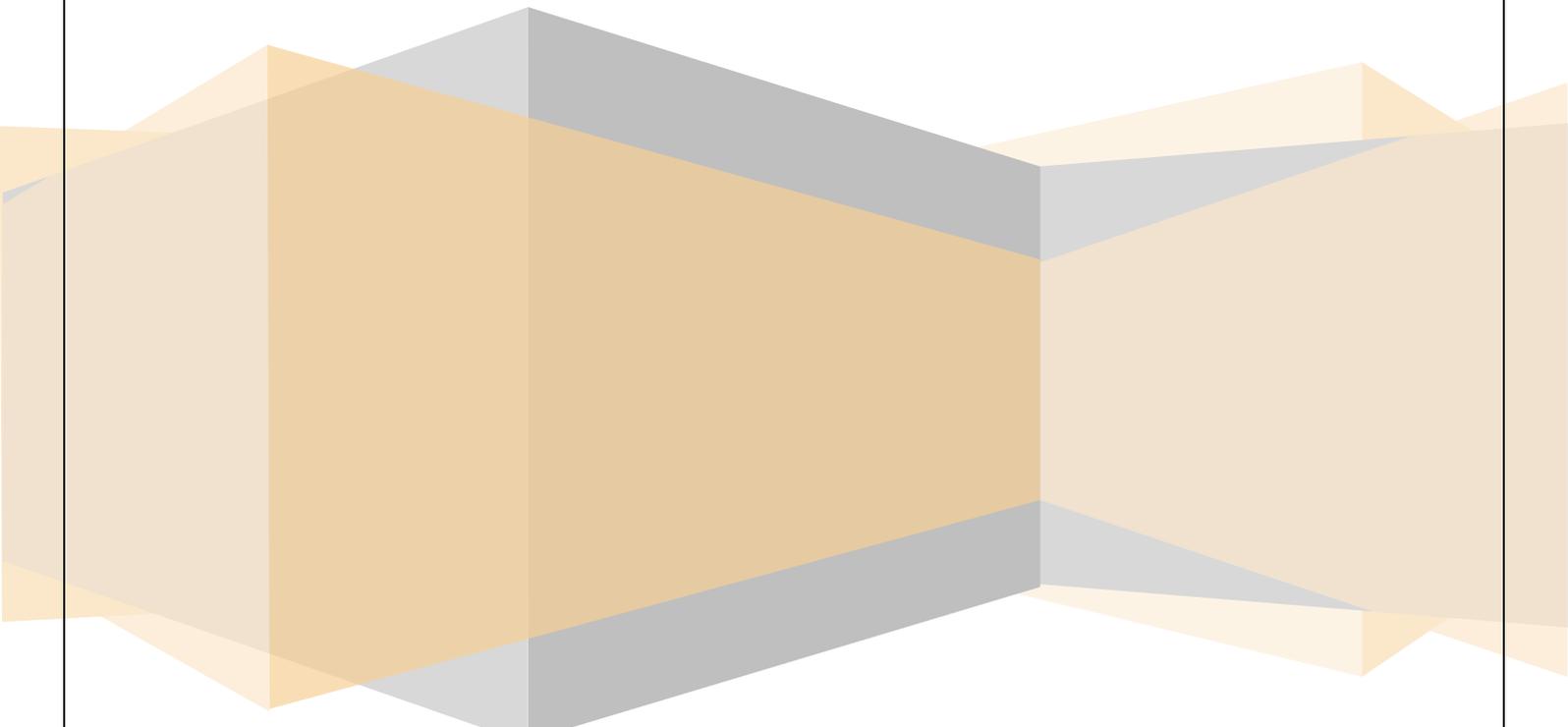


XHARIEP DISTRICT MUNICIPALITY

INTEGRATED DEVELOPMENT PLAN

DRAFT

2010/2011



Executive Mayors foreword

For local government to ensure it fulfils its mandate, it needs a mechanism to identify its priorities, issues and problems that determine its vision, objective strategies and the identification of projects to address the issues. This process is guided by two key national imperatives:

- Need to set out the core principles, mechanisms and processes that give meaning to developmental local government and to empower municipalities to move progressively towards the social and economic upliftment of communities and the provision of basic services to all our people.
- Local government must involve the active engagement of communities in the affairs of the municipalities of which they are an integral part, and in particular in planning service delivery and performance management. Integrated Development Planning is one of the key tools for us as local government to cope with our new developmental role.

The Integrated Development Plan (IDP) must be the engine that generates development at local level. This process, which facilitates planning and delivery should arrive at decisions on such issues as municipal budgets, local management, promotion of local economic development and institutional transformation in a consultative, systematic and strategic manner.

IDP does not only inform municipal management, but is also supposed to guide the activities of any agency from the other spheres of government, corporate service providers, NGO's and the private sector within the municipal area

Given the geographical, economic and social composition of our communities we had to maintain a balance between sustaining and encouraging development in our areas and using the IDP to address the social and economic needs of our communities more effectively.

The HIV/AIDS pandemic has been identified as one of our priority issues that require immediate action. Our unparalleled initiative in this regard is at an advanced stage and it is hoped that in conjunction with other key role-players our efforts to deal with this pandemic will make a meaningful difference to our people.

It is also important to note that our area has been identified as a Presidential node for war on poverty and that the co-operative involvement of both national and provincial government departments will provide us with much needed resources to declare war on poverty and make a difference in the lives of the poorest of the poor.

It is a well-learnt lesson that the success of any plan is dependent on the execution of the detail. We believe that we have committed and dedicated staff, communities and role players to ensure the successful implementation of our IDP and the attainment of our broader objective: to improve the quality of life of all our people.

We must acknowledge with appreciation the efforts of our staff, the contribution of all communities and role-players, involvement of national and provincial government in ensuring that we were able to produce a legitimate and credible IDP.

The IDP is of great importance to the welfare of our nation and could be the turning point for rural growth, thus supporting governments' vision of a "BETTER LIFE FOR ALL".

**Executive Mayor
Cllr. Mongi Ntwanambi**

1. INTRODUCTION

1.1 OVERVIEW OF XHARIEP DISTRICT MUNICIPALITY

XDM was formally established on 06 December 2001 as a result of Section 21 of the Local Government Municipal Demarcation Act of 1998 whereby all areas of the former LG bodies were re-demarcated and new municipal entities established. The District is made up of three Local Municipalities, namely, Kopanong, Mohokare and Letsemeng.

The District constitutes the southern part of the Free State Province and covers an area of approximately 34, 131 km². There are 17 towns in this district, which boasts abundant natural resources such as water and agricultural land. As a matter of fact, the largest Dam in South Africa is situated at the southern tip of the District. Moreover, 3 National Roads (N1 – Gauteng to Cape Town, N6 – Eastern Cape to Bloemfontein and N8 – Bloemfontein to Kimberley) pass through the district. The area is also relatively crime free.

According to the 2001 census data¹, the population of the district is approximately 135, 245, 50.8% being women and 49.2% men. Statistics SA (2001) estimates that 69% of this population is below 35 years. The total number of households within the district is estimated at about 38, 879 (Statistics SA, 2001)

The District faces various challenges ranging from widespread poverty to service delivery and infrastructure backlogs. It is estimated that almost 80% of the District residents live in poverty¹, worsen by a high unemployment rate approximately 34%, according to Global Insight, 2006. Backlogs in service delivery are experienced in the following areas: water delivery, sanitation and electricity across the District.

The main contributors to the area's economy are agriculture, which generates approximately 28% of Gross Added Value (GAV), public service and administration 26%, services and retail 17%, and construction 8%.

With a view to realising its developmental mandate, the District through a series of representative forums and workshops identifies certain priority areas in this IDP in alignment with the four key cluster areas highlighted in the 2007/08 Free State Growth and Development Strategy (FSGDS):

Economic growth and employment: Development of agriculture, tourism, trade, mining and broad based black economic development.

Social and Human Development: Health services, environmental management, safety and security, disaster management, education and training, youth development, HIV/AIDS and transport, bulk water supply and sanitation.

Efficient governance and administration: Financial viability, intergovernmental relations, public participation and corporate governance,

Justice and crime prevention: More effective strategies to counter stock theft and a higher police presence and visibility.

1.2 RATIONALE FOR THE IDP

The IDP is the principal strategic planning instrument, which guides and informs all planning, budgeting, management and decision making of the municipality. It therefore supercedes all other plans of the municipality.

Accordingly, section 34 of the Municipal Systems Act of 2000 provides for the annual review of the IDP. It says that the municipality must review its IDP:

- Annually in accordance with assessment of its performance measurements. (agreed performance indicators and targets)
- To the extent that changing circumstances so demand.

A full planning cycle of at least a year has lapsed since adoption of the previous IDP and development circumstances on the ground have changed in relation to demographic planning information, institutional challenges, economic development, service delivery status (which includes Operation Hlasela Injunctions) and community priority needs and it is for this reason that the current review is warranted.

1.3 PURPOSE OF THE IDP

Integrated Development Planning is an approach to planning that involves the entire municipality and its citizens in finding the best solutions to achieve good long-term development.

This IDP is a far-reaching plan that gives an overall framework for the development of the Xhariep District family of municipalities. It aims to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in the area. The plan looks at economic and social development for the District as a whole.

The development of this IDP is critical for a number of reasons, key among these being the **Local Government Ten Point Plan** adopted by the Free State government:

- Improve the quantity and quality of municipal basic services to the people in the areas of access to water, sanitation, electricity, waste management, roads and disaster management.
- Enhance the municipal contribution to job creation and sustainable livelihoods through Local Economic Development (LED).
- Ensure the development and adoption of reliable and credible Integrated Development Plans (IDP's).
- Deepen democracy through a refined Ward Committee model.
- Build and strengthen the administrative, institutional and financial capabilities of municipalities.
- Create a single window of coordination for the support, monitoring and intervention in municipalities.
- Uproot fraud, corruption, nepotism and all forms of maladministration affecting local government.
- Develop a coherent and cohesive system of governance and a more equitable intergovernmental fiscal system.
- Develop and strengthen a politically and administratively stable system of municipalities, and
- Restore the institutional integrity of municipalities.

1.4 METHODOLOGY

As a District Municipality, Xhariep is expected by the regulations (Section 84(1)(a) of the Local Government Municipal Structures Act of 1998 to adopt a process plan and a framework for guiding IDP formulation in the District, including the Local Municipalities of Kopanong, Mohokare and Letsemeng.

1.4.1 IDP FRAMEWORK

The IDP Framework is a summary of action programmes focusing on district-wide activities that need to be undertaken by the District Municipality and Local Municipalities in a coordinated way. The framework serves as a guideline for alignment of the DM and LM IDP processes, as well as with plans and programmes of different organs of state and other relevant role players. It essentially binds the DM and all LMs. However, each municipality is responsible for monitoring its own process plan to ensure that the framework is followed as agreed.

According to Section 27(2) of the Systems Act, the purpose of the framework is to:

- Identify the plans and planning requirements binding in terms of national and provincial legislation on the district municipality and the local municipalities or on any specific municipality;
- Identify the matters to be included in the integrated development plans of the district municipality and the local municipalities that require alignment;
- Specify the principles to be applied and co – ordinate the approach to be adopted in respect of those matters: and
- Determine procedures-

1.4.2 ELEMENTS OF THE IDP PROCESS

The proposed process for consultation between the District municipalities and the local municipalities during the five year planning process is as follows:

Phase 1: Situational Analysis

- Xhariep District Municipality may perform analysis related to region – wide issues and co–ordinate and align key development priorities with local municipalities.

Phase 2: Strategies

- Local municipalities should be invited to district strategic workshops to jointly discuss the most appropriate problem – solving strategies.
- Provincial and National specialists and competent resource persons from civil society could be invited to join this process, which will be facilitated by the district under Directorate: Planning & Development.

Phase 3: Projects

- Project and programme planning will require co–ordination and alignment between the district and local municipalities.

Phase 4: Integration

- During this phase local and district municipalities will ensure the integration of different processes and will consolidate the institutional restructuring and communication plan, in order to finalize their respective IDP's and programmes.

Phase 5: Approval

- The district will play an important role in horizontal (cross border issues) and vertical co-ordination.
- Local and district level planning will therefore be parallel, rather than in a one sided, bottom – up or top down manner.

Table 1 IDP Framework and Timeframes

Phase	Alignment Activity	With whom	By when
1. Analysis (Situational) Already dealt with during May 2009. Use available information and update it.	a) Data collection from sector departments; b) Joint decision on localized strategies. Stakeholders meeting, sample survey and opinion polls (a) Ward Committee meetings/Rep Forums	Affected departments & all LM's responsible person Municipal Managers	October 2009
2. Strategies	Objectives and strategies (District Strategic Workshop with local municipalities, sector departments, IDP Representative Forum	LMs, DM, Province and other relevant stakeholders	Until 15 November 2009
3. Projects	Technical inputs on projects & programme formulation. Technical sub-committee with few selected representatives of stakeholders organisations	All LM's	January-February 2010
4. Integration	a) Sector alignment & integration under responsibility of provincial, national sector department and IDP representative forum	All LM's	January-March 2010
5. Submission of IDP's	a) Submission of draft IDPs and Spatial Development Framework b) IDP Summaries	All LM's	March 2010
6. Analysis and engagements	a) Analysis and engagement & review. (if any) b) Compiling district level	All stakeholders/	April - May 2010

	summary of local IDP's (Province)		
7. Approval	Aligning budget with IDPs / submission of final drafts and sign –off by the Premier Submission of the SDBIP by the Executive Mayor	Sector departments , Municipalities and Political principals	20 June 2010 June – July 2010
Monitoring and implementation	IDP Representative forum with the support of sector departments responsible for their projects	All stakeholders/individual departments	From July 2010 onwards

Source: Xhariep District Municipality IDP Framework (2010/2011)

The framework gives methodological and practical guidance to the IDP process. The plan serves as a working document and is amended by the IDP Steering committee as and when deemed necessary.

However, the process encountered some difficulties, which include but not limited to:

- Lack of strategic guidance and direction from some provincial sector departments.
- Timeframes for certain critical events such as the IDP Representative Forums and setting objectives and strategies were not met. While there may be valid reasons for these delays, the implication to the process, particularly with regard to submission and adoption were significant.

1.4.2 Issues, mechanisms and procedure for alignment and consultation

It is proposed that the following persons and structures be involved in the alignment process:

Between Local Municipalities and the District Municipality:

District Management and Co-ordinating Forum

- Four (4) Municipal Managers
- Four (4) IDP Managers
- Provincial IDP Co-coordinator
- Three (3) representatives from clusters according to the FSGDS

Between District/Local Municipalities and Provincial/ National Government:

District IDP Steering Committee

- Executive Mayor
- Mayoral Committee
- District Municipal Manager / IDP Manager
- Provincial IDP Co-coordinator
- Senior Managers
- Public Participation Managers
- Performance Management Manager
- Provincial/National Senior Sector Department Officials; and
- Senior Officials of relevant service providers (Eskom, Water Board, Telkom. etc.)

The District IDP Steering Committee is responsible for:

- The establishment of the IDP Representative Forum
- Define the terms of reference and criteria for members of the IDP Rep forum
- Consider comments on inputs from sub-committees, study teams and consultants including comments from national and provincial sector departments.
- Processes, summaries all inputs.
- Facilitate and prepare all documents for meetings, and
- Establish sub-committees for specific activities which can include additional persons outside the Steering Committee

IDP Representative Forum

The structure will consist of the following:

- Municipal Managers
- IDP Managers
- IDP Steering Committee
- Ward Committee Members
- Community Development Workers (CDW's)
- Heads of Department and Senior Government Official
- Stakeholders representatives

Service Providers or State Owned Enterprises:

Regional and national service providers or representatives of the following primary services providers must be engaged if and when necessary:

- Eskom
- CENTLEC
- Telkom
- Transnet
- Bloem Water
- MTN
- Vodacom
- Cell-C
- SABC
- Land Bank
- Free State Development Co-operation (FDC)
- SEDA
- DBSA
- ABSA
- FNB
- Other service providers relevant and important for the production of a credible IDP

1.4.3 Communication Mechanism

The alignment procedure and mechanisms will necessitate that communication links are set up between the district and local municipalities, between the district and other stakeholders and role players as well as within the local municipal units. The following communication mechanisms are hereby proposed;

- Fax and/or email,
- Telephone,
- Print and electronic media
- Imbizo's
- Meetings and workshops, as well as individual consultation *etc.*

1.4.4 Logistical arrangements

For purposes of ensuring a smooth, effective and timely completion of the IDP process, the following logistical arrangements are in place:

- All meetings and workshops will be held in various places in the district;
- IDP Manager is responsible for ensuring that timely notices are sent to all invitees and that preparations are in place;
- The IDP Manager/Municipal Manager will be responsible for the sending of invitations and other arrangements of meetings and workshops;
- Transport arrangements will have to be provided for civil society/participants or alternatively transport cost provided or transport cost paid;
- Food and refreshments should be provided in meetings and workshops;
- Advertisements will be placed in all local newspapers to ensure the kick-start of the process and to invite final comments on the draft document; and
- The draft reviewed IDP document will be sent to all provincial departments and service providers and applicable national government departments for comments before final approval by council.

1.4.5 Matters requiring alignment

Input and support from other spheres of government is required in the IDP process for different stages. The alignment will take place between municipalities and the district municipality to ensure that their planning processes and issues are coordinated and addressed jointly. The district has the responsibility to ensure that alignment between the local municipalities takes place.

The alignment will also take place between local government (communities, district, wall to wall municipalities), in this case, Ukhahlamba and Pixley ka Seme District Municipalities in the Eastern Cape and Northern Cape provinces respectively, other spheres of government, especially provincial and national government as well as corporate service providers in ensuring that the

IDP is in line with national and provincial policies and strategies, and that it is considered for the allocation of budgets and conditional grants, considering the financial status of municipalities in the District. This IDP incorporates critical Sector Plans (*see Annexure*).

Vertical and Horizontal alignments must take place. It is also important to align the provincial priorities and strategies like the National Spatial Development Perspective (NSDP) and Provincial Growth and Development Strategy (PGDS) with the district strategies and sectoral programmes as indicated in the IDP. The purpose of intergovernmental planning is to achieve a common goal (*see Table 1.2 below*)

The IDP review process must take into consideration the ASGISA, NSDP, PGDS and SDF including other National and Provincial plans.

Table 1.2

HORIZONTAL ALIGNMENT ACTIVITIES OF DISTRICT AND LOCAL MUNICIPALITIES		
ALIGNMENT ACTIVITY	DISTRICT MUNICIPALITY	LOCAL MUNICIPALITIES OTHER SECTORS
Information on priority issues	Water and sanitation	Kopanong water and sanitation
Joint decision on IDP guidelines		
District-level strategy workshop		Xhariep District Municipality
Technical inputs to project planning		
Sector programmes under responsibility of the district		Provincial Departments and XDM
Submissions of draft IDP		Xhariep District Municipality and Local Municipalities
Comments on the draft IDP's		Public & Cogta
Compiling District-level summary of local IDP's		Cogta & XDM

Source: Xhariep IDP (2008/9)

The District IDP Manager with the Steering Committee will:

1. Consider activities per phase and proposed time frames;
2. Submit draft Action programme for District Framework workshop and this to be aligned with local municipal process plans;
3. Discuss and agree on district framework programme as basis for municipal programme (process plans);
4. Adapt action programme to local circumstances of Lestemeng, Kopanong and Mohokare municipalities;

5. The district together with the local municipalities will finalise the action programme on alignment, community participation and required resources; and
6. Make sure that all stakeholders stick to timeframes.

1.4.6 The National Spatial Development Perspective (NSDP)

The NSDP is a national strategy guideline developed by the policy Coordination and Advisory Section of the Presidency. It seeks to reconfigure apartheid spatial planning and implement spatial priorities in ways that meet the stated goals of providing the basic services to all and alleviate poverty and inequality.

1.4.7 The Provincial Growth and Development Strategy (PGDS)

To ensure greater harmonization and alignment in the development of IDPs, the three spheres of government, various sector departments and PGDS are the key roles. PGDS must be used as a guide in the alignment process.

The Provincial Growth and Development Strategy must:

1. Put strategies aimed at realizing the long term vision and goals of provinces, municipalities and the nation as a whole;
2. Express the short to medium term development priorities of the province and strategies;
3. Ensure alignment and harmonization of the actions of sub-national planning within the overarching framework provided by the NSDP;
4. In particular, provide opportunities for engagement and agreement on the extent, origin, form and spatial location of poverty/need and development potential in a province;
5. Through a rigorous analysis of the economic, social, demographic, spatial and environmental context, provide the basis for districts/metros and sectors in all three spheres of government and service providers to deliberate and reach a shared understanding and agreement on the nature, extent and spatial distribution of poverty /need and development spending in a particular district/metro and should provide guidance and enable coordination of national, provincial and local sector, annual departmental plans and budgets and of district and metro IDPs.

PGDS is underpinned by a coherent provincial spatial perspective/ framework as the critical instrument to understand major social, migratory, demographic, environmental and economic trends and systematically intervenes to ensure sustainability of government action. The PGDS assist with identifying the socio –economic potential in each province and the strategy as well as program to guide development activities within the province by both public and private agents. Together with NSDP they provide direction to infrastructure investment and development spending.

District Growth and Development Strategies

The District Growth and Development Strategy aims to;

- Foster partnership among various stakeholders (Business, labour, private and communities), at local government level;

- Identify specific intervention, programmes and projects that would address the growth and development challenges of the area for immediate implementation; setting of adequate targets with reasonable timeframes and identification of possible source of funds;
- Secure commitments from social partners including sector departments for their immediate and concrete contribution towards the execution of identified programmes and projects to address the development challenges of a district or metropolitan area;
- To serve as a consultative mechanism in the district in developing credible IDP and implementable IDP's and LED programmes.

1.4.8 PLANS AND PLANNING REQUIREMENTS AT PROVINCIAL AND NATIONAL LEVEL

Table 1.3

OUTLINES LISTS OF BINDING PLANS AND LEGISLATION	
Category of Requirements	Sector Requirements
For a municipal level plan in line with prioritization of each Municipality in the District	Water Services Development Plan
	Integrated Transport Plan
	Integrated Waste Management Plan; State of the Environment Report
For sector planning to be incorporated as a component in the IDP	Municipal Housing plans
	Local Economic Development Strategies;
	Financial Plan; Medium term budget plans
	Capital Investment Programme
	Spatial Development Framework.
	Performance Management System
	Integrated HIV/AIDS Programme
	Integrated Poverty Alleviation and Gender Equity Programme
	Disaster Management Plan
For compliance with normative frameworks	National Environmental Management Act
	Development Facilitation Act principles
	Free State Spatial Development Framework

1.4.9 Procedures and Principles for Monitoring of Planning

Mayoral Committee and Council

The Mayoral Committee, together with the Xhariep District, has an oversight role in the IDP preparation and drafting. The Mayoral Committee would be consulted before the IDP framework, priority issues and the adoption of the IDP is submitted to Council for approval.

Adoption of the IDP framework

The IDP framework needs to be adopted by the Xhariep District as a process to be undertaken in preparing for the approval and adoption of the IDP 2007-2012. Section 27 of the MSA states that the municipality consults with the local community in adopting the process and gives notice to the local community of particulars of the process it intends to follow.

The Xhariep IDP framework was forwarded to the IDP technical committee for consideration and after that, it was sent to the Xhariep District for approval. The IDP framework will be advertised in the local newspapers in order to make communities aware and to encourage participation.

**CORPORATE FRAMEWORK
OVERVIEW**

2. CORPORATE FRAMEWORK OVERVIEW

Vision Statement

To realize a district municipality that is financially viable with political and administrative sound capacity and be able to provide sustainable, effective and affordable service delivery in relation to developmental and governance principles.

Mission Statement:

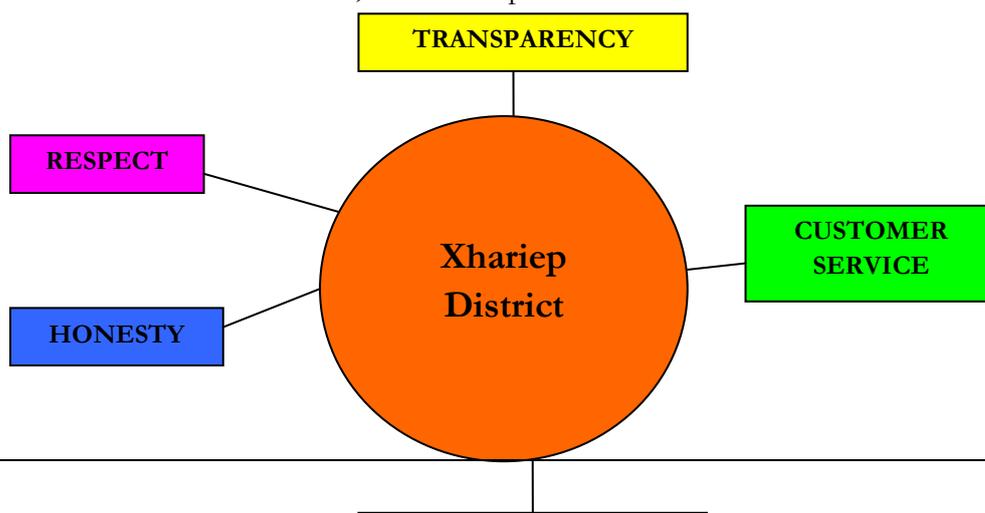
To achieve our vision through making of Xhariep to be a place of unfound diversity and ensuring:

- Community participation
- Competent and efficient administration
- Rendering of sustainable and affordable services
- Promotion of public/private partnership in order to enhance service delivery
- Integration of services and activities in order to enhance service delivery
- Promotion of economic development and investment attraction

Objectives/ Values

Our objectives/values serve as a compass for our actions and describe how we behave in the world.

- **Leadership:** The courage to shape a better future for our communities.
- **Democracy:** Accountability, transparency and freedom of expression.
- **Sound administration and Financial Systems:** Setting/maintaining administrative and financial apparatus.
- **Inclusiveness:** Consider needs of the affected when formulating policies, programmes and budgets.
- **Responsiveness:** Respond timeously to service queries, complaints and inquiries.
- **Quality Service:** Investing in human resource development: “What we do, we do extremely well”
- **Partnerships:** Strategic partnering with private/public entities.
- **Community participation:** Regular meetings with communities (Imbizo’s)
- **Youth Development:** Creation of learnerships and improve recreational facilities.
- **Passion:** Committed in heart, mind and spirit.



KEY MUNICIPAL OBJECTIVES

3. KEY MUNICIPAL OBJECTIVES

XDM has recently been through a Strategic Session Workshop to map out a way in which it will function as a more effective and efficient District. The following is the overall strategic approach:

Introduction

The Xhariep District has been through many challenges over the years and have managed to survive. The challenges were based on both levels politically and administratively.

Background

Presently a new Mayor and a new Municipal Manager have been appointed. It is within this context that the District has now moved towards creating a transformation program that will deal with all the challenges in an effective and efficient manner.

SWOT ANALYSIS

Table 1. 4: High Level Prioritized Xhariep SWOT: (To be discussed District Workshop)

Strengths

- FSPG Operation Hlasela to fast track provincial mega-projects. R50 million has been allocated to Xhariep District for key projects.
- Existing agriculture irrigation projects, including Oppermansgronde and Bosra, but which need to be better coordinated and linked with in terms of future agriculture innovation initiatives.
- The Karoo is served by three major road transport corridors, i.e. PE – Graaff-Reinet; PE-Cradock; CPT – Johannesburg. The national regional road and rail system represents a logistics asset which can be built on and enhanced to better serve future growth in the agriculture, tourism, and manufacturing sectors.
- District and Kopanong Local Municipality are sharing a building and office space.
- Lake! Gariep Development Initiative which serve three provinces, namely, Free State, Eastern Cape and Northern Cape.
- Kopanong Local Municipality has great quantity of land.

Weaknesses

- The lack of a coherent tourism brand for the region which builds on its attractions as being part of the Karoo.
- Largely nonexistent, or poorly functioning local tourism organizations
- Support to commercial agriculture has been very weak due to the prioritization of emerging farmers. Recognition of the key challenges facing commercial agriculture is required (see opportunities below) if the any prospects exist for turning around the future of the District's economy.
- Kloof Dam not a reliable source of water for irrigation.
- Lack of quality general schools and staffing challenges in key towns, as well as poor access to Doctors, reduces quality of life and attractiveness of the District as a place to live and work. Similar challenges in rural areas exist for farmers and workers.
- Poor quality of telecommunication system, especially in rural areas, limits ability of farmers to use ICT to enhance productivity and access markets, thus minimizing distance to market constraints
- Poor condition of town centres and town centre management is poor, negatively impacting on their prospects for retaining and attracting skilled workers. Community-business partnerships are needed to improve the public space and undertake town improvement initiatives.

Opportunities

- Development of an Arid Agriculture Innovation System, and the formation of international partnerships with successful desert innovation initiatives (e.g. Australia and Israel), is key to driving the region's future prosperity. Partnerships need to be established with other successful desert innovation systems, such as the Israeli system, to identify new product potential, technology transfer opportunities, as well as trade partnerships.
- A focused District Partnership which brings together government, business and universities in a focused research effort to create

opportunities and improve Karoo livelihoods is required and the Arid Regions Programme at the University of Free State can be the building block for this.

- Exploration of new agricultural products, such as cultivation of rare Karoo species of plants which have great medicinal and cosmetics value, as well as the development of extremely drought resistant crops due to advances in biotechnology
- The Karoo offers a number of advantages for manufacturing industries, including abundant and cheap land and facilities; labour; low crime; and sufficient water for industrial activities. The N1 corridor can be further developed and marketed as a manufacturing and logistics support corridor with a special emphasis on new long term possibilities offered by rail.
- Further local processing of selected agriculture products is needed subject to feasibility. Cooperative initiatives can play an important role here.
- Huge aquaculture potential at Lake Gariep, especially for African fish like tilapia.
- Desert tourism is becoming a global niche, focused on a target market that is searching for silence and solitude. Tourism growth potential through re-branding the region as part of the Karoo to attract more domestic leisure tourists e.g. from Cape Town, Durban, and Johannesburg. This can be linked to the emergence of rail tourism.
- Establishment of the Free State Provincial Commission could assist in streamlining, coordinating, and aligning key land development processes in the Province.
- Short-term business confidence needs to be improved through quick win visible delivery but within a framework of a long term development strategy that can inspire the private sector to invest for the long term in the region.
- Diversifying production of energy from renewable sources such as biomass and rivers and solar to both ensure the price competitiveness of agriculture and help meet **South Africa's CO2** reduction targets.
- Future drought conditions will worsen and require bold and pro-active actions to learn from other arid regions and identify innovations in

Threats

agriculture

- Rising input and energy costs (expected increases of 60%) threaten feasibility of the agriculture sector (some farmer's energy costs have almost tripled in recent times) and increase the urgency for putting in place large-scale renewable energy initiatives such as solar power for both residential and business purposes, in partnership with development finance institutions (the Mthatha case study in the Eastern Cape promises useful lessons in this regard) as well as the need to move towards higher value crops.
- Failure to budget sufficiently for infrastructure operations and maintenance
- Poor quality of water supply and distribution infrastructure resulting in disrupted or poor supply in certain parts of the District, thus threatening the economy (esp. agriculture and tourism) (esp. Philippolis).
- Insufficient attention to identifying and preserving the region's tourism heritage and historical attractions.
- Rise in number and severity of natural disasters linked to climate change and inadequate disaster management resources to deal with these (e.g. fire equipment).

Source: XDM-NSDP Alignment Study (November 2009)

3.1 STRATEGIC PLAN

At a strategic Workshop councillors and officials worked towards an approach in terms of dealing with some of the matters of strategic and political importance.

FOUR STRATEGIC PLANS

Participants agreed that we need to deal with the four specific areas outlined below:

- IDP Plan
- Transformational Plan
- Creating a successful District
- Turning the IDP into an operational Plan

It was imperative at this stage to create a common understanding pertaining to the understanding of Developmental Local Government”

Participants were requested to outline their own perspectives and the following inputs were made:

- Government must shift towards improved service delivery
- Government must work with communities in maximizing Development
- Local Government must be service orientated
- Public Involvement/consultation is important
- Economic development must be prioritized
- Social Development must be prioritized
- IDP
- What we will be doing within 5 years
- Cooperative Governance
- Short, medium to long term plan
- IDP must inform Budget
- Community Involvement
- Method of compiling the IDP
- Operational Document
- Alignment
- Content of IDP
- Analysis
- Land and Housing
- Transportation
- HIV and Aids
- Disaster Management
- Local Economic Development
- Institutional
- Financial Plan
- Environmental
- Social Plan
- Spatial Plan
- Water Services

Challenges of the IDP

- Lack of participation from sector departments
- Availability of councillors
- Not all stakeholders were involved
- Financial constraints
- Locals reluctant to submit information when needed
- Lack of skills and capacity
- Transfer of skills
- Sector plans were not done (lack of compliance)

Roles and Responsibilities of Councillors:

- Public participation (Maximum)

- People own the process
- Educate the community
- Ensure logistic are done for the meeting
- Political guidance (How)
- People centered planning approach
- Providing information feed back
- Develop a monitoring tool on the effectiveness of the politicians
- Speaker to be the coordinator IDP participation

Roles of the Officials:

- Support the mayor technically
- Information gathering and research
- Sector inputs and participation
- Create partnerships for implementation
- Resourcing
- Support councillors when community participation unfolds
- Implementation
- Financial Viability: Participants believed that the District must improve Financial; an input was made based on the following areas of work:
 - Cost saving
 - Income Generating
 - Keeping proper Financial Records
 - Liquidation of non-core Assets
 - Match Financial Debts with cash flow
 - Setting up of debt reduction targets
 - Review of contracts
 - Identification of new revenue Opportunities
 - Departmental Involvement

Xhariep Strategic Planning Programme/ Projects LED:

- State of the environment within the District Report + SDF
- Revival of Lake Xhariep Initiative
- Raise funds for economic development/ Poverty Alleviation. Initiative within the district
- Development of tourism Brochures as well as updating our websites (marketing strategy)
Needs to be Developed
- Revive twinning Relationship with international. Municipalities (Brisbane in Australia)
- Development of an Environmental management framework
- Review of the District growth and Development strategy
- Basic environmental management training for the community
- AGRO- Processing Programme/ project
- Joint LED Projects with social businesses
- Promotion of PPP's in terms of the Arts & Craft Centre
- Benchmarking with development Agencies (Business plan already in place)

SERVICE DELIVERY

- Improvement of Infrastructure
- Upgrading of Oxidation Ponds
- Upgrading/ Improvement of the Electricity Infrastructure
- An Ageing service Delivery Fleet
- Provision of basic Sanitation
- Provision of Reliable water services
- Lack of/ Inadequate personnel to provide basic service delivery

The participants were taken through a process of strategic planning, the following were outlined:

1. Officials and councillors must have a deep sense understanding of the community, citizens, and the ability to provide unique value and citizen service.
2. The officials must know how to mobilize their human capital
3. Translate strategy to operational terms
4. Align the organisation to the strategy
5. Make strategy everyone's every day job
6. Make strategy a continual process and
7. Mobilize change through strong leadership.

The workshop focused on reasonable timeframes and indicated that the District must be more focused and outlined the following:

What do we want to achieve in 2008/2009?

- 1.1 Financial Sustainability
- 1.2 Local economic development
- 1.3 Fully fledged organizational structure
- 1.4 Skilled Staff

Participants deliberated upon developing a new culture with the district. The following key questions need to be addressed. The facilitator pointed out that the creation of developing a new culture is important the following key questions needs to be asked and a response needs to be formulated:

Culture

- Do I know what is expected of me at work?
- Do I have the materials and equipment I need to do my work right?
- At work, do I have the opportunity to do what I do best every day?
- In the last 7 days, have I received recognition or praise for doing good work?
- Does my supervisor, or someone at work, seems to care about me as a person?
- Is there someone at work who encourages my development?
- At work do my opinions seem to count?
- Does the mission/purpose of my Municipality make me feel my job is important?

The following is a programme that was formulated in the Commissions and outlines who is responsible and time lines:

Which Department is responsible?

1. Finance
2. LED
3. Corporate

Programme of Action

What	Who	When
Transformational Programme:		
1.1) Conduct a skills audit	Corporate Services	
1.2) Formulate skills development Programme	Corporate Services	
1.3) Develop a new work culture that is professional	Corporate Service	
1.4) Align strategy to the organogram	Corporate Services	
1.5) Develop Job Profiles	Corporate Services	
1.6) Fill critical Post	Corporate Services	
1.7) Develop Placement Policy	Corporate Services	
1.8) Develop Retention Policy	Corporate Services	
1.9) Dealing with the Auditor Generals queries in an effective manner.	Mayor and Municipal Manager	Within 12 Months
1.10) Local Economic Development District growth and developing strategy LED must be reformulated.	Mayor and Municipal Manager	Within 12 Months
1.11) Develop and implement district HIV/Aids Plan	C.F.O, Mayor and Municipal Manager	Within 12 Months
1.12) Functional IGR structures and programmes.	Cooperate and Municipal Manager	On Going
1.13) Financial turn-around strategy	MM, CFO and Mayor	On Going
1.14) Build culture of work Professionalism	MM and Corporate Services	

(monitor & report monthly)		
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Participants were constantly reminded to reflect on the present situation, in terms of improving the District.

The following key issues were raised and deliberated upon:

Where do the District want to go to?

- Vibrant, Sustainable viable also able to support locals
- Restoration of respect and confidence of locals
- Restore Relationships with Brisbane (Australia)
- Explore other relationships that are at our disposal,
- E.g.: province with other Provinces or countries and what we as XDM stand to benefit

Way Forward

- Institutional transformation: The District must ensure that its strategy is linked to the organizational Structure and that a transformational program is developed based on the following areas:
 - Skills Audit to be conducted
 - Placements to be done
 - Job Profiles to be completed
 - H/R policies to be formulated
 - Emotional intelligence workshops to be conducted throughout the District for councillors and officials.
 - Introduction of a performance management system
- LED: The District must review its LED summit and re-establish another summit
- Financial turnaround strategy: The District must consolidate all the inputs and ensure a program is established and monitored
- IDP capacity Building and up skilling: A number of workshops must be established to empower and capacitate people in the District to deal effectively with the IDP.
- A “people’s Assembly” must be hosted by the District in order to deal with the sector plans.
- Annual report: The Annual report needs to be done on time and in a professional manner.

IGR framework: The District must as a matter of urgency establish a workshop and at the workshop develop a District wide IGR framework.

The District must work towards creating a positive working relationship with the locals and internally create a working environment that is developmental in nature and constantly evaluate its work based on the “Shared service concept” and its effectiveness.

SITUATIONAL ANALYSIS

4. SITUATIONAL ANALYSIS

Introduction

Building on from the context provided in the previous Chapters, this particular section of the IDP provides a broad overview of the prevailing situation in XDM. The key objective is to highlight issues such as service delivery etc and it concludes by listing identified priority that require direct intervention over the IDP planning circle.

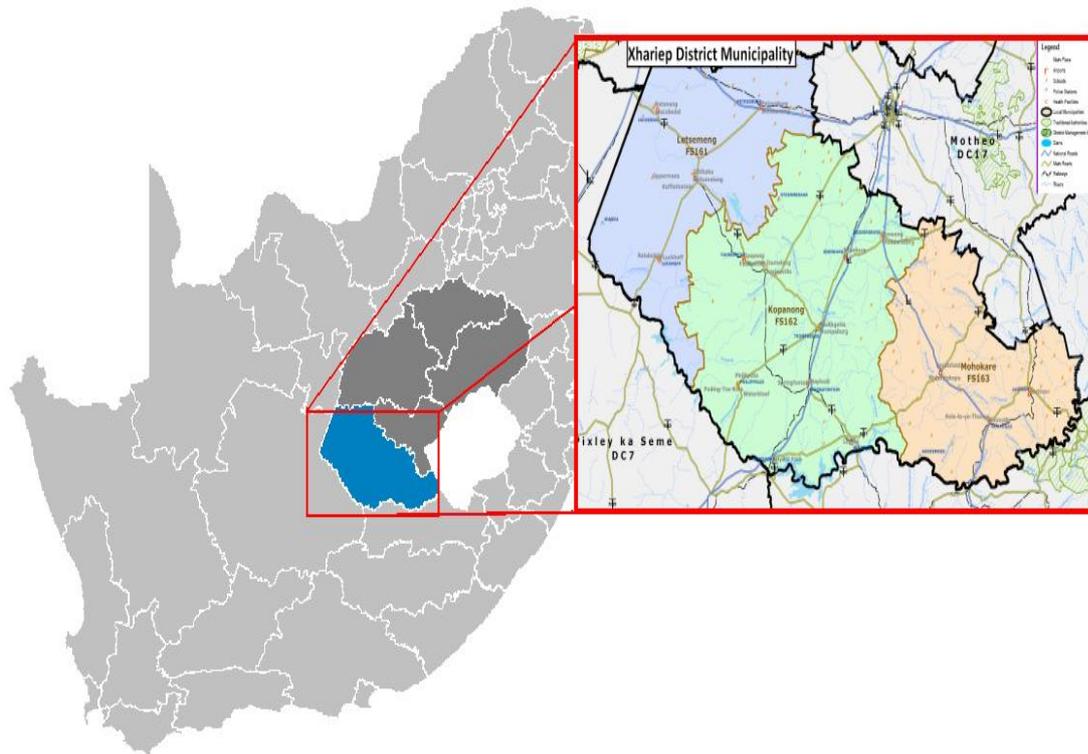
An attempt is made to align this IDP to the following key areas as per the FSPGDS:

- Efficient governance and administration
- Economic development & environmental issues
- Social development & infrastructure services
- Justice, crime prevention and security issues



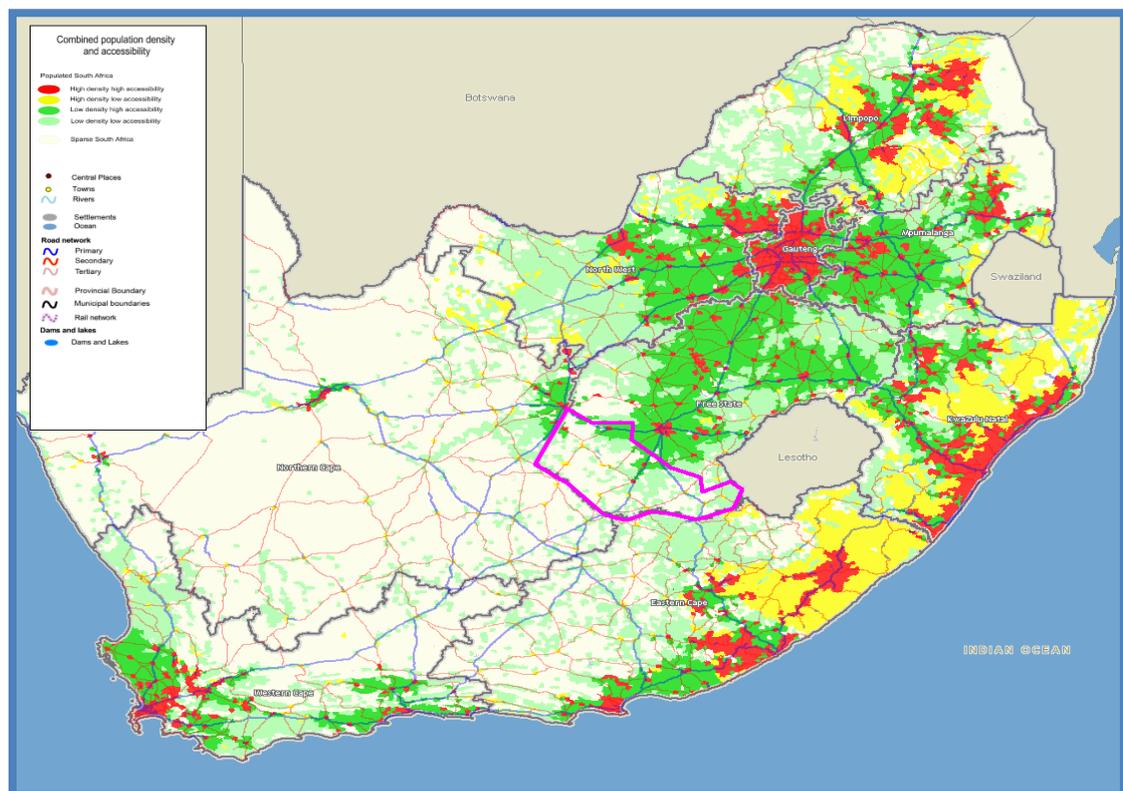
Source: XDM IDP 2008-2009

Figure 1. National Location of Xhariep District



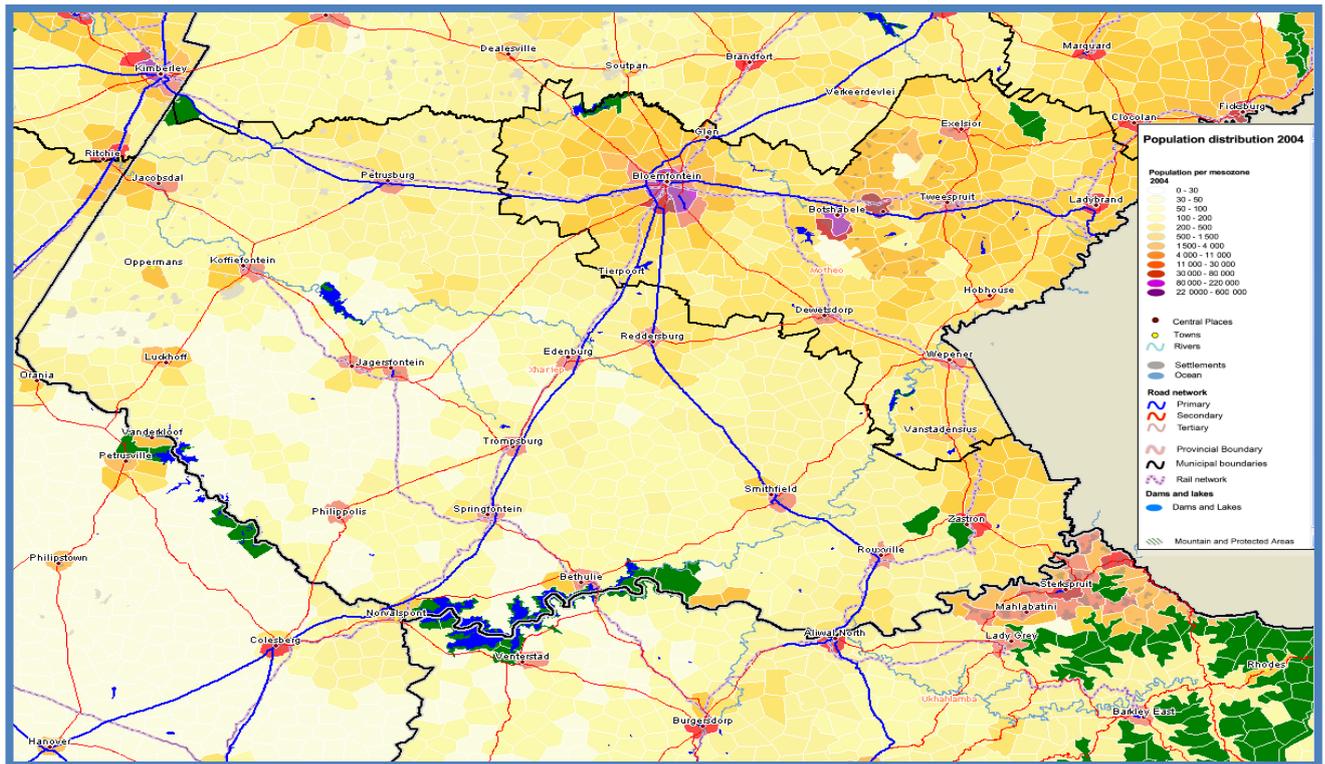
Source: XDM-NSDP Alignment Study (November 2009)

Figure 2. Xhariep Population Density in National Context



Source:
XDM-
NSDP
Alignment Study (November 2009)

Figure 3. Population Density: Xhariep Region



Source: XDM-NSDP Alignment Study (November 2009)

4.1 SETTLEMENT STRUCTURE

In terms of the settlement structure, the region is characterized by about dozen small towns and the settlements located in three (3) local municipalities are as follows:

Figure 4: Kopanong Local Municipality

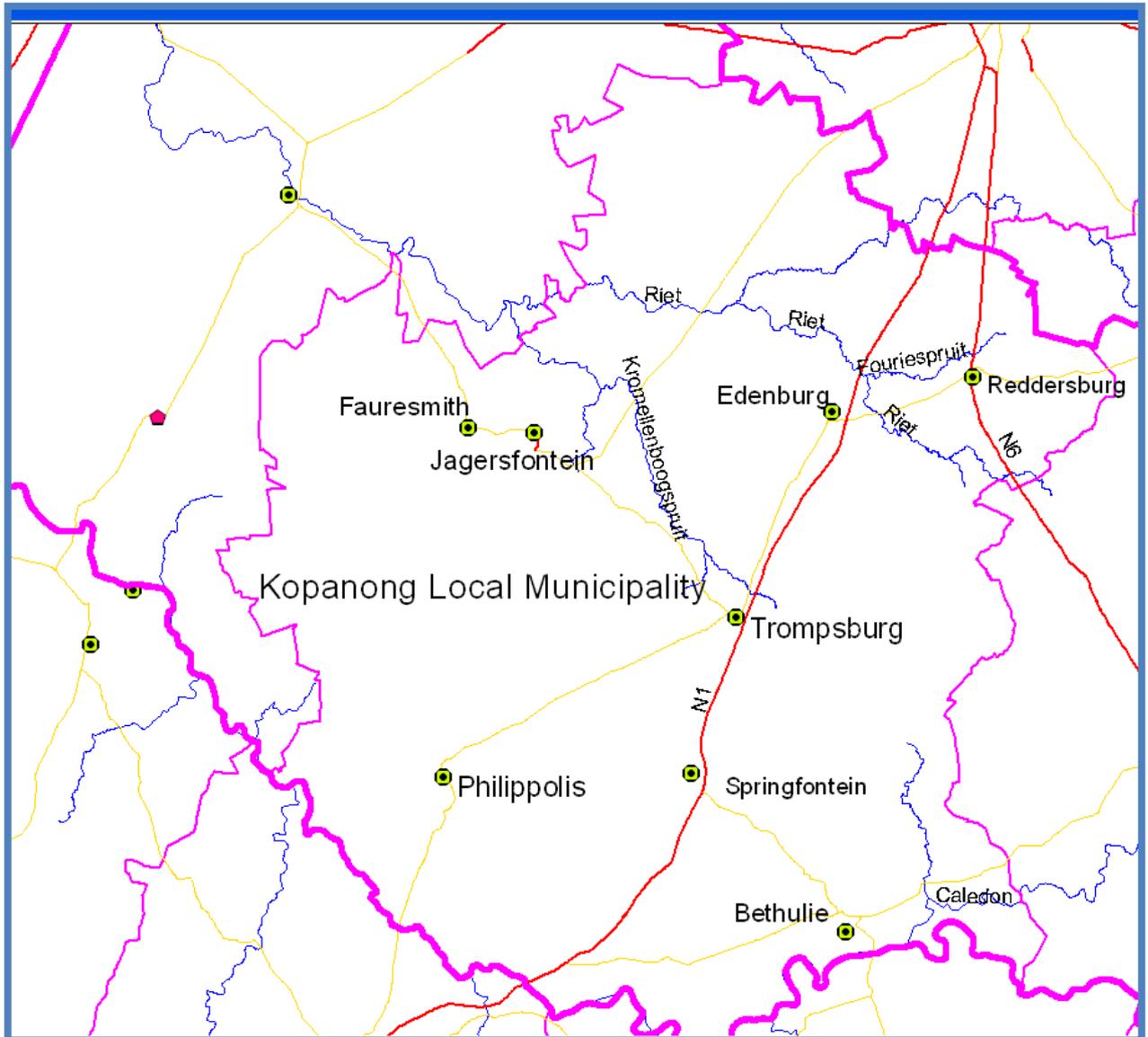
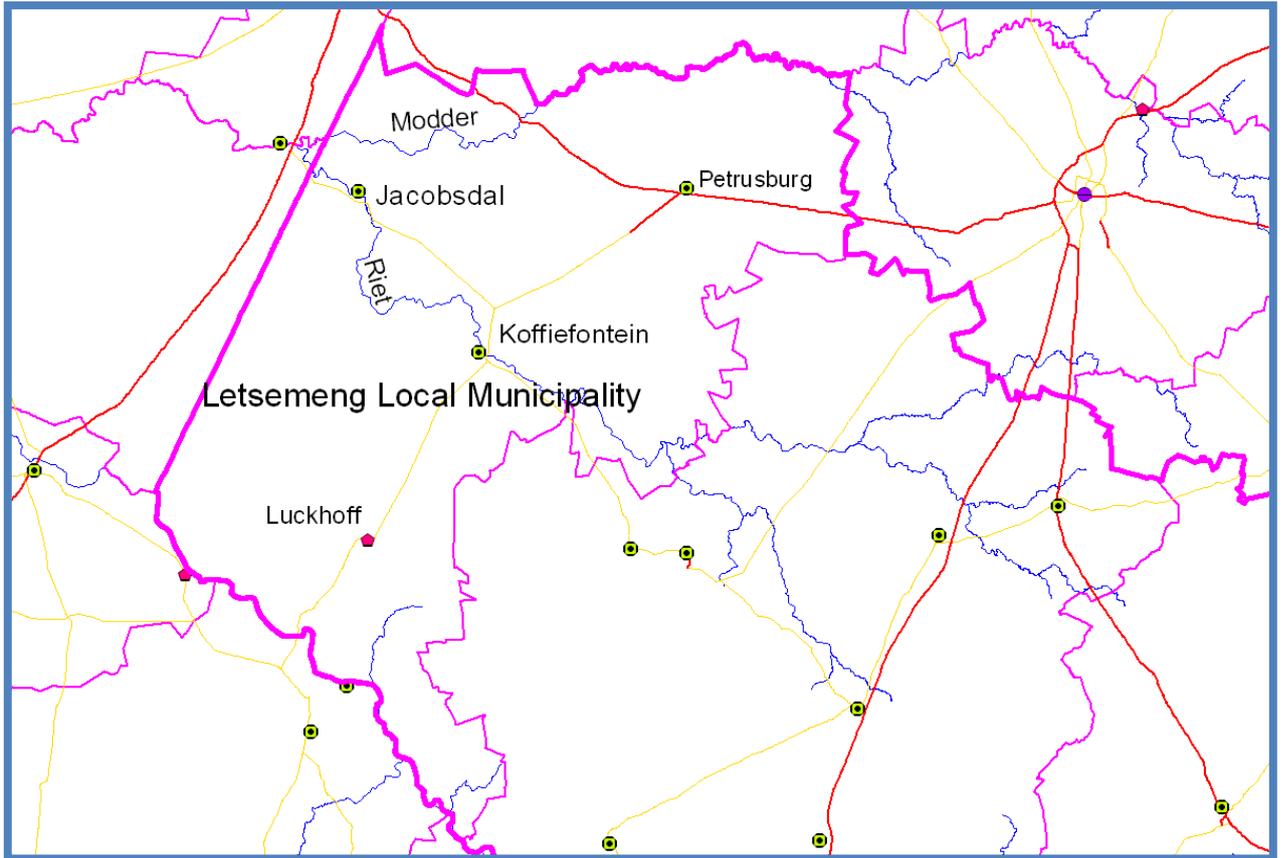
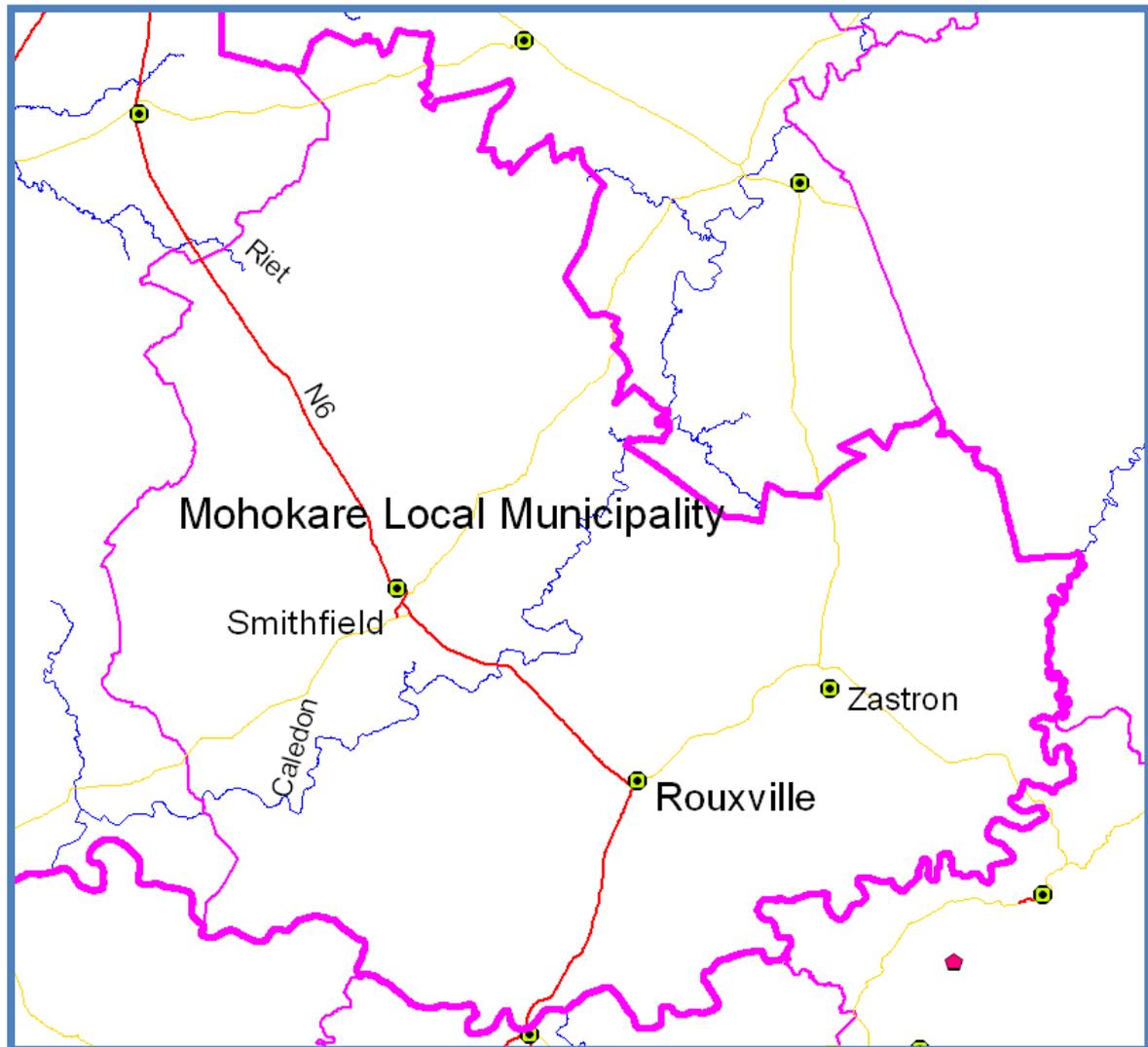


Figure 5: Letsemeng Local Municipality



Source: XDM-NSDP Alignment Study (November 2009)

Figure 6: Mohokare Local Municipality



Source: XDM-NSDP Alignment Study (November 2009)

4.2 DEMOGRAPHIC TRENDS: POPULATION, EDUCATION AND HEALTH

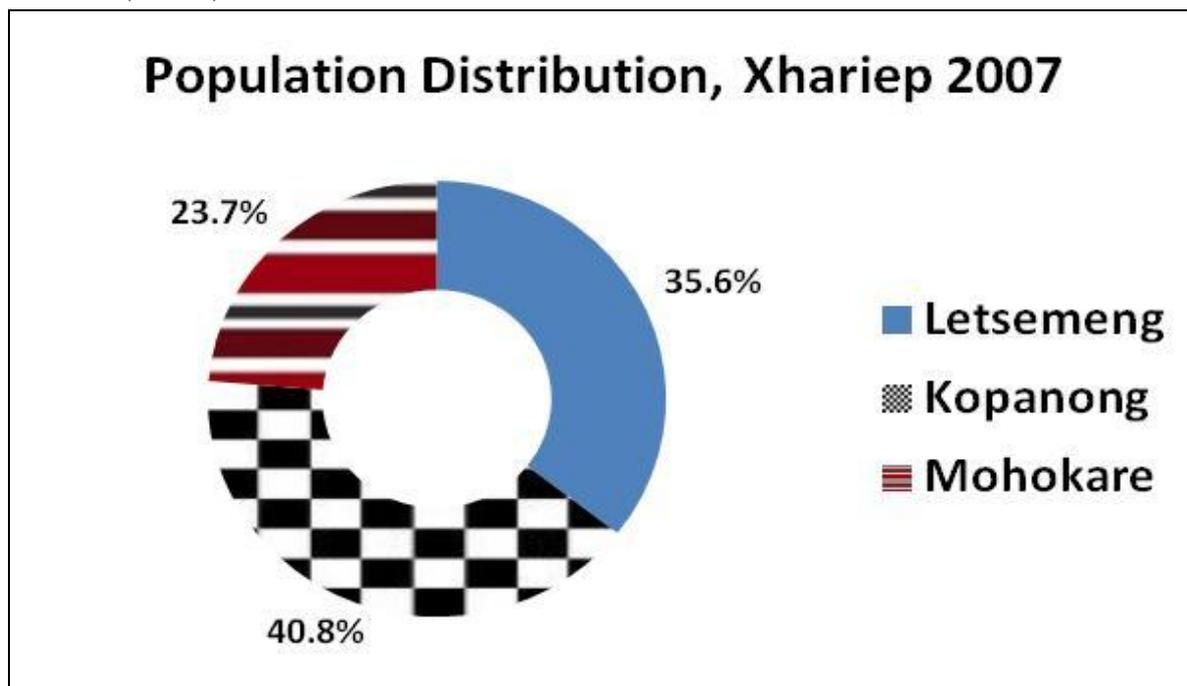
Population Size and Ethnic Composition

Xhariep has an estimated population of approximately 135 000 people. Its population size has grown with a lesser average of 2.21% per annum since 1996, compared to that of the province (2.6%). The district has a fairly even population distribution with most people (41%) residing in Kopanong whilst Letsemeng and Mohokare accommodates only 32% and 27% of the total population respectively. The table below gives a breakdown of the population distribution per local municipality. The graph depicts population distribution as per the Community Survey conducted in 2007 which clearly shows a decline in population.

TABLE 1.6				
POPULATION DISTRIBUTION PER LOCAL MUNICIPAL AREA, 2001-2007				
Local Municipality	Total Population	Percentage of District Population 2001	Density (Km ²)	Percentage of District Population 2007 Community Survey
Kopanong	55 942	41.37%	3.68	40.8%
Letsemeng	42 979	31.78%	4.22	35.6%
Mohokare	36 316	26.85%	4.15	23.7%
Total Average	/ 135 237	100.00%	3.96	100%

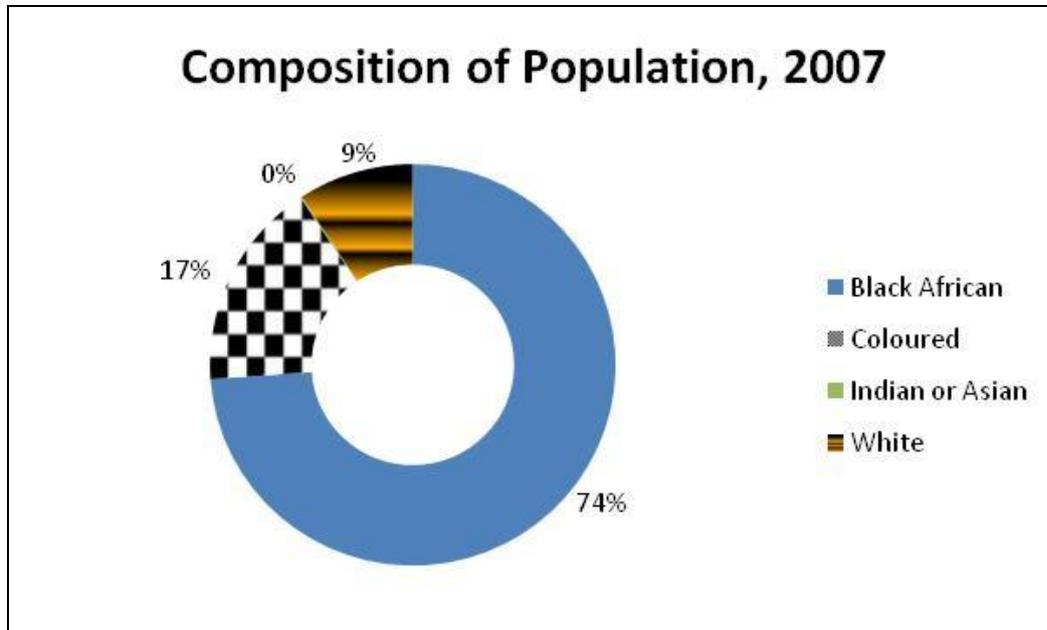
Note: Density refers to the number of people per km²

Source: Stats SA (Census 2001)



- On average the country's population growth rates are declining. Among the nine provinces, Free State grew at the slowest pace between 2001 and 2007 (at 0.1%). Although there are many reasons for the low population growth rate experienced in the province, the most prominent include the declining contribution of both the agricultural and mining sectors to the Free State economy, the impacts of HIV and AIDS, and out migration.
- Xhariep's population has contracted by nearly 1% per year between 2001 and 2007 (based on Census and Community Survey results).
- Xhariep's population is small and declining population (currently 5% of provincial total), and is sparsely distributed over large area.

- Letsemeng and Kopanong’s population is in steep decline, contracting at nearly 3% and 2% respectively, while Mohokare’s population is stable.
- Average household sizes have declined from over 3.9 in 1996 to 3.4 in 2007.



Source: XDM-NSDP Alignment Study (November 2009) : Based on Census and Community Survey results

Besides the population growth that was recorded between 1996 and 2001, the ethnic composition also changed somewhat. The Coloured population showed an increase of almost 5% whilst the White population showed a decrease of almost 3%. The majority of the people living in Xhariep are African, followed by the Coloured and White population groups. The Indian race group has the least in number.

Table 1.7: Number of households per race group, 2001

Local Municipality	African	Coloured	Indian	White
Kopanong	72.52%	17.83%	0.4%	9.62%
Letsemeng	64.99%	25.26%	0.04%	9.71%
Mohokare	89.33%	2.92%	0.02%	7.73%
Xhariep 2001	74.64%	16.19%	0.03%	9.14%
Xhariep 1996	72.92%	11.17%	0.07%	12.19%

Source: Stats SA (Census 1996 & 2001)

AGE AND GENDER PROFILE

The majority of people living in Xhariep (almost 69%) are young and not many changes have been experienced in the age distribution of the region since 1996. Only 5% of the total population is elderly people. This indicates that there will still be a huge demand for social

infrastructure, particularly schools and associated infrastructure to accommodate the needs of the youth in future. The table below gives a breakdown of the age profile of the district for 2001 compared with that of 1996.

Table 1.8: Age Profile per local municipal area for 2001 compared with the average of the district for 1996 and 2001

Table: 1.8

AGE PROFILE PER LOCAL MUNICIPAL AREA FOR 2001 COMPARED WITH THE AVERAGE OF THE DISTRICT FOR 1996				
Area	Children	Youth	Middle Age	Elderly
Kopanong	32.96	34.35	27.83	6.71
Letsemeng	33.51	34.02	27.45	4.66
Mohokare	35.76	36.93	25.60	5.72
Xhariep 2001	33.89	34.95	27.12	5.79
Average 1996	34.15	34.56	24.56	5.48

Source: Stats SA (Census 1996 & 2001)

The gender composition has shown very little change since 1996, with 50,8% of the total population being female. Some of the key issues identified during previous IDP workshops as affecting youth (Ages 14 – 35) include:

- High unemployment among the youth.
- High drop-out rate at schools.
- Lack of life skills and technical skills.
- Limited access to funding for SMME development.
- Limited tertiary education in accessible locations such as satellite stations of recognised institutions.
- Rise in teenage pregnancies.
- Alcohol and substance abuse.
- Increasing rate of HIV infections amongst the youth.

4.3 EFFECIENT GOVERNANCE AND ADMINISTRATION

This cluster deals with the administration and governance of the XDM. It should be noted that matters relating to institutional arrangements (*i.e.* organisational design, governance structures such as council and its committees as well as administrative management, powers and functions), systems and processes (*i.e.* municipal information systems, IT, public participation, planning, PMS, policies and by-laws), finance and human resources (financial plans, budgeting, capacity building and training) are discussed in Chapter 2: Institutional Framework. This section is therefore dedicated to related matters not captured under the said chapter.

Summary of Governance and Administration Challenges Facing XDM

- MTEIF projections reflect a potential risk of compounding deficit.
- There is a serious lack of capital spending on service delivery programmes.
- Budgets generally appear to focus solely on recurring expenditure.
- Limited resource base and therefore insufficient pool of income sources.

- No strategy in place to deal with the challenge of the fiscal restructuring at the District level following the abolition of regional services tax / levies which formed one of the major sources of revenue for the DM

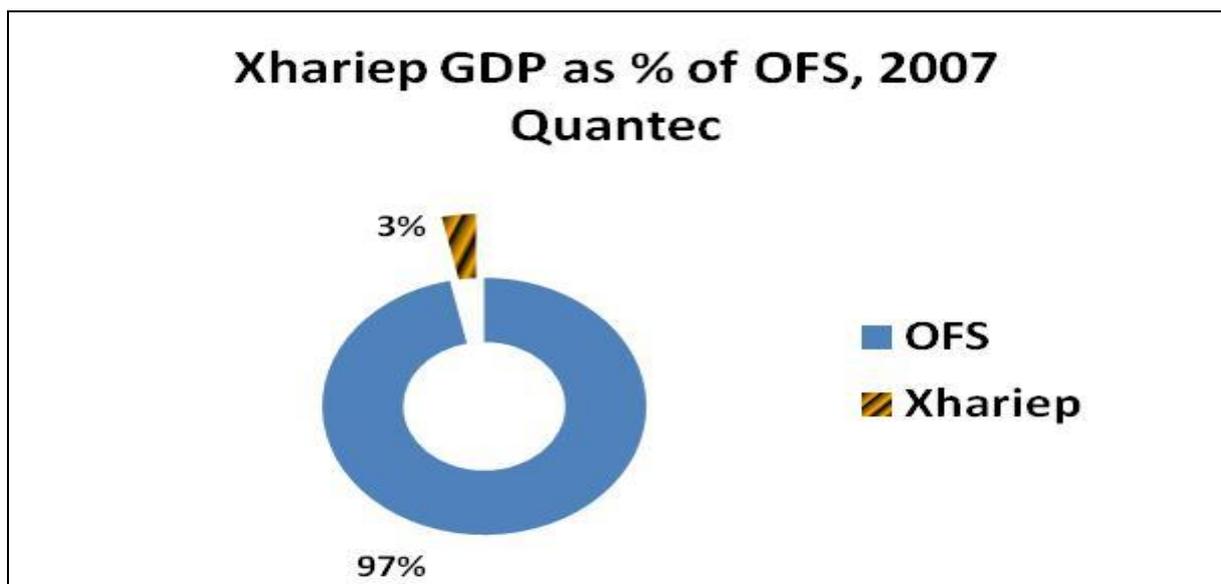
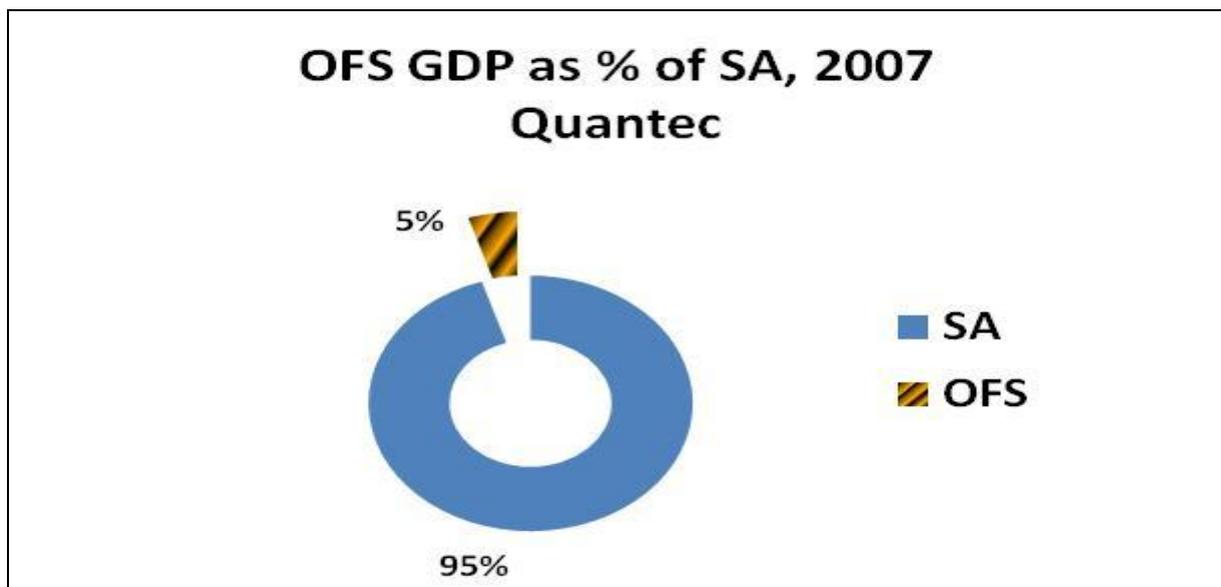
4.4 ECONOMIC GROWTH, DEVELOPMENT AND EMPLOYMENT ANALYSIS

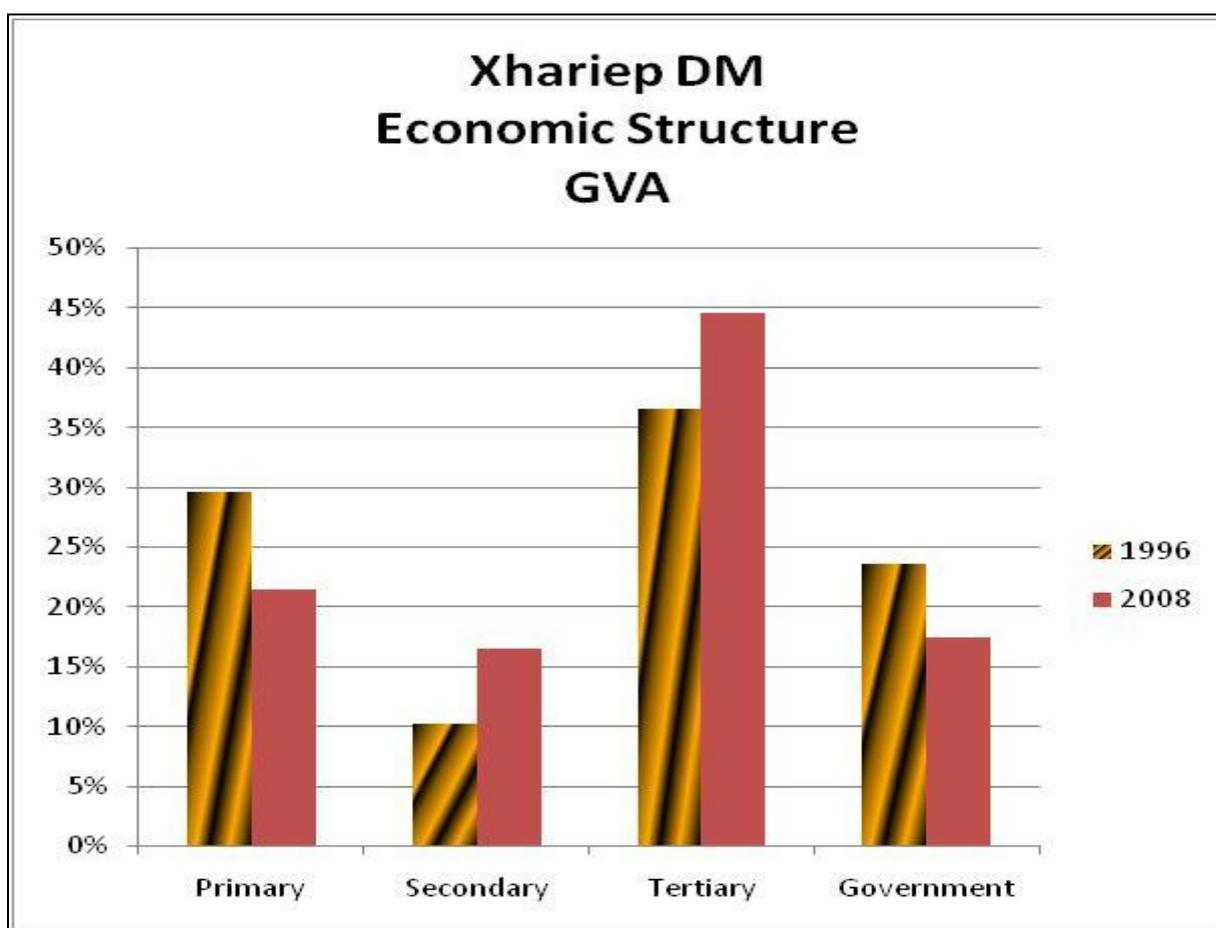
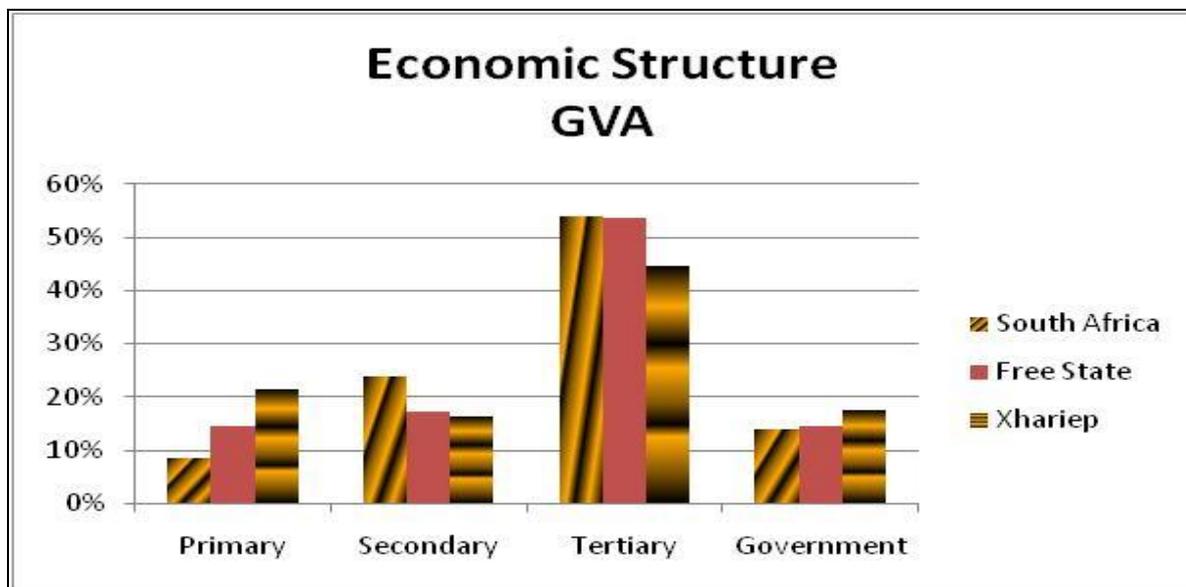
Economic Trends

Overall Economic Structural Change

- Over 20% of Xhariep's gross value added is generated by the primary sector, significantly higher than both the Free State (15%) and South Africa (9%).
- Whereas Xhariep's secondary sector is in line with the provincial average (17%), its tertiary sector is relatively undeveloped (45%). Meanwhile, it has a relatively large government sector (18%).
- Very high levels of economic volatility, with GDP growth fluctuating wildly from over 13% in 1996, followed by a 7% contraction the following year.
- Economic volatility has progressively decreased, and annual GDP growth is relatively stable at 1-4%.
- The economy is diversifying rapidly, with the primary sector contracting from 29% of GVA in 1996 to 22% today (the agricultural sector has contracted by an average of 6% since 2002). The secondary sector has expanded from 10% to 17%, while the tertiary sector has grown from 36% to 44%. The government sector has contracted from 23% to 17% during this period.
- Top performing sectors over the last five years include construction (over 8% pa), mining (5% pa) and transport and communication (5% pa).
- Worst performing sectors include agriculture (6% contraction), trade and tourism (1% growth) and utilities (1% growth).
- Regarding mining:
 - Spin-offs from diamonds mined at Koffiefontein by De Beers mines contribute a major part of the local economy.
 - Concentrated mainly in the Jagersfontein and Koffiefontein areas and mainly limited to diamond mining and some other associated precious and semi-precious minerals
 - Letsemeng: diamonds, salt, gravel, clay
 - Kopanong: diamonds

- Mohokare: sand
- Regarding manufacturing:
 - The majority of manufacturing is focused on the beneficiation of agricultural products.
 - Wool production in Rouxville
 - Clothing and textile manufacturing at Gariep Dam
 - Wine production in Jacobsdal
 - Furniture manufacturing in Jacobsdal, Gariep Dam





Source: Community Survey 2007

Gross Geographic Product (GGP)

The financial contribution of various economic sectors to the GGP of the individual local municipalities, as well as the district municipality as a whole, is indicated in the table below:

Table: 1.9

GGP CONTRIBUTION PER SECTOR, 199R (R'000)							
GGP SECTOR	KLM	% of DM	LLM	% of DM	MLM	% of DM	TOTAL
Agriculture	95545	44.99%	53870	25.36%	62968	29.65%	212383
Mining	288	0.77%	37205	99.02%	79	0.21%	37572
Manufacturing	564	22.41%	1766	70.16%	187	7.53%	2517
Electricity/ Water	3622	38.88%	1225	13.15%	4469	47.97%	9316
Construction	77	8.09%	147	15.44%	728	76.47%	952
Trade	25699	34.56%	14875	20.00%	33795	45.44%	74369
Transport	19235	49.46%	8722	22.43%	10934	28.11%	38891
Finance	33341	36.24%	37493	40.75%	21164	23.00%	91998
Community	2697	41.92%	1159	18.02%	2577	40.06%	6433
General Government	58576	61.27%	14944	15.63%	22077	23.09%	95597
Other Producers	11222	52.13%	5140	23.88%	5164	23.99%	21526
TOTAL	250866	42.41%	176548	29.84%	164142	27.75%	591556

From the above it is firstly evident that the area of Kopanong makes the largest contribution to the total GGP of the DM (42.41 %), followed by Letsemeng (29.84 %) and Mohokare (27.75 %). Secondly, income from the agricultural sector (35.90 %) makes the largest contribution to the GGP of both Kopanong as well as XDM as a whole, followed by general government (16.16 %) and the finance sector (15.55%).

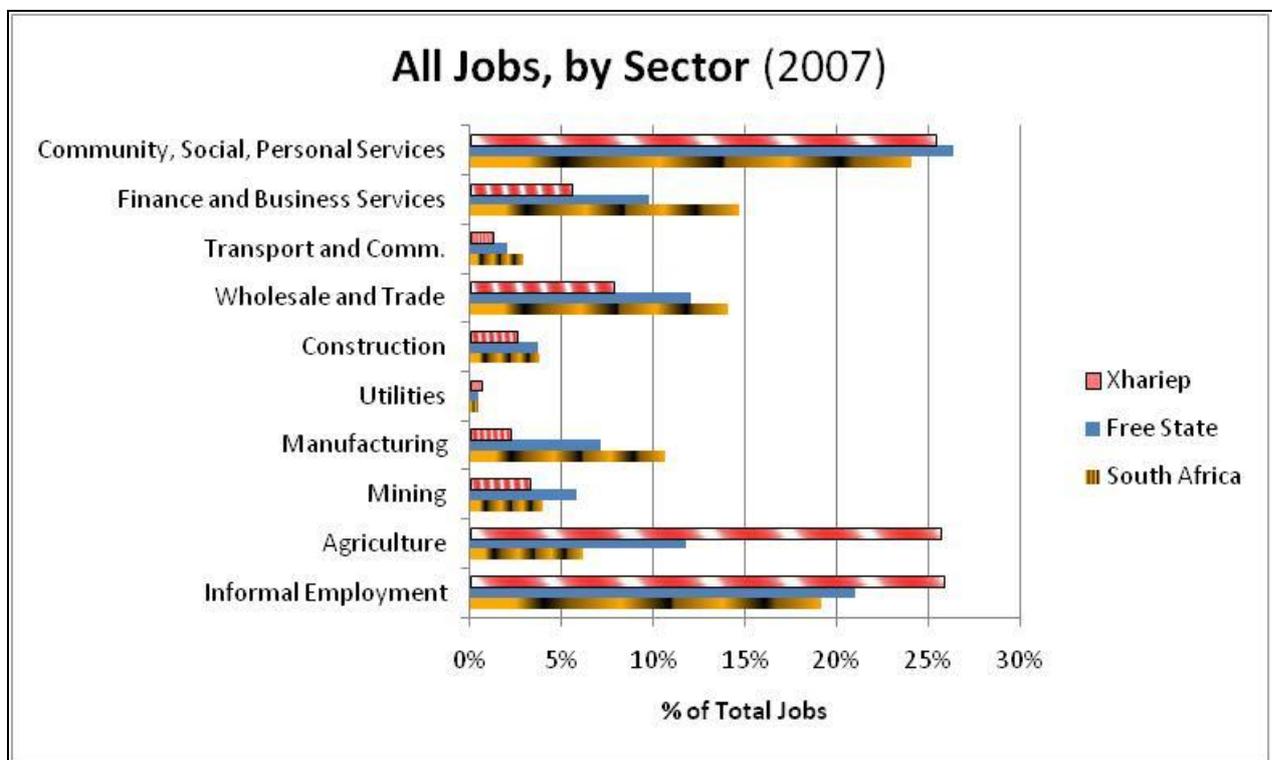
Comparing the total population of the DM to the total GGP of the district, and assuming that the GGP has not increased drastically over the period 2001 to 2005, the GGP per capita is calculated at R4 858, the second lowest of the Free State districts and only slightly higher than Thabo Mofutsanyana DM. The economy of the district is stagnant and lacks diversification in relation to active and productive economic sector. This places the area at tremendous economic pressure and risk of compounding increase on poverty and unemployment.

4.5 EMPLOYMENT

- Xhariep has experienced a net gain of jobs of 1000 jobs since 2001. Whereas Letsemeng and Kopanong generated 800 and 500 jobs respectively during this period, Mohokare shed nearly 300 jobs. Since 1996, the community and government services sector generated jobs across the board, whereas Letsemeng benefited from 600 new jobs in the business services sector. Jobs growth in the trade and tourism industry was concentrated in Kopanong, whereas Letsemeng bucked the district trend by generating over 200 farming jobs. Informal employment opportunities were in steep decline in Mohokare, which lost over 300 jobs.
- Employment levels display very high levels of volatility in recent years, fluctuating between a high of 27% in the second half of 2006 to a low of 21% a year earlier. The trendline does however suggest a gradual downward movement in employment, approaching 24% in 2007. This is higher than the national average (23%) but lower than the provincial average during this time (25%). However, Quantec statistics show the

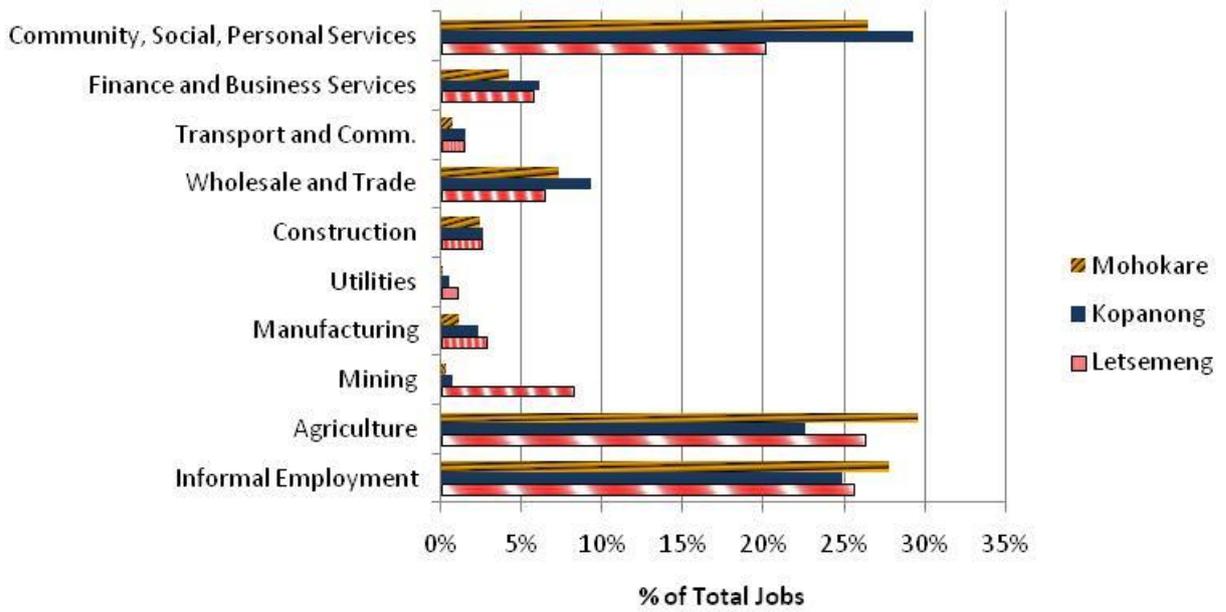
overall number of employed persons have remained relatively stable since 2000, with very marginal increases in Letsemeng and Kopanong since 2003.

- Kopanong has by far the largest number of employed persons (over 16,000), whereas Letsemeng despite its overall size has 14,000 workers. Mohokare has a very small working base, at below 10,000 persons.
- The number of persons employed by private business has declined from over 80% in 2004 and less than 70% by the second half of 2007. Although local government remains a marginal employer (less than 5%), provincial government generates over 10% of jobs. Central government is playing an expanded role, surpassing local government as an employer by 2005.



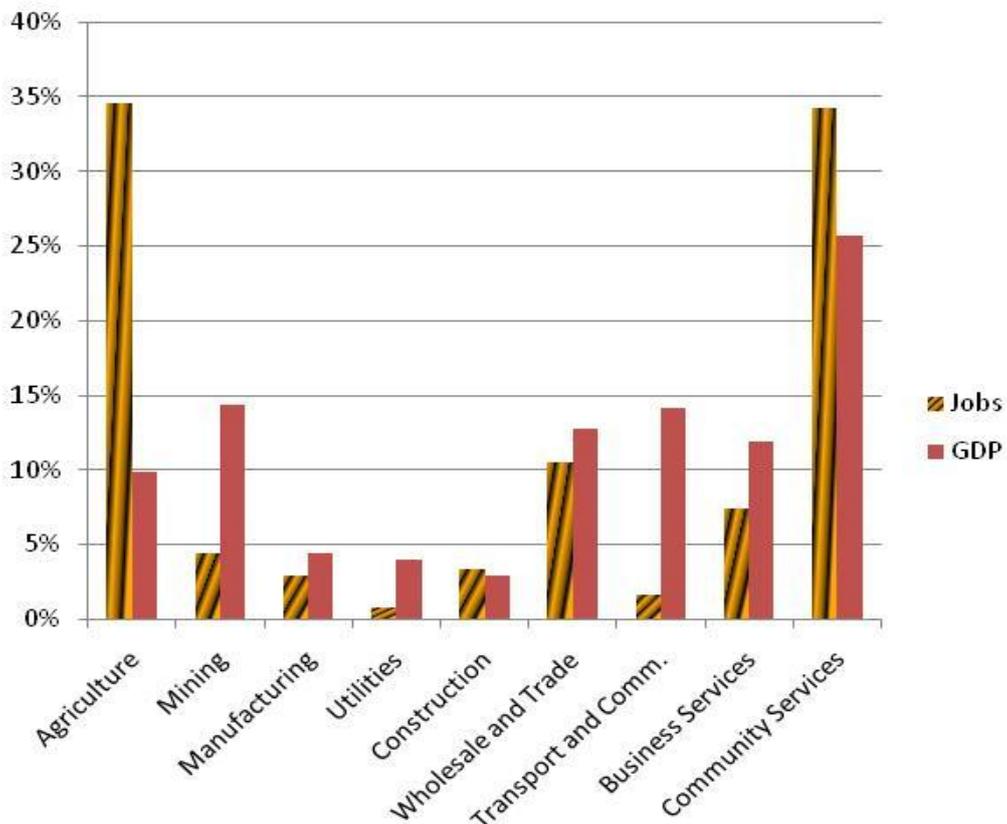
Statistics South Africa

All Jobs, by Sector (2007)



Statistics South Africa

Xhariep DM Job vs GDP (2007) (Excl. Informal Employment)



Statistics South Africa, Quantec

The employment and unemployment figures for XDM are summarized below:

TABLE 9				
COMPARISON BETWEEN PERCENTAGE EMPLOYED AND UNEMPLOYED FOR 2001 AND 2005 PER LOCAL MUNICIPALITY				
2001			2005	
Area	% Employed	% Unemployed	% Employed	% Unemployed
Kopanong	34.7	55.3		
Letsemeng	41.5	58.4		
Mohokare	35.0	54.0		
Xhariep	37.2	62.8		

*Note: Unemployed include those not economically active
Source: XDM IDP (2008/9)*

It is evident from the above that the unemployment in the region has increased by almost 36% over the period 1996 to 2001. The highest increase is experienced in Kopanong, where unemployment increased by 32% for the same period. The population of Xhariep has increased by 10.9% since 1996 and unemployment by 14% for the same period. This implies that the population of the district could be worse off since 1996.

Income levels

XDM residents are ravaged by high levels of poverty resulting from low regular incomes. The income distribution analysis of individuals in the district shows much the same pattern as that found across the Free State, with the majority of people, not earning a formal income at all, or falling within the lower income brackets.

Within Xhariep District Municipality, 63,88 % of respondents during the 1996 census, indicated that they earn no income, 27,79 % earned between R1 and R1000 per month, 4,86 % earned between R1001 and R2500 per month and a mere 3,47 % earned above R 2500 per month. Reading these figures in conjunction with the abovementioned unemployment rates, provides a better understanding of the actual poverty level within the region. A notable portion of the population who indicated that they are employed, earn a nominal income, with which they often have to support a large number of dependants.

Economic Development Planning Initiative

An Economic Development Summit was organised by the Xhariep District Municipality in 2005 in order to pull together different stakeholders and to collaborate on a shared vision and programme to address regional economic development challenge.

During this summit the following key economic priority sectors were identified to have potential and needing to be further developed to support objectives of economic growth and job creation in the district:

- Agriculture & Farming
- Winery
- Mining
- Tourism
- SMME development

The summit resolved on the following key points. In order to sustain economic growth and development, the following activities would have to be pursued:

- The municipality will strive to engage all Sectors, Public and Private Partners to enhance Agricultural activities, especially for Emerging Farmers - [At least one meeting will be held in all municipalities quarterly];

- Local municipalities will avail land for Agricultural purposes with the involvement of the Departments: Agriculture, Land Affairs and the Land Bank – [By June 2005 negotiations will have been made with the above mentioned departments];
- Local Economic Desk Coordinators will be appointed to support communities with Local Economic Development matters [If funding so allows, municipalities to budget accordingly by March 2005];
- Municipalities will liaise with SETA's and various government departments, like the Department of Labour, Local Government and Housing, etc. to capacitate/ train communities, including personnel in various sectors on various Local Economic Development related fields [ongoing support to be provided so that at one training session is had quarterly];
- Municipalities will lobby for and access funding from various government departments, (like the Department of Local Government and Housing, Economic, Environmental Affairs and Tourism), including the private sector (e.g. banks, NGO's and other funding organisations) - [Municipalities to lobby for funding continuously, especially after prioritization of projects in the IDP, which should take place by October each year]; and
- Municipalities will ensure that information is disseminated to various communities, with the involvement of Community Liaison Officers and GCIS [Municipalities to disseminate information (e.g. Newsletters) to communities once a month].

In order to build capacity of SMMEs and to provide them with effective support, the following responsibilities will have to be performed by the various stakeholders:

- XDM will ensure that coordinated activities are carried out monthly in strengthening capacity of SMMEs in the region;
- Funding will be accessed and secured from relevant departments and the private sector (Banks, Ntsika, Khula Umsobomvu, Free State Development Corporation etc.);
- The presence of SEDA in the area will be leveraged fully.
- Negotiations will be made by municipalities and the Department of Agriculture to access land for agricultural activities and Land Bank for funding;
- The Marketing and investment Strategy for the district will be implemented to ensure community and business involvement in LED;
- Municipalities will ensure that a percentage of all business ventures/ tenders is awarded to SMMEs

The following table gives a summary of strategic actions that needs to be followed up by various responsible agencies in taking forward the summit resolutions.

TABLE 10		
KEY ACTIONS TO TAKE FORWARD THE SUMMIT RESOLUTIONS		
ACTIVITY	RESPONSIBLE AGENT	TIMEFRAMES
Engage all Sectors, Public and Private Partners to enhance agricultural activities, especially for Emerging Farmers	Xhariep DM, Local Tourism Office	Quarterly
Avail land for Agricultural purposes	Municipalities	Continuously
Lobby for and access funding from various government departments	Xhariep DM	Continuously
Facilitate funding for SMME promotion	Ntsika, Province, DM	Continuously
Develop District Marketing and investment Plan	Xhariep DM with support from Province	Continuously
Establish Public Private Partnerships	All role players (District –leading role), Province	Continuously
Register SMMEs in the region	Xhariep DM	Continuously

Speed up Development of Business Sites in Gariep Dam	Municipalities jointly, Private sector invited to contribute	
Access funding for LED programmes/projects	XDM	Continuously
Skills Development and Training	Xhariep, Department of Labour, LGWSETA	Continuously
Audit of SMMEs and projects	Xhariep DM	Continuously

Environmental Profile

XDM has the responsibility for environmental management and planning. Better ways of managing the environment can increase opportunities for a balanced natural resource utilisation and also contribute to improved Eco-Tourism sector development which is needed by the local economy. The prevailing physical environmental characteristics are described below.

Topography

Xhariep topography is generally low lying and undulating slopes with high altitude areas along the mountainous pockets in the southern part of the district. It is mainly covered by Eastern grasslands and dry Karoo savannas. In general, altitudes vary from 2060m above sea level at Bakenkop in the north-eastern quadrant to 1100 m above sea level in the western quadrant of the study area.

Morphology

The morphology of the area encompassing Koffiefontein and Petrusburg can broadly be described as plains with medium relief. The area is categorized by slightly irregular plains and pans with a nominal slope. The morphology of the area encompassing a large area of the Smithfield can broadly be described as Plains with medium relief categorized by slightly irregular and undulating plains with a nominal slope.

The morphology of the largest portion of the study area can be described as lowlands with hills with a slight slope. This includes the largest section of the Orange River. The Zastron area can be categorized as Lowlands with mountains. The areas adjacent to the Orange River (approximate localities Phillipolis to Luckhoff and Lesotho border to the area south of Rouxville) can be categorized as closed hills and mountains with moderate to high relief. The Orange River section to the west of Phillipolis and south of Luckhof has hills and the section from the Lesotho border to the south of Rouxville has low mountains.

Geology

The geology of the entire district can generally be classified as rocky and sandy with the following rock formations present.

Ecca Group

The area from Phillipolis to Petrusburg to the western boundary of the study area is underlain mainly by the Ecca Group. The Prince Albert, White Hall and Tierberg Formations make up the Ecca Group (Pe). The thickness of the group together makes up 340 m –360 m. The Prince Albert formation maintains a relatively constant thickness of between 34 m –46 m. It consists of black carbonaceous shale and dark bluish-green to grey massive micaceous shale with silty lenses. An iron-rich concretion horizon is followed by grey to olive-green micaceous shale / mudstone. The thickness of the White Hill Formation varies between 10 m – 18m but regional thinning northwards has been recorded.

The unit consists mainly of thinly laminated carbonaceous shale that weathers to a white colour. The uppermost Tierberg formation attains a thickness of approximately 300 m. This unit consists of mudstone, light-green to greenish-grey shale with concretionary horizons. Shale with interbedded siltstone and fine-grained sandstone comprises the upper portion of this unit.

Beaufort Group

Most of the remainder of the study area (Rouxville – Aliwal North – Bethulle - Phillipolis – Edenburg – Bloemfontein – Thaba Nchu - Lesotho) is underlain Beaufort Group. The Beaufort Group (P-Trb) comprises the Adelaide and Tarkastad Subgroups. The Adelaide Subgroup attains a maximum thickness of 400 m. It consists of a 10 m – 15 m thick marker sandstone at the base, followed by siltstone and grey to reddish mudstone with subordinate lenses of sandstone. The topmost part of the unit consists of bluish to greenish-grey shale's and red to purple mudstone.

The Tarkastad Subgroup consists of cream to khaki coloured, medium grained, and feldspatic sandstones with interbeds of red, purple and green mudstones. The sandstone horizons are thicker and more prominent than those of the underlying Adelaide Subgroup. The Sandstone layers are particularly well developed at the bottom and towards the top of the unit.

Molteno Formation

The portion of the study area from the Orange River – Rouxville – northeast to the Lesotho Border is underlain by the Molteno formation. The Molteno Formation (T_{rm}) consists as grayish-green and red to purple mudstone with bands of fine- to course grained sandstone. Lenses of grit, scattered large pebbles, cobbles and boulders up to 6 kg in weight, occurs in certain sandstone beds.

Elliot Formation

Small portions of the study area (which is underlain by the Molteno Formation) is underlain by the Elliot Formation. The Elliot Formation (T_{re}) is made up predominantly of maroon or green mudstone and three sandstone interbeds. The mudstone has no bedding and weathers easily. The medium-grained, feldspatic sandstone bands are well bedded.

Intrusive

The sedimentary rocks of the Karoo Super group have been invaded by numerous dolerite intrusions of Jurassic age. Dolerite dykes – generally up to 10 m wide and several kilometers long and dolerite sills, often undulating and in some cases dipping to form ring structures occur in the study area. The maximum occurrence of sills is attained in the Beaufort Group. Scattered volcanic pipes, diatremes and relic volcanos are present especially in the Molteno and Elliot Formations. Kimberlite dykes have also been noted.

Alluvium

Alluvium occurs patchily in broad valleys along streams and rivers, and is made up of a variety of loose material. Alluvium thickness generally varies between 1 m – 10 m and can consist of clayey sand, sandy silt, limestone, sand, pebbles and small boulders.

Soil potential analysis

All the soils occurring in a land type are assigned to a soil category, depending on the soil form and series. The fifteen categories employed group together similar soils for the purposes of their potential, with the lowest number referring to the soil category with the highest potential.

These categories are as follows:

- Soils with humid topsoil horizons.
- Freely drained, structure less soils.
- Red or yellow structure less soils with a plinth horizon.
- Excessively drained sandy soils.
- Dark clay soils, which are not strongly swelling.
- Swelling clay soils.

- Soils with a pedocutanic (blocky structured) horizon.
 - Imperfectly drained soils, often shallow and often with a plinth horizon.
 - Podzols.
 - Poorly drained dark clay soils, which are not strongly swelling.
 - Poorly drained swelling clay soils.
 - Dark clay soils, often shallow, on hard or weathering rock.
 - Lithosols (shallow soils on hard or weathering rock).
 - Duplex soils (a sandy topsoil abruptly overlying a clayey, structured subsoil), often poorly drained.
 - Non-soil land classes (rock, erosion, wetlands and disturbed land)
- (Source: Xhariep Environmental Management Programme, 2004)

Due to the soil conditions and the soil potential, the district's grazing capacity varies from 6 ha per livestock unit in the east to 13 ha per livestock unit in the west. This contributes to the different farming practices found in the region.

Use of Ground-Water

Due to severe water shortages in the Free State and especially parts of the Xhariep district, ground water sources are utilised to supplement potent water supplies.

The following Municipalities utilize ground water to supply or supplement their raw water supply:

EXTENT OF UTILIZATION OF GROUNDWATER BY MUNICIPALITIES, 2004			
Locality	Groundwater is currently the only source of water supply	Groundwater is currently a supplementary and/ or an emergency source of water	Groundwater is currently not used, was utilised in the past supply
Jacobsdal		•	
Petrusburg	•		
Koffiefontein		•	
Luckhoff			•
Gariiep dam			
Phillipolis		•	
Bethulie			•
Springfontein		•	
Trompsburg	•		
Fauresmith	•		
Jagersfontein	•		
Edenburg		•	
Reddersburg		•	
Zastron			•
Rouxville			
Smithfield		•	

Source: Xhariep Environmental Management Programme (2005)

Surface Water

Two main drainage systems occur in the greater district area. The primary drainage system is the Orange River (primary drainage region D) which drains 67 % of the area. The secondary

drainage region is the Vaal River (primary drainage region C) represented by the north-west flowing Modder and Riet Rivers which drain the remaining 33 % of the area.

The major dams in the area and their location in terms of primary drainage region and their storage capacity are listed in the Table below:

MAJOR DAMS WITH STORAGE CAPACITY IN THE MUNICIPAL AREA		
Name of Dam	Drainage basin	Storage capacity (x10⁶ m³)
Smithfield Dam	D 24	4.55
Bethulie Dam	D 34	4.60
Gariep Dam	D 35	5 673.80

Source: Xhariep Environmental Management Programme (2005)

The following rivers and dams also occur in the area:

OTHER SURFACE WATER DRAINAGE AND STORAGE SYSTEMS		
Letsemeng	Kopanong	Mohokare
Orange River; Van der Kloof Dam	Orange River; Van der Kloof Dam; Gariep Dam; Kalkfontein Dam; Wuras Dam; Wolwas Dam; Bethuli Dam; Tussen die Riviere	Orange River; Caledon; Matungo Dam; Riet River

DWAF indicated that surface water quality is good except at the towns where sewerage treatment works are not properly maintained. Point-source pollution of surface water occurs at these localities. Pollution potential of river regimes and groundwater reserves exist that can pose a serious health hazard for water users.

Flora

The area can be categorised into different biomes as indicated in the table below. A Biome refers to a group of similar types of communities characterized by their distinctive plant types.

BIOME CLASSIFICATION LOUW & ROBELLO		
	BIOME	% (approximately)
1.	Eastern Mixed Nama Karoo – Nama Karoo Biome	70
2.	Kimberly Thorn Bushveld – Savanna Biome	5
3.	Dry Sandy Highveld Grassland – Grassland Biome	15
4.	Moist Cold Highveld Grassland – Grassland Biome	10
ACOCKS		
	BIOME	% (approximately)
1.	False Upper Karoo	73,0
2.	False Orange River Broken Veld	1,5
3.	False arid Karoo	2,5
4.	Kalahari Thornveld invaded by Karoo	1,0
5.	Dry CYMBOPOGON-THEMADA Veld	10,0
6.	Transitional CYMBOPOGON-THEMADA Veld	6,0
7.	CYMBOPOGON-THEMADA Veld	6,0

Source: Xhariep Environmental Management Programme (2005)

Mineral and Heritage Resources:

The following natural and heritage resource base exists in the area:

MINERAL AND HERITAGE RESOURCES, 2004			
Resources	Letsemeng	Kopanong	Mohokare
Minerals	Diamonds; Salt; Gravel & Sand; Clay	Diamonds	Sand
Heritage sites	Historical buildings & Monuments of 2nd World War Kanonkop (Koffiefontein); Voortrekker Memorial Anglican Church used in the Boer War (Petrusburg); The cairn of commander Ds Lubbe (Jacobsdal); Stone Church and Ossewa Tracks (Luckhoff); Battle of Driefontein Graves of English soldiers (rural areas)	Mostershoek museum (Reddersburg); A monument was erected at the Reformed Church for citizens who died in the Anglo Boer War (Reddersburg); Old jail and the house where Lourens van der Post was born (Phillippolis); Adam Kok, ghe Griqua leader's house, kraal and structure where gunpowder was kept (Phillippolis); Boomplaats Anglo-Boer War Greats	Smithfield Historical site, church building where a farmer killed and buried people

Source: XDM IDP 2008/9

Disaster Management – Risk Assessment Profile

DMs have been tasked with the responsibility of co-ordinating disaster management efforts within the district. It is for this reason that it is important to understand the likelihood and kind of a disaster that can affect communities in the district. The following table gives an overview of the type of hazards that can cause a disaster to happen, the communities at risk as well as the intensity and probability of the disaster to occur and also what the anticipated effects of the hazard can be:

LIKELIHOOD OF HAZARDS THAT CAN CAUSE A DISASTER IN XHARIEP, 2004			
Type of Hazard	Community at Risk	Nature of the Disaster	Probability of the Disaster to occur
Transport related hazards	Main traffic routes	Road Accidents	High
	Railway lines	Rail accident	Low
	Unpopulated areas	Air	Low
Socio-economic crisis	Poor communities	Unemployment	High
Floods	Low laying areas	Isolation of communities, damage to property and endanger lives.	Low
Fires	Along main roads	Loss of live and property	High
	Communities without electricity, Informal settlements or Densely	High wind velocity can increase risk of spreading of fires	Low

LIKELIHOOD OF HAZARDS THAT CAN CAUSE A DISASTER IN XHARIEP, 2004

Type of Hazard	Community at Risk	Nature of the Disaster	Probability of the Disaster to occur
	populated areas		
Drought	Most of the farms are affected	Affects more than one town	Medium
Endemic disease	All communities that lack information	Affecting a town or more than one town	Low
Water, sanitation	Urban areas	Lack of water to a town, Water poisoning	Low
Communication	Telephone, radio, electronic data	Loss of communication and data	Low

Source: Xhariep Disaster Management Plan (2005)

State of Household Access to Basic Services Provision

As indicated earlier, it should be noted that the district has no primary competencies or authority for basic services such as water, sanitation, refuse / waste removal and electricity supply. However, as a developmental local government Xhariep has interest in ensuring that these services are adequately provided by its LMs who have primary authority for their provision. In addition, the district has a constitutional role of coordinating support for local municipalities so that they can be better capacitated to perform their mandates. The section below gives an analysis of the state of service provision in the entire district.

WATER SUPPLY: *Bulk Water Supply*

Letsemeng

The Petrusburg Node and farms utilize boreholes as the supply of potable water. The boreholes are not sustainable and an alternative source will have to be found to supply the Petrusburg node in future. The Koffiefontein and Jacobsdal Nodes extract water from the Kalkfontein Dam while the latter also extracts water from the Orange-Riet Canal. Oppermans also extracts water from the Orange-Riet Canal.

The water extracted is purified locally while both the Koffiefontein and Jacobsdal purification plants seem to be inadequate to cope with the increased demand for potable water. There is also a need to increase the storage capacity in Jacobsdal. The Luckhoff node extracts water from the Sarel Hayward Canal and Van der Kloof Dam. Both the purification plant and reservoir need to be upgraded in future to cope with future demand.

Mohokare

Rouxville gets its water supply from the Kalkoenkrans dam and boreholes. Water shortages are experienced during dry seasons and access to alternative water sources needs to be investigated. The purification works is working at capacity while a new reservoir is required.

Smithfield obtains its water from the Caledon River, which is then purified at the local purification plant. There are also 7 boreholes, which supplements the water supply from the river. Zastron obtains its water from the Montagu and Kloof dams as well as boreholes. The current capacity of the reservoir, pump station and purification works is sufficient for the next five years.

Kopanong

Most of the towns in the area utilises water from the Bloemwater pipelines running through the area, except Jagersfontein and Fauresmith, which receives water from the mineshafts in Jagersfontein. The water quality from the mineshafts is poor and the purification plants will need to be upgraded or an alternative water source need to be established to supply these two towns. Water shortages are also experienced during summer when low rainfall is recorded. The pipeline between Fauresmith and Jagersfontein is also very old and leakages occur regularly.

The supply of water to Reddersburg and Edenburg from the Bloemwater pipeline needs to be supplemented with boreholes and in summer water shortages can be experienced. The water pumps at these two towns are also in poor condition and regular maintenance work is needed. All of the other towns also use boreholes to supplement their water received from Bloemwater. Bethulie's pump station is too small and its capacity will need to be increased in future.

Internal water supply

The level of internal water reticulation within XDM is depicted in the table below:

TABLE 17						
INTERNAL WATER RETICULATION IN URBAN AREAS IN XHARIEP, 2003						
LM	Individual Connections: Metered	Individual Connections: Not Metered	Communal Standpipe	None	Total with access to water	Percentage Backlog
Letsemeng	7858	5602	13	1635	13473	11%
Kopanong	14561	3114	803	1534	18478	8%
Mohokare	5161	8	0	0	5169	0%
Xhariep	27580	8724	816	3169	37120	8%

Source: Local Municipalities (2005)

According to the municipalities approximately 92% of residents in urban areas in Xhariep have access to water. Most of the ervens with access to water are metered. Residents in the urban areas in Mohokare have 100% access to water services. Letsemeng has the greatest backlog, with 11% of all urban households not having access to water. Information pertaining to service levels on farms is not readily available and is therefore not reflected in the table above. However, if one compares the above with the Census 2001 figures it is clear that the increase in backlogs recorded is attributable to level of service on the farms.

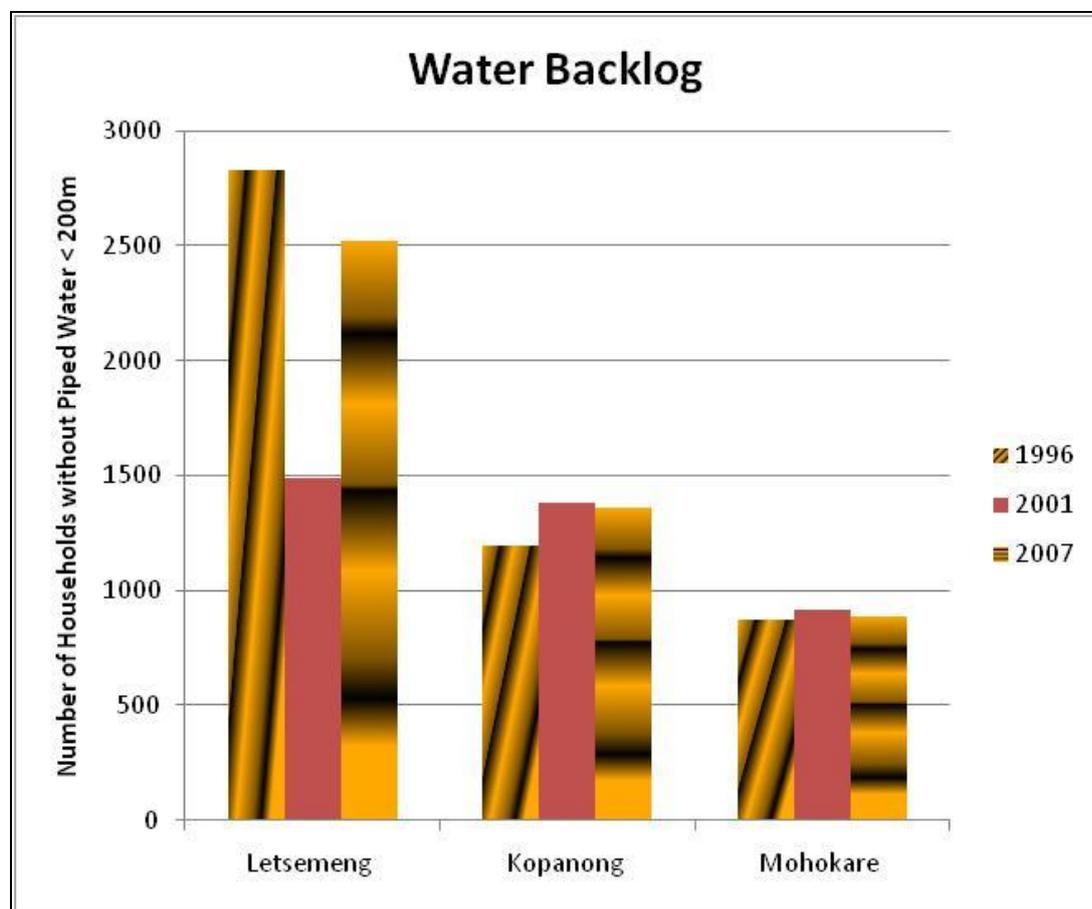
Summary of water supply challenges

- Entire Letsemeng area in terms of bulk water supply – water expensive.
- Petrusburg – bulk supply not sufficient – alternative source needs to be identified.
- Koffiefontein – purification plant too small and alternative water source needs to be identified.
- Luckhoff – upgrading of purification plant and reservoir
- Jacobsdal – upgrading of purification plant
- Fauresmith – Replace main water line from Jagersfontein and valves at reservoir

- Trompsburg – Bloem Water pipeline
- Rouxville – additional water supply source required
- Smithfield – additional water supply source required
- Edenburg – water pressure in Ha-Rasebei
- Jagersfontein – water purification pumps not functioning
- Phillippolis – internal leaks place pressure on bulk supply
- Redersburg – Replace pipe from reservoir to town

Based on anecdotal evidence received from LMs current backlogs are estimated as follows:

- 3169 erven not yet having access to potable water
- Installation of 816 individual household connections to ervens currently serviced with communal taps
- Metering of 8724 individual household connections not yet metered.



Source: XDM: NSDP Alignment Study (November 2009)

Almost 90% of households have access to piped water in Xhariep, significantly higher than South Africa (73%) and the Free State (83%). There has however been an across-the-board decline in this provision. Letsemeng has experienced the most marked reduction in piped water access, from 88% in 1996, to 83% today. In Kopanong and Mohokare, levels of access have been relatively stable. The backlog in Letsemeng has risen from less than 1,500 households in 2001 to over 2,500 in 2007.

Sanitation - Bulk Sanitation

Letsemeng

Oxidation ponds service most of the urban areas in Letsemeng. In all of the cases the pumps at the oxidation ponds are under strain and will need upgrading in future. Only the Koffiefontein Node is serviced by an activated sludge plant to CSIR standards. The plant does not have sufficient capacity for future extensions and are being upgraded to accommodate the future need.

Mohokare

All three areas utilise oxidation ponds. The present capacity in Rouxville needs to be increased to accommodate future network connections.

Kopanong

All of the towns utilises oxidation pond for the treatment of sewage, except Jagersfontein where a French drain system is in place. Most of the pumps at these treatment works are under strain and will need upgrading in future. The wastewater is also not measured at these treatment works due to maintenance problems on the metering equipment.

Most of the problems experience with sanitation in these towns relates to blockages in the system which causes overflow at manholes in residential areas. Some of the oxidation dams are also too small to cope with future demand (Bethulie, Gariepdam, Phillippolis and Trompsburg) and will have to be extended in future.

Internal reticulation

The level of sanitation services of the urban areas within the LMs are depicted in the following table:

SANITATION LEVELS IN URBAN AREAS OF XHARIEP, 2004							
LM	Water-borne	Septic tank	Pit or VIP latrine	Bucket system	None	No. of households complying with RDP standards	% households not complying
Letsemeng	4093	4	0	1995	0	4097	33%
Kopanong	13985	6	251	1257	2051	15499	18%
Mohokare	5458	1	0	1458	0	6917	17%
Xhariep	23536	11	251	4710	2051	26513	20%

Source: IDPs of Local Municipalities (2005)

According to information gathered from the local municipalities approximately 20% of Xhariep urban residents have no access to a basic level of sanitation (RDP standards). Letsemeng is the area with most residents not having access to a basic level of sanitation.

There is a noticeable increase in the backlog of basic sanitation lack of provision in Mohokare. This increase in numbers of households without basic sanitation is also compounded by rapid urbanization as people flee poverty in farms areas to live in urban centres.

Summary of sanitation provision challenges:

- Lack of dedicated programmes designed to address increasing backlogs for provision of basic sanitation
- Compounding backlog resulting from fast paced urbanization
- Poorly maintained infrastructure networks throughout the district
- Koffiefontein – purification works is being upgraded
- Petrusburg, Luckhoff, Jacobsdal – sewage pumps need to be upgraded
- Rouxville – oxidation dams and distribution to under serviced areas

- Philippolis – oxidation dams too small
- Trompsburg – extension of oxidation dams
- Jagersfontein – main outfall from charlesville to be constructed and six pumps need to be replaced
- Fauresmith – outlet from dam 1 to dam 2 to be corrected
- Gariep Dam – extend oxidation ponds
- Bethulie – extend oxidation ponds.

Electricity

CENTLEC is the sole provider of electricity in the district. The local municipalities collect payments on behalf of Eskom in the former White areas, except in the case of Jacobsdal, where Eskom provides electricity. Municipalities in the district currently provide free basic electricity to indigent people.

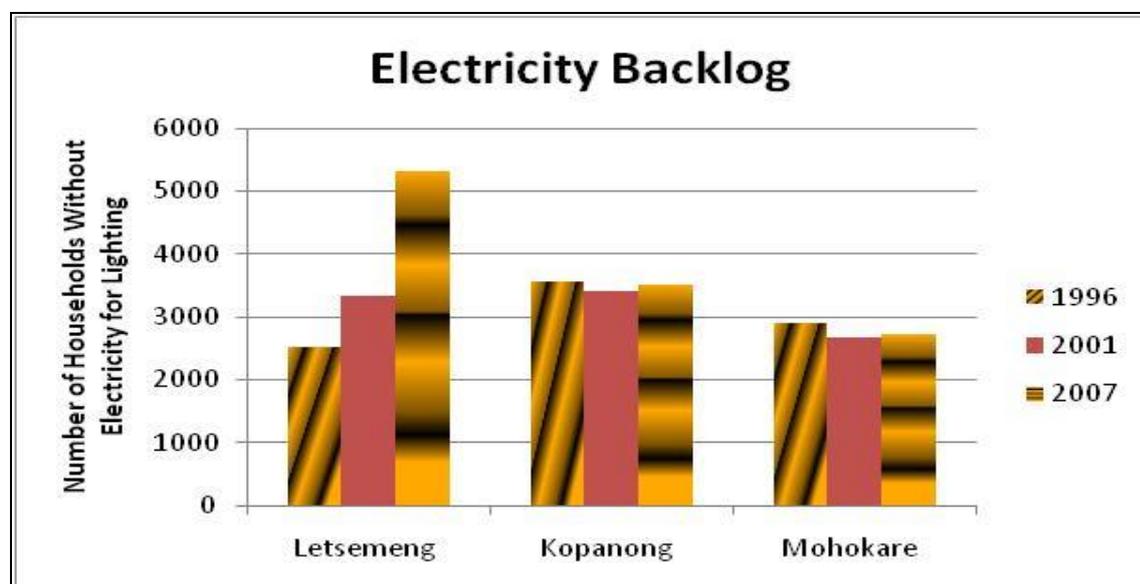
Internal Electricity Reticulation

The level of internal reticulation of urban areas in the local municipalities is depicted in the table below:

ELECTRICITY PROVISION IN URBAN AREAS OF XHARIEP, 2004					
LOCAL MUNICIPALITY	INDIVIDUAL CONNECTIONS	NETWORK ONLY	NONE	NO. OF ERVENS WITH ACCESS TO ELECTRICITY	% OF HOUSEHOLDS WITHOUT ELECTRICITY
Letsemeng	6374	0	2828	6374	31%
Kopanong	13778	2459	2722	13778	27%
Mohokare	6179	0	288	6179	4%
Xhariep	26331	2459	4711	26331	21%

Source: IDPs of Local Municipalities (2005)

Approximately 79% of all ervens in urban areas of Xhariep have access to electricity. Mohokare has the highest service rate at approximately 96%.



Source: XDM: NSDP Alignment Study (November 2009)

Electricity provision is relatively higher than national and provincial levels. Currently 72% of households have access to the grid (for lighting). While Kopanong has shown improvement since 2001 (surpassing 80%), the level in Letsemeng is sharply down from nearly 75% in 1996 to 64% at present. The electrification backlog has expanded greatly in Letsemeng, from 3,200 to well over 5,000 between 2001 and 2007.

Future increases of about 60% are expected in the cost of electricity which has the potential to cripple the agriculture sector and eliminate the viability of many good irrigation projects currently underway unless high value crops are explored.

Summary of the key challenges facing the provision of electricity

- Eskom is the service provider to mainly the rural and previous disadvantaged areas.
- Centlec is the main supplier in the district and also provide distribution of electricity to some communities.
- Implementation of Free Basic Electricity.

Internal Electricity Reticulation

- 7170 sites do not have access to electricity
- Kopanong and Letsemeng are the areas worst off.

Roads, Streets And Storm water

The table below provides a summary of the level of street infrastructure provided in each urban area:

LEVEL OF STREET INFRASTRUCTURE IN URBAN AREAS IN XHARIEP, 2003			
Local Municipality	Tarred (km)	Gravelled (km)	Graded (km)
Letsemeng	77.9	55.7	74.3
Kopanong	78	293	2.6
Mohokare	21	60	90
Xhariep	176.9	408.7	166.9

Source: Local Municipalities (2005)

Most of the road networks in the district are provincial roads, with the N1, N6 and N8 as proclaimed national roads. The present condition of both tarred and gravelled roads are very poor, thus limiting access to communities and economic opportunities. Although the district municipality is responsible for the maintenance of roads serving the district as a whole, these roads have not been identified, leaving a vacuum in terms of responsibility. It is thus important that powers and functions relating to road infrastructure be clarified in future.

Summary of key challenges for roads and storm water provision

- Most of the road network in the district is dirt roads. Poor maintenance of these roads impact on the accessibility of the district
- The main connector roads in the district are still dirt roads which impact on effective service delivery. The district head quarter in Trompsburg is only accessible from some of the towns via dirt roads. (Smithfield to Trompsburg)

- Street network is also in poor condition due to a lack of capacity and resources of local municipalities to maintain these.
- Storm-water systems are not in place in most areas, thus impacting on the maintenance of the streets.
- Powers and functions in terms of road and street maintenance need to be re-evaluated.

Waste Management

Waste management is the competency of a DM but Xhariep has not developed adequate capacity to perform this function effectively. The table below indicates the number of waste disposal sites operated in the area. Most of these sites are not registered and applications will have to be lodged to legalize these sites. Most communities in the urban areas have access to a waste removal system at least once a week.

WASTE REMOVAL SERVICES				
LM	No. of waste sites	No. without permit	No. of sites with sufficient capacity	Frequency of waste collection
Letsemeng	5	1	4	Once per week
Kopanong	11	10	8	Once per week
Mohokare	5	5	0	Twice weekly
Xhariep	21	16	12	Once or Twice weekly

Source: IDPs of Local Municipalities

Levels of weekly refuse removal are very high compared to national and provincial averages, and recent trends suggest that its provision continues to improve. At present over 66% of households receive weekly refuse removal, compared to 58% provincially and 54% nationally. This is remarkable given the logistical difficulties in providing reliable services in a vast, low density district. Improvement in waste removal has been across the board, but the best performing municipality is Kopanong. Mohokare's provision appears to have stalled at 60%.

(XDM: NSDP Alignment Study- November 2009)

Summary of key challenges for waste removal service

- Waste removal is currently being removed and treated by each municipality (most municipalities burn waste)
- Cost for waste removal is very high due to old methods.
- Plastic creates problems.
- No service in rural areas.
- Most of the waste disposal sites comply with legal requirements and no central facility is available.
- There is currently a great need for vehicles and equipment

Parks, Sport and Recreation and Cemeteries

All urban areas have parks. However, these are poorly maintained due to lack of funding and resources. Most of the parks in the previous disadvantaged communities have not been properly

developed and therefore illegal occupation of these parks occurs. There are ample sport and recreation facilities in the district. However, the condition of these facilities is poor due to a lack of maintenance and vandalism. Some of these have been rented to clubs that charge community members a fee to utilize these facilities. This hampers poor communities to gain access to these services. A regional sport complex is situated Trompsburg.

SPORT AND RECREATION FACILITIES AVAILABLE, 2005				
Local Municipality	Letsemeng	Kopanong	Mohokare	Xhariep
Multi-function Stadium:	6	1	5	12
Soccer fields:	4	26	8	38
Rugby Field	3	9	4	16
Golf:	2	6	3	11
Athletics:	4	10	5	19
Swimming pools:	4	7	0	11
Cricket:	2	0	0	2
Hockey:	0	0	1	1
Tennis:	4	29	14	47
Netball:	2	14	5	21
Squash:	1	1	1	3
Bowls:	4	8	3	15
Badminton:	1	0	2	3
Boxing:	0	0	0	0
Karate:	1	0	0	1
Basketball:	0	2	1	3
Horse racing:	3	1	3	7

Cemeteries are provided in each of the urban areas. Farming communities either utilise private cemeteries on farms or bury their loved ones in town. The following cemeteries facilities are available in the area:

CEMETRIES OPERATIONAL IN THE AREA, 2004			
Local Municipality	Number of cemeteries closed	Number of cemeteries in use	Average number of burials per month
Letsemeng	3	20	250
Kopanong		23	20
Mohokare	5	6	16
Xhariep	8	49	95

Source: IDPs of Local Municipalities (2005)

Summary of challenges for services relating to Parks, Sport and Recreation and Cemeteries

The following issues were raised during the IDP workshops:

- Most of the parks are undeveloped or poorly maintained
- Sport and recreation facilities are in a poor condition due to the lack of resources to maintain them and vandalism.
- There is a need for different sporting codes to be accessible to communities
- The current capacity of cemeteries is a problem. Jacobsdal, Bethulie, Rouxville and Zastron urgently require additional cemetery space.
- The maintenance is inadequate
- Not all cemeteries are properly developed with amenities like fencing, potable water and ablution facilities.
- Illegal burials take place on land not earmarked for cemeteries.

Communication Network

Access to telecommunication has improved in recent years with the installation of cell phone networks. However, access to these services in poorer communities and farming areas remains a problem. Public phones are available in urban areas and some rural communities can access these at schools. However, the majority of farm workers rely on the farmer. Large areas within the district also do not receive proper television and radio coverage. Only limited number of channels is broadcasted to this area. Printed media, particularly in English is also a problem.

Summary of challenges for telecommunication network services

- Insufficient television channel coverage
- Insufficient telephone network and coverage
- lack of public phones
- No regional radio station
- Lack of radio station coverage in some areas
- Lack of mobile phone network in some areas.

State of Housing Provision

Access to housing provision is a recognized fundamental necessity. The competency for housing provision is a shared responsibility between all three spheres. Xhariep municipality does not have a dedicated Housing sector plan.

Department of Cooperative Governance, Traditional Affairs and Human Settlement in the Free State provides a range of subsidies for various forms of housing support aimed reducing housing backlogs.

Whereas Letsemeng and Kopanong are highly formal (80% and 87% respectively), Mohokare's proportion of informal housing (29%) is significantly above district (19%), provincial (17%) and national (14%) rates of informality. This divergence has been caused by a dramatic increase in households living in informal housing since 2001 in Mohokare, from around 1,600 to 3,000 in 2007.

Existing housing backlog and the total number of housing subsidies approved since 1994.

BACKLOG IN HOUSING AND RESIDENTIAL SITES, 2004						
LM	No. of formal houses	Vacant residential erven	Informal housing		Backlog residential sites	Total housing backlog
			Formal	Informal settlement		
Letsemeng	8396	1150	1800	450	450	2410
Kopanong	9405	1738	817	3523	1785	4340
Mohokare	4629	0	2263	0	0	2263
Xhariep	22430	2888	4880	3973	2235	9013

Source: IDPs of Local Municipalities (2005)

Summary of housing service provision challenges

- Lack of a Housing Sector plan to guide municipal approach to housing delivery.
- Kopanong Local Municipality has the greatest backlog in housing provision. Although a few residential erven are still vacant, the need arise to plan for those residing in informal settlements.
- Letsemeng on the other hand, has a huge shortage in terms of erven, especially in Koffiefontein, Jacobsdal and Petrusburg.
- Almost the entire area experiences a housing shortage that varies between + 100 to 1 000 units per town. The total housing backlog for the area is estimated at 9013 housing units since 2004.

Land Reform

Land reform is necessary to transform tenure and land ownership patterns in the district so as to give rise to effective empowerment of the “poor” and ensure equitable distribution of the land resource to all groups of people. A land reform summit was arranged in May 2005 by the province in order to:

- To outline the District proposed Land Reform policy and seek inputs from various Stakeholders across the board which will play a developmental role within the district;
- To come up with strategic objectives of the district in land reform, as one of the district priorities

The summit came with a number of resolutions, which must be implemented at municipal level. It will be of the essence for Xhariep district to prepare and adopt its own land reform strategy in line with the summit resolutions of 2005. These are listed below:

- To ensure that the District transfer about 30% of agricultural land to the previously disadvantaged people by 2014;
- The Department of land affairs should undertake a proactive role in purchasing land and placing it under trusts so that it is easy accessible for willing buyers;
- The XDM should play a Coordinating role in land reform processes;
- Training and Mentoring should be provided for emerging farmers (i.e. capacity building of emerging farmers);
- XDM should also play a central role in terms of funding, drafting of policies, etc;
- Purchasing price of land should be market related or linked;
- Develop programmes for financial management;
- Emerging farmers should identify people to be trained;
- All stakeholders such as mentors (Commercial farmers), Land Bank, SARS, DWAF, International Institutions and all spheres of government should be committed and work together for the land development initiative;

- Land reform policy should also be drafted in other languages, considering the regional demographics;
- Land reform process be directed towards poverty alleviation and job creation;
- Stakeholders should unit in their actions so as to attain the set objectives of land reform and development;
- Both buyers and sellers should conduct their business in good-faith so that the land reform program can be achieved;
- There is currently a moratorium placed on sale of land to foreigners

Most of the local IDP's also indicated the need for more commonage land. At present commonage is rented to both commercial and emerging farmers. Councils need to review their leasehold agreements and will in future favour emerging farmers. However, the need exist to make more land available to emerging farmers than what is presently owned by the council.

Community projects for food security are also on the increase and land is required for this purpose. Another concern that has been raised in all of the IDPs of the local municipalities is the lack of proper management of commonages, in so far as a land development and management policy is concerned.

Summary of challenges for the land reform programme

- Finalization of Land restitution: Bethany with 5 333 ha & Oppermansgronde with 34 000 ha.
- Lack of grazing land for emerging farmers.
- No commonage policy.
- Lack of management of commonages.
- Lack of full ownership of properties.
- Commercial farmers hiring municipal outfall land.
- Only 0.32% of land has been restored in the District.
- Finalization of Land restitution: Bethany & Oppermansgronde.
- Lack of grazing land for emerging farmers.

Social and Human Development

This cluster is concerned with matters that relate to the **people development, service delivery** (*i.e.* – services delivered to household and non-residential consumers such as water, sanitation, refuse/ waste, disaster management, fire & rescue, electricity, roads/ storm water, telecoms, housing, health, education, social welfare, postal services etc).

Health Service Provision

Health service provision is a competency of province. Analysis of existing infrastructure indicate that the district is adequately served with lower level infrastructure like clinics for minor ailments compared to other similar municipalities in the province. However, some health services, like the drug depot, laboratory services and the regional hospital are still difficult to access since local households can only access these in outside regional centres like Bloemfontein .

HEALTH SERVICES AVAILABLE IN XHARIEP, 2003			
	Letsemeng	Kopanong	Mohokare
Fixed Clinics	5	10	4
Mobile Clinics (weekly range)	6	6	6
Vehicles	13 + 5 subsidised	11 + 8 subsidised	21 + 11 subsidised

Ambulances	4	9	6
Commuter Services	2	3	4
Radio-graphic Services	1 X-Ray, I Sonar	2 X-ray, 1 Radiographer, 1 Supplementary Radiographer, 1 Community service Radiographer	2 X – Rays, 1 Community Service Radiographer
District Hospitals (laundry, mortuary & theatre services)	0	Diamond hospital (Jagers-fontein) with 32 beds	Stoffer Coetzee Hospital (Smithfield) with 23 beds Embekweni Hospital (Zastron) with 25 beds
Community Health care	1	0	0

Source: Department of Health (2005)

There is presently Home Based Care Support Groups established in all 17 towns of Xhariep. 9 out of 17 towns have established VCCT volunteer groups. Nevirapine is available in all district hospitals (Jagersfontein) and clinics in Kopanong and Letsemeng.

A step-down facility is operational at both Smithfield and Petrusburg. An Assessment panel for Disability Grants is established in Smithfield, Rouxville, Zastron and Koffiefontein. This service can be extended in future to areas where supporting services are available.

There is also gardening projects in all 17 towns and 105 schools are covered with the Primary School Nutrition Programme. Approximately 1800 learners have been registered on the scheme. All clinics are on a 24-hour call service. In a case of emergency the staff on duty needs to be contacted by the patient or community to come and open the facility. HIV / AIDS infections in the district are said to be high even though the anti-natal statistics from local clinics has not been analysed for this year's IDP, figures from last year IDP are still relevant for indicating patterns of prevalence. These are indicated in the table below:

TABLE 26				
HIV/AIDS STATISTICS FOR XHARIEP DISTRICT, JANUARY 2003-OCTOBER 2003				
	Letsemeng	Kopanong	Mohokare	Xhariep
Condom distribution	100905	101896	106983	309784
HIV/AIDS test done on Antenatal Client (ANC)	360	253	334	947
Antenatal Client HIV positive	64	49	97	210
HIV test done on clients 5 years and older (Excl ANC)	303	473	362	1138
HIV positive 5 years & older (excl ANC)	119	166	143	428
HIV test done on child under 5 years#	43	16	13	73
HIV positive under 5 years#	20	8	9	37

Source: Xhariep District Municipality HIV/AIDS Response Plan (2005)

Summary of health care service challenges

The majority of challenges raised in the IDPs of the local municipalities relates to the present level of service offered by the Department in the various towns. The following is a summary of these challenges:

- Availability of 24 hour health services and emergency services to all communities.

- Aftercare facilities and support services to patients and terminally ill.
- Public transport services for patients.
- Availability of professional medical staff.
- Availability of medicine at clinics.

Basic Education and Training

The illiteracy rate for the region is 22.74% according to Census 2001 (Stats SA, 2003). This has shown an increase of 1.33% since 1996. Letsemeng has the highest number of school going children while Kopanong has the highest number of learners attending institutions of higher learning. Letsemeng has also the highest number of school going children not attending school. Many schools are closing down, especially in the rural areas.

SCHOOL FACILITIES IN THE DISTRICT FOR 2003:

TABLE 27						
EDUCATION FACILITIES IN THE DISTRICT, 2003						
Area	Primary	Farm Primary	Combined	Intermediate	Secondary	Total
Kopanong	11	20	6	4	8	49
Letsemeng	6	21	9	2	2	40
Mohokare	7	37	3	3	2	52
Xhariep	24	78	18	9	12	141

Source: Department of Education (2005)

There is presently 1 independent combined school in Letsemeng, 2 independent primary schools in Kopanong and 1 independent combined school in Mohokare. The rest of the schools listed above are all public schools.

The pupil/teacher ratios differ drastically from school to school. The following table gives an overview of these ratios:

TABLE 28					
EDUCATOR/PUPIL RATION IN PUBLIC AND FARM SCHOOLS, 2003					
Area	Primary (1 teacher / # of children)	Farm (Primary) (1 teacher / # of children)	Combined (1 teacher / # of children)	Intermediate (1 teacher / # of children)	Secondary (1 teacher / # of children)
Kopanong	30.6	16.7	32.4	26.7	27.8
Letsemeng	24.2	15.8	30.6	35.0	25.7
Mohokare	30.8	18.4	26.0	15.2	61.4

Source: Department of Education (2005)

It is evident from the above that in most cases a ration of less than 35 learners per teacher is achieved throughout the district, except for Mohokare where a ratio of 61.4 children per teacher is recorded in the secondary school. This is not desirable and needs urgent attention.

TABLE 29					
TOTAL NUMBER OF LEARNERS ENROLLED AT PUBLIC AND PRIVATE SCHOOLS, 2003					
Area	Primary	Farm (Primary)	Combined	Intermediate	Secondary
Kopanong	4227	434	2491	1257	3278
Letsemeng	1136	411	4766	1191	719
Mohokare	4472	1013	853	335	2888
Xhariep	9835	1858	8110	2783	6885

Source: Department of Education (2005)

In most of the towns in the Xhariep district, there are early childhood development centres established. The Department of Social Development finances some of these. However, it was felt in the IDP workshops that the standard of education conducted at these centres are not always of high quality due to a lack of resources and proper regulation.

Summary of education and training challenges

- Shortage of institutions for higher learning & sectoral schools (technical and agricultural schools).
- High level of illiteracy – (ABET).
- Lack of community participation (forums, SGBs etc).
- Transport network for farm schools.
- Poor secondary pass rate.
- Brain drain from the region.
- Lack of capacity of schools – overcrowding.
- High learner / educator ratio.

Social Development Service Profile

Social development and welfare is a primary competence of the national department of Social Development. However, as a developmental local government also tasked with the role of protecting its citizens against the scourge of poverty, Xhariep has interest in monitoring its social development programmes and their impact on poverty. The following welfare facilities are available to offer support to community members in the Xhariep District:

WELFARE FACILITIES IN XHARIEP DISTRICT, 2003			
	Kopanong	Letsemeng	Mohokare
Old age home	3	4	1
Victim support centre	1	2	1
Orphanage	1	0	0
Street Children Shelter	0	0	1
Social Development Regional office	2	1	1

Source: Local Municipalities (2005)

The following table gives a breakdown of these disabilities in the district:

PERCENTAGE OF PERSONS WITH DISABILITY PER LOCAL MUNICIPALITY, 2005							
Area	Sight	Hearing	Communication	Physical	Intellectual	Emotional	Multiple
Kopanong	2.43	1.15	0.24	1.96	0.84	1.14	1.34
Letsemeng	1.39	1.07	0.13	0.99	0.27	0.43	1.09
Mohokare	2.81	1.11	0.26	2.4	0.51	0.99	1.36
Xhariep	2.2	1.12	0.21	1.77	0.57	0.87	1.27

Source: Stats SA (Census 2005)

Summary of social development services provision challenges

- Shortage of adequate pension points
- High levels of domestic violence
- Shortage of Department of Home Affairs
- General lack of facilities for the disabled (care center and schools)
- Rising level of abuse and rape
- Old age centers

Justice and Crime Prevention

The justice and crime prevention cluster is concerned with matters relating to public safety, crime and law and order. (i.e. Geographic distribution, levels of prevalence and scale of occurrence of crime, initiatives to prevent crime etc).

Crime in Xhariep is very low if compared with other places in South Africa. However, workshop participants in the IDP review process indicated that high levels of drug and alcohol abuse with related family abuse occur in the area.

Youth delinquency was also singled out as a problem due to the lack of recreation activities in the area.

The table below provides a summary of the SAPS facilities available in each of the local municipal areas.

SAPS FACILITIES IN THE DISTRICT, 2003			
Area	Police station	Satellite station	Mobile station
Kopanong	10	0	1
Letsemeng	4	0	0
Mohokare	3	2	1
Xhariep	17	2	2

Source: Local Municipalities (2005)

Summary of Safety and Security challenges

- High level of stock theft.
- Increase in rape, domestic violence.
- Shortage of police resources (manpower and vehicles).
- Not enough police stations (Poor access due to long distance).
- Lack of woman police officers and shortage of magisterial human resources.
- Community participation in crime prevention not satisfactory.

Summary of Key Priorities For 2010/2011

Based on the analysis the following key priorities were identified for attention during 2009 IDP engagements. These are also given according to clusters which are adopted from the FS Provincial Growth and Development Strategy and modified to suite municipal reporting and implementation arrangements.

1. Water, Sanitation and Infrastructure.
2. Economic Development and SMME support.
3. Employment creation.
4. Tourism opportunities along NI and Gariep Dam.
5. Emerging farmer strategy and housing backlogs.
6. Financial viability, revenue strategies and organizational capacity of XDM.
7. Education, skills transfer and capacity building.
8. Special programmes: Youth, Women and people with disabilities.
9. Crime prevention.
10. Youth development.

IDP ALIGNMENT PROCESS

INDRODUCTOIN

The IDP is the strategic document that guides the District and Local Municipalities; it is within this context that alignment must take place. Presently All spheres of Government have started a process of ensuring that coordination takes place in a meaningful manner.

IDP ALIGNMENT

The IDP review has looked at the internal process of:



In the current review the municipality has budgeted for all suggested programmes and projects and have placed few projects on its capital expenditure for 2010/2011

In the performance management system a template has been developed to be used by all departments for reporting purposes.

All section 57 managers have signed performance agreements which are lined to the performance management framework adopted by council.

Horizontal Alignment

The local Municipalities were engaged during the identification of the projects in the District, though further consultations will be done.

Engagements were made at the strategic workshop in which locals participated and outlined strategic matters of concern

The IGR forum will in future bring greater cohesion with local and the District.

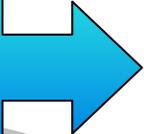
Vertical Alignment

The District has invited National, Provincial sector departments, and state owned enterprises to be part of the process of the IDP.

All sector departmental plans are attached.

All priority areas as in the Free State Growth and Development Strategy (FSGDS) have beeb aligned to the IDP.

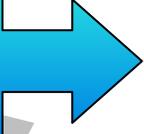
FSGDS:
PRIORITY 1
*Economic Growth
and Employment*



ALIGNED MUNICIPALITY PRIORITIES

- SMME support, emerging farmer strategy
- Tourism Opportunities, employment creation

FSGDS:
PRIORITY 2
*Social and Human
Development*



ALIGNED MUNICIPALITY PRIORITIES

- Education, learnerships, skills transfer
- Youth Development

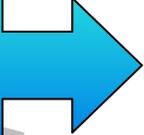
FSGDS:
PRIORITY 3
*Justice and crime
prevention*



ALIGNED MUNICIPALITY PRIORITIES

- Crime prevention

FSGDS:
PRIORITY 4
*Efficient governance
and admin.*



ALIGNED MUNICIPALITY PRIORITIES

- Financial viability of district municipality
- Organizational capacity

INSTITUTIONAL ARRANGEMENTS

Mandate

The Constitution (1996) assigns Local Government the mandate of developing their areas of jurisdiction. Widely interpreted, this implies that municipalities must within their financial and institutional capacity strive to achieve the objects of Local Government, namely:

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

The Constitution further requires that municipalities structure and manage their administrative, planning and budgeting processes to priorities basic needs of their residents as well as promote social and economic development of the community, whilst participating in national and provincial development programmes.

Powers and Functions

Section 156 of the Constitution (1996) assigns executive authority to municipalities in respect of, and the right to administer the local government matter listed in Part B of Schedule 4 and Part B of Schedule 5 and any other matter assigned to it by national or provincial government. This implies that certain functions have been assigned exclusively to local government. As local government comprises both district and local municipalities, it was necessary to differentiate between the functional competencies of district and local municipalities.

This division of functional competencies is governed by the Municipal Structures Amendment Act, No 33 of 2000. However, many district municipalities do not have the administrative capacity to execute their legislative powers and functions and therefore the MEC for Local Government and Housing authorised local municipalities to perform certain of the district functions in terms of section 18(1) of the Local Government Structures Amendment Act (No 33 of 2000). The last adjustments were gazetted in Provincial Gazette No 58 Notice No 126 of 27 June 2003. The following functions and powers of Xhariep District Municipality have been authorised to the respective local municipalities to perform on behalf of the district:

FUNCTIONS PERFORMED BY LMS ON BEHALF OF THE DM

Section	Function
Section 84(1)(b)	Potable water supply systems
Section 84(1)(c)	Bulk supply of electricity which includes for the purposes of such supply, the transmission, distribution and where applicable, the generation of electricity (mention special arrangements e.g. CENTLEC)
Section 84(1)(d)	Domestic waste-water and sewage disposal systems
Section 84(1)(i)	Municipal health services

The Minister also indicated in Section 84(1)(i) that the Environmental Health Function would from 1 July 2004, be no longer performed by LMs on behalf of the Districts. The district municipality has started to perform the functions of Environmental Health and Disaster Management with effect from December 2009. Critically, the Municipal Structures Amendment Act (Act 33 of 2000) provides for an extensive annual review of the division of powers and functions between Category B and Category C to ensure effective implementation of these assigned powers following an advice provided by the Municipal Demarcation Boarding emanating from the Boards' annual capacity assessment report.

The MEC has recently re-adjusted powers and functions between category A and B municipalities through a provincial gazette no.25 published on 11 April 2008. The said gazette authorize Xhariep

District municipality and its local municipalities to perform the functions or exercise the powers set out as follows:

XDM Readjusted Functions From 11 April 2008 As Promulgated By Member Of The Executive Council (MEC) Responsible For Local Government And Housing

Section	District Function	Letsemeng LM	Kopanong LM	Mohokare LM
Section 84(1)(a)	Integrated development planning for the DM, including developing IDP framework incorporating IDP processes of all the LMs.	No	No	No
Section 84(1)(b)	Bulk supply of water that affects a significant proportion of municipalities in the district	Yes	Yes	Yes
Section 84(1)(c)	Bulk supply of electricity that affects a significant proportion of municipalities in the district	Yes	Yes	Yes
Section 84(1)(d)	Bulk sewage purification works and main sewage disposal that affects a significant proportion of municipalities in the district	Yes	Yes	Yes
Section 84(1)(e)	Solid waste disposal sites in so far as it relates to: determination of a waste disposal strategy, regulation of waste disposal, establishment, operation and control of waste disposal sites, bulk waste transfer facilities and waste disposal facilities for more than one LM in the district	Yes	Yes	Yes
Section 84(1)(f)	Municipal roads which form an integral part of a road transport system for the entire area of the DM ¹	Yes	Yes	Yes
Section 84(1)(g)	Regulation of passenger transport services	No	No	No
Section 84(1)(h)	Municipal airports serving the entire area of the DM	No	No	No
Section 84(1)(i)	Municipal health services serving the area of the district as a whole	No	No	No
Section 84(1)(j)	Fire fighting services serving the entire area of the DM including: planning, co-ordination and regulation of fire services, specialized fire fighting services such as mountain, veld and chemical fire services, co-ordination of the standardization of infrastructure, vehicles, equipment and procedures, and training of officers.	No	No	No
Section 84(1)(k)	Establishment, conduct and control of fresh produce markets and abattoirs serving the area of a major proportion of the municipalities in the district.	No	No	Yes – abattoirs only
Section 84(1)(l)	Establishment, conduct and control of cemeteries and crematoria serving a major proportion of municipalities in the district.	No	No	No
Section 84(1)(m)	Promotion of local tourism for the DM area	No	No	No
Section 84(1)(n)	Municipal public works relating to any of the above functions or any other function assigned to the district municipality.	Yes	Yes	Yes
Section 84(1)(o)	Receipt, allocation and if applicable, distribution of grants made to the district municipality	No	No	No
Section 84(1)(p)	The imposition and collection of taxes, levies and duties as related to the above functions or as may be assigned to the DM in terms of national legislation	No	No	No

*** Note: Yes - indicates that a particular LM will perform that function on behalf of the DM; No implies that the DM may perform that function.**

It is imperative to note that the said gazette provided for no adjustment/change to Xhariep District Municipality in performing local municipal functions. *The authorization as entailed in the gazette came into effect on 01 July 2008.*

Looking at the efficiency gains, government has reviewed the capital grants flows that historically were disbursed through district municipality's *en-route* to local municipalities. The capital grants flows have been changed since the advent of the Municipal Infrastructure Grant (MIG)² and these are routed directly to local municipalities for the provision of infrastructure services. This had a negative impact on the exercise of section 84(1) (o) *receipt, allocation and if applicable, distribution of grants made to the district municipality.*

¹ There are currently no roads complying with the definition of Municipal roads.

² MIG is a consolidated capital grant transferred to municipalities for provision of infrastructure services and meeting service delivery targets set by government. For an example, the eradication of buckets by 2007, provision of water 2009; basic sanitation 2010, electricity supply 2012, etc.

Subsequently, the repeal of the Regional Service Levy (RSC) by the National Treasury from 01 July 2006 and compensation of the district for the loss of revenue in the short to medium term (up to three years) has made section 84 (1)(p) – *the imposition and collection of taxes, levies and duties as related to the above function or as may be assigned to the district municipality in terms of national legislation to fall off.*

The MDB assessment of capacity for the Xhariep District Municipality of August 2009 indicates that the district is performing the following functions:

- Local Tourism - specifically the maintenance of tourism sites;
- Municipal planning – the development and implementation of district-wide IDP framework;
- Cemeteries, funeral parlours and crematoria – Xhariep district is discharging an inspection function;
- Monitoring of refuse and waste disposal sites, for which it has one available staff member

This assessment indicates that out of 16 district functions, Xhariep district municipality is performing 7.89% of these functions. (*Sources – COGTA Spatial Analysis Framework*)

By the time the Spatial Analysis Framework was drafted, consideration was not given that Xhariep District Municipality has assumed other two functions of Environmental Health and Disaster Management respectively.

Implications of the P & Fs to the District Municipality

The implications of these P & Fs discussed above relate mainly to availability of appropriate and adequate capacity in the form of human and/or financial resources, in the case of XDM. It is worth noting that the role of the District Municipality is limited to co-ordination and integration and/or supervision with respect to most of the P & Fs above, particularly, where these do not fall directly within the District's legislative domain. Even so, sufficient financial and human resources are required to ensure effective execution of these roles. The same requirement applies with respect to P & Fs that fall directly within the District Municipality's legislative domain. The challenges listed below are identified as hindering Xhariep District Municipality from undertaking some of its legislative functions:

Financial Incapacity

Municipality officials view this status largely as a function of the formula used to calculate equitable shares, which emphasizes population size thereby failing to take full cognizance of the vast size of XDM. This challenge is further compounded by a stagnant economic growth and an economy that is least diversified. The result has been a steady escalation of needs over time, thereby requiring even greater financial intervention. Proposed interventions to address this situation include soliciting for and directing special grants towards specific projects that have an inherent revenue generation capacity for the DM; harnessing the DM's investment potential e.g. mining, a variety of water-based resources, alongside other aspects of the regions natural resource such its flora and fauna; enhancing the District's project implementation capacity and investing in a robust marketing strategy.

Limited skills-base

This is as a result of the DM's inability to attract and retain skilled person power. In addition, the district faces great challenges with respect to skills development, particularly in aspects such as learnerships. Proposed intervention to address XDM's weak skills-base include enhancing the aspects mentioned above, maximizing on opportunities that arise through National and Provincial government secondments and most critical, expanding capacity at the grassroots through a multivariate approach seeking to enable indigent communities, access various forms of training and skills development.

Internal Capacity

Functional roles that result from the relevant P&F's are performed by different departments at XDM. Shown below is the organisational structure of XDM, followed by a discussion of the P&F's relevant to specific offices within the District.

XDM Organisational Structure

The organisational structure shown below is developed in compliance with legislative requirements and with a view to ensuring that the District has appropriate and adequate human resource capacity to deliver on its P & Fs.

Office of the Municipal Manager

Municipal Manager
(Head of the Administration)
(Accounting Officer)
(Information Officer)

**Development Planning and
Implemental Department**

Corporate Services Department

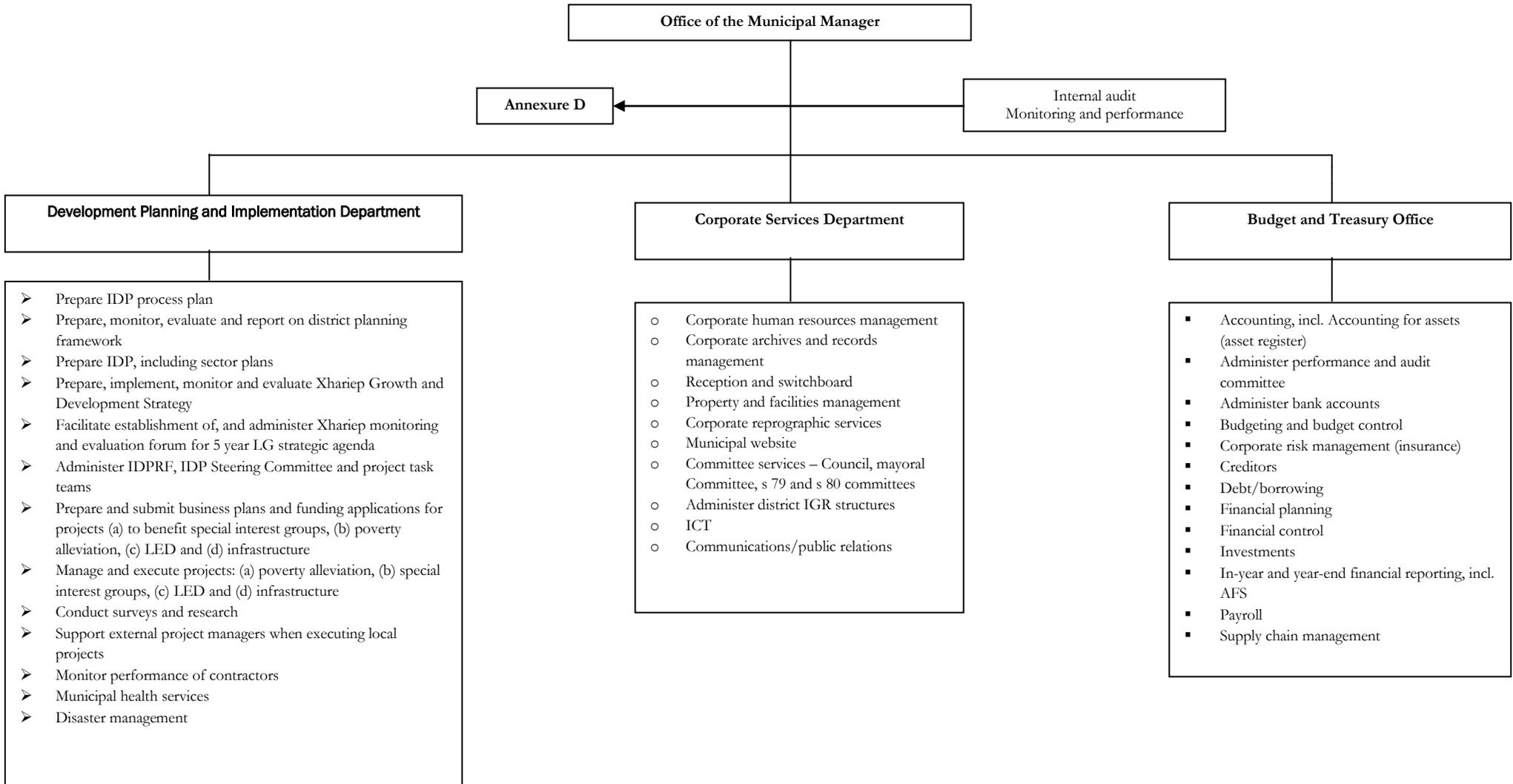
Budget and Treasury Office

Director: Planning and Development

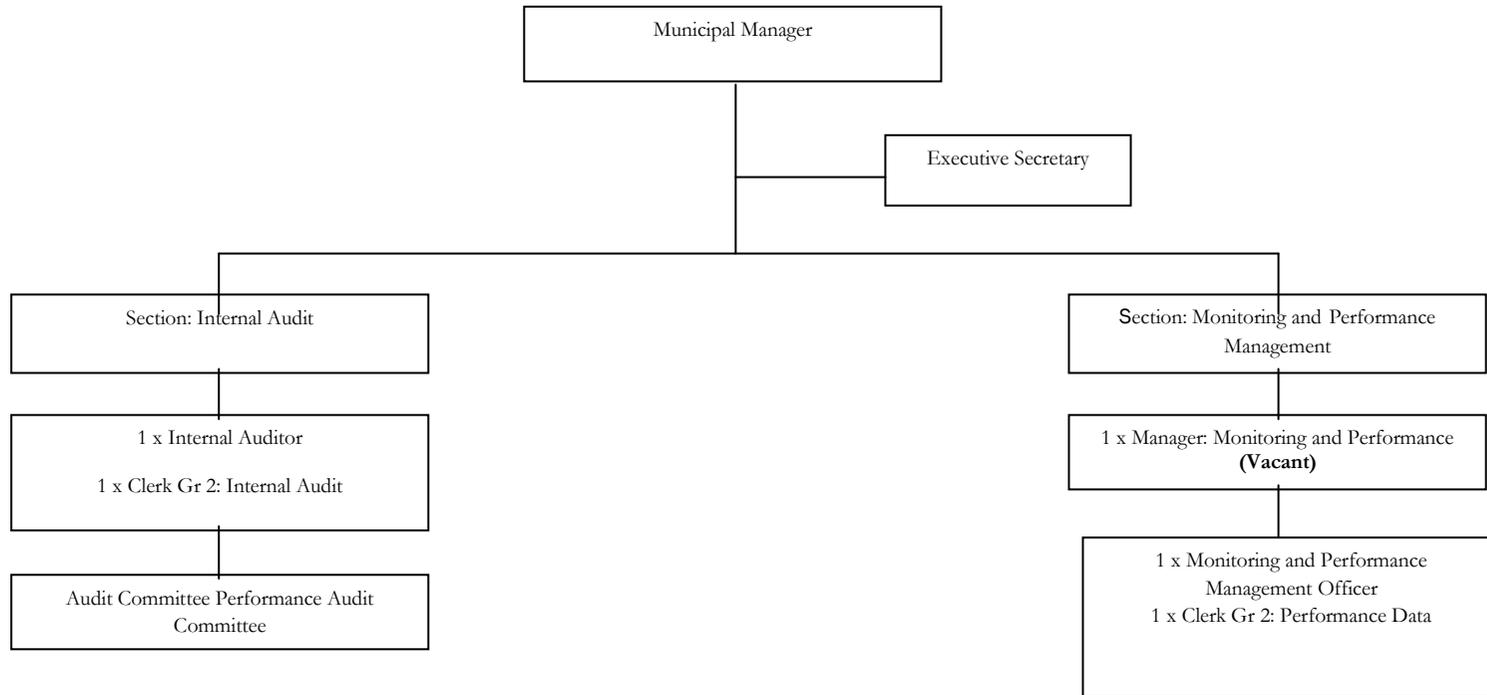
Director: Corporate Services

Director: Finance
(Chief Financial Officer)

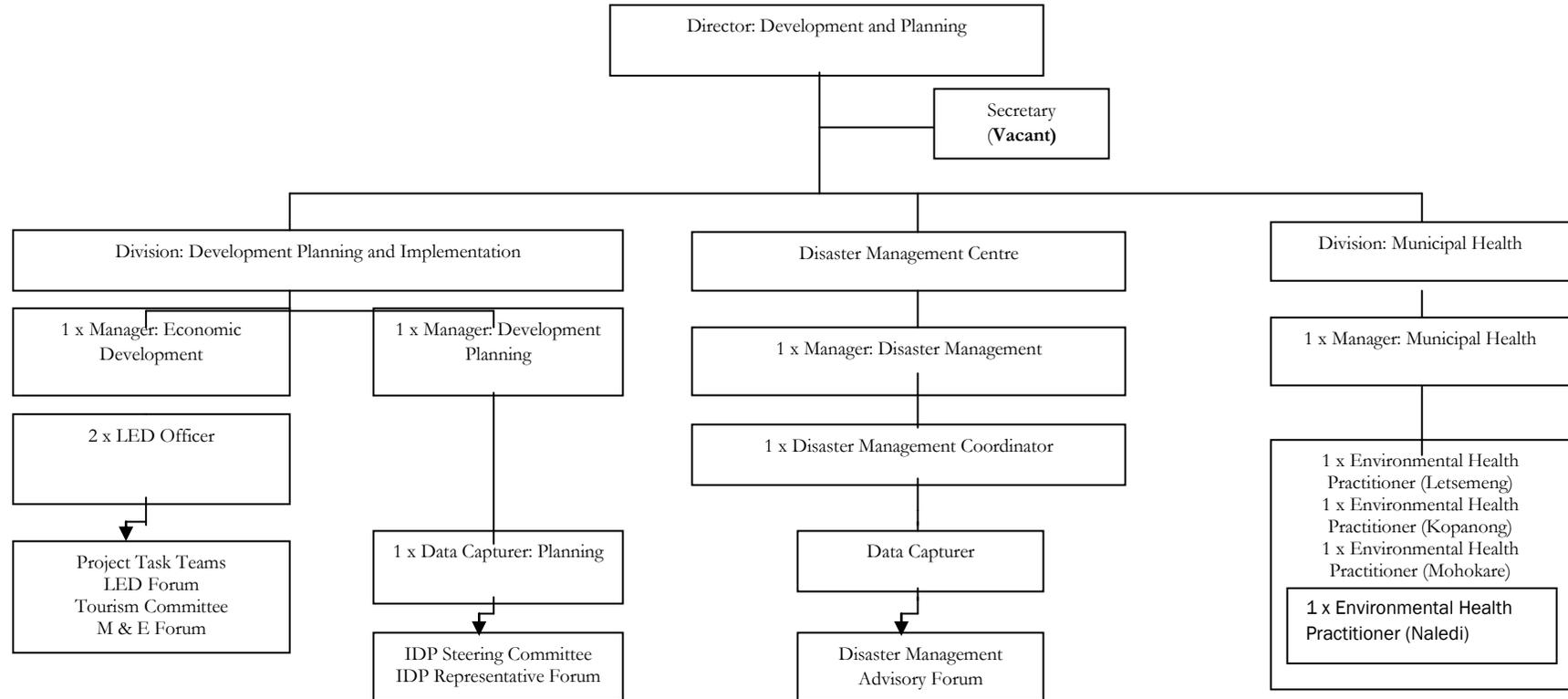
XHARIEP DISTRICT MUNICIPALITY FUNCTIONAL STRUCTURE



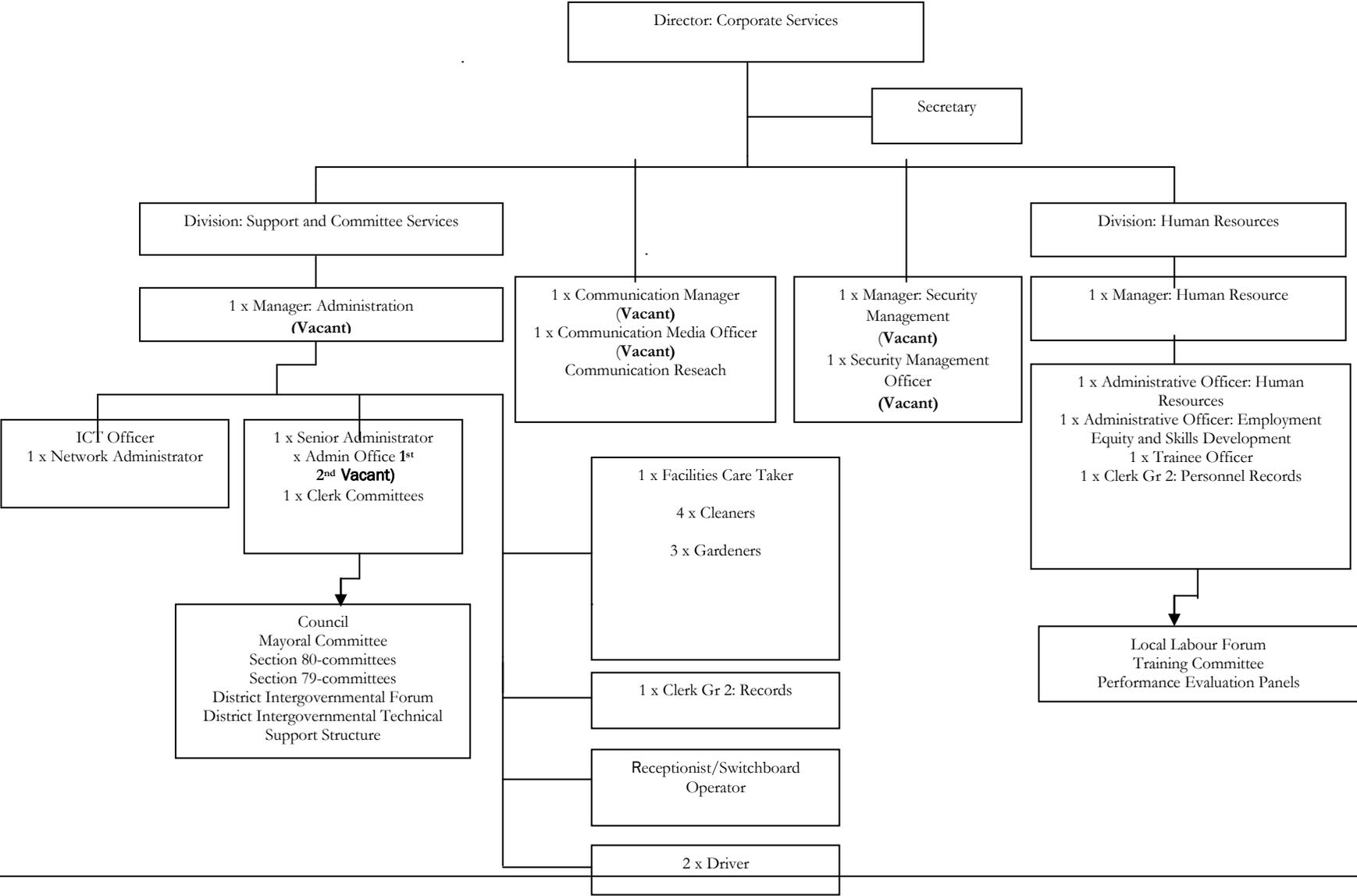
**XHARIEP DISTRICT MUNICIPALITY
OFFICE OF THE MUNICIPAL MANAGER**



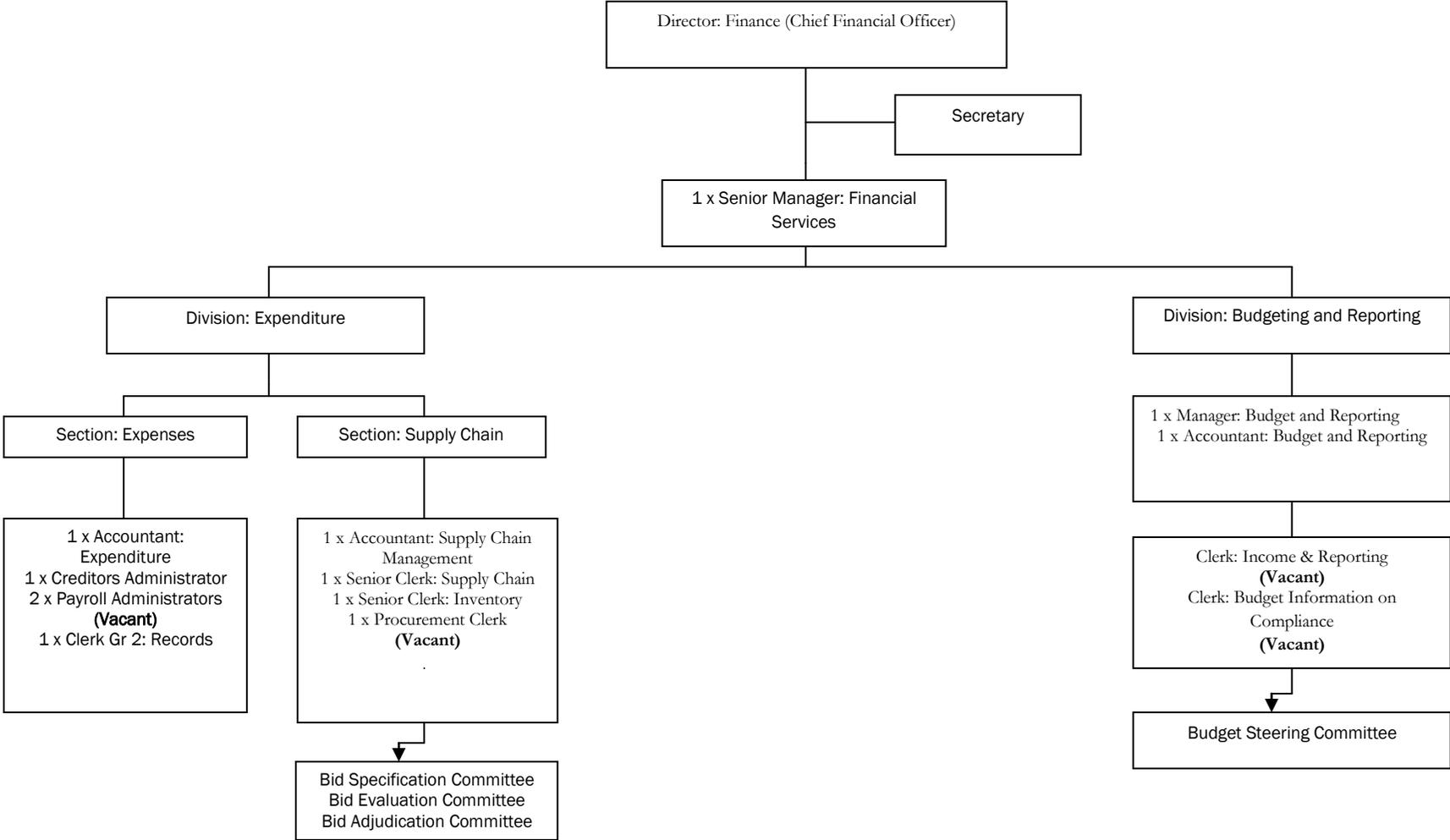
**XHARIEP DISTRICT MUNICIPALITY
DEVELOPMENT, PLANNING AND IMPLEMENTATION**



XHARIEP DISTRICT MUNICIPALITY CORPORATE SERVICES



**XHARIEP DISTRICT MUNICIPALITY
BUDGET AND TREASURY OFFICE**



Office of the Municipal Manager

The Municipal Manager is the head of the administration and is responsible for the formation and development of an economical, effective, efficient and accountable administration which is equipped to implement the IDP, operates within the municipality's performance management system and is responsive to the needs of the local community to participate in municipal affairs. The Municipal Manager is the accounting officer and therefore has oversight responsibility for all managers. All senior managers account to the municipal manager who in turn account to the executive mayor and council on all administrative matters.

In support of the above mandate the office of the Municipal Manager accommodates the Performance Management System Unit and Internal Audit.

Corporate Services

This department is responsible for the internal organisational support services and has 4 divisions, namely:

- Administration
- Auxiliary services
- HR and Training
- Information Communications Technology

The position of Director Corporate Services has been filled. There is an HR officer appointed to deal with HR matters.

Human Resource and Training is responsible for the recruitment of new personnel and proper management of personnel records. The division is furthermore responsible for the implementation of the Employment Equity Plan and Workplace Skill Plan of council as well as the promotion of healthy labour relationships. Labour disputes are also dealt within this division.

The Division: Administrative comprises an *Administrative Support Section*, an *Auxiliary Services* Section as well as Committee Services

The *Administrative Support Section* provides and manages the secretarial services to all committees of council and council meetings. This includes the compilation of notices, agendas, minutes and memorandums and distributing these to the respective members of these committees. It also provides a centralised registry system which captures all incoming mail, records, files and distribute it to the relevant department or committee for finalisation. Upon receipt of the reply of the department, the writer is informed and the file is filed for safe keeping. This section is furthermore responsible for managing central municipal reception.

The *Auxiliary Services* Section is responsible for cleaning, maintenance and security of the municipal buildings. The facility management officer in charge of Auxiliary Services is responsible for the hiring and reservation of council buildings and facilities to community members.

The *ICT Services division* is responsible for data processing, management and roll out of ICT related services. This division is also responsible for the regular updating of the municipality's website.

Finance Directorate

This directorate is responsible for the proper management and accounting of council finances and advising council on its financial position. The directorate has 2 divisions, namely:

- Expenditure
- Budgeting and Reporting

This Directorate is responsible for financial policies, financial control, budgeting and costing, loans and investment, the evaluation of assets and property as well as monthly management reporting to council. It is also responsible for continuous auditing of all financial activities, procedures and outsourced activities.

The *income division* of this directorate deals with consumer payment, queries and credit control while the *expenditure division* deals with salaries, payment of expenditure, procurement and store/inventory activities.

Planning and Development

This Directorate is responsible for overall planning and development of Xhariep District. The Directorate comprises of 4 divisions, namely:

- Integrated Development Planning
- Disaster Management
- Environmental and Health Management
- Local Economic Development

Integrated development planning – This division is responsible for the development of the IDP processes of the District and its constituent Local Municipalities

Disaster Management – This is a new division created during December 2009 and it is responsible for management of all disaster related matters.

Environmental Health – This is a new division created during December 2009 and it is responsible for management of all environmental and health related matters.

Local Economic Development - This division is responsible for the empowerment and strengthening of SMMEs. These include the facilitation of skills development, capacity building and entrepreneurial development training programmes, information dissemination, after - care programmes as well as the encouragement and facilitation of partnerships. This division is also responsible for the promotion of trade and investment in order to draw new investment to the area.

One area which emphasis is to be placed is the establishment of a strong tourism network in the district. This will entail information dissemination and marketing of the area's tourism products. Support services to local tour operators, tourism product owners.

Roles and Responsibilities relating to P & Fs:

District Function	Relevant Office	Status
Integrated development planning for the DM, including developing IDP framework incorporating IDP processes of all the LMs.	Municipal Manager/ IDP Manager	Planning and development currently overseeing
Municipal roads which form an integral part of a road transport system for the entire area of the DM	Planning and Development	Planning and development currently overseeing
Regulation of passenger transport services	Manager: Economic Development	Planning and development currently overseeing
Municipal airports serving the entire area of the DM	Manager: Economic Development	Planning and development currently overseeing
Establishment, conduct and control of fresh produce markets and abattoirs serving the area of a major proportion of the municipalities in the district.	Manager: Environmental Health	Planning and development currently overseeing
Establishment, conduct and control of cemeteries and crematoria serving a major proportion of municipalities in the district.	Manager: Environmental Health	Planning and development currently overseeing
Promotion of local tourism for the DM area	Manager: Economic Development	Planning and development currently overseeing
Receipt, allocation and if applicable, distribution of grants made to the district municipality	Chief Finance Officer	Budgeting and Treasury currently overseeing
The imposition and collection of taxes, levies and duties as related to the above functions or as may be assigned to the DM in terms of national legislation	Chief Finance Officer	Budgeting and Treasury currently overseeing
Municipal health services serving the area of the district as a whole	Manager: Environmental Health	Planning and development
Fire fighting services serving the entire area of the DM including: planning, co-ordination and regulation of fire services, specialized fire fighting services such as mountain, veld and chemical fire services, co-ordination of the standardization of infrastructure, vehicles, equipment and procedures, and training of officers.	Manager : Disaster Management	

Organisational Financial Management

The Regulations on the Systems Act read with other LG financial legislation such as the Municipal Finance Management Act put emphasis on the need to build and ensure strict financial management discipline. XDM complies by having in-place sound financial systems and

process management for finances. However, in view of the dire financial situation facing the municipality, more needs to be done in this regard.

Financial support systems

Table 2.4 below summaries the mechanisms currently utilized to ensure effective financial management at XDM.

Financial Management Mechanisms

ITEM	CURRENT STATUS
Electronic budget control and vote allocation system	Implemented, but in the process of further streamlining.
Submission of financial statements	Implemented but to a large extent, still outsourced.
Rendering of accounts and debt collection	Implemented and handled by own personnel.
Auditing of financial statements and Audit Report	The annual reports for 2003/4 and 2004/5 need to be prepared.
Financial budgets	A financial budget system is in place
Service Delivery & Budget Implementation Plan (SDBIP)	Still to be drafted and implemented.

Source: Xhariep District Municipality (2005)

Financial Management Support Policies

Evaluation of Financial Management Policies

Policy	Status	Implementation	Effective
Credit control	IP	Y	Yes
Investment	IP	Y	Due for amendment
Asset management	NIP	N	To be drafted
Fleet management	IP	Y	To be amended
Expenditure control	IP	Y	Needs improvement
Budget process	IP	Y	Yes
Travel & Subsistence	IP	Y	Needs improvement
Telephone management	IP	Y	Needs improvement
Supply chain Management	IP	Y	Reviewed & implemented

IP – In place; NIP – Not in place; Y – Yes; N – No

Building Financial Management Capacity

The Budget and Treasury Department is in need of additional staff. The current budget incorporates vacant positions within the Department. There is also need for further training for existing staff. The MSIG vote has previously been applied towards skills training.

BUDGET 2010/2011

Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		23	-	-	12 570	-	-	13 827	15 209	16 730
Planning and development		23	-	-	12 570	-	-	13 827	15 209	16 730
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	14 747	18 062	-	48 073	-	-	50 410	56 722	62 394
Surplus/(Deficit) for the year		-	-	-	(29 513)	-	-	(29 994)	(34 264)	(37 691)

References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist the compilation of national and international accounts for comparison purposes
2. Total Revenue by standard classification must reconcile to Total Operating Revenue shown in Budgeted Financial Performance (revenue and expenditure)
3. Total Expenditure by Standard Classification must reconcile to Total Operating Expenditure shown in Budgeted Financial Performance (revenue and expenditure)
4. All amounts must be classified under a standard classification (modified GFS). The GFS function 'Other' is only for Abattoirs, Air Transport, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification

<i>check oprev balance</i>	-0	-0	-	0	-	-	-	-	-	-
<i>check opexp balance</i>	-5 057 328	2 996 037	-	-1	-	-	-2 470 271	-1 446 762	-1 591 438	

Political Leadership

Xhariep District Municipal council uses a governance system that applies an executive mayoral committee system. It is composed of fourteen (14) councillors with an Executive Mayor, Speaker and three councillors of the Mayoral Committee as full-time members. Council meets quarterly and Special Council Meetings may be called for by the Speaker to deal with urgent matters.

The Portfolio Committees are chaired by members of the Mayoral Committee and comprise other councillors and senior officials. The Portfolio Committees, that informs the Mayoral Committee, are as follows:

Table 1: Portfolio Committees

Portfolio committee	Advisory capacity to Mayoral Committee
Corporate Services	All institutional transformation needs Human Resource issues
Finance	All financial aspects except on approval of tenders
Planning and Development	All aspects relating to LED and Tourism, Technical services, Development Planning, Environmental Health and Disaster Management

Council also established section 79 committee namely:

- Shared Audit Committee

The Shared Audit Committee has been established in terms of the Municipal Finance Management Act, 2003.

The office of the Mayor is directly responsible for special programmes including HIV/AIDS, People with disabilities, Gender issues, Children and the elderly and youth affairs. The MM of the DM reports to the mayor who in turn reports to Council. The Personal Assistant in the political office links the administrative and political arms of the Municipality. The holder of this office reports to the Mayor and the speaker and represents the mayor in the IDP Steering Committee.

Intergovernmental Relations Framework

XDM needs to develop stronger and more cohesive relationships with the various local municipalities as well as with other government structures. Currently the lines of communication, trust and the working relationships with the local municipalities are not functioning as effectively as they could if there was a formal IGR structure in place. A more harmonious working relationship with other levels of government is critical for planning, support, co-ordination and implementation purposes.

Composition of District Inter-governmental Forum

The Intergovernmental Relations Act of 2005 states that the purpose of the district intergovernmental forum is “to promote and facilitate intergovernmental relations between the district municipality and the local municipalities in the district.” It goes on to highlight the composition of the forum as follows:

- a) the mayor of the district municipality;
- b) the mayors of the local municipalities in the district or, if a local municipality does not have a mayor, a councillor designated by the municipality; and
- c) the administrator of any of those municipalities if the municipality is subject
- d) to an intervention in terms of section 139 of the Constitution.
- e) the chairperson of the forum may invite any person not mentioned to a meeting of the forum.

Role of District Intergovernmental Forums

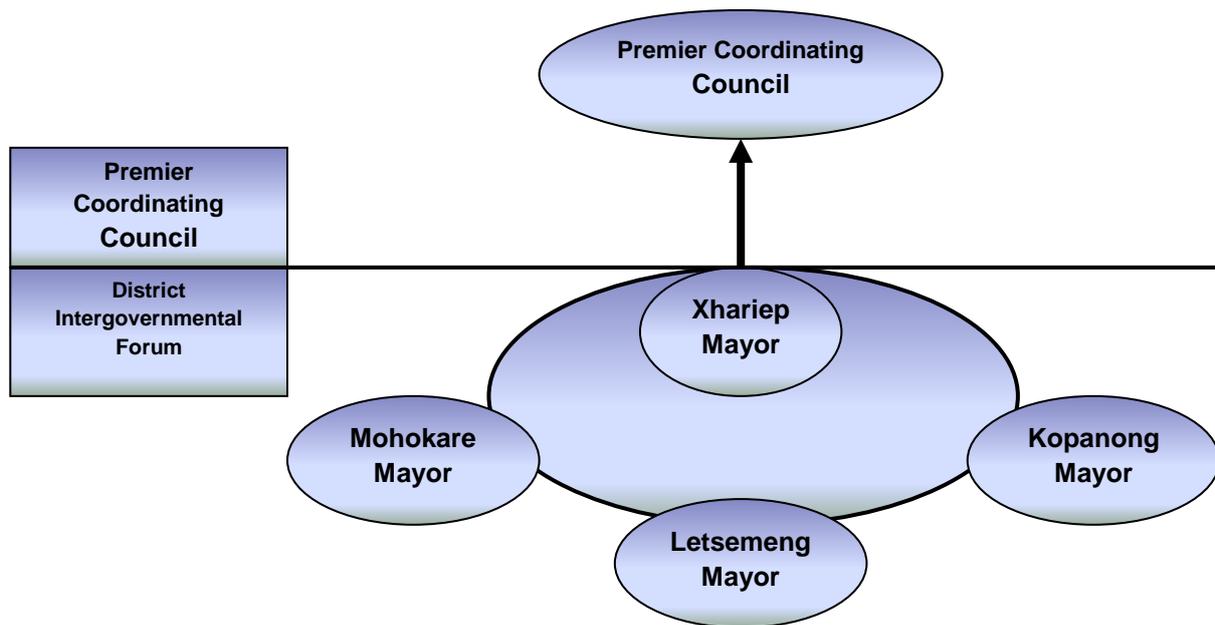
The act also clearly spells out the role of these forums. Ultimately the key role is identified as to “Serve as a consultative forum for the district municipality and the local municipalities in the district to discuss and consult each other on matters of mutual interest, including:

- drafting national and provincial policy and legislation relating to matters affecting LG interests in the district;
- Implementation of national and provincial policy and legislation with respect to such matters in the district;
- Matters arising in the Premier’s intergovernmental forum affecting the district;
- Mutual support in terms of section 88 of the LG: Municipal Structures Act, 1998 (Act No. 117 of 1998);
- Provision of services in the district;
- Coherent planning and development in the district;
- Co-ordination and alignment of the strategic and performance plans and priorities, objectives and strategies of the municipalities in the district; and

Plan

- 1) Meet monthly at different LMs on a rotating basis
- 2) Invite LM managers to present progress plans every quarter
- 3) Invite presentations from CDW’s, Provincial officials and DPLG annually
- 4) The Chairperson will set the agenda for each meeting but suggestions for inclusions from the LMs are welcome
- 5) The forum will meet at least once per year with service providers and other role players concerned with development in the district to co-ordinate effective provision of services and planning in the district.
- 6) XDM will be responsible in its co-ordinating role for providing administrative and support services to the forum.

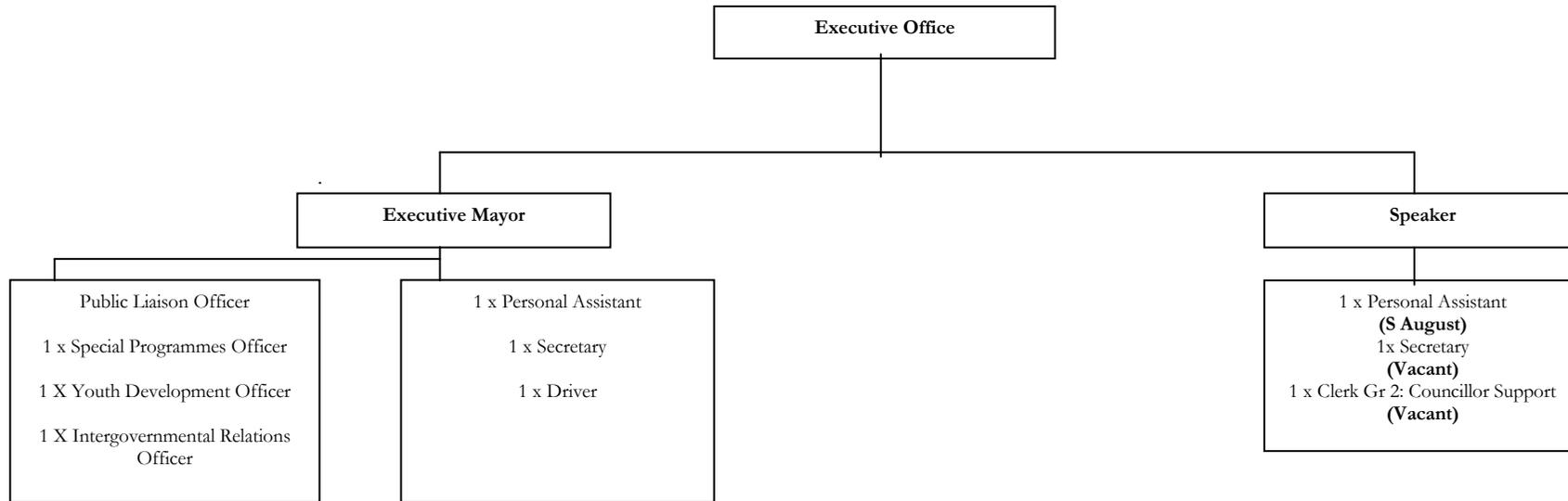
Although not an executive decision making body the forum may adopt resolutions arising from discussions and the intergovernmental consultation.



The Mayor of Xhariep District participates in the Free State Premier's Coordinating Council at the invitation of the Premier. The role of that forum is also to build the co-operative spirit, ensure service provision, realise national priorities and to monitor implementation of policy and legislation amongst district's and metropolitan municipalities. The Mayor is responsible for co-ordinating the intergovernmental relations with all the Local Municipalities just as the Premier is responsible for co-ordinating the same with the Districts in the Province.

POLITICAL STRUCTURE

**XHARIEP DISTRICT MUNICIPALITY
EXECUTIVE OFFICE**



Performance Management System

Introduction

The Performance Management System (PMS) has been introduced as one of the instruments to be used in ensuring that municipalities are developmental-oriented in orientation and practice. PMS should be seamlessly integrated to other complementing municipal core processes – *IDP and budget*.

It is envisaged in the Municipal System Act (2000 as amended in 2002) that the municipality shall establish and develop PMS that commensurate with its resource capacity, suited to its unique circumstances, lays a solid foundation for accountability to Council and critical stakeholders and contribute towards economical, effective, efficient management of municipal affairs.

Critically, the Act obligates municipalities to implement the following PMS core components as integral part of municipal planning and budget processes. These are:

- Setting appropriate key performance indicators as yardstick for measuring performance, including outcomes and impact, with regard to the municipality's development priorities and objectives set out in its IDP. In addition, these should also be informed by the general key performance indicators as prescribed by the Minister responsible for provincial and local government;
- Setting measurable performance targets with regard to each of those development priorities and objectives. Importantly, these should articulate with service delivery targets millennium development goals set by the South African government;
- Monitoring performance;
- Measuring and reviewing performance;
- Taking steps to improve performance; and
- Establishing a process for regular reports and complying with reporting requirements as prescribed in the Municipal Finance Management Act (2003)

PMS lays a solid foundation for embedding and developing service delivery budget implementation plans (SDBIPs) which are essentially operational plans for the implementation of the budget and IDP's.

Xhariep district municipality has developed service plans / SDBIP for each of the directorate as an integral part of the IDP processes. These service plans will be used in the development of reviewed performance agreements for the municipal manager and section 56 employees for the 2010/2011 financial year as provided for in the recently enacted regulation on *Local Government: Municipal Performance Regulation for Municipal Managers and Managers directly accountable to municipal managers* that came into operation on 01 August 2006.

Xhariep district municipality's PMS has been developed and encapsulated in this reviewed IDP.

The PMS framework for Xhariep entails the following:

- Developed strategies with corresponding measurable performance targets;
- Developed service plans (SDBIP) with corresponding measurable performance targets;
- Reviewed performance agreements for the municipal manager and section 56 employees for 2010/2011 financial year;
- Regular reporting - developed and council endorsed monthly budget statements; quarterly progress reports; mid-year budget and performance assessment report and annual reports

Performance Management Framework 2009

1. Introduction

The Municipal Planning and Performance Management Regulations stipulate that a municipality's performance management system (PMS) must entail a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role-players.

This Performance Management Framework is a proposed policy and procedure document for the Xhariep District Municipality that sets out the following:

- The policy and legislative context for Performance Management
- Objectives and principles of Performance Management in local government
- Requirements and mechanisms for the development and implementation of a Performance Management System
- Guidelines for capacity building and institutional arrangements for Performance Management

The framework focuses primarily on an organizational performance management as opposed to an employee performance management system. It details the parameters within which performance management processes will happen and deals with the following aspect, amongst others:

- the components of the system;
- lines of accountability in managing performance;
- aspects of performance that will be managed;
- performance monitoring, measurement and review approaches;
- approaches to respond to good and poor performance.

The framework is meant to assist the XDM in its development and implementation of a performance management system that is aligned to the Integrated Development Plan (IDP), is suited to their circumstances and is within their resource constraints.

The framework is intended to be adopted by the municipal council as the basis of their performance management system.

2. The legislative framework for performance management

2.1 Introduction

The major PMS policy instruments is the 1998 White Paper on Local Government supported by the so called Batho Pele principles contained in the White Paper on the Transformation of Public Service-delivery, which policies were given legal stature through the adoption of the Local Government: Municipal Systems Act 2000 (Act 32 of 2000).

2.2 The Local Government: Municipal Systems Act 2000 (Act 32 of 2000)

The said Act requires all municipalities to:

- ⇒ Develop a performance management system
- ⇒ Set key performance indicators and performance targets for each of the development priorities and objectives contained in Integrated Development Plan (IDP)

- ⇒ monitor and review the performance of the Municipality against the key performance indicators and targets, as well as the performance management system itself;
- ⇒ Publish an annual performance report on the performance of the Municipality as part of its annual report required by the Local Government: Municipal Finance Management Act 2003 (Act No 56 of 2003) (MFMA).
- ⇒ Incorporate and report on a set of general (sometimes also referred to as national) indicators prescribed by the Minister responsible for local government
- ⇒ Conduct, on a continuous basis, an internal audit of all performance measures
- ⇒ Have their annual performance report audited by the Auditor-General
- ⇒ Involve the community in setting indicators and targets and reviewing municipal performance.

To provide further guidance on the requirements of the Act, the different sections of Chapter 6 of the MSA is summarised hereunder:

- ⇒ **Section 38:** Requires municipalities to establish a Performance Management System, promote a performance management culture and administer its affairs in an economical, effective, efficient and accountable manner.
- ⇒ **Section 39:** Gives EXCO the responsibility for managing the development of a Performance Management System, as well as powers of delegation of responsibilities and the responsibility of submitting the PMS to Council.
- ⇒ **Section 40:** Places responsibility on the municipality for the monitoring and review of its PMS.
- ⇒ **Section 41:** Outlines the core components to be included in the PMS of the municipality, and refers to KPI's, targets, measurement mechanisms, steps for improvement and the reporting processes.
- ⇒ **Section 42:** Requires the municipality to establish mechanisms and procedures for community involvement in the process, in terms of Chapter 4 of the MSA.
- ⇒ **Section 43:** Allows the minister to establish general KPI's which must be included in the KPI's of municipalities, to the extent that these general KPI's are relevant to the municipality.
- ⇒ **Section 44:** Requires the municipality to notify stakeholders internally and the general public of its KPI's and targets.
- ⇒ **Section 45:** Requires the municipality to conduct an internal audit of its performance as well as an audit by the auditor general.
- ⇒ **Section 46:** Requires the municipality to prepare an annual performance report.
- ⇒ **Section 47:** Requires MEC to compile an annual performance report for the municipalities within the province
- ⇒ **Section 48:** The Minister has to compile an annual report and submit it to parliament, in terms

of the performance of the municipalities in relation to general KPI's

- ⇒ **Section 49:** Allows the Minister to make regulations or issue guidelines for the purpose of Chapter 6 of the MSA

2.3 The Municipal Planning and Performance Management Regulations (2001)

The Minister of Provincial and Local Government published the Municipal Planning and Performance Management Regulations (2001) in terms of the Municipal Systems Act setting out in detail the requirements for performance management. The Regulations also contain the general indicators prescribed by the Minister.

2.4 Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers (2006)

The above regulations were published on 1 August 2006 and came into effect on that date (see reg 39(1)). The regulations (as far as performance is concerned) deal with two distinct aspects, namely –

- ⇒ the content of performance agreements and assessment issues; and
- ⇒ the ability of the manager concerned to occupy her/his position with reasonable prospect of success, in other words, the extent to which the manager concerned has the core competencies required to perform the functions and discharge the duties of her/his job effectively and efficiently.

2.4.1 Meeting core competency requirements

Regulation 26(8) provides for “core competency requirements” (CCRs) for each managerial position. The regulations basically provide a master list of CCRs from which a selection must be made in view of the content of each managerial position – it should be noted that the Municipality and the incumbent must agree on the CCRs. Once the selection is made and agreed upon, the Municipality must, in terms of regulation 39(4), “...ensure that such employee is assessed in order to identify competency gaps and to develop such employee”.

Regulation 39(4) requires such an assessment to be made of current managers, regardless of whether a performance agreement exists – it is apparently additional to the performance agreement. The regulations do not prescribe a procedure for assessing the competency of managers – one would assume, however, that this is not a task to be approached in a haphazard manner. For example, whilst some of the listed CCRs appear to be clear, it would be necessary for the Municipality and each of the managers to agree on a definition or the content of a CCR. Applying the different CCRs to a specific manager would have to include supervisor involvement, the manager her-/himself and analysis of the manager’s qualifications and prior work experience.

2.4.2 Annual performance agreement

The regulations supplement the existing provisions of the Systems Act and the MFMA with regard to annual performance agreements – obviously the regulations cannot change the primary legislation. The main difference between the annual performance agreements for the previous financial year and those required under the regulations, is that in addition to specific objectives (deriving ultimately from the IDP) that must be met, each managers’ performance in respect of the agreed CCRs for her/his position must also be assessed. The regulations also set a new standard for deciding whether to pay a performance bonus and the quantum of such bonus, if payable.

2.5 The Local Government: Municipal Finance Management Act, No. 56 of 2003.

The Local Government: Municipal Finance Management Act (MFMA) contains various important provisions related to municipal performance management. It requires that a municipality must, together with its annual budget, approve measurable performance objectives for revenue from each revenue source and for each vote in the budget, taking into account the municipality's IDP. It further requires the mayor to ensure that she/he approves a service delivery and budget implementation plan (SDBIP) within 28 days after the council adopted its budget. A SDBIP must include service delivery targets and performance indicators for each quarter. In terms of section 72 of the MFMA the municipal manager must not later than 25 January each year assess the performance of the municipality during the first half of the financial year and submit a report thereon to the mayor and the National and Provincial Treasuries. The mayor must submit the mid-year assessment report to the council not later than 30 January. The Municipality must lastly compile an annual report, which must include the Municipality's performance report compiled in terms of the Municipal Systems Act.

3. The Municipality's approach to performance management

The Municipality's performance management approach must be part of a broader system of strategic management. This strategic management system must ensure that the Municipality is directed through the integration of planning, budgeting and performance management processes. The figure below shows how the performance management processes both mirrors and integrates with the planning process.

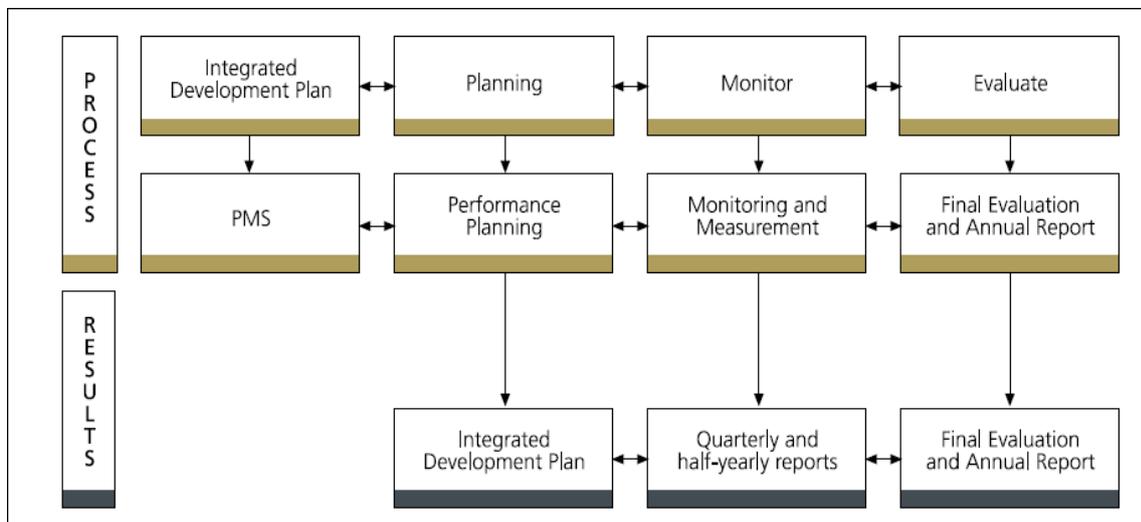


Figure 1: Relationship between the performance management and the planning process

The performance management process then unfolds at a number of different levels, each aligned to the next.

Performance management can be applied to various levels within any organisation. The legislative framework as set out above provides for performance management at various levels in a municipality including strategic (sometimes also referred to as municipal, organisational, institutional or corporate) level, operational (also referred to as services, departmental or section/team) level and lastly, individual level.

At strategic level the five-year IDP of a municipality forms the basis for performance management, whilst at operational level the annual SDBIP forms the basis. The IDP is a long-term plan and by its nature the performance measures associated with it will have a long-term focus, measuring whether a municipality is achieving its IDP objectives. A SDBIP (both for the municipality as a whole and that of a department) is more short-term in nature and the measures set in terms of the SDBIP, reviewing the progress made with implementing the current budget and achieving annual service delivery targets.

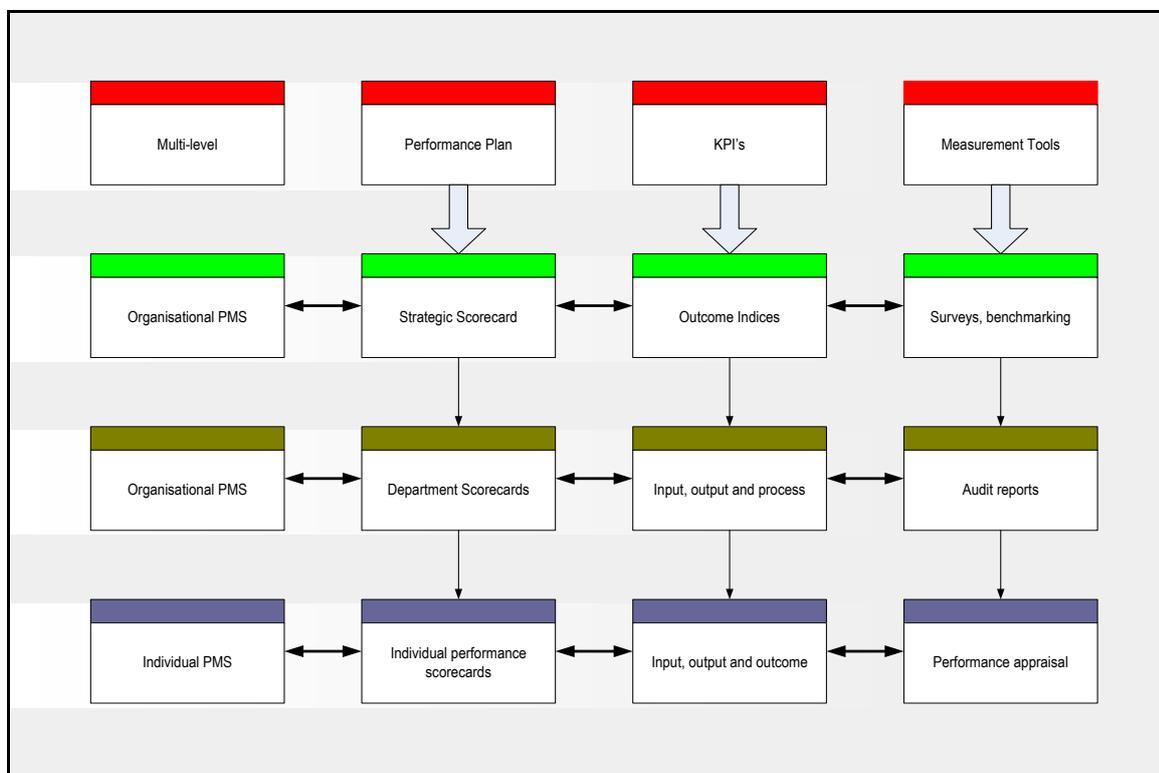
The key performance indicators and performance targets set for XDM are captured in the organisational scorecard containing the national key performance indicators set by the Minister for Local Government and Housing.

Scorecards for each department contain the performance indicators and targets set for each departments based on the objectives set in the IDP.

By cascading performance measures from strategic to operational level, both the IDP and the SDBIP, form the link to individual performance management. This ensures that performance management at the various levels relate to one another as required by the Municipal Planning and Performance Regulations. Once the municipality has finalised the SDBIP it should be integrated with the performance management system to ensure the cascading of performance measures into the performance agreements of the Municipal Manager and managers directly accountable to him.

The MFMA specifically requires that the annual performance agreements of managers must be linked to the SDBIP and the measurable performance objectives approved with the budget.

Figure 2 demonstrates the alignment between the three levels and also indicates the different measurement and the tools used in each level.



Levels of performance management

The Municipality's performance management system should be both dynamic and evolving. It is premised on principles of continuous need for improvement. In ensuring continuous improvement to the

Municipality's system, a number of initiatives should be undertaken to nurture and harness the system's capability at all three levels:

- ⇒ Cascading of the performance management to individuals within the Municipality is the cornerstone of the system. The performance management system at the individual level is aimed at clearly identifying what it takes to achieve the strategic agenda and political priorities;
- ⇒ Ensuring that management and staff understand what they are responsible for in achieving the Municipality's goals. The following initiatives should be undertaken to ensure that accountability for performance is constantly assigned and well understood:
 - Managers and strategic support official's needs to be capacitated on the utilization of the automated system to simplify performance management and performance reporting
 - Performance agreements of all section 57 employees must be concluded within one month after the beginning of the municipal financial year;
 - Scorecards must outline both the annual as well as quarterly targets to accommodate the automated performance tracking system developed by the Municipality
 - All employees must be encouraged to develop individual development plans in order to acquire competencies necessary to ensure higher levels of performance on their key performance areas.

4. Objectives of the Performance Management System

As indicated above the Municipality's PMS is the primary mechanism to monitor, review and improve the implementation of its IDP and to gauge the progress made in achieving the objectives as set out in the IDP. The PMS should in addition seek to achieve the following objectives:

- ⇒ ***Facilitate increased accountability***
The PMS should provide a mechanism for ensuring increased accountability of employees to the Council and councillors to local communities and other external stakeholders
- ⇒ ***Facilitate learning and improvement***
The PMS should facilitate learning in order to enable the Municipality to improve delivery.
- ⇒ ***Provide early warning signals***
It is important that the system ensure decision-makers are timeously informed of performance related risks, so that they can facilitate intervention, if necessary.
- ⇒ ***Facilitate decision-making***
The PMS should provide appropriate management information that will allow efficient, effective and informed decision-making, particularly on the allocation of resources.

5. Principles governing the PMS of the Municipality

The process of developing a PMS for the Municipality was guided by the planning framework, which includes the principles that informed the development of the Municipality's PMS. The said principles are the following:

- ⇒ **simplicity** so as to facilitate implementation given any current capacity constraints,

- ⇒ **politically acceptable** to all political role-players
- ⇒ **administratively managed** in terms of its day-to-day implementation,
- ⇒ **implementable** within any current resource constraints,
- ⇒ **transparency and accountability** both in terms of developing and implementing the system,
- ⇒ **efficient and sustainable** in terms of the ongoing implementation and application of the system,
- ⇒ **public participation** in terms of granting citizens their constitutional right to participate in the process,
- ⇒ **integration** of the PMS with the other management processes within the Municipality,
- ⇒ **objectivity** based on credible information and lastly,
- ⇒ **reliability** of the information provided on the progress in achieving the objectives as set out in its IDP.

6. Preferred performance management model

A performance management model can be defined as the grouping together of performance indicators, sometimes based on the type of indicator, into logical categories or groups (often called perspectives), as a means to enhance the ability of an organisation to manage and analyse its performance. As such a model provides a common framework for what aspects of performance is going to be measured and managed. It further ensures that a balanced set of measures are employed that are not relying on only one facet of performance and therefore not presenting a holistic assessment of the performance of an organisation.

A number of performance models are available and any of them could be applied by the Municipality. The available models include the Municipal Scorecard, Balanced Scorecard, Performance Excellence Model and the Key Performance Area Model.

The Balanced Scorecard framework was developed by Norton and Kaplan. It is the performance measurement model used within the XDM's performance management system.

In the Balanced Scorecard approach, the dimensions of effective performance suggested are translated into critical perspectives on performance: Customer, internal processes, learning and growth and finance. Each perspective is regarded as essential for translating the Vision and Strategy into performance. Each dimension is given a weighting at the planning stage that indicates what level of priority it represents for the organization. This enables the organization to assess how well it is doing on that dimension. These perspectives finally enable a review of the strategy.

The balanced Scorecard stresses the importance of being able to assess the organization from all four perspectives at the same time.

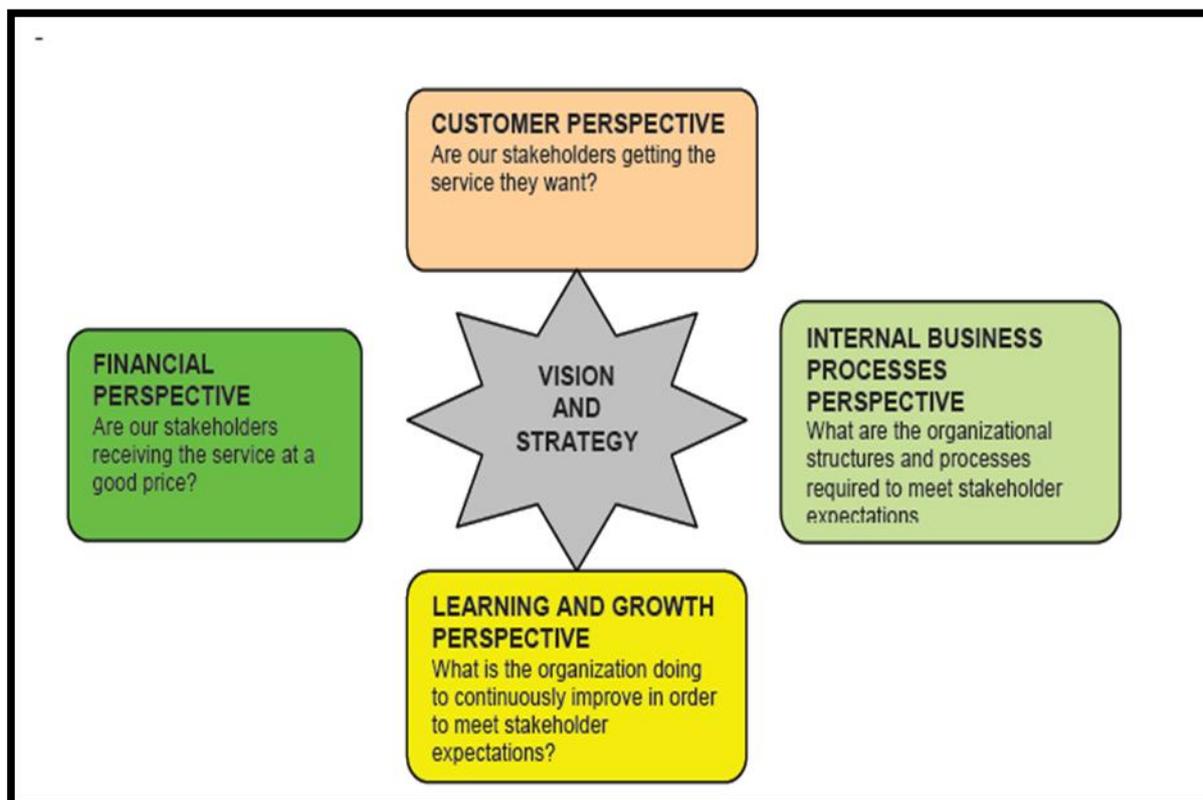


Figure 2: Balanced Scorecard perspectives

Linking strategy to action through the Balanced Scorecard

The balanced scorecard is used to achieve the following:

- ❖ Clarify and translate vision and strategy
- ❖ Communicate and link strategic objectives and measures throughout the organization
- ❖ Plan, set targets, and align strategic initiatives
- ❖ Enhance strategic feedback and learning
- ❖ Align departmental and personal goals to the strategy
- ❖ Link strategic objectives to long-term targets and annual budgets and ensuring that the strategy is continuous
- ❖ Identify and align strategic initiatives
- ❖ Perform periodic and systematic strategic reviews and
- ❖ Provide feedback to learn about and improve strategy

Ensure that every employee:

- ❖ understands the relevant parts of the organization's strategy,
- ❖ aligns own activities with organization's goals and
- ❖ is continuously aware of reaching organization's goals and own goals
- ❖ spends more time on important activities
- ❖ is rewarded based on contribution to organization's goals

Ensure that the whole organisation:

- ❖ cascades the scorecards from corporate to team level
- ❖ has a systematic performance review policy supporting generation and follow-up of action plans
- ❖ is able to communicate and implement the changes in strategy fast
- ❖ is able to develop new winning strategies fast.

The commonly adopted process flow on the development of a District Scorecard is to cascade the Districts priorities, within the four balance scorecard perspectives, **(Annexure A)** into district wide key

performance areas, with key performance indicators and targets(**Annexure B**). This is then cascaded downwards into Departmental scorecards. The Departmental scorecards are found in the SDBIP.

7. The process of managing performance

The annual process of managing performance at organisational level in the Municipality involves the steps as set out in the diagram below:



Fig

ure 3: Performance management process

The following table spells out in more detail the role of all relevant role-players in each of the above steps:

Stakeholders	Performance Planning	Measurement and Analysis	Performance Reporting & Reviews
Citizens and Communities	Influence the choice of indicators and setting of targets		Be given the opportunity to review municipal performance and suggest new indicators and targets
Council	Adopt indicators and set targets		Review municipal performance bi-annually
Performance Management Committee	<ul style="list-style-type: none"> ➔ Recommend indicators and targets ➔ Communicate the plan to other stakeholders 		Conduct the major reviews of municipal performance, determining where goals had or had not been met, what the causal reasons were and to adopt response strategies

Stakeholders	Performance Planning	Measurement and Analysis	Performance Reporting & Reviews
Municipal Manager + HODs	<ul style="list-style-type: none"> ➔ Assist the PMS Committee in ➔ Identify and propose indicators and targets ➔ Communicate the plan to other stakeholders 	<ul style="list-style-type: none"> ➔ Regularly monitor the implementation of the IDP, identifying risks early ➔ Ensure that regular monitoring (measurement, analysis and reporting) is happening in the organisation ➔ Intervene in performance problems on a daily operational basis 	<ul style="list-style-type: none"> ➔ Conduct regular reviews of performance ➔ Ensure the availability of information ➔ Propose response strategies to the PMS Committee
Managers	Develop service plans for integration with other sectors within the strategy of the organisation	<ul style="list-style-type: none"> ➔ Measure performance according to agreed indicators, analyse and report regularly ➔ Manage implementation and intervene where necessary ➔ Inform decision-makers of risks to service delivery timeously 	Conduct reviews of service performance against plan before other reviews
Internal Audit Section		Audit the reliability of performance reporting	<ul style="list-style-type: none"> ➔ Audit the functionality of the performance management system ➔ Initiate the annual review of the performance management system

Table 2: Role-players in the performance management process

The balance of this framework looks at each of the steps in more detail and how they will unfold in the process of managing performance in the Municipality. Although the steps and what follows relates mainly to performance management at strategic level, the principles and approaches as espoused could also be applied to performance management at operational level.

7.1 Performance Planning

The performance of the Municipality is to be managed in terms of its IDP and the process of compiling an IDP and the annual review thereof therefore forms an important component of the process of planning for performance. It should be noted that the last component of the cycle is that of performance review and the outcome of such a review process must inform the next cycle of IDP compilation/review by focusing the planning processes on those areas in which the Municipality have under-performed.

7.2 Performance monitoring

Performance monitoring is an on-going process by which a manager accountable for a specific indicator as set out in the organisational scorecard (or a service delivery target contained in an annual SDBIP) continuously monitors current performance against targets set. The aim of the monitoring process is to

take appropriate and timely corrective action if it is anticipated that a specific target will not be met by the time that the formal process of performance measurement, analysis, reporting and review is due.

The monitoring system clarifies-

- (a) **What will be monitored, in terms of key performance areas, indicators and targets:** The municipality will continuously monitor its performance in all the key performance areas and in respect of all the performance dimensions in respect of which KPIs and performance targets had been set.
- (b) **The institutional framework in terms of roles of different role-players in the monitoring process:**
 - (i) The council will receive performance reports from the PMS committee at least twice during a financial year.
 - (ii) The PMS Committee is responsible for ensuring that the municipal manager and other managers of the municipality gather relevant information throughout every reporting period in order to submit a draft progress and variance report at the end of each quarter and must determine the format of the report.
 - (iii) The municipal manager and other managers must ensure that the KPIs and performance targets set are met. This requires proper work planning and scheduling, appropriate resourcing of activities and continuous supervision. The management must also identify likely underperformance and take corrective action where necessary in time to ensure that performance targets will be met. Monthly assessment will be done by management.
 - (iv) The internal auditing function must audit and assess-
 - the accuracy of performance reports,
 - the functionality of the PMS,
 - whether the PMS complies with the Act,
 - the extent to which the municipality's performance measurements are reliable in measuring performance,
 - continuously audit the performance measurements of the municipality and
 - submit quarterly reports on their audits to the municipal manager and the performance audit committee.
 - (v) The performance audit committee must-
 - review the quarterly reports submitted to it,
 - review the PMS focusing on economy, efficiency, effectiveness and impact in so far as the KPIs and performance targets set by XDM are concerned and make recommendations in this regard to the council via the PMS Committee,
 - at least twice during a financial year submit an audit report to the municipal council via the PMS committee.

- (c) **The duties involved in continuous data gathering and reporting and who would be responsible for it:** The municipal manager must designate one manager directly accountable to him as project manager for PM monitoring and data gathering. The municipal manager and other managers must install a supervisory and reporting system that would ensure that relevant data is continuously gathered. This system may include focus group research, surveys and like techniques.
- (d) **The mechanisms that must be used to gather, store, analyse, report and verify data:** The mechanisms that may be used, include appropriate information technology, project site reports, research, focus group research, surveys and internal progress and variance reporting;
- (e) **Interventions that may take place to rectify any shortcoming, likely under-performance, or unintended or undesirable outcome detected:** The municipal manager and other managers must implement appropriate actions to rectify and prevent likely under-performance.

7.3 Performance measurement

Performance measurement refers to the formal process of collecting and capturing performance data to enable reporting to take place for each key performance indicator and against the target set for such indicator. Given the fact that initially at least the Municipality will have to rely on a manual process to manage its performance, provision has been made in the organisational scorecard for the name of an official responsible for reporting on each indicator (please note that this might not necessarily be the same official accountable for performance on an indicator).

The said official will, when performance measurement is due, have to collect and collate the necessary performance data and capture the result against the target for the period concerned on the organisational scorecard and report the result to his/her manager making use of the required reporting format after completing the next step (see performance analysis below). It should be noted at this stage that for each of the scorecards two formats exist, namely a planning format and a reporting format. The planning format is used to plan and capture the data relating to each performance target for each indicator every month whilst the reporting format is used to report actual performance quarterly against targets to the PMS Committee.

7.4 Performance analysis

Performance analysis involves the process of making sense of measurements. It requires interpretation of the measurements as conducted in terms of the previous step to determine whether targets have been met and exceeded and to predict whether future targets is likely to be met or not. Where targets have not been met performance analysis requires that the reasons therefore should be examined and corrective action recommended. Where targets have been met or exceeded, the key factors that resulted in such success should be documented and shared so as to ensure organisational learning.

In practice the aforementioned entails that the manager responsible for each indicator will have to, after capturing the performance data against targets on the organisational scorecard, analyse the underlying reasons why a target has/has not been met and capture a summary of his/her findings on the performance report. The manager will thereafter have to compile a draft recommendation of the corrective action proposed in instances where a target has not been achieved and also capture this in the performance report. Provision has been made on the reporting format to capture both the reason for the performance status (in other words the results of the analysis undertaken) and the 'corrective action' proposed.

The completed organisational scorecard must be submitted to a formal meeting of the senior

management team for further analysis and consideration of the draft recommendations as captured by the relevant managers. This level of analysis should examine performance across the organisation in terms of all its priorities with the aim to reveal and capture whether any broader organisational factors are limiting the ability to meet any performance targets in addition to those aspects already captured by the relevant manager.

The analysis of the organisational scorecards by senior management should also ensure that quality performance reports are submitted to Councillors and that adequate response strategies are proposed in cases of poor performance. Only once senior management has considered the organisational scorecard, agreed to the analyses undertaken and captured therein and have reached consensus on any corrective action, can the organisational scorecards be submitted to the PMS Committee for consideration and review.

7.5 Performance reporting and review

The next two steps in the process of performance management, namely that of performance reporting and performance review will be dealt with at the same time. This section is further divided into three sections dealing with the requirements for in-year versus annual reporting and reviews respectively and, lastly, a summary is provided of the various reporting requirements.

The manual “Guidelines for Performance Reporting” contains a detailed analysis of the reporting requirements as well as proposed formats for reporting to the various stakeholders.

7.5.1 In-year performance reporting and review

The submission of the organisational scorecards to the PMS Committee for consideration and review of the performance of the Municipality as a whole is the next step in the process. The first such report is a major milestone in the implementation of any PMS and it marks the beginning of what should become a regular event, namely using the performance report as a tool to review the Municipality’s performance and to make important political and management decisions on how to improve.

As indicated earlier it is recommended that the organisational scorecards be submitted to the PMS Committee for consideration and review on a quarterly basis. The reporting should therefore take place in:

- October, (for the period July, August and September)
- January (for the period October to the end of December)
- April (for the period January, February and March)
- July (for the period April to the end of June).

The review in January will coincide with the mid-year performance assessment required by section 72 of the MFMA.

Performance review is the process where the leadership of an organisation, after the performance of the organisation have been measured and reported to it, reviews the results and decides on appropriate action. The PMS Committee in reviewing the organisational scorecards submitted to it on a quarterly basis will have to ensure that targets committed to in the scorecard have been met, where they have not, that satisfactory and sufficient reasons have been provided by senior management and that the corrective action being proposed is sufficient to address the reasons for poor performance. If satisfied with the corrective action as proposed these must be adopted as formal resolutions of Council.

7.5.2 Annual performance reporting and review

On an annual basis a comprehensive report on the performance of the Municipality must be compiled. The requirements for the compilation, consideration and review of such an annual report are set out in chapter 12 of the MFMA. In summary it requires that:

- ⇒ All municipalities for each financial year compile an annual report
- ⇒ The annual report must be tabled in the council within seven months after the end of the financial year
- ⇒ The annual report must immediately after it has been tabled be made public and the local community invited to submit representations thereon
- ⇒ The Council must consider the annual report within nine months after the end of the financial year and adopt an oversight report containing the council's comments on the annual report
- ⇒ The oversight report as adopted by the council must be made public
- ⇒ The annual report as tabled and the Council's oversight report must be forwarded to the Auditor-General, the Provincial Treasury and the Department of Local Government and Housing
- ⇒ The annual report as tabled and the Council's oversight report must be submitted to the Provincial Legislature.

The oversight report provides the opportunity for the Council to review the performance of the Municipality. The requirement that the annual report once tabled and the oversight report be made public provides the mechanism for the general public to review the performance of the Municipality. It is however proposed that in an effort to assist the public in the process and subject to the availability of funding, a user-friendly citizens' report be produced for public consumption in addition to the formal annual report. The citizens' report should be a simple, easily readable and attractive document that translates the annual report for public consumption.

It is also proposed that annually a public campaign be embarked upon to involve the citizens of XDM in the review of the Municipality's performance over and above the legal requirements of the Municipal Systems Act and the MFMA. Such a campaign could involve all or any combination of the following methodologies:

- ⇒ Various forms of media including radio, newspapers and billboards should be used to convey the annual report.
- ⇒ The public should be invited to submit comments on the annual report via telephone, fax and email.
- ⇒ Public hearings could be held in a variety of venues across the Municipality to obtain input on the annual report.
- ⇒ Making use of existing structures such as ward committees to disseminate the annual report and invite comments.
- ⇒ Hosting a number of public meetings and road shows at which the annual report

could be discussed and input invited.

- ⇒ Producing a special issue of the municipal newsletter in which the annual report is highlighted and the public invited to comment.
- ⇒ Posting the annual report on the Municipality's website and inviting input.
- ⇒ The public review process should be concluded by a formal review of the annual report by the IDP Representative Forum of the Municipality.

Lastly it should be mentioned that the performance report of a municipality is only one element of the annual report and to ensure that the outcome thereof timeously inform the next cycle of performance planning in terms of an IDP compilation/review process, it is recommended that the annual performance report be compiled and completed as soon after the end of a financial year as possible but ideally not later than two months after financial-year end.

7.5.3 Summary of various performance reporting requirements

The following table, derived from both the statutory framework for performance management and this PMS framework, summarises for ease of reference and understanding the various reporting deadlines as it applies to the Municipality:

Report	Frequency	Submitted for consideration and/or review to	Remarks
Departmental SDBIPs	Continuous	Manager of Department	See MFMA Circular 13 of National Treasury for further information
Monthly budget statements	Monthly	Mayor	See sections 54 and 71 of the MFMA
Organisational scorecards	Quarterly	PMS Committee	This PMS framework (see section 7.5.1 above)
Mid-year budget and performance assessment	Annually during January of each year	Mayor	See sections 72 and 54 of the MFMA
Performance report	Annually	Council	See section 46 of the Municipal Systems Act. Said report to form part of the annual report (see 6 below)
Annual report	Annually	Council	See chapter 12 of the MFMA

Table 3: PMS reporting requirements

8. The auditing of performance measures

No measurement or review process will be successful without proper auditing procedures whereby the accuracy and reliability of the information can be validated.

Auditing performance measurements is a key element of the monitoring and evaluation process. This involves verifying that the measurement mechanisms are accurate and that proper procedures are followed to evaluate reported performance. With auditing of performance measures, the auditor is more concerned with the extent to which the municipality was able to achieve the reported performance measures and targets that it set for itself and also to assess the extent of its compliance with the legislation in respect of the development and implementation of the PMS. This is different to performance auditing. The distinguishing difference between the two concepts is that with performance auditing, the auditor must assess through the performance of audit procedures, whether the municipality has used its resources in the most efficient, effective and economic manner. The aim of performance auditing is to evaluate the measures implemented to ensure that resources are procured economically and utilised efficiently and effectively. The following table reflects some of the most obvious differences between performance auditing and auditing performance measures:

Performance Auditing	Auditing performance measures
⇒ Establishes whether resources are being used effectively, efficiently and economically.	⇒ Ensures measurement mechanisms are accurate.
⇒ Evaluates measures implemented to ensure resources are procured in an effective, efficient and economical manner.	⇒ Ensures that proper procedures are followed in evaluating reported performance.
⇒ Includes elements of compliance auditing.	⇒ Measures achievement of reported performance and targets.
⇒ Establishes whether the "right things" are being done.	⇒ Audits the procedure followed in the development and implementation of the PMS.
⇒ Compares targeted and actual performance.	⇒ Assesses whether the performance indicators are sufficient to measure performance
⇒ Checks on value for money services.	
⇒ Audits the organisation as a whole in terms of the Vision and Mission.	

Table 4: Differentiation between auditing measures

8.1 The role of internal audit in performance management

The MFMA requires that the Municipality must establish an internal audit unit. Section 45 of the Municipal Systems Act stipulates that the results of the Municipality's performance measures must be audited by the Municipality's internal auditors as part of the internal auditing process. The Auditor-General must annually audit the Municipality's performance measurement results.

The Municipal Planning and Performance Management Regulations stipulate that the internal auditors must on a continuous basis audit the performance measurements of the Municipality and submit quarterly reports on their audits to the Municipal Manager and the Municipality's performance audit committee. Internal performance auditing must include an assessment of the following:

- (i) The **functionality** of the municipality's performance management system.
- (ii) Whether the municipality's performance management system **complies** with the Act.
- (iii) The extent to which the municipality's performance measurements are **reliable** in measuring the performance of municipalities by making use of indicators.

Each of the aforementioned aspects will now be looked at briefly.

⇒ **Functionality**

A system, process or mechanism functions properly if it operates as expected. Applied to the Municipality's PMS it means that the internal auditors must determine and give an opinion on whether the PMS and its various components operates as intended.

⇒ **Compliance**

To comply means to act in the way as was commanded or wished. Applied to the Municipality's PMS the requirements of the Municipal Systems Act, Municipal Planning and Performance Management Regulations and the MFMA must be met. This compliance check would require that the Municipality's internal auditors, at least on an annual basis, verify that the Municipality's PMS complies with the said legal requirements.

⇒ **Reliability**

To be reliable means to be trustworthy or dependable. Reliability in the context of PMS refers to the extent to which any performance measures reported upon is reliable, i.e. factually correct and believable. Auditing the reliability of the Municipality's performance measurement results will entail the continuous verification of data supplied as performance results. This will require that the Municipality establishes a proper information management system (electronically or otherwise) so that the internal auditors are able to access information regularly and to verify its correctness.

8.2 Performance Audit Committee

Audit committees play an important independent oversight role in any organisation's governance arrangements. While the primary responsibilities of any audit committee are to review the audited financial statements and make recommendations on their approval, oversee the relationship between external and internal auditors and review internal controls, in recent years, this responsibility has expanded to include a range of governance issues that focuses on monitoring how an organisation reports externally and in a responsible and transparent manner. These roles and responsibilities are no different in a municipal environment and in the context of performance management, would include monitoring the reporting of organisational performance information.

While DPLG recommends that a separate performance management audit committee be established, where there is insufficient capacity, the municipality could utilise the established audit

committee as the performance management audit committee. In this instance, the audit committee would need to assume as an additional responsibility the terms of reference of the performance management audit committee. In addition, the audit committee would need to reconsider its composition when taking decisions on issues of organisational performance.

The MFMA and the Municipal Planning and Performance Management Regulations require that the Council establish a performance audit committee consisting of a minimum of three members, the majority of who may not be employees of the municipality. No councillor may be a member of the performance audit committee.

The key roles and functions of the Committee are to:

- ⇒ Review quarterly performance reports submitted to it by Internal Audit.
- ⇒ Review the PMS and make recommendations in this regard to Council.
- ⇒ Submit a performance audit report to Council at least twice a year.
- ⇒ Assess whether the performance indicators are sufficient.
- ⇒ Assess the reliability of performance information reported.
- ⇒ Commission in-depth performance investigations where there is continued poor performance.
- ⇒ Review the PMS in the context of economy, efficiency, effectiveness and impact of the municipality's key performance indicators and performance targets.
- ⇒ Council must provide secretarial services to the Committee.

A draft set of rules and orders for the municipal performance audit committee was also developed for the municipality and is attached in a separate report.

8.3 Performance Investigations

The Performance Audit Committee should be able to commission in-depth performance investigations where there is either continued poor performance, if the reported performance measurements are unreliable or on a random ad hoc basis. The performance investigations should assess:

- ⇒ The reliability of reported information
- ⇒ The variance between actual performance and set targets
- ⇒ The reasons for any material variance
- ⇒ Corrective action and improvement strategies

While the internal auditors may be used to conduct these investigations, it is preferable that external service providers, who are experts in the area to be audited, should be used. The Council should set clear terms of reference for each such investigation.

9. General issues relating to performance management

The following is some general issues related to performance management that needs to be taken

into consideration in implementing the PMS of the Municipality:

9.1 Annual review of the Performance Management System

One of the functions of the performance audit committee is to review the PMS at least annually. It is envisaged that after an annual review and reporting cycle is complete and the performance audit committee has met the internal auditors will compile a comprehensive assessment/review report on whether the Municipality's PMS meets the system objectives and principles as set out in this framework and whether the system complies with the Systems Act, the Municipal Planning and Performance Management Regulations and the MFMA. This report must be considered by the performance audit committee and any recommendations regarding amendments or improvements to the PMS, submitted to the Council for consideration.

The Municipal Systems Act requires that the Municipality must annually evaluate its PMS. The review undertaken by the performance audit committee and its recommendations must serve as input into the wider review of the PMS. It is proposed that after the full cycle of the annual review is complete the Municipal Manager should initiate an evaluation report, taking into account the input provided by departments and the performance audit committee. The report will then be discussed by the Management Team and finally submitted to the Council for consideration.

9.2 Amendments to key performance indicators and targets

The Municipality should adopt a policy on in-year amendments to indicators and targets. Ideally a KPI or performance target should not be changed until an annual performance cycle is completed. However, it is accepted that extra-ordinary circumstances may demand a change to any KPI or target. It is recommended that such amendments may be proposed but will be subject to the approval of the PMS Committee.

9.3 Institutional arrangements

Implementation of the PMS requires a fair amount of management time. It is recommended that the management of the PMS be assigned to the manager responsible for the IDP. The manager responsible for the IDP must ensure that key performance indicators and performance targets are set; the performance measurements are regularly carried out and reported on.

At the level of employee performance management the responsibility for co-ordination, administration and record keeping should be assigned to the manager responsible for human resource management.

The Municipality also needs to ensure that its internal auditors have the capacity to discharge the additional responsibilities conferred on them effectively and efficiently.

10. Employee performance appraisal

The employee performance appraisal system while part of the Human Resources framework for the municipality, must integrate well into the municipality's PM system. These two systems are co-dependent and will need to survive and develop of each other. The employee performance appraisal system should have elements similar to that of the organisational system.

Performance appraisal is the systematic process of:

- ⇒ planning work and setting expectations
- ⇒ continually monitoring performance

⇒ developing the capacity to perform

⇒ periodically rating performance in a summary fashion / rewarding good performance

Section 38 of the Municipal Systems Act establishes that the performance management system of a municipality must be extended to ensure that a culture of performance is promoted also amongst the staff of the municipality. This will only be possible once performance of employees is also assessed and linked to the organisational performance management system of the municipality.

Section 67 of the Municipal Systems Act, 2000 places an obligation on all municipalities to develop in accordance with the Employment Equity Act, 1998 appropriate systems and procedures to ensure fair, efficient, effective and transparent personnel administration, including the monitoring, measuring and evaluating of performance of staff.

11. Conclusion

There are no definitive solutions to managing municipal performance. The process of implementing a performance management system must be seen as a learning process, where the Municipality must continuously improve the way the system works in order to fulfil the objectives of the system and address the emerging challenges from a constantly changing environment.

SPATIAL DEVELOPMENT

Role and Purpose of a District SDF

The regulations do not distinguish between local and district municipalities' SDFs and we can assume, therefore, that to avoid duplication the district municipality should focus on the

broader spatial patterns and will not contain the detail of the local municipalities. It will, however, aim to align the Spatial Development Frameworks of the different municipalities and give strategic direction in terms of investment in the region.

Spatial characteristics of the district

Physical Characteristics

Xhariep District Municipality constitutes the southern parts of the Free State Province. The physical composition of the municipality has an impact on development as certain physical characteristics influence human settlement and development. It is important, therefore, that the physical characteristics are mentioned in order to consider them when development projects and programmes are designed.

Physical Features	Description	Annexure
Geology	The geological formations within the municipality change from east to west. The most dominant rock formations are Tarkastad subgroup and Beaufort group in the eastern region, Adelaide subgroup and Beaufort group in the central region and Volksrust formation and Eccla group in the western region. Karoo dolerite formation is scattered throughout the area (<i>Source: Council for Geosciences, 2001</i>).	Annexure A: Mineral deposit map - geological composition of the district.
Rainfall	XDM falls within the summer rainfall area of South Africa (SA). It has low rainfall compared to the rest of the FSP. The eastern part of the municipality receives the highest rainfall.	Annexure A: Rainfall map (AA).
Biological Productivity	Biological productivity is directly related to the rainfall. XDM is less suited for crop production and therefore yields low production capacities per hectare. However, the most eastern area of the district can be used to produce crops economically.	
Grazing Capacity	The grazing capacity varies from east to west within the district, with the lowest number of hectars required per live stock unit in the east. In general, XDM has a low grazing capacity with the largest part having a grazing capacity below 9ha per livestock unit. This can be attributed to the low rainfall the district receives.	
Broad Land Uses	XDM is characterised as farming area, with sheep farming practiced within the central region and cattle and game farming in the western part. The eastern section has more of small scale subsistence farming as well as wheat and maize farming. A few significant heritage resources occur in the area which can be used as tourist attractions. Care should however be taken when developing these areas in order to preserve the cultural and natural heritage for posterity.	<ul style="list-style-type: none"> • Land Uses - Agriculture map. • Location of towns and administrative districts • Soil types • Rainfall (AA) • Maximum daily temperature (AA) • Minimum daily temperature (AA) • Agricultural types • Topography • Vegetation types • Surface water • Mining (including mineral deposits) • Locality of schools • Sensitive localities • Biological productivity (B276.04) • Grazing capacity (B276.05) • Sensitive areas (B0276.07) • Gravity Model Attraction (B0276.08)

AA – Annual Average

Spatial Overview

Xhariep District forms the southern part of the Free State Province and is one of five district municipalities in the Free State. It covers the largest area and has the smallest population

in the Free State, making it the least densely populated district in the province. Motheo and Lejweleputswa District Municipalities forms the northern border of Xhariep with Tokologo, Mangaung and Naledi Local Municipalities bordering it to the north. Letsotho forms the eastern boundary whilst the Eastern Cape and Northern Cape borders it to the southern and western side of Xhariep.

The district municipality comprises three local municipal areas, namely Letsemeng, Kopanong and Mohokare.

Letsemeng: Letsemeng forms the western part of Xhariep District and borders the Northern and Western Cape Provinces, the former via Jacobsdal. It is renowned for diamond, salt and slate mining as well as irrigation farming along the Orange Riet Canal and Van der Kloof Dam. It comprises 5 towns connected by a tarred road via Koffiefontein. The R705 links Jacobsdal with Koffiefontein; the R48 links Petrusburg, Koffiefontein and Luckhoff to the north-south; and the R704 links Koffiefontein, Fauresmith and Jagersfontein. However, Jagersfontein is linked to Trompsburg by a dirt road, which hampers effective service delivery between the district and the LM. To travel to Trompsburg from any of the towns in the district on a tarred road would necessitate going via Bloemfontein. The N8 route traverses the area to the north and links Kimberley and Bloemfontein via Petrusburg. The Port Elizabeth railway line starts at Koffiefontein and connects (at Springfontein) with the Johannesburg/Cape Town railway line to continue in an easterly direction towards Port Elizabeth. The area accommodates Oppermans, just west of Koffiefontein, which is part of a land restitution project. Several pans occur in the area while the Van der Kloof dam, Kalkfontein dam and Wuras Resort are some of the more prominent water sources available in the area. Both the Riet River and Orange River drains through the area in a westerly direction. Although there are ample water sources available in the area, access to potable water in some of the towns remains problematic. The northern parts of the municipal area surrounding Petrusburg are good cultivated agricultural land while the southern area is renowned for livestock farming.

Kopanong: Kopanong forms the middle section of the District and comprises 9 towns of which Trompsburg is the main centre. This area is predominantly used for mixed farming particularly small livestock farming to the south. It accommodates the Bethany restitution project close to Wuras Resort just south of Bloemfontein. It is also home to one of the main tourist attractions of the district, namely the Gariep Dam with its nature reserve alongside it, which is situated on the border with the Eastern Cape. A small portion of the Van der Kloof dam falls within the local municipal area and forms the border with the Northern Cape. Fauresmith and Jagersfontein are both renowned for mining while Phillippolis is a prominent tourist destination because of its historic value. The N1 and N6 routes traverse the area with most of the towns situated along the N1 route. Reddersburg is situated along the N6 route. The Port Elizabeth and Cape Town/Johannesburg railway lines traverse the area and connect at Springfontein. All the towns are connected by a tarred road, despite the long distances between the towns. The R706 links Jagersfontein to Bloemfontein and therefore people travelling between Jagersfontein and Trompsburg go via Bloemfontein to avoid the more direct link, still in a dirt state. The R717 links Reddersburg to Edenburg, which also links Phillippolis to Trompsburg. Bethulie is accessible from Trompsburg via Gariep Dam on the R701. The road between Springfontein and Bethulie is still in dirt state, forcing people to travel via Gariepdam. Smithfield is accessible from Trompsburg via Reddersburg or Gariepdam and Bethulie as the road between Trompsburg and Smithfield is in dirt state.

Mohokare: Mohokare forms the eastern section of the district and comprises 3 towns, with Zastron as the main centre. Rouxville lies at the center of the municipal area with Smithfield and Zastron to the west and east respectively. The area borders Lesotho and the Eastern Cape and accommodates the Caledon and Orange Rivers as well as the Tussen-die-riviere Game Reserve. The area is predominantly characterised by mixed farming. But, game farming is a growing activity. The N6 route traverses the area and connects Smithfield to Rouxville. A railway line connecting the Bloemfontein / Durban railway to East London and Port Elizabeth also runs through the area. Access to Zastron is gained via the R26 past Rouxville. Direct access to Mohokare from Trompsburg is via Smithfield on a dirt road, which hampers effective service delivery between the district and the LM.

Micro Spatial Overview

Besides understanding the regional composition of the District, sound understanding of local spatial dynamics and issues based on reviewing individual towns is important. This section provides a brief summary of the main spatial issues in each town within the wider District.

Letsemeng Local Municipality		
Town	Description	Spatial Issues

Koffiefontein	Koffiefontein/Dithlake serves as the municipal administrative seat within Letsemeng Municipality. It is situated approximately 125 km northwest of Trompsburg and an estimated 146 km east of Bloemfontein. Access to the town is via the R48 between Petrusburg and Luckhoff. The main social and economic functions of the town include: (a) main LM administrative centre, (b) regional agricultural services centre, (c) diamond mining operations, (d) regional social services centre.	<ul style="list-style-type: none"> ▪ Need for commercial and social integration of former separated town areas. ▪ Shortage of all forms of housing. ▪ Dilapidation of bridge connecting the town to the surrounding towns. ▪ Shortage of municipal land surrounding existing town and impeding expansion. ▪ Access to land by emerging farmers. ▪ Development/expansion of municipal buildings and functions. ▪ Sustainable management of land.
Petrusburg	Petrusburg/Bolokanang serves as a commercial and social service centre within Letsemeng Municipality. It is situated approximately 55 km northeast of Koffiefontein. Access to the town is via the N8 between Bloemfontein and Kimberley. The main social and economic functions of the town include: (a) main regional agro-processing centre, (b) secondary agricultural service centre, (c) social functions such as residence, education and medical services, and (d) transport support services on major route.	<ul style="list-style-type: none"> ▪ Shortage of especially lower income housing. ▪ Shortage of municipal land surrounding existing town, impeding expansion. ▪ Access to land by emerging farmers. ▪ Infill planning and development of the buffer area between the two town areas. ▪ Effective infrastructural development in areas where agri-processing is dominant. ▪ Sustainable management of land. ▪ More direct benefit from major transport routes.
Jacobsdal	Jacobsdal/Ratanang serves as an economic growth and tourism development node within Letsemeng Municipality. It is situated approximately 45 km northwest of Koffiefontein. Access to the town is via the R705 between Koffiefontein and Modderivier. The main social and economic functions of the town include: (a) regional agricultural services centre, (b) key regional tourist destination, (c) main regional agro-processing centre, and (d) social functions such as residence, education and medical services.	<ul style="list-style-type: none"> ▪ Shortage of especially lower income housing. ▪ Access to land by emerging farmers; Infill planning and development of the buffer area between the two town areas. ▪ Effective infrastructural development in areas where agri-processing is dominant. ▪ Land availability for social application such as community hall and cemeteries. ▪ Sustainable land management. ▪ Conservation of areas surrounding local rivers.
Oppersmans	Oppersmans serves as a general agricultural service centre within Letsemeng Municipality. It is situated approximately 12km west of Koffiefontein. Access to the town is via the S647 between Koffiefontein and Luckhoff. The main social and economic functions of the town include: (a) general agricultural service centre to surrounding farming areas, and (b) social functions such as residence, education and medical services.	<ul style="list-style-type: none"> ▪ Shortage of all forms of housing. ▪ Access to land by emerging farmers. ▪ Land availability for social application such as a community hall and cemeteries. ▪ Sustainable land management.
Luckhoff	Luckhof/Relebohile serves as a general agricultural service centre within Letsemeng Municipality. It is situated approximately 85 km south of Koffiefontein. Access to the town is via the R12 between Koffiefontein and De Aar. The main social and economic functions of the town include: (a) general agricultural service centre to surrounding farming areas, and (b) social functions such as residence, education and medical services.	<ul style="list-style-type: none"> ▪ Need for commercial and social integration of the former separated town areas. ▪ Shortage of especially lower income housing units. ▪ Access to land by emerging farmers. ▪ Land availability for social application e.g. cemeteries and community hall. ▪ Sustainable land management. ▪ Conservation of areas surrounding local rivers.
Koponong Local Municipality		
Town	Description	Spatial Issues
Trompsburg	Trompsburg/Madikgetla serves as the regional administrative seat within Koponong Municipality. It is situated approximately 108 km south of Bloemfontein. Access to the town is via the N1 between Bloemfontein and Colesberg. The main social and economic functions of the town include: (a) main local municipal administrative centre, (b) regional agricultural services centre, (c) regional social centre for health services, (d) social functions such as residence, education and social development services, and (e) transport support services on major route.	<ul style="list-style-type: none"> ▪ Shortage of housing. ▪ Shortage of municipal land surrounding existing town and impeding expansion. ▪ Access to land by emerging farmers. ▪ Infill planning and development of the buffer area between the two town areas. ▪ Development / expansion of municipal buildings and functions. ▪ Sustainable land management. ▪ More direct benefit from major transport routes.
Reddersburg	Reddersburg/Matoporong serves as a general agricultural service centre within Koponong Municipality. It is situated approximately 65 km northeast of Trompsburg. Access to town is via the R717 between Edenburg and Dewetsdorp. The main social and economic functions of the town includes: (a) general agricultural service centre to surrounding farming areas, and (b) social functions such as residence, education and medical services.	<ul style="list-style-type: none"> ▪ Need for commercial and social integration of the former separated town areas. ▪ Shortage of especially lower income housing. ▪ Access to land by emerging farmers. ▪ Infill planning and development of the buffer area between the two town areas. ▪ Sustainable land management. ▪ More direct benefit form major transport route.
Edenberg	Edenburg/Ha-Rasebei serves as a general agricultural service centre within Koponong Municipality. It is situated approximately 39 km north of Trompsburg. Access to the town is via the R717 between Trompsburg and Reddersburg. The main social and economic functions of the town include: (a) general agricultural service centre to surrounding farming areas, (b) social functions such as residence, education and medical services, and (c) transport support services on major route.	<ul style="list-style-type: none"> ▪ Need for commercial and social integration of the former separated town areas. ▪ Shortage of especially lower income housing units. ▪ Access to land by emerging farmers. ▪ Infill planning and development of the buffer area between the two town areas. ▪ Sustainable land management. ▪ More direct benefit form major transport route.

Jagersfontein	Jagersfontein/Ithumeleng serves as a commercial and social service centre within Kopanong Municipality. It is situated approximately 67 km northwest of Trompsburg. Access to the town is via the R704 between Fauresmith and Trompsburg. The main social and economic functions of the town include (a) diamond mining operations, (b) regional social centre for health services, (c) general agricultural service centre to surrounding farming areas, and (d) social functions such as residence, education and social services.	<ul style="list-style-type: none"> ▪ Access to land by emerging farmers. ▪ Infill planning and development of the buffer area between the two town areas. ▪ Sustainable land management.
Fauresmith	Fauresmith/Ipopeneng serves as a general agricultural service centre within Kopanong Municipality. It is situated approximately 77 km northwest of Trompsburg. Access to the town is via the R704 between Koffiefontein and Jagersfontein. The main social and economic functions of the town include: (a) general agricultural service centre to surrounding farming areas, and (b) social functions such as residence, education and medical services.	<ul style="list-style-type: none"> ▪ Shortage of housing. ▪ Shortage of municipal land surrounding existing town and impeding expansion. ▪ Sustainable land management.
Springfontein	Springfontein/Maphodi serves as a general agricultural service centre within Kopanong Municipality. It is situated approximately 22 km south of Trompsburg. Access to the town is via the N1 between Bloemfontein and Colesberg. The main social and economic functions of the town include: (a) general agricultural service centre to surrounding farming areas, (b) social functions such as residence, education and medical services, and (c) transport support services on major route.	<ul style="list-style-type: none"> ▪ Need for commercial and social integration of the former separated town areas. ▪ Shortage of especially lower income housing. ▪ Access to land by emerging farmers. ▪ Infill planning and development of the buffer area between the two town areas. ▪ Sustainable land management. ▪ More direct benefit form major transport routes.
Phillipolis	Phillipolis/Poding-tse-Rolo serves as a general agricultural service centre within Kopanong Municipality. It is situated approximately 53 km southwest of Trompsburg. Access to the town is via the R48 between Koffiefontein and De Aar. The main social and economic functions of the town include: (a) key regional tourist destination, (b) secondary agricultural service centre, and (c) social functions such as residence, education and medical services.	<ul style="list-style-type: none"> ▪ Need for effective commercial integration of the former separated town areas. ▪ Shortage of housing. ▪ Shortage of municipal land surrounding existing town and impeding expansion. ▪ Access to land by emerging farmers. ▪ Land availability for social application e.g. cemeteries and community hall. ▪ Sustainable land management ▪ Conservation of areas surrounding local rivers.
Bethulie	Bethulie/Lephoi serves as a regional agricultural service centre within Kopanong Municipality. It is situated approximately 52 km south of Trompsburg. Access to the town is via the R701 between Gariep Dam and Smithfield. The main social and economic functions of the town include: (a) regional agricultural services centre, (b) key regional tourist destination, and (c) social functions such as residence, education and medical services.	<ul style="list-style-type: none"> ▪ Access to land by emerging farmers. ▪ Sustainable land management. ▪ Conservation of areas surrounding local rivers;
Gariepdam	Gariepdam serves as a service centre and tourism attraction within Kopanong Municipality. It is situated approximately 62 km south of Trompsburg. Access to the town is via the N1 between Bloemfontein and Colesberg. The main social and economic functions of the town include: (a) key regional tourist destination, (b) general agricultural service centre to surrounding farming areas, (c) social functions such as residence, education and medical services, and (d) transport support services on major route.	<ul style="list-style-type: none"> ▪ Need for commercial and social integration of the former separated town areas. ▪ Shortage of housing. ▪ Infill planning and development of the buffer area between the two town areas; ▪ Sustainable land management. ▪ Conservation of areas surrounding local rivers. ▪ More direct benefit form major transport routes.

Mohokare Local Municipality

Town	Description	Spatial Issues
Zastron	Zastron/Matlakeng serves as the municipal administrative seat within Mohokare Municipality. It is situated approximately 158 km east of Trompsburg and an estimated 181 km southeast of Bloemfontein. Access to the town is via the R26 between Wepener and Rouxville. The main social and economic functions of the town include: (a) main local municipal administrative centre, (b) regional agricultural services centre, (c) regional social centre for health services, (d) social functions such as residence, education and medical services, and (e) transport support services on major route.	<ul style="list-style-type: none"> ▪ Shortage of especially lower income housing. ▪ Access to land by emerging farmers. ▪ Infill planning and development of the buffer area between the two town areas; ▪ Development and expansion of municipal buildings and functions. ▪ Sustainable land management. ▪ Conservation of areas surrounding local rivers. ▪ More direct benefit form major transport routes.
Smithfield	Smithfield/Mofulatshepe serves as a service centre and tourism attraction within Mohokare Municipality. It is situated approximately 68 km west of Zastron. Access to the town is via the N6 between Bloemfontein and Aliwal North. The main social and economic functions of the town include: (a) key regional tourist destination, (b) general agricultural service centre to surrounding farming areas, (c) social functions such as residence, education and medical services, and (d) transport support services on major route.	<ul style="list-style-type: none"> ▪ Need for effective commercial integration of the former separated town areas. ▪ Shortage of especially lower income housing units. ▪ Shortage of municipal land surrounding existing town and impeding expansion. ▪ Access to land by emerging farmers. ▪ Land availability for social function such a community hall and cemeteries. ▪ Conservation of areas surrounding local rivers. ▪ More direct benefit form major transport routes. ▪ Poor road access between Smithfield and Tomspsburg.

Rouxville	Rouxville/Roleleathunya serves as a general agricultural service centre within Mohokare Municipality. It is situated approximately 30 km west of Zastron. Access to the town is via the R26 between Zastron and Trompsburg. The main social and economic functions of the town include: (a) general agricultural service centre to surrounding farming areas, and (b) social functions such as residence, education and medical services.	<ul style="list-style-type: none"> ▪ Shortage of especially lower income housing. ▪ Shortage of municipal land surrounding existing town and impeding expansion. ▪ Access to land by emerging farmers. ▪ Infill planning and development of the buffer area between the two town areas. ▪ Sustainable land management. ▪ Conservation of areas surrounding local rivers. ▪ More direct benefit form major transport routes.
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Regional Interaction

The table below provides a brief summary of the area as well as the number of farms found within Xhariep and per LM area.

Table 1: Composition and Size of District Municipal Area, 2001

LM	No. of Farms	Area in Km ²
Kopanong	3 059	15 190.54
Letsemeng	2 062 (* 197)	10 192.48
Mohokare	2 308	8 748.53
Total	7 429 (* 197)	34 131.55

Note: (197) number of smallholdings in addition to number of farms
Source: Surveyor General Bloemfontein, 2001*

Although Kopanong represents the largest geographical area by far, it also records the lowest density within the district. From the table below it is evident that Letsemeng has the highest population density and thus proving the highest pressure on land resources.

The potential interaction of the various towns with each other was measured by using Zipf's Gravity Model, which states that the potential force of attraction between two bodies or towns is proportionally equal to the product of their population and inversely proportional to the square of the distance between them.

The distances between the various towns within Xhariep are indicated in the table below:

Distances Between Town Areas of Xhariep (kms)

TOWN	KOFFIEFONTEIN	PETRUSBURG	JACOBSDAL	OPPERMANSGRONDE	LUCKHOFF	TROMPSBURG	EDENBURG	REDDERSBURG	FAURESMITH	JAGERSFONTEIN	PHILLIPOLIS	SPRINGFONTEIN	GARIEP DAM	BETHULIE	ZASTRON	SMITHFIELD	ROUXVILLE
KOFFIEFONTEIN	0																
PETRUSBURG	55	0															
JACOBSDAL	45	76	0														
OPPERMANSGRONDE	12	67	57	0													
LUCKHOFF	42	97	87	30	0												
TROMPSBURG	125	180	170	137	136	0											
EDENBURG	115	152	160	127	175	39	0										
REDDERSBURG	141	141	186	153	317	65	26	0									
FAURESMITH	48	73	93	60	48	77	67	93	0								
JAGERSFONTEIN	58	310	103	70	234	67	57	83	10	0							
PHILLIPOLIS	109	134	154	121	83	53	92	118	61	71	0						
SPRINGFONTEIN	147	202	192	159	158	22	61	87	99	89	42	0					
GARIEP DAM	173	242	218	199	131	62	101	127	139	129	48	40	0				
BETHULIE	177	232	222	189	188	52	91	144	129	119	100	30	52	0			
ZASTRON	283	249	328	295	325	158	171	145	235	225	235	165	187	135	0		
SMITHFIELD	215	218	260	227	257	90	82	77	167	157	167	88	119	67	68	0	
ROUXVILLE	253	256	298	318	288	128	141	115	205	195	205	135	157	105	30	38	0

Source: Xhariep District Municipality

The distances between some of these towns as well as their current projected populations provided the basic input to the Gravity Model with the resulting potential attractions.

Key Spatial Issues

From the above macro and micro spatial overview and identified local spatial issues, the following key regional spatial issues were identified as the basis to be address by the spatial development framework.

Table 5: Key Spatial Issues

KEY SPATIAL ISSUE	BRIEF DESCRIPTION
Access to land	The issue of access to land relates both the local authorities as well as individuals and groups. As far as individuals and groups are concerned, the burning issues are access to residential land in urban areas and to agricultural land for emerging farmers. Various local authorities experience a shortage of land for residential expansion and other social functions.

KEY SPATIAL ISSUE	BRIEF DESCRIPTION
Land development	Land Development relates to the availability, preparation and funding of certain key land uses such as sites for housing developments, land for needed social amenities and economic activities. The key issues requiring attention in this regard include: the generation of proper information of projected land development needs, funding, co-operation and local capacity to evaluate development applications.
Spatial integration	Spatial integration has to focus on both a macro and a micro level. On a macro level there is a need for a more focused development at key nodal points to develop the region strategically within current resource constraints. On a micro level, most town areas are still geographically segregated and direct intervention within former buffer strip areas will be required to integrate communities.
Sustainable land management	The long-term sustainability of all land development practices will be the key factor in the environmental and economic future of this predominantly agricultural region. Specific attention will have to be given to the building of capacity amongst especially emerging land users and the provision of a management framework to all land users within the district.
Proper distribution network	The vast distances between the various towns in the district make all communities dependent on the regional distribution roads for social as well as economic functioning. Most of these roads are however in a state of disrepair and especially the routes falling within the corridor areas will have to be upgraded and maintained as a matter of urgency.
Land reform and restitution	The two land restitution cases within the municipality (namely Bethany and Oppermans) still need to be finalised and will require infrastructural intervention to provide proper infrastructure not presently available due to past neglect. The further land redistribution effort within the region will also have to be co-ordinated proactively in order to ensure legal and systematic address of the land shortage within the area.
Land Conservation	Various areas along the southern border of the district, adjacent to the Orange river as well as surrounding regional dams are well suited for tourism and agricultural development alike. These areas are however sensitive to over utilization and pollution and will have to be protected and conserved to ensure long-term benefits thereof.

Structuring Elements

The Spatial Development Framework as indicated on Plan B276.09 needs to be indicative and therefore the need to adopt a set of structuring elements that can give future structure to the municipal area.

Four spatial structuring elements were identified. The following gives a short explanation to the terminology used:

Nodes:

These are areas where development (facilities, services and economic opportunities) tends to concentrate. Different types of nodes can be distinguished:

Urban Nodes are pockets of concentration of human settlement at a specific locality at the regional scale and offer a spectrum of supporting infrastructure and services needed to maintain and develop new services and infrastructure within these urban nodes. Seventeen urban nodes have been established in Xhariep district.

Development nodes are areas where local economic growth will be promoted. Social and public amenities may also be located within or nearby the development node. The size, scale, nature and form of a node will differ from one another, as a variety of activities will tend to cluster in and around the node. The larger the influence sphere of a node, the more intense the development associated with the node and the greater the density and area that the node will occupy.

Tourism nodes will offer leisure and tourism products to the consumer. The node will attract tourists due to its unique features, historic value or special character and will therefore have an edge over any other node in the district to draw tourists to the region.

Special nodes are areas where specific products or services are available and these nodes will tend to specialize on capitalizing on these region-specific products. A range of specialization nodes have been identified in terms of the products the region offer. The first form of specialization is in the agricultural sector where a node can specialize in the accommodation of emerging farmers or the production of specialized produce or in agro-processing, The second sector in which specialization will be promoted is the mining industry where an area can either specialize in the exploration and/or processing of mining products. The third sector of specialization is the tourism industry where node can act as a tourist attraction or as a tourist information centre.

Corridors:

Different types of corridors can be distinguish:

Development corridors are characterized by higher order ribbon-like development along routes that can be classified as movement corridors. These corridors promote economic activity along these routes. However, it is foreseen that the presence of economic activity along these routes will require special attention in terms of the provision of pedestrian facilities and the planning of ingress and exits to and from commercial activities in order not to interfere with the mobility of the corridor itself.

Tourism Corridors are scenic routes linking places attracting tourists with one another. These routes will therefore support development focusing on the hospitality and tourism industry along it. Again, precaution will have to be taken to ensure sufficient ingress and exist from these facilities to ensure mobility along the main routes.

Districts:

Districts are areas with common identifying characteristics and usually have a homogeneous land use associated with it. It comprises medium to large sections of the spatial environment.

Different kinds of districts have been identified for the purpose of the SDF:

Commercial agricultural districts are the larger agricultural land units which accommodates a diversity of agricultural production for the commercial market. These areas usually surrounds the urban nodes.

Intensive Agricultural districts (irrigation) are areas with smaller commercial agricultural units with normally a higher production yield per hectare. These units usually incorporate irrigation schemes and are concentrated along water courses.

Emerging Farmer agricultural districts are the areas utilised for communal grazing, forestry and / or agricultural activity by a community and usually supports subsistence farming activities. Most of these are associated with land redistribution and restitution projects launched in the district.

SDF Principles and Guidelines for development

Principle of Sustainability

- Sustainable management and use of resources making up the natural and built environment
- Land use and development decisions must promote harmonious relationships between the built and natural environment
- Holistic approach that will minimize long term negative impacts of current land use and development decisions
- The resources that will be used (physical, social and economic) must be investigated and life cycle cost and side effects on the environment, community and economy must be understood.

Norms

- Land may only be used and developed in accordance with law
- The primary interest of making a decision on land development and use must be recorded in approved national, provincial or municipal policy
- Land development and planning processes must integrate disaster prevention, management or mitigation measures
- Land use planning and development should protect natural, environmental and cultural resources
- Land that is currently used for agriculture will only be reallocated to other uses where there is a real need and prime agricultural land should remain in production.

Principle of equality

Everyone affected by spatial planning, land use management, development actions/decisions must enjoy equal protection and benefits and no unfair discrimination should be allowed.

Norms

- Where public is involved in land use planning and development processes, public involvement must be inclusive of all persons and groups with an interest in the matter being decided.
- Land use regulators and planning authorities must ensure that previous disadvantaged communities and areas receive benefits and opportunities flowing from land development
- Appropriateness of land use must be determined on the basis of its impact on society as a whole rather than only the applicant or immediate neighbours.

Principle of efficiency

- The desired result of land use must be produced with the minimum expenditure of resources
- Institutional arrangements and operations, adopted procedures, settlement form/pattern and utilization of resources should be efficient

Norms

- Land use planning and development should promote compact human settlements, combating low intensity urban sprawl
- The areas in which people live and work should be close to each other
- Plans of neighbouring municipalities and regions should relate positively to each other

Principle of Integration

- Separate and diverse elements involved in development planning and land use should be combined and coordinated into a more complete or harmonious whole
- Need to integrate systems, policies and approaches
- Integration of different sectors and spheres during planning and management
- Integration of racial and socio-economic sectors and spatial integration of land uses, places of living with places of working and shopping and relaxing

Norms

- Land use decisions should take account of and relate to sectoral policies of other spheres and departments of government
- Land use and development should promote efficient, functional and integrated settlements
- Land use and development should be determined by the availability of appropriate services and infrastructure
- Promote racial integration
- Promote mixed use development

Principle of fair and good governance

- Spatial planning and land use management and development must be democratic, legitimate and participatory
- When new plans are formulated authorities must have processes in place that actively involve citizens and interest groups

Norms

- Affected parties have a right to access information pertinent to land use and development plans that are being considered by land use regulators
- Affected communities must be capacitated to enable them to comprehend and participate meaningfully in development planning processes affecting them
- Decisions must be made in public domain and no planning decisions taken behind closed doors

- Names and contact details of officials with whom the public should communicate in relation to spatial and land use planning and management must be publicized
- Decisions must be taken within statutorily specified time frames
- Participatory structures that are accessible must be created to allow interested and affected parties to express concern or consent with development decisions at an early stage.

Spatial Development Analysis

Plan B276.09 indicates the Spatial Development Framework adopted for the Xhariep District.

Nodes

Urban nodes

Xhariep district comprises seventeen urban nodes as listed in the table below:

Table 6: Urban centres located within a Local Municipality's area of jurisdiction, 2003

Letsemeng Local Municipality	Kopanong Local Municipality	Mohokare Local Municipality
Jacobsdal	Bethulie	Rouxville
Koffiefontein	Edenburg	Smithfield
Luckhoff	Fauresmith	Zastron
Oppermans	Gariiep Dam	
Petrusburg	Jagersfontein	
	Philippolis	
	Reddersburg	
	Springfontein	
	Trompsburg	

Source: Xhariep District Municipality, 2005

These nodes accommodate an array of infrastructure and services that are offered to the local and surrounding community. Development should be concentrated in these urban nodes rather than promoting scattered developments throughout the district. Although some services need to be provided within the rural areas, most of the services will be provided within the urban areas. To allow access to these services improved road network and public transport should be promoted.

Some of the urban nodes have development potential while some will only act as service centres. Those with the potential to draw investment have been identified as development or tourism nodes.

Development Nodes

Trompsburg was identified as the most important development node within the district, followed by Koffiefontein, Zastron, Gariiepdam, Jacobsdal and Jagersfontein. Each of these

urban nodes offers potential for investment and should therefore be developed in its own special way to draw investment to the region. Those urban nodes, which have not been identified as development nodes, will continue to exist as service centres. It is therefore sensible to focus capital investment to favour those nodes where development will more likely be sustained in future. This implies that both public and private initiatives in areas identified as development nodes should be supported whereas those in areas not identified as development nodes should be re-evaluated and where possible, funding or investment should be channelled to the development node closest to the intended development. In practise this will imply that people will relocate to those towns with growth potential, as jobs will more likely be created in these areas. This will have the effect that a greater need for new residential sites, housing and infrastructure will arise in these areas, thus requiring the allocation of grants for capital investment projects to favour these localities more than those with limited growth potential.

The areas without growth potential should be developed with social services in support of those area where growth will be experience. It is therefore proposed that attention should be paid to education, health and social infrastructure in these service nodes so that the quality of life of people staying there can be improved. These service nodes will then act as suppliers of well – educated and skilled people to the development nodes.

Bloemfontein, Kimberley and Aliwal North were identified as strong nodes outside the district which draws local people to spend money in these areas. None of the nodes within the district have the potential to fulfil the role that these external nodes fulfil, however, effort should be taken to improve the services offered in the local development nodes in order to retain local spending as far as possible.

Tourism Nodes

Phillipolis and Smithfield were identified as tourism nodes. This implies that development focusing on the hospitality and tourism industry should be promoted in these nodes. Other supporting developments should also be supported. Particular attention should be paid to the marketing of these nodes to tourists and therefore it should be included in the Tourism Development Strategy of the district. Careful consideration should be given to advertising and building design when new and existing developments are evaluated, as this can negatively impact on the marketability of the town as a tourist destination. The existing ambiance of the town should therefore be enhanced with sensitive development.

Nodes of specialisation

The region offers a variety of region specific products. It was therefore proposed that these products should be promoted and therefore nodes of specialisation were identified in support of this notion. Caution should however be taken not to exclude other initiatives in these nodes but to rather encourage development in support of the regional opportunity that exists in these nodes. The following table gives an overview of the nodes identified to specialise in certain economic activities:

Nodes of specialization

Node	Area of specialization	Specific initiatives that can be promoted
Bethany settlement	Agriculture: emerging farmers Agriculture: intensive (irrigation)	Fruit Irrigation schemes
Trompsburg	Tourism: Information Agriculture: Agro-processing Agriculture: Special produce Mining: exploration	Tourism information centre Spring water, Beer brewery, wool spinning, Angora rabbits
Gariepdam	Tourism: Information and Tourism: Attraction	Filling station, tourist information centre, Convention centre, Tri-district casino, Arts and crafts curio shops
Phillippolis	Tourism: Information and attraction	Tourist information centre Historic sites
Jagersfontein	Mining: Exploration and processing	Diamond mining and cutting
Koffiefontein	Mining: Exploration and processing Agriculture: Intensive (irrigation)	Diamond mining and cutting Irrigation scheme along Kalkfontein dam
Luckhoff	Agriculture: Intensive (irrigation) Agriculture: Special produce Agriculture: Agro-processing	Irrigation schemes Leather tanning Abattoir
Oppermans	Agriculture: Emerging farmers Agriculture: Special produce Agriculture: Intensive (irrigation)	Ostrich farming Grape and fruit farming
Jacobsdal	Agriculture: Intensive (irrigation) Agriculture: Agro-processing	Grape farming Wine produce

Node	Area of specialization	Specific initiatives that can be promoted
Petrusburg	Mining: Exploration and processing Agriculture: Agro-processing Agriculture: Intensive (irrigation)	Slate and salt mining Potato processing Potato farming
Reddersburg	Agriculture: Emerging farmers	Game farming Weigh bridge
Smithfield	Tourism: Information and attraction Agriculture: Special produce	Tourist information centre Game farming
Zastron	Agriculture: Special produce	Fish farming Game farming Trade with Lesotho
Bethulie	Agriculture: Special produce	Fish farming Game farming

Source: IDP Review Workshops (2005)

Corridors

Development Corridors

A development corridor tends to link development nodes with one another. In Xhariep, two main development corridors were identified. The one runs in a north-south direction and links Bloemfontein, Trompsburg, Gariepdam and Colesburg with one another along the N1 route. The second development corridor runs in an easterly to westerly direction and links Zastron, Trompsburg, Jagersfontein, Koffiefontein and Jacobsdal with one another. Two service centres Rouxville and Smithfield have been included in this development corridor and may in future develop the potential to become development nodes. Presently, they are considered only as service centres within the link.

Economic development should be promoted along the development corridors but care should be taken not to impact negatively on the mobility of the corridor.

It is also foreseen that the N6 route will become more important in future once the Koega development has taken off. This will imply that a third development corridor will in future develop linking Bloemfontein with Aliwal North via Reddersburg, Smithfield and Rouxville. Again, these service centres may in future change their status and become development nodes once this route gain popularity.

Three roads have also been identified to be tarred to improve accessibility in the district. These are listed in terms of importance and are the roads between (a) Jagersfontein and Trompsburg,

(b) Trompsburg and Smithfield and (c) Springfontein and Bethulie,

Tourism Corridors

Two tourism corridors have been identified. The one is the Horizon Route linking Kimberley with Jacobsdal, Koffiefontein, Fauresmith and Jagersfontein and the second is the Xhariep route along Gariepdam, Bethulie, Smithfield, Rouxville and Zastron where it will link up with the Maloti route that runs through the Eastern Cape along the R26 which follows the Lesotho boundary up to QwaQwa.

Districts

Commercial Agricultural District

The commercial agricultural district constitutes the largest part of the district and accommodates a variety of mixed farming. The SDF is in support of these present land uses and promote areas of specialisation where viable.

Irrigation Agricultural District

Irrigation schemes exist in the area like the Rust scheme and Bleskop scheme. These are supported in the SDF, However, more initiatives are proposed in the SDF which will have to be investigated in terms of their viability and sustainability in future.

Emerging Farmers Agricultural District

The two restitution cases in the district namely Bethany and Oppermans have been identified for the settlement of emerging farmers. More intense agriculture and areas of specialisation have been proposed for these areas.

Sensitive Areas

The areas along river courses and water sources, mountainous areas and scenic areas are all classified as sensitive areas. These include places like Nature Conservation Areas and Nature Reserves, Historic sites and pristine areas of which the most significant features have been illustrated on Plan B276.07. Development in these areas should be sensitive towards these natural and cultural features.

Implementation Strategies

As the district municipality is not a direct land developer its main function will remain the co-ordination and promotion of land and spatial development initiatives. Where possible the district municipality will however financially support programmes and projects aimed at the district spatial development framework, with external as well as internal funding. The main areas for implementation actions include: Research and administration, Specific areas of Intervention, Public land development and Private Land development as discussed briefly below:

Research and administration

- It is envisaged that the newly established Xhariep Planning, Implementation and Management Support Service (PIMSS) centre will be directly responsible for driving, co-ordinating and administrating the spatial development effort within the district. The first tasks and/or activities to be undertaken by the PIMSS centre would include the following:
 - Conducting a **land needs survey** and making projections of potential future requirements;
 - Co-ordinating a **District Land Indaba** to discuss land reform, nodal

- development and sustainable land management practises.
- Co-ordinate service delivery by **external service providers** according to district and local municipal boundaries.

Specially defined areas of intervention

- The areas directly supportive to and dependent on the identified economic development corridor will require direct and immediate intervention in order to develop the area. Specific areas will include Trompsburg, Koffiefontein and Zastron as administrative centres. Especially in Trompsburg the infrastructure cannot support the bulk requirements of expected influx and will have to be provided at a increased rate.
- The expected intervention from a district level in support of the corridor will include amongst others, the following:
 - Lobbying for funding, upgrading and maintenance of all regional roads within the corridor area;
 - Conducting a detailed investigation of current bulk and internal infrastructure levels and lobbying for the upgrading thereof according to a design masterplan;
 - Conducting a detailed investigation of the regional economic potential and interaction of each of the towns situated within the corridor;
 - Promoting the identified activities of and interaction between the various towns on a regional, national and international level.

It is envisaged that the above tasks will form part of the responsibility jointly of the PIMSS centre as well as the Xhariep Local Economic Development (LED) Officer.

Public land development

As already mentioned, the district municipality does not have statutory powers over land development and will therefore only support public land development within local municipalities through funding, empowerment and co-ordination with the following main activities.

- Lobbying for funding to address the key spatial priority area such as access to land, spatial integration, land reform and sustainable land management.
- Providing financial support to local municipalities from internal funding, only based on formal business plan application and as far as such projects adhere to the IDP and Spatial development framework of either the local or district municipality.
- The PIMSS centre will educate and empower local municipal officials and councillors alike as to sound spatial development practices and mechanisms of land release and development.
- Co-ordination of land development efforts through the development and maintenance of a district land database containing information on land status, needs, reform projects, funding applications and development control applications.

Private land development

The Xhariep district municipality will support any private land development initiative aimed at providing land tenure security, land development and employment opportunities to the benefit of local residents and in accordance with the IDP and Spatial Development Framework of the municipality. Such support will however always be channelled through the relevant local municipality and take the form of concept support and financial support where local community members will be directly advantages through such as project.

CONCLUSION

The SDF constitutes the land use framework for the district and needs to guide land use management for local municipalities where disputes or border issues becomes a problem. The SDF of Xhariep tries to focus development within the district in those areas where development is most likely to occur. It therefore identifies development nodes which need to receive priority for future development. The SDF of Xhariep will serve as a point of departure to inform the local SDFs.

Areas of Potential

National Spatial Development Perspective

1) National Spatial Development Vision

Government's national spatial development vision can be described (National Spatial Development Perspective [NSDP] page 35) as follows:

SA will become a nation in which investment in infrastructure and development programmes support government's growth and development objectives:

- by fostering development on the basis of local potential
- by focusing economic growth and employment creation in areas where this is most effective and sustainable
- by supporting restructuring where feasible to ensure greater competitiveness
- by ensuring that development institutions are able to provide basic needs throughout the country.

2) Normative Principles

The NSDP proposes the following normative principles to be used as a guide by all spheres of government when making decisions on infrastructure investment and development spending:

- Government spending on fixed investment, beyond the constitutional obligations to provide basic services to all citizens, should be focused on localities of economic growth and/or potential for sustainable economic development in order to attract private sector investment, stimulate sustainable economic activities and/or create long-term employment opportunities. In these areas government's objective of both promoting economic growth and alleviating poverty will best be achieved.
- In localities where there are both high levels of poverty and development potential, this could include fixed capital investment beyond basic services to exploit the potential of those localities. In localities with low development potential, government spending beyond basic services should focus on social investment, such as human resource development, labour market intelligence and social transfers, so as to give people in these areas better information and opportunities. This will enable people to become more mobile and migrate, if they choose to, to localities that are more likely to provide sustainable employment or other economic opportunities. The further concentration of people in need in areas of low potential should therefore not be encouraged.

**PROJECTS TO BE
IMPLEMENTED IN THE
XHARIEP DISTRCIT
MUNICIPALITY 2010/2011**

Project Name	Objective	Supporting projects	Proj. No	Cost Estimate	Implementation Year		Funding Source & implication	
					2010	2011	Internal	External (identify)
Local Economic Development	To improve economic growth by at least 10% increase annually by 2010	LED Summit		R200 000			✓	
		Manager Economic Development to coordinate district programme for economic revival						
		Implement the resolutions of the Economic Summit working closely with other partners						
		LED Promotion and Marketing		R135 000			✓	
		Feasibility studies		R200 000			✓	
		LED and Marketing		R300 00			✓	
SMME Development	To support local SMMEs	Develop database of existing SMMEs and provide information on support resources						
		Develop a support programme and utilize the supply chain management policy to empower SMMEs						
Job creation & employment	To facilitate creation of jobs and employment opportunities leading to 10% reduction in current unemployment by 2011	Implement EPWP and monitor use of labour intensive methods to create jobs		R43m				✓
		Facilitate and support all LED initiatives						
Tourism development	To contribute to 5% increase in the contribution of Tourism sector to district GGP by	Support promotion and marketing of the strategic regional sites (ie- Lake Xhariep, Heritage sites etc) and cultural artefacts produce						

	2011								
Tourism development	To contribute to 5% increase in the contribution of Tourism sector to district GGP by 2011	Support promotion and marketing of the strategic regional sites (ie- Lake Xhariep, Heritage sites etc) and cultural artefacts produce							
		Tourism Marketing Plan		R300 000				✓	
		Tourism awareness		R50 000				✓	
Environmental Management	To manage and prevent harm of the environment and ensure its sustainability	Prepare the review of integrated Environmental Management Framework and implement		R100 000				✓	
		Municipal Health Services		R200 000				✓	
		Water Quality Management programme		R50 000				✓	
		Co-ordinating of Ward Environmental Health Forums		R62 000				✓	
Cemeteries	To coordinate and support provision of safe and proper burial spaces by our local municipalities	Support planning and identification of suitable land for cemeteries		R600 000				✓	
		Greening of all 17 towns in the district		R1.5m					✓
		Coordinate and support local municipalities in implementing their environmental sector plans							
Disaster Management	To manage and prevent occurrence loss of lives due to disasters	Prepare the review of integrated Disaster Management Plan and implement Disaster Management Framework		R300 000 R160 000				✓	
		Recruit personnel for disaster management and rescue services							

Integrated Development Planning	To continuously prepare, adopt, effectively implement and annually review IDP	Complete the review and adoption of IDP for implementation in 2010/2011 financial year		R250 000				✓	
Municipal financial viability	To improve financial viability of the municipality	Compilation of Annual Financial Statements (AFS)		R267 000				✓	
		GRAP compliant (Fixed assets register)		R800 000				✓	

ENVIRONMENTAL HEALTH PLAN

Environmental Health Services		
IDP Goal/Objective	Strategies	Key Performance Indicator
To facilitate and initiate the implementation of a greening plan by the Local Municipalities for the entire area that will contribute to protection of the natural environment and to ensure the effective management of environmental sensitive areas and natural resources	<ol style="list-style-type: none"> 1. Ensure that Local Municipalities have adequate manpower and equipment to effectively manage all environmental sensitive areas 2. Promote community education through awareness campaigns, public meetings, community workshops to enhance community participation in environmental issues and food safety programmes 3. facilitate proper management of riparian areas 4. Ensure identification of areas where serious erosion of the soil occurs 	<ol style="list-style-type: none"> 1. Green projects implemented by local municipalities 2. Awareness campaigns and education programmes conducted
To ensure Microbiological, Chemical and physical food safety with acceptable nutritive value in the district	<ol style="list-style-type: none"> 1. issue all food premises with R918 certificate when complying 2. implement food sampling programme at all food relevant premises and food manufactures 3. take food samples for Bacteriological and Chemical analyses 4. implement health campaigns on food safety 5. reach all schools with Health Education on food safety 	<ol style="list-style-type: none"> 1. Compliance certificates issued 2. Health campaigns on food safety undertaken
To establish and enforce by-laws on how people should keep their stock	<ol style="list-style-type: none"> 1. Ensure the application of law enforcement to eradicate roaming and stray animals in town areas 2. support establishment of pound 	<ol style="list-style-type: none"> 1. Reduction of visible stray animals in town areas
To ensure that pollution [air, water and soil] are minimized to acceptable standards in order to preserve the environment and natural resources and to Prevent environmental pollution i.e land, air, water, soil and noise	<ol style="list-style-type: none"> 1. Ensure identification and implementation of measures to reduce existing air and noise pollution incidents 2. Encourage Local Municipalities to engage with industries in reducing emission level of hazardous waste, noise pollution 3. Ensure monitoring of the levels of pollution on a regular basis against acceptable norms and standards 4. Ensure regular cleaning and maintenance of all open 	<ol style="list-style-type: none"> 1. Decreased pollution i.e. air, noise water and soil

	<p>surface water drainage systems by the Local Municipalities</p> <ol style="list-style-type: none"> 5. Identify point source pollution 6. reduce environmental pollution related illnesses 7. Implement Air Quality Management Plan 	
Reduce vector infestation	<ol style="list-style-type: none"> 1. Conduct vector control Projects 2. Law enforcement 	<ol style="list-style-type: none"> 1. Reduced number of vector infections recorded
That all premises comply with health legislation	<ol style="list-style-type: none"> 1. Develop effective environmental health surveillance 2. Identification, monitoring, control of health risks on all premises 3. Ensure compliance of all premises with Relevant Legislation 4. Ensure effective and efficient sanitary facilities at all schools in the district 5. Participate in all projects, developments and EIA's 	<ol style="list-style-type: none"> 1. Inspection and monitoring reports
Ensure minimal unintentional contamination or pollution of soil, water, food by hazardous chemicals by ensuring safe manufacturing, transportation, application storage and disposal practises	<ol style="list-style-type: none"> 1. Listing of all manufacturers and retailers 2. Implement proper end user education programme at schools on chemical safety 3. Promote reporting of cases regarding chemical poisoning 	<ol style="list-style-type: none"> 1. Inspection and monitoring reports on identified industrial and other areas using chemicals
Implement a workable ENVH Management System	<ol style="list-style-type: none"> 1. Develop standard ENVH policies and procedures in the district 2. Develop uniform set of Environmental Health Bylaws (Regulations) for the district 3. Implement developed uniform norms and standards for ENVH 4. Ensure Proper costing of ENVH services 5. Implement proper ratio EHP's versus population 6. Develop Proper Health Information System for the District as Phase 1 7. Develop Phase 2 of HIS to include mapping and graphics 8. Implement effective complaint reporting system via HIS 	<ol style="list-style-type: none"> 1. General improvement on issues related to Environmental Health throughout the district

Ensure proper health education and training	<ol style="list-style-type: none"> 1. Develop effective ENVH promotion material 2. Train EHP's in minimum one technical course per year 3. Accommodate Students for ENVH training from tertiary institutions 4. Implement local area awareness campaigns on ENVH and measure per the calendar year 5. Address ward committees and/or health reps with ENVH educational presentations and measure per the calendar year 	<ol style="list-style-type: none"> 1. Number of tertiary students accommodated for ENVH practical training 2. Local campaigns implemented per calendar year

Refuse Removal and Solid Waste Management		
IDP Goal/Objective	Strategies	Key Performance Indicator
To support local municipalities to reach the national targets related to water and sanitation in the IDP of local municipalities	<ol style="list-style-type: none"> 1. Inclusion of maintenance and upgrading issues in the Water Services Development Plan (WSDP) 2. Implement a water demand management and monitoring plan 	Targets in the IDP's of the local municipalities, provincial and national targets
To ensure that all towns have adequate (industrial and household) bulk sewer and capacity for handling, treatment and conveyance of raw sewage at all times adhering to DWAF	<ol style="list-style-type: none"> 1. By monitoring the capacity of the raw sewerage as per DWAF standards 	Targets in the IDP's of the local municipalities, provincial and national targets
	<ol style="list-style-type: none"> 1. By determining priority areas in order to be addressed regarding water provision based on the local IDP's and Water Sector Plans of local municipalities 	in terms of local municipalities' IDP's, provincial and national targets

Promote responsible sanitation in the district	1. assist and support the local municipalities in awareness campaigns	Awareness campaigns held per local municipality
To ensure regular refuse removal systems throughout the district in par with national acceptable health and environmental standards	1. Develop and implement the District Integrated Waste Management Plan	1. Approved District Waste Management Plan 2. Awareness campaigns conducted 3. Upgraded waste disposal sites in terms of the applicable standards
To ensure the availability of well managed dumping / landfill sites and transfer stations in the district	Investigate and establish a local medical waste forum	Research report
Implement effective waste management program	1. Monitor rendering of effective waste collection and disposal service at Local Municipalities 2. Promote operation of landfill sites within minimum requirements 3. Control disposal of health care waste 4. Promote waste minimization 5. Monitor the improvement of sanitation conditions 6. Enforcement of By-Laws to ensure compliance	Waste management program implementation assessment report

SECTOR PLANS

DEPARTMENT OF SPORTS, ARTS,CULTURE & RECREATION

Project Name	Municipality	Description	Budget	Duration
Xhariep Arts & Culture	Kopanong	One stop centre	R25 000	April 2012- March 2014
	Kopanong	Renovation	R2,000	April 2008- March-2009
	Kopanong	Renovation	R2,500	April 2010-Dec 2010

DEPARTMENT OF PUBLIC WORKS & RURAL DEVELOPMENT

Project Name	Municipality	Budget	Project cost	Duration
Upgrading Bethany Community hall	Kopanong	R2,500,000	R3,000,000	August 09- March 2011
Upgrading Jagersfontein access road	Kopanong	R3,508,000	R14,908,000	July 2009- March-2011

DEPARTMENT OF POLICE, ROADS AND TRANSPORT

Project Name	Municipality	Budget	Duration	
Community safety audit towards local crime prevention	2 Police station per District Municipality	R450 000	April 2010-Dec -2010	
5 Road show on CSF Approach	1 Per District	R200 000	August 2010- Dec 2010	

Roads Advertised Projects

Project Name Municipality

Rouxville - Zastron	Mohokare			
Zastron - Wepener	Naledi			

DEPARTMENT OF EDUCATION

Unacceptable structures

Name of school Town Municipality Budget Duration

Phillipolis	Phillipolis	Kopanong	R2,500,000	April 2010- March 2011
Mofulatshepe	Smithfield	Mohokare	R2,500,000	April 2010- March 2011

Adminmistration Block

Name of school Town Municipality Budget Duration

Tshwaraganang	Fauresmith	Kopanong	R3,000,000	April 2010 – March 2011
Luckhoff	Luckhoff	Letsemeng	R3,000,000	April 2010- March 2011

Additional Classroom

Name of school Town Municipality Budget Duration

Ikanyegeng	Jacobsdal	Letsemeng	R1,000,000	April 2010 – March 2011
Diamanthoogte	Koffiefontein	Letsemeng	R1,000,000	April 2010 – March 2011
Samuel Johnson	Zastron	Mohokare	R1,800,000	April 2010- March 2011

School Hall

Name of school	Town	Municipality	Budget	Duration
Luckhoff	Luckhoff	Letsemeng	R2,000,000	April 2010 – March 2011

HIV & AIDS Projects

Project Name	Town	Time frame	Budget	
Community Outreaches	Each District will have four big jamborees this year, location will be finalised at District meeting which are scheduled for February 2010	One (1) day to Home Affairs services that are highly required by the majority. The jamborees takes 2 days in some communities	R953 220,00	
HIV & AIDS campaigns (candle light memorials, youth rallies, and AIDS week	Each District will have four big jamborees this year, location will be finalised at District meeting which are scheduled for February 2010	1 day in each District and 1 day Provincially	R378 300.00	

DEPARTMENT OF HOUSING, PLANNING, DEVELOPMENT AND MONITORING

Intergrated Residential Development

Project Name Municipality Budget Duration

Zastron-200	Mohokare	R12,804,220	April 2010- March 2011	
Rouxville- 100	Mohokare	R6,402,110	April 2010 – March 2011	
Smithfield -200	Mohokare	R12,804,220	April 2010- March 2011	
Trompsburg - 200	Kopanong	R12,804,220	April 2010- March 2011	
Edenburg -100	Kopanong	R6,402,110	April 2010- March 2011	
Bethulie -300	Kopanong	R19,206,330	April 2010- March 2011	
Phillipolis-200	Kopanong	R12,804,220	April 2010- March 2011	
Koffiefontein - 300	Letsemeng	R19,206,330	April 2010 – March 2011	
Petrusburg -100	Letsemeng	R6,402,110	April 2010 – March 2011	

Assisting 20 Local Municipalities to review, amend and/ or develop Housing Chapters of their	All 20 municipalities	R20 million	July 2010 – June 2011	
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Minicipal IDP.				
Community Residential Units	Kopanong & Mohokare	R97,5 million	April 2010 – March 2011	
Capacity Building (Including Consumer Education)	All 20 municipalities	R600 000	April 2010 – March 2011	

DEPARTMENT OF AGRICULTURE

Non assets related projects

Project Name	Municipality	Discription	Budget	Duration
Aasvoelberg Jnr	Mohokare	Enviromental Education	R600 000	April 2010 – March 2011
Ilima Xhariep	All municipalities	Mixed farming		April 2010 – March 2011

New and Replacement Assets

Project Name	Municipality	Discription	Budget	Duration
Blydskap Chicken House	Letsemeng	Poultry	R600 000	April 2010 – March 2011
Commonage Development(Fauresmith)	Kopanong	Livestock	R10 000	April 2010 – March 2011
Douberend	Letsemeng	Livestock	R500 000	April 2010 – March 2011

Free Range Piggery	Mohokare	Piggery	R200 000	April 2010 – March 2011
New beginnings	Letsemeng	Vegetables	R200 000	April 2010 – March 2011
Nuwejaarskraal	Kopanong	Mixed farm	R600 000	April 2010 – March 2011
Susterstroom	Mohokare	Livestock	R1,200,000	April 2010 – March 2011

Project Name Municipality Discription Budget Duration

Bethany	Kopanong	Livestock	R180 000	April 2010 – March 2011
Edenburg Commonage	Kopanong	Livesstock	R30 000	April 2010 – March 2011
Phillipolis	Kopanong	Livestock	R180 000	April 2010 – March 2011
Smithfield	Kopanong	Livestock	R410 000	April 2010 – March 2011
Itereleng	Letsemeng	Irrigation	R1,200,000	April 2010 – March 2011
Klipdrift	Kopanong	Mixed farming	R650 000	April 2010 – March 2011
Lema- o- phele	Mohokare	Livestock	R200 000	April 2010 – March 2011
Lismore dairy	Mohokare	Dairy	R120 000	April 2010 –

				March 2011
Mahau trust	Letsemeng	Crops	R100 000	April 2010 – March 2011
Phindiso	Letsemeng	Mixed farming	R650 000	April 2010 – March 2011
Sunrise Xhariep	Mohokare	Poultry	R1,100,000	April 2010 – March 2011
Xhariep ostrich	Letsemeng	Livestock	R746 986	April 2010 – March 2011
Bethulie Commonage	Kopanong	Invader redication	R120 000	April 2010 - 2011
Zastron Commonage	Mohokare	Invader redication	R120 000	April 2010 – March 2011
Phillipolis Commonage	Kopanong	Invader redication	R120 000	April 2010 – March 2011
Smithfield Commonage	Mohokare	Invader redication	R120 000	April 2010 – March 2011
Reddersburg Commonage	Kopanong	Invader redication	R120 000	

**DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND
ENVIROMENTAL AFFAIRS**

Project Name Municipality Budget Duration

Establishing of a Poly culture Cooperative	Kopanong Bethulie	R1 million	Fully operational 2010/2011	
Establishing of BEE Hives cooperatives	Xhariep	R1 Million	Fully operation 2010/2011	
Purchasing of glasstudio for the current	Jagersfontein	R500 000	To be finalised 2010/2011	

employees				
Awareness campaigns on incentives schemes	All Districts	R100 000	2010-2011	
Capacity building programmes	All Districts	R300 000	2010-2011	
BEE Compliance workshop	Smithfield	R20 000	2010 -2011	
Export awareness campaign / workshop	Xhariep	R100 000	First quarter	
Company visits	Xhariep	R50 000	First quarter	
Tourism SMMEs trained in foreign languages	2 Tourism SMMEs per District Municipality	R60 000	2010 -2011	
Tourism product owners trained for participation in tourism Indaba exhibition	35 Product Owners from all Districts	R40 000	2010 -2011	
Tour Operation trained in packaging skills	2 Tour Operators per District	R30 000	2010 -2011	
Tourism mentorship relation facilitated	Xhariep	R560 000	2010 -2011	
Tourism	All District	R60 000	2010 -2011	

product owners trained in specific business management skills (tool)	Municipality			
Grading of 25 Establishment per 5 District Municipality	25 per District Municipality	R250 000	2010 -2011	
Tourism Ambassador programme	All District Municipalities	R100 000	2010 -2011	

DEPARTMENT OF MINERALS AND ENERGY

Electrification Backlog

Project Name Municipality Budget Challenges

No houses, and licence holder could not be confirmed	Kopanong	R963 000	No internal capacity	
R1, 2 Million 300 cons.(Adj) 192 cons) Prk still outstanding	Letsemeng	R0,0	No Municipal backlog	
	Mohokare	R2,9 million	Project delayed.(Service provider)	

Eskom Area of Supply

Project Name Municipality Budget Challenges

	Kopanong			
	Letsemeng	R1,6 million	Municipality to advice (Lephoi Ext – no survey	

			general plan)	
	Mohokare			

CHALLENGES FACED BY DoE/ ESKOM

- Slow pace of housing development and sometimes Un – proclaimed
- Settlements are a cause for deferring electrification projects, and therefore delaying UA
- Lack of planning for rural areas
- Some municipalities not submitting applications for funding despite existing backlogs
- Most municipalities not reflecting projects on the IDP
- Municipalities are at times in contravention of DORA and PFMA in respect of projects expenditure reporting.

DREDIBLE IDP EVALUATION FRAMEWORK

Evidential Criteria / KPIs	Y/N	Comments and Improvement Measure Provincial	Who will assist the Municipality?	By when?	Response
1. Spatial Development Analysis and Rationale					Completed 2009
1.1. Is there an SDF?		Still in process.			Yes(see document)
1.2. When was the SDF adopted?		Not yet			2008
1.3. When was the SDF reviewed? (Is there a reviewed SDF for 08/09?)		Still in process.			2008
1.4. Does the SDF align to the PGDS, especially the spatial rationale of the PGDS?		Not available			Yes see horizontal and vertical alignment
1.5. Does the SDF align to the principles of the NSDP?		Not available			The SDF is available
1.6. If no SDF, does the municipality exhibit a good understanding of its municipal area in the analysis? spatial Rationale?		Yes. Spatial overview is compiled.			
1.7. Regional economic comparative advantage Strategies for spatial reconstruction of region – land release, social and economic infrastructure, commercial developments (District Municipalities only)		Not clear			When consultation unfolded social, economic development identified matters
1.8. Are there strategies for integration of areas with economic potential with that of high household poverty?		no specific strategies			A rural development approach was identified

Evidential Criteria / KPIs	Y/N	Comments and Improvement Measure Provincial	Who will assist the Municipality?	By when?	Response
1.9. Are there strategies for Sustainable Development – taking the natural heritage and potential into account – evidence should be in local Environmental frameworks or EMP?		No			The Gariep project is identified for cultural village(communities will benefit)
1.10. Can the SDF or spatial analysis be used to develop LUMS?		N/A			N/A
1.11. Are there strategies for cultural and social integration?		No			Within the IDP it is identified
1.12. Does the SDF/Spatial Rationale' provide a basis for a Land Use Management System/Scheme?		N/A			N/A
1.13. Is there a LUMS?		N/A			N/A
1.14. Is there a plan to develop a LUMS by 2009?		For local municipalities only			
1.15. Is there a detailed analysis of the natural environment and its elements including priorities and risk aspects?		Yes			
1.16. Are there any environmental projects to address the environmental issues identified during the analysis?		No			Yes within the Environmental plan
1.17. Are there any Environment Sector Plans, tools and strategies to manage the environment (e.g. EMP, EMF, SEA etc)?		Need more detail.			Yes the plan deals with energy,climate change ect

Evidential Criteria / KPIs	Y/N	Comments and Improvement Measure Provincial	Who will assist the Municipality?	By when?	Response
1. Service Delivery and Infrastructure Planning		<p>Index and page numbers slightly misaligned. Reference is made to maps (p66) which is not attached.</p> <p>Needs and challenges are mentioned (P76) – illegal connections, water loss, bulk supply, capacity to manage capital projects, lack of maintenance, ageing infrastructure, rural no water, - However no budget shown in IDP.</p> <p>NEEDS are mentioned (p40) for the DM as well as the LM's, Needs are not expressed i.t.o. population statistics - is required urgently; thus impossible to determine per Capita ratios. (IDP Rating = 0.5)</p>	WSA manager: WSDP is extremely urgent to be accepted by the Council + DBSA + IDC + DEAT to assist	May 2008	<p>All maps are attached in the IDP Index aligned</p> <p>The District does not have funds to implement projects</p> <p>Lack of funds</p>
Sanitation 2.1. Is there a budget and plan to ensure that all households have access to basic sanitation by 2010?		The Backlog eradication strategy is not clearly defined – a infrastructure/services backlog is present in the majority of municipalities AND NO PROJECTS ARE DEFINED. Large numbers of pit latrines in rural areas, and bucket latrines are still operational, and there are people who have no sanitation facilities.	A Backlog strategy has been developed by the DWAF – the Municipality must include this as part of the IDP immediately	30 th May 2008	Targets are set by Local Municipalities for bucket eradication programme.
2.2. Does the above plan contain bulk infrastructure development?		The current Bulk programmes and Projects must be confirmed against Dora 2008 for inclusion into the IDP Budget.	Compare Dora 2008 and the Xhariep DM IDP	30 th May 2008	
2.3. Does the infrastructure plan consider waste water treatment?		The WSDP is approved by the Council): Infrastructure mentioned on p49 and p155 to 161: Waste Water Treatment is not provided for in the IDP	Extract Infrastructure from WSDP into IDP	30 th May 2008	Waste water is addressed in the environmental plan.
Water 2.4. Is there a budget and plan to ensure that all households have access to basic water by December 2009?		The Backlog eradication strategy is not clearly defined a infrastructure backlog is present in the majority of municipalities and although projects have been defined it appears as if a large number of projects are unfunded.	A Backlog strategy has been developed by the DWAF – the Municipality must include this as part of the IDP immediately	30 th May 2008	Lack of funds is the biggest challenge in the District and Locals.
2.5. Does the Municipality have clear water quality monitoring programme (If WSA)?		Water Quality Monitoring and Evaluation strategy, planning and budget and services monitoring is not provided for. Staffing positions are not indicated.	The DWAF: Priscilla Mohapi 082 805 8590;	30 th May 2008	Local Municipalities
2.6. Is there resource capacity, both human and financial?		No Provision, budget, strategy and plan for municipal staffing positions to do WQ M&E	Xhariep DM, DPLG, Treasury, DBSA	30 th May 2008	No lack of skills, funds and capacity

Evidential Criteria / KPIs	Y/N	Comments and Improvement Measure Provincial	Who will assist the Municipality?	By when?	Response
2.7. Is the WSDP approved?		No	Xhariep DM IDP manager, WSA Manager, DWAF Regional Office: The DWAF: Priscilla Mohapi 082 805 8590; Dr Robert Moffet 082 781 2644	30 th May 2008	Framework completed
Housing Service Delivery 2.8. Has the Municipality done its housing needs assessment and priorities?	N	The housing assessment has been done; however, the IDP acknowledges lack of 'dedicated Housing Sector Plan' (IDP 2008:44). The data used is based on past IDP's. It is recommended that the data be updated with recent statistical data from sources such as Community Survey 2007.			New data used ,but no plan formulated
2.9. Are there linkages between housing and urban renewal?	Y	The district has acknowledged the fact that for urban centres to thrive an urban renewal strategy and regulatory framework needs to be in place so as to manage the dynamic urban centres. The urban centres should be the places where people live, work and play.			
2.10. Is there integration of housing, planning and transportation framework?	N	This is a challenge for the district municipality which is a result of lack of integrated approach by all sector departments towards development planning.			Transport framework done
2.11. Are there linkages between housing and bulk services, social amenities and economic opportunities?	N	This is still a huge challenge for the district to get all the relevant sector departments on board for the creation of sustainable human settlements as a result DLGH is coordinating the process.			The alignment with departments not done(problem)
Energy and Electricity 2.12. Is there a budget and plan to ensure that all households have access to electricity by 2012?					
2.13. Are alternative and renewable energy options considered?					
2.14. If applicable, plans to manage status as a RED?					
2.15. Is there resource capacity, both human and financial?					
Roads and Transport 2.16. Is there a budget and plan for integrated roads and transport system (included non-mechanized, etc.)?	N	There is no budget and plan. Develop budget and a plan and cost the plan	District Municipality		Plan identifies needs but no funds nor capacity

Evidential Criteria / KPIs	Y/N	Comments and Improvement Measure Provincial	Who will assist the Municipality?	By when?	Response
2.17. Is there a budget and plan for new roads and O&M of old roads?	N	No projects planned(Includes projects planned in local municipalities	DPWRT District Municipality		No plans
2.18. Is there a resource capacity: both human and financial?	N	Reflect resources in the plan	District Municipality		None
2.19. Does this relate to ITP?	Y	ITP is not comprehensive	District Municipality		
Storm Water Drainage 2.20. Is there a budget and plan to manage and maintain storm water drainage?					
2.21. Is there resource capacity, both human and financial?					No
Waste management 2.22. Is there an Integrated Waste Management Plan?					
2.23. Is environmental Impact Assessment of waste management options included in Waste Management Strategy/Plan?					
2.24. Is there an evaluation and implementation of environmentally friendly practices for re-cycling, landfill sites and economic opportunities?					The present environmental plan deals with recycling, projects ect
General Infrastructure Planning 2.25. Is there integrated infrastructure investment plan?					
2.26. Does investment planning utilizes the MIG grant over the next MTEF?					
2.27. Is there indication of own revenue usage for infrastructure?					
2.28. Are other vehicles being used to aid investment in infrastructure?					
2.29. Other revenue sources.					

Evidential Criteria / KPIs	Y/N	Comments and Improvement Measure Provincial	Who will assist the Municipality?	By when?	Response
2.30. Is there evidence of holistic infrastructure development?					
2.31. Identification of challenging areas needing special attention (e.g. Former cross –boundary Municipalities)					
2.32. Is there evidence of well researched backlog data on households and residents without access to services both in urban and rural areas?					
2.33. Is there evidence of statistical information and usage of the demographic data?					
2.34. Does the infrastructure plan incorporates operations, maintenance and capital budgets for service delivery and O&M for all services?					
2.35. Is there a minimum of 3 year plan and budget to support the plan?					
2.36. Is EPWP identified as a means to provide job opportunities and training, along with identification of sectors / areas where the EPWP can be implemented?	N	Major Infrastructure projects should be identified, PLANNED and budgeted for. On minor projects labour intensive activities should identified and implemented the EPWP way, which pays emphasis on SMME Development	DPWR&T	As soon as the services are required, and budgets are approved.	SMME development identified. EPWP second phase to be looked at.
FBS 2.37. Is there an evidence of indigent policy?					N/A
2.38. Is there a budget to manage the indigent policy?					N/A
2.39. Is there a budget to manage implementation of FBS?					NO
2. Local Economic Development					

Evidential Criteria / KPIs	Y/N	Comments and Improvement Measure Provincial	Who will assist the Municipality?	By when?	Response
3.1. Is there some evidence of how intergovernmental dialogue informs spatial and regional economic investment choices?	Y				
3.2. Is there a LED strategy for DM?	Y	Needs to be revised as it is old and out of date. This can be done in conjunction with Project Khulisum'notho	District and dti	2009	
3.3. Is the LED strategy informed by the Distric Development strategy ?	Na				
3.4. Is the LED strategy adopted for DM? Status of DGDS.	Y	Only a GDS summit report and the full strategy needs to be developed			
3.5. Is there LED Plan for LM?	Na				
3.6. Is the LED plan adopted for LM?	Na				
3.7. Is the strategy/plan aligned with the national, provincial and district objectives, particularly in respect of infrastructure and skills development?	Some	The linkages can be improved particularly for the LED by considering the LED objectives in the FSPGS			Yes the regional approach and FSGS
3.8. Has there been adequate consideration of spatial issues relevant to the economic development?	N	LED initiatives should be linked to spatial development. It would be useful to have maps in the IDP on the spatial economy The information on page 66 forms a good start			MAPS are now included
3.9. Is there empirical and statistical evidence to support the main development thrust of the strategy/plan?	N	There is economic data in the IDP, however it is out of data (1996 figures) and it is not linked to the LED objectives We recommend that the FSGDS, Stats SA and NSDP data be used to analyse the district economy			Updated stas are now used (community survey)
3.10. Have the financial implications been considered, at least as far as an indicative budget?	N	There is no list of projects or strategies so there is no budget (pp 80). This big gap in the IDP that should be a priority to complete.			The finances matter taken up to Province
3.11. Has a review taken place of institutional factors that need to be in place to deliver the strategy/plan?	Y	Identified that a development agency should be established			
3.12. Is there evidence of adequate stakeholder and community involvement?					Review process yes

Evidential Criteria / KPIs	Y/N	Comments and Improvement Measure Provincial	Who will assist the Municipality?	By when?	Response
3.13. Are the clearly identified objectives and can the attainment of these be measured?	N	There is the outcomes of the development summit in the IDP (pp 31) and these can be developed into objectives and strategies. This is an important aspect that is missing			Yes the strategic plan identifies it clearly(pms)
3.14. Is there an indicative timeframe for the strategy/plan?	N	As there are no objectives			Objectives outlined
3.15. Are management arrangements in place, such as coordinating committee, a structure for reporting and an indicative format for work programmes?	N	This is linked to Project Khulisum'notho of the dti			
3.16. Have issues of improved governance relating to investment and job creation been considered?	N	It is mentioned as an out come of the summit, but it should be developed into objectives and strategies			This is done see annexure
3.17. Is the area competitive and comparative advantage understood?	N	The data and information is in the report and this can be extracted. It will add value to the understanding of the spatial economy			Strategic matters identified
3.18. Are plans to provide support to small enterprises adequate?	N	The outcomes of the development summit should be developed as there is mention of SMMEs there			This was identified for funding
3.19. Is there a strategy to stimulate the second economy in a plan/strategy?	N	The outcomes of the development summit should be developed as there is mention there			Identified in the plan
4. Good Governance		67%			
4.1. Is there an IDP Process Plan – Adopted by DMs and LMs?	Y	The municipality has a process plan which is included in the IDP. The process does not indicate the start and end of activities as scheduled. It is recommended that the process be amended to reflect starting and ending dates. 3			
4.2. Is there a community participation strategy and plan?	Y	The Process Plan reflects activities around community participation. 5			The framework Projected the plan

Evidential Criteria / KPIs	Y/N	Comments and Improvement Measure Provincial	Who will assist the Municipality?	By when?	Response
4.3. Does the strategy/ plan adequately cover issues of communication with community and other stakeholders?	N	There is no clear indication of a communication strategy / plan in the document. It is recommended that the municipality should develop a communication strategy / plan and capture the information in the IDP. 1			The establishment of the Radio Station Identified
4.4. Does the Municipality show a commitment to community participation in the IDP/ Budget design and Development?	Y	The Process Plan reflects activities around community participation. There is no reflection of community participation on the Budget design process plan. It is recommended that the municipality should consult with the communities through local municipalities in its jurisdiction on the budget design. 3			
4.5. Is there adequate stakeholder and community involvement?	Y	The Process Plan reflects activities around community participation. 5			Consultation YES 2009
4.6. Is there contribution of Ward committees to development priorities in the IDP?	N	There is no direct contribution of ward committees on the IDP of the district, it is recommended that the municipality should design the plan to engage with ward committees in the district in development of priorities. 1			At a local Municipal Level
4.7. Does the Municipality have strategies to involve traditional leaders and their communities in the IDP process if applicable? (DM's only)	N	NOT APPLICABLE			N/A
4.8. Is there an audit committee?	Y	The municipality has established the audit committee. 5			
4.9. Is there indication of a plan to inform communities of the priorities for current year and what's the plan for the coming years, regarding their inputs?	Y	The process plan indicates activities for consultation with communities on the draft priorities and MTEF priorities. 5			
Special Groups 4.10. Is there evidence showing that there is mainstreaming of HIV/AIDS?	Y	There is a strategy in the IDP document on mainstreaming the HIV/AIDS issues. The municipality should develop an annual implementation plan. 4			

Evidential Criteria / KPIs	Y/N	Comments and Improvement Measure Provincial	Who will assist the Municipality?	By when?	Response
4.11 Is there special focus to promote people with disabilities, women and youth?	Y	There is limited information on special programmes to promote people with disabilities, women and youth. It is recommended that the municipality should develop special programmes for the marginalized groups. 2			
4.12. Is gender equity promoted for access to economic opportunity?	N	The document does not have a clear strategy on economic opportunity that focuses on gender equity. It is recommended that this strategy should be developed and included in the IDP. 1			It is presently Addressed in the LED
4.13. Do IDP details support initiatives to other special groups (disabled, youth)?	Y	There is limited information on detailed support to promote people with disabilities, women and youth. It is recommended that the municipality should develop special programmes for the marginalized groups. 2			The LED outlines an approach
5. Financial Viability	1	There is no financial viability and management KPA in the IDP. Xhariep DM needs urgent intervention.			(framework developed)draft KPA recommended)
5.1. Is there a financial strategy?	N				Presently addressed
5.2. Is there a clear budget for 08/09 FY and does the Budget cover a minimum Three Year period?	N				Presently addressed
5.3. Is there a clear indication of National and Provincial allocations and resources?	N				Grant s identified
5.4. Is there a clear indication of own funds?	N				
5.5. Is there an evidence of billing system?	N				
5.6. Is there an evidence of debt Control / debt collection?	N				
5.7. Are all the Key Focal Areas, including spatial development budgeted for?	N				

Evidential Criteria / KPIs	Y/N	Comments and Improvement Measure Provincial	Who will assist the Municipality?	By when?	Response
5.8. Is there an indication of a budget for community participation and empowerment?	N	The municipality must provide budget for community participation and empowerment.			
5.9. Does the District Municipality budget cover support to Local Municipalities?	N	The municipality must reflect allocations from DM			
5.10. Are there indications of corrective steps for Qualified reports or reports with matters of emphasis?	N	There is no Audit Report opinion and no indication of how the LM intends to deal with AG comments. The LM must comply with legal requirements regarding submission of financial statements and audit reports.			
6. Institutional Arrangements		Rating:2			
6.1. Is there a HR Strategy that responds to the long-term development plans of the municipality as reflected in the IDP?	N	The municipality should develop a strategy for submission with the final IDP. The Strategy should respond to the priorities that are currently reflected in the submitted draft IDP.	DLG	June 2008	The IDP deals with the Transformation programme and a strategic Plan for Xhariep District
6.2. Is there an approved organisational structure / organogram to support the IDP	Y	The proposed structure should be finalised to reflect support for the IDP	DLG	June 2008	The Organogram is included in the IDP
6.3. Does the workplace skills plan address scarce skills?	N	The municipality has alluded that they are experiencing shortage of skills in critical positions. Involvement of DLG and LG Seta is critical to address the situation	LG Seta	June 2008	
6.4. Is there evidence that the municipality has an employment equity plan?	N	The municipality should develop an employment equity plan for submission together with the final IDP.	LG Seta/DLG	June 2008	
6.5. Does the workplace skill plan respond to the capacity challenges of the municipality?	N	The plan should be developed for submission. The municipality should link retention and employment equity variable as part of their improvement measures.	LG Seta	June 2008	
6.6. Does the municipality show evidence that it has recruitment and retention strategy for scarce skills?	N	The strategy should be developed for submission with the final IDP. Internal staff members with potential should be identified for further training in the areas that require needed skills.	DLG	June 2008	No
6.7. Does the municipality focus on scarce skills through training?	N	Internal staff members with potential should be identified for further training in the areas that require needed skills. Incentive schemes should be developed for performing staff members. This must then be linked to 6.10-12 below.	DLG	June 2008	Lack of funds

Evidential Criteria / KPIs	Y/N	Comments and Improvement Measure Provincial	Who will assist the Municipality?	By when?	Response
6.8. Is there an evidence of a strategy for recruitment and retention of staff?	N	The strategy should be developed for all staff members of the municipality. The developed recruitment strategy should prioritise scarce skills.	LG Seta/DLG	June 2008	none
6.9. Is there an evidence of a succession plan especially for key positions?	N	The developed strategy should avail internal staff members with potential for further specific leadership training.	DLG	June 2008	none
6.10. Is there an Organisational Performance Management Systems (OPMS)?	N	The municipality should factor in organisation performance targets for a financial year. The above targets should be linked to the SDBIP as well as performance agreements of senior municipal staff for the financial year.	DLG	June 2008	Suggested framework outlined
6.11. Is the OPMS aligned with IDP – Annual Plan Indicators?	N	The organisational performance targets to be factored in the final IDP must also respond in detail on the deliverables as reflected in the IDP. The OPMS should then provide a basis for the annual performance report of the municipality for the 2009/10 submission.	DLG	June 2008	Suggested framework in the IDP (Templates)
6.12. Is there evidence of PMS?	Y				Recommended
6.13. Is there usage of IGR structures to facilitate intergovernmental dialogue with relevant national and provincial sector department?					At the strategic Workshop the IGR was highlighted as Important
6.14. Does the IDP cater for timeous submission of financial statements to Office of the Auditor-General?					In the F/Plan
6.15. Is there evidence that comments from AG reports are being seriously addressed?					This is incorporated in the F/Plan
6.16. Is there an internal audit committee?					yes
Sector Plans and Appendages					

Evidential Criteria / KPIs	Y/N	Comments and Improvement Measure Provincial	Who will assist the Municipality?	By when?	Response
7.1. Spatial Development Framework					done
7.2. Land Use Management Framework/System					none
7.3. Coastal Zone Management Plan (If applicable)					N/A
7.4. Waste management Plan					framework
7.5. Environmental Management Plan					framework
7.6. 1 Waters Service Development Plan (All WSAs) 7.6.2. Water Resources Plan 7.6.3. Forestry Plan		Xhariep DM Council has to approved the WSDP's (referred to briefly on p110) of all LM's (who are WSA's) – but no action plan or budget to correct; No Water Resources plan. No objective set to develop a Greening plan for the district	Xhariep DM IDP manager, WSA Manager, DWAF Regional Office.	30 th May 2008	Environment Plan Water plan included

Evidential Criteria / KPIs	Y/N	Comments and Improvement Measure Provincial	Who will assist the Municipality?	By when?	Response
7.6.3.4 Veld fire management Veldfire management plan Fire protection association members (Funding) Contingency plan for Disaster (Veldfires) Awareness raising	N	<p>In terms of the National Forest and Veld Fire Act (NVFFA) the Municipality should become members of Local FPA.</p> <p>Establishment of fire fighting services</p> <p>The transfer of fire fighting services to the district municipality Fire Brigade has insufficient Resources to Combat Veld Fire</p> <p>Procurement of fire fighting equipment (equipment for the fighting of Veld Fires is essential)</p> <p>No Mention made in Disaster Management plan of Contingency Funding for Veld Fires (Should be in DIS Man Plan)</p> <p>No Disaster Management Plan</p> <p>Working on Fire Crew to be placed at ZASTRON June 2008</p> <p>WoF is part of DPLG EPWP Programme.</p> <p>We should also try and place a WoF crew at Trompsburg. (Contact M N Procter)</p> <p>Veld Fires Not included in Integrated Environmental Plans</p> <p>No Budget For Veld Fires or Disaster Management.</p> <p>No mention made of Record keeping of veld fires in the area</p> <p>There is no disaster management center in the Municipality. Recruitment and training of Veld Fire Fighting personnel is insufficient.</p> <p>The District is well covered with FPA's</p> <p>The Only areas where no FPA's exist are at Jacobsdal, Koffiefontein Petrusburg.</p> <p>Farmers were not well represented at the Workshops hence Veld Fires was not regarded as Important.</p> <p>No mention made for the construction of Fire Breaks around Municipal properties NVFFA</p> <p>No Budget made for the construction of Fire Breaks NVFFA.,</p> <p>No Mention made of By Laws on Veld Fires</p>	M N Procter Control Forester 082 808 2735 Or 051 405 9000 x 2327 procterm@dwaf.gov.za Awareness Working on Fire Crews / WoF Provincial Manager Free State = Roelof Geysers 084 5491316	As requested	Fire fighting Has been identified as a key risk in the area. Project identified Funding have been requested
7.7. Integrated Transport Plan					complete
7.8. Housing Plan					Not done
7.9. Energy Master Plan (Electricity Master Plan)					Not included

Evidential Criteria / KPIs	Y/N	Comments and Improvement Measure Provincial	Who will assist the Municipality?	By when?	Response
7.10. Local Economic Development Strategy/Plan					Included in plan
7.11. Infrastructure Investment Plan (EPWP compliant)					EPWP second phase Identified
7.12. Area Based Plans (Land Reform)					Part of the spatial plan
7.13. Workplace Skills Plan					
7.14. List of Sector Needs – Table					Table completed

CONCLUSION

The Xhariep District as pointed out previously had many challenges and is now placing itself into a position of change.

The District have new leadership within the institution and the leadership is now beginning to give guidance in steering the institution in the correct direction.

The Strategic objectives of the District have been clearly pointed out in the following ways:

- IDP formulation
- Transformational Plan
- Creating a successful District
- Turning the IDP into an operational Plan

All sector plans were done in consultation with various stakeholders the inputs made was valuable based on the needs of stakeholders.

The interaction with the Province gave greater insights into the weaknesses of the draft IDP.

We still faced with the challenges of the local Municipalities not fully engaging with the District in terms of the compilation of the IDP.

It was stipulated that the District mayor takes the lead to establish the IGR forum and ensure long term interaction through the forum.

All Local Municipalities and the District have identified projects that will make an impact in the lives of people within the District.

Finances was identified as one of the biggest problems that the District faces and cannot achieve its objectives due to this challenge.

It was however recommended that the District seek funding from the Province and to create partnerships in a strategic sense in order to meet its objectives.

All the programmes and projects identified must be seriously looked at in terms of compliance and to ensure that the community of Xhariep develops economically and socially in order to create a better life for all the people of Xhariep District.

