

Royal Bafokeng Nation's Quarterly Performance Report

1st Quarter 2018



ROYAL BAFOKENG NATION

31/05/2018

Produced by the RBN OPMO

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Acronym Table

Acronym	Definition
ABCD	Asset Based Community Development
ART	Antiretroviral Treatment
ANWN	Athletics North West North
ASA	Athletics South Africa
ANC	Anti Natal Care
ADR	Alternative Dispute Resolution
B.Ed.	Bachelor of Education
BDA	Bafokeng Digital Archive
BCG	Bacille Calmette-Guérin Vaccination
BSL	Bafokeng Student Lekgotla
BOTT	Bring Operate Train and Transfer
CNDC	Community Nutritional Development Centre
CDA	Charity Distribution Agency
CETA	Construction Education and Training Authority
CSI	Corporate Social Investment
CLO	Community Liaison Officer
CCBSA	Coca-Cola Beverages South Africa
Dept.	Department
DRP	Disaster Recovery Plan
DMR	Department of Mineral Resources
ERP	Enterprise Resource Planning
ECD	Early Childhood Development
EMRS	Emergency Medical Rescue Services
EIA	Environment Impact Assessment
GCOO	Group Chief of Operations
GIS	Geographic Information System
HIV	Human Immunodeficiency Virus
HSDS	Health and Social Services Department
HR	Human Resources
IT	Information Technology
ICT	Information Communication Technology
IDP	Integrated Development Plan
JKA	Japan Karate Association
LED	Local Economic Development
MOGS	Mining Oil and Gas Sector
ManCo	Management Committee
MEC	Member of the Executive Council
MoU	Memorandum of Understanding
NSC	National Senior Certificate
NGO	Non-Governmental Organisation
NBA	National Basketball Association in North America
OoK	Office of Kgosi

OPMO	Organisational Performance and project Management Office
OVC	Orphans and Vulnerable Children
PRC	Professional Regulation Commission
PWC	Price Water Coopers
(PTY) LTD	Proprietary Limited
PULA	Population and Use of Land Audit
PwD	Persons with Disabilities
RBN	Royal Bafokeng Nation
PCR	Polymerase Chain Reaction HIV Test
RBA	Royal Bafokeng Administration
RBED	Royal Bafokeng Enterprise Development
RBS	Royal Bafokeng Sports
RBI	Royal Bafokeng Institute
RBH	Royal Bafokeng Holdings
RBNDT	Royal Bafokeng Nation Development Trust
RBplats	Royal Bafokeng Platinum Mine
READ	Rural Environment Agriculture Development
RFP	Request for Proposal
RLM	Rustenburg Local Municipality
SPL	Social Labour Plans
SMME	Small medium and Micro Sized Enterprises
S.A	South Africa
SAFA	South African Football Association
SAB	South African Breweries Regional League
SAQA	South African Qualifications Authority
SARS	South African Revenue Service
SLA	Service Level Agreement
SDF	Spatial Development Framework
SAPS	South African Police Service
SPLUMA	Spatial Planning and Land Use Management Act
SKPA	Strategic Key Performance Area
SETA	Skills Education and Training Authority
TB	Tuberculosis
TVET	Technical Vocational Education and Training
UNISA	University of South Africa
UIF	Unemployment Insurance Fund
USA	United States of America
U	Under
VIP System	Payroll and Humana Resource System

Annexures

- A. Progress on Vision Pillars
- B. 2018 Organisational Performance
- C. Departmental Performance Report
- D. Financial Summary Report

Organisational Overview

Collective achievements: (See Annexure C: p.2)

1. Key priorities

The alignment of all entities towards Plan 35 is a long-term effort and we will continue to ensure we deliver on our promise. **All programmes and projects in 2018 were guided by the RBN Plan 35.**

Our approach, of increasing our income and reducing our expenditure yielded results but the journey continues. The progress in the achievement of the top priorities by end of quarter 1 2018 is reported below:

Monitoring of Top Priorities – Collective Achievements at the end of the 1st quarter of 2018 (See Annexure C: p.2):



Strengthening Strategic Relationships (Baseline: R60.48m in 2017): Rand-value of projects rendered in kind by RLM, mining SLPs and other strategic partnerships amounts to **R20 310 961.34.**



Cost recovery (2017 Baseline: R303 888.00): An amount of **R86 400.00** was collected at the end of the 1st quarter of 2018 for services and recycling. This amount includes payments of water.



Increase income on RBN Land / Increase the multiplying effect of money in RBN (Baseline: R6.46m in 2017): An amount of **R4 263 482.00** was collected in rental income. Approximately **59%** for the Imapala Lease renewal and **41%** from commercial sites, farms and residential property.



Crime incidents (Baseline: 3,453 in 2017): The number of crime incidents attended in the 1st quarter of 2018 is **837**. A slight decrease from the **891** incidents attended in 1st quarter of 2017.

- ❖ **Progress on sourcing of external funding up to end of March 2018** (Baseline: R30.71m in 2017): Our combined entities received a total of **R5 083 055.67** 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. **(See Annexure C: p.3)**

- ❖ **Monitoring of Youth benefits deliverables** (Baseline: 11,223 in the 4th quarter of 2017): A total of **11,280** youth (age 18-35) benefited directly from interventions fostered by Arts & Culture, RBED, RBI, HSDS, RBS and strategic relationships (MOGS) at the end of the first quarter of 2018. **(See Annexure C: p.4)**

- ❖ **Job opportunities created** (Baseline: 1,313 in the 4th quarter of 2017): Through combined efforts of local SMMEs, Phokeng Mall and temporary/permanent employment opportunities created through all departments' projects and programmes, **306** employment opportunities for Bafokeng were created at the end the first quarter. **(See Annexure C: p.3)**

Challenges:

- The consistent 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/ standards including the collection of payment for services such as water and waste collection.

2nd quarter priorities:

- Reduce water consumption in RBN;
- Ensure implementation of talent management in Royal Bafokeng Administration; and
- Implement a loyalty programme supportive of behavioural change of *Morafe* in support of Plan '35.

Executive Summary Reports

Group Chief of Operations (GCOO)

Function Mandate:

To coordinate strategy and organisational performance for social delivery entities.

Highlights & major deliverables:

The department motivated for the appointment of an in-house Software Developer/Programmer. This was necessitated by the need to constantly maintain and improve our current systems (RBN Operations Room, Business Enterprise Module and the RBN Database), to ensure scalability and compatibility with the latest technology. In addition to the maintenance and improvement of the current system, the developer is also investigating hosting platforms for all systems, developing a system to support the community Loyalty programme and assisting with updating content on the Bafokeng website.

The Organisational Performance and Project Management Office (OPMO), together with the GCOO have embark on conceptualising a Bafokeng Community Loyalty Programme. A social nudging programme designed to recognize or reward community members' for good behaviors or behaviors that are representative of a good responsible Mofokeng e.g. participation in traditional governance structures, payment of services and continuous self-improvement. The team received feedback internally on the draft concept as well as external feedback on possible rewards from a psychologist. Considerable strides have been made in investigating technology to support the programme and a proof of concept has been established. Scoping of the actual site is ongoing as well as the development thereof.

The next step is to have an external person, and expert in the loyalty programme field, to critique the concept to ensure best practice is implemented. The nature of the this Loyalty Programme is different from the classic commercial ones, hence a mini survey in the form of focus groups, will be conducted to gain insight into the type of recognition/rewards community members would like to see implemented.

Project/Programme Monitoring and Reporting:

The OPMO developed the following reports in the 1st quarter namely; RBN Quarterly Performance Report, 3 online OPMO Monthly Reports, 4 Makgotla Reports, 1 ManCo Report and 1 Ad-Hoc report.

Know your village (Ikitse) 2017: Phase II. Twenty-nine village profiles were compiled by the Research unit, which will provide village demographics, and overview of socio-economics, and information on village infrastructure i.e. sports facilities, clinics, tared and paved roads, street lighting and the Master plan developments for all the villages. More stats has been added such as numbers and types of businesses per village. The research unit is now in the process of taking pictures of Dikgosana to be featured in the profiles. Once complete, the information will be uploaded in the OPMO system, Royal Bafokeng Administration Intranet and the Bafokeng Digital Archive website. The final report will be printed and distributed to various stakeholders.

Other deliverables include the update of the Bafokeng website information, speechwriting (e.g. drafting copy for the RBN Review), consultations around **Plan 35**, monitoring and assisting 4 independent researchers, facilitating 8 ad hoc Atrium tours and ad hoc work such as designing and administering surveys such as Collaborator Document Management System survey and providing stats and assistance to RBN entities and stakeholders.

Arts and Culture:

The rebuilding of the Bafokeng Digital Archives (BDA) site has commenced. Items are being uploaded onto the site.

Employee training on the use of the Document Management System (Collaborator) is 92% done. 95 % of the physical archive project is achieved. Disposal and retention of records is ongoing.

Challenges:

- The ERP system integration is not fully functional, budget adjustments done by Finance department are not pushing through from the SAGE system to the Operations room system due to technical issues. Currently the matter is being handled by the IT department together with the developers of both systems to ensure that the integration between the two systems is fully functional.
- Some project and programme managers fail to log interdependency issues on the OPMO system, resulting in issues not being resolved timeously.

Royal Bafokeng Institute (RBI)

Function Mandate:

To ensure improved, internationally bench-marked standards of education through continuous training of teachers the augmentation of the current public offering education through resourcing and the deployment of subject specialists employed by the RBI to assist teachers in the schools.

Highlights & major deliverables:

2017 was a year of 'steading the ship' and now in 2018 there is a focus on developing strategy and purpose for the company. This will be a challenging and important year for the Royal Bafokeng Institute.

Governance

Three new directors were approved and joined the Board of Directors in the 1st quarter Meeting of 2018. They are Rre Bashi Makgale, Dr Elmie Castleman and Mme Boitumelo Koshane. These three Directors all serve the RBN in high level roles and will add value to our planning RBI strategic direction. Three subcommittees were also formally constituted. They are Remuneration/Nomination, Finance/Audit, and Strategy/Social. At least one independent director still to be identified.

Student Loans & Student Support Services

- ❖ A revised Bursary/Loan Policy is being developed and will be presented to the Board for the 2nd quarter Board Meeting. After that, it will be presented to Supreme Council for formal ratification.
- ❖ The formation of the first *Bafokeng Student Lekgotla* group has been formally adopted. This group serves the Johannesburg region and the intention is to establish similar BSL groups in other major centres.
- ❖ The first *Bafokeng Student Conference* is being planned for the Youth Day Weekend. It open with a keynote address to be delivered by Kgosi. These conferences will be scheduled for every university break and RBI-supported students will be expected to attend. We will seek to establish networks between supported students, address common issues of concern, develop support programmes that add value to the student experience and also prepare the student for the world of work. In time, we will also invite alumni and our most talented Grade 11 and Grade 12 learners, so that networks and mentorship can be created across generations. We are currently rebuilding the data base, first for the currently students and then progressively back to the original student loans recipients.
- ❖ Negotiations are underway to bring the management of the Student Loans Debtors Book back to our direct control.
- ❖ The task of collating and compiling an electronic database from the paper records which have been the norm is nearing completion. This will be a huge step in terms of communication with our students, engaging in development conversations, and also assisting them in navigating from studies to the work environment.
- ❖ An online application form has been developed for all future applications. We will be launching a Students Loans Roadshow for our 2019 intake in our schools in June/July. This will allow us to pull application data directly into our database, improving accuracy and efficiency.
- ❖ The current statistics for 2018 are reflected in the table. 35 new awards were granted for 1st Year study. Our throughput rate of students on the loans programme is remarkably high with only 6 students from the 2017 cohort of 141 students requiring special dispensation in terms of promotion. This reflects very well on our Royal Bafokeng students and indicates that the investment in their education is respected.

- ❖ The majority of 1st Year students will qualify for fee relief under the new fee dispensation announced in the 2018 Budget. We will be actively supporting our students in applying for such relief and we will be able to report fully on the success of this process at the end of the first Semester in June, when invoices for the second Semester are issued by the universities. In the meantime, RBI has processed payments for all of our 1st year students on the principle that we could not wait for clarification from government and that our students needed to get their studies started.

Operations and Financial Management

Our operations and financial management capacity is beginning to recover after a somewhat shaky 2017. New staff and structures are melding and we are much improved in terms of protocols on HR, Procurement, and Financial Reporting. There is good rapport with the RBA Shared Services units too.

We closed 2017 well from a financial perspective and have opened this year in a similar manner, although it is far too early to draw too many conclusions at this stage. Our 2018 budget leaves room for developing and implementing programmes that can have impact and it also allows us room to reshape our professional teams in our various units.

Performance Management System Implemented

RBI implemented the RBA Performance Management System in the latter stages of the 1st quarter. There had been a long period of preparation and mind-set changing and a process that could have been stressful and divisive was embraced by the vast majority of staff. It was facilitated and managed very well by our RBI ManCo with advice from Mme Boitumelo, the RBA HR Manager. There is a maturity in the company that embraced this change and the business goals of the company and the key performance areas for all units. We are well placed to move forward with rigorous accountability.

Community and Schools

- ❖ The Section 14 Agreement: The Office of Kgosi has kindly agreed to request a meeting with the MEC Education with a view to revisiting and amending the original and current agreement. We believe that we can achieve greater sustainability and success with changes to certain aspects of the agreement.
- ❖ Sections 14 Schools: The NSC results in Mathematics and Science for our seven high schools that reflect outcomes that are very similar to those reported a year ago for the previous year cohort. The bald assessment remains that our high schools are dismally failing our youth: more than half of those who start in Grade 1 fail to complete Grade 12; there is a drop-out rate up to 40% between Grade 9 and Grade 12. There is an unhealthy focus on pass rates, which means that learners are discouraged from choosing the higher challenge subjects and that the overall pass rate disguises poor results in individual subjects. A case in point is that only 77 learners out of a cohort of nearly 1100 learners who wrote the NSC examinations achieved 50% in Mathematics.
- ❖ School within a School: This model was developed by RBI in the 2014-17 period and has shown promising results with both MaCharora and Thethe producing their best ever results in 2016 and again in 2017. This model is one that we are actively promoting to other schools and to potential funders: curriculum, technology, teachers and resources.
- ❖ Kutlwanong Mathematics and Science Partnership: The scope is primarily related to the quality of passes at NSC level, with a peripheral benefit of teacher and resource development in Mathematics and Science. The Grade 11 launch has been successfully achieved and it is to be launched for Grade 10 in the 3rd quarter. All RBN Sections 14 schools will be expected to nominate

a senior mathematics teacher to attend the weekly Teacher Reflection Sessions that will be based at RBI, and all resources and materials developed in the partnership are to be freely available to our Section 14 Schools. The partnership is entered into on the basis of Bring, Operate, Train and Transfer (BOTT) with the intention being that we will be operating this programme by ourselves here in RBN by 2022.

- ❖ Ntataise Early Childhood Partnership with RBI: This new partnership model is being developed and will inform our plans for the extension of a quality-ECD provision over the next five years. We have also appointed a new manager to the ECD Programme who will join us in July 2018. The appointee is Mme Victoria Mokgatle who will be leaving her role as Chief Education Specialist (ECD) in the National Department of Basic Education to join us. Our broad objective is to develop a comprehensive early childhood development programme that will impact on the lives of every single child in the community, with specific emphasis on the ages 0-5 years of age cohort. Our objective is to build strong foundations first.

Akanyang B.Ed. Foundation Phase Learning Support Programme

- ❖ The Programme has a new Manager in Dr Soplekae Maithufi who joined us from UNISA where he was a Professor in the English Dept. Dr Maithufi brings new perspectives on how tertiary education in RBN can be leveraged to maximize impact on the educational and human development outcomes of the nation.
- ❖ There will be a continued focus on the experiential practical learning that has characterized the Akanyang Programme to date, with progressively more intensive school experience for our 3rd Year students this year.
- ❖ In addition to a keen focus on English literacy and numeracy, there will be a new focus on literacy in Setswana. The intention is to develop best practice in this area. In essence, it is our intention to develop best practice pedagogy and resource in Setswana Literacy, English Literacy and Numeracy that will serve the Foundation phase and our developing ECD Programmes: ages 0 - 10 years of age.
- ❖ There will be new appointments to the Akanyang team by the 2nd quarter to fill positions relating to the above.
- ❖ There are major strategic decisions regarding further developing our link with the North West University and how we will reshape the Akanyang Programme beyond the current year.

TVET and Post School

- ❖ This is an effective arm of the company and is a strong contributor to our success. It is virtually exclusively funded by third parties (CETAs, SAQA, etc.) and there is little or no cost to the RBN.
- ❖ We are currently implementing plans to extend numbers in all programmes and offer higher level apprenticeship programmes in Construction. The Maile Campus is currently being developed to accommodate this.
- ❖ We have embarked on a skills training gap analysis in this area with a view to detailing other programmes that might be introduced (with third party funding) and which would add value to the skills base and employability of Morafi. 'Second chance' training is a great need in the community.

Kitsong Low Fee School

- ❖ There are several important aspects of the development of Kitsong into an accredited and registered independent school that are being addressed this year. Proper compliance, effective

governance and more delegated management function to the Principal are all part of this. Kitsong cannot be developed much further as an incubator unit of RBI: it needs its 'own wings'.

- ❖ The broader strategic issues around Kitsong relate to the commercialization of our low fee school brand. This is a key strategic pillar of the RBI.
- ❖ In terms of the approved budget for Kitsong for 2018, there is quite a lot of room for development in 2018. If fee collections are improved, then there will be room to develop resources and offering significantly.

We have started the year well and there is a good momentum in the company. We are in many respects catching up on issues and processes that were neglected or dormant and that is hampering progress to a degree. However, where we have appointed proactive, self-reliant and innovative staff, results have been good. I expect us to build on this in the coming quart

Challenges:

None reported.

Motswedi Wa Sechaba (Social Delivery Entities)

Motswedi Mandate:

Social service to Morafe and group institutional support.

Health & Social Development Service (HSDS)

HSDS Mandate

To facilitate the provision of health and social services to the Royal Bafokeng Nation.

Highlights & major deliverables:

EMRS

In the first quarter of 2018 EMRS managed to generate income of R1.5 million collectively from our two mines Royal Bafokeng Platinum and Bakubung. The Unit attended seventeen (17) events with revenue of R122 437.00 where only two (02) events were treated as community events with no revenue collected.

Social Services

Establishment of Place of Safety: An action committee for the Establishment of a place of safety was formed, constituting of members from Department of Social Development and HSDS (RBA).

Youth Development Programme

30 Youth implementers were appointed, inducted and trained. A turnaround strategy/approach workshop was held. The Iceland approach was adopted whereby sports will be substituting the classroom or teaching approach to deal with social ills among young people. The Iceland approach is a working progress.

People with Disabilities

The project for the Establishment of the INCUBATION Centre for People with Disabilities that started in 2016 in partnership with the Department of Economic and Entrepreneur Development is taking off the ground again. This time with a different implementing agency North West Development Cooperation and coming with funding.

Community Development

Jaya o Jale programme in Capital Region is gaining momentum through assistance of Legadigadi Home Bases Care Givers. Previously 10 households identified, and seven are active. Currently six extra households are identified and active. This bring active households to 13.

The plight of RBN elderlies is a priority. 151 beneficiaries including 59 frail are receiving nutritious food from Meals on Wheel programme. For this quarter 1 029 food plates issued. Areas where the programme is not available, aged are still receiving services rendered by 29 registered luncheon clubs.

Photsaneng Bakery is now in operation, after a long standing period of seven months due to renovations of the structure. Production is badly affected, no sales have been generated for this quarter.

PFDC continued to carry out it's mandated, 26 CNDCs in the five Districts in the Province are still taken care of. 10 from Ngaka Modiri Molema, 5, Dr R S Mompoti, 4 Dr Kenneth Kaunda and 6 from Bojanala. 1 is not yet in operation due to lack of facilities. For this quarter almost 16,500 people were fed through this initiative. This figure includes people living outside the Bafokeng area.

HSDS assisted Mmemogolo to coordinate and implement ABCD Train the Trainer workshop. 16 women were trained, 8 Bomma Dikgosana and 8 Bafokeng Women's club members. The objective was to empower them to be able to facilitate community driven projects and ameliorate poverty.

50 members from various NGO's had an opportunity to attend funding workshop facilitated by CDA-Charity Distribution Agency, 2 already submitted funding application.

Health

- ❖ The total headcount for RBN is 78907. **Prevention of Mother to Child Transmission:** 517 mothers were tested for HIV, 67 tested positive and 0 babies converted positive (infant PCR positive at birth).
- ❖ **Chronic care:** of the 10140 screened, 6801 are hypertensive on treatment, 1575 are chronic diabetics, and 53 newly diagnosed diabetics.
- ❖ **Anti Natal Care (ANC):** of the 745 ANC patients, there were 179 deliveries at Phokeng and Chaneng clinics. 59 babies were born to HIV mothers, 1 stillbirths and 0 maternal death.
- ❖ **Anti-Retroviral Treatment (ATR):** 31335 adults remain on ART, 939 (<15years) remain on ART. Immunizations: 558 (<1 year) are fully immunised, BCG given to 53 babies, 877 given measles 1st and 2nd doses. Mental Health: 20629 patients were screened and 165 were treated for mental disorders.
- ❖ **HIV Counselling and Testing:** of the 5385 tested, 958 tested positive.
- ❖ **Tuberculosis (TB):** 17939 patients were screened for TB, 454 were symptomatic.

Mental Health

Employee Assistance Programme: 2 Debriefing Workshops were conducted. One for 30 Youth Centre Implementers and the other group was EMRS Staff.

Challenges:

None reported.

Royal Bafokeng Enterprise Development (RBED)

RBED Mandate:

Planning and execution of development programmes for Bafokeng entrepreneurs.

Highlights & major deliverables:

The platinum price has remained depressed in the region of \$USD 950 for the quarter and the savings drives of the local mines has remained a concern. One of the implications of the purchase of Lonmin by Sibanye Stilwater, is a reduction in staff and the need for the mine to be cash positive before the deal is finalised. Cost reduction drives by Impala has seen key resources in procurement not being replaced causing a slowdown in the spend localisation project. The sale of Maseve to RBPlat is largely viewed as positive by the business community.

Engagements with Sun international has resulted in 4 strong companies in the maintenance field being approved as maintenance contractors at the Sun City complex. Impala Platinum has approved 5 new local SMME as supplier during this quarter and RBP have approved 4.

The original 3 year agreement with ABSA has expired and we are finalising the renewal of the agreement with Legal services. A large number of applications have been received, but it remains a concern that SMME are not really funding ready due to lack of financial reporting, cash flow projections etc. One of our clients has been funded by NEF and 3 clients have received confirmations of funding approval from Nation Youth Development Agency in the form of grants.

Cash donations received to date are as follows: RBH have pledged an amount of R 2 500 000 for 2018. An amount of R 480 000 has been received from Fraser Alexander earmarked for youth development and the arts and craft commercialisation programme. The 12 month SETA funded “new venture creation programme” is progressing well and attendance numbers have remained robust with a total of 230 Bafokeng youth benefitting from the programme.

A local Toastmaster’s International club has been established. It is an international organisation dedicated to communication and leadership development. Participants’ complete and introductory 10 speeches from a formal manual and received immediate feedback on the quality of their speaking skill in the meeting from their peers. Three of the local members have represented the club in a recent regional speaking competition and one of the speakers was placed third in the prepared speaking contest. This programme will address the need to develop speaking and leadership skill within the business community in particular in the community in general as all are welcome to attend.

Feedback from SMME participating in the Aurik business development programme (current suppliers) and a further 6 companies at the Raizecorp programme (small companies not yet suppliers to Impala) has been positive. Lanxess have completed renovations to a facility for the proposed sewing / clothing factory in South East region. The project is expected to start in quarter 2. RBP have not yet finalised renovations to the incubation centre in Rasimone, but it is expected that RBED will open a third regional office in Quarter 2 after the completion of the project. This will allow SMME in the Macharora region easier access to our services and allow us to support engagements with the mine better. A new entrepreneurship master class for female business owners will kick off in quarter 2 in the form of 5 advanced lectures and

interaction days for local ladies in established, operational businesses. Advanced HR training has been provided by Labournet for 3 SMME and a sponsored HR related lecture has been provided.

To date procurement spend with RBN stakeholders including RBI, Marang (CPT), Lebone, sports, RBA and RBED have totalled R 10.1 million, with the bulk coming from RBA and CPT. Procurement spend from mining stakeholders has reached a total exceeding R 344 million, of which more than R 9.7 million is with youth owned companies. This value includes spend reports from Anglo operations that have remained difficult to obtain in the past.

The first 4 shops in the CCBSA (Coca-cola) youth entrepreneurship project have opened. (Photographs are attached). Two more entrepreneurs have been approved for funding and engagements with SEFA are under way to finalise the approval of the next 13 loans in Quarter 2. The shops that have already opened are progressing well and are being jointly monitored by enterprise room and RBED. Shops are open in Phokeng, Lefaragatlhe and Kanana.

The SMME development programme funded by ASISA is still under way with 16 local SMME graduating in early June.

A training programme funded by the Food and Bev Seta has started and will run for the next 6 months one week per month. 13 local SMME are participating in the training.

The Arts and craft commercialisation project is doing well and the Phoka shop at Marang Hotel has shown a steady increase in revenue generated. Regular payments are made to participants whose products have been sold. This creates a revenue stream for the crafters in the project. Two volunteers, Masego Matsereeng and Kele Mooketsi are working in the shop. The range of products is steadily increasing and a project to improve the quality of manufactured items as well as improve then packaging of items has started. Video recordings of interviews with some of the participants are being streamed in the shop at Marang Hotel.

To date 1402 (end May)SMME have been registered on the RBED module owned by 2017 entrepreneurs, again significantly up from the number of SMME registered in the past.

Challenges:

- Economic circumstances remain depressed in the greater Rustenburg area.
- A marked increase in conflict between JV partners has been observed. It is related to the poor economic circumstances and fuels dissatisfaction in existing agreements.
- Engagements with the youth have remained difficult filled with political rhetoric and even intimidation between members of the youth at times.

Highlights & major deliverables:

Royal Bafokeng Sports

RBED Mandate:

Coordinate sport in Bafokeng regions.

Highlights & major deliverables:

Academy:

1. Transition of the sale – Platinum Stars FC

Subsequent to the sale of Platinum Stars FC, the Academy was transferred to RBS. We were given a directive to have the Gauteng league at halt (Under 13, 15, 17 & 19). The Academy has been limited to 2 teams registered in SAFA's different leagues structures namely the SAB Regional league and ABC Motsepe Provincial league. Currently we are having 4 coaches with no contracts who are coaching the 2 teams. We have submitted our budget for 2018 and we yet to receive it in order to drive programmes and activities of the Academy.

2. Club programmes

The team is competing in the SAFA Bojanala SAB league with the name Dikwena football Club. Our policy as the Academy is to expose young players to compete at the higher level as part of our development mandate. Accordingly we assembled an Under 19 side to partake in that league and are competing against older players. This is part of our accelerated programme to ensure that they go through a rigorous and proper life cycle of a development of a football player.

Herewith are the breakdown of the team's performance for the 2017/18 season: a total of 20 games were played and 20 points collected.

3. ABC Motsepe team performance

The team is partaking in the SAFA North-West ABC Motsepe league. It's a tough league that features experienced former professional players. Once again as part of the team's policy with regards to age in our teams, we are having a young squad/ team with an average age of 18 years. It's a relatively young team with 5 players under the age of 18 and the rest are under 21 with only one experienced goal keeper who is 23 years of age.

Herewith are the breakdown of the team's performance for the 2017/18 season: a total of 26 games were played and 21 points collected.

Comment: The transition of the sale of Platinum Stars also had a bearing on the performance of this team same as it did with the SAB with players cautious and uncertain about their future. They have improved and are getting results as expected and we hope to end the season in the top 8 spot.

Athletics:

- ❖ Athletics Royal Bafokeng hosted ANWN Track and Field league meeting 4 at Royal Bafokeng Sports Place Stadium on the 4th March 2017.
- ❖ Athletics Royal Bafokeng hosted ANWN Track and Field Provincial Championships at Royal Bafokeng Sports Place Stadium on the 10th of March 2018.
- ❖ RBS bid farewell to Phemelo Matlhabe from Masosobane who has been awarded a full scholarship to study at IOWA Central Community College in USA.
- ❖ 5 Athletes participated at the SA National Championships.
- ❖ One senior athlete namely Kabelo Mohlosi has been invited to participate Gaborone for the athletics championship.
- ❖ 2 senior athletes namely Kabelo Mohlosi and Rorisang Ramonnye have been selected to participate at Athletics World cup at London from the 15 – 17 July 2018.
- ❖ One junior athlete qualified for the ASA champion in Paarl.

Basketball:

- ❖ Regular practice in schools has been ongoing preparing for the commencement of the 2018 Royal Bafokeng Jr.NBA League.
- ❖ The Royal Bafokeng Jr.NBA League commenced on the 7th of March 2018.
- ❖ Kutlwano Rapoo from Chararo Secondary School represented South Africa at the Basketball without Borders Global Camp in Las Angeles, USA in February 2018.
- ❖ The Royal Bafokeng Jr.NBA Basketball Program hosted Secretary General of Rwanda Basketball; Richard Mutabazi in March for Program observations and new relations.
- ❖ The U16 Boys team attended the St Stithians College Basketball Festival in February 2018.

Disability Sports:

- ❖ Royal Bafokeng Goal ball team hosted a Disability Goal ball tournament at Phokeng Conference centre where we had a total number of 32 teams participating.

Martial art:

- ❖ Bafokeng Karate Club participated at the Provincial trials at Mafikeng. Out of 20 Bafokeng Karatekas, 19 of them qualified for the National Championships.

Metshameko (Netball and Football in schools):

- ❖ Metshameko league commencement in April 2017.

Netball:

- ❖ Bafokeng Netball Club hosted U/19, U/21 and Senior Trials in Preparation of SA National Netball Championships.

- ❖ U/19 Royal Bafokeng Netball team is in preparation for the Junior National Championships in May 2018.

Royal Bafokeng Sports Project:

- ❖ 30 RBS employees participated in the 6 months Sports administration course which was funded by Exercise and Wellness Academy. 29 employees graduated and received certificates.

Challenges:

- Transport – the boys are struggling financially to transport themselves to training from different areas (home) to where they are picked up (town).
- Accommodation – there is no accommodation to cater for highly identified talented players who are comes outside of Phokeng and Rustenburg as a whole.
- Team apparel - team does not have training and travelling apparel for uniformity and motivation purpose.

Shared Services

Shared Service Mandate:

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

Highlights & major deliverables:

In our effort to position the organisation as an employer of choice, we have commenced a talent management project with the assistance of HFM Talentindex which is an international specialist in the field. We have therefore during the period under review piloted the project by assessing employees at Shared Services and GCOO in order to identify and resolve teething problems before we implement throughout the organisation in the second quarter. This is a valuable project which will assist us in succession planning and to identify training needs of employees.

The oral submission which we made to the parliamentary portfolio committee on Justice and Correctional Services on the Traditional Courts Bill was a notable milestone in our effort to influence new legislation. This Bill seeks to have people having an option to opt out of the traditional court proceedings which we vehemently oppose as this will render our court obsolete and have a negative impact in the administration of justice in our community.

The successful defence by our legal department of a breach of contract claim in the amount of R21 million in an arbitration against Cross Point Trading by Foot Sports Village is another critical highlight of our cluster during the period under review. As relates to our contribution to the local economy, we have during this period made preparations for a number of tenders which will be issued in the next quarter only to local enterprises and with some targeting youth. This we believe will reduce the pressure which is constantly mounted by youth entrepreneurs in search for procurement opportunities. We have also made notable progress in our negotiations with Liquid Telecom in the process of us appointing them as an Internet Service Provider and to rollout broadband in the RBN. The agreements in this regard will be finalised in the second quarter.

Challenges:

- The major challenge during this period is lack of availability of budget at most of departments in the Shared Services cluster which has an impact on services we render.

Legal

Highlights & major deliverables:

Monitoring of Legislative Impacts

As part of our ongoing monitoring of impact of legislation the RBN, we appeared before the parliamentary portfolio committee on Justice and Correctional Services on 14 March 2018 to make oral submissions on the Traditional Courts Bill and based on our interaction with the committee, we are optimistic that our input may be considered favourably when the bill is finalised. This invitation to us to make oral representations was preceded by written comments on the Bill which we submitted in 2017. The monitoring of impact of planned legislation (Bills of Parliament) on RBN is one of the strategic roles of the

department and we anticipate to be invited to make similar oral representations to parliamentary committees on other bill which we commented on in 2017.

General Legal Services and Company Secretarial

We have during the period under review led the negotiations of a service level agreement with Liquid Telecom for their appointment as an Internet Service Provider (ISP) for the organisation in replacement of Telkom and roll out broadband the RBN. Liquid Telecom will in this regard ensure that all RBN schools and clinics have internet connectivity which will I turn enable E- Health and E-Learning. We plan to have this agreement finalised in the second quarter.

Relating to litigation management, the critical matter to report on during the period under review is the Arbitration between Cross Point Trading (t/a Royal Marang Hotel) and Football Sport Village which was held in February 2018. This matter relates to a claim of R14m by Football Sports Village against Cross Point Trading which they alleged was for outstanding project management fees for services they rendered during the building of the hotel and sports campus during the period 2008-2010. They also sought interest on the amount they claimed at 15.5% P/A from the date they instituted the claim (2011) to the date of payments which stood at approximately R21m when the matter was heard as stated above. We successfully defended this claim which was dismissed by the arbitrator who also awarded costs in our favour. We are currently preparing our bill of costs and will pursue Football Sports Village to recoup these costs. It is also worth noting that the debt collection process for RBN Properties which we are managing is progressing well with a significant number of debtors starting to pay after receipt of letters of demand and or summons.

Challenges:

- Insufficient budget allocation to cover all consultants' fees this financial year is a challenge but some of the entities/departments are assisting us to fund some of the costs.

Finance

Highlights & major deliverables:

External Audit- 2017

The department has during the period under review commenced with the audit of 2017 Annual Financial Statements of RBI, RBED, RBS, Platinum Stars and RBA. The final audited financial statements with audit opinions will be presented to the RBN Audit Committee on 20th of April 2018, thereafter the financials will be recommended for approval by different boards of the above mentioned entities. The plan is to have the financials approved by the boards by the end of June 2018.

Disposal of Obsolete Assets

Collection of scrap metal was completed in the first week of February 2018 and the disposal project is now complete except for old tyres which are still to be collected by farmers. We have received in total an amount of R90 547 out of the disposal of obsolete assets project. We intend to dispose of obsolete assets one a year to ensure that we don't have them accumulated as there is no suitable space for storage.

Weekly Payments to Service Providers and Budget Management Reports

Finance has during this period continued to produce monthly management reports for all entities which assists managers to monitor their respective budget/s. The unit is proactive with advice where we note possible budget overruns by departments. We also continue to process weekly payments to service providers.

SARS Vat Matter

The Alternative Dispute Resolution (ADR) process formally commenced on 26 March 2018 and we continue to provide RBN DT with the necessary support on this matter.

Challenges:

- Budget not appearing on SAGE system, which causes a delay in preparation of monthly departmental Income and Expenditure Reports as since are now being done manually.
- Identified farmers still to collect used tyres from the plant yard as part of disposal obsolete assets.

Procurement

Highlights & major deliverables:

Our focus in this quarter has been to support different departments and entities with their procurements and transport needs.

Procurement support

The approved purchase orders represents 19% of RBN SMME and 81% of other suppliers. The following is the schedule of approved monthly purchase orders:

Months	Local Suppliers	Youth spent	Other Supplier	Total Spent	RBN SMME% spent
January	R 658,999.80	R 68,948.00	R 1,728,232.44	R 2,456,180.24	30%
February	R 290,339.36	R 157,430.31	R 2,698,551.89	R 3,146,321.56	14%
March	R 551,853.05	R 61,777.52	R 3,201,243.09	R 3,814,873.66	16%
Total	R 1,501,192.21	R 288,155.83	R 7,628,027.42	R 9,417,375.46	19%

Tenders

No tenders were awarded during this quarter.

Tenders to be issued

All the necessary preparatory work was completed for the following tenders which will be issued in the second quarter:

- ❖ Rehabilitation of upgraded roads and storm water structures tendering process;
- ❖ Plumbing maintenance tendering process;
- ❖ Grass cutting tendering process;
- ❖ Building maintenance tendering process; and
- ❖ Supply of fuel tendering process.

Provision of ERP support to RBA departments and entities

The procurement unit is currently assisting the various departments to effectively use the ERP system. Continuous focused assistance was provided to various users throughout this quarter.

Monitoring of the fleet tracking system and overall fleet management

The unit supported the various departments by generating and sending the driver violation reports to managers and executives with a view to enable them to take appropriate corrective action where necessary.

Challenges:

Departments would be of great assistance to this unit if they could respond in time to procurement and transport matters highlighted to them from time to time. The following are the challenges:

- Some departments submit high value item requisitions on very urgent basis most of the time, this practice impacts negatively on fair competitive pricing.

- Some departments are yet to adhere to the controls and safe custody of vehicles or fleet allocated them despite workshops on transport usage and controls. Meetings were held with these departments at the beginning of 2018.

Human Resources (HR)

Highlights & major deliverables:

New appointments

1 Kgosana appointed during the 1st quarter of 2018.

6 Regional coordinator interns were appointed for Traditional Governance Department.

31 Mpintshi's were appointed as replacement of the previous team at HSDS.

1 employee was appointed at the Reaction Force Unit, Protective Services.

Recruitment in Progress

Interviews for the following positions were conducted in March 2018:

- ❖ 2 Security Officers;
- ❖ 1 Security Shift Supervisor;
- ❖ 1 Land Unit Section Leader;
- ❖ 1 Land Unit Section 2IC;
- ❖ 2 Reaction Force Section Leaders; and
- ❖ 2 Reaction Force 2IC.

Appointment of the Town Planning Officer

The Town Planning Officer recruited for Infrastructure Planning declined the offer. The position has been put on hold until the department finalizes between recruiting either a Land Surveyor or Town Planning Officer.

Terminations of Employment

1 termination was effected during this period at RBA.

2 terminations were effected at RBI.

Talent Management project

A total of 26 employees from Shared Services and GCOO departments were invited to participate in the HFM talent assessments. The project commenced with this sample group in order to identify and resolve teething problems before the project is rolled-out through the organisation. The purpose of these assessments is to identify development needs of employees which will inform appropriate interventions.

Payroll, Provident Fund and Benefits

- ❖ Salaries were paid timeously as well as third party organisations which includes but not limited to UIF, provident fund, medical aid, SARS, etc.
- ❖ Monthly overtime synopsis were sent to line managers and advice was given to them to ensure that they stay within their budgets.

Labour Relations

One employee was suspended at RBED pending disciplinary process.

One disciplinary hearing was conducted and is still pending finalization at Protective Services.

One appeal was submitted and is still to be finalized from Protective Services.

Performance Management

A performance management awareness session was conducted at RBI and the stats are as below:

- ❖ Expected number of employees -63
- ❖ Attended -41
- ❖ Did not attend -22

A total number of 465 performance agreements were expected from various departments of RBA, RBI, RBED and RBS. A total of 347 performance agreement were received during the period under review and 118 are still outstanding.

Training and Development/Financial Assistance

One employee at HR Department attended a course on VIP training. Twenty four employees applied for the RBA Financial assistance. Approval was granted on a first come first serve basis and the individual's academic performance during the previous years. Sixteen employees were finally granted the financial assistance and the budget is now depleted.

Challenges:

- Some departments failed to meet the performance management deadline and submitted their documents late.

Information Technology (IT)

Highlights & major deliverables:

Interim Disaster Recovery Plan (Back-up)

Disaster Recovery Plan project could not commence due to budgetary constraints, however, the unit took an initiative to back-up all desktops in the various RBN entities. This initiative prevented a potential loss of data on the RBNDT Financial Accounting System which experienced a crash due to the recent Eskom power cuts. ICT unit rebuilt the server and placed the company data back onto the new server.

Document Management System

The Document Management System training for users took place in February 2018. We still have some managers and executives who are yet to undergo the training and plans are afoot to have them trained accordingly. The ICT & the Arts and Culture departments undertook to provide refresher training sessions on a need basis which some of the departments have already utilized (RBI and Protective Services). Continuous refinement and tailor-making of the system is expected until the system fully addresses basic needs of the user community.

ICT Strategy

During the recent visit by PWC, IT strategy was raised as a possible finding. Sizwe Ntsaluba as the authors of Plan 35 have submitted a proposal for the development of the ICT strategy, their appointment is still pending as there are no funds available to for this.

OPMO & ERP (SAGE) Integration

OS Holdings has been appointed for the maintenance and support of SAGE (ERP) system. The support includes ensuring integration with OPMO to enable the drawing of budget and expenditure information between the OPMO and SAGE systems. This exercise is undertaken in cooperation with SAGE technicians and will ensure better budget management.

eLearning

10 RBN schools (connected for eLearning) have been furnished with official telephones and their numbers were shared with RBI. From the 10 RBI schools, Matale, Charora and Thethe have been selected to pilot the eLearning system in RBN and the North West Provincial Department of Education is involved in guiding the process forward. The connectivity requirement might evolve to include Wi-Fi coverage (broadcast) in the entire school campus instead of being limited to certain areas only (admin block, computer lab, etc.). The next steps is to determine the education related applications to be utilised by the school community to ensures and enable successful eLearning.

CSI

ICT engaged Konica Minolta to provide RBN public schools with printers as part of their CSI initiative. This proposal was received with both hands and Konica Minolta has requested an appointment to present RBN school principals and RBI departmental heads on their available CSI spent and the scope thereof. ICT has also engaged Microsoft on CSI for the RBN ICT enabled schools. Microsoft has agreed to provide their software free from licence cost as part of their CSI. They have requested a meeting with all stakeholders to present their entire architecture and this discussion is scheduled for the first week of May 2018.

Emergency Contact

The department has started a project to install an intercom system at the Civic Centre which will enhance communication during emergencies. A proposal/quote has been submitted for review by Management.

Acquisition of staff computers

The department has been inundated with Helpdesk calls of damaged staff laptops especially during recess, causing strains on the ICT budget. Due to budgetary constraints, ICT and Procurement departments made a submission to management for an insource model similar to the one utilized by Lebone II College (where the organisation buys laptops for staff and then deducts the costs through payroll). Other advantages of

this model, includes staff being considerate and careful in handling the laptops since they will eventually become their property. Recommendations to look at the model favourably have been submitted.

Challenges:

- Regular Eskom power outages which causes damages expensive ICT equipment due to power surge. The equipment affected includes servers and switches.
- Insufficient budget allocation to cover most of ICT expenditure in line with RBN strategic demands.
- Low capacity and delay in appointments of staff to key position(s) mostly due to budget unavailability.
- Lack of training and internal capacity building to keep abreast with technological developments due to budget constraints.
- Delay in finalizing urgent ICT matters mostly due to budget unavailability (e.g. BDA, DRP & ICT strategy development, Marang SLA, etc.).

Public Service Management

PSM Mandate:

Increase partnerships with government for major infrastructure and municipal service.

Municipal Services Management

Highlights & major deliverables:

The relationship between the Rustenburg Local Municipality (RLM) and the Royal Bafokeng Nation (RBN) remains cordial and issues dealt with are not the easy or simple matters. But the parties are determined to ensure that these are dealt with. In the first quarter of 2018, the two entities resolved to strengthen the work on economic rejuvenation of the area. The following are a summary of the work:

Local Economic Development (LED): The Local Economic Development has identified the Integrated RLM/RBN Master Plan as an important guiding document to make the much needed diversification of the Rustenburg economy a reality. To that end, they have prioritized the “Master Plan Game-Changers Projects” as key projects. A fully-fledged workshop was held by the two entities in the first quarter and some activities were agreed on. This resulted in the presentation of a working document to the Principals which included the Investment Strategy with dates. The strategy includes the teams which are to visit many places in the country and outside the borders of South Africa to promote Rustenburg as an area for doing business.

Spatial Planning: The Task-Team has met several times to look at Spatial Planning and Land Use Management in the area. There are areas where the two entities have resolved to work together and to put through a manual which will guide certain approvals pertaining to land allocation, and building control. Of significance, it is also the inclusion of the RBN developmental modes in the Spatial Development Framework (SDF). In the first quarter of 2018, the Rustenburg Local Municipality appointed a service provider to compile the SDF and a kick start meeting has already been held with the Municipality.

Infrastructure and Technical Task Team: There are various projects which Rustenburg Municipality cannot do without the involvement of the Royal Bafokeng and vice-versa. The case in point is the RLM’s Water Bulk Line from Kanana Bospoort to Rustenburg Booster Site. In the first quarter, the RBA approved and authorised the construction of this project. The teams from RLM are now engaging in securing the land as well as the agreements to be signed in this regard. The two entities (RLM&RBA) have met with Magalies Water Board in the first quarter of 2018. This meeting was to take the steps to confirm their water demands. It was also agreed that the Municipality and the RBA will approve and sign an agreement regarding the execution of the project.

However, Magalies Water Board will furnish the two entities with approved financial calculations in terms of Phase 1 and Phase 2. The entities cannot sign an agreement without knowing what the expected contributions are, and what will be the payment schedule in this regard. To this end, in the first quarter, Magalies Water has appointed an Accounting firm which is assisting this process. We are expecting the final work by end May 2018.

In the first quarter, the RLM appointed Zakumi Consulting Engineers (Pty) LTD to embark on the Section 78 process. This is with regard to the water service in the RBN areas. Already, three meetings were held with the Municipality and the appointed service provider. We have also provided the Municipality with documents which were required as part of the first report.

We have achieved considerable progress with regard to the Social Labour Plans (SLP). A detailed record is provided below for the various mining houses:

Social & Labour Plans:

Impala Platinum Mines

As indicated in the previous report, all Makgotla Offices which were built by Impala Platinum Mine as part of the SLP, were completed in the first quarter of 2018. The RBA and Impala Platinum have also agreed on how the “Hand-Over Process” will be handled.

The tender process and appointment of contractors for the construction of the 6km Luka Bulk Water Line is at its final stages. There were delays in the project in the beginning, this as a result of the demands from the community and local SMME. These were resolved in the first quarter and adjudication is almost complete. In the second quarter report, we will update in relation to the appointed Main Contractor, and the Sub-Contractors.

The construction of the Kanana Multi-Purpose Centre project is ongoing well. The 3rd Phase of the project, which is mainly building work is proceeding well with minor hiccups associated with a project of this magnitude. As indicated, the project is envisaged to be completed by the end of June 2018.

As reported in the previous report, the Kanana road project was completed in January 2018. This is a R4 Million Rand project of a road and storm water channels.

The Sports fields in Luka and Lefaragatlhe will be constructed in 2018. Impala has requested to source additional proposals or quotations which will be presented to the respective project steering committees. The Lefaragatlhe Leadership has provided the RBA with a confirmation of location for the sports facility as there were issues prior.

Sibanye Platinum Mines

The Mfidikwe Sewer Project is being handled by Sibanye Platinum and the Rustenburg Community Development Trust. The detailed feasibility study is complete and the designs for the project are finalised in the first quarter of 2018. The procurement process has also been finalised in the first quarter of 2018. Sibanye Platinum has confirmed that the project will commence in 2018 even though there are issues in relation to the funding of the project. The feasibility studies and scoping revealed the need for additional funding for the project. We are confident that this project will succeed.

Sibanye Platinum was supposed to fund the expansion of Mfidikwe and Thekwana Clinics but new developments emanating from the engagements of the mines with the Department of Mineral Resources indicated that Sibanye will only fund Mfidikwe Clinic. Thekwana Clinic will then be fully funded by Lanxess Chrome Mines as a section 102 project into an ideal clinic. The designs for both clinics have been deliberated upon between the RBA, Department of Health and Sibanye and should be finalised by the end

of the second quarter. Sibanye will therefore expand Mfidikwe Clinic into an “Ideal Clinic”. The tender process will be continue into 2018 with construction to before the 2nd quarter of 2018.

The funding of Thekwana Poultry and the Photsaneng Bakery as enterprise development initiatives by Sibanye are also ongoing projects with the involvement of the relevant departments within the organisation.

Sibanye has also funded and 2 mobile clinics with one of them providing services around the Bafokeng areas. Through their Health and Social Welfare initiatives, they have also funded two Maternal and Obstetric Units, one of which is supposed to be based at the Bafokeng Health Centre.

Lanxess Chrome Mining

The construction of a Community Library within the precinct of Tshukudu High School is underway. This is a R6 Million Rand project which will benefit the community of Photsaneng, Thekwana and Mfidikwe as well as the Learners of Tshukudu. This project is to be completed in the second quarter of 2018.

Another project is the construction of a Garment and Fashionable Wear facility in Photsaneng. The project commenced in September 2017 and was estimated to be completed by the end of October. Parts of the existing structure at the Old Photsaneng Primary School is being converted to accommodate this facility and will be furnished with the necessary machinery and equipment. Further engagements will be held with the relevant stakeholders after the completion of this project in order to discuss the formation of a structure that will manage and operate the facility.

Glencore Wonderkop

The Ratanang Day Care Centre which is located within the precinct of Tlhage Primary School in Thekwana is one of the projects which was completed in 2017. Glencore has been supporting the Day Care Centre for many years hence they decided to construct proper facilities for them. The handover process for the project is being deliberated between RBA, RBI and Glencore.

Challenges:

- There are no challenges at this moment. We will closely observe how matters unfold by the end of the second quarter of the year.

Land Use Management (Agriculture)

Highlights & major deliverables:

Crush pens

Land Use Management (Agriculture Unit) will erect two crush-pens at Kanana and Diepkuil (North Region). The crush-pen improves management of livestock (Cattle, goats and sheep).

Water at grazing areas

Boreholes and windmills will be installed at Madumelo.

SLP on-going projects

During the initial stakeholder meeting between Royal Bafokeng Administration and Ilitha Mining, RBA Agriculture requested assistance with an egg production type of a project. The project was allocated R500,000.00 funding by Ilitha Mining. Poultry egg farming is a lucrative business, providing income for millions of people from all parts of the world. Ilitha and Royal Bafokeng visited one the similar project at Sandfontein to view their structure. Currently the engineer is busy with the specifications. Royal Bafokeng will decide on the size of the chicken egg production project. The project will be a multi-Year (two years) undertaking.

Royal Bafokeng will provide a suitable portion of land for the project. (A minimum of 10 Ha is recommended). A professional, suitably qualified and accredited service provider will be appointed for the project. Royal Bafokeng has identified relevant co-operative for the project. Training and mentoring of beneficiary co-operatives will be conducted. The project will be ceded over to the Royal Bafokeng Administration, at the end of the initial project phase.

Sibanye Mine also approved a funding allocation of R 500,000.00 to Thekwane Poultry project. The construction thereof will start next year. The co-operative were operating on a broiler production project, during advisory sessions we encouraged them to focus on egg farming production. The demand for eggs is very high. Over 65 tons of eggs are consumed globally on an annual basis. Eggs are considered an alternative cheap source of proteins. Almost every household consumes boiled/fried eggs. Increasing protein consumption and rising incomes drive consumption of eggs. This increase is particularly notable in developing countries where changing diets have people consuming a greater number of calories from protein sources like poultry meat and eggs. You can supply your eggs to individual households, supermarkets/ grocery shops, wholesalers, schools, restaurants, companies, organizations, events, etc.

Omolemo Fresh Produce

The project was initiated by two male youths from Phokeng. The project will be planting vegetables on a commercial level. Omolemo Fresh Produce is one the projects supported by RBA Agriculture Department and was funded R1, 165,194.50 by Rural Environment Agriculture and Development (READ) under Farmer Support & Development.

Challenges:

- Diseases, theft and vandalism are major challenges in this sector.

Land Use Management (Environment)

Highlights & major deliverables:

Insourcing vs outsourcing of waste collection within the RBN:

This would involve insourcing of the entire waste collection service to Royal Bafokeng Environmental Management Unit. The advantage of this approach would be that an experienced personnel would be appointed to manage the service in line with set service standards, and management would be able to make considerable inputs. By in-sourcing, the administration will be receiving the best price for the service.

Cleaning of Borrow Pits within RBN regions: This is huge challenge to the department and the whole of RBN. There are instances where the local leadership allows illegal digging and mining of the land without Administration authorisation. When the Municipality wants to build a road, they cannot just identify a piece of land and dig material. An approval from the land owner and the DMR is required otherwise is the responsibility of the land owner to rehabilitate the damaged sites.

In fact, the law emphasizes that the Department of Mineral Resources must be approached for such an approvals.

Illegal Dumping of Rubble and Waste in Open Spaces

- ❖ The organisation has identified illegal dumping as a major concern. There is a planned “cleaning up campaign” which will be done in this 4th quarter.
- ❖ The first cleaning for 2018 was earmarked for 09th of February 2018 where all staff will be participating. This schedule is awaiting approval from Ook.

Land & Mining

The office of Land Use Management and Arts & Culture commenced with Bospoort Heritage project late last year. The implementation of the project is being facilitated by a Mineral Corporation consultant appointed by RBH. The area earmarked is Central region, at the following farms Boschpoort 284 JQ, Elandsheuvel 282 JQ, Klipgat 281JQ, Welbekend 117 JQ and Tweedepoort 283 JQ.

The intention of this initiative is that sites that are sacred to the Bafokeng Nation will be preserved for all time and remain free from interference from any surface mining that may threaten the integrity of the land. The project is complementary to the Master Plan.

Two approaches (the Project Plan) were recommended, discussed and agreed upon at the workshop:

- ❖ Heritage Protected Area Declaration: The Steering Committee has initiate a heritage protection programme for the protection of the graves and the archaeological sites.
- ❖ A Steering Committee was appointed at the workshop to drive this initiative for the next 16 months. The Steering Committee comprise Lynne Soulsby (and, to a lesser extent, Frank Gregory) from the Mineral Corporation (and assisted by Mari Wolmarans); Ms Reotshepile Tlhapanne and Ms Khumo Molobye (from GCOO) Nakedi Ramaphakela from RBH. Lynne Soulsby has been tasked to be the coordinator of the Steering Committee.

Challenges:

None reported.

Infrastructure Maintenance

Highlights & major deliverables:

Lefaragatlhe Pump-station upgrade

The upgrade and refurbishment to Lefaragatlhe Pump-station is progressing well. The work is being carried out by current RBAs' appointed plumbing contractors and project managed by MWB Consulting engineers. There are delays in scheduled programme due to prevalent rainy condition, late delivery of pipe and fittings. One pump was installed in March and will be commissioned mid-June 2018. Pump two will be installed mid-June after removing the existing pipe work. All pumps are expected to be commissioned end of June 2018.

Mfidikwe Water Borne Sanitation System

The engineering designs are 100% complete and pre-approved by RBA. It was finalised in May to discharge the sewers to Thekwane treatment plant. The scope of works has been sub-divided to accommodate: one main contractor and five sub-contractors. The work is now ready for tender pending the finalisation of the approach to source tenderers. Closure on this matter is expected end of May 2018. This tender is expected to be advertised in June 2018.

The routine road maintenance contract

The rehabilitation of upgraded roads and storm-water structures for 2017 project was successfully completed in March 2018. The 2018 rehabilitation project specification and designs were completed internally in January 2018. The project is now at evaluation stage and the meeting is scheduled for end May 2018 to appoint two service providers to execute the works.

The repair work needed for the roads which were damaged by last year's floods: The tender evaluated report is prepared for the adjudication committee. The awarding of the tender to successful bidder will be finalised end of May 2018.

Schindler Lift Suppliers is busy **replacing the two lifts system** at the Civic Centre. The work is on time as scheduled. One lift was commissioned in April and the other lift is expected to be completed second week in July 2018.

The Land Use Planning has is busy to making certain important assignments. The Unit will spearhead the densification process. Phokeng is identified as the first village to implement the process. A resolution was taken at Supreme to approve the funds for implementation.

Water Management system: The committee started in January to embark on a strategy to seek a sustainable water management to Morafe. Recommendations are done and tabled to Supreme Council for ratification. This will take place on the next quarter.

Challenges:

- Funding/budget required to implement some of the recommendations and technologies mentioned on the water **study report, sustainable water management system**. This is mainly on the upgrading of some of bulk lines and interventions to preserve water.

Development Planning

Highlights & major deliverables:

The need to align GIS with PULA and other RBN data basis needs attention to also ensure that data can be used for water billing within the RBN. The PULA data was aligned with the GIS and is now available on the GIS on the Intranet. The RBN GIS Map on the GIS was also updated, as well as the Building Assets GIS map.

The workflow regarding the Stand Applications and Business Stand Applications have now been fully integrated electronically and in future, all stands will be able to be accessed using electronic system which is also GIS aligned. Priority will be given to ensure that Land Use Management also utilize the system.

The RBA is finalising the SPLUMA Service Level Agreement with the Municipality. This is such a technical work and will need utmost attention to detail. We had hoped that the SLA will be signed and completed in the first quarter of 2018, however due to the delays from RLM we could not complete this work. We hope that this will be completed by the middle of 2018.

The process started for the establishment of the Site Registry Office (deeds office). The project was registered on the OPMO system and will commence soon.

Challenges:

- 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 Use Management to ensure that the community needs are met.

Protective Services (Community Policing)

Highlights & major deliverables:

Crime incidents attended and arrests executed. During the period January 2018 to March 2018 Protective Services attended on average 279 crime incidents monthly, which emulates to slightly more than nine crime incidents attended too during every 24 hours – 837 crime incidents attended too during the first quarter of 2018. The Department’s crime fighting units arrested a total of 146 suspicious criminals during the first quarter of 2018 ... thus it arrested on average 49 crime suspects per month or almost 2 crime suspects every 24 hours. It conducted 16 joint crime fighting 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 sixth day.

Crime related community calls received. The Department received on average 13 crime related community calls – every 24 hours - from the broad RBN Community during the first quarter of 2018 [1192 crime related Community calls to the Reaction Force control room during the first quarter of 2018 were recorded].

The Department attended less crime incidents during the said period, comparing to the fourth quarter of 2018, yet it arrested slightly less crime suspects comparing to the last quarter of 2017. This is indicative of an increase in domestic violence incidents! Yet it simultaneously resulted in fewer arrests as the vast

majority of domestic violence incidents do not necessitate arrests as the social conflict is mostly solved at the scene ... though not necessarily reflecting a long term or permanent solution

Guarding Division. The newly established Protective Services Guarding Division – consisting of 66 guards of various grading's – has been operationalized since the 1st of July 2017. The first nine months of the Division's official deliberations have been characterized by several official RBA vehicles found unlocked by guarding staff while being parked [after hours] at the Civic Centre and Legato.

Guarding related challenges. Though monthly guarding related reports are distributed to all management and executive offices in the Civic Centre, the most prevalent challenge remains the almost non-caring and high risk management of official RBA vehicles ... particularly during after-hours!

The above undesired observed phenomenon did result [to a certain extend] in the first official RBA vehicle stolen on the 16th of March 2018, from the staff parking area at the Civic Centre auditorium.

On too many occasions such vehicles are found unlock, windows down and even on a few occasions such parked vehicles were found with its ignition keys still inside the vehicles!

It remains imperative for official RBA vehicles to be parked at the Civic Centre executive parking area or official basement parking area, during after-hours.

Another guarding related challenge remains the thick overgrown vegetation [grass and bushes] along RBN guarding site perimeter fences and inside such guarding site premises – which inhibit proper visibility by guards on duty ... particularly during dark night hours.

Challenges:

- No major challenges regarding the Reaction Force were experienced during the first quarter of 2018.
- The departmental guarding staff is however still in a development phase regarding the cultivation of official excellence – this phase does require intense supervision and has been characterized by a few isolated incidents of unacceptable official behaviour by a few individual guards.

Land Monitoring

Highlights & major deliverables:

The Protective Services Land Unit attended to and conducted 787 Land Unit operations and RBN Land related monitor activities during the first quarter of 2018. These operations varied from the demolition of illegal structures, servicing of notices to RBN Land trespassers to the destroying of shop items and food stuff which shelf life – in diverse tuck shops and general dealers all over the RBN area – has expired. The number of Land Unit monthly operations has stabilized to approximately 262 such operations per month during the first quarter of 2018.

RBN Land abuses. The most prevalent RBN Land abuses in terms of occurrence remain ...:

1. Illegal businesses found on residentially allocated stands.
2. Illegal sub division of stands.
3. Illegal occupation of stands.
4. Water pipe bursts in the general **RBN** area.

Challenges:

- The most prevalent challenges facing the policing of RBN land abuse is the bottleneck of many and numerous land related cases awaiting trial at the Tribal Court, which is unable to swiftly deal with such cases ... due to a lack of adequately skilled staff and resources.
- Orderly and procedurally RBN land use are still sabotaged on too many occasions by Kgosana's and Kgotla's acting illegally and in an autonomist manner – without the official sanction of the Civic Centre – during general stand application, allocation and occupation deliberations.

Traditional Governance Executive Summary

Highlights & Major deliverables:

Impala MCLEF

The Governance office facilitated an election process for the Luka Dikgosana to incept a new committee to sit at Impala Maclef. The need to hold elections was necessitated by the challenges relating to the administration of projects by Maclef. A new committee was accepted and has since been introduced to Impala and have started attending Maclef meetings

Royal Bafokeng Platinum Mine (RBplats)/Macharora Engagements

Around February 2018, Macharora community engaged in protests against RBplats raising employment and procurement issues. They provided Memorandum of Grievances to RBplats containing various issues. The Governance office was requested to intervene between RBplats and Macharora leadership.

To this date the Governance department has held six (6) meetings with Macharora Leadership and Royal Bafokeng Platinum in order to assist both parties to reach agreement on issues raised in the Memorandum.

An independent arbitrator has been appointed to facilitate issues or disputes of employment between RBplats and Macharora. With regard to other issues, the engagement process is ongoing and more feedback will be provided.

Traditional Council Five Year Plan

Members of the Traditional Council have developed their own 5 year plan for their term of office which will run from 2017 - 2022. In principle the plan has been approved by the meeting of Traditional Council. Council has approved that the plan be shared with office of GCOO so that entities may incorporate same on their projects and programmes.

Makgotla Executive Induction

Makgotla executives were inducted on the governance framework particularly on the role and function of Makgotla. All regions were inducted on their roles, functions and mandate.

Council of Dikgosana Induction

Members of Council of Dikgosana were inducted on the RBN Governance framework.

Rules of the Traditional Court

The office of the Secretary has developed Rules of Court for the Royal Bafokeng Nation Traditional Court. The main objective is to ensure that there is consistency and efficiencies in the manner that the court functions.

Annual Report: Governance

This is the report of the Royal Bafokeng Nation Governance Department covering the 2017 period. The purpose of this report is to give account of the work done by structures of the Governance, the status of governance structures and to highlight their challenges as well as to recommend solutions where necessary.

The report covered the work done by structures of the governance office during 2017 and the status of the structures of the governance office and highlight their challenges and recommend solutions where necessary. The report has been sent to OoK for consideration and inputs.

Meetings of the Houses

The Supreme Council, Traditional Council and Council of Dikgosana have scheduled and special meetings. To date in 2018 Supreme Council held 3 (three) meetings, Traditional Council held 2 (two) meetings and Council of Dikgosana held two (2) meetings in the 1st quarter.

Consultation with Makgotla executives

Makgotla Executives were consulted on the Incentive Scheme and given update on the ruling by Mafikeng High Court on the removal of the Minister of land affairs as a Trustee of some of the land belonging to Morafe.

Appointment of 6 (six) Makgotla interns

OoK approved the appointment of six interns. Their role is to ensure that minutes of all RBN Makgotla are properly captured in the Governance system. To ensure that all issues or challenges raised by Makgotla are correctly captured and referred to Entities for attention.

This is a pilot project by Office of Secretary to ensure that there are efficient system and process to deal with all issues raised by Makgotla. And also to ensure that Makgotla as a structure functions effectively and efficiently.

Challenges:

- Various incidents of uprisings by the youth demanding that the Youth office by opened for operations.
- Community uprisings at Robega, Chaneng and Mafenya against RBplats.

Moumo

Highlights & Major deliverables:

Project 1: Regional Centres

The RBA has identified the need for using of existing buildings where possible and/or new buildings where the nature of the site/area lends itself to commercial development to develop a new centre.

The aim of the regional centres is to enable the community access to pay points per region within walking distance rather than requiring the community to come to the Civic Centre in Phokeng to pay for rates/water etc.

Given reduced budgets a request was made for the upgrade and/or new building to as far as possible be made on the same basis as the upgrade of the Phokeng Mall.

Deliverables

- ❖ Regional Centers and/or pay points per each of the identified regions depending on the areas and needs of the community.

Impact

- ❖ Rentals from commercial centers where applicable;
- ❖ Economic Development with jobs for the local community via retail/franchise and fuel stations; and
- ❖ Easy access to pay points/RBA services where required.

Deliverables

Regional Centre for each of the 5 regions have been identified by Public Services Management and will be circulated on 31 May 2017.

Bakwena Plaza site has been identified as first priority following meetings between Bakwena, RBA and RBED. The developer is undertaking traffic studies, surveyor measurements and meetings with RBA to understand requirements for Regional Centres. The next step will be to start engagements with the municipality's re-zoning and sub-division units, finalise legal and funding arrangements with the developer.

Project 2: Commco Cell-phone Towers and Fibre

The Land Committee has approved the rollout of cell-phone towers and fibre under management of Commco. The cell-phone towers will be built by Atlas (2), Commco (5), MTN (7) and Vodacom (3). Moumo entered into a communications management agreement with Commco whereby Commco builds towers at their own cost, manages all existing and new tower rental collections on RBN land as well as structures on mine lease areas where the mines collected the rentals to date.

Impact

- ❖ Rentals from each of the towers which increase per host added to a tower;
- ❖ Economic Development with jobs for the local community as well as investment opportunities for interested parties in the Community; and

- ❖ Improved communications and data access for the community with a possible foot print for the rollout of e-commerce/e-health and e-education in future.

Deliverables

Rolling out towers over the next 12 months at the below mentioned sites:

- ❖ 1 tower at the MTN Thlabane Sports Field;
- ❖ 8 towers at the MTN Rustenburg Sun City area;
- ❖ 5 Vodacom towers to be erected across Maile, Bergrus, Diepkuil, Ga Luka Extension and Motalaneng;
- ❖ 5 Commco towers to be erected at Thlabane Centre, Bobuampja Convenience, Chaneng, Mogono and Windsor; and
- ❖ 4 Atlas towers at Mfidikwe, Chaneng, RBN Bala and Ga Luka.

RBED, Moumo and RBA have to sign off on the Project Schedule – No sign off no access to site. The Community Liaison Officer will communicate with all stakeholders before the project start date.

Work is expected to commence on the 30th of April 2018 and conclude on 29th of June 2018. Upon completion Commco will provide Moumo and RBED with a close-out report detailing the following: 1) number of jobs and 2) contracted performance by local contractors/sub-contractors.

Project 3: Bleskop Chrome Loading Bay and Siding Upgrade

Moumo entered into a development lease with Chromtec on Portion 2 of Kookfontein for the construction of a loading bay as well as the upgrade of the railway siding. The lease was approved at Kgotha Kgothe in June 2015.

Impact

- ❖ Rentals from the development lease; and
- ❖ Economic development with construction jobs, permanent jobs and opportunities for local SMME's on an ongoing basis.

Deliverables

In the first quarter of 2018 Mouno finalised engagements with Governance and all relevant stakeholders and facilitated the appointment of Community Liaison Officers by Makgotla, including training. The RFP process has been completed for local SMME participation and the next step is the adjudication of tenders by Chromtec and CLO.

In the next quarter, Chromtec is to finalise engineering based on costings from local tenders received and raise funding. Construction has been earmarked for the end of June 2018.

Project 4: Marang Housing Development

Moumo is performing the feasibility and town planning for the proposed development of a mixed housing development on the Boekenhoutfontein farms adjacent to the Marang hotel. The aim of the development is to ensure the housing is affordable yet does not detract from the Marang Hotel and provides residents with security and access to affordable education.

Impact:

- ❖ Annuity income from the project that could contribute to RBN projects in other areas;
- ❖ Improved bulk and sanitation services for the greater area bridging the current shortage of services;
- ❖ Economic development with jobs created during construction and opportunities for local SMME's on an ongoing basis thereafter.

Deliverables

The developer finalised layouts for review by engineering firms and the Housing Committee will be appointed following engineers reports (MoediBatho for water services, Amcon for electricity services and Aurecon in JV with local firm Seanego Tleane and Associates). Reports are expected to be finalised at the end of April 2018 and the outcomes to be presented to Housing Committee early May 2018 to agree on way forward.

In the second quarter, layout to be continuously adjusted based on inputs from service providers. The developer to undertake a feasibility study provided outcomes of water/civil and electrical studies being positive. We expect the Traffic Impact study to finalise.

Challenges:

None reported.

Recommendations

SUBMISSION OF REQUESTED QUARTERLY REPORT INFORMATION:

Entities /Departments to prepare and submit requested quarterly report information (Executive Summary Report, Funding Template and Youth Benefit Template) timeously, to avoid unnecessary delays in the development and distribution of the RBN Quarterly Performance Report.