard at Walvis Bay, running through the BBP en-route. Its strategic positioning has been further improved with the completion of the Trans Kalahari Corridor through Botswana and Namibia – and these developments bode well for a thriving business and tourism economy. In terms of airports, Mahikeng has an established airport with one of the longest runways in the world and Pilanesberg (near Sun City) also has an international airport, primarily servicing the tourism industry.
- b) Water is considered one of the key limiting factors to development in the BBP. The province is not only depleting its precious water reserves, but suffers from an additional problem – that of pollution of groundwater caused by both natural and human-induced factors including mining and industrial activities, agriculture and domestic use. With regards to electricity, the BBP has a well-developed electricity distribution network due to mining activities. The current electricity crisis can also be seen as an opportunity to develop other energy technologies and to invest in renewable energy.

1.1.5 Policy Guidelines

- a) Given the economic growth forecasts, key demographic and socio-economic characteristics and the current economic and structural realities in the North West, the BBPG has an important role to play in setting the framework for growth and outlining the necessary actions to stimulate growth in areas such as innovation, research and development, skills, education, exports, FDI and entrepreneurship. This also means identifying and supporting business growth in areas where there is the greatest potential, whilst ensuring that the necessary economic infrastructure is in place to capitalise on the existing strengths and opportunities.
- b) The Department of Finance, Economy and Enterprise Development (FEED) mapped the following priorities in their 2015/2016 strategic plan to grow the economy of the BBP:

Table 7: FEED Priorities to grow the Economy of the Bokone Bophirima Province

Heading	Content
1 Low Agricultural Outputs	Whilst the employment numbers in the sector have increased with accompanying increased output, there's a need for further upward development for purposes of production, employment figures and agro-processing
2 Infrastructure Development	The Province needs to provide and maintain a solid economic infrastructure, including a reliable energy consumption grid, transport networks (road, rail, and aviation), and telecommunications
3 Diversification of Industries	The Bokone Bophirima Province has to move with global trends. This calls for a thrust towards diversified local economies to include Arts and Crafts, Culture, Film industry, Green Economy industries (e.g. solar energy, waste management, and recycling projects)
4 Manufacturing vs Export Oriented Market	There is a need to investigate the potential of local beneficiation opportunities (based on the local outputs) and actively promote closer linkages between the local primary sector and manufacturing industries
5 Aggressive Enterprise Development	SMMEs are regarded as the back bone of many economies in developed and developing countries yet South Africa remains at the bottom of the rankings when it comes to countries that support small businesses to buttress the performance of their economies. To the extent that RSA has poor records on SMME support the implications are that provinces are not doing any better. The SMME strategy covers most of the challenges and plans to overcome them and therefore it suffices to mention Small Business Support as a challenge in this document
6 Foreign Direct Investment	The Bokone Bophirima Province has the potential to attract foreign investment to support the local economies. The potential exists to attract local and foreign private investors to the province by providing a competitive set of incentives that could include both administrative (reducing the time required for development approval, information provision, etc.) and financial incentives disaggregated in terms of economic sectors and the value of investment particularly prioritising beneficiating activities. This can also be done through the formation of Public Private Partnerships (PPPs) to reduce private sectors' risks and acquire necessary funds for investment

- c) The North West Development Corporation (NWDC) has identified the following key and cross-cutting sectors, based on the renewed focus in the BBP

Key economic sectors include:

- Agriculture and agro-processing
- Culture
- Tourism
- Mineral beneficiation
- Manufacturing
- Green economy
- ICT

Cross-cutting sectors include:

- Small and medium enterprise (SME)
- International trade
- Innovation and R&D
- Business process outsourcing (BPO)

VTSD & Geographical Economy - Spatial Economic Growth Context and Challenges

- d) Spatial dynamics are evolving quickly in South Africa, where the spatial structure perpetuates exclusion. Weak infrastructure, inadequate skills, poor innovation capacity and weak governance prevent many places from growing economically. South Africa faces an unconventional challenge because it has a spatial realm that is neither rural nor fully urban.
- e) Informal settlements in South Africa share many economic characteristics such as joblessness, uneven access to basic public services, and overwhelming levels of crime and violence and bigger proportions of foreign immigrants.
- f) A major problem is their poor degree of connection to urban centres because of insufficient public transport infrastructure. According to the World Bank 2009 report on transport prices and costs in Africa, connectivity is a challenge also in rural areas: around 70% of South Africa's rural population lives at least two kilometers away from an all-season road. Rail and roads need upgrading and expansion to cope with the increasing volume of passenger and goods transport. The government has published a national infrastructure plan laying out investment needs and plans over the next decade.
- g) The framework legislation for the use of communal land in traditional areas needs to be established as it creates uncertainty and affects the legality of various forms of land use, ranging from sub-letting plots of land to migrant mine workers to the establishment of industrial zones for long-term leases.
- h) The digital divide also remains deep. Access to high-quality communication services and technologies, infrastructure and content remains largely limited to the privileged few. Only 2% of households in rural areas had access to fixed-line Internet infrastructure compared with 9.2% in urban and 16.2% in metropolitan areas in 2013. Consequently, 7 out of 10 South Africans are using their mobile telephones to log on to the Internet.
- i) The spatial frameworks relying on an abstract design approach, and centred on the use of nodes and corridors, became a standard form of planning in South Africa. The Maputo

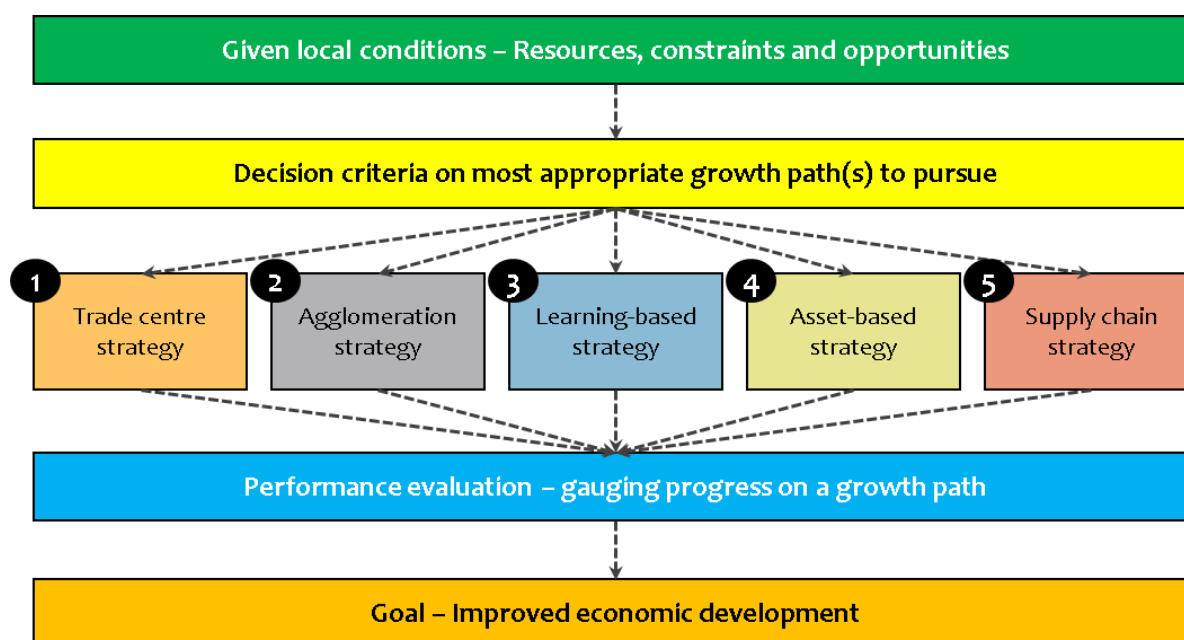
Development Corridor (MDC) was launched in 1996 and represents the first regional corridor initiative in Southern Africa. The corridor aimed at increasing trade between and along its starting points in the Gauteng province and the Maputo harbour in Mozambique. It involves investment in roads, railways and ports. However, local populations along the corridor do not always benefit from greater connectivity.

Table 7: Key Areas (most distressed areas) in terms of the VTSD Focus:

Category (VTSD)	Local Municipality (LM)	District Municipality (DM)
Zeerust	Ramotshere Moiloa LM	Ngaka Modiri Molema DM
Koster	Kgetlengrivier LM	Bojanala Platinum DM
Coligny	Ditsobotla LM	Ngaka Modiri Molema DM
Hartbeesfontein(Dorpie) and Tigane (Township)	City of Matlosana	Kenneth Kaunda DM
Vryburg (Dorpie) & Huhudi (Township)	Naledi LM	Dr. Ruth S. Mompoti DM
Schweizer-Reneke / Itelegeng (Mamusa)	Mamusa LM	Dr. Ruth S. Mompoti DM
Derby	Kgetlengrivier LM	Bojanala Platinum DM
Delareyville	Tswaing LM	Ngaka Modiri Molema DM
Ottosdal	Tswaing LM	Ngaka Modiri Molema DM
Wolmaransstad / Tsweleng – Maquassi Hills	Maquassi Hills LM	Kenneth Kaunda DM
Swartruggens	Kgetlengrivier LM	Bojanala Platinum DM
Sannieshof	Tswaing LM	Ngaka Modiri Molema DM
Ventersdorp & Tshing	Ventersdorp LM	Kenneth Kaunda D

Source: The FEED (2015).ACT

Based on the context and challenges of VTSDs and geographical economy the following economic growth paths have been identified in a study by the North West University



In the diagram below the possible growth paths for VTSDs are expanded on:

Basis for area's economic growth	Description
Trade center	Growth pattern emanating from a small urban cluster that provides goods and services to the ex-urban communities and rural hinterlands.
Agglomeration (e.g. cluster economy)	Growth resulting from geographic concentrations of interconnected businesses and institutions that enhance the productivity of the core industries.
Supply-chain (e.g. dispersal economy)	Remote location is chosen over the central metropolitan area to host a node of economic activity (distribution or assembly) that is part of a larger (geographic) production chain.
Natural amenity or cultural assets	Growth as a result of either quality-of-place attracting new households OR efforts to actively develop and promote cultural, recreation, eco-tourism venues and their supporting visitor services. A variant exists based upon natural-resource assets that are tied to extractive activities such as mining, logging.
Knowledge (learning) assets	Growth opportunities leveraged from the collective knowledge embodied in the area or region, including social capital, technical applications / commercialisation, institutional assets (educational and financial), entrepreneurial start-ups etc.

- j) Based on the information above NWDC will close the gap by focusing on smart specialization. Smart specialization is about placing greater emphasis on innovation and having an innovation-driven development strategy in place that focuses on each area's strength and competitive advantage. It aims at identifying factors of competitiveness and concentrating resources on key priorities. It also aims to harness area diversity by avoiding uniformity and duplication in investment goals. It combines goal-setting with a dynamic and entrepreneurial discovery process involving key stakeholders from government, business, academia and other knowledge-creating institutions.

1.1.6 PESTLIE ANALYSIS

Political, Economical, Socio Cultural, Technological, Legal Analysis, International and Environmental (PESTLIE) (National Context):

Table 8: PESTLIE Analysis

Factor: POLITICAL	
These refer to government policy such as the degree of intervention in the economy. Political decisions can impact on many vital areas for business such as the education of the workforce, the health of the nation and the quality of the infrastructure of the economy such as the road and rail system.	
OPPORTUNITY	THREAT
<ul style="list-style-type: none"> Politically stable environment Favourable policy and regulatory environment (monetary, fiscal, industrial, trade, competition, etc) Good bilateral and multilateral relationships as well as cooperation agreements Government very serious about industrialization and job creation Member of the BRICS community Perception of corruption and the implementation of 	<ul style="list-style-type: none"> Service delivery protests Disbursing of infrastructure on Traditional land

controls to minimize and prevent	
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Factor: ECONOMICAL

These include interest rates, taxation changes, economic growth, inflation and exchange rates. For example:

- higher interest rates may deter investment because it costs more to borrow;
- a strong currency may make exporting more difficult because it may raise the price in terms of foreign currency;
- inflation may provoke higher wage demands from employees and raise costs;
- higher national income growth may boost demand for a firm's products

OPPORTUNITY	THREAT
<ul style="list-style-type: none"> • Stable macro-economic environment articulating expansionary and liberalization views (SARB) • SA known as open for business (excellent “doing business” rankings) • Easily accessible investment incentives • Excellent financial market system • Planned economic infrastructure • Mining is the largest sector in the BBP and accounts for some 64.7% of the nation’s platinum output. Other minerals in the BBP are: gold, uranium, diamonds, fluorspar, copper, vanadium, limestone, slate, phosphate, coal, manganese, dimension stone, cement and nickel. • Agriculture and agro-processing remain strong opportunities in the BBP focusing on grain, livestock and dairy production • Strong local Small and Medium Enterprise (SME) base, with many becoming involved in high-value activities such as exporting and investment in Research & Development (R&D) and Innovation. As a result, the province has the opportunity to further develop these areas and work towards an economy based on innovative firms competing in export markets. • Tourism is the 4th most important economic sector in this predominantly rural, and scenic, province. The BBP has a total of 14 provincial parks within its borders. The most well-known are the Pilanesberg and Madikwe National Parks and the province boasts a wide array of species, ecosystem and habitats – including the Big Five in a malaria-free environment. • Close proximity to Gauteng provides access to markets making trade an important sector in the BBP. • Setsokotsane Programme 	<ul style="list-style-type: none"> • Slow economic growth • Strained electricity supply • Increased fuel prices • Labor unrest • All production led sectors decreasing in contribution to economic output growth • Downgrading of South Africa’s credit rating by International Credit Rating Agencies • Unfavourable current account outlook • Ageing water and roads infrastructure • The province has poor and deteriorating economic infrastructure • Companies moving out of the Province and relocate in other countries (job losses) • Local commodity prices • The province accounts for a small share of South Africa’s overall international trade and contributed 1.8% to trade output in 2014. The BBP is a net exporter of goods. However, the BBP has a very concentrated export basket – not only in terms of products, but also in terms of the countries or regions traded with. In addition, the exported goods are largely commodity-based, implying a greater threat of price volatility and hence fluctuating export earnings. • Closing of Mines and mechanization • Businesses offered incentives to relocate to neighbouring countries • Drought • Depreciation of the rand • Closing of Mines and job losses

Factor: SOCIO CULTURAL

Changes in social trends can impact on the demand for a firm's products and the availability and willingness of individuals to work. The age of a population also has impact on demand: for example, a young population will need different goods than an older population

OPPORTUNITY	THREAT
<ul style="list-style-type: none"> Government emphasis on rural economic development and advancement Labour costs are relatively lower than in other key emerging markets, including Mexico, Hungary, Malaysia and Singapore Increase in quantity of matriculates and related pass rates Bokone Bophirima Province focus on Agriculture, Culture and Tourism 	<ul style="list-style-type: none"> Current state of infrastructure (poor energy and water supply, availability of factory space, roads, bulk services, etc) Low levels of earnings and disposable income result in weak per capita data Increased urbanization and the adverse impact thereof on the available infrastructure Socio-economic and demographic conditions not improving (e.g. high unemployment rate and possible moral degeneration) Education

Factor: TECHNOLOGICAL

New technologies create new products and new processes. Technology can reduce costs, improve quality and lead to innovation. These development can benefit consumers as well as the Corporation's providing the products

OPPORTUNITY	THREAT
<ul style="list-style-type: none"> South African Universities are emerging leaders of R&D in various sectors (energy efficiency, manufacturing, environmental science, export development and HIV pharmaceutical breakthrough) Government support for Renewable Energy independent power producers Tier 1 and Tier 2 suppliers are quick to adopt and gain first-mover advantage Well-functioning and easily accessible information and communication network including developments in the social media Information Communication Technology (ICT) fourth generation (4G) and Broadband infrastructure installed in major cities in South Africa including Rustenburg and Potchefstroom in the Bokone Bophirima Province. Hydrogen in the University of the North West 	<ul style="list-style-type: none"> Tier 3 (SMME) companies are slow to adopt new technology Slow pace of localization, i.e. cost and access to foreign developed and owned technology Weak R&D capability and initiatives at enterprise level

Factor: LEGAL

These are related to the legal environment in which firms operate. Different categories of law include:

- **Consumer laws:** these are designed to protect customers against unfair practices such as misleading descriptions of the product;
- **Competition laws:** these are aimed at protecting small firms against bullying by larger firms and ensuring customers are not exploited by firms with monopoly power;
- **Employment laws:** these cover areas such as redundancy, dismissal, working hours and minimum wages. They aim to protect employees against the abuse of power by Managers;
- **Heals and safety legislation:** these laws are aimed at ensuring the workplace is as safe as is reasonably

practical. They cover issues such as training, reporting accidents and the appropriate provision of safety equipment.

OPPORTUNITY	THREAT
<ul style="list-style-type: none"> Fair and just legal system. New Companies Act has improved the ease of doing business, transparency and accountability 	<ul style="list-style-type: none"> Cumbersome and drawn out legal processes Excessive legal fees

Factor: INTERNATIONAL

International factors might include things such as exchange rate changes or wars or instability in other parts of the world that may influence how your business runs

OPPORTUNITY	THREAT
<ul style="list-style-type: none"> Favorable economic outlook Inter-regional trade 	<ul style="list-style-type: none"> Volatility of ZAR against the US dollar FDI (Greenfield projects) will continue to be low Decrease in local commodity prices Slower growth in China affecting demand for commodities Slow recovery of global markets after economic slow down

Factor: ENVIRONMENTAL

Environmental factors include the weather and climate change. Changes in temperature can impact on many industries including farming, tourism and insurance. With greater environmental awareness this external factor is becoming a significant issue for firms to consider. The growing desire to protect the environment is having an impact on many industries such as the travel and transportation industries (for example, more taxes being placed on air travel and the success of hybrid cars) and the general move towards more environmentally friendly products and processes is affecting demand patterns and creating business opportunities

OPPORTUNITY	THREAT
<ul style="list-style-type: none"> South Africa is committed to the green economy as per the NGP and the NDP. As per the 2012 FDI report Renewable Energy in 2011 contributed 19% to FDI and was the biggest sector contributor. 	<ul style="list-style-type: none"> Impact of mining and industrial activities on water- and air quality and the environment in general. Degradation of water quality and supply Drought

1.2 Organisational Environment

The NWDC is an implementing agent for the Provincial Government to drive the economy in the Bokone Bophirima Province and to contribute to the economic growth of the province by 2020.

The North West Development Corporation must play a leadership and catalytic role in transformation and development. This should be achieved through transparent and development-focused procurement processes (60% local procurement from SMMEs and Cooperatives); gender parity and progression; targeted skills development in collaboration with other stakeholders (State, business and the community).

The North West Development Corporation need to implement projects in line with the provincial developmental agenda (ACT and VTSD). Furthermore, the NWDC need to determine priority projects with the biggest impact on job creation and enterprise development.

It is imperative that the NWDC with its investment strategy must have a high return objective to grow itself into a self-sustainable organisation to enable it to implement the developmental agenda. Furthermore, to become self-funded as well as focusing on increasing revenue through our property portfolio and investment activities.

1.2.1 Current Organisational Environment

a) The current organisational structure is not suitable due to legacies of the past:

- Hierarchy inclined with a lot of silos
- There is limited skilled employees;
- Policies are still not relevant and should be reviewed;
- Low Staff morale;
- Limited funding to implement projects

1.2.2 Moving Forward

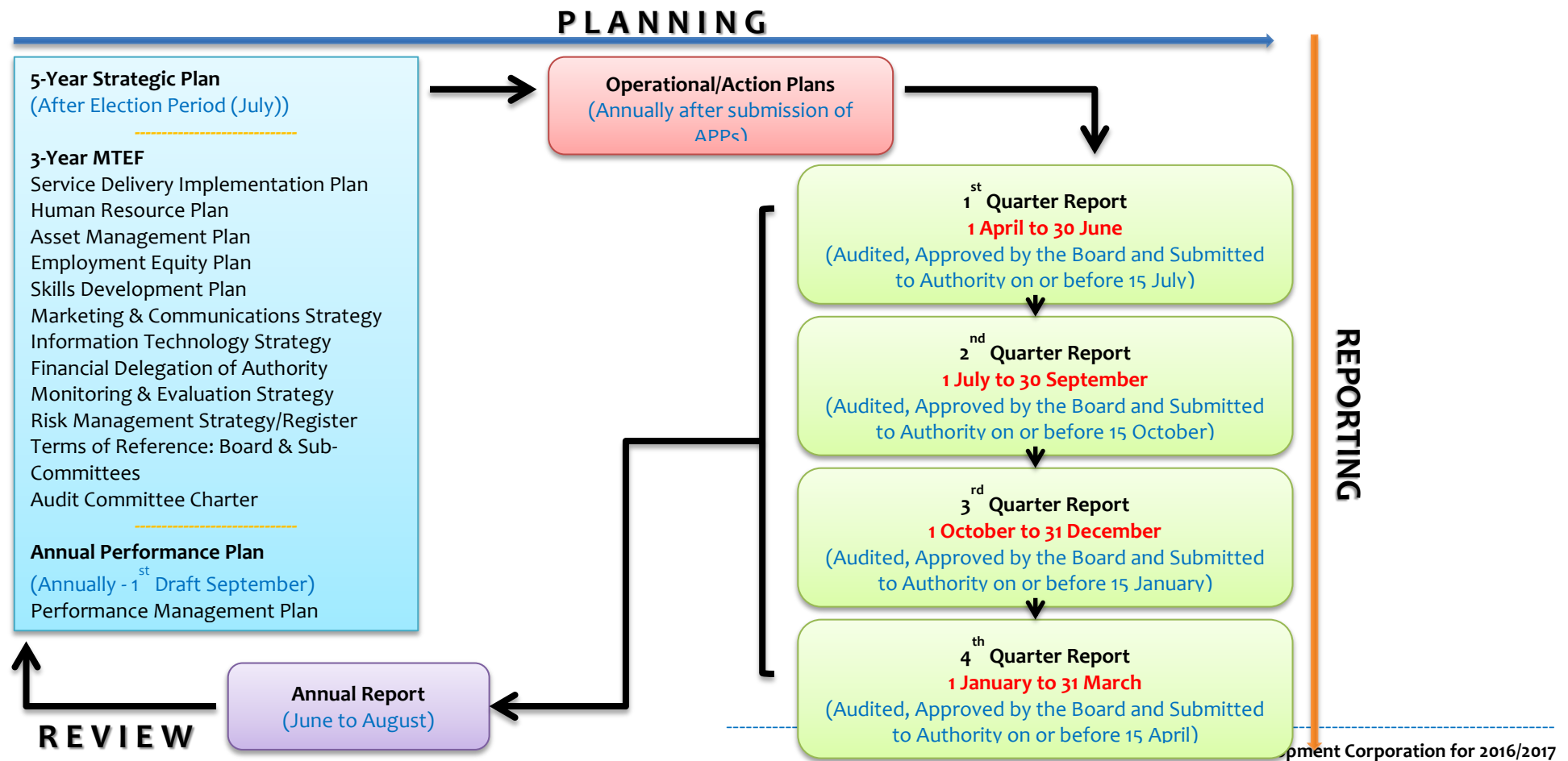
- a) The NWDC is embarking on a process to finalise and implement the new organisational structure. The new organisational structure is aligned with the strategy of the Provincial priorities. The focus will move from conventional methods to a project based approach, to enable better implementation of deliverables.
- b) The NWDC, as an State Owned Enterprise is aimed at matching the private sector's performance standards and even become world-class players. The NWDC will be structured and capacitated in a manner that it can adhere to implementing projects effectively and efficiently.

1.3 Service Level Agreements/Memorandum of Understanding in terms of service delivery agents

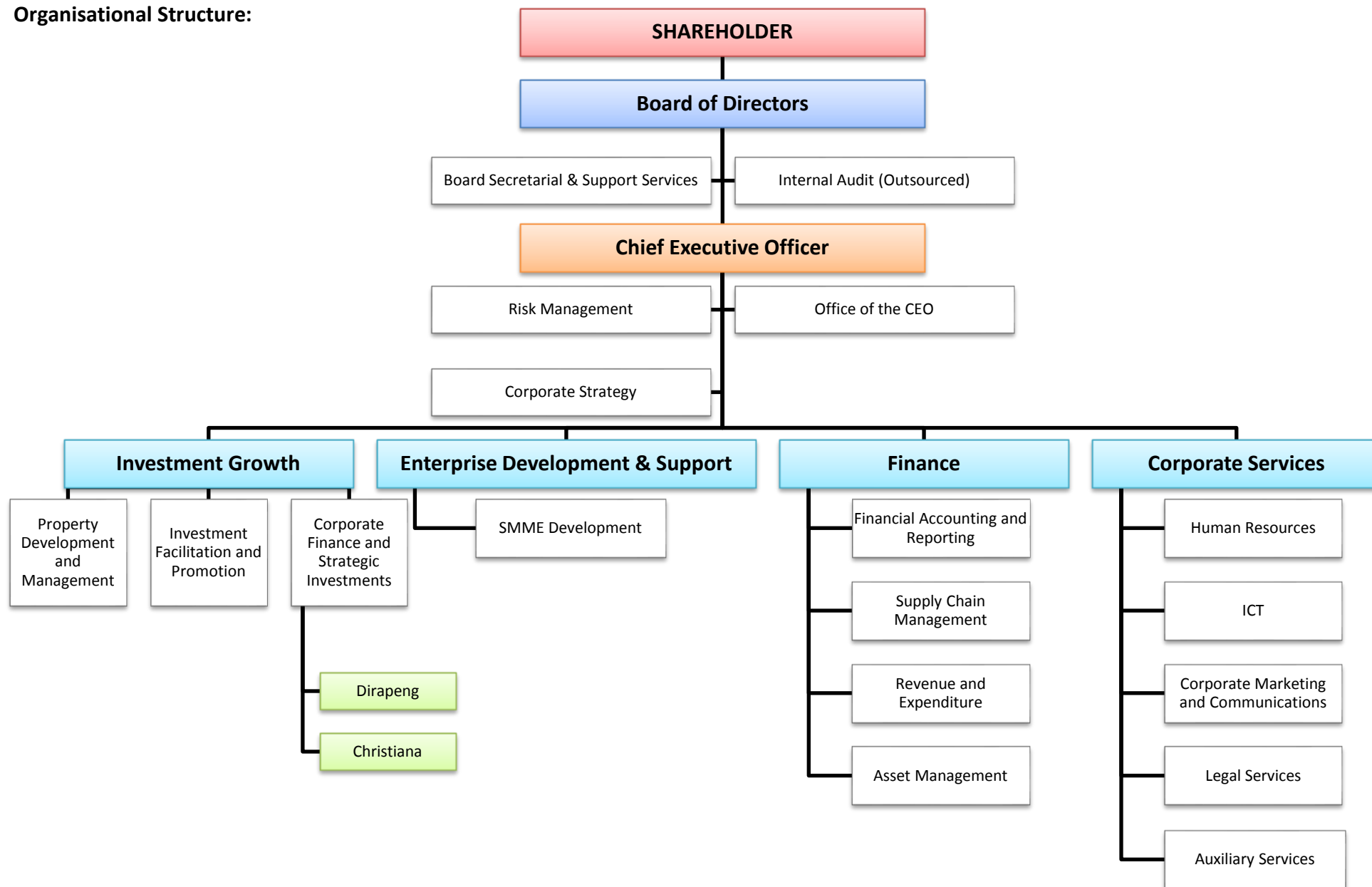
The North West Development Corporation does not have service delivery agents.

1.4 Monitoring and Evaluation of Performance Information

Performance information needs to be structured to demonstrate clearly how the entity uses available resources to deliver on its mandate. The below graph indicate the process follow that is applicable to the entity:



1.5 Organisational Structure:



1.6 Resource Considerations:

The organisational structure of the North West Development Corporation was approved by the Board of Directors on 19 February 2016. The table below reflects total number of positions in the organisational structure and the current filled positions.

Level	Current Filled Positions	Level	Total Number of Positions in Organisational Structure
P2	1	P2	1
P3	0	P3	1
P4	0	P4	3
P5	7	P5	8
P6	2	P6	13
P7	13	P7	18
P8	32	P8	50
P9	8	P9	15
P10	7	P10	8
P11	13	P11	3
P12	20	P12	66
P13	11	P13	0
P14	1	P14	0
P16	2	P16	0
P17	11	P17	13
P18	35	P18	0
Total	163	Total	199

1.7 Risk Management

Risk Type	Risk Identified	Risk Responsibility	Risk Rating	Risk Treatment Plan
Strategic	Cross Border Matters	Board of Directors & CEO	High	<ul style="list-style-type: none"> Establish and strengthen the relationship with the MEC of Department of Finance, Economy & Enterprise Development (FEED); Obtain legal opinion regarding the legal avenues open to NWDC to pursue to minimize financial losses Ensure amicable settlement, legally and politically, of all existing or imminent threats relating to properties situated outside the North West Province
	Shareholder / Stakeholder Expectations	Board of Directors & CEO	High	<ul style="list-style-type: none"> Establish and strengthen the relationship with the MEC of Department of Finance, Economy & Enterprise Development (FEED); Management to evaluate their relationship with tenants, suppliers and SMMEs through marketing related research and customer relations Align the deliverables to the expectations and identify key stakeholders and accurately map their expectations, i.e. prioritizing such expectations Assist with policy formulation in growing, diversifying and reforming the economy of the North West Province
	Good Corporate Governance	Board of Directors & CEO	High	<ul style="list-style-type: none"> Appointment of suitably qualified individuals into Executive Management positions Effective enforcement and implementation of a sound legal and compliance framework Delivering on the mandate, meeting the needs of stakeholders, curtailing expenditure, streamlining decision-making and action, and making the best use of available resources Entrenching the principle of fairness, and treating stakeholders equitably. Ensuring the moral responsibility and integrity of individuals within an organisation and the behaviour of the organisation itself, leading to mechanisms been put in place that will minimize or avoid potential conflicts of interest Ensuring that decisions made, action taken and how it is reported to stakeholders must be communicated clearly and made easily available for those affected by the organization. Information must be regular, reliable and comparable and in sufficient detail for users of such information can exercise

Risk Type	Risk Identified	Risk Responsibility	Risk Rating	Risk Treatment Plan
				<p>their rights on a fully informed and equal basis.</p> <ul style="list-style-type: none"> Ensuring that the individuals in the top echelons of the organization and who are entrusted with public resources are held to account and remain answerable to their actions. Continuous review of organisation's policies
Reputation	Organisational Growth & Relevance	Board of Directors & CEO	High	<ul style="list-style-type: none"> Create a conducive, mature and value driven professional climate within the organization Prepare a Position Paper on "Building An Entity Of The Future". E.g. an entity that is resilient, optimized, adaptive, relevant to the economic needs of the NW Province, systems based, values based, etc. Position North West Province as a key Trade & Investment destination
Finance	Financial liquidity	Board of Directors, CEO, CFO & Executive Management	High	<ul style="list-style-type: none"> Ensure significant improvements in reducing the Debt Book Negotiate with major creditors to prevent adverse financial outcomes for the Corporation Ensure that Executive Management is held accountable on their respective performance areas on a regular basis
	Financial Viability	Board of Directors, CEO, CFO & Executive Management	High	<ul style="list-style-type: none"> Diversify activities of the Corporation into new income streams to enhance revenue Increase the share of the Corporation in the Estate industry and improve the profitability of assets (properties) Identify and pursue sustainable commercially viable investments Implementation of Audit Action Plan
Human Resources	Organisational Productivity	CEO & Executive Management	High	<ul style="list-style-type: none"> Ensure significant improvement in filling of vacant posts Attract and retain skilled personnel (Retrain, Retain & Recruit) Complete competency assessments and other related personnel audits and implement all lawful and affordable recommendations Establish appropriate workflows and encourage project teams Ensure IT is an integral part of solutions leading to improved service delivery

Risk Type	Risk Identified	Risk Responsibility	Risk Rating	Risk Treatment Plan
Operational	Standard Procedure Manual	CEO & Executive Management	High	<ul style="list-style-type: none"> • Implementation of Corporate Governance of ICT Policy Framework • Investigate and implement appropriate ISO Standards including Quality Management Systems • Confirm powers and delegations of authority • Establish proper segregation of duties
	Business Continuity	CEO & Executive Management	High	<ul style="list-style-type: none"> • Install generators at all branches with reserve electricity that lasts not less than 12 hours • Review and update insurance policy ensuring that all aspects of the business are adequately protected.
	Trade and Investment opportunities		High	<ul style="list-style-type: none"> • Initiate and/or obtain research studies and data on all economic sectors of the North West Province • Compile Scoping Reports for periodic publication and distribution to interested investors and the business communities
	Services to the SMME sector	CEO & Executive Management	High	<ul style="list-style-type: none"> • Ensure annual funds allocation for the SMME sector • Expand services to SMME to include aftercare services or mentoring services • To accelerate the collection rate of outstanding loans • To enhance control systems • To implement an effective Credit Control Policy

2. REVISIONS TO LEGISLATIVE AND OTHER MANDATES

The NWDC is a Public entity listed under schedule 3D of the PFMA and must comply with the following legislation:-

2.1 Legislative Mandate

a) Constitution Act No 108 of 1996

Schedule 4A of the Constitution of the Republic of South Africa 1996 lists all the areas mentioned under as a functional areas of concurrent national and provincial legislative competence:

- Industrial Promotion
- Trade
- Consumer Protection

Section 4B of the Constitution lists, the following as local government functional areas to the extent set out in section 155(6) (a) and (7):

- Trading Regulations

b) North West Development Corporation Act No 6 of 1995

The purpose of the Act was to repeal the Bophuthatswana National Development Corporation Act No 46 of 1968 and to establish the North West Development Corporation that would continue economic development programs in the Bokone Bophirima Province.

c) Public Finance Management Act No 1 of 1999

The key objectives of the Act may be summarized as being to modernise the system of financial management in the public sector; enable public sector managers to manage, but at the same time be held more accountable; ensure the timely provision of quality information; and eliminate the waste and corruption in the use of public assets.

d) National Credit Act No 34 of 2005

This is national legislation that provides for the regulation of a fair, transparent, competitive, sustainable, responsible, efficient, effective and accessible credit market and industry.

e) Rental Tribunal Housing Act No of 1999

The purpose of the Act is to define the responsibility of Government in respect of rental housing property; to create mechanisms to promote the provision of rental housing property; to promote access to adequate housing through creating mechanisms to ensure the proper functioning of the rental housing market; to make provision for the establishment of Rental Housing Tribunals; to define the functions, powers and duties of such Tribunals; to lay down general principles governing conflict resolution in the rental housing sector; to provide for the facilitation of sound relations between tenants and landlords and for this purpose to lay down general requirements relating to leases.

f) Companies Act No 71 of 2008

To provide for the incorporation, registration, organisation and management of companies, the capitalisation of profit companies, and the registration of offices of foreign companies carrying on business within the Republic of South Africa.

g) Small Business Development Act No 102 Of 1996

This Act provides for the establishment of the Advisory Body and the Small Enterprise Development Agency; to provide guidelines for organs of state in order to promote small enterprise in the Republic; and to provide for matters incidental thereto.

h) Co-operatives Act No 14 of 2005

This Act recognizes the cooperative values of self-help, self-reliance, self-responsibility, democracy, equality and social responsibility.

i) South African Revenue Services Act No 34 of 1997

This Act makes provision for the efficient and effective administration of the revenue collecting system of the Republic; and, for this purpose, to reorganize the South African Revenue Service and to establish an Advisory Board; and to provide for incidental matters.

j) Basic Conditions of Employment Act No 75 of 1997

This Act gives effect to the right to fair labour practices referred to in section 23(1) of the Constitution by establishing and making provision for the regulation of basic conditions of employment; and thereby to comply with the obligations of the Republic as a member state of the International Labour Organisation; and to provide for matters connected therewith.

k) Employment Equity Act No 55 of 1998

The purpose of the Act is to achieve equity in the workplace, by promoting equal opportunity and fair treatment in employment through the elimination of unfair discrimination; and implementing affirmative action measures to redress the disadvantages in employment experienced by designated groups, to ensure their equitable representation in all occupational categories and levels in the workforce.

l) Broad Based Black Economic Empowerment Act No 53 of 2003

This Act establishes a legislative framework for the promotion of black economic empowerment; to empower the Minister to issue codes of good practice and to publish transformation charters; to establish the Black Economic Empowerment Advisory Council; and to provide for matters connected therewith.

m) Labour Relations Act No 66 of 1995

The purpose of this Act is to advance economic development, social justice, labour peace and the democratisation of the workplace by fulfilling the primary objects of the Act.

n) National Archive Act No 43 of 1996

This Act provides for a National Archives and Record Service; the proper management and care of the records of governmental bodies; and the preservation and use of a national archival heritage.

o) Preferential Procurement Policy Framework Act No 5 of 2000

The purpose of the Act is to give effect to section 217(3) of the Constitution by providing a framework for the implementation of the procurement policy contemplated in section 217(2) of the Constitution.

p) Promotion of Access to Information Act No 2 of 2000

This Act gives effect to the constitutional right of access to any information held by the State and any information that is held by another person and that is required for the exercise or protection of any rights.

q) Protection of Information Act No 84 of 1982

The purpose of the Act is to provide for the protection from disclosure of certain information.

r) Skills Development Act No 97 of 1998

This Act provides an institutional framework to devise and implement national, sector and workplace strategies to develop and improve the skills of the South African workforce; to integrate those strategies within the National Qualifications Framework contemplated in the South African Qualifications Authority Act, 1995; to provide for learnerships that lead to recognised occupational qualifications; to provide for the financing of skills development by means of a levy-financing scheme and a National Skills Fund; to provide for and regulate employment services.

s) Public Service Corporate Governance of ICT Policy Framework

The purpose of this Framework is to institutionalise the Corporate Governance of and Governance of ICT as an integral part of corporate governance within departments in a uniform and coordinated manner. The Framework provides a set of principles and practices with which all departments must comply.

t) National Environmental Management Act 107 of 1998

The Act provides for co-operative, environmental governance by establishing principles for decision-making on matters affecting the environment, institutions that will promote co-operative governance and procedures for coordinating environmental functions exercised by organs of state.

u) Occupational Health and Safety Act No 85 of 1993

The purpose of the Act is to provide for the health and safety of persons at work and for the health and safety of persons in connection with the use of plant and machinery; the

protection of persons other than persons at work against hazards to health and safety arising out of or in connection with the activities of persons at work; to establish an advisory council for occupational health and safety.

v) Tourism Act No 72 of 1993

To make provision for the promotion of tourism to and in the Republic;

- the further regulation and rationalization of the tourism industry;
- measures aimed at the maintenance and enhancement of the standards of facilities and services hired out or made available to tourists;
- the coordination and rationalization, as far as practicable, of the activities of persons who are active in the tourism industry;
- to make provision for the registration of tourist guides;
- to prohibit any person to act for gain as a tourist guide unless he has been registered as a tourist guide in terms of the Act;

w) Intellectual Property Rights from Publicly Financed Research and Development Act No 51 of 2008

This Act provide for more effective utilisation of intellectual property emanating from publicly financed research and development; to establish the National Intellectual Property Management Office and the Intellectual Property Fund; to provide for the establishment of offices of technology transfer at institutions; and to provide for matters connected therewith.

x) Municipal Property Rates Act No 6 of 2004

To regulate the power of a municipality to impose rates on property; to exclude certain properties from rating in the national interest; to make provision for municipalities to implement a transparent and fair system of exemptions, reductions and rebates through their rating policies; to make provision for fair and equitable valuation methods of properties; to make provision for an objections and appeals process.

2.2 Policy Mandates

The following forms part of the broad policy mandates that assist the North West Development Corporation in its endeavour to achieve its legislative mandates, (the list is however not exhaustive):

2.2.1 National Development Plan

- a) The National Development Plan (NDP) is the official policy guideline for South Africa and sets out SA's achievements and shortcomings, identifying nine primary challenges including:
- low employment,
 - the low quality of school education for black people,
 - infrastructure being poorly located, inadequate and under-maintained,
 - spatial divides hampering inclusive development,

- an unsustainable and resource intensive economy,
 - the public health system being unable to meet demand or sustain quality,
 - public services being uneven and often of poor quality,
 - high corruption levels and
 - South Africa remaining a divided society.
- b) The National Development Plan (NDP) offers a long-term perspective as long-term planning was identified as one of the imperatives to address the challenges. It defines a desired destination and identifies the role different sectors of society need to play in reaching that goal. The NDP Vision 2030 document was compiled with the main objective to eliminate poverty and to reduce inequality by 2030 and addresses the following:
- Accelerated economic growth and employment
 - Infrastructure expansion
 - Low-carbon economy transformation
 - Urban and rural space transformation
 - Positioning South Africa in the world
 - Human settlement
 - Education, innovation and training improvement
 - Quality healthcare provision
 - Social protection
 - Safe communities
 - Capable State building
 - Fighting corruption
 - Transformation and unity.
- c) According to the plan, South Africa can realise these goals by drawing on the energies of its people, growing an inclusive economy, building capabilities, enhancing the capacity of the state, and promoting leadership and partnerships throughout society.
- d) The National Development Plan (NDP) provides the framework for achieving the radical socio-economic agenda set out in the governing party's election manifesto. It recognises the need for and prioritises:
- A capable and developmental state with improved quality of administration of many government activities.,
 - A thriving business sector creating sustainable decent work
 - A strong civil society institutions with shared and complementary responsibilities and
 - A world class educational environment to move from a resourced-based to a knowledge-based economy.

2.2.2 The New Growth Path

The New Growth Path is aimed at stepping up the fight against poverty and unemployment in South Africa. The New Growth Path extrapolates its thrust by latching onto IPAP to accelerate industrial development in the country. IPAP, builds on the National Industrial Policy Framework (NIPF) and represents a significant step forward in scaling up our efforts

to promote long-term industrialisation and industrial diversification beyond our current reliance on traditional commodities and non-tradable services.

Institutional Drivers

- Developmental state to align market outcomes with developmental needs
- Business, organised labour and civil society
- State efficiency, effectiveness and responsiveness is key
- Step up integration of national, provincial and local policies and growth strategies
- Strategic partnerships between government, labour and business
- Social dialogue and mobilisation

Implications for provinces and local spatial dimensions of the NGP

- Need to break apartheid spatial divide backed by heavy infrastructure investment
- Identification of viable & sustainable opportunities for poor regions
- Provinces & localities must adapt broad drivers to their environment
- Spatial economy strategy will show linkages to localities, provinces, rural and industrial development strategies
- Communication between spheres will be enhanced
- Long term spatial perspective to be developed, considering settlement patterns.

2.2.3 National Industrial Policy Framework (NIPF)

The NIPF is the cornerstone that facilitates and promotes industrial development initiatives in urban settings, and to extend interventions into rural communities across the province. This objective is encapsulated in the New Growth Path and IPAP.

The Role of Manufacturing (IPAP 2015/16) - key objectives:

- To promote diversification beyond the economy's current reliance on traditional and non-tradable services via the promotion of value-addition, characterised particularly by the movement into non-traditional tradable goods and services that can compete effectively in export markets and against imports
- To promote a labour-absorbing industrialisation path, with the emphasis on tradable labour-absorbing goods and services and the systematic building of economic linkages that create employment.
- To promote industrialisation characterised by increasing participation of historically disadvantaged people and marginalised regions in the industrial economy.
- To contribute towards industrial development in Africa, with a strong emphasis on building the continent's productive capacity and securing deeper regional economic integration.
- To ensure the long-term intensification of South Africa's industrialisation process and movement towards a knowledge economy

2.2.4 Integrated Sustainable Rural Development Strategy

The purpose of the strategy is to implement an integrated development for the rural areas in our country. The outcome of the strategy is to "attain socially cohesive and stable rural

communities with viable institutions, sustainable economies and universal access to social amenities, able to attract and retain skills and knowledgeable people”:

- Creation of delivery mechanism structures that will allow rural people to set the local development agenda, influence development in the district and province, influence the infrastructure investment programme and maintain the assets created, and access and control service delivery.
- Development and the improvement of rural services as the spur to developing rural areas by involving communities in planning and managing projects and their budgets, and maintaining the assets created.
- Use the capacity building programmes that are available through various government departments to assist rural areas, local government and community organisations in the development process.
- Create access to information for planning and implementing development projects and programmes at local level. This will allow communities to set priorities, measure progress and ensure that they meet the requirements of government programming.

2.2.5 Medium Term Strategic Framework (MTSF)

The Medium Term Strategic Framework (MTSF) is Government’s strategic plan for the 2014-2019 electoral term. It reflects the commitments made in the election manifesto of the governing party, including the commitment to implement the NDP. The MTSF sets out the actions Government will take and targets to be achieved. It also provides a framework for the other plans of national, provincial and local government.

The 2014-2019 electoral mandate focuses on the following priorities:

- a) Radical economic transformation, rapid economic growth and job creation
- b) Rural development, land and agrarian reform and food security
- c) Ensuring access to adequate human settlements and quality basic services
- d) Improving the quality of and expanding access to education and training
- e) Ensuring quality health care and social security for all citizens
- f) Fighting corruption and crime
- g) Contributing to a better Africa and a better world
- h) Social cohesion and nation building.

In its focus on these priorities, and their elaboration into fourteen key outcomes and associated activities and targets, the MTSF has two over-arching strategic themes – *radical economic transformation and improving service delivery*.

Summary of priorities and actions for the next five years:

The 14 Outcomes

- Quality Basic Education
- A long and healthy life for all South Africans
- All people in South Africa are and feel safe
- Decent employment through inclusive growth
- A skilled and capable workforce to support an inclusive growth path
- An efficient, competitive and responsive economic infrastructure network
- Vibrant, equitable, sustainable rural communities contributing towards food security for all
- Sustainable human settlements and improved quality of household life
- Responsive, accountable, effective and efficient local government
- Protect and enhance our environmental assets and natural resources
- Create a better South Africa and contribute to a better Africa and a better World
- An efficient, effective and development-oriented public service
- A comprehensive, responsive and sustainable social protection system
- A diverse, socially cohesive society with a common national identity

2.2.6 Provincial Development Plan

The North West Provincial Development Plan (PDP) is based on the National development Plan (NDP) and it has aligned its objectives and priorities with the NDP vision for 2030. The NDP aims to eliminate poverty and reduce inequality by 2030. The National Development Plan (NDP) offers a long-term perspective. It defines a desired destination and identifies the role different sectors of society need to play in reaching that goal. According to the plan, South Africa can realise these goals by drawing on the energies of its people, growing an inclusive economy, building capabilities, enhancing the capacity of the state, and promoting leadership and partnerships throughout society.

The PDP has identified eight of the priorities identified in the NDP as key focus areas for the North West. The selected focus areas represent the main challenge areas hampering growth in the province. Particular focus will be placed on both the rural economy (due to the predominant rural character of the province) as well as on the upgrading, the provisioning and the maintenance of economic infrastructure as the precondition of overall economic growth and development and for its significant potential to sustain employment. The province will also prioritise the transformation of human settlements (mainly due to the challenges presented by housing and living conditions in mining communities) and the eradication of corruption. All of the above will be done while building and establishing a capable and developmental state. The chosen development priorities through which the North West intends to align itself to the National Development Plan (NDP) are: Economy and employment

- Economic infrastructure
- An integrated and inclusive rural economy
- Human settlement and spatial transformation
- Improving education, training and innovation
- Building a capable and developmental state
- Fighting corruption
- Transforming society and uniting the province

2.2.7 The Five Provincial Concretes as determined by the existing Administration for the period 2015-2020

- Agriculture, Culture & Tourism (ACT)
- Villages, Townships, Small Dorpies (VTSD)
- Reconciliation Healing and Renewal (RHR)
- “Saamwerk Saamtrek” Philosophy
- Setsokotsane Programme

The five concretes are based on Repositioning Rebranding Renewal and (RRR) of the Bokone Bophirima Province

2.2.8 North West SMME Strategy

In 1998 the Bokone Bophirima Province adopted an SMME strategy for the province that was informed by a range of activities at the time that focused on promoting the growth and development of small businesses in South Africa. The Provincial SMME Strategy of the North West was reviewed in 2010 and a new strategy for 2010 – 2014 was adopted. The thrust is to:

- Create and strengthen enterprise support services;
- Implement mentoring, skills and incubation services for new and growing enterprises;
- Establish SMME Support Units at Local Municipality level;
- Increase visibility of Provincial Government through outreach to rural areas to provide information; interact with ordinary members of the community and understand challenges faced by SMMEs in villages, townships and small dorpies;
- Enhance access to government tenders; and
- Establish SMME forums at District and Local Municipality level to coordinate activities of SMMEs.

2.2.9 Integrated Strategy on the Development and Promotion of Cooperatives:

Promoting an Integrated Cooperative Sector in South Africa 2012 to 2022

This sets out an implementation framework for the Co-operatives Development Policy of 2004 and the Cooperatives Act, No. 14 of 2005, as amended.

The strategy:

- ensures that government utilises various partnership models and engages in joint initiatives with all relevant stakeholders to holistically promote strong, viable, self-reliant, autonomous and self-sustaining co-operatives in the country;
- is aimed at promoting co-operatives, in order to unleash their potential to create and develop income-generating activities and decent, sustainable employment;
- the four strategic pillars constitute the core of the Strategy and aim to promote the development of co-operatives, while addressing the identified challenges still confronting existing and emerging co-operatives in South Africa;
- the four strategic pillars entail the provision of strategic support programmes for cooperatives;

- cross cutting support programmes; and

2.2.10 Policy Framework on the Development of Black Industrialists

The Black Industrialists Policy aims to leverage the State's capacity to unlock the industrial potential that exists within black-owned and managed businesses that operate within the South African economy through deliberate, targeted and well-defined financial and non-financial interventions as described in the IPAP and other government policies.

The policy seeks to achieve the following objectives:

- Accelerate the quantitative and qualitative increase and participation of Black Industrialists in the national economy, selected industrial sectors and value chains, as reflected by their contribution to growth, investment, exports and employment; and
- Create multiple and diverse pathways and instruments for Black Industrialists to enter strategic and targeted industrial sectors and value chains.

Definition of Black Industrialists:

In conventional terms, the concept of black industrialists refers to black people directly involved in the origination, creation, significant ownership, management and operation of industrial enterprises that derive value from the manufacturing of goods and services at a large scale; acting to unlock the productive potential of our country's capital assets for massive employment locally. The following are important elements of being an "industrialist":

- Significant influence in an enterprise or industry;
- Control of an enterprise through shareholding;
- Board and executive management control; and
- Production of products (goods and/or services) with significant wide use.

For the purposes of this programme, the term Black Industrialist will in a general sense refer to black South Africans who own and, through significant shareholding, control an enterprise whose products are significantly used and have significant impact on decent employment and create broad-based economic opportunities.

The NWDC can contribute to the development of Black Industrialist by:

- Determining a preferential rate for rental of industrial properties,
- Providing SMME loans at a determined preferential rate, and
- Working closely with DFIs and establishing an MoU with the IDC/NEF on mutual sharing on assistance and support to Black Industrialists.
- Assist in finding markets for the goods and services of Black industrialists.

2.3 Relevant Court Rulings

None

2.4 Planned Policy Initiatives

- ✓ The North West Development Corporation Act;
- ✓ Community, Private and Public Partnership Guide;
- ✓ Shareholders Compact; and
- ✓ Memorandum of incorporation

3. OVERVIEW OF 2016/2017 BUDGET & MTEF ESTIMATES

3.1 Expenditure Estimates

OVERVIEW OF 2016/2017 BUDGET AND MTEF ESTIMATES				
Expenditure Estimates				
Programme	Budget			
	Main appropriation	Medium-Term Expenditure Framework		
	2016/2017	2017/2018	2018/2019	2019/2020
Programme 1: Administration and Support	88 777	88 676	94 253	102 038
Programme 2: Investment Growth & Finance	116 603	106 333	112 928	119 321
Programme 3: Enterprise Creation, Development & Support	25 940	25 798	28 247	29 734
Subtotal	231 320	220 807	235 428	251 094
ECONOMIC CLASSIFICATION				
Current Payments	190 442	201 143	213 980	227 935
Compensation of Employees	89 649	92 873	98 448	103 760
Goods and services of which:	100 793	108 270	115 532	124 175
Communication	905	959	1 017	1 078
Computer services	1 720	1 823	1 933	2 049
Consultants, Contractors and Special Services	3 633	4 181	4 756	5 265
Inventory	-	-	-	-
Maintenance repair and running cost	7 755	8 498	9 342	10 270
Operating leases	1 500	1 590	1 685	1 787
Travel & Subsistence	4 794	5 922	6 265	6 641
SMME Expenses	-	-	-	-
Audit	3 400	3 504	3 714	3 937
Direct Building Expenses	48 138	51 026	54 088	56 333
Marketing	2 600	2 756	2 921	3 097
Depreciation	8 039	8 521	9 032	9 574
Other	18 309	19 489	20 779	24 145
Other Expenses Consist of:				
Insurance	8 400	8888	9421	9987
Motor Vehicle Expenses	2 552	2700	2862	3034
Board Expenses	3 500	3703	3926	4161
Staff Training and Welfare	1 900	2010	2131	2259
Other Unclassified	1 957	2187	2438	2704
Interest and rent on land	-	-	-	-
Financial transactions in assets and liabilities	-	-	-	-
Payments for capital assets	40 878	19 663	21 448	23 159
Buildings and other fixed structures	22 000	1 320	1 399	1 483
FIXED ASSET - MOTOR VEHICLE	3 040	-	-	-
Machinery and equipment	1 038	1 075	285	386
Cultivated assets	-	-	-	-
Software and other intangible assets	-	-	-	-
Land and subsoil assets	-	-	-	-
SMME Loans	7 000	9 000	11 000	12 000
DBSA payments	7 800	8 268	8 764	9 290
of which: Capitalised compensation				
TOTAL	231 320	220 807	235 428	251 094

3.2 Relating Expenditure Trends to Strategic Outcome Oriented Goals

North West Development Corporation							
Summary of Revenue and Expenses							
	2013/14	2014/15	2015/16	2016/2017	2017/18	2018/19	2019/20
	Audited outcome		Preliminary outcome	Main appropriation	Medium-term receipts framework		
R thousand							
Revenue							
Tax revenue	103 610	109 155	115 320	126 852	139 097	153 007	168 307
Non-tax revenue	102 294	18 747	22 273	23 477	23 538	25 892	27 446
Sale of goods and services other than capital assets		-	-	-	-	-	-
Of which:							
Admin fees							
Sales by market establishments	2						
Other sales							
Fines penalties and forfeits							
Interest, dividends and rent on land	3 940	3 751	1 064	1 102	1 163	1 279	1 356
Other non-tax revenue	98 354	14 996	21 209	22 375	22 375	24 613	26 090
Transfers received	-	28 009	86 878	62 617	66 618	70 482	74 711
Sale of capital assets							
Total revenue	205 904	155 911	224 471	212 946	229 253	249 381	270 464
Expenses							
Total Current expense	142 189	150 238	211 671	190 442	201 143	213 980	227 935
Compensation of employees	47 711	52 356	68 000	89 649	92 873	98 448	103 760
Use of goods and services	87 029	90 548	135 434	92 754	99 749	106 500	114 601
Depreciation	7 449	7 334	8 237	8 039	8 521	9 032	9 574
Unauthorised expenditure			-				
Interest, dividends and rent on land							
Interest							
Dividends			-				
Rent on land			-				
Transfers and subsidies							
Total expenses	142 189	150 238	211 671	190 442	201 143	213 980	227 935
Surplus / (Deficit)	63 715	5 673	12 800	22 504	28 110	35 401	42 530
Payments for capital assets	3 358	1 675	8 107	40 878	19 663	21 448	23 159
Buildings and other fixed structures	50			22 000	1 320	1 399	1 483
FIXED ASSET - MOTOR VEHICLE	1709	46		3 040	-	-	-
Machinery and equipment	1001	1118	307	1 038	1 075	285	386
Cultivated assets				-	-	-	-
Software and other intangible assets				-	-	-	-
Land and subsoil assets				-	-	-	-
SMME DISBURSEMENTS				7 000	9 000	11 000	12 000
DBSA Payment	598	511	7800	7 800	8 268	8 764	9 290
of which: Capitalised compensation							
Surplus/Deficit	60 357	3 998	4 693	-18 374	8 446	13 953	19 371

PART B: *Programme & Sub-Programme Plans*

PROGRAMME 1: ADMINISTRATION & SUPPORT

Purpose of Programme 1: To efficiently administer the organization to achieve its objectives

Sub-Programme 1.1: Office of the CEO

Composition: This sub-programme comprises of Office of the CEO, Board Secretarial Services, Internal Audit, Risk Management, Monitoring & Evaluation, and Research & Innovation

Aim	Sub-Programme Number	Sub Programs
To give strategic and administrative leadership to the NWDC in pursuit of good governance	1.1.1	Office of the CEO
	1.1.2	Board Secretarial Services
	1.1.3	Internal Audit
	1.1.4	Risk Management
	1.1.5	Corporate Strategy
	1.1.6	Research & Innovation

Table 1: Strategic Objective

Strategic Objective
Provide a strategic direction to the NWDC in line with the imperatives of the PFMA, regulations and policies in pursuance of service delivery by ensuring 100% achievement of predetermined targets

Table 2: Performance Indicators and Annual Targets for 2016/2017

Programme Number	Programme Performance Indicator	Audited/Actual Performance			Estimated Performance	Medium Term Targets		
		2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
1.1.1.1	Percentage achievement of overall organisational performance	-	85%	85%	100%	100%	100%	100%
1.1.2.1	Number of Board Charters reviewed	-	-	-	2	2	2	2
1.1.2.2	Number of Terms of References reviewed	-	-	-	4	4	4	4
1.1.2.3	Number of approved Board minutes	-	-	-	4	4	4	4
1.1.2.4	Number of approved Committee minutes	-	-	-	20	20	20	20
1.1.2.5	Number of Board Induction Manuals developed	-	-	-	1	1	1	1
1.1.3.1	Number of approved Internal Audit Charters	-	-	-	1	1	1	1
1.1.3.2	Number of approved Rolling Three-Year Strategic Internal Audit Plan	-	-	-	1	1	1	1
1.1.3.3	Percentage achievement of Internal Audit Plan	-	-	-	100%	100%	100%	100%
1.1.3.4	Percentage implementation of Audit Action Plan	-	-	-	100%	100%	100%	100%
1.1.4.1	Number of Risk Management Policies reviewed	-	1	1	1	1	1	1
1.1.4.2	Number of Risk Management Strategies reviewed	-	1	1	1	1	1	1
1.1.4.3	Number of Risk Registers	-	-	1	1	1	1	1
1.1.4.4	Number of Mitigation Plans	-	-	1	1	1	1	1
1.1.5.1	Number of approved Shareholders Compact's reviewed	1	1	1	1	1	1	1

Programme Number	Programme Performance Indicator	Audited/Actual Performance			Estimated Performance	Medium Term Targets		
		2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
1.1.5.2	Number of approved Strategic Plans submitted timeously to the Shareholder	1	1	1	1	1	1	1
1.1.5.3	Number of approved Annual Performance Plans submitted timeously to the Shareholder	1	1	1	1	1	1	1
1.1.5.4	Number of approved Quarterly Reports submitted timeously to the Shareholder	4	4	4	4	4	4	4
1.1.5.5	Number of approved Annual Reports submitted on time	1	1	1	1	1	1	1
1.1.5.6	Number of performance review meetings held	-	-	4	4	4	4	4
1.1.6.1	Number of Economic Data Reports distributed	-	-	4	4	4	4	4
1.1.6.2	Percentage achievement of Research and Innovation Activity Plan	-	-	-	100%	100%	100%	100%

Table 3: Quarterly Targets for 2016/2017

Programme Number	Performance Indicator	Reporting Period	Annual Target 2016/2017	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
1.1.1.1	Percentage achievement of overall organisational performance	Quarterly	100%	100%	100%	100%	100%
1.1.2.1	Number of Board Charters reviewed	Annually	2	-	-	-	2
1.1.2.2	Number of Terms of References reviewed	Annually	4	-	-	-	4
1.1.2.3	Number of approved Board minutes	Quarterly	4	1	1	1	1
1.1.2.4	Number of approved Committee minutes	Quarterly	20	5	5	5	5
1.1.2.5	Number of Board Induction Manuals developed	Annually	1	-	-	-	1
1.1.3.1	Number of approved Internal Audit Charters	Annually	1	-	-	-	1
1.1.3.2	Number of approved Rolling Three-Year Strategic Internal Audit Plan	Annually	1	-	-	-	1

Programme Number	Performance Indicator	Reporting Period	Annual Target 2016/2017	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
1.1.3.3	Percentage achievement of Internal Audit Plan	Quarterly	100%	100%	100%	100%	100%
1.1.3.4	Percentage implementation of Audit Action Plan	Quarterly	100%	100%	100%	100%	100%
1.1.4.1	Number of Risk Management Policies reviewed	Annually	1	-	-	-	1
1.1.4.2	Number of Risk Management Strategies approved	Annually	1	-	-	-	1
1.1.4.3	Number of Risk Registers	Annually	1	1	-	-	-
1.1.4.4	Number of Mitigation Plans	Annually	1	1	-	-	-
1.1.5.1	Number of approved Shareholders Compact's reviewed	Annually	1	0	0	0	1
1.1.5.2	Number of approved Strategic Plans submitted timeously to the Shareholder	Annually	1	0	0	0	1
1.1.5.3	Number of approved Annual Performance Plans submitted timeously to the Shareholder	Annually	1	0	0	0	1
1.1.5.4	Number of approved Quarterly Reports submitted timeously to the Shareholder	Quarterly	4	1	1	1	1
1.1.5.5	Number of approved Annual Reports submitted on time	Annually	1	0	1	0	0
1.1.5.6	Number of performance review meetings held	Quarterly	4	1	1	1	1
1.1.6.1	Number of Economic Data Reports distributed	Quarterly	4	1	1	1	1
1.1.6.2	Percentage achievement of Research and Innovation Activity Plan	Quarterly	100%	100%	100%	100%	100%

Sub-Programme 1.2: Finance

Aim	Sub-Programme Number	Sub Programs
To plan and budget financial activities in compliance with all relevant legislation and policies, regulations, framework and guidelines	1.2.1	Finance

Table 1: Strategic Objective

Strategic Objective
To ensure effective management of financial and non-financial resources, coordinate external and internal audit, reporting and procurement of goods and services.

Table 2: Performance Indicators and Annual Targets for 2016/2017

Programme Number	Programme Performance Indicator	Audited/Actual Performance			Estimated Performance	Medium Term Targets		
		2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
1.2.1.1	Number of financial statements submitted to Treasury (12 IYM and 3 Interim AFS)	-	-	15	15	15	15	15
1.2.1.2	Number of financial statements submitted to AGSA	1	1	1	1	1	1	1
1.2.1.3	Number of tax compliance submissions to SARS	-	-	-	13	13	13	13
1.2.1.4	Number of compliance reports on asset management	-	-	3	3	3	3	3
1.2.1.5	Number of procurement plans submitted to Treasury	1	1	1	1	1	1	1
1.2.1.6	Number of SCM performance reports produced	-	-	4	4	4	4	4
1.2.1.7	Number of Financial Delegation Frameworks reviewed	-	-	-	1	1	1	1
1.2.1.8	Number of budgets submitted	-	-	2	2	2	2	2
1.2.1.9	Number of budget performance reports submitted	-	-	-	12	12	12	12
1.2.1.10	Number of credit control policies developed	-	-	-	1	-	-	-
1.2.1.11	Percentage collection of rental due	-	-	-	80%	85%	88%	90%
1.2.1.12	Percentage reduction of irregular expenditure schedule	-	-	-	50%	25%	25%	-

Table 3: Quarterly Targets for 2016/2017

Programme Number	Performance Indicator	Reporting Period	Annual Target 2016/2017	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
1.2.1.1	Number of financial statements submitted to Treasury (12 IYM and 3 Interim AFS)	Monthly	15	4	4	4	3
1.2.1.2	Number of financial statements submitted to AGSA	Annually	1	1	-	-	-
1.2.1.3	Number of tax compliance submissions to SARS	Monthly	13	4	3	3	3
1.2.1.4	Number of compliance reports on asset management	Bi-annually	3	-	1	-	2
1.2.1.5	Number of procurement plans submitted to Treasury	Annually	1	1	-	-	-
1.2.1.6	Number of SCM performance reports produced	Quarterly	4	1	1	1	1
1.2.1.7	Number of Financial Delegation Frameworks reviewed	Annually	1	1	-	-	-
1.2.1.8	Number of budgets submitted	Bi-Annually	2	-	1	-	1
1.2.1.9	Number of budget performance reports submitted	Monthly	12	3	3	3	3
1.2.1.10	Number of credit control policies developed	Annually	1	-	1	-	-
1.2.1.11	Percentage collection of rental due	Quarterly	80%	80%	80%	80%	80%
1.2.1.12	Percentage reduction of irregular expenditure schedule	Quarterly	50%	10%	10%	20%	10%

Sub-Programme 1.3: Corporate Services

Composition: This sub-programme comprises of Human Resources, ICT, Corporate Marketing & Communications, Legal and Auxiliary Services

Aim	Sub-Programme Number	Sub Programs
To provide effective HR, ICT, Marketing & Communications, Legal and Auxiliary services by ensuring appropriate support to all other programmes	1.3.1	Human Resources
	1.3.2	ICT
	1.3.3	Corporate Marketing & Communications
	1.3.4	Legal Services
	1.3.5	Auxiliary Services

Table 1: Strategic Objective

Strategic Objective
To deliver HR, ICT, Marketing and Communication, Legal and Auxiliary services

Table 2: Performance Indicators and Annual Targets for 2016/2017

Programme Number	Programme Performance Indicator	Audited/Actual Performance			Estimated Performance	Medium Term Targets		
		2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
1.3.1.1	Percentage achievement of HR procedure manual plan	-	-	-	50%	70%	85%	100%
1.3.1.2	Percentage of employees developed against annual Workplace Skills Plan	-	-	-	100%	100%	100%	100%

Programme Number	Programme Performance Indicator	Audited/Actual Performance			Estimated Performance	Medium Term Targets		
		2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
1.3.1.3	Percentage employees developed against Employment Equity Plan	-	-	-	100%	100%	100%	100%
1.3.1.4	Percentage achievement of HR work plan	-	-	-	100%	100%	100%	100%
1.3.1.5	Percentage reduction of vacancy rate	-	-	-	3%	2%	2%	2%
1.3.2.1	Percentage uptime of ICT Services	-	-	-	99%	99%	99%	99%
1.3.2.2	Percentage achievement of work plan	-	-	-	100%	100%	100%	100%
1.3.2.3	Number of ICT Strategies reviewed	-	-	-	1	1	1	1
1.3.3.1	Number of Marketing & Communication Strategies developed	-	-	-	1	0	0	0
1.3.3.2	Percentage achievement of the Marketing & Communication work plan	-	-	-	100%	100%	100%	100%
1.3.4.1	Percentage achievement of litigation schedule	-	-	-	100%	100%	100%	100%
1.3.4.2	Percentage recovery of bad debt	-	-	10%	12%	12%	12%	12%
1.3.5.1	Number of reviewed fleet management policies	-	-	-	1	1	1	1
1.3.5.2	Number of maintenance plans developed	-	-	-	1	1	1	1
1.3.5.3	Number of fleet analyses report produced	-	-	-	12	12	12	12
1.3.5.4	Satisfaction survey internal (employees)	-	-	-	-	1	1	1
1.3.5.5	Number of project plans on document control management developed	-	-	-	1	1	1	1
1.3.5.6	Number of document control policies reviewed	-	-	-	1	1	1	1
1.3.5.7	Number of operational plans developed for auxiliary services	-	-	-	1	1	1	1

Table 3: Quarterly Targets for 2016/2017

Programme Number	Performance Indicator	Reporting Period	Annual Target 2016/2017	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
1.3.1.1	Percentage achievement of HR procedure manual plan	Annually	50%	-	25%	-	25%
1.3.1.2	Percentage of employees developed against annual Workplace Skills Plan	Annually	100%	100%	100%	100%	100%
1.3.1.3	Percentage employees developed against Employment Equity Plan	Annually	100%	100%	100%	100%	100%
1.3.1.4	Percentage achievement of HR work plan	Annually	100%	100%	100%	100%	100%
1.3.1.5	Percentage reduction of vacancy rate	Annually	3%	-	3%	-	-
1.3.2.1	Percentage uptime of ICT Services	Annually	99%	99%	99%	99%	99%
1.3.2.2	Percentage achievement of work plan	Annually	100%	100%	100%	100%	100%
1.3.2.3	Number of ICT Strategies reviewed	Annually	1	-	-	-	1
1.3.3.1	Number of Marketing & Communication Strategies developed	Annually	1	1	-	-	-
1.3.3.2	Percentage achievement of the Marketing & Communication Operational Plan	Quarterly	100%	100%	100%	100%	100%
1.3.4.1	Percentage achievement of litigation schedule	Quarterly	100%	100%	100%	100%	100%
1.3.4.2	Percentage recovery of bad debt	Quarterly	30%	30%	30%	30%	30%
1.3.5.1	Number of reviewed fleet management policies	Annually	1	1	-	-	-
1.3.5.2	Number of maintenance plans developed	Annually	1	1	-	-	-
1.3.5.3	Number of fleet analyses report produced	Monthly	12	3	3	3	3
1.3.5.4	Satisfaction survey internal (employees)	Annually	-	-	-	-	-
1.3.5.5	Number of project plans on document control management developed	Annually	1	1	-	-	-
1.3.5.6	Number of document control policies reviewed	Annually	1	1	-	-	-
1.3.5.7	Number of operational plans developed for auxiliary services	Annually	1	1	-	-	-

Table 4: Reconciling performance targets with the Budget and MTEF

RECONCILING PERFORMANCE TARGETS WITH THE BUDGET AND MTEF				
Expenditure Estimates				
Programme	Adjusted Appropriation	Medium-Term Expenditure Estimate		
	2016/2017	2017/2018	2018/2019	2019/2020
Sub-Programme 1.1: Office of the CEO	27 333	27 302	29 019	31 416
Sub-Programme 1.2: Financial Management	22 095	22 070	23 458	25 396
Sub-Programme 1.3: Corporate Services	39 349	39 304	41 776	45 227
Subtotal	88 777	88 676	94 253	102 038
ECONOMIC CLASSIFICATION				
Current Payments	77 787	80 250	85 211	92 370
Compensation of Employees	40 708	40 896	43 256	45 758
Goods and services of which:	37 079	39 354	41 955	46 612
Communication	645	684	725	768
Computer services	1 720	1 823	1 933	2 049
Consultants, Contractors and Special Services	1 629	1 747	1 972	2 110
Inventory	-	-	-	-
Maintenance repair and running cost	144	153	162	172
Operating leases	-	-	-	-
Travel & Subsistence	1 287	1 364	1 446	1 533
SMME Expenses	-	-	-	-
Audit	3 400	3 504	3 714	3 937
Direct Building Expenses	-	-	-	-
Marketing	2 600	2 756	2 921	3 097
Depreciation	8 039	8 521	9 032	9 574
Other	17 615	18 802	20 050	23 373
Insurance	8 400	8 888	8 693	9 987
Motor Vehicle Expenses	2 552	2 700	2 862	3 034
Board Expenses	3 500	3 703	3 926	4 161
Staff Training and Welfare	1 900	2 010	2 131	2 259
Other Unclassified	1 263	1 500	2 438	3 932
Payments for capital assets	10 990	8 426	9 042	9 669
Buildings and other fixed structures	-	-	-	-
FIXED ASSET - MOTOR VEHICLE	3 040	-	-	-
Machinery and equipment	150	158	278	379
DBSA Loan	7800	8 268	8 764	9 290
of which: Capitalised compensation				
TOTAL	88 777	88 676	94 253	102 038

PROGRAMME 2: INVESTMENT GROWTH

Purpose of Programme 2: To attract new businesses, grow the economy of the Bokone Bophirima Province and generate revenue for the North West Development Corporation

Sub-Programme 2.1: Property Development and Management

Composition: This sub-programme comprises of Property Development and Management

Aim	Sub-Programme Number	Sub Programs
To let, maintain, and develop property to generate revenue for the NWDC	2.1.1	Property Development and Management

Table 1: Strategic Objective

Strategic Objective
To manage property portfolio to achieve and maintain sustainability of the NWDC

Table 2: Performance Indicators and Annual Targets for 2016/2017

Programme Number	Programme Performance Indicator	Audited/Actual Performance			Estimated Performance	Medium Term Targets		
		2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
2.1.1.1	Percentage of occupancy rate	-	-	-	80%	85%	90%	90%
2.1.1.2	Percentage achievement of Maintenance Plan (routine/preventative maintenance)	-	-	-	100%	100%	100%	100%
2.1.1.3	Number of vacant land developed	-	-	-	2	-	1	-

Table 3: Quarterly Targets for 2016/2017

Programme Number	Performance Indicator	Reporting Period	Annual Target 2016/2017	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
2.1.1.1	Percentage of occupancy rate	Quarterly	80%	80%	80%	80%	80%
2.1.1.2	Percentage achievement of Maintenance Plan (routine/preventative maintenance)	Quarterly	100%	100%	100%	100%	100%
2.1.1.3	Number of vacant land developed	Quarterly	2	-	-	-	2

Sub-Programme 2.2: Investment Promotion and Facilitation

Composition: This sub-programme comprises of Trade & Investment Facilitation and Promotion

Aim	Sub-Programme Number	Sub Programs
To contribute to the economic growth of the Bokone Bophirima Province	2.2.1	Trade & Investment Facilitation and Promotion

Table 1: Strategic Objective

Strategic Objective
To attract foreign and local direct investments into the Bokone Bophirima Province and facilitate market access for local businesses

Table 2: Performance Indicators and Annual Targets for 2016/2017

Programme Number	Programme Performance Indicator	Audited/Actual Performance			Estimated Performance	Medium Term Targets		
		2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
2.2.1.1	Value of successful investment projects facilitated into the Province	-	-	R180m	R500m	R500m	R700m	R800m
2.2.2.2	Number of companies linked to new markets (exports)	-	-	-	40	50	60	70
2.2.2.4	Number of companies linked to new markets (domestic)	-	-	-	40	50	60	70

Table 3: Quarterly Targets for 2016/2017

Programme Number	Performance Indicator	Reporting Period	Annual Target 2016/2017	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
2.2.1.2	Value of successful investment projects facilitated into the Province	Annually	R500m	-	-	-	R500m
2.2.2.3	Number of companies linked to new markets (exports)	Quarterly	40	10	10	10	10
2.2.2.4	Number of companies linked to new markets (domestic)	Quarterly	40	10	10	10	10

Sub-Programme 2.3: Corporate Finance and Strategic Investments

Composition: This sub-programme comprises of Corporate Finance and Strategic Investments

Aim	Sub-Programme Number	Sub Programs
To ensure the NWDC's self-sustainability through strategic investments	2.3.1	Corporate Finance and Strategic Investments
	2.3.2	Special Projects

Table 1: Strategic Objective

Strategic Objective
To manage and expand the NWDC strategic investments, facilitate the implementation of special projects in the VTSD to increase job creation and contribute to the economic growth

Table 2: Performance Indicators and Annual Targets for 2016/2017

Programme Number	Programme Performance Indicator	Audited/Actual Performance			Estimated Performance	Medium Term Targets		
		2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
2.3.1.1	Number of Dti SEZ Designation Licenses issued	-	-	-	1	-	-	-
2.3.1.2	Number of Treasury SEZ Proclamations	-	-	-	2	-	-	-
2.3.1.3	Number of SEZ Management Companies registered	-	-	-	1	-	-	-
2.3.1.4	Percentage return on investments	-	-	-	0%	1%	3%	5%
2.3.1.5	Number of warehouses developed for tuck shop economy	-	-	-	4	-	-	-
2.3.1.6	Number of alternative building material factories developed	-	-	-	3	-	-	-
2.3.1.7	Number of bakeries established	-	-	-	19	-	-	-
2.3.2.1	Percentage of achievement of projects implemented in villages	-	-	-	100%	100%	100%	100%
2.3.2.2	Percentage of achievement of projects implemented in townships	-	-	-	100%	100%	100%	100%
2.3.2.3	Percentage of achievement of projects implemented in small dorpies	-	-	-	100%	100%	100%	100%

Table 3: Quarterly Targets for 2016/2017

Programme Number	Performance Indicator	Reporting Period	Annual Target 2016/2017	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
2.3.1.1	Number of Dti SEZ Designation Licenses issued	Annually	1	-	-	-	1
2.3.1.2	Number of Treasury SEZ Proclamations	Annually	2	-	-	-	2
2.3.1.3	Number of SEZ Management Companies registered	Quarterly	1	-	-	-	1
2.3.1.4	Percentage return on investments	Annually	0%	0%	0%	0%	0%
2.3.2.1	Number of warehouses developed for tuck shop economy	Quarterly	4	1	1	1	1
2.3.2.2	Number of alternative building material factories developed	Quarterly	3	-	1	1	1
2.3.2.3	Number of bakeries established	Quarterly	19	4	5	5	5
2.3.2.4	Percentage return on investments	Annually	0%	-	-	-	0%
2.3.2.1	Percentage of achievement of projects implemented in villages	Quarterly	100%	100%	100%	100%	100%
2.3.2.2	Percentage of achievement of projects implemented in townships	Quarterly	100%	100%	100%	100%	100%
2.3.2.3	Percentage of achievement of projects implemented in small dorpies	Quarterly	100%	100%	100%	100%	100%

Table 4: Reconciling performance targets with the Budget and MTEF

RECONCILING PERFORMANCE TARGETS WITH THE BUDGET AND MTEF				
Expenditure Estimates				
Programme	Adjusted Appropriation	Medium-Term Expenditure Estimate		
	2016/2017	2017/2018	2018/2019	2019/2020
Sub-Programme 2.1.1: Property Development and Management	106 975	95 317	101 184	106 802
Sub-Programme 2.2.1: Investment Facilitation and Promotion	3 927	4 163	4 412	4 677
Sub-Programme 2.3.1: Corporate Finance and Strategic Investment	5 701	6 853	7 332	7 841
Subtotal	116 603	106 333	112 928	119 321
ECONOMIC CLASSIFICATION				
Current Payments	93 715	104 096	111 523	117 831
Compensation of Employees	31 422	36 885	39 742	42 172
Goods and services of which:	62 293	67 210	71 781	75 659
Communication	260	276	292	310
Computer services	-	-	-	-
Consultants, Contractors and Special Services	2 004	2 434	2 784	3 155
Inventory	-	-	-	-
Maintenance repair and running cost	7 611	8 346	9 180	10 098
Operating leases	1 500	1 590	1 685	1 787
Travel & Subsistence	2 536	3 328	3 528	3 740
SMME Expenses	-	-	-	-
Audit	-	-	-	-
Direct Building Expenses	48 138	51 026	54 088	56 333
Marketing	-	-	-	-
Depreciation	-	-	-	-
Other	244	210	222	236
Other Unclassified	244	210	222	236
Payments for capital assets	22 888	2 237	1 406	1 490
Buildings and other fixed structures	22 000	1 320	1 399	1 483
FIXED ASSET - MOTOR VEHICLE	-	-	-	-
Machinery and equipment	888	917	7	7
SMME Loans				
of which: Capitalised compensation				
TOTAL	116 603	106 333	112 928	119 321

PROGRAMME 3: ENTERPRISE DEVELOPMENT & SUPPORT

Purpose of Programme 3: To facilitate the creation, sustainability and competitiveness of enterprises

Sub-Programme 3.1: SMME Development

Composition: This sub-programme comprises of SMME Development

Aim	Sub-Programme Number	Sub Programs
To effectively develop sustainable SMMEs and Cooperatives through financial and non-financial support	3.1.1	SMME Development

Table 1: Strategic Objective

Strategic Objective
To provide financial (funding and incentives) and non-financial (business registration and training, service offering) support to SMMEs and Cooperatives

Table 2: Performance Indicators and Annual Targets for 2016/2017

Programme Number	Programme Performance Indicator	Audited/Actual Performance			Estimated Performance	Medium Term Targets		
		2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
3.1.1.1	Value of funds disbursed to SMMEs/Cooperatives	-		R10m	R37m	R37m	R37m	R37m
3.1.1.2	Percentage of SMMEs/Cooperatives funded	-	-	-	100%	100%	100%	100%
3.1.1.3	Number of SMMEs funded	-	-	-	30	35	40	45
3.1.1.4	Number of Cooperatives funded	-	-	-	5	8	11	14
3.1.1.5	Number of SMMEs supported	-	-	200	200	200	200	200

Programme Number	Programme Performance Indicator	Audited/Actual Performance			Estimated Performance	Medium Term Targets		
		2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
3.1.1.6	Number of Cooperatives supported	-	-	-	50	50	50	50
3.1.1.7	Number of SMMEs supported into Black Industrialist Programme	-	-	-	4	4	4	4

Table 3: Quarterly Targets for 2016/2017

Programme Number	Performance Indicator	Reporting Period	Annual Target 2016/2017	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
3.1.1.1	Value of funds disbursed to SMMEs/Cooperatives	Quarterly	R37m	R9.25m	R9.25m	R9.25m	R9.25m
3.1.1.2	Percentage of SMMEs/Cooperatives funded	Quarterly	100%	100%	100%	100%	100%
3.1.1.3	Number of SMMEs funded	Quarterly	55	10	20	10	15
3.1.1.4	Number of Cooperatives funded	Quarterly	15	5	-	5	5
3.1.1.5	Number of SMMEs supported	Quarterly	200	50	50	50	50
3.1.1.6	Number of Cooperatives supported	Quarterly	50	10	10	10	20
3.1.1.7	Number of SMMEs supported into Black Industrialist Programme	Annually	4	-	-	4	-

Quarterly target in VTSD

Programme Number	Performance Indicator	Annual Target 2016/2017	Quarterly Targets											
			1 st			2 nd			3 rd			4 th		
			V	T	SD	V	T	SD	V	T	SD	V	T	SD
3.1.1.3	Number of SMMEs funded	55	5	5	-	10	5	5	5	-	5	5	10	-
3.1.1.4	Number of Cooperatives funded	15	2	3	-	-	-	-	3	2	-	3	2	-
3.1.1.5	Number of SMMEs supported	200	20	20	10	20	20	10	20	20	10	20	20	10
3.1.1.6	Number of Cooperatives supported	50	5	5	-	-	5	5	5	5	-	10	5	5

Table 4: Reconciling performance targets with the Budget and MTEF

RECONCILING PERFORMANCE TARGETS WITH THE BUDGET AND MTEF				
Expenditure Estimates				
Programme	Adjusted Appropriation	Medium-Term Expenditure Estimate		
	2016/2017	2017/2018	2018/2019	2019/2020
Sub-Programme 2.1: SMME Cooperative Support	25 940	25 798	28 247	29 734
Subtotal	25 940	25 798	28 247	29 734
Change to 2015/2016 budget estimate				
ECONOMIC CLASSIFICATION				
Current Payments	18 940	16 798	17 247	17 734
Compensation of Employees	17 519	15 092	15 450	15 830
Goods and services of which:	1 421	1 706	1 797	1 904
Travel & Subsistence	971	1 229	1 291	1 368
Other	450	477	506	536
VTSD Projects	450	477	506	536
Other Unclassified				
Payments for capital assets	7 000	9 000	11 000	12 000
SMME Loans	7 000	9 000	11 000	12 000
of which: Capitalised compensation				
TOTAL	25 940	25 798	28 247	29 734

ANNEXURE C:

LINKS TO THE LONG-TERM INFRASTRUCTURE AND OTHER CAPITAL PLANS

The North West Development Corporation does not have any infrastructure and other capital projects in the Strategic Plan

CONDITIONAL GRANTS

This section is not applicable to the North West Development Corporation

ANNEXURE D:

Vision, Mission, Values & Strategic Objectives

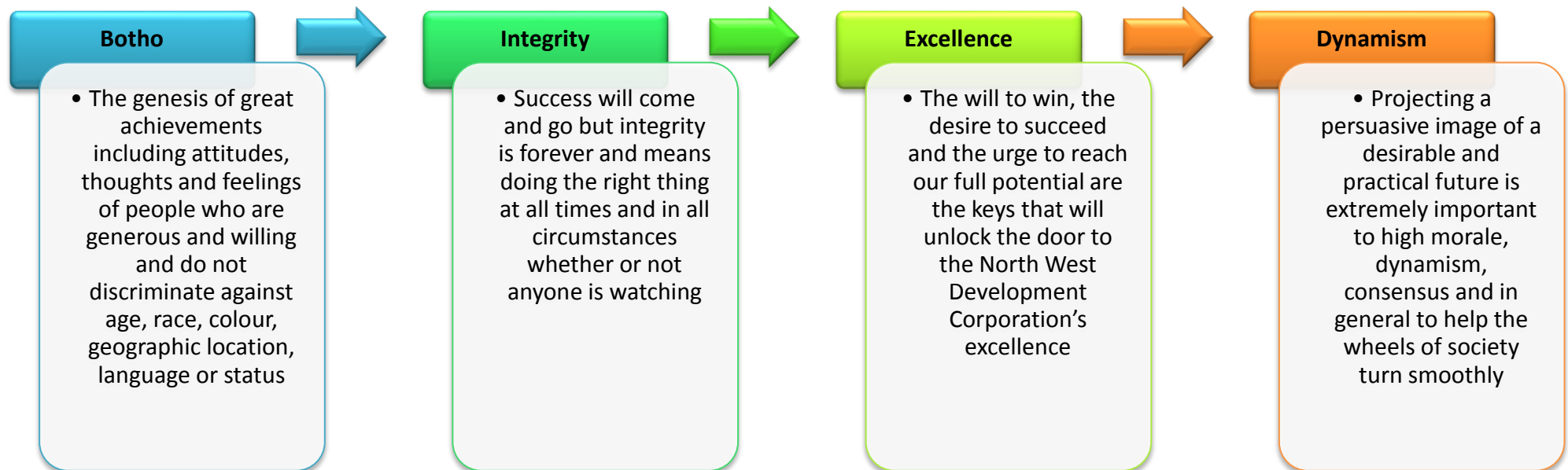
1. VISION

Cornerstone of sustainable economic development and job creation in the Bokone Bophirima Province

2. MISSION

To contribute to economic growth through sustained focus on Agriculture, Culture and Tourism through Villages, Townships and Small Dorpies

3. VALUES



4. STRATEGIC OBJECTIVES

No	Objective
SO1	Enable service delivery through effective support
SO2	Comply with Government Imperatives
SO3	Build sustainability of NWDC
SO4	Successful delivery of projects
SO5	Build mutually beneficial relations with stakeholder

ANNEXURE E:

Technical Indicator Descriptions

PROGRAMME 1: ADMINISTRATION & SUPPORT

Sub-Programme 1.1: Office of the CEO

1.1.1 Office of the CEO

Indicator Title: Percentage achievement of overall organisational performance	
Short Definition:	Measurement of a NWDC's achieved performances compared to goals and objectives
Purpose/Importance:	The measure intends to measure the overall performance of the organisation
Source/Collection of Data:	Unit managers performance
Method of Calculation:	Average performance of overall achievement
Data Limitations:	Unavailability of unit performance
Type of Indicator:	Activity
Calculation Type:	Non-Cumulative
Reporting Cycle:	Quarterly
New Indicator:	No
Desired Performance:	High
Indicator Responsibility:	Manager: CEO Office

1.1.2 Board Secretarial Services

Indicator Title: Number of Board Charters reviewed	
Short Definition:	It is a document that regulate the operation of the Board
Purpose/Importance:	To ensure revision of the Board Charters
Source/Collection of Data:	IODSA and Chartered Secretaries Southern Africa
Method of Calculation:	(Total number of Charters reviewed/total of planned Charters reviewed) X 100
Data Limitations:	No Board Meetings
Type of Indicator:	Output
Calculation Type:	Non-cumulative
Reporting Cycle:	Annually
New Indicator:	Yes

Desired Performance:	High
Indicator Responsibility:	Company Secretary

Indicator Title:	Number of Terms of References reviewed
Short Definition:	It is a scope of work that the Board give to the Committees
Purpose/Importance:	To ensure revision of the Terms of References
Source/Collection of Data:	IODSA, Chartered Secretaries Southern Africa and Legislation
Method of Calculation:	$(\text{Total number of Terms of References reviewed} / \text{total of planned Terms of References reviewed}) \times 100$
Data Limitations:	No Board Meetings
Type of Indicator:	Output
Calculation Type:	Non-cumulative
Reporting Cycle:	Annually
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Company Secretary

Indicator Title:	Number of approved Board Minutes
Short Definition:	Record of the Board meetings
Purpose/Importance:	To ensure that all the decisions taken by Board are recorded
Source/Collection of Data:	Reports from Management and inputs from Board Members
Method of Calculation:	Total number of actual achievements
Data Limitations:	No Board meetings
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Quarterly
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Company Secretary

Indicator Title:	Number of approved Committee minutes
Short Definition:	Record of the Committee meetings
Purpose/Importance:	To ensure that all the decisions taken by Committees are recorded
Source/Collection of Data:	Reports from Management and inputs from Committee Members
Method of Calculation:	Total number of actual achievements
Data Limitations:	No Committee meetings

Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Quarterly
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Company Secretary

Indicator Title:	Number of Board Induction Manuals developed
Short Definition:	Orientation file for new Board Members
Purpose/Importance:	To provide guidance and ensure sufficient tools are availed to Board Members
Source/Collection of Data:	IODSA, Chartered Secretaries Southern Africa and Legislation
Method of Calculation:	Total actual achievement
Data Limitations:	Non affiliations to IODSA, Chartered Secretaries Southern Africa due to lack of funding
Type of Indicator:	Output
Calculation Type:	Non-cumulative
Reporting Cycle:	Annually
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Company Secretary

1.1.3 Internal Audit

Indicator Title:	Number of approved Internal Audit Charters
Short Definition:	This measures the number of internal audit charters approved
Purpose/Importance:	To ensure guidance to internal audit activities
Source/Collection of Data:	Chartered Accountants Southern Africa and Legislation
Method of Calculation:	Number of internal audit charters approved
Data Limitations:	Non affiliations Chartered Accountants Southern Africa due to lack of funding
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Annually
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Chief Executive Officer

Indicator Title:	Number of approved Rolling 3-Year Strategic Internal Audit Plans
Short Definition:	This measures the number of strategic internal audit plans approved
Purpose/Importance:	To ensure that the internal audit strategic plans are approved
Source/Collection of Data:	Internal Audit Strategic Plan
Method of Calculation:	Number of strategic internal audit plans approved
Data Limitations:	Lack of Internal Audit Strategic Plan
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Annually
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Chief Executive Officer

Indicator Title:	Percentage achievement of Internal Audit Plan
Short Definition:	This measures performance against the internal audit plan
Purpose/Importance:	To ensure achievement of internal audit plan
Source/Collection of Data:	Internal audit plan
Method of Calculation:	$(\text{Total actual achievement of internal audit plan} / \text{total activities of internal audit plan}) \times 100$
Data Limitations:	Lack of Internal audit plan
Type of Indicator:	Activity
Calculation Type:	Non-cumulative
Reporting Cycle:	Quarterly
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Chief Executive Officer

Indicator Title:	Percentage implementation of Audit Action Plan
Short Definition:	This measures performance against the audit action plan
Purpose/Importance:	To ensure implementation of audit action plan
Source/Collection of Data:	Audit action plan
Method of Calculation:	$(\text{Total actual implementation of audit action plan activities} / \text{total audit action plan activities}) \times 100$
Data Limitations:	Lack of audit action plan
Type of Indicator:	Activity
Calculation Type:	Non-cumulative

Reporting Cycle:	Quarterly
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Chief Executive Officer

1.1.4 Risk Management

Indicator Title:	Number of Risk Management Policies reviewed
Short Definition:	This measures number of risk guiding document reviewed
Purpose/Importance:	To ensure boundaries for acceptable behaviour and guidelines for best practices in risk management.
Source/Collection of Data:	Risk management guidelines
Method of Calculation:	total number of risk management policy reviewed
Data Limitations:	Lack of risk management guideline/outdated risk management guideline
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Annually
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Risk Manager

Indicator Title:	Number of Risk Management Strategies reviewed
Short Definition:	This measures number of risk strategy document reviewed
Purpose/Importance:	To outline a high level plan on how the municipality will implement its risk management policy
Source/Collection of Data:	King (iii)
Method of Calculation:	total number of risk management strategies reviewed
Data Limitations:	Lack of risk management strategy
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Annually
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Risk Manager

Indicator Title: Number of Risk Registers	
Short Definition:	This measures the number documents that records NWDC risks
Purpose/Importance:	To ensure risks are recorded for the purposes of mitigation
Source/Collection of Data:	NWDC Units
Method of Calculation:	Sum of approved risk registers
Data Limitations:	Lack of inputs from unit managers and Risk Register template
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Annually
New Indicator:	No
Desired Performance:	High
Indicator Responsibility:	Risk Manager

Indicator Title: Number of Mitigation Plans	
Short Definition:	This measures the number of plans to mitigate the identified risks
Purpose/Importance:	To ensure mitigation of risk
Source/Collection of Data:	Risk register
Method of Calculation:	Sum of approved mitigation plans
Data Limitations:	No Risk register
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Annually
New Indicator:	No
Desired Performance:	High
Indicator Responsibility:	Risk Manager

1.1.5 Corporate Strategy

Indicator Title: Number of approved Shareholders Compact's reviewed	
Short Definition:	This measures the number of approved Shareholders Compact's reviewed
Purpose/Importance:	To ensure compliance with National Treasury Guidelines and compliance with legislative mandate
Source/Collection of Data:	Shareholder's compact
Method of Calculation:	Total number of approved Shareholders Compact's reviewed
Data Limitations:	Lack of Shareholder compact and Template

Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Annually (Bi-Annually – Mid-Year/adjusted budget)
New Indicator:	No
Desired Performance:	High
Indicator Responsibility:	Corporate Strategy Manager

Indicator Title:	Number of approved Strategic Plans submitted timeously to the Shareholder
Short Definition:	This measures the number of approved Strategic Plans submitted timeously to the Shareholder
Purpose/Importance:	To ensure compliance with legislative mandate
Source/Collection of Data:	Strategy Document, Unit Managers & NWDC Board
Method of Calculation:	Number of approved Strategic Plans submitted
Data Limitations:	No strategy document and lack of inputs from Unit managers and Board
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Annually (Bi-Annually – Mid-Year/adjusted budget)
New Indicator:	No
Desired Performance:	High
Indicator Responsibility:	Corporate Strategy Manager

Indicator Title:	Number of approved Annual Performance Plans submitted timeously to the Shareholder
Short Definition:	This measures number of approved Annual Performance Plans submitted timeously to the Shareholder
Purpose/Importance:	To ensure compliance with legislative mandate
Source/Collection of Data:	Annual Performance Plan & Inputs from Unit Managers
Method of Calculation:	Number of approved Annual Performance Plans submitted
Data Limitations:	No Annual Performance Plan and Lack of inputs from Unit Managers
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Annually (Bi-Annually – Mid-Year/adjusted budget)
New Indicator:	No
Desired Performance:	High
Indicator Responsibility:	Corporate Strategy Manager

Indicator Title: Number of approved Quarterly Reports submitted timeously to the Shareholder	
Short Definition:	This measures the number of approved Quarterly Reports submitted timeously to the Shareholder
Purpose/Importance:	To ensure compliance with legislative mandate
Source/Collection of Data:	Inputs from Unit Managers
Method of Calculation:	Number of approved Quarterly Reports submitted
Data Limitations:	Lack of inputs from unit managers
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Quarterly
New Indicator:	No
Desired Performance:	High
Indicator Responsibility:	Corporate Strategy Manager

Indicator Title: Number of Annual Reports submitted on time	
Short Definition:	This measures number of Annual Reports submitted on time
Purpose/Importance:	To ensure legislative compliance
Source/Collection of Data:	Quarterly Performance
Method of Calculation:	Number of Annual Reports submitted
Data Limitations:	Delays experienced during the finalization of the External Audit
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Annually
New Indicator:	No
Desired Performance:	High
Indicator Responsibility:	Corporate Strategy Manager

Indicator Title: Number of performance review meetings held	
Short Definition:	This measures the number of monitoring and evaluation performance review meetings held with Units
Purpose/Importance:	To track performance of the organisation with the aim of bringing about corrective measures and interventions
Source/Collection of Data:	Quarterly performance information reports and portfolio of evidence from programme managers
Method of Calculation:	Number of performance review meetings held
Data Limitations:	Quality of reports received, late and incomplete submission of

	performance information reports from programme managers
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Quarterly
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Corporate Strategy Manager

1.1.6 Research & Innovation

Indicator Title:	Number of Economic Data Reports distributed
Short Definition:	Economic data report shows economic activities and the impact thereof
Purpose/Importance:	To ensure that recent, relevant and reliable economic data is disseminated to support informed decision making
Source/Collection of Data:	Desktop research, Stats SA, IHS Global Insight, purchased or commissioned studies, internal generated reports and reliable economic data sources
Method of Calculation:	Total sum of produced economic data reports
Data Limitations:	Lack of data, poor quality and outdated information
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Quarterly
New Indicator:	No
Desired Performance:	High
Indicator Responsibility:	Manager: Research & Innovation

Indicator Title:	Percentage achievement of Research and Innovation Activity Plan
Short Definition:	This measures actual performance against research and innovation activity plan
Purpose/Importance:	To ensure achievement of the research and innovation plan
Source/Collection of Data:	Unit research request form
Method of Calculation:	$(\text{Total achievement of research and innovation activities} / \text{total research and innovation activities planned}) \times 100$
Data Limitations:	Lack of research and innovation requests from Units
Type of Indicator:	Activity
Calculation Type:	Non-cumulative
Reporting Cycle:	Quarterly

New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Manager: Research & Innovation

Sub-Programme 1.2: Finance

Indicator Title:	Number of financial statements submitted to Treasury
Short Definition:	This measures the number of financial statements of the entity on a monthly basis
Purpose/Importance:	To ensure compliance with the PFMA and Treasury Regulations towards a clean audit
Source/Collection of Data:	Inputs captured on NICOR
Method of Calculation:	Total of monthly financial statements
Data Limitations:	Non availability of the system
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Monthly
New Indicator:	No
Desired Performance:	High
Indicator Responsibility:	Chief Financial Officer

Indicator Title:	Number of financial statements submitted to AGSA
Short Definition:	This measures the number of submitted annual financial statements
Purpose/Importance:	To ensure compliance with the PFMA and Treasury Regulations towards a clean audit
Source/Collection of Data:	Inputs captured on NICOR
Method of Calculation:	Total of annual financial statements
Data Limitations:	Non availability of the system
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Annually
New Indicator:	No
Desired Performance:	High
Indicator Responsibility:	Chief Financial Officer

Indicator Title:	Number of tax compliance submissions to SARS
Short Definition:	This measures the number of returns submitted to SARS

Purpose/Importance:	To ensure that the company complies with the Tax Regulations to avoid tax penalties and interest
Source/Collection of Data:	Inputs captured on NICOR
Method of Calculation:	Number of returns submitted
Data Limitations:	Changes in Tax legislation and lack of tax expertise
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Monthly
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Chief Financial Officer

Indicator Title: Number of compliance reports on asset management	
Short Definition:	This measures number of reports submitted after the verification of NWDC assets
Purpose/Importance:	To ensure the proper recording of NWDC assets which result in safe keeping of the assets
Source/Collection of Data:	Asset Register
Method of Calculation:	Number of compliance reports compiled
Data Limitations:	Outdated asset register
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Bi-Annually
New Indicator:	No
Desired Performance:	High
Indicator Responsibility:	Chief Financial Officer

Indicator Title: Number of procurement plans submitted to Treasury	
Short Definition:	This measures number of procurement plans submitted
Purpose/Importance:	To ensure that significant expenditure is budgeted for
Source/Collection of Data:	Unit procurement plans
Method of Calculation:	Number of procurement plans submitted
Data Limitations:	Lack of unit procurement plans
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Annually
New Indicator:	Yes

Desired Performance:	High
Indicator Responsibility:	Chief Financial Officer

Indicator Title:	Number of SCM performance reports produced
Short Definition:	This measures number of SCM performance reports
Purpose/Importance:	To ensure identification and reduction of deviation from the NWDC procurement policy
Source/Collection of Data:	SCM checklist and internal audit report
Method of Calculation:	Number of SCM performance reports produces
Data Limitations:	No internal audit performed
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Quarterly
New Indicator:	No
Desired Performance:	High
Indicator Responsibility:	Chief Financial Officer

Indicator Title:	Number of Financial Delegation Frameworks reviewed
Short Definition:	This measures number of financial delegation frameworks reviewed
Purpose/Importance:	To ensure that relevant managers are performing within their mandates
Source/Collection of Data:	Treasury Guidelines
Method of Calculation:	Number of financial delegation frameworks reviewed
Data Limitations:	Outdated Treasury guidelines
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Annually
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Chief Financial Officer

Indicator Title:	Number of budgets submitted
Short Definition:	This measures the number of budget submissions
Purpose/Importance:	To ensure that financial resources are allocated to the planned targets
Source/Collection of Data:	Unit budget templates

Method of Calculation:	Total number of budgets submitted
Data Limitations:	Non submission of unit budget information
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Bi-Annually
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Chief Financial Officer

Indicator Title:	Number of budget performance reports submitted
Short Definition:	This measures performance of units against budget
Purpose/Importance:	To ensure compliance with budget
Source/Collection of Data:	NICOR
Method of Calculation:	Total number of budget performance report submitted
Data Limitations:	Non availability of NICOR
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Monthly
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Chief Financial Officer

Indicator Title:	Number of credit control policies developed
Short Definition:	This measures number of control policies developed
Purpose/Importance:	To ensure credit worthiness of NWDCs clients and guidance on how outstanding monies should be collected
Source/Collection of Data:	Treasury Guidelines
Method of Calculation:	Number of credit control policies developed
Data Limitations:	Outdated Treasury guidelines
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Annually
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Chief Financial Officer

Indicator Title:	Percentage collection of rental due
Short Definition:	This measures the actual monies collected from clients
Purpose/Importance:	To ensure that monies due to the NWDC is collected
Source/Collection of Data:	NICOR
Method of Calculation:	(Total money collected/total rental due) x 100
Data Limitations:	Inaccurate data and non-payment by clients
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Quarterly
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Chief Financial Officer

Indicator Title:	Percentage reduction of irregular expenditure schedule
Short Definition:	This measures the percentage reduction of irregular expenditure
Purpose/Importance:	To ensure minimization of irregular expenditure in NWDC
Source/Collection of Data:	Irregular Expenditure Register
Method of Calculation:	(Irregular expenditure at the end of the period - irregular expenditure at the beginning of the period) / irregular expenditure at the beginning of the period
Data Limitations:	Outdated irregular expenditure register
Type of Indicator:	Output
Calculation Type:	Non-cumulative
Reporting Cycle:	Quarterly
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Chief Financial Officer

Sub-Programme 1.3: Corporate Services

1.3.1 Human Resources

Indicator Title:	Percentage achievement of HR procedure manual plan
Short Definition:	This measures the approved HR procedure guidelines developed
Purpose/Importance:	To ensure consistent application of HR processes
Source/Collection of Data:	Legislative prescripts
Method of Calculation:	(Total number of HR procedure guidelines developed/total number of HR procedure guidelines scheduled) x 100

Data Limitations:	Lack of expertise of skill, outdated templates, customisation of procedures to suit the operational requirements
Type of Indicator:	Activity
Calculation Type:	Non-cumulative
Reporting Cycle:	Annually
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Human Resource Manager

Indicator Title:	Percentage of employees developed against annual Workplace Skills Plan
Short Definition:	This measures the number of employees trained against the annual Workplace Skills Plan
Purpose/Importance:	To ensure competent skill exist within the NWDC
Source/Collection of Data:	Individual development plans and training register
Method of Calculation:	$(\text{Total number of employees trained} / \text{total number of employees as per annual Workplace Skills Plan}) \times 100$
Data Limitations:	Budget, non-existence of development plan and training register
Type of Indicator:	Activity
Calculation Type:	Non-cumulative
Reporting Cycle:	Annually
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Human Resource Manager

Indicator Title:	Percentage employees developed against Employment Equity Plan
Short Definition:	This measures fair representation of designated group within organisational level
Purpose/Importance:	To ensure diversity within the organisational levels
Source/Collection of Data:	Employment Equity Act ,55 of 1995
Method of Calculation:	$(\text{Actual developed employees} / \text{Total number of employees identified in the Employment Equity plan}) \times 100.$
Data Limitations:	Management Resistance to change
Type of Indicator:	Activity
Calculation Type:	Non-cumulative
Reporting Cycle:	Annually
New Indicator:	Yes

Desired Performance:	High
Indicator Responsibility:	Human Resource Manager

Indicator Title:	Percentage achievement of HR work plan
Short Definition:	This measures the activities within HR
Purpose/Importance:	To ensure effective and efficient HR functions within NWDC
Source/Collection of Data:	HR Policies and Procedures
Method of Calculation:	$(\text{Total number of achieved activities} / \text{total number of planned activities in the HR work plan}) \times 100$
Data Limitations:	Outdated HR Policies and Procedures
Type of Indicator:	Activity
Calculation Type:	Non-cumulative
Reporting Cycle:	Annually
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Human Resource Manager

Indicator Title:	Percentage reduction of vacancy rate
Short Definition:	This measures the number of vacant positions within the NWDC
Purpose/Importance:	To ensure that the NWDC functions effectively with the full staff complement
Source/Collection of Data:	Approved labour structure and budget
Method of Calculation:	$(\text{Total number of vacant positions} / \text{total number of planned labour complement}) \times 100$
Data Limitations:	Non approval of labour structure and outdated salary scales
Type of Indicator:	Activity
Calculation Type:	Non-cumulative
Reporting Cycle:	Annually
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Human Resource Manager

1.3.2 ICT

Indicator Title:	Percentage uptime of ICT Services
Short Definition:	This measures the availability of ITC at NWDC
Purpose/Importance:	To ensure availability of ITC at NWDC
Source/Collection of Data:	Company Server

Method of Calculation:	Percentage as per system
Data Limitations:	Non availability of Company Server
Type of Indicator:	Activity
Calculation Type:	Non-Cumulative
Reporting Cycle:	Annually
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Manager: ICT

Indicator Title:	Percentage achieved of work plan
Short Definition:	This measures ITC activities
Purpose/Importance:	To ensure delivery of ICT
Source/Collection of Data:	ICT Strategy
Method of Calculation:	$(\text{total achieved activities} / \text{total activities as per work plan}) \times 100$
Data Limitations:	Lack of ICT strategy
Type of Indicator:	Activity
Calculation Type:	Non-Cumulative
Reporting Cycle:	Annually
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Manager: ICT

Indicator Title:	Number of ICT Strategies reviewed
Short Definition:	This measures the number ICT strategies reviewed
Purpose/Importance:	To ensure alignment of the ICT strategy the will lead to efficient delivery of ICT at NWDC
Source/Collection of Data:	ICT Strategy
Method of Calculation:	Number of ICT strategies reviewed
Data Limitations:	Lack of ICT strategy
Type of Indicator:	Activity
Calculation Type:	Non-Cumulative
Reporting Cycle:	Annually
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Manager: ICT

1.3.3 Corporate Marketing & Communication

Indicator Title:	Number of Marketing and Communications Strategies developed
Short Definition:	Development of a Marketing and Communication roadmap that is aligned to the NWDC corporate strategy
Purpose/Importance:	To ensure the execution of effective branding activities and stakeholder engagement
Source/Collection of Data:	Inputs from Management, NWDC documents and templates
Method of Calculation:	Sum of total Marketing & Communication Strategies developed
Data Limitations:	Availability of inputs by Management, outdated templates
Type of Indicator:	Output
Calculation Type:	Non-Cumulative
Reporting Cycle:	Annually
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Manager: Corporate Marketing & Communication

Indicator Title:	Percentage achievement of the Marketing & Communication Operational Plan
Short Definition:	Comparison of actual and planned activities derived from the Marketing & Communication Operational Plan
Purpose/Importance:	To ensure the execution of the Marketing & Communication Strategy
Source/Collection of Data:	Marketing & Communication Strategy and Operational Plan
Method of Calculation:	$(\text{Total achievement} / \text{total planned}) \times 100$
Data Limitations:	Lack of approved Marketing & Communication Strategy and/or Operational Plan
Type of Indicator:	Activities
Calculation Type:	Non-Cumulative
Reporting Cycle:	Quarterly
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Manager: Corporate Marketing & Communication

1.3.4 Legal Services

Indicator Title:	Percentage achievement of litigation schedule
Short Definition:	This measures performance against a list of legal matters actioned
Purpose/Importance:	To ensure resolution of legal matters which will lead to NWDC

	continued operation
Source/Collection of Data:	Letter of demand, legal application form and summons
Method of Calculation:	$(\text{Total number of cases actioned} / \text{total number of cases received}) \times 100$
Data Limitations:	Court interdict, legislative mandates and inaccurate legal application form
Type of Indicator:	Activity
Calculation Type:	Non-cumulative
Reporting Cycle:	Quarterly
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Legal Manager

Indicator Title:	Percentage recovery of bad debt
Short Definition:	This measures the reduction of the NWDC debt book
Purpose/Importance:	To ensure reduction of the debt book which will result in the sustainability of the NWDC
Source/Collection of Data:	Finance
Method of Calculation:	$(\text{Total of debt collected} / \text{total list of debt}) \times 100$
Data Limitations:	Outdated information and change in political sphere
Type of Indicator:	Activity
Calculation Type:	Non-cumulative
Reporting Cycle:	Quarterly
New Indicator:	No
Desired Performance:	High
Indicator Responsibility:	Legal Manager

1.3.5 Auxiliary Services

Indicator Title:	Number of reviewed fleet management policies
Short Definition:	Revision of the existing fleet management policy
Purpose/Importance:	To ensure efficient and effective management of fleet
Source/Collection of Data:	Approved fleet management policy
Method of Calculation:	Total number of policies
Data Limitations:	No approval of the policy
Type of Indicator:	Output
Calculation Type:	Cumulative

Reporting Cycle:	Annually
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Auxiliary Services Manager

Indicator Title:	Number of maintenance plans developed
Short Definition:	Schedule of service intervals for fleet maintenance
Purpose/Importance:	To ensure compliance with vehicle maintenance plan which will result in efficient running conditions
Source/Collection of Data:	Service book
Method of Calculation:	Sum of maintenance plans developed
Data Limitations:	No service books
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Annually
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Auxiliary Services Manager

Indicator Title:	Number of fleet analyses report produced
Short Definition:	A report to highlight the operation costs per vehicle
Purpose/Importance:	To ensure minimal fleet costs and informed decision making
Source/Collection of Data:	Fleet statements (Bank), Monthly reports from branches
Method of Calculation:	Sum of fleet analyses reports produced
Data Limitations:	No statements from the Bank and Branch monthly reports
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Monthly
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Auxiliary Services Manager

Indicator Title:	Satisfaction survey internal (employees)
Short Definition:	Tool to measure the satisfaction of employees with the unit services
Purpose/Importance:	To obtain feedback from the services rendered
Source/Collection of Data:	Employee give service feedback through a questionnaire

Method of Calculation:	Satisfaction rating index
Data Limitations:	No survey conducted
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Annually
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Auxiliary Services Manager

Indicator Title: Number of project plans on document control management developed	
Short Definition:	Project plan that will guide the unit on document control management
Purpose/Importance:	To ensure compliance with ISO9001
Source/Collection of Data:	ISO9001 standards
Method of Calculation:	Sum of project plans developed
Data Limitations:	Lack of ISO standards information
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Annually
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Auxiliary Services Manager

Indicator Title: Number of document control policies reviewed	
Short Definition:	Revision of the existing document control policy
Purpose/Importance:	To ensure efficient and effective document control management
Source/Collection of Data:	Approved document control policy
Method of Calculation:	Total number of policies
Data Limitations:	No approval of the policy
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Annually
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Auxiliary Services Manager

Indicator Title:	Number of operational plans developed for auxiliary services
Short Definition:	Overall working plan for the unit
Purpose/Importance:	To ensure efficiency of the unit
Source/Collection of Data:	Corporate Strategy
Method of Calculation:	Sum of operational plans developed
Data Limitations:	No corporate strategy
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Annually
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Auxiliary Services Manager

PROGRAMME 2: INVESTMENT GROWTH

Sub-Programme 2.1: Property Development and Management

Indicator Title:	Percentage of occupancy rate
Short Definition:	Total occupied against total available units
Purpose/Importance:	To ensure accurate calculation of NWDC revenue that result in its sustainability
Source/Collection of Data:	Tenant Coordinators and NICOR property management system
Method of Calculation:	$(\text{Total occupied units} / \text{total number of available units}) \times 100$
Data Limitations:	Outdated data and unavailability of NICOR system
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Quarterly
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Property Manager

Indicator Title:	Percentage achievement of Maintenance Plan (routine/preventative maintenance)
Short Definition:	This is a schedule of routine and preventative property maintenance effected in the current period against planned
Purpose/Importance:	To measure efficiency of maintenance against plan in order to ensure continued revenue
Source/Collection of Data:	Snag lists (property assessment report)

Method of Calculation:	(Total number of achievement/total planned) x 100
Data Limitations:	Lack of skills (technical)
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Quarterly
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Property Manager

Indicator Title:	Number of vacant land developed
Short Definition:	Sum of all the NWDC vacant land developed
Purpose/Importance:	To ensure that the available land is developed to increase revenue for the NWDC
Source/Collection of Data:	NWDC Asset Register
Method of Calculation:	Sum of actual vacant land developed
Data Limitations:	Outdated asset register, disagreements between stakeholders, and illegal occupants
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Quarterly
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Property Manager

Sub-Programme 2.2: Investment Promotion & Facilitation

Indicator Title:	Value of successful investment projects facilitated into the Province
Short Definition:	Total monetary amount of investments facilitated into the province
Purpose/Importance:	To demonstrate investment facilitation efforts into the province that contribute towards economic growth and job creation
Source/Collection of Data:	The data is collected from the actual funded business plans
Method of Calculation:	Summation of total funded business plans
Data Limitations:	Political and economic environment and lack of skills
Type of Indicator:	Output
Calculation Type:	Non-cumulative
Reporting Cycle:	Quarterly

New Indicator:	No
Desired Performance:	High
Indicator Responsibility:	Manager: Investment Promotion & Facilitation

Indicator Title: Number of companies linked to new markets (exports)	
Short Definition:	These are the export ready companies linked to new external markets
Purpose/Importance:	To ensure that local companies are linked to potential markets
Source/Collection of Data:	From internal export development database collected through seminars, advertisements, mailing list and walk-ins
Method of Calculation:	Sum of total number of companies linked to markets
Data Limitations:	Outdated database
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Quarterly
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Manager: Investment Promotion & Facilitation

Indicator Title: Number of companies linked to new markets (domestic)	
Short Definition:	These are companies linked to new domestic markets
Purpose/Importance:	To ensure that local companies are linked to potential markets
Source/Collection of Data:	From internal SMME database collected through seminars, advertisements, mailing list and walk-ins
Method of Calculation:	Sum of domestic companies linked to markets
Data Limitations:	Outdated database
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Quarterly
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Manager: Investment Promotion & Facilitation

Sub-Programme 2.3: Corporate Finance and Strategic Investments

Indicator Title: Number of Dti SEZ Designation Licenses issued	
Short Definition:	This measures the number of SEZ Designation Licenses issued
Purpose/Importance:	To ensure availability of SEZ Designation Licenses is issued
Source/Collection of Data:	The DTI
Method of Calculation:	Total number of SEZ Designated licenses issued
Data Limitations:	Non approval of SEZ Designated licenses application
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Annually
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	SEZ Manager

Indicator Title: Number of Treasury SEZ Proclamations	
Short Definition:	This measures the number of SEZ Proclamations
Purpose/Importance:	To ensures availability of the Treasury SEZ Proclamations
Source/Collection of Data:	Treasury SEZ Proclamation
Method of Calculation:	Total number Treasury SEZ Proclamations
Data Limitations:	Lack Proclamation by Treasury
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Annually
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	SEZ Manager

Indicator Title: Number of SEZ Management Companies registered	
Short Definition:	This measures the number of SEZ companies registered
Purpose/Importance:	To ensure registration of SEZ companies that will run operation
Source/Collection of Data:	CIPC
Method of Calculation:	Number of SEZ management companies registered
Data Limitations:	No registration certificate
Type of Indicator:	Output
Calculation Type:	Cumulative

Reporting Cycle:	Quarterly
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	SEZ Manager

Indicator Title: Percentage return on investments	
Short Definition:	This measures the return received from NWDC investment
Purpose/Importance:	To ensure return on investment on NWDC investment
Source/Collection of Data:	Subsidiary Financial Statements and Annual Report
Method of Calculation:	(Total return received/total expected return) x 100
Data Limitations:	Lack of Financial Statement and Annual Report
Type of Indicator:	Output
Calculation Type:	No - Cumulative
Reporting Cycle:	Annually
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Project Manager

Indicator Title: Number of warehouses developed for tuck shop economy	
Short Definition:	This measures the number of warehouses developed for tuck shop economy
Purpose/Importance:	To ensure the existence of warehouses for tuck-shop economy
Source/Collection of Data:	Tuck Shop economy project plan
Method of Calculation:	total number of developed warehouses
Data Limitations:	No project plan
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Quarterly
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Project Managers: Tuck Shop Economy

Indicator Title: Number of alternative building material factories developed	
Short Definition:	This measures the number of Alternative Building Material factories developed
Purpose/Importance:	To ensure the existence of Alternative Building Material Factories
Source/Collection of Data:	Alternative Building Material Project Plan

Method of Calculation:	total number of developed factories
Data Limitations:	No project plan
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Quarterly
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Project Managers: Alternative Building Material Factory

Indicator Title:	Number of bakeries established
Short Definition:	This measures the number of bakeries established
Purpose/Importance:	To ensure the existence of bakeries
Source/Collection of Data:	Bakeries Project Plan
Method of Calculation:	total number of bakeries established
Data Limitations:	No project plan
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Quarterly
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Project Managers: Bakeries

2.3.2 Special Projects

Indicator Title:	Percentage achievement of projects implemented in villages
Short Definition:	Measure of actual achievement of all the special projects (transferred from other NW government departments) implemented by NWDC in villages
Purpose/Importance:	Indicator intends to measure the actual performance against the plan to ensure implementation thereof
Source/Collection of Data:	Project activity plans
Method of Calculation:	$(\text{Total actual performance} / \text{total planned}) \times 100$
Data Limitations:	Change in political landscape, change in leadership, scope creep, lack of funds, lack of stakeholder buy-in, and no project plan
Type of Indicator:	Activities
Calculation Type:	Non-cumulative
Reporting Cycle:	Quarterly

New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Project Managers

Indicator Title: Percentage achievement of projects implemented in townships	
Short Definition:	Measure of actual achievement of all the special projects (transferred from other NW government departments) implemented by NWDC in townships
Purpose/Importance:	Indicator intends to measure the actual performance against the plan to ensure implementation thereof
Source/Collection of Data:	Project activity plans
Method of Calculation:	$(\text{Total actual performance} / \text{total planned}) \times 100$
Data Limitations:	Change in political landscape, change in leadership, scope creep, lack of funds, lack of stakeholder buy-in, and no project plan
Type of Indicator:	Activities
Calculation Type:	Non-cumulative
Reporting Cycle:	Quarterly
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Project Managers

Indicator Title: Percentage achievement of projects implemented in small dorpies	
Short Definition:	Measure of actual achievement of all the special projects (transferred from other NW government departments) implemented by NWDC in small dorpies
Purpose/Importance:	Indicator intends to measure the actual performance against the plan to ensure implementation thereof
Source/Collection of Data:	Project activity plans
Method of Calculation:	$(\text{Total actual performance} / \text{total planned}) \times 100$
Data Limitations:	Change in political landscape, change in leadership, scope creep, lack of funds, lack of stakeholder buy-in, and no project plan
Type of Indicator:	Activities
Calculation Type:	Non-cumulative
Reporting Cycle:	Quarterly
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	Project Managers

PROGRAMME 3: ENTERPRISE DEVELOPMENT & SUPPORT

Sub-Programme 3.1: SMME Development

Indicator Title: Value of funds disbursed to SMMEs/Cooperatives	
Short Definition:	Total amount of money disbursed to SMMEs and Cooperatives
Purpose/Importance:	To measure the financial support provided to SMMEs and Cooperatives which ensures their sustainability and contribution towards the economy of the province
Source/Collection of Data:	Database of approved disbursed loans
Method of Calculation:	Sum of amount of approved loans disbursed
Data Limitations:	Outdated database and unavailability of system support
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Quarterly
New Indicator:	No
Desired Performance:	High
Indicator Responsibility:	SMME Manager

Indicator Title: Percentage of SMMEs/Cooperatives funded	
Short Definition:	Percentage of the total SMMEs/Cooperatives funded
Purpose/Importance:	To measure the financial support provided to SMMEs and Cooperatives which ensures their sustainability and contribution towards the economy of the province
Source/Collection of Data:	Loan Application Register
Method of Calculation:	$(\text{Total number of applications funded} / \text{total number of applications received}) \times 100$
Data Limitations:	Outdated loan application register
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Quarterly
New Indicator:	No
Desired Performance:	High
Indicator Responsibility:	SMME Manager

Indicator Title: Number of SMMEs funded	
Short Definition:	Number of loans granted to SMMEs
Purpose/Importance:	To measure the SMMEs access to funding

Source/Collection of Data:	Database of approved disbursed loans
Method of Calculation:	Sum of funded SMMEs
Data Limitations:	Outdated database and unavailability of system support
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Quarterly
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	SMME Manager

Indicator Title:	Number of Cooperatives funded
Short Definition:	Number of loans granted to Cooperatives
Purpose/Importance:	To measure the Cooperatives access to funding
Source/Collection of Data:	Database of approved disbursed loans
Method of Calculation:	Sum of funded Cooperatives
Data Limitations:	Outdated database and unavailability of system support
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Quarterly
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	SMME Manager

Indicator Title:	Number of SMMEs supported
Short Definition:	Number of services (business advice, business management training and aftercare) rendered to SMMEs
Purpose/Importance:	To ensure that the intervention provided to SMMEs are implemented
Source/Collection of Data:	Consultation form
Method of Calculation:	Sum of SMMEs supported
Data Limitations:	Incomplete consultation form, lack of skills due to change in the economy
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Quarterly
New Indicator:	No
Desired Performance:	High

Indicator Responsibility:	SMME Manager
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Indicator Title:	Number of Cooperatives supported
Short Definition:	Number of services (business advice, business management training and aftercare) rendered to Cooperatives
Purpose/Importance:	To ensure that the intervention provided to Cooperatives are implemented
Source/Collection of Data:	Consultation form
Method of Calculation:	Sum of Cooperatives supported
Data Limitations:	Incomplete consultation form, lack of skills due to change in the economy
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Quarterly
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	SMME Manager

Indicator Title:	Number of SMMEs supported into Black Industrialist Programme
Short Definition:	Measure the number of SMME's received assistance into Black Industrialist Programme
Purpose/Importance:	To ensure that the SMME's are into Black Industrialist Programme
Source/Collection of Data:	Black Industrialist Programme Schedule
Method of Calculation:	Sum of Cooperatives supported into Black Industrialist Programme
Data Limitations:	Out-dated Black Industrialist Programme Schedule
Type of Indicator:	Output
Calculation Type:	Cumulative
Reporting Cycle:	Annually
New Indicator:	Yes
Desired Performance:	High
Indicator Responsibility:	SMME Manager

ANNEXURE F:

Changes to the Annual Performance Plan

To:	The North West Legislature
From:	The Acting Chief Executive Officer, Mr Moletsane
Date:	17 March 2016
Subject:	Reason for Changes of the NWDC Strategy Programmes

1. PURPOSE

To give clarity on NWDC programmes changes for 2015/16 & 2016/17 financial year

2. BACKGROUND

As per the resolution of the Board dated 27 March 2013, NWDC absorbed Invest North West and MIDZ as from 1 April 2013. This implied a consolidated reporting for the merged entities. The NWDC strategy and Annual Performance Plan for 2016/17 is under review for submission by end March 2016.

3. ALTERNATIVE OPTIONS:

There are no options as NWDC's programmes have already been changed in 2016/17 financial year.

3.1 List of Programmes:

Programmes in the financial years are as follows:

Programme No.	2015/16	2016/17
01	Support Services	Administration & Support
02	Enterprise Creation, Development and Support	Investment Growth
03	Investment Growth and Finance	Enterprise Development & Support
04	Development and Support	N/A

4. IMPLICATIONS

The changes in the NWDC programmes will have the following impact:

4.1 Financial

The changes in the programmes will have the following financial implications:

- Impact on the rewards system as bonuses may be awarded based on programmes;
- Individual performance reviews will be informed by these programmes;
- Reallocation of funds to implement the strategic initiatives; and
- Review of budgets to support the emerging strategic needs of the inclusive NWDC.

4.2 Non-financial

The change in the programmes will have the following impact on non-financial areas of the business, i.e. Development and Support and Development and Support consolidated into Promotion and Facilitation:

- Developing of new measures to incorporate non-financial measures from these programmes to support institutional performance;
- Revision of NWDC performance contract template to reflect the revised measures;
- Development of a representative annual performance plan; and
- Communication of the new approach to all staff members;

4.3 Legal Implications

There are no legal implications and the treasury regulations are adhered to.

5. MOTIVATION

Motivating that the programme changes be noted by the shareholders.

6. RECOMMENDATIONS

The background and motivation for the revision of the programmes leads to the following recommendations:

- Acceptance of the revised programmes for the financial year 2016/17;



Lemogang Moletsane
Acting CEO of the NWDC