

Royal Bafokeng Nation's Quarterly Performance Report

3rd Quarter 2016



ROYAL BAFOKENG NATION

25/10/2016

Produced by the RBN OPMO

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2016 Organisational Performance

*RAG Clarification:

Red: An SKPI will be red if the year-to-date targets of its directly contributing benefits and deliverables are missed by more than 25%.

Amber: An SKPI will be amber if the year-to-date targets of its directly contributing benefits and deliverables are missed by less than 25%.

Green: An SKPI will be green if the year-to-date targets of its directly contributing benefits and deliverables are attained or exceeded

RBN Scorecard report (as at 18 October 2016)

Strategic Objectives	Strategic Key Performance Areas	Strategic Key Performance Indicators (SKPIs)	Comments on Red and Amber SKPIs	RBN Scorecard (Click on the RBN Scorecard link and then on the number in the column called "Deliverables (2016)" to view deliverables (benefits/deliverables that contribute directly to the attainment of the SKPI))
Individual welfare: Acceptable living conditions for all people by improving individual quality of life and social wellbeing	Access to fresh water and sanitation	% of Baagi households with access to improved water		Click on RBN Scorecard to view all directly linked deliverables and their performance.
		% of Baagi households with access to improved sanitation	There are no deliverables from projects or programmes directly linked to this SKPI	Click on RBN Scorecard to view all directly linked deliverables and their performance.
	Access uplifting learning opportunities	% of 3-6 year olds in pre-school		Click on RBN Scorecard to view all directly linked deliverables and their performance.
		% of the population with a post matric qualification		Click on RBN Scorecard to view all directly linked deliverables and their performance.
		Literacy rate (adult)		Click on RBN Scorecard to view all directly linked deliverables and their performance.
		Number of Bachelor Degree Passes as % of overall pass rate		Click on RBN Scorecard to view all directly linked deliverables and their performance.
		R-value of physical development services per person per year	Targets missed slightly due to lower than expected community participation	Click on RBN Scorecard to view all directly linked deliverables and their performance.

	Increase Baagi life expectancy	% of Baagi households who are food secured		Click on RBN Scorecard to view all directly linked deliverables and their performance.
		% of households who are reach-able within 30 minutes of post-disaster callout		Click on RBN Scorecard to view all directly linked deliverables and their performance.
		R-value of top-up healthcare services per person per year		Click on RBN Scorecard to view all directly linked deliverables and their performance.
	Protection for the most vulnerable	Number of people with specific or special needs on support databases or within support structures		Click on RBN Scorecard to view all directly linked deliverables and their performance.
	Access to adequate housing	Households in RBN villages who have access to electricity	There are no deliverables from projects or programmes directly linked to this SKPI	Click on RBN Scorecard to view all directly linked deliverables and their performance.
Community welfare: Collaboratively building an inclusive traditional community of which we can be proud	A safe, secure and fraud-free community An effective, professional administration	# of crimes past 12 months (as reported)		Click on RBN Scorecard to view all directly linked deliverables and their performance.
		% Alignment to RBN integrated, coordinated, efficacy strategy		Click on RBN Scorecard to view all directly linked deliverables and their performance.
		% clean audit for RBN entities	The number of unqualified audit reports are not yet complete as planned	Click on RBN Scorecard to view all directly linked deliverables and their performance.
		% of allocated budget spent in financial year	Year-to-date operational expenditure targets were missed in some departments	Click on RBN Scorecard to view all directly linked deliverables and their performance.
		% of employees surveyed who indicate satisfaction with Shared Services		Click on RBN Scorecard to view all directly linked deliverables and their performance.
% of population linked to stand database	Target on the number of subdivisions recorded was missed	Click on RBN Scorecard to view all directly linked deliverables and their performance.		

		% of residents surveyed who indicate satisfaction with RBN (Quality, cost & corruption of Services)	Targets weren't attained on the number of visitors to the BDA system and the ED centre	Click on RBN Scorecard to view all directly linked deliverables and their performance.
	Preservation of cultural heritage	% Bafokeng using the customary courts when applicable		Click on RBN Scorecard to view all directly linked deliverables and their performance.
		R-value spend on arts and culture		Click on RBN Scorecard to view all directly linked deliverables and their performance.
	Relevant traditional governance with active community participation	% of Bafokeng adults who attend governance meetings	Attendance targets for Kgotha Kgothe and Dumela Phokeng were much higher than realised. Targets should be revised in future as it has been missed repeatedly	Click on RBN Scorecard to view all directly linked deliverables and their performance.
	A clean and appealing environment	% of households that receive weekly refuse removal services		Click on RBN Scorecard to view all directly linked deliverables and their performance.
		Mean air pollution	Cancellations in air quality meetings resulted in missing of the targets	Click on RBN Scorecard to view all directly linked deliverables and their performance.
Sustainability and growth: Respecting our resources as intergenerational assets and achieving inclusive growth and full employment in the long term	Access to employment opportunities	GDP Equivalent per capita	Projects targeted to appoint more SMMEs on the project. But the appointment values for local SMMEs were still attained; just fewer number of SMMEs benefitting	Click on RBN Scorecard to view all directly linked deliverables and their performance.
		Unemployment rate		Click on RBN Scorecard to view all directly linked deliverables and their performance.
	Diversification of Lefatse-based income	R-value of turnover for Bafokeng-based business		Click on RBN Scorecard to view all directly linked deliverables and their performance.

		R-value of turnover for farmers		Click on RBN Scorecard to view all directly linked deliverables and their performance.
	Government service provision	R value of IDP/RLM projects executed in RBN	Fewer high mast lights were erected than initially targeted	Click on RBN Scorecard to view all directly linked deliverables and their performance.
	Productive land management	% of land allocated for economic activity	There are no deliverables from projects or programmes directly linked to this SKPI	Click on RBN Scorecard to view all directly linked deliverables and their performance.
		R-value of Income generated from lease of land	Target on debts collected not attained	Click on RBN Scorecard to view all directly linked deliverables and their performance.
	Provision of enabling infrastructure	R-value of infrastructure development/ maintenance per capita (Baagi)	Targets on multiple projects not attained and two projects behind schedule. Performance should increase in Q4	Click on RBN Scorecard to view all directly linked deliverables and their performance.
	Sustainable financial management	Percentage of billed "municipal services" costs recovered	There are no deliverables from projects or programmes directly linked to this SKPI	Click on RBN Scorecard to view all directly linked deliverables and their performance.
		R value of external funds sourced and accessed (including SLPs and investments)		Click on RBN Scorecard to view all directly linked deliverables and their performance.
		Zero deficit on expenditure vs income		Click on RBN Scorecard to view all directly linked deliverables and their performance.

Departmental Performance Review

Office of the Group COO (GCOO)

GCOO Mandate:

Strategic focus, performance management, top team culture

GCOO Executive Note:

Highlights & major deliverables:

1. Key priorities

The need to come up with sustainable growth plans for the future of *Morafe* has been a big theme and priority for us this year, particularly in the areas of saving and recovering costs in key administrative projects. The progress in the attainment of the top priorities for 2016 is reported in the table below:

Monitoring of Top Priorities

Collective Achievements for 2016 as Prioritised by the Executives and Managers						
Indicator	2016 Target/ 2015 Baseline	1st Q 2016	2nd Q 2016	3rd Q 2016	4th Q 2016	2016 Total
Strengthen Strategic Relationships						
R-value of projects rendered in kind on RBN land through Strategic relationships (RLM, Mines, Province, etc.)		R36.7m	R11m	R18.8m		R66.5m
Cost Saving						
Total R-value reduction in major cost items at the end of 2016 (Fleet, Electricity, overtime, salaries, Electronic equipment and network costs)	Baseline 2015: Plumb:R17m Fleet:R6.89m Elec: R10.9m O/T: R6.45m Sal(RBA):R142m Elec.eq:R503k Netw:R10.6m	N/A	N/A	N/A		To be reported December 2016
Cost recovery						
Total value of income collected (Services, recycling)	Baseline 2015: R 225,663	R68,262	R16,814	R79,800		R164,876
Improve Change Organisational Culture						
Employee satisfaction with RBN as employer/ Shared Services Satisfaction	Baseline to be done in 2016	N/A	N/A	N/A		To be reported during the 4 th quarter

Traditional structures						
Number of increased participation in Traditional meetings (DP, KK, Makgotla)	Baseline 2015: DP: No event 2015 KK: 1,998 Makgotla: Figure not reported	-	DP:1,398 KK:1,323	YKK: 817 KKYB: 751		DP:1,398 KK:1,323 YKK: 817 KKYB: 751
Increase income on RBN Land / Increase the multiplying effect of money in RBN						
Increase in R-value of rental income received	R 4.7m	R1.327m	R1.328m	R1.222m		R3.876m

Ponelopele ya *Morafe* wa Bafokeng still stands. We aspire to be “a relevant and innovative traditional African community in a changing world”. And, with this future in mind, we continue, through the RBNDT’s investment vehicle – RBH, to look for ways to build resilience against the economic storm by diversifying our assets. Our Plan ’35’s developmental mission also stresses on the need to diversify our economy towards a new phase of socioeconomic development for the sustainable future of *Morafe*.

With that said, to date, RBH has diversified its investment portfolio from a 30% (31 December 2014) exposure to mining to having 14.6% (31 December 2015) in the mining sector, with significant holdings in non-mining areas, including financial services, telecommunications, property, transport and manufacturing.

RBH’s investee companies also contribute in various ways, either through CSI-spending or other funding and cooperation agreements; including, for example, learnership opportunities, to our goals as part of Plan’35.

Investee Company	Our share %	Possible Focus Areas / Project Funded / Opportunities For Youth & SMMEs
Implats	11.3%	Building of kitchens-various RBN Schools
RBPlats	52.5%	Macharora Education intervention
RMBH	15.0%	Education discussions underway
RMIH	15.0%	
Vodacom	2.0%	Education and Health discussions underway
JCDecaux	30.0%	- Internships spaces for 12 funded by the SETA/RBH - Donation of billboard waste material to a Phokeng SMME
Attacq	9.2%	Education and Health discussions underway
MOGS Mining Services	51.0%	- 1 job opportunity filled in by Phokeng candidate at Battery Electric, 4 more opportunities available (Finance, Store assistant & Electronics Mechanic)
MOGS Oil and Gas	51.0%	- Oil & Gas internships x4 corrosion course starting in July - SME potential opportunities - Youth internships
PRAXIMA	N/A	- RBI donation towards a bursary - HSDS: Donation towards an orphanage

As eluded to above, our overarching plan, **Plan '35, has been developed**. It has three pillars (Individual development, Community Development, Sustainability and Growth) and around 40 targets, which ensure every department, unit and entity works together towards the same goal. Plan 35 is going into an important phase – we are using it to guide **budget priorities** for 2017. The Functional Plans for Education, Health and Social Development, and Sustainability and Growth are completed.

Herewith a brief account on the progress on our strategic projects and benefits to *Morafe* attained thus far in 2016:

- ❖ **Progress on Sourcing of external funding up to end of September 2016 per entity and beneficiary:** our combined entities received a total of R 32 603 079.15 to date from external funders. These funds have been allocated for the benefit of the community across various sectors i.e.: education, health, agriculture, etc. In addition to the funds received, a further R 66 520 413.37 worth of in-kind benefits were yielded and/or ring-fenced through strategic partnerships. The table below provides the relevant details.

Entity/ Department	Beneficiary	Amount Ring-fenced/ In-kind	Amount Received
GCOO (OPMO & Research)	RBN Group	R -	R 250 000.00
RBI	RBN Group	R 246 750.00	R 1 122 478.00
RBI	Schools	R 8 316 782.00	R 5 463 756.00
Municipal Services Management (SLP)	Morafe	R 30 426 648.37	R -
Municipal Services Management (IDP)	Morafe	R 19 297 405.30	R -
RBED	RBN Group	R 94 000.00	R 4 617 000.00
RBED	Morafe	R 170 000.00	R -
HSDS	RBN Group	R -	R 6 929 605.00
HSDS	Morafe	R 6 420 827.70	R 7 070 581.20
RBS	Morafe	R -	R 4 000.00
RBS	Schools	R -	R 14 100.00
Strategic Relations	RBN Group	R 50 000.00	R -
Moumo	RBN Group	R -	R 7 051 558.95
RBH	Morafe	R 101 000.00	R 80 000.00
RBH	Schools	R 900 000.00	R -
Total		R 66 520 413.37	R 32 603 079.15

- ❖ **Monitoring of Youth benefits deliverables:**

Collective Number of Youth Benefiting directly from RBA/RBN Interventions						
Department*	2016 Target	1 st Q 2016	2 nd Q 2016	3 rd Q 2016	4 th Q 2016	2016 Total
Strategic relationships (MOGS)	1	1	0	0		1
Arts & Culture	210	23	540	110		673
RBED	152	51	50	132		233
RBI	901	657	344	582		1,583

HSDS	337	57	57	57		171
RBS	7,440	2,003	1,946	2,770		6,719
TOTAL	9,041	2,735	2,882	3,651		9,410

*It should be noted that the RBA/RBN efforts are focussed on the entire community and not only on Youth (18-35 years) categories. However, the figures included herein reflect the benefits specific to the youth only. RBN's combined 2016 budget for programmes specifically focussed on youth as defined above is R20.86m.

Our collective achievements are many. Herewith some that come to mind for this quarter:

- ❖ **Job opportunities created:** Through combined efforts of RBN Phokeng-based entities, local SMMEs, the Phokeng Mall, **1,396** employment opportunities for Bafokeng were created, year to date.
- ❖ **% Mines & RBN procurement spend:** The combined Rand value of procurement spend at mines and RBN entities is calculated at **R369.4m** to date. We continue to put in place greater efforts to increase this % for Bafokeng empowered SMMEs.
- ❖ **Crime incidents:** The number of crime incidents reduced to **3,528** (2016) from the corresponding figure of **4,273** (2015).

As we enter in the final quarter of the year, the following should be noted and highlighted:

- ❖ **Budgeting process:** We hope to get final approval for our 2017 Budget before the end of November to ensure we initiate the procurement processes to prevent delay in executing our services to Morafe in 2017.
- ❖ **Upcoming Kgotha Kgothe** – The confirmed date for the next Kgothe Kgothe event is 12 November.
- ❖ **PULA:** Our PULA Census project has passed the 50% mark. We are now following up with non-contact stands, and ensuring general quality control in our data. Next we will be entering the informal areas on Bafokeng land, to better understand the growth of these settlements. It is interesting to note that – looking at the preliminary data – we see population decline in many of our villages. It appears that a lot of people (Bafokeng and non-Bafokeng) have moved out of the area, possibly seeking work in the metropolitan areas. The PULA Household Survey is also about to kick off – this is the in-depth household demographic study utilising a representative sample of households that were included in the census phase of the project.

Challenges:

Affordability levels in the budget calls for austerity measures in operational costs, as well as a review of what services that the RBN should render at what levels of standards. The launch of the VSP process and the accompanying restructuring process will invariably place a strain on the RBA's ability to deliver services to *Morafe* at the same levels as before, but we are committed to establish structures that will enable optimal services at minimal costs.

Departmental Deliverables:

GCOO Impact on <i>Morafe</i> and key deliverables [CONSOLIDATED ACROSS ALL DEPARTMENTS]							
Impact on <i>Morafe</i> indicators	2015 Total	2016 Target	1 st Q 2016	2 nd Q 2016	3 rd Q 2016	4 th Q 2016	2016 Total
Funding/income secured for specific projects (excl. In-kind funding & Moumo)	R39.9m	R37.35m	R10.06m	R 5.72m	R9.69m		R25.47m
Number of employment opportunities created through projects/ programmes (temporary and permanent) [TOTAL FOR ALL DEPARTMENTS]	496	395	149	140	102		391
Combined Rand value of procurement spend at mines, RBA and RBI	R527m	R660m	R 175.2m	R 131.6m	R 62.6m		R369.4m
Percentage of discretionary spend on local SMMEs by RBN Entities (Total Discretionary Spend R108m (2016))		50%	33.3% (R9m)	45.9% (R 12.4m)	52.9% (R14.3m)		44.1% (R35.7m)

Impact on <i>Morafe</i> : Additional Employment Information		
Indicator	Estimated Unemployed	2016 YTD Total
Number of new employment opportunities created through RBA projects (temporary and permanent) [From table above]		391
Number of Bafokeng employees in Phokeng-based RBN entities		459 (68.6%)
Phokeng Mall		317
Local SMME: Employment (54% data complete)		229 Mofokeng (2736 total)
Total	11606*	1,396

*Estimated number of unemployed people amongst the working age population (based on PULA 2011 statistics)

Remarks regarding departmental impact indicators and/or deliverables:

- The GCOO office oversees and assists in the attainment of impact indicator targets across all the RBN Social Delivery institutions and departments. Therefore, contributions to the impact indicators above reported here represent a consolidated figure across all the departments included herein (the sum of their parts). It should be noted that the figures reported below should not be viewed as additional benefits, as that would constitute double-counting.

GCOO Finance summary – as at 30 September 2016			
	YTD Budget	YTD Expenditure	Expenditure %
Annual 2015	R 6 612 115.00	R 4 214 775.00	63.7%
1st Q 2016	R 765 910.00	R 597 774.00	78.0%
2nd Q 2016	R 1 666 819.00	R 1 236 021.00	80.7%
3rd Q 2016	R 2 309 122.77	R 1 963 882.63	85%
4th Q (Annual) 2016	R 3 286 521.00	R 1 963 882.63	59.8%

Comments regarding financial situation:

- Department spent 85% of its year-to-date budget.

Organisational Performance & Project Management Office

OPMO Manager Note:

Highlights & major deliverables:

The RBN OPMO continued to focus on streamlining and improving its reporting and data collection efforts, as well as transferring of reporting skills to the rest of the team.

The ERP system integration project's budget push was successfully completed. Testing of the expenditure information push is now underway and should complete in the final quarter of 2016. Commercialisation of the OPMO and Enterprise Development (ED) Systems is at a feasibility stage of the project. A potential opportunity to commercialise to local Government Municipalities nationwide is being investigated through National Treasury and a potential partnership with Sage. The Phase 7.0 System development project is currently in abeyance pending the commercialisation discussions and prospects.

The OPMO further assisted all service delivery entities in the compilation of their draft 2017 budgets and consolidated the budgets for submission to RBN DT.

Challenges:

Quality updates of information on projects and programmes remains a concern, although the update targets are being met with greater regularity of late. The added challenge that one of the Technical Liaison Officers will be on maternity leave for the remainder of the year is placing an added burden on the two remaining members.

Departmental Deliverables:

OPMO Impact on <i>Morafe</i> and key deliverables							
Impact on <i>Morafe</i> indicators	2015 Total	2016 Target	1st Q 2016	2nd Q 2016	3rd Q 2016	4th Q 2016	2016 Total
Funding/income secured for specific projects	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00		R 0.00
Number of employment opportunities created through projects/ programmes (temporary and permanent)	0	0	0	0	0		0
Number of SMMEs receiving opportunities	1	1	0	0	0		0
Value of SMME opportunities	R65,137	R20,000	R 0.00	R 0.00	R 0.00		R 0.00
Major deliverables	2015 Total	2016 Target	1st Q 2016	2nd Q 2016	3rd Q 2016	4th Q 2016	2016 Total
Ratio of active projects updated by the final day of the month	560:600	95:100	153:153	137:139	154:157		444:449
Ratio of active programmes updated by the seventh day of each month	1087:1204	95:100	323:337	350:355	350:374		1023:1066
Number of OPMO online Monthly Reports published	12	12	3	3	3		9
Number of Makgotla reports compiled	-	10	1	3	3		7
Number of StratCo reports and ManCo presentations/reports compiled	10	12	2	4	3		9

Number of RBN Quarterly/ Annual Performance Reports compiled	4	4	1	1	1		2
Number of Ad-hoc reports compiled on request		0	0	1	0		1
Number of Operations Room tours facilitated	8	N/A	3	2	4		9
Number of RBN Scorecard updates	2	1	1	0	0		1

NVR: No Value Reported

Remarks regarding departmental impact indicators and/or deliverables:

- All targets were attained in this quarter. Commercialisation investigations are still underway and additional funds will be sourced subsequent to a favourable proposal being reached. A potential partnership agreement's financial viability is being investigated currently; if successful, the system could be rolled out to local municipalities nationally.

OPMO Finance summary – as at 30 September 2016			
	YTD Budget	YTD Expenditure	Expenditure %
Annual 2015	R 2 345 859.00	R 2 136 667.00	91.1%
1st Q 2016	R 495 866.00	R 398 304.00	80.3%
2nd Q 2016	R 991 732.00	R 899 199.00	90.7%
3rd Q 2016	R 1 511 531.93	R 1 446 547.86	95.7%
4th Q (Annual) 2016	R 2 110 080.00	R 1 446 547.86	68.6%

Comments regarding financial situation:

- This department spent 95.7% of its annual budget.

Research

Research Manager Note:

Highlights & major deliverables:

The PULA 2016 project is currently underway and the fieldwork was approximately 33% complete at the end of the third quarter of 2016. Integration of stand data with the RBN GIS system has proven successful and information gathered through PULA will be able to provide the RBN with the necessary information to develop a cadastral map that more accurately represents the reality and the lay of the land. 100 Bafokeng youth were trained as PULA enumerators and 90 of these are currently in the field conducting the surveys.

It is expected that the Household Survey section of PULA will comment in middle October as the finds for the project have now been secured. Final reports for both sections of PULA are expected to be available in January 2017.

The Shared Services Satisfaction project is also currently underway. Data collection was complete with a very satisfactory total of 136 RBN employees participating in the survey. Data analysis and report writing is currently underway and the final report is expected at the end of October.

Other big-ticket items included consultations around Plan 35, questionnaire design and report editing for the RBH Communications survey, and the development of the new atrium display for the RBN Civic Centre.

Challenges:

The South African Municipal elections resulted in a slight delay in the PULA fieldwork. However, the matter was swiftly dealt with and minimal impact was had on the project. Non-compliance of community members in certain villages is a continuous potential concern for the PULA project that is being actively managed by the Research team, Governance and the Service providers.

Departmental Deliverables:

Research Impact on Morafe and key deliverables							
Impact on Morafe indicators	2015 Total	2016 Target	1st Q 2016	2nd Q 2016	3rd Q 2016	4th Q 2016	2016 Total
Funding/income secured for specific projects	R200,000	R1.25m	R 0.00	R 0.00	R250,000		R250,000
Number of employment opportunities created through projects/ programmes (temporary and permanent)	32	70	0	0	0		0
Number of SMMEs receiving opportunities	0	1	0	0	0		0
Value of SMME opportunities	R 0.00	R20,000	R 0.00	R 0.00	R 0.00		R 0.00
Major deliverables	2015 Total	2016 Target	1st Q 2016	2nd Q 2016	3rd Q 2016	4th Q 2016	2016 Total
Number of studies, surveys and research projects conducted and completed	8	3	0	1	0		1
Number of presentations of research findings to stakeholders (internal and external)	-	N/A	3	0	0		3
Number of solicited and unsolicited independent researcher projects approved	9	N/A	0	2	1		3
Number of completed projects by independent researchers	6	N/A	0	0	0		0

NVR: No Value Reported

Remarks regarding departmental impact indicators and/or deliverables:

- All targets were attained in the past quarter. PULA and the Shared Services Satisfaction Survey projects have commenced. PULA fieldwork is expected to complete in the first week of November and reports will be received in December. The second phase of the PULA project, the Household Survey, will commence in the final quarter. And the Shared Services Satisfaction Survey will complete in October.

Research Finance summary – as at 30 September 2016			
	YTD Budget	YTD Expenditure	Expenditure %
Annual 2015	R 5 074 441.00	R 3 261 210.00	64.3%
1st Q 2016	R 1 180 656.00	R 198 849.00	16.8%

2nd Q 2016	R 2 493 313.00	R 1 561 569.00	62.6%
3rd Q 2016	R 3 987 468.91	R 2 881 329.09	72.3%
4th Q (Annual) 2016	R 5 398 327.15	R 2 881 329.09	53.4%

Comments regarding financial situation:

- This department spent 72.3% of its year-to-date budget. It's year-to-date spending will continue to improve now that the PULA project has commenced.

Royal Bafokeng Institute (RBI)

RBI Mandate:

Create economically active citizens.

RBI Executive Note:

Akayang:

Akayang Centre for Teacher Training has trained 52 1st Year Foundation Phase teachers, in collaboration with NWU. The intention is to add 80 more students in 2017. This programme is VERY promising in providing high quality teachers for our schools within 5 years.

Kitsong:

Kitsong has 120 students in 2016, in Grades 8 - 10. 2017 it will be home to 200 students. 90% of the teaching staff are Bafokeng. The curriculum is delivered through significant use of ICT. The results are extremely promising.

Post-Schools Programmes:

Construction School has graduated a number of certificated students who are eligible for the workplace. (Numbers in doc.)

Engineering School consistently produces student with N2 in Engineering Maths - enabling them to be placed in Internships for Artisan work. M Tech takes 10 students annually from this programme.

Hospitality School has produced a number of Certificate and Diploma students. The majority of these students are taken into employment.

Nursing: 30 students have completed the Home Based Care Certificate course. They will seek employment in the area, some will go on to further their Nursing studies.

Quality Assurance:

RBI is on track to establish itself as a HET Institution to enable it to deliver certified education programmes to the community. This programme will take two years to accomplish.

Student Services:

RBI continues to administer the Student Loans to Morafe's youth. Currently 179 young people benefit from this funding.

Schools:

RBI continues to work with SGBs in 40 schools, offering training. RBI has also been involved in educating parents of Grade R children in each region, to assist them in understanding the role that they play in the lives of their little ones.

Mathematics

Through funding from RBH, RBI has 3 Maths teachers who are developing Maths materials and who are working in The High School alongside afternoon classes for students in Phokeng. The programme of creating Maths videos in Setswana is very valuable and students in the Bafokeng schools are able to access these videos free of charge.

Challenges:

None reported.

Departmental Deliverables:

RBI Impact on Morafe and key deliverables							
Impact on Morafe indicators	2015 Total	2016 Target	1st Q 2016	2nd Q 2016	3rd Q 2016	4th Q 2016	2016 Total
Funding/income secured for specific projects	R14.4m	R 9.1m	R879,978	R733,739	R4,972,517		R6.6m
Number of employment opportunities created through projects/ programmes (temporary and permanent)	19	0	0	0	0		0
Number of SMMEs receiving opportunities	0	0	0	0	0		0
Value of SMME opportunities	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00		R 0.00
Major deliverables	2015 Total	2016 Target	1st Q 2016	2nd Q 2016	3rd Q 2016	4th Q 2016	2016 Total
RBI Schools' performance							
Overall grade 7 pass rate in RBN schools (%)	81.5%	80%	0:0	1205:1682 (71.7%)	1082:1591 (68%)		1082:1591 (68%)
Overall grade 12 pass rate in RBN schools (%)	68.9%	80%	0:0	931:1047 (88.9%)	859:1046 (82.1%)		859:1046 (82.1%)
ECD's and Schools							
Number of children enrolled in ECD programme	143	201	201	201	201		201
Number of ECD educators trained/ mentored	13	23	23	23	23		23
Number of Bafokeng employed on the ECD programme	19	23	23	23	23		23
RBI Kitsong							
Number of learners in Grade 8		60	64	-	-		64
Number of learners in Grade 9		40	46	-	-		46
Number of students in Grade 10		9	9	-	-		9
Student Services							

Number of students awarded with financial support		178	175	178	175		175
Number of student repaying the student loan		600	600	600	600		600
Teacher Development (Akayang)							
Number of students enrolled for the course	-	50	52	52	52		52
Ratio of students passed	-	70:100	-	42:52	-		42:52
Post-School							
Number enrolled in Engineering program		90	115	82	34		231
Ratio of students passing/completing the Engineering programme (%)	181:282	70:100	0:0	50:137 (36.5%)	60:100 (60%)		60:100 (60%)
Number enrolled in Construction program		NVR	230	0	173		173
Ratio of students passing/completing the Construction Programme		70:100	0:0	0:0	0:0		0:0
Number of Hospitality qualifications enrolled for		46	161	74	197		432
Ratio of students passing/completing the Hospitality Programme (%)	23:33	80:100	0:0	147:160 (91.9%)	0:0		147:160 (91.9%)
Number enrolled in Health Care Worker program		30	30	30	30		30
Ratio of students passing/completing the Health Care work Programme		70:100	0:0	0:0	0:0		0:0

NVR: No Value Reported

Remarks regarding departmental impact indicators and/or deliverables:

- Targets were generally well attained and reporting on all RBI programmes are now in progress.

RBI Finance summary – as at 30 September 2016			
	YTD Budget	YTD Expenditure	Expenditure %
Annual 2015	R 65 244 608.00	R 77 230 837.00	84.5%
1st Q 2016	R 16 160 259.00	R 16 012 517.00	99.1%
2nd Q 2016	R 36 201 254.00	R 32 044 722.00	88.5%
3rd Q 2016	R 49 578 418.81	R 44 900 718.50	90.6%
4th Q (Annual) 2016	R 66 082 119.00	R 44 900 718.50	67.9%

Comments regarding financial situation:

- RBI spent 90.6% of its year-to-date budget.

Lebone II

Lebone Mandate:

To be the standard for outstanding education and a resource to schools within the RBN.

Departmental Deliverables:

Lebone Impact on <i>Morafe</i> and key deliverables							
Impact on <i>Morafe</i> indicators	2015 Total	2016 Target	1st Q 2016	2nd Q 2016	3rd Q 2016	4th Q 2016	2016 Total
Funding/income secured for specific projects	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00		R 0.00
Number of employment opportunities created through projects/ programmes (temporary and permanent)	0	0	0	0	0		0
Number of SMMEs receiving opportunities	0	0	0	0	0		0
Value of SMME opportunities	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00		R 0.00
Major deliverables	2015 Total	2016 Target	1st Q 2016	2nd Q 2016	3rd Q 2016	4th Q 2016	2016 Total
Number of pupils enrolled at Lebone (Lower & Upper school combined)	622	N/A	736	736	729		729
Number/Ratio of pupils passing Matric (NSC) at Lebone	-	N/A	40:44	-	-		40:44
Number of Matrics passing with university exemption	34	N/A	36	-	-		36
Number of Matric (NSC) distinctions obtained	29	N/A	29	-	-		29
Number of staff newly enrolled for further studies (CPTD programme)	30	N/A	19	19	19		19
Number of food plates prepared at Lebone	236,691	200,000	91,802	107,021	59,254		258,077

NVR: No Value Reported

Remarks regarding departmental impact indicators and/or deliverables:

- Targets attained comfortably.

Lebone Finance summary – as at 30 September 2016			
	YTD Budget	YTD Expenditure	Expenditure %
Annual 2015	R79 466 917.00	R77 088 550.00	97%
1st Q 2016	R19 203 452.00	R18 152 143.00	94.5%
2nd Q 2016	R38 615 638.00	R38 062 168.00	98.6%
3rd Q 2016	R57 887 040.00	R57 879 978.00	99.98%
4th Q (Annual) 2016	R92 483 949.00	R57 879 978.00	62.6%

Comments regarding financial situation:

- Expenditure was 98.6% of its year-to-date budget.

Motswedi Wa Sechaba

Motswedi Mandate:

Social services to *Morafe* and group institutional support.

Arts & Culture

Arts & Culture Mandate:

Preserve heritage and foster strong culture.

Arts & Culture Manager Note:

Highlights & major deliverables:

Living Culture Programme:

Through this programme we offer limited financial support as well as technical support to local artists and create opportunities for artists to showcase their talent. In the second quarter, the highlight was the Youth Day Commemoration event which was hosted in collaboration with HSDS. 415 learners from seven Bafokeng high schools and a Christian-based juvenile rehabilitation centre participated in this event which was celebrated through art performances and dialogue. This event was preceded by training in various art forms by an artistic director who held training sessions in the seven schools and the rehabilitation centre.

Five performing groups were given an opportunity to showcase their talent and earn income through participation in Dithubaruba Cultural Festival and Kimberley celebrations.

Funding amounting to R9000 has been granted to one choral music group to enable participation in a music competition. R32 000 has been committed to sponsoring a mosaic art workshop by a local artist, procuring attire for a traditional dance group and sponsoring an indigenous medicinal plants book project.

Oral History:

A write-up of the profiles of Bafokeng heroes and heroines is 80% done. The profiles will be put on the Wall of Remembrance once the verification process has been completed. A verification process is underway for Dikgotla histories report.

A documentary entitled: Loeto la Bafokeng (The Bafokeng Journey) has been produced from previous oral history collections and will be launched soon.

Bafokeng Digital Archives

This is a repository of Bafokeng history and heritage. Collection of published notes in the archive is steadily growing. Uploads are at 70% of the year's targets and hits at 60% of the year's targets.

Physical Archive:

The first needs analysis consultation process has been completed. We are currently busy with a departmental consultation process which will enable us to customise Collaborator Records Management system to our needs.

Kimberley Pilgrimage:

The Kimberley pilgrimage successfully took place on 24/09/2016. The project was jointly done with Community Relations unit. In total, 350 people participated in the trip. Because the trip coincided with Heritage Day this year, in addition to the wreath laying ceremony at the Big Hole in the morning, we also had an afternoon celebration which lasted into the evening.

Challenges:

The main challenge remains inability to secure external funds for heritage sites development. This puts us at a disadvantage in terms of attracting tourists. Although we have a rich history, we are unable to maximize on it because our sites are not developed.

Departmental Deliverables:

Arts & Culture Impact on <i>Morafe</i> and key deliverables							
Impact on <i>Morafe</i> indicators	2015 Total	2016 Target	1st Q 2016	2nd Q 2016	3rd Q 2016	4th Q 2016	2016 Total
Funding/income secured for specific projects	R25,000	R 0.00	R 0.00	R 0.00	R 0.00		R 0.00
Number of employment opportunities created through projects/ programmes (temporary and permanent)	0	8	0	0	0		0
Number of SMMEs receiving opportunities	1	0	0	0	0		0
Value of SMME opportunities	R12,600	R 0.00	R 0.00	R 0.00	R 0.00		R 0.00
Major deliverables	2015 Total	2016 Target	1st Q 2016	2nd Q 2016	3rd Q 2016	4th Q 2016	2016 Total
Number of oral history interviews conducted	84	N/A	0	0	0		0
Number of article contributions in local newsletters		6	1	4	2		7
Number of uploaded items on the BDA	262	250	25	84	75		184
Number of events to celebrate Bafokeng heritage (language, dance, drama and culture) and tourist attractions facilitated	2	1	0	0	1		1
Rand-value of financial assistance offered to local artists	R81,490	R50,000	R4,800	R10,000	R9,000		R23,800
Number of local artists linked to business opportunities.	14	5	0	2	4		6

NVR: No Value Reported

Remarks regarding departmental impact indicators and/or deliverables:

- Financial assistance to local artists was the only target not attained this quarter.

Arts & Culture Finance summary – as at 30 September 2016			
	YTD Budget	YTD Expenditure	Expenditure %
Annual 2015	R 1 907 904.00	R 1 669 636.00	87.5%
1st Q 2016	R 443 158.00	R 308 407.00	69.6%
2nd Q 2016	R 886 317.00	R 653 323.00	73.7%
3rd Q 2016	R 1 355 125.15	R 1 170 111.79	86.3%
4th Q (Annual) 2016	R 1 909 854.00	R 1 170 111.79	61.3%

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Comments regarding financial situation:

- Arts & Culture spent 86.3% of its year-to-date budget in this quarter.

Health & Social Development Services (HSDS)

HSDS Mandate:

Monitor Health and Social Services.

HSDS Executive Note:

Highlights & major deliverables:

HSDS has, as usual, been a flurry of activities with some of the projects and programs covered very well, whereas some still more work to be done.

The Poverty alleviation program has seen an increase from 8 – 16 of our CNDC's effectively doubling the number of food plate to the needy. This being an anchor program for Community development has seen HSDS intensify the fundraising drive with several meetings with the mining houses who have shown some interest in funding this program.

The Rustenburg Show was well attended by our NGO's who showcased their various abilities of Arts and crafts. The Bakery at Potsaneng is also growing from strength to strength creating itself into a community hub.

The Aged program has been adversely affected by the closure of the Kutlwanong Aged Home, with more than 100 inhabitants having to be relocated. This has left us with a dilemma of repatriating the aged back to the very homes that could not at times care for them. Some of our aged has had to move to Old Age Homes outside of Rustenburg.

On Social Relief, and monthly Matsema continue on schedule with some great insights on Community dynamics. These dynamics have been picked up by Social development with the same trends surfacing. The trends show financial and material need as evidenced by the high unemployment figures in our area.

The abovementioned issues have direct impact on family wellbeing with resultant, domestic violence, substance abuse and child neglect. Our therapeutic interventions have been directed towards these

societal needs. The NGO's that assist with our Social Services continue to be in good standing. We remain concerned about the slow pace of the PWD Program and would need to fast track it in the next quarter.

VEP has got new funding, a life line just as we were getting worried about its sustainability. A bit of attention has to be given to the OVC Management team as they sometimes don't reach targets and may raise unnecessary issues from our funders.

The Youth Program both in and out of school has seen a variety of activities with the Youth Lekgotla due early in the 3rd Quarter and the finalization of the mediation process within the RBYD. HSDS has finally broken away from Love Life albeit amicably with the agreement that we would still jointly address youth issues should the need arise.

For this quarter the total inbound calls for EMRS Call Centre is 4441. The breakdown is as follows;

- Total EMS Calls = 1464
- Non-emergency = 2512
- PPT Calls = 455
- Fire = 10

Out of all EMRS calls 50 cancelled were cancelled due to the refusal of service; used private transport and other EMS services in MVA cases.

From the above calls 171 - P1; 1045 P2's; 62 P3's and 43 P4s were attended and conveyed to the appropriate health facilities. Furthermore, 68 MVA/PVA calls were attended.

Fire Unit has ensured that 107 RBN Buildings are fire ready. Six clinics staff members were refreshed on evacuation procedures and one emergency drill has conducted. Fire members play a major role in attending MVA's with responsibility of scene safety and patients rescue. 22 MVA/PVA and 09 structural fire and one civil unrest calls were attended.

On quality assurance aspect, EMRS staff members have attended 5 Peer reviews and ITLS training with a pass rate of 95% in total.

22 events have been attended with income generated to the value of R89 000.00 and with rental of ambulance service at Maseve has generated R535 000.00.

Health Services have primarily been concentrating on our clinics becoming ideal clinics in line with the National Core Standards. Our infection Prevention and Control has developed a specialized wound clinic at the Phokeng Health Centre and is now currently reaching out to the other clinics. We have had to develop our own Mental Health Care register with around 500 clients on the register. We do in clinic services as well as home visits for mental health care users. Second quarter sees the beginning of our annual circumcision drive and the target being 3-5000 circumcisions during this high volume period. Communicable and non-communicable conditions continue being monitored at the clinics with the HIV/AIDS/TB pandemic remaining a cause of great concern.

Challenges:

None reported.

Departmental Deliverables:

HSDS Impact on <i>Morafe</i> and key deliverables							
Impact on <i>Morafe</i> indicators	2015 Total	2016 Target	1st Q 2016	2nd Q 2016	3rd Q 2016	4th Q 2016	2016 Total
Funding/income secured for specific projects	R21.43m	R20m	R 6.67m	R 4.94m	R2.39m		R 14m
Number of employment opportunities created through projects/ programmes (temporary and permanent)	7	128	15	0	0		15
Number of SMMEs receiving opportunities	7	1	0	1	1		2
Value of SMME opportunities	R87,541	R 5,000	R 0.00	R 7,400	R 13,575		R 20,975
Major deliverables	2015 Total	2016 Target	1st Q 2016	2nd Q 2016	3rd Q 2016	4th Q 2016	2016 Total
Provincial Food Distribution Centres							
Rand value of food procured	R2.76m	N/A	R758,153	R998,332	R1.17m		R2.92m
Number of households provided with food plates in Bafokeng CNDC	250	2,500	750	750	750		2,250
Health							
Total number of patients at clinics (incl. Mobile)	335,887	N/A	84,684	97,748	112,944		295,376
Number of immunisations in RBN	59,028	20,000	10,949	14,883	17,522		43,354
EMRS & Fire							
Number of EMRS calls attended	5,598	4,400	1,382	1,382	1,436		4,200
Number of Patients conveyed by EMRS and PPT	7,285	4,700	1,741	1,704	1,844		5,289
Number of community members trained on basic emergency skills	25	90	31	36	39		106
Number of fire incidents responded to	84	N/A	11	10	42		63
Social Services							
Casework services (Capital, North, North East & South East) – Number of cases assessed	733	720	204	202	225		631
Casework services (Capital, North, North East & South East) – Vulnerable children placed in care	5	N/A	3	0	0		3
Number of individuals supported through Victim Empowerment Program centres	2,875	900	160	437	354		951
Number of PwD on the RBN database	400	150	186	75	75		75
Number of food parcels given to identified orphaned families (North and Capital)	2,291	1,560	535	538	447		1,520
Number of food plates given to orphaned children (North and Capital)	34,548	17,000	5,436	6,030	10,538		22,004
Number of youth volunteers appointed	50	50	55	55	55		55
Psychological services: Number of patients and referrals from Bafokeng	266	410	83	151	279		513

clinics, youth centre and Police station attended to							
Community Development							
Number of food packs distributed to destitute families through the Social Relief programme	318	120	87	110	120		327
Number of aged individuals benefitting from the Care for the Aged programme	1,100	1,100	1,100	1,096	787		787
Number of food plates distributed to older persons	12,087	11,550	2,180	3,032	2,564		7,776
Number of stands with new backyard/vegetable gardens in the community through aged programme	20	6	6	5	4		15
Allied Team							
Mental health: Number of patients in register	335	N/A	400	400	409		409
Physiotherapy: Patients	3,365	2,750	718	1,143	982		2,843
Physiotherapy: Number of People with Disabilities provided with assistive devices	455	260	63	90	101		254
Radiology: Examinations	1,415	1,200	406	445	445		1,296
Integrated nutrition programme: Patients (HIV/AIDS & TB; Hypertension, Diabetes & Chronic; Infant and under five mortality)	1,025	1,175	211	373	362		946

NVR: No Value Reported

Remarks regarding departmental impact indicators and/or deliverables:

- Targets were successfully attained across all programmes apart from a dramatic reduction in the number of people on the disability database and the number of local SMMEs that were used in the execution of projects. The latter was simply due to an identified saving in the use of one SMME to execute all functions instead of multiple appointments.

HSDS Finance summary – as at 30 September 2016			
	YTD Budget	YTD Expenditure	Expenditure %
Annual 2015	R38 426 023.00	R36 030 227.00	93.8%
1st Q 2016	R10 382 587.00	R 7 552 784.00	72.7%
2nd Q 2016	R20 707 273.00	R16 857 837.00	81.4%
3rd Q 2016	R30 310 909.09	R25 712 930.80	84.8%
4th Q (Annual) 2016	R43 726 044.00	R25 712 930.80	58.8%

Comments regarding financial situation:

- HSDS spent 81.4% of its year-to-date budget.

Royal Bafokeng Enterprise Development (RBED)

RBED Mandate:

Maximise participation of local entrepreneurs in local economy.

RBED Manager Note:

Highlights & major deliverables:

The negative impact of the depressed local industry resulting from the platinum slowdown is still felt, but some positive signs for the future in the platinum price and the restart of the Steyldrift project are beginning to show. The Impala spend improvement plan for local SMME participation is beginning to have an effect. Since the start of the vendor registration project with Impala last year 35 new vendors have been approved and a total turnover amount of R 70 million in purchase orders have been awarded to these SMME. Local companies are also achieving benefit from the replacement of the 14# conveyor, for example Interflex NW, with a stake held by business people from Luka has supplied the required conveyor belt. Two of the local SMME Dinoko and Temo Western explosives JV have started technical trials of their products at Impala. If these trials are successful, they will be awarded some of the contracted supply volume in those key mining commodities. (Detonators and mining drill bits)

A further R 1 million in funding has been approved by ABSA and there is more than R 10 million in the pipeline under review currently. A concern remains the funding readiness of SMME as applications are often delayed by the lack of management accounts, budgets and financial statements. RBED and the ABSA team are working to improve financial systems and reporting in the portfolio of SMME to address this. One of the tools used is the web based accounting system, SMEASY, supported by the Dept of Small business. RBED annually provides training to SMME in business administration, the accounting package and also provides SMME with a one year subscription to start using the package. ABSA have further invested in the facilities at the centre, installing blinds to make the offices a better working environment for the team.

AN additional R 1.8 million in funding has been approved by RBH for 2016 and negotiations continue with potential funders to support the development work of the RBED.

To date procurement spend with RBN stakeholders including RBI, Marang, Lebone, sports, RBA and RBED have totalled R 29.8 million. Procurement spend from Impala and RBP has reached a total of R 316 million. Increased focus on including Bafokeng SMME on the approved suppliers list of Impala and RBP has allowed 12 New SMME to become suppliers so far this year. SMME with youth ownership participation have received business to the value of R 5.3 Million from RBN entities and R 7 million from local stakeholder companies to date this year.

A total of 52 business owners have attended the Electra Mining show this quarter to expose them to the mining industry supply chain and increase understanding of the industrial opportunities. 16 Catering companies have attended a week long professional cooking course after needs identified at events such as Dumela Phokeng were identified. Another group will attend a similar course in October. The farmer's markets have continued and several SMME also exhibited at the Piekfijn show in Rustenburg in

September. Workshops hosted by SEDA, Labournet, SMEASY, SCNET and other development partners have assisted us to enrich the knowledge of SMME and improve their operational skill.

To date 936 SMME have been registered on the RBED module owned by more than 1471 entrepreneurs, again significantly up from the number of SMME registered in the past. The third 2016 edition of Tswelelopele, the RBED e-mag, has been published. Take up on the RBED flipboard magazine has been positive with 48 viewers and 1092 pages of articles in the magazine viewed to date.

The focused approach programme has been progressing well, in total 10 SMME have exhibited at the Rustenburg Mining and Technical exhibition in July, supported by the RBED, SEDA and Geoserve (one of the MOGS investee companies). Battery electric, another MOGS investee company has selected one of the electrical contractors to be their enterprise and supplier development beneficiary for this year and a number of SMME have presented their companies to both Geoserve and Battery electric for opportunities for the future.

RBED has joined hands with CCBSA (formerly ABI), SEFA and TELKOM to run a youth entrepreneurship programme in the Bafokeng villages for the next six months. After a rigorous training and selection programme, 45 youth will be supported via grant funding and loans from SEFA to start a containerised spaza shop / fast food outlet. This will create jobs and will also support the retail initiatives from the RBED.

Two contracted consultants have joined the team, Rre Bobby Segoe and Kabelo Moatshe to expand the reach of the team. Bobby will be directly involved in the CCBSA youth programme and Kabelo will drive youth business development as well as spending one day per week in the regional office in Mamerotse and after it's opening in November, one day per week in the South East regional office.

Challenges:

Capacity in the RBED remains an issue, but we are cooperating with other development institutions to increase the available resources to serve the community. Spend reporting from Mines has been very slow, we are still awaiting the reports for Impala for this quarter as they are redeveloping the report.

Departmental Deliverables:

RBED Impact on <i>Morafe</i> and key deliverables							
Impact on <i>Morafe</i> indicators	2015 Total	2016 Target	1st Q 2016	2nd Q 2016	3rd Q 2016	4th Q 2016	2016 Total
Funding/income secured for specific projects	R9.1m	R 7m	R2.56m	R 0.00	R2.06m		R 4.62m
Number of employment opportunities created through projects/ programmes (temporary and permanent)	123	0	0	0	0		0
Number of SMMEs receiving opportunities	29	0	0	1	0		1
Value of SMME opportunities	R20.59m	R 0.00	R 0.00	R7,400	R 0.00		R7,400

Major deliverables	2015 Total	2016 Target	1 st Q 2016	2 nd Q 2016	3 rd Q 2016	4 th Q 2016	2016 Total
Business Linkages							
Value of Enterprise Development spend by external stakeholders	R2.5m	R3.5m	R450,000	R450,000	R1.36m		R2.26m
Number of SMME benefited from ED Spend by external stakeholders	310	15	152	249	33		289
Value of procurement spent (all mines)	R526.98m	R600m	R166.2m	R119.1m	R48.3m		R333.5m
Number of SMMEs linked as per procurement spent from mines	924	940	285	60	73		418
Value of procurement spent by RBN Entities (% Discretionary Spend – R108m (2016))	-	R60m (50%)	R9m (33.3%)	R 12.4m (45.9%)	R 14.5m (53.1%)		R35.9m (44.2%)
Number of SMMEs linked as per procurement spent	-	378	152	178	186		516
Enterprise Development							
Number of farmers participating on farmers market day	-	72	10	22	14		46
Number of SMMEs attending Business/ Enterprise workshops	783	250	100	169	125		484
Number of job created through cooperatives	20	45	7	38	0		45
Number of SMME registered on database	792	N/A	837	870	944		944

NVR: No Value Reported

Remarks regarding departmental impact indicators and/or deliverables:

- More targets were missed in the third quarter, resulting also in year-to-date target misses. This could presumably be as a result of economic downturn as well as overly optimistic target setting.

RBED Finance summary – as at 30 September 2016			
	YTD Budget	YTD Expenditure	Expenditure %
Annual 2015	R16 977 745.00	R 7 271 755.00	42.8%
1st Q 2016	R 1 127 832.00	R 626 752.00	55.6%
2nd Q 2016	R 2 155 661.00	R 1 599 094.00	74.2%
3rd Q 2016	R 3 243 490.81	R 2 638 093.12	81.3%
4th Q (Annual) 2016	R 4 849 423.00	R 2 638 093.12	59.8%

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Comments regarding financial situation:

- RBED spent 81.3% of its year-to-date budget.

Royal Bafokeng Sports (RBS)

RBS Mandate:

Coordinate sport in Bafokeng regions.

RBS Manager Note:

Highlights & major deliverables:

Athletics:

Athletics managed to have 2 athletes participating at the 2016 Rio Olympic Games (Tsholofelo Thipe fourth at the Olympics and Jacob Rozani). Kabelo Mohlosi and Jacob Rozani represented SA at CAA AFRICAN Championships in June 2016 and Jacob Rozani placed continental runner up. 1 of our junior athletes, Phemelo Matlhabe, participated in Poland at the IAAF WORLD JUNIOR Champs this year. We had over 40 kids inducted into the Athletics Development program this year. Coaching Clinic, Courses and Workshops for coaches and Volunteers were conducted by the Provincial Federation. A total Number of 40 athletes participated at the provincial Track and field games and 32 participated at National track and field games. A total Number of 30 athletes participated at the provincial Cross country games and 32 participated at National Cross country games. More athletics achievements include:

- 7 athletes qualified for the School Provincial championships.
- 7 athletes participated at the School Provincial championships at Potchefstroom.
- 30 Athletes participated at ANWN Provincial Championships at Olympia Stadium on 12 March 2016.
- 7 athletes participated at the School National championships at Bloemfontein
- 20 Participated at the ASA Sub youth, Youth, Junior, and under 23years National Championship at Germiston on 31 March-02 April 2016.
- 2 Coaches participated at the Masters and Veteran Athletics Meeting League 1 at Germiston on the 09 April 2016.
- 10 senior athletes participate at ASA National championships (Rio trials) from 13 April till 17 April 2016 at Stellenbosch.
- 2 Athletes (Tsholofelo Thipe and Jacob Rozani) - obtained medals at the National Championships and also qualifying for the Olympics games.

Basketball:

The Commencement of the Royal Bafokeng Jr.NBA-Harvard Exchange program with two interns, Nani Redford and Sydney Skinner, arriving on the 10th of June 2016. The commencement of the Jr.NBA Johannesburg U14 League in May 2016 with two teams representing the Royal Bafokeng Jr.NBA Basketball Program. Coach Kgolagano Rakhudu departing for USA on the 6th of July 2016 for his NBA Summer League Internship to be held in Las Vegas from the 7th to the 18th of July 2016. The RBS Jr.NBA U19 Girls Team participated and won the Pietermaritzburg Girls High Basketball Tournament from the 29th to the 31st of July 2016. Three RBS Jr.NBA Personnel, Thabiso Mogakabe, Vincent Ramorwesi (Former Players) and Kopano Rakhudu (Thethe High School Coach), played their 1st professional game of the Basketball National League (BNL) representing the North West Eagles professional team on the 26th of August 2016.

The RBS Jr.NBA Annual Basketball Tournament took place from the 26th to the 28th of August 2016, Where the RBS Jr.NBA U16 Girls and Boys teams claimed gold and the U19 Boys managed to finish in 2nd place. Three Coaches; Tshepo Tau, Cornelius Ramosotho and Kgolagano Rakhudu, were selected to participate as Camp Coaches at the Basketball Without Borders (BWB) Africa Camp which was hosted in Luanda, Angola from the 31st of August to the 3rd of September 2016.

Metshameko (Netball, Football and cross country in schools – mass participation):

The RBS Metshameko League coaching clinics were held on the 15th and 16th of April 2016. There were 29 primary schools, 58 teacher coaches, 10 RBS volunteers and 970 learners. The RBS Metshameko League was launched at Bonwakgogo Primary School, with 6 North Region primary schools, 12 Teacher coaches, 20 RBS Volunteers and 180 learners participating; and so far, 11 games for both netball and football have been played. The North East Region League kick-started in May 2016 with 6 Schools, 12 Teacher coaches, 6 RBS Volunteers, 180 Learners. And so far 6 games for both netball and football have been played. The Central Region League also kick-started on May 2016 with 4 Schools, 8 Teacher coaches, 6 RBS Volunteers, 120 Learners. And so far 6 games for both netball and football have been played. The South East Region League commenced in the same month with 4 Schools, 8 Teacher coaches, 6 RBS Volunteers, 120 Learners. And so far 6 games for both netball and football have been played. The top 2 teams finished on top of the log from 4 regional leagues qualified for RBS Metshameko league finals which will be held at Bonwakgogo primary. The finals will have a total number of 16 teams (8 Netball teams and 8 Football teams).

Cross country

A total of 56 kids from RBN schools participated at the schools provincial championships that took place in Kuruman, where Omphile Molotsi came home with a gold medal and Amantle Modingoana came fourth. Nationals is taking place on the 1st of October.

Transport

We managed to purchase two new branded Avansa vehicles for RBS programme.

Royal Bafokeng Community Capacity Building Project

22 Bafokeng community members are attending a 6 months training programme on Lead a community sport activity. 9 Bafokeng community members are participating a 1 year training programme (One Year fitness certificate). A total number of 31 community members enrolled on the programme.

RBS Wellness Program

RBS hosted a Bakwena lifestyle 5km walk/run which was graced by his Royal Highness Kgosi Leruo who opened up the event with thanks and deep words of encouragement after which, Kgosana Rapetsana did us the honour of starting of the race for the runners and walkers. The event had a total number of 700+ attended, we had hoped for more but we guess our marketing of the event and timing (winter) made us flop to the level at which we aspired, our intention is to make it a monthly event.

Martial Arts

28 kids attended the National Karate championships (Mpumalanga) scooped 35 medals in Total followed up by RBN Gashuku in November.

Disabled Sports

Roadshows done in all Regions to be followed up by the final Tournament in November.

Rugby

Kopano Senne – 19yrs earned a Rugby scholarship with University of Pretoria through Blue bulls Rugby Union for 2017.

Upcoming Events:

- RBS Wellness program (November)
- Basketball finals (October 29th)
- RBS Metshameko Football and Netball finals (October 22nd)
- Athletics Annual high performance Camp (12 December – 2nd January Moremogolo Primary school)

Challenges:

The organisation currently suffers from a lack of human resources/ man power and facilities in most of the regions. Not having enough sport medical staff as required. Staff motivation due to one year fixed contracts every year and low salary wages. Office transport due to unavailability of drivers. The outsourced transportation is often late and that has the ability to jeopardize the program since we are working with children. Affiliation fee for the league amongst RBN primary schools. Lack of drivers.

Departmental Deliverables:

RBS Impact on Morafe and key deliverables							
Impact on Morafe indicators	2015 Total	2016 Target	1st Q 2016	2nd Q 2016	3rd Q 2016	4th Q 2016	2016 Total
Funding/income secured for specific projects	-	R 0.00	R 0.00	R5,800	R12,300		R18,100
Number of employment opportunities created through projects/ programmes (temporary and permanent)	-	2	0	0	25		25
Number of SMMEs receiving opportunities	21	2	3	0	12		3
Value of SMME opportunities	R369,900	R 8,000	R12,300	R 0.00	R107,145		R119,445
Major deliverables	2015 Total	2016 Target	1st Q 2016	2nd Q 2016	3rd Q 2016	4th Q 2016	2016 Total
Basketball							
Number of people participating in the Basketball programme	1,008	1,030	1.035	1.035	1.035		1.035
Number of players participating in the Provincial teams.	18	9	1	0	0		1
Number of local coaches selected for Provincial and National duties.	8	3	1	0	0		1
Number of players attaining Basketball scholarships (Local/International)	0	3	3	0	3		6
Netball							
Number of netball clubs in RBN	32	29	29	29	29		29
Number of players in all the netball clubs in RBN	505	500	505	590	500		500
Number of leagues games played	37	4	0	4	7		11
Athletics							
Number of children, youth and adults participating in athletics.	910	417	240	192	241		673

Number of Athletic events hosted involving local athletes	22	N/A	1	0	1		2
Number of scholarships awarded to athletes	2	17	5	3	0		8
Number of athletes qualifying for provincial competitions	149	N/A	89	0	28		117
Disability Sport							
Number of PwD participating in the disability programme		N/A	59	25	25		25
RBS Metshameko Football							
Number of children participating in the league games		1,200	75	390	727		1,117
Number of children identified to play in the academy		N/A	0	0	0		0
Number of learners participating in high school tournaments within Royal Bafokeng Nation		540	0	0	640		640
Martial Arts							
Number of Martial arts participants enrolled		110	0	30	0		30

NVR: No Value Reported

Remarks regarding departmental impact indicators and/or deliverables:

- Targets were generally well attained in the third quarter of 2016.

RBS Finance summary – as at 30 September 2016			
	YTD Budget	YTD Expenditure	Expenditure %
Annual 2015	R 41 687 366.00	R 42 474 366.00	102%
1st Q 2016	R 3 580 267.00	R 2 181 546.00	60.9%
2nd Q 2016	R 8 410 534.00	R 5 075 583.00	60.3%
3rd Q 2016	R 11 627 051.46	R 7 916 446.17	68.1%
4th Q (Annual) 2016	R 17 157 402.00	R 7 916 446.17	46.1%

Comments regarding financial situation:

- This department spent 68.1% of its year-to-date budget. The department is expected to increase its expenditure as the year comes to an end and more sporting events take place.

Shared Services

Shared Services Mandate:

Render HR, Financial, Procurement, IT and Legal services to the RBN.

Shared Services Executive Note:

Highlights & major deliverables:

During the period under review we established and chair an RBN Broadband Steering Committee whose mandate is to steer the process of engaging a technology partner who will roll out broadband in the RBN at its own cost and share profits with RBN. This will result in WIFI coverage in the RBN and will create an enabled environment for provision of E-Learning and E-Health services to Morafe. Proposals in this regard has been received and are being considered. We have also commenced negotiations with Rustenburg Local Municipality (RLM) and the National Department of Water Affairs on the draft Water Service Provider/ Water Services Intermediary agreement. The thrust of this agreement is that RBN will be appointed as an agent of RLM in terms of the Water Services Act to provide water in the RBN and will be legible to receive government grants and subsidies for this service. We went live with the ERP system during the second quarter and the focus during the period under review has been to ensure an increased uptake of the system and to actively resolve teething problems and conduct training of super users and users of the system. Following our finalisation of the Asset Verification and Re-compilation of the Asset Register project, we have during this period compiled an inventory of obsolete assets to be disposed and we have now obtained approval to seek a resolution of Supreme Council to authorise the disposal of these assets. We have also finalised the project to replace all tracking devices in our fleet of vehicles with new and latest devices which will assist secure our assets. We have also commenced a project to review an update enterprise wide policies and to conduct a gap analysis to determine areas where new policies have to be developed. We continue to monitor our turnaround times of all our cluster departments and are in general satisfied with performance so far though we strive to continuously improve.

Challenges:

The resolution of ERP system teething problems has been a challenge but we are confident that we will resolve issues with the assistance of the service provider.

Shared Services Executive Finance summary – as at 30 September 2016			
	YTD Budget	YTD Expenditure	Expenditure %
Annual 2015	R 2 242 682.00	R 892 030.00	39.8%
1st Q 2016	R 531 102.00	R 475 359.00	89.5%
2nd Q 2016	R 1 062 204.00	R 955 174.00	89.9%
3rd Q 2016	R 1 593 305.48	R 1 428 837.69	89.7%
4th Q (Annual) 2016	R 2 281 988.00	R 1 428 837.69	62.6%

Comments regarding financial situation:

- The Shared Services department spent 89.7% of its year-to-date budget.

Human Resource (HR)

HR Manager Note:

Highlights & major deliverables:

The Human Resources Department focused on its customary support functions including planning and preparation for employee events i.e. Wellness Day and Year End event. Committee meetings are routinely held to track progress on planning of these events. The Wellness Day event was successfully held on the 2nd September 2016 at the Royal Marang Hotel sports grounds and was supported by many donors who are mostly doing business with RBN. Planning for the Year End event has commenced and is on track. As relates to Recruitment and Selection, 15 Land Monitoring Members, 1 Call Centre Agent and 1 Town Planning Officer were appointed during this quarter at Protective Services and Infrastructure Maintenance departments respectively and the department managed the process. A position for Intern: Enterprise Development was advertised at RBED and applications close on the 30th September 2016 and appointment will be finalised in due course. Interviews for the positions of Section 2IC and Section Leader at Protective Services were conducted and appointments will be finalised after approval by management.

Payroll, Provident Fund and Benefits: – Salaries were paid timeously as well as third party organisations which includes but not limited to UIF, Compensation Commissioner, Provident fund, Medical Aid ect. Study Financial Assistance for two employees who applied for study was processed and granted. 10 employees were trained in-house for First Aid and 15 employees as Fire Marshals during this period as part of the Health and Safety Programme.

We continuously conducted support to all employees and managers on the Performance Management process. A total of 365 performance assessments were expected from all departments. By close of quarter three, we had received 330 performance assessments and 35 are still outstanding. Submission of performance assessments for the first semester was announced to staff and closed on the 27th June 2016. Two disciplinary hearings were conducted at Protective Services and Municipal Services and final written warnings were issues to both employees. We further continue to assist managers with the administration of progressive discipline which does not require formal enquiries but alternative corrective action.

Challenges:

Most of the departments do not comply with time frames/deadlines. Documents are submitted way after the cut-off dates regardless of the number of follow ups made by the department.

Departmental Deliverables:

HR Impact on <i>Morafe</i> and key deliverables							
Impact on <i>Morafe</i> indicators	2015 Total	2016 Target	1st Q 2016	2nd Q 2016	3rd Q 2016	4th Q 2016	2016 Total
Funding/income secured for specific projects	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00		R 0.00

Number of employment opportunities created through projects/ programmes (temporary and permanent)	0	0	0	0	0	0	0
Number of SMMEs receiving opportunities	7	0	0	0	0	0	0
Value of SMME opportunities	R87,916	R 0.00	R 0.00	R 0.00	R 0.00		R 0.00
Major deliverables	2015 Total	2016 Target	1st Q 2016	2nd Q 2016	3rd Q 2016	4th Q 2016	2016 Total
Number of performance management agreements received	321	364	164	158	0		322
Number of performance management assessments received	736	728	0	295	28		323
SDL Levy Paid to SETA	R2.71m	R960,000	R292,365	R285,087	R280,984		R858,436
Mandatory Grant Received from the SETA	R 0.00	R162,000	R 0.00	R 0.00	R 40,395		R 40,395
Number of employees benefitting from study assistance	18	N/A	22	1	4		27
Number of employees benefitting from courses paid for by RBN	46	N/A	2	0	0		2

NVR: No Value Reported

Remarks regarding departmental impact indicators and/or deliverables:

- Delayed submissions of performance agreements as well as the completion of the performance assessments, continue to pose a problem. The mandatory grant from SETA was paid in the third quarter.

HR Finance summary – as at 30 September 2016			
	YTD Budget	YTD Expenditure	Expenditure %
Annual 2015	R 4 939 482.00	R 4 496 801.00	91%
1st Q 2016	R 1 537 745.00	R 741 420.00	48.2%
2nd Q 2016	R 3 075 490.00	R 2 332 470.00	75.8%
3rd Q 2016	R 3 638 234.31	R 3 550 525.98	97.6%
4th Q (Annual) 2016	R 5 074 770.00	R 3 550 525.98	70%

Comments regarding financial situation:

- The HR department spent 97.6% of its year-to-date budget. Expenditure improved markedly in the second quarter.

Information Technology (IT)

IT Manager Note:

Highlights & major deliverables:

We have during this period started a process of repatriate our IT domains which are currently hosted by 5 different service providers and to have them reregistered in the RBA name. The medium term plan is to

manage these domains in-house as this will reduce costs, improve maintenance and ensure services uptime. We installed new additional printers at REBD, RBS, EMRS and RBI to ensure service continuity and convergence of the printing service under one service provide which improves management and gives us a leverage to bargain for lower prices. We commenced a project to develop an electronic organogram of the RBN and have completed the first phase which comprises profiles and photos of management and have placed it on the Intranet. The second phase will relate to the photos of the remaining employees and will also be placed on the Intranet when complete.

The department also takes part in the RBN Broadband Steering Committee and plays an advisory role on technology/technical related aspects. The rollout of ERP (SAGE) has been complemented by auditors who were appointed to ensure compliance to best practice and the department was part of the technical audit of the system by PWC and we are auctioning their recommendations. The department is also taking part in the document management system project and is the lead in the technical configuration of the system. This system relates to the electronic filing of documents and will resolve the filing challenges currently experienced in the organisation. The Call Centre Contact Management System (CCCMS) project which includes recording options for the reception telephones has been completed and is in operation and the client department staff were trained on the operation and maintenance of the system. We have also finalised the development of the RBN share-call Hotline and have handed the system to Protective Services for management though we will continue to give them technical support. The department has commenced with a project to upgrade Lebone internet line from 24Meg to 100Meg for eLearning purposes and we plan to have it completed by the end of November 2016. We have also conducted a feasibility study aimed at RBA providing 10Meg internet bandwidth to Royal Marang Hotel and the results were positive and a proof of concept was approved by the parties. The parties will enter into an SLA and RBA will effectively become a bandwidth service provider to Marang Hotel. The plan is to later extend this service to Ananda Hotel.

Challenges:

IT budgetary contains to undertake necessary projects is another challenge as well as staff shortage. Being able to standardise on IT platform and equipment remains a challenge due to people difference in taste and preferences.

Departmental Deliverables:

IT Impact on <i>Morafe</i> and key deliverables							
Impact on <i>Morafe</i> indicators	2015 Total	2016 Target	1st Q 2016	2nd Q 2016	3rd Q 2016	4th Q 2016	2016 Total
Funding/income secured for specific projects	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00		R 0.00
Number of employment opportunities created through projects/ programmes (temporary and permanent)	0	0	0	0	0		0
Number of SMMEs receiving opportunities	0	0	0	0	0		0
Value of SMME opportunities	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00		R 0.00
Major deliverables	2015 Total	2016 Target	1st Q 2016	2nd Q 2016	3rd Q 2016	4th Q 2016	2016 Total
Number of Helpdesk requests resolved	1,851	720	356	1,257	352		1,965
Number of content uploads to the Digital Archive	9	N/A	2	11	10		23

Website up time percentage	99%	>99%	100%	98.7%	100%		99.6%
Internet service up time percentage	94%	>99%	100%	98%	100%		99.4%
Server service up time percentage	96%	>99%	100%	100%	100%		100%
Phone up time percentage	94%	>99%	99%	100%	100%		99.7%
% Uninterrupted ERP support	94%	95%	94%	97.3%	98%		96.4%

NVR: No Value Reported

Remarks regarding departmental impact indicators and/or deliverables:

- All major third quarter, as well as, year-to-date targets were attained in this department.

IT Finance summary – as at 30 September 2016			
	YTD Budget	YTD Expenditure	Expenditure %
Annual 2015	R17 688 953.00	R15 538 712.00	87.8%
1st Q 2016	R 3 083 104.00	R 2 104 040.00	68.2%
2nd Q 2016	R 6 293 539.00	R 5 430 383.00	86.3%
3rd Q 2016	R 9 440 309.04	R 8 929 292.84	94.6%
4th Q (Annual) 2016	R12 837 865.00	R 8 929 292.84	69.6%

Comments regarding financial situation:

- The IT department spent 86.3% of its year-to-date budget.

Procurement

Procurement Manager Note:

Highlights & major deliverables:

As part of its key deliverable, Procurement Unit supports different departments and entities by conducting fair procurement processes. An ERP system has been installed with the objective of enhancing aforesaid procurement processes. Departmental reports of the ERP system are being finalised and the supplier database is being enriched from time to time. Different departments and entities are utilising the ERP efficiently and are well supported by IT and procurement units. Training relating to ERP is continuous.

We have enhanced controls related to the white and yellow fleet of the Royal Bafokeng Administration by installing tracking device in the more than 177 fleet. The aforementioned tracking device system assists management to retrieve stolen or hijacked vehicles as well as monitoring driver behaviour and traffic violations. We have broadened our tendering scoring points to include points for female ownership and RBN regions and villages (points for service providers who are domiciled where the project is taking place). This is done in addition to the scoring points allocated to youth and people with disabilities. We will be actively participating in the policy review project with a view to have procurement and fleet policies and procedures updated in accordance with the latest legislative requirements, standard of good practice as well as corporate governance.

We have awarded the following tenders during the period under review:

- Civil work for the renovation of the Old Lefaragatlhe Pump Station;
- Rehabilitation of upgraded roads in the Bafokeng Villages;
- PULA survey.

The following tenders are expected to be awarded in the fourth quarter:

- Plumbing maintenance;
- Cleaning of buildings;
- Buildings electrical maintenance;
- Street light electrical maintenance;
- Waste management;
- Installation of Prepaid Water metres in all RBN households.

Challenges:

Different RBN departments/entities will assist procurement to expedite all projects and programs by responding to enquiries in time. We will continue to ensure that different departments include Procurement Unit in their weekly or monthly meetings with a view to proactively sort out possible challenges on procurement issues. Departure of Procurement Interns at the end of November 2016, will affect the procurement function adversely.

Departmental Deliverables:

Procurement Impact on <i>Morafe</i> and key deliverables							
Impact on <i>Morafe</i> indicators	2015 Total	2016 Target	1st Q 2016	2nd Q 2016	3rd Q 2016	4th Q 2016	2016 Total
Funding/income secured for specific projects	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00		R 0.00
Number of employment opportunities created through projects/ programmes (temporary and permanent)	0	0	0	0	0		0
Number of SMMEs receiving opportunities	0	0	0	0	0		0
Value of SMME opportunities	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00		R 0.00
Major deliverables	2015 Total	2016 Target	1st Q 2016	2nd Q 2016	3rd Q 2016	4th Q 2016	2016 Total
Fleet Management							
Number of requests to utilise vehicles	457	N/A	152	188	208		548
Procurement							
Number of tenders awarded	6	N/A	1	1	1		3
Total Rand Value of awarded Tenders	R 42.5m	N/A	R1.99m	R5.22m	R4.96m		R12.17m
Total Rand value awarded to local SMMEs - Tenders	R 38.4m (90.4%)	N/A	R1.99m (100%)	R0.00 (0%)	R4.96m (100%)		R6.95m (57.1%)
Number of Purchase Orders generated	2,676	1,200	440	598	734		1,772
Total Rand Value of awarded Purchase Orders	R 56.41m	R 12m	R7.19m	R9.59m	R11.55m		R28.33m
Total Rand value awarded to local SMMEs- Purchase Orders	R13.85m (24.6%)	R3.6m	R1.87m (26%)	R2.25m (23.5%)	R2.11m (18.3%)		R6.23m (22%)

NVR: No Value Reported

Remarks regarding departmental impact indicators and/or deliverables:

- All targets were attained in the third quarter of 2016.

Procurement Finance summary – as at 30 September 2016			
	YTD Budget	YTD Expenditure	Expenditure %
Annual 2015	R 6 838 830.00	R 7 851 836.00	114.8%
1st Q 2016	R 1 942 535.00	R 1 540 012.00	79.3%
2nd Q 2016	R 3 917 377.00	R 3 205 618.00	81.8%
3rd Q 2016	R 5 876 065.85	R 6 172 604.54	105%
4th Q (Annual) 2016	R 8 159 861.00	R 6 172 604.54	75.6%

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Comments regarding financial situation:

- Procurement spent 105% of its year-to-date budget. The over expenditure is due to the centralisation of Stationary & Printing and Staff Refreshments. Budget adjustments will be made accordingly.

Finance

Finance Manager Note:

Highlights & major deliverables:

The department has undertaken and or finalised the following projects during the period under review:

- The audit of 2015 Annual Financial Statements of RBN entities (RBI, RBED, RBS, Platinum Starts and RBA) has been completed. There were no major audit findings on the audit reports issued for all mentioned entities. The audit reports have been presented to the RBN Audit Committee on the 14 July 2016.
- The RBI server hosting the accounting system (Pastel) crashed in January and we lost all the 2015 financial data. Data had to be recaptured in preparation for the annual financial statement audit and that was achieved before the start of the audit.
- Preparation of Annual Financial Statement (AFS) of RBN entities (RBI, RBED, RBS, Platinum stars, RBA and RBN Group consolidation) has been finalised. RBI AFS have been signed by both auditors and RBI Board of Directors. The AFS of RBED, RBS, Platinum Stars, RBA and RBN Group will be presented by the auditors to the RBNDT Audit committee in October 2016. The RBNDT Audit committee will then recommend the AFS for approval by the Supreme Council and the boards of respective entities.
- Asset verification and compilation of the RBN Fixed Assets Register has been completed, the final report will be presented by the service provider in October 2016. In this project, obsolete assets were also identified and recorded. Recommendations are that these assets be disposed in a form

of an auction, recycling or donation to worthy causes within the RBN. The final report has been prepared and will be presented to Supreme Council for approval.

- ERP customisation has been finalised. Financial data from 2008 to 2015 has been migrated onto the new system. We are currently busy with the back capturing of the financial data for the 2016 financial year. As a precautionary measure, we are capturing financial transactions in both the old and new systems so that we can test the accuracy of processing and controls of the new system.
- We have recovered R13m of VAT from SARS through a service provider (Maxprof) and the money has been paid into RBA bank account. Treasury has distributed this funds after the 1st quarter budget review to departments who requested additional funding.

We continued to produce monthly management reports for all entities and departments and processed weekly payments to service providers.

Challenges:

Shortage of staff remains a challenge and the resignation of one of the Accountants early in the year has added to the problem. The workload in the department has been shared amongst the Interns whose terms of service is coming to an end in November 2016. This will have a negative impact on the departmental performance as the workload now will be shared amongst the five remaining employees. Refresher training of ERP users has to happen in order to address issues of incorrect use of General Ledger accounts and projects / programmes when procuring for services.

Departmental Deliverables:

Finance Impact on Morafe and key deliverables							
Impact on Morafe indicators	2015 Total	2016 Target	1st Q 2016	2nd Q 2016	3rd Q 2016	4th Q 2016	2016 Total
Funding/income secured for specific projects	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00		R 0.00
Number of employment opportunities created through projects/ programmes (temporary and permanent)	0	0	0	0	0		0
Number of SMMEs receiving opportunities	0	0	0	0	0		0
Value of SMME opportunities	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00		R 0.00
Major deliverables	2015 Total	2016 Target	1st Q 2016	2nd Q 2016	3rd Q 2016	4th Q 2016	2016 Total
Number of Financial statements prepared and submitted to different departments	218	240	78	78	78		234
Number of Clean Audit reports on financial statements	4	4	0	0	6		6
R-value of total income received (incl. Grants)	R360.1m	N/A	R129.2m	R239.9m	R115.9m		R484.97m
R-value of debts collected (Rental property)	R2.154m	R4.8m	R1.2m	R1.5m	R1.2m		R3.9m
R-value of debts collected (Water and Rates)	R2.154m	R840,000	R68,262	R16,814	R 5,500		R90,576

NVR: No Value Reported

Remarks regarding departmental impact indicators and/or deliverables:

- Debt collection remains well under target as community engagements are still underway regarding payment for services. Collection is expected to increase in 2017.

Finance department's Finance summary – as at 30 September 2016			
	YTD Budget	YTD Expenditure	Expenditure %
Annual 2015	R11 511 680.00	R10 681 680.00	92.8%
1st Q 2016	R 2 721 874.00	R 2 207 220.00	81.1%
2nd Q 2016	R 5 443 748.00	R 6 222 968.00	114.3%
3rd Q 2016	R 8 165 622.52	R 8 028 564.29	98.3%
4th Q (Annual) 2016	R11 195 611.00	R 8 028 564.29	79.8%

Comments regarding financial situation:

- Finance spent 98.3% of its year-to-date budget.

Legal

Legal Manager Note:

Highlights & major deliverables:

We have drafted the Water Service Provider/ Waters Services Intermediary agreement with Rustenburg Local Municipality (RLM) and have commenced the negotiations on it. The thrust of this agreement is that RBN will be appointed as an agent of RLM in terms of the Water Services Act to provide water in the RBN and will be legible to receive government grants and subsidies for this service. This is one of the SLA's flowing from the MOU between RBN and RLM. The negotiations have been fruitful and RLM has obtained advice from the Department of Water Affairs on this matter who advised that RBN instead be appointed as a Water Services Intermediary and we are hopeful that the agreement will be finalised and signed in the fourth quarter.

As part of our continuous management and monitoring of impact of planned legislation on RBN, we have during the period under review submitted the RBN's comments on the draft Expropriation Bill and the BBBEE Charter for the South African Mining and Mineral Industry and will monitor if our comments have been considered and incorporated in the final products. We also support the HR department with initiation of disciplinary matters as and when they arise and provide legal advice where required. We also continue to provide company secretarial services to the boards and board sub-committees of several of our incorporated entities (RBI, Platinum Stars FC and RBS) as well as generic legal services to all the Phokeng based RBN entities. The drafting and vetting of contracts remains one of the key functions of the department and during the period under review we have over and above the drafting of regular service level agreements also drafted contracts where RBN and government were parties i.e the

agreement between RBN and North West Department of Health where RBN will manage a psychiatric centre and provide services to public patients on behalf of the department, the RBN/RLM service level agreement on waste management etc. We continue to manage litigation for and against RBN and its entities which includes criminal, civil and labour matters in the Magistrates courts, High courts and the Labour Court.

Challenges:

The anticipated challenge is the foreseeable depleting of legal consultants budget before the end of this financial year.

Departmental Deliverables:

Legal Impact on <i>Morafe</i> and key deliverables							
Impact on <i>Morafe</i> indicators	2015 Total	2016 Target	1st Q 2016	2nd Q 2016	3rd Q 2016	4th Q 2016	2016 Total
Funding/income secured for specific projects	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00		R 0.00
Number of employment opportunities created through projects/ programmes (temporary and permanent)	0	0	0	0	0		0
Number of SMMEs receiving opportunities	0	0	0	0	0		0
Value of SMME opportunities	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00		R 0.00
Major deliverables	2015 Total	2016 Target	1st Q 2016	2nd Q 2016	3rd Q 2016	4th Q 2016	2016 Total
Number of litigious matters pending by the end of the reporting period	10	N/A	4	7	7		7
Number of litigious matters finalised during the reporting period	10	N/A	3	2	3		5
Number of contracts and/or SLAs compiled across all client departments	142	N/A	66	12	16		94
R-value of legal costs incurred	R1.763m	R1.32m	R39,660	R64,800	R577,689		R682,149

NVR: No Value Reported

Remarks regarding departmental impact indicators and/or deliverables:

- All targets were attained in this quarter.

Legal Finance summary – as at 30 September 2016			
	YTD Budget	YTD Expenditure	Expenditure %
Annual 2015	R 4 471 253.00	R 3 517 045.00	78.7%
1st Q 2016	R 892 547.00	R 171 368.00	19.2%
2nd Q 2016	R 1 622 955.00	R 446 866.00	27.5%
3rd Q 2016	R 1 622 955.00	R 1 197 325.47	54.6%
4th Q (Annual) 2016	R 3 031 937.88	R 1 197 325.47	39.7%

Comments regarding financial situation:

- Legal spent 54.6% of its year-to-date budget. This is due to the fact that the new Legal Manager was not yet appointed and there is thus a saving on this expense.

Public Service Management

PSM Mandate:

Increase partnerships with government for major infrastructure and municipal services.

Departmental Deliverables:

Public Services Executive Finance summary – as at 30 September 2016			
	YTD Budget	YTD Expenditure	Expenditure %
Annual 2015	R 2 520 968.00	R 1 277 273.00	50.7%
1st Q 2016	R 471 248.00	R 444 813.00	94.4%
2nd Q 2016	R 942 496.00	R 889 470.00	94.4%
3rd Q 2016	R 1 413 743.88	R 1 348 944.50	95.4%
4th Q (Annual) 2016	R 2 038 838.00	R 1 348 944.50	66.2%

Comments regarding financial situation:

- 95.4% of this department's year-to-date budget is spent.

Municipal Services Management

Municipal Services Management Executive Note:

Highlights & major deliverables:

The RBA falls within the RLM Municipal area of jurisdiction. This presents certain challenges especially when the Municipality faces unchartered terrains. At the time of writing this executive summary, the Executive Mayor had just resigned (04 October 2016) and it seems the new Executive Mayor will be elected on the 7 October 2016. It is hoped that the 'new' election of the Executive Mayor will put to bed the leadership question for the municipality.

In the previous quarter, we said and prayed "that there also hope that the will not be ground-breaking changes on the Administrative/Management side of the municipality". True to this, it is reported that some Directors of the key departments which we work with closely have either resigned or contracts not renewed. Specifically, the Unit Manager: Water and the Director Planning, are no longer with the

Municipality. This creates an uncertain direction regarding our Water Agreement discussion with the Municipality, as well as the SPLUMA, and the implementation of the Integrated Master Plan discussions at bay.

On the other hand, the RLM/RBN Water Service Agreement deliberations are at an advanced stage and it gives us much comfort that we have managed to involve the Department of Water & Sanitation for guidance on the discussions.

The RBA has completed the Needs Identification for the Integrated Development Plan (IDP) processes and we are at this stage consolidating these for submission at the Governance structures. This is very critical as the Municipal IDP process is about to begin.

On the other hand, we have begun with the development of MIG water projects business plans and we will submit this to the MIG office at the Municipality.

On the Rates & Taxes, we have completed our fact-finding efforts with the Municipality's valuation office and we are at this stage compiling new categories which will be submitted to the Municipality for consideration. These efforts are aimed at creating a new paradigm for a municipality which has land belonging to a traditional authority. For example, this category must spell out how the valuation roll will address a property such as the civic centre.

The implementation of Social Labour Plans (SLP) by the Mines is going according to plan. Impala Platinum has started with the procurement process for the construction of the roads and the appointment of a contractor is envisaged to be completed by 30 October 2016.

The Luka-Mogono Bulk Water Line will be under construction on the Third Quarter. All the design and costing were completed in the Second Quarter. We are awaiting the Department of Minerals Resources to approve the Section 105 application which was submitted by Impala Platinum for the altering of Molotlegi High School project into the Luka-Mogono Bulk Line.

The Kanana Multi-Purpose Centre project is out on tender and Impala Platinum will adjudicate the tender before end of October 2016.

The Anglo Platinum SLP is going well, and the major project is the Mfidikoe Sewer Project is being handled by Anglo Platinum and the Rustenburg Development Trust. The Trust has approved is embarking on the detailed study and the appointment of consultants for this is almost complete.

The "Payment for Services" is going according to plan. The Scope for the Project is completed and we are at a stage where our Procurement Department will be calling for or inviting companies with interest.

Challenges:

As indicated, the new Municipal council pose a challenge in that work regarding the municipality has slowed down.

Departmental Deliverables:

Municipal Services Impact on <i>Morafe</i> and key deliverables							
Impact on <i>Morafe</i> indicators	2015 Total	2016 Target	1 st Q 2016	2 nd Q 2016	3 rd Q 2016	4 th Q 2016	2016 Total
Funding/income secured for specific projects	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00		R 0.00
Number of employment opportunities created through projects/ programmes (temporary and permanent)	0	0	0	0	0		0
Number of SMMEs receiving opportunities	0	0	0	0	0		0
Value of SMME opportunities	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00		R 0.00
Major deliverables	2015 Total	2016 Target	1 st Q 2016	2 nd Q 2016	3 rd Q 2016	4 th Q 2016	2016 Total
Rand value of IDP contributions by RLM		N/A	R 0.00	R19.3m	R 0.00		R19.3m
Rand value of SLP contributions by mining houses	-	N/A	R3m	R11.05m	R16.4m		R30.4m

NVR: No Value Reported

Remarks regarding departmental impact indicators and/or deliverables:

- Actual values in this department are reliant on the completion of projects by RLM and the mining SLPs. In total, R 49.7m worth of projects were completed rendering an in-kind benefit to the RBN community.

Municipal Services Finance summary – as at 30 September 2016			
	YTD Budget	YTD Expenditure	Expenditure %
Annual 2015	R 3 212 904.00	R 3 486 760.00	108.5%
1 st Q 2016	R 445 091.00	R 271 415.00	61.0%
2 nd Q 2016	R 890 182.00	R 541 414.00	60.8%
3 rd Q 2016	R 1 335 273.23	R 1 187 035.09	88.9 %
4 th Q (Annual) 2016	R 1 885 079.00	R 1 187 035.09	63%

Comments regarding financial situation:

- Municipal Services spent 88.9% of its year-to-date budget. Expenditure improved dramatically in the third quarter.

Land Use Management & Agriculture

Land Use & Agriculture Executive Note:

Highlights & major deliverables:

In the second quarter, the development of the Land Policy received a new impetus. The Policy is about to be presented to the Supreme Council. This means in the Third Quarter, there will be much emphasis being

placed on Implementation and Execution of the Policy. The Policy will help facilitate the development of the area faster and unblock investment opportunities.

From the Agriculture side, there Department has gained traction with regard to creating enabling environment.

The establishment of the Mini-Market is on schedule and it is envisaged that the project will be completed by the end of November and ready to be used by the farmers. This will afford the Cattle-Farmers an opportunity to sell their stock without having to travel extensive distances.

Ninety percent (90%) of the Cattle Posts have been provided with Wind-Mills and Crush-Pens. This has greatly assisted the farmers against the severe drought experienced in the summer months on 2016. In the Third Quarter, we hope to complete the allocation of all the Cattle-Posts with these amenities.

We have fully investigated the planting of "Sweet-Grass" in some of the farms, which will made available to the farmers to supplement their food rations for the cattle.

We have succeeded in the purchase of the fifth tractor. This affords every Region with a Tractor. This will make matters easy for the crop and vegetable farmers.

Challenges:

The introduction of SPLUMA and the proclamation by the Municipality will pose a challenge on how the land would be managed going forward in particular with regards to the newly conceptualised projects by Moumo on Housing and the Industrial facility.

Departmental Deliverables:

Land Use Impact on <i>Morafe</i> and key deliverables							
Impact on <i>Morafe</i> indicators	2015 Total	2016 Target	1st Q 2016	2nd Q 2016	3rd Q 2016	4th Q 2016	2016 Total
Funding/income secured for specific projects	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00		R 0.00
Number of employment opportunities created through projects/ programmes (temporary and permanent)	0	20	0	0	0		0
Number of SMMEs receiving opportunities	6	0	0	0	0		0
Value of SMME opportunities	R600,000	R 0.00	R 0.00	R 0.00	R 0.00		R 0.00
Major deliverables	2015 Total	2016 Target	1st Q 2016	2nd Q 2016	3rd Q 2016	4th Q 2016	2016 Total
Environmental Management							
Number of EIA reports Reviewed	16	6	4	3	4		11
Food Security							
Number of <u>fruit trees</u> provided to community members		25	0	0	30		30
Number of <u>seedlings</u> provided to community members		10	0	20	10		30

Number of farmers assisted with using <u>agricultural vehicles and equipment</u>		70	13	22	24		59
Number of stands with newly established <u>backyard gardens</u>	85	4	6	5	20		31
Rand value of funds accessed for assisting backyard gardeners		R500,000	R 0.00	R30,000	R 0.00		R30,000
Land Use Management							
R-value of legal costs incurred on land related matters		R 5m	R 0.00	R4.147m	R1.263m		R5.41m
Agriculture							
Value of livestock produce sold through the informal market	R346,600	R150,000	R 67,000	R 49,700	R156,400		R273,100
Value of livestock produce sold through the formal market	R333,400	R500,000	R 15,000	R178,780	R369,200		R462,980
Number of crush pens erected for cattle farming	10	6	0	0	0		0
Boreholes/windmills installed	4	6	0	0	0		0
Km of firebreaks installed	5	100	0	0	0		0
Value of funding received to assist local farmers	R10.06m	R250,000	R 1m	R 30,000	R 0.00		R1.03m

NVR: No Value Reported

Remarks regarding departmental impact indicators and/or deliverables:

- Erection of crush pens, boreholes/windmills and installation of fire breaks have not been executed as planned in 2016.

Land Use Finance summary – as at 30 September 2016			
	YTD Budget	YTD Expenditure	Expenditure %
Annual 2015	R24 054 361.00	R17 932 118.00	74.5%
1st Q 2016	R 3 253 137.00	R 1 972 468.00	60.6%
2nd Q 2016	R 8 679 352.00	R 6 981 566.00	80.4%
3rd Q 2016	R12 384 412.15	R10 156 012.76	82%
4th Q (Annual) 2016	R16 972 990.00	R10 156 012.76	59.8%

Comments regarding financial situation:

- This department spent 82% of its year-to-date budget.

Infrastructure Maintenance

Infrastructure Maintenance Manager Note:

Highlights & major deliverables:

The emphasis of the Water and Sanitation unit was to focus on improving the maintenance and operational systems so as to improve the management and the monitoring and reporting of some of the tasks. Although there still areas with regular water shortage/interruptions, a short term alternative of

supplying water by means of water-tankers has been implemented since April 2015. Water reticulation extensions were also constructed in various RBN villages through the general plumbing maintenance budget which at this stage has been exceeded.

The Lefaragatlhe Pump Station Upgrading Project is going according to Plan. This will alleviate some of the regular water shortages in the greater Phokeng area. The extreme weather conditions have affected the water testing intervals and additional chlorine had to be dosed to achieve the required water quality results.

The Luka-Mogono Bulk Line is running behind schedule as we are awaiting the Department of Mineral Resources for the approval of the project (Section 102 application). We have approached the department to assist in the speeding up of the project.

The Second Quarter saw the procurement process of the Road Maintenance being completed. We will be appointing a contractor to implement the project. Furthermore the Impala Platinum SLP roads will commence in the Third Quarter. On the other hand, the Anglo Platinum SLP roads will also commence. Our Roads Team is leading these processes.

The RBN Facilities Management (Property Department) focused on streamlining and improving its financial management reporting. The main objective was to ensure that information on collected income was gathered and made available to enable comparison with previous months as well as previous year.

Again, the division was able to increase the number of allocated farms for rental purposes, despite the poor conditions that the farms are in. Ensuring that all the tenants have valid lease agreements in place was also an element that was given more attention.

Development Planning focussed on the allocation and determination of land use. To ensure that development takes place in a healthy and orderly way, to the social and economic advantage of the community the Integrated Rustenburg Local Municipality / Royal Bafokeng Nation Master Plan was a priority project for this quarter. The further development of the Geographical Information System (GIS) for planning purposes in terms of maintenance and updates was done. Furthermore on an ongoing basis all land use change applications are evaluated in terms of the RBN Master Plan for infrastructure development and relevant stakeholders engaged on their future plans. Land use planning is also an ongoing process. This activity specifically relates to densification, current and future allocation of stands, approvals, documentation and information required (procedures), provision of information on realignment of stands to the Surveyor on a regular basis and amendment of layout plans when needed. Related to that fencing, stand and street alignments are an ongoing process.

A land use management workflow system linked to the Geographical Information System (GIS) was developed during 2011 to enable the department to electronically capture applications for stands, planning and development applications. Due to changes in the stand allocation, the workflow process has been finalised and we are updating it in the system.

Storing of plans and drawings of all Bafokeng villages, including layout plans, infrastructure and building plans take place on a regular basis and plans are readily made available. Infrastructure plans and drawings are also kept as hard copies and scanned. A project to link these plans to the Geographical Information System (GIS) is being developed and should be finalized in the last quarter.

Challenges:

Funding / budget required to implement some of the recommendations mentioned on the water **study report**, especially upgrading some of the bulk water supply pipe lines like Ga-Luka and Phokeng which will improve the water supply to high lying areas.

The finalisation of the appointment of additional office staff is still causing a major delay in the effective and efficient functioning of the department. The reliance / dependence of this office on Finance, in terms of financial reporting, puts pressure on the office with regard to reporting at OPMO level. Regularity of programme updating is compromised as a result.

The finalisation of the stand allocation workflow and the issues relating to land use management In terms of the verification of the documents before stands can be allocated needs to be attended to by land management to ensure that the community needs are met.

Departmental Deliverables:

Infrastructure Impact on Morafe and key deliverables							
Impact on Morafe indicators	2015 Total	2016 Target	1st Q 2016	2nd Q 2016	3rd Q 2016	4th Q 2016	2016 Total
Funding/income secured for specific projects	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00		R 0.00
Number of employment opportunities created through projects/ programmes (temporary and permanent)	132	71	0	0	0		0
Number of SMMEs receiving opportunities	9	0	0	0	0		0
Value of SMME opportunities	R3.18m	R 0.00	R 0.00	R 0.00	R 0.00		R 0.00
Major deliverables	2015 Total	2016 Target	1st Q 2016	2nd Q 2016	3rd Q 2016	4th Q 2016	2016 Total
Development Planning							
Stand allocation (audit) [Development planning]	70	44	10	16	21		47
New Infrastructure							
Total value of new Infrastructure development	R19.8m	R 0.00	R 0.00	R 0.00	R 0.00		R 0.00
Stands with new piped water on site (stand connections) [Provision of water]	129	0	0	0	0		0
Infrastructure Maintenance							
R-value spent on the maintenance of gravel roads	R 3.97m	TBD	TBD*	TBD*	TBD*		TBD
R-value spent on maintenance of functional RBN facilities and equipment ¹	R20.9m	TBD	TBD*	TBD*	TBD*		TBD

¹ Sewer Plants, general plumbing, electrical, RBN buildings, RBN properties and schools and the water pump station maintenance programmes are included.

Number of reservoirs cleaned/ rehabilitated	4	0	0	0	0		0
Number of stands from which waste is collected	19,671	19,671	19,671	19,671	19,671		19,671
Property Management							
Invoiced amount – Commercial	R 2.99m	R3m	R 908,856	R 589,729	R 872,237		R 2.37m
Rental Received – Commercial	R 1.98m	R2.4m	R 743,297	R 492,550	R 711,894		R 1.95m
Invoiced amount – RBN Farms	R 2.59m	R2.4m	R 778,074	R 791,007	R 851,909		R 2.42m
Rental Received – RBN Farms	R 1.6m	R1.92m	R 433,133	R 407,483	R 441,361		R 1.28m
Invoiced amount – RBN properties occupied by staff	R292,171	R318,000	R 86,262	R 82,347	R 82,067		R250,676
Rental Received – RBN properties occupied by staff	R160,434	R254,400	R 41,011	R 62,165	R 68,362		R171,538
Income received in arrears - Commercial	R487,811	N/A	R 97,316	R 365,327	R 0.00		R462,642
Income received in arrears – RBN Farms	R472,459	N/A	R 3,500	R 0.00	R 0.00		R 3,500
Income received in arrears - properties occupied by staff	R 12,020	N/A	R 8,981	R 0.00	R 0.00		R 8,981

*Will only be reported after the back capturing by Finance is completed on the new ERP system. Expected availability; end of November 2016. .

NVR: No Value Reported

Remarks regarding departmental impact indicators and/or deliverables:

- Targets were mostly attained in the third quarter of 2016.

Infrastructure Finance summary – as at 30 September 2016			
	YTD Budget	YTD Expenditure	Expenditure %
Annual 2015	R 190 109 741.00	R 173 199 014.00	91.1%
1st Q 2016	R 48 448 491.00	R 25 721 606.00	53.1%
2nd Q 2016	R 96 896 983.00	R 69 611 749.00	71.8%
3rd Q 2016	R 143 822 973.92	R 111 912 783.62	77.8%
4th Q (Annual) 2016	R 192 875 209.00	R 111 912 783.62	58%

Comments regarding financial situation:

- Infrastructure maintenance spent 77.8% of its year-to-date budget. Expenditure has continued to improve since the first quarter and is expected to continue on this trend as the year comes to an end.

Protective Services

Protective Services Manager Note:

Highlights & major deliverables:

During the first eight months [January 2016 to August 2016] of 2016 Protective Services attended to on average 349 crime incidents monthly, which emulate to 12 crime incidents attended to during every 24 hours [2788 crime incidents]. The Department's crime fighting units arrested a total of 656 suspicious criminals during the first eight months of 2016 ... thus it arrested on average 82 suspects per month or slightly less than three suspicious criminals every 24 hours. It conducted 127 joint operations with the SAPS and Public Safety in particular... thus, on average, conducting a joint crime fighting operation with the above mentioned crime fighting stakeholders every second day.

The Department received on average 12 crime related calls – every 24 hours - from the broad RBN Community during the first eight months of 2016 [2790 crime related Community calls to the Reaction Force control room].

Twenty one investigations [ranging from theft to fraud to misuse of official equipment and involving general RBA and other RBN Entity members and Protective Services members] were conducted by Protective Services investigators during the first eight months of 2016. Relevant detail reports were submitted and disciplinary action has been initiated against the perpetrators or is still in progress.

A total of 15 members were internally recruited and appointed to staff the newly established Land Unit. The Land Unit will focus exclusively on the monitoring, policing and prevention of RBN Land abuse. The 15 Land Unit members are still on an official relevant training course - presented in house - at the Protective Services premises at Old Lebone.

The newly established Land Unit is scheduled to be operational from Monday the 10th of October 2016.

Challenges:

The reduction of relevant Protective Services staff – via natural attrition such as resignations – has caused gaping holes in the Department's capacity to attend to particularly crime related incidents which require specialised skills. Protective Services has lost the valuable services of five members [four resignations and one retirement] during the first eight months of 2016.

Departmental Deliverables:

Protective Services Impact on <i>Morafe</i> and key deliverables							
Impact on <i>Morafe</i> indicators	2015 Total	2016 Target	1st Q 2016	2nd Q 2016	3rd Q 2016	4th Q 2016	2016 Total
Funding/income secured for specific projects	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00		R 0.00
Number of employment opportunities created through projects/ programmes (temporary and permanent)	±120	±120	±120	±120	±120		±120
Number of SMMEs receiving opportunities	2	2	2	2	2		2
Value of SMME opportunities	R 14.3m	R 14m	R 3.4m	R 2.2m	R3.16m		R 8.76 m

Major deliverables	2015 Total	2016 Target	1st Q 2016	2nd Q 2016	3rd Q 2016	4th Q 2016	2016 Total
Tribal Policing							
Number of crime incidents were attended	5,714	N/A	1,142	1,085	1,301		3,528
Number of cases, as identified under criminal procedures act, investigated and completed	1,127	N/A	241	169	176		586
Number of arrests made	1,067	N/A	304	223	204		731
Value of assets lost due to theft and vandalism	R 26,000	N/A	R 0.00	R 0.00	R 0.00		R 0.00

NVR: No Value Reported

Remarks regarding departmental impact indicators and/or deliverables:

- In comparison with the corresponding indicator from the first three quarters of 2015, the number of attended/reported crime incidents reduced substantially year-on-year from 4,273 (17.5% reduction).

Protective Services Finance summary – as at 30 September 2016			
	YTD Budget	YTD Expenditure	Expenditure %
Annual 2015	R43 842 307.00	R42 489 828.00	96.9%
1st Q 2016	R10 598 611.00	R 9 692 333.00	91.4%
2nd Q 2016	R22 120 299.00	R18 598 512.00	84.1%
3rd Q 2016	R32 481 795.00	R27 539 918.73	85.4%
4th Q (Annual) 2016	R46 434 525.00	R27 539 918.73	59.8%

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Comments regarding financial situation:

- Protective Services spent 85.4% of its year-to-date budget.

Traditional Governance

Traditional Governance Executive note:

Highlights & major deliverables:

Traditional Council

For the period under review, 10 meetings have been held by the Traditional Council.

Community Engagements

Councillors and the Secretary of Council engaged Makgotla on the payment of services. We have seen overwhelming support of the Community for payment of services at the DP, KK, KK ya BoRe and Makgotla Execs.

Council of Dikgosana (COD)

To date, 4 meetings of the COD were held. The Office of Traditional Affairs is currently handling 7 disputes that arose from the recommendations of the Commission of Enquiry on Bogosana. The COD agreed that all disputes relating to Bogosana should be finalised by the end of October 2016.

Supreme Council (SC)

The Supreme Council (SC) have to date, held a total of 7 meetings, 4 of which were special sittings.

2017 Budget Discussions

The SC established a special committee known as the G20 to discuss the 2017 Budgets. These discussions were mainly focused on possible reductions from the Current budget of R610m to R420m. From the discussions held over the twelve month period, various scenarios and approaches were discussed. Furthermore a finally a cost cutting and realignment scenario called the "Hybrid Scenario" was adopted. The scenario was developed with focus on the Aggressive scenario, which looked at Key functions and the mandate of the RBN.

Municipal Council/Stakeholder Engagements

With the advent of the Local Government elections, it was not easy to engage the Municipal Councillor on issues of collaboration, as they were preparing for elections and thus most Councillors were out of the office

Education Policy

The Education Policy is at its final stage of drafting. The OOK, RBI, SC and Makgotla will be engaged on the policy upon completion.

Land Policy

Draft of the Land Use Management policy has been finalised. Makgotla, SC and Entity Executives were engaged at the inception stage of the Land policy. Further consultations will be done prior to the approval from the SC and the OOK.

Grave Yard Development Policy

The Grave Yard Development plan has been presented to Council. From inputs of the SC, guidelines have been developed for drafting of the policy.

Kgotha Kgothe & Dumela Phokeng

The KK and DP meetings of the 1st semester went very well. The November Kgotha Kgothe is scheduled to take place on 19 November 2016.

Tribal Court

An average of 60 cases were handled during the period under review. The Employment Contract of the Tribal Court's Presiding Chairman has been terminated due to old age. We have however secured his services on a 12 months term ending December 2016. Appointment of the successor is urgent.

Opening of the SC

Completed successfully in the first quarter of 2016.

Challenges:

None reported.

Departmental Deliverables:

Traditional Governance Impact on <i>Morafe</i> and key deliverables							
Impact on <i>Morafe</i> indicators	2015 Total	2016 Target	1st Q 2016	2nd Q 2016	3rd Q 2016	4th Q 2016	2016 Total
Funding/income secured for specific projects	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00		R 0.00
Number of employment opportunities created through projects/ programmes (temporary and permanent)	140	180	14	140	77		231
Number of SMMEs receiving opportunities	20	40	19	26	18		63
Value of SMME opportunities	R1.24m	R1m	R340,696	R546,398	R326,982		R1.214m
Major deliverables	2015 Total	2016 Target	1st Q 2016	2nd Q 2016	3rd Q 2016	4th Q 2016	2016 Total
Traditional Governance							
Number of Supreme Council sittings	13	4	1	3	11		16
Number of Traditional Council meetings facilitated	10	12	3	3	17		23
Number of Makgotla Executive meetings facilitated	4	4	0	0	2		2
Number of cases finalised and documented in the Tribal Court	135	N/A	23	67	58		148
Community Engagement							
Number of issues of Segoagoe published	4	6	1	2	1		4
RBN Review- Supreme Council Opening	1	1	1	0	0		1
Number of Kgotha-kgothe events hosted	2	4	0	1	2		3
Number of community member attending Kgotha-kgothe	1,998	5,000	0	1,323	1,568		2,891
Number of Dumela Phokeng events hosted	0	6	0	6	0		6
Number of adults attending Dumela Phokeng	0	2,000	0	1,398	0		1,398

NVR: No Value Reported

Remarks regarding departmental impact indicators and/or deliverables:

- Targets were generally well attained with the number of governance meetings increasing markedly in the past quarter. Attendance at community events such as Kgotha Kgothe and Dumela Phokeng are still missed. These targets have been missed by some margin for a number of years and revision of these targets, as well as a reduction in the number catered for, should be considered in order to save costs to the organisation.

Traditional Governance Finance summary – as at 30 September 2016			
	YTD Budget	YTD Expenditure	Expenditure %
Annual 2015	R38 846 794.00	R33 110 169.00	85.2%
1st Q 2016	R 8 818 977.00	R 7 505 657.00	85.1%
2nd Q 2016	R18 007 186.00	R16 401 600.00	91.1%
3rd Q 2016	R26 993 470.85	R24 969 871.24	92.5%
4th Q (Annual) 2016	R38 242 569.00	R24 969 871.24	65.3%

Comments regarding financial situation:

- Traditional Governance had spent 92.5% of its year-to-date budget by the end of the third quarter of 2016.

Recommendations

UPDATE RESPONSIBILITY AND ACCOUNTABILITY:

The first recommendation is that the project and programme managers should take greater responsibility for registering and updating their projects and programmes on the RBN OPMO System. This responsibility should form part of their performance agreements and the OPMO will provide a report of system use and compliance to heads of institutions and departments prior to every performance assessment period.

REALLOCATION OF PROJECT AND PROGRAMME BUDGETS:

Due to unavailability of information on the breakdowns of budgets in projects and programmes during the capturing of 2016 budgets, the OPMO manager was forced to capture budgets in accordance with previous years' breakdowns. Thus, the distinct possibility exists that project and programme budgets will need to be reallocated subsequent to the go-live of the new ERP system. This process has commenced in the second quarter, but would need continued attention—particularly with the 2017 budget process scheduled to commence in the third quarter.

DEPARTMENTAL INVOLVEMENT IN CAPTURING OF 2017 BUDGETS:

It is imperative that departments be very involved in the capturing of project and programme budget information for the 2017 budget cycle. The integration of the OPMO system with the ERP system is now fully functional and operational. Thus, accuracy of financial information and in-depth and accurate reporting will depend solely on the quality of the information captured on the system.