



INTEGRATED DEVELOPMENT PLAN (FINAL)

**XHARIEP DISTRICT
MUNICIPALITY**

20 LOUW STREET, TROMPSBURG 9913

2020/21

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Acronyms

IDP:	Integrated Development Plan
SDF:	Spatial Development Plan
RDP:	Reconstruction and Development Plan
EIA:	Environmental Impact Assessment
ICT:	Information Communication Technology
LM:	Local Municipality
XDM:	Xhariep District Municipality
MIG:	Municipal Infrastructure Grant
ECD:	Early Childhood Development
SMME:	Small Medium Micro Enterprise
HIV:	Human Immunodeficiency Virus
AIDS:	Acquired Immune Deficiency Syndrome
MFMA:	Municipal Finance Management Act
WSA:	Water Service Delivery
M&P:	Monitoring and Plan
FBW:	Free Basic Water
FBS:	Free Basic Services
FBE:	Free Basic Electricity
OVC:	Orphans and Vulnerable Children
FLSIP:	Finance Linked Subsidy Programme
DCP:	Disciplinary Code Procedure
OHS:	Occupational Health and Safety
NSDP:	National Spatial Development Perspective
RIDS:	Regional Industrial Development Strategy
NEGP:	National Economic Growth Path
NYDA:	National Youth Development Agency
SANRAL:	South African National Road Agency Limited
TVET:	Technical Vocational Education and Training



GET: General Education and Training

MMC: Medical Male Circumcision

MMC: Member of Mayoral Committee

DAC: District Aids Council

SALGA: South African Local Government Association

SALGBC: South African Local Government Bargaining Council

SDBIP: Service Delivery and Budget Implementation Plan

COE: Code of Ethics

WSA: Water Service Authority

GIMS: Geographical Information Management Systems

PGDS: Provincial Growth and Development Strategy

CRO: Chief Risk Officer

CRDP: Comprehensive Rural Development Programme

VOIP: Voiceover Internet Protocol

SETA: Skills Education and Training Authority

NDP: National Development Plan

Definition of Terms

1	Key Performance Area (KPA)	It is the performance area in which the municipality must perform to achieve its mission and vision.
2	Strategic Objective	It translates the Key Performance Area (KPA) into an outcome statement.
3	Key Focus Area (KFA)	It is those areas in which the municipality must perform to ensure that the Key Performance Areas are achieved.
4	Predetermined Objective (PDO)	It translates the Key Focus Area (KFA) into a Predetermined outcome in the form of an outcome statement.
5	Key Performance Indicator (KPI)	It defines how performance will be measured along a scale or dimension (e.g. number of houses, km of road, percentage increase, etc.) to achieve the KPAs, KFAs and PDOs.
6	Inputs	The resources that contribute to the production delivery of outputs
7	Outputs	The final products, or goods and services produced for Delivery
8	Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes
9	Outcomes	medium-term results for specific beneficiaries that are the consequence of achieving specific outputs



10	Impact	The developmental results of achieving specific outcome
11	Project	It is an initiative that is executed over a specific period of time with a defined beginning and end with the intension of achieving the Key Focus Areas (KFAs). (It can be capital intensive or any other project)
12	Programme	A sequence of scheduled activities and / or Projects executed with the intension of achieving the Key Focus Areas (KFAs).
13	Activity	It is an action or task that is performed with the intension of achieving the Key Focus Areas (KFAs).
14	Baseline	It is the actual results of a project, programme or activity achieved during the previous financial year(s).
15	Target	It completes the performance indicator with actual numbers, percentages, rand values, etc. To be achieved over a specific period of time.
16	Driver	It is the person who takes ownership to execute project, programme or activity
17	Portfolio of Evidence (PoE)	It is file with a clear "paper trail" that serves as proof of the execution of a specific project, programme or activity. (It can include documents, pictures or any other form of evidence.)
18	National Key Performance Area (NKPA)	This is a key area of focus determined at national level and is mandatory to all municipalities in South Africa.
19	National Key Performance Indicator (NKPI)	This is a key indicator determined at national level and is mandatory for all municipalities in South Africa to regularly report on.
20	National Outcomes	This refers to the 12 Outcomes determined by National Government of which Outcome 9 is focusing specifically on Local Government



FOREWORD BY THE EXECUTIVE MAYOR: CLLR M.J. SEHANKA

The application of sound financial management principles for the compilation of the Municipality financial plan is essential and critical to ensure that the Municipality remains financially viable and that, we deliver district services as per district powers and functions, and services are provided sustainably, economically and equitably to all our communities.

The Municipality's operations and service delivery priorities were reviewed as part of this year's planning and budget process. A critical review was also undertaken of expenditures on non-core and 'nice to have' items and a shift to embark on service delivery project hence the Planning and development department's budget was beefed up.

Key areas where savings were realized were on salaries from abolished posts from different Departments including amongst others, curbing catering. Also referring to the Cost containment measures as per MFMA circular 82.

The Municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of revenue, including untapped revenues such as environmental health incomes, utilising the parking bays to maximum and tender documentation. National Treasury's MFMA Circular No.93 and 94 were used to guide the compilation of the 2018/19 MTREF.

The mSCOA version 6.3 was also introduced with the circulars and thus the budget tables was compiled and reported in terms of the said circulars except for the system generated reports.

The main challenges experienced during the compilation of the 2019/20 MTREF can be summarised as follows:

• The on-going difficulties in the national and local economy;

The mSCOA implementation mainly the working relationship with Service Provider

- The need to reprioritise projects and expenditure within the existing resource envelope given the cash flow realities and maintaining a positive cash position of the municipality;
- Wage increases for municipal staff that continue to exceed consumer inflation as well as the need to fill critical vacancy (CFO) and eliminated other not so critical positions to reduce so called bloated structure.
- Affordability of capital projects – original allocations had to be reduced and the operational expenditure associated with prior year's capital investments needed to be factored into the budget as part of the 2018/19 MTREF process

The following budget principles and guidelines directly informed the compilation of the 2019/20 MTREF:



- The 2018/19 Adjustments Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget were adopted as the upper limits for the new baselines for the 2018/19 annual budget;
- Intermediate service level standards were used to inform the measurable objectives.

• *In view of the aforementioned, the following projects were prioritised:*

EPWP has been increased to **one million one hundred and thirty six thousand rand** (R1, 136,001).

The RRAMS Grant has been increased to **two million two hundred and seventy thousand** (R2,270,000).

These are the grants our municipality received for the 2019/20 financial year.

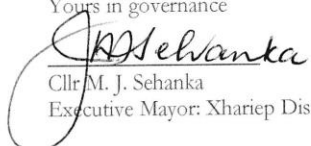
- **LED** projects have been allocated **three hundred thousand rand** (R300,000) to address the service delivery expectations; as it focuses more on service delivery .
- **Public participation** is allocated **one hundred thousand rand** (R100, 000), for broader public participation programmes.
- **Youth development programmes** are allocated **forty thousand** (R40,000) and **O.R. Tambo games** budget is **seventy thousand** (R70,000) in line with the previous requests which sums up to the amount of **one hundred and ten thousand** (R110 000).
- **Mandela day** has been allocated a budget of **twenty thousand** (R20,000) to allow the District to reach more on the day of our hero.

Social responsibility and special programmes have been allocated **one hundred thousand rand** (R100,000).

Together as the District Municipality with government departments and communities of the Xhariep district we can and will do more.

Let us all strengthen the delivery of services and promotion of good governance at all corners of the district.

Yours in governance


Cllr M. J. Sehanka
Executive Mayor: Xhariep District Municipality



MUNICIPAL MANAGER'S FOREWORD 2020/2021

A new dawn has just started after the 2019 general elections, and this promises to be an interesting term with a strong focus on Economic Development, which is very close to the Mayor's heart. Our duty as administration will be to support that vision, and we are committed to do that.

The term under review was a relatively successful term from a Governance point of view. It is a matter of common course now that the municipality has improved on its audit outcomes and wish to improve during this financial year. This has been possible because Councillors, under the leadership of the Executive Mayor, have been able to play their oversight role, which has been characterised by some very frank discussions, and Councillors have been able to raise issues without any fear or favour.

Administration has taken matters raised with humility, which has made a difference! It is also equally important to highlight that the structures of governance are intact and very functional. Besides Council and Mayoral Committee, we have a very functional Audit Committee, Performance Audit Committee, Municipal Public Account Committee (MPAC) and Section 79 and 80 Committees.

The South African Constitution is underpinned by principles of good governance, also highlighting the importance of public participation as an essential element of successful good local governance. Section 152 of the Constitution of the Republic of South Africa, 1996 confirms a number of citizen rights and more specifically, the rights of communities to be involved in local governance.

The principle behind public participation is that all the stakeholders affected by the Council decisions or actions have a right to be consulted and contribute to such decisions. To strengthen and streamline the municipality and its operations to enable the institution to expand service delivery to the residents, the following interventions and actions will be prioritized in the year ahead:

- *Addressing irregular, fruitless and wasteful expenditure and improving the audit opinion by the Audit-General and introducing corrective measures towards obtaining a clean audit.*
- *Promoting financial discipline and management.*
- *Vigorously instilling a culture of performance within the institution.*
- *Making the vision and mission of the municipality our motto to provide a strategic thrust for the Municipality's long term development planning.*
- *Stabilizing the administration by filling key strategic vacancies.*
- *Sourcing available national and international funding to augment key service delivery projects.*

There is lot that has happened since the inception of local government system in South Africa, many laws, policies and programmes are developed to assist local government in achieving its developmental responsibility of bringing services to people for the people by the people. The Integrated Development Planning process promulgated through the Local Government Systems Act of 2000 is one such system that brings together the community, government and business to discuss and agree



on a developmental trajectory. The agreed developmental path should resonate on available resources.

There are few issues I would like to address during the remaining term of Council and we will use the revision of the IDP as a strategic enabler to achieve this short-term goals. The municipality has no jurisdiction over the education system, it is however encouraging to learn that the matric pass rate has increased in 2019 as compared to the previous years. This is a futuristic social and economic indictment if this trend persist unabated. The municipal resources are already stretched to capacity and these learners will be economically inactive citizens demanding free basic services and housing from the municipality. All stakeholders must work together and arrest this situation and improve social and education outcomes.

The municipality is largely depended on grants and other powers and functions which include LED and Tourism sector for growth and the development of the district economy. Further exploitation of this sectors, training of youth unemployed and investment in tourism infrastructure are stimuli that municipality can follow in order to create job opportunities with a focus on creating training and work placement within this dynamic and important sectors. It is crucial that the municipality support and expand income generation for the unemployed through the Expanded Public Works Programme (EPWP) and Community Works Programme (CWP).

Partnerships with the private sector, NGO's, State Owned Enterprises and donor agencies should be explored in order to create an enabling business environment that attracts investment, economic growth and job creation.

I would like to take this opportunity to thank officials both local and provincial who worked tirelessly to compile this document. I also wish to thank Council for entrusting this huge responsibility upon us and we hope to deliver on our developmental mandate. Let's "be the best together"

I thank you!

LY MOLETSANE (MS)

MUNICIPAL MANAGER



2020/21 IDP REVISION NOTES

The first review of the 2017-2022 fourth-generation Integrated Development Plan (IDP) will contribute to the adjustment of the Municipality's 5-Year Plan and informs the municipal Medium-Term Revenue and Expenditure Framework (MTREF) and Service Delivery and Budget Implementation Plan (SDBIP) for the 2019/20 financial year. It is therefore imperative for this review to be read in conjunction with the plan adopted by the municipal Council on 31 May 2019, as the review does not constitute a new IDP.

The 2020/21 IDP Review builds on the planning and development priorities agreed upon in the fourth generation IDP, approved municipal sector plans and will define the Municipality's MTREF and SDBIP throughout its implementation timeframe. It is therefore imperative that this document be read in conjunction with approved sector plans as listed under chapter 6, in particular the Spatial Development Framework. For an electronic copy of this document please visit the municipal website at www.xhariep.gov.za.

ACKNOWLEDGEMENTS

The following government and non-governmental institutions are acknowledged for their contribution that assisted the Municipality in its planning and strategic decision-making processes.

STATISTICS SOUTH AFRICA (STATSSA)

- Publication of the 2011 Statistics Data
- Publication of 2016 Community Survey Data

FREE STATE PROVINCIAL TREASURY

- Participation during the IDP Engagement Sessions
- Assistance during the budget preparations

FREE STATE DEPARTMENT OF COOPERATIVE GOVERNMENT & TRADITIONAL AFFAIRS

- Coordination of Provincial Joint Planning Initiative
- Coordination of Provincial IDP Managers Forum
- Coordination of Capacity Building Sessions

ALL SECTOR DEPARTMENTS (PROVINCIAL & NATIONAL)

- For providing Sector Plans and Departmental Programmes

OUR LOCAL MUNICIPALITIES

- Cooperation during our IDP Managers Forums

XHARIEP DISTRICT MANAGEMENT AND POLITICAL OFFICE



- For their support and direction during the compilation of this document
- For effective Public Participation Process

2020/2021 REVISION SUMMARY

The following sections constitutes the amendments or new additions to the 2020/21 revised IDP.

DOCUMENT REFERENCE	AMENDMENTS / ADDITIONS	PURPOSE AND IMPACT ON PLANNING AND BUDGET PRIORITISATION
Page 18	Socio Economic Analysis (Xhariep at a Glance)	Demonstrate socio economic reality and data projections to be considered in current and future planning and development decision making
Page 5-6	Foreword by the Executive Mayor	Sets political leadership tone and provides governance oversight.
Page 7-8	Foreword by the Municipal Manager	Sets management leadership tone and provides administrative oversight.
Page	Main aim of the 2020/21 IDP Review	To give effect to Section 34 of the Local Government Municipal Systems Act, 32 of 2000
Chapter 2	IDP Planning Process	To give effect to Section 29 (i) and (ii) of the Local Government Municipal Systems that deals with community and stakeholder consultation in the IDP drafting and review process.
Chapter 3	Situational Analysis	To recognize the 2019 Provincial Report and the 2016 Community Survey on Municipal Socio-Economic Profile findings, growth and development impact assumptions in our planning trajectory.
Chapter 4	<ul style="list-style-type: none"> ○ Institutional Arrangements ○ Organisational Structure Review ○ Work Place Skills Plan ○ Internal Audit Strategy 2020/21 ○ Audit General 2019/20 Audit Outcome Overview 	<ul style="list-style-type: none"> ○ To update and align the administrative and institutional capacity to ensure Organisational readiness to implement the IDP. ○ Incorporate approved new Macro and Micro Structure that will come into effect 1 July 2020.



		<ul style="list-style-type: none"> ○ Reviewed and aligned 2020 Work Place Skills Plan to IDP
Chapter 5	Development Strategies	<p>The overarching development strategy remains unchanged. The 2020/21 IDP Review seeks to align and depict major capital and operational projects per Municipal Key Performance Area as prioritized in the 2019/20 MTREF.</p> <p>Municipal strategic objective alignment to 2020/21 budget</p>
Chapter 6	<ul style="list-style-type: none"> ○ Sector and Operational Plans ○ Spatial Development Framework ○ Disaster Management Plan ○ Regional Landfill Site 	<ul style="list-style-type: none"> ○ The reviewed and updated Spatial Development Framework has been incorporated in this IDP Review. ○ All the updated Sector Plans as received have been incorporated.
Chapter 7	Intergovernmental Development Perspective	To reflect the 2020/21 Provincial Government Sector Department's and investments in our municipal space.
Chapter 8	<p>IDP Implementation</p> <ul style="list-style-type: none"> ○ Review Financial Plan ○ Align 2020/21 Capital and Operational Budget to IDP 	<p>To review the Financial Plan to ensure sound financial planning and sustainability over the 5-year IDP Implementation period.</p> <p>To present a responsive budget that align to the development priorities contained in the IDP. To review municipal Strategic Risks and assess the impact thereof on municipal sustainability</p>



DOCUMENT STRUCTURE OVERVIEW

The 2020/2021 IDP Review document structure and layout are succinctly summarized as follows;

EXECUTIVE SUMMARY

This chapter sets the scene by outlining the main objectives of the Fourth-Generation IDP within the legal context. The key policy directives of all three spheres of government are outlined in brief. The new overarching strategy of the Municipality, which sets the tone and development agenda for the five-year implementation period is outlined in detail.

IDP PLANNING

This chapter outlines the approach to strategic planning and key processes that underpin and influenced the development outcomes contained in this review of the fourth generation IDP. It expounds community and stakeholder participation in planning and monitoring.

SITUATIONAL ANALYSIS

This chapter portrays a synopsis of the Situational Analysis and current socio-economic realities that impact on development decisions. Access and the level of basic municipal services are also articulated hereunder.

INSTITUTIONAL ARRANGEMENTS

This chapter portrays the institutional framework of the Municipality as the existing governance model and expounds on internal capacity to execute municipal policies and the IDP. Functions and responsibilities of the political and administrative structures are listed. The performance management model is also discussed in detail.

MUNICIPAL STRATEGIES

This chapter outlines the municipal development strategy linked with planned, major catalyst projects and programmes that will be implemented under the Fourth-Generation IDP. Planned municipal interventions with regard to LED, Poverty Alleviation, Youth Development and Rural Development are also listed in this chapter.

SECTOR PLANS

This chapter gives detail on the status of internal sector and operational plans that are linked to this First IDP Review and the overall strategic development objectives of the Municipality. Only the sector plans that were recently revised are discussed in detail in this chapter. The key developmental imperatives emanating from the newly drafted Spatial Development Framework are discussed in detail in this chapter.

IGR PLANS ALIGNMENT

This chapter gives details on the alignment of strategic objectives and service delivery outcomes between the Municipality and the Provincial and National Governments. It further sets out the service delivery priorities of sector departments and public private

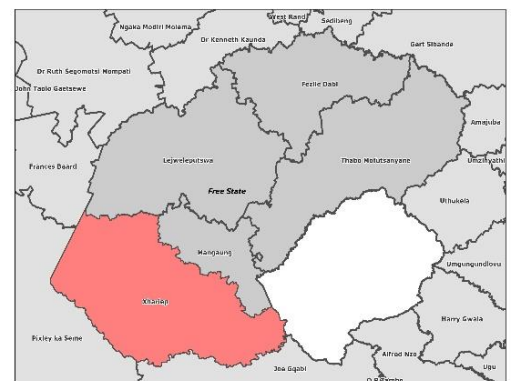
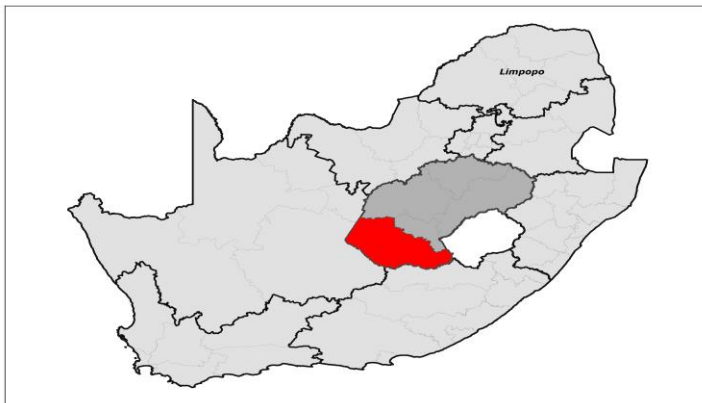


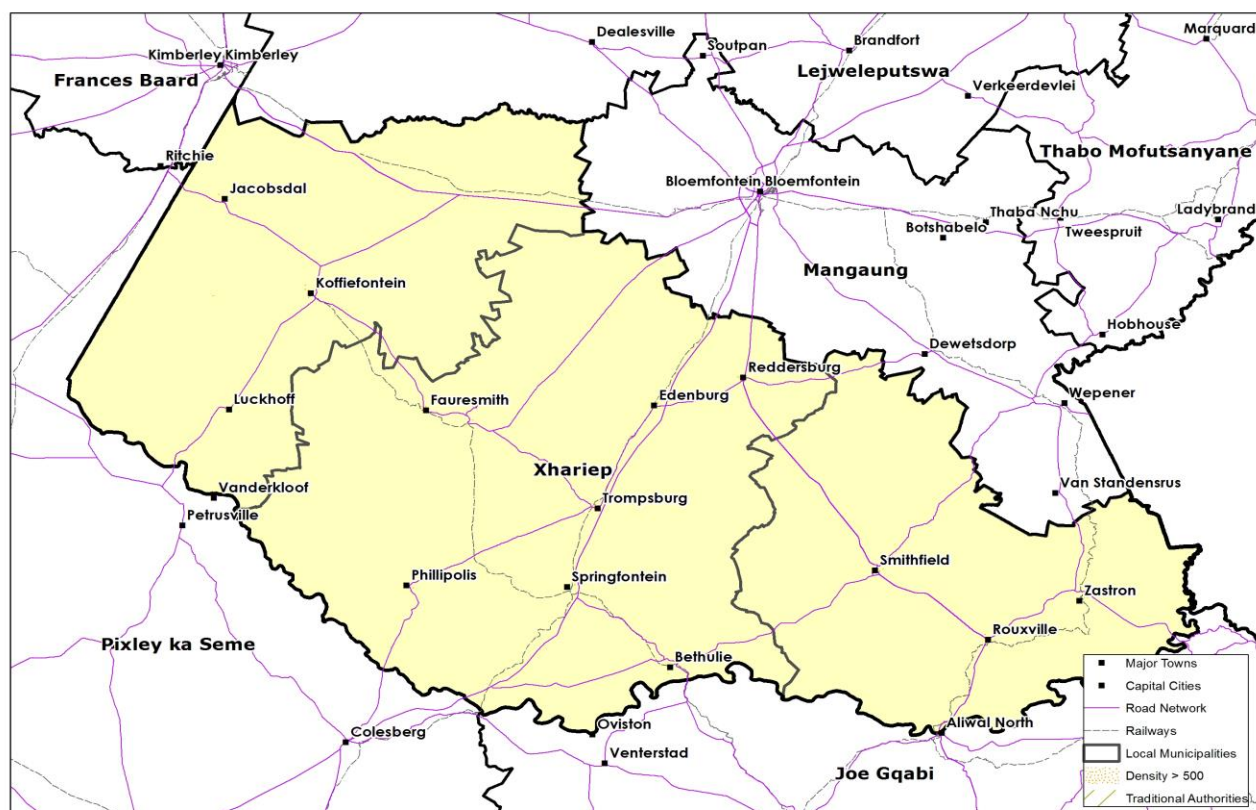
IDP EXECUTION

This chapter gives deals with the organization's ability to execute its development strategy and the ultimate implementation of this IDP. The implementation of the IDP is dependent on the organization's financial sustainability and effective performance review and evaluation mechanisms. The financial plan as well as the Organisational performance management systems is outlined in detail. The key risks contained in the municipal risk register that might have a negative impact on service delivery and development are also outlined. The IDP Implementation Plan (IMAP), SDBIP and Municipal Budget for the 2020/2021 MTREF are summarized and listed as annexures to this IDP under this chapter.

DISTRICT MAPS

Detailed maps of the municipality are contained below, highlighting major roads, relevant areas of interest such as airports and ports, as well as areas of significant population density





Preface

This Integrated Development Plan (IDP) is a plan, which will inform our communities on how Xhariep District Municipality will utilize its resources for the 4th Generation IDP of the 2017/2022 IDP cycle. The IDP is a mechanism and instrument that seeks to give meaning to developmental local government, where people themselves are active participants in the identification of needs, priorities and strategies for the reconstruction and development of communities.

Why is the IDP necessary?

- ❖ *It enables the Municipality to manage the process of fulfilling its developmental responsibilities.*
- ❖ *Through the IDP, the Municipality is informed about the problems affecting its residents. It is thus able to develop and implement appropriate strategies and projects to address the problems.*
- ❖ *It helps to make more effective use of scarce resources.*
- ❖ *Helps to speed up service delivery.*
- ❖ *Helps to attract additional funds.*
- ❖ *Helps to strengthen democracy and enhance institutional transformation because decisions are made in a democratic and transparent manner, rather than just by a few.*
- ❖ *Promises intergovernmental co-ordination.*

Vision Statement

During the two (2) strategic sessions held, one by management and the other by political principals, it was agreed that Management needed to look at the vision statement to see if it is still relevant and represents what the District wants to achieve in future. In understanding where we want to be in the next 5-10 years, some probing questions were asked which included but not limited to the following:

- Does senior management have a clear understanding of how the municipality may be different in the next 5-10 years,
- Does the municipality regularly define new ways of doing business, building new capabilities and setting new standards of customer satisfaction,
- Is management aware of the threats posed by new arrivals,
- Is the institution pursuing growth and new business development, and
- Does management have a sense of urgency about the need to reinvent the current business model,



The team came up with the following vision statement created from the old vision and rearranged to suit our current situation.

"A community-oriented municipality, with a sustainable environment for business and economic opportunities"

(A Heart of Development with Opportunity for All)

Mission Statement

Participants were also requested to look at the mission statement to see if it is currently applicable. The team agreed on the following mission statements

- To facilitate and support local municipalities, by promoting a healthy and conducive environment in our communities by ensuring that we deliver on our core functions.
- Promote an inclusive society through social and cultural events.
- Promote local economic development, by creating sustainable markets for local producers.
- Ensure a sound political and administrative leadership.

Values

The fundamental values guiding the operational ethos of Xhariep District Municipality is grounded on Batho Pele Principles. The municipal Council and Administration has to be guided by the values, which are aimed at defining the acceptable standards that govern the behavior of individuals within the municipality. Values will drive the municipality's organizational culture and provides the framework in which decisions are made. In conducting its business Xhariep District Municipality is guided by these values which were further affirmed during our strategic session:

<i>Leadership</i>	<i>Innovation and continuous learning</i>	<i>Passion</i>
<i>Mutual Trust</i>	<i>Honesty</i>	<i>Respect</i>
<i>Confidentiality</i>	<i>Inclusiveness</i>	<i>Transparency</i>
<i>Anti-fraud and corruption</i>	<i>Responsiveness</i>	<i>Accountability</i>
<i>Integrity</i>		

Batho Pele Principles

The Municipality is committed to deliver services within the framework of ***Batho Pele principles***, as outlined below:

<i>Consultation</i>	<i>A Municipality's citizens shall be consulted on service delivery levels and quality and be allowed to participate in decisions that affect the nature, type and quality of services to be delivered to them.</i>
<i>Service Standards:</i>	<i>Service standards should be set and communicated to citizens.</i>
<i>Access</i>	<i>All citizens should have access to basic services.</i>



<i>Courtesy</i>	<i>All citizens shall be treated with courtesy and consideration. Where service standards have not been met, an apology, explanation and remedial action shall be tendered.</i>
<i>Capacity</i>	<i>As a developmentally oriented local government, municipalities must seek to enhance the skills, competencies and knowledge of their administration, political office-bearers, entities and communities to achieve greater efficiency and effectiveness when delivering services.</i>
<i>Information</i>	<i>Full and accurate information regarding services shall be provided to citizens.</i>
<i>Openness and Transparency</i>	<i>Full and accurate information regarding municipal performance matters shall be provided to citizens, using appropriate channels of communication.</i>
<i>Redress</i>	<i>In implementing municipal projects and programmes, the eradication of the inequalities of the past shall take priority. An apology, explanation and remedial action shall be tendered in instances where promised service delivery levels and standards are not being met.</i>
<i>Value for Money</i>	<i>Services shall be provided economically and efficiently, without compromising standards.</i>



An IDP is a planning mechanism to synchronize planning and fiscal spending across all spheres of government. The IDP allows for synergy between the efforts of all spheres of government to improve the combined developmental impact of the State, translating national, provincial and district objectives into practical interventions within a defined municipal space.

This IDP Review read with the initial five-year plan is the expression of the planned strategic development intensions of the Council of Xhariep District Municipality. It guides and informs all planning, budgeting, management, and strategic decision making in the Municipality and supersedes all other plans that guide development. The plan links, integrates and coordinates other existing plans, while taking development proposals into account. The aim is to align the IDP with the municipality's resources and internal capacity, forming a policy framework and social compact on which annual municipal budgets are based.

This IDP is informed by national and provincial government development goals and priorities, current emerging social and economic trends, an increasing demand and social outcry of the people of Xhariep District for better services and improved infrastructure as well as other compelling issues that provide a framework which guides the Municipality on its developmental local government path.

XHARIEP MUNICIPAL AREA AT A GLANCE

Xhariep district is located in the southern sector of the Free State Province and is a semi-arid region with a dispersed settlement pattern. It is a typical rural district with upwards of 20 small towns and 3 remote towns. The phrase towns are used here within the context of Xhariep. The distinct features of the towns and their size in terms of population and services rendered do not provide normal town status to any of these rural nodes. They do however perform an important role as service centres for the population within their catchment areas.

Xhariep consists of three local municipal areas, with Letsemeng forming the south-western section, Kopanong the middle section, Mohokare the south eastern section.

The district is the smallest compared to the others within Free State Province with about 5.2% share of the total provincial population. The population of the District stands at 121 945 with a negative growth rate of 1.07. Sixty (60%) of the population is in the working age cohort of 15-64 years.

Approximately 74 % of the District comprises of Extensive Agriculture that is used for livestock farming, especially sheep and cattle which, respectively, produce wool and meat. Intensive Agriculture in the Xhariep District makes up 21% of the main land uses. The areas adjacent to the Orange River in the south mainly consist of irrigated land where maize, wheat and Lucerne are produced. About 15% of the cultivated fields (45 223 ha) is indicated as irrigated.



XDM KEY PRIORITIES

What informs Xhariep District Municipality's IDP priorities?

The IDP priorities of the Xhariep District Municipality are informed by the following:

- Local perspective, informed by situational analysis, developmental challenges, public participation processes and the 2016 Local Government Election Manifesto of the ruling party.
- National perspective, informed by national priorities and Sustainable Development Goals.
- Provincial perspective, informed by the PGDP.

The review of the IDP remains consistent to the FSGP and the five-year IDP. The Executive Mayor also identified certain priorities for his term of office:

1. Economic growth and job creation
2. Tourism Development
3. Health and community development
4. A safe, clean and green city
5. A well-governed and managed municipality
6. HIV and AIDS
7. Education

LEGAL SETTING

The IDP process is guided by various legislations, policies and guidelines which have to be considered carefully when the document is compiled. These include amongst others the following:

CONSTITUTION OF THE REPUBLIC OF SOUTH AFRICA, ACT 108 OF 1996

Section 152 of the Constitution of South Africa of 1996 and the Municipal Systems Act of 2000 No, 32 of 2000 have a substantial impact on the traditional role of local government. Over and above the delivering of municipal services, municipalities must (by law) now lead, manage and plan development through the process of Integrated Development Planning. Sections 152 and 153 of the Constitution prescribe that local government should oversee the development process and municipal planning and describe the following objects of local government:

- *To ensure the sustainable provision of services;*
- *To provide democratic and accountable government for all communities;*
- *To promote social and economic development;*
- *To promote a safe and healthy environment;*
- *To give priority to the basic needs of communities; and*
- *To encourage involvement of communities and community organizations in matters of local government.*

The Constitution also demands local government to improve intergovernmental coordination and cooperation to ensure integrated development across the neighboring communities. The legislation governing the development,



implementation and review of the IDP has been conceived in the constitutional spirit of a developmental state.

In terms of the provisions of Local Government: Municipal Systems Act of 2000, each council must, within the prescribed period after the start of its elected term, adopt a single, inclusive, strategic plan for the development of the municipality.

Section 25(3) (a) prescribes that a newly elected council, may adopt the IDP of the previous council. In order to develop the IDP, Local Government: Municipal Structures Act, 117 of 1998 prescribes in section 56(2) that "The executive mayor must-

- (a) identify the needs of the municipality;
- (b) review and evaluate those needs in order of priority;
- (c) recommend to the municipal council strategies, programmes and services to address priority needs through the integrated development plan, and the estimates of revenue and expenditure, taking into account any applicable national and provincial development plans;"

In terms of Section 24, of the Local Government: Municipal Finance Management Act, (Act 56 of 2003) municipal council should, at least 30 days before the start of the budget year, consider approval of the annual budget.

WHITE PAPER ON LOCAL GOVERNMENT

The White Paper on Local Government gives municipalities the responsibility to "work with citizens and groups within the community to find sustainable ways to address their social, economic and material needs and improve the quality of their lives".

MUNICIPAL SYSTEMS ACT, NO 32 OF 2000

The Municipal Systems Act, No 32 of 2000, obligates all municipalities to undertake a process of preparing and implementing IDP's. The Act defines integrated development planning as one of the core functions of a municipality in the context of its developmental orientation. According to Section 25 (1) of the MSA, each municipal council must, within a prescribed period after the start of its elected term, adopt a single, all inclusive and strategic plan for the development of the municipality which;

- Links integrates and coordinates plans and takes into account proposals for the development of the municipality;
- Aligns the resources and capacity of the municipality with the implementation of the plan
- Is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation.



MUNICIPAL FINANCE MANAGEMENT ACT NO 53 OF 2003

The Act states that the Mayor of a municipality must;

- Co-ordinate the processes for preparing the annual budget and for reviewing the municipality's IDP and budget-related policies to ensure that the tabled budget and any revisions of the IDP and budget-related policies are mutually consistent and credible;

At least 10 months before the start of the budget year, table in the municipal council a time schedule outlining key deadlines for;

- The preparation, tabling and approval of the annual budget;
- The annual review of the IDP in terms of section 34 of the MSA; and the budget-related policies;
- The tabling and adoption of any amendments to the IDP and the budget-related policies; and
- Any consultative processes forming part of the processes referred to in sub-paragraphs

Section 21(2) of the Municipal Finance Management Act states that, when preparing the annual budget, the Mayor of a municipality must:

- Take into account the municipality's Integrated Development Plan;
- Take all reasonable steps to ensure that the municipality revises the IDP in terms of section 34 of the MSA, taking into account realistic revenue and expenditure projections for future years;

INTERGOVERNMENTAL RELATIONS FRAMEWORK ACT NO 13 OF 2000

The Act recognizes the importance of local government's full participation in intergovernmental relations, as it is the key site of service delivery and development. Therefore, municipal IDP's must interpret national policy into an investment plan for local infrastructure; hence the implementation of the IDP must be supported by appropriate budgetary and resource allocations.

LOCAL GOVERNMENT: MUNICIPAL PLANNING AND PERFORMANCE MANAGEMENT REGULATIONS, 2001

The Local Government: Municipal Planning and Performance Management Regulations (2001) seeks to enhance the implementation of performance management obligations imposed by legislation and cultivate uniformity in the application of performance management within the sphere of local government. The Regulations outline the details to be contained in municipalities' Integrated Development Plans, as well as the process of amendment. They also provide for the nature of performance management systems, their adoption, processes for the setting of performance targets, monitoring, measurement, review and the



internal auditing of performance measurements. The Regulations conclude with a section on community participation in respect of integrated development planning and performance management.

LOCAL GOVERNMENT: MUNICIPAL PERFORMANCE REGULATIONS FOR MUNICIPAL MANAGERS AND MANAGERS DIRECTLY ACCOUNTABLE TO MUNICIPAL MANAGERS, 2006

In addition to the Local Government: Municipal Planning and Performance Management

Regulations (2001), the Local Government: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers (2006) were promulgated to regulate the performance management of municipal managers and managers directly accountable to municipal managers. The Regulations cover the conclusion of performance agreements, performance evaluation and the management of performance outcomes.

LOCAL GOVERNMENT: MUNICIPAL STRUCTURES AMENDED ACT, NO. 117 OF 1998 (HEREINAFTER REFERRED TO AS THE "STRUCTURES ACT")

The Local Government: Municipal Structures Amended Act 117 of 1998 provides for the establishment of municipalities and defines the various types and categories of municipalities in South Africa. It also regulates the internal systems, structures and office-bearers of municipalities. Chapter 4 of the Structures Act makes provision for the establishment of council structures and committees to exercise oversight over the performance of municipalities, as well as ensure their accountability.

WHITE PAPER ON SERVICE DELIVERY (BATHO PELE 1998)

Section 195 of the Constitution enshrines the basic democratic values and principles governing public administration. In 1997, The White Paper on Transforming Service Delivery translated these constitutional principles and values into what is known today as the Batho Pele Principles, to achieve improved service delivery in government.



NATIONAL AND PROVINCIAL POLICY DIRECTIVES

THE NATIONAL DEVELOPMENT PLAN

In 2012, the National Cabinet adopted the National Development Plan (NDP), to serve as a blueprint for the work that is still required to achieve the desired results in terms of socio-economic development and the growth throughout South Africa by 2030. The Xhariep District Municipality endorses the thrust of the National Development Plan and has aligned its development strategies and resources to bring about optimal growth and development at all levels within the virtuous cycle

NDP TEN CRITICAL ACTIONS FOR IMPLEMENTATION

- Social compact to reduce poverty and inequality, and raise employment and investment.
- Address poverty and its impacts by broadening access to employment, strengthening the social wage, improving public transport and raising rural incomes.
- Professionalize the public service, strengthen accountability, improve coordination and prosecute corruption.
- Boost private investment in labour-intensive areas, competitiveness and exports, with adjustments to lower the risk of hiring younger workers.
- Education accountability chain, with lines of responsibility from state to classroom.
- Phase in national health insurance, with a focus on upgrading public health facilities, producing more health professionals and reducing the relative cost of private health care.
- Public infrastructure investment at 10 % of GDP, financed through tariffs, public-private partnerships, taxes and loans and focused on transport, energy and water.
- Interventions to ensure environmental sustainability and resilience to future shocks.
- New spatial norms and standards – densifying cities, improving transport, locating jobs where people live, upgrading informal settlements and fixing housing market gaps.
- Reduce crime by strengthening criminal justice and improving community environments

FREE STATE GROWTH AND DEVELOPMENT STRATEGY (FSGDP)

The PGDP also plays an important role in shaping the Municipality's IDP. The PGDP of the Free State Provincial Government is reflected as follows in the Municipality's five key performance areas:

- Agriculture and Food Security, Fighting Poverty,
- Agro-processing and Tourism are reflected in municipal Local Economic Development.



- Human Resources Development are reflected in Municipal Transformation and Organizational Development.
- Infrastructure Development is reflected in Basic Service Delivery and Infrastructure Development.

These are all underpinned by key performance areas relating to financial sustainability and good governance.

XHARIEP DISTRICT MUNICIPALITY

Xhariep District Integrated Development Plan: Section 29(2) of the Municipal Systems Act (MSA) Act 32 of 2000 clearly states that district municipalities must:

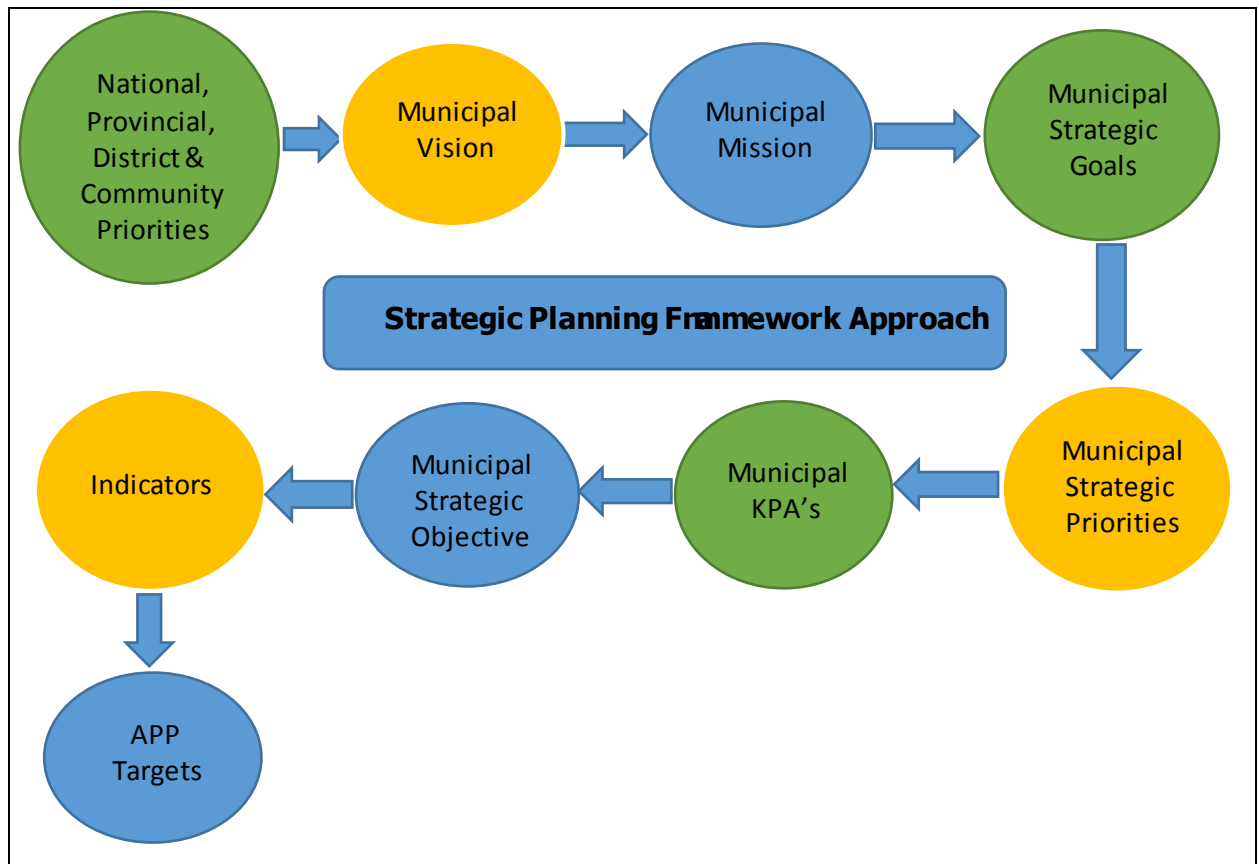
- Plan integrated development for the area of the district municipality as a whole but in close cooperation with the local municipalities in the area;
- Align its integrated development plan with the framework adopted; and
- Draft its integrated development plan, taking into account the integrated development processes of and proposals submitted to it by the local municipalities in that area.

STRATEGIC PLANNING FRAMEWORK AND APPROACH

The strategic planning followed by Xhariep District Municipality happen within the broader national planning frameworks and the local integrated development planning processes as articulated under the legislative context above.

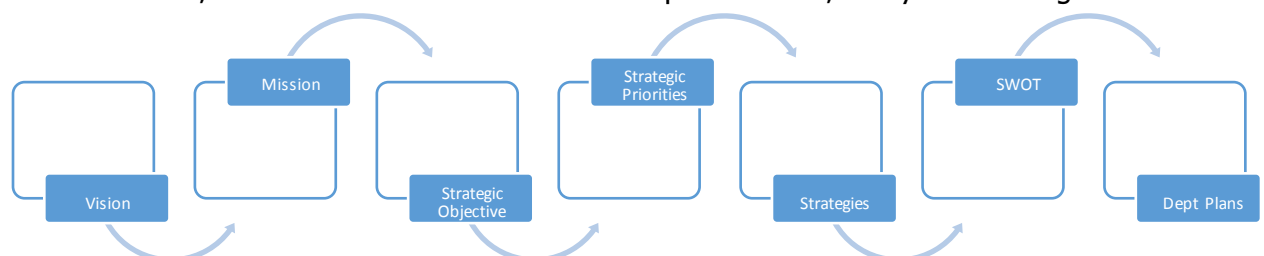
Below is a schematic framework that informed Xhariep District Municipality's formulation of its Strategic Plan and ultimately the entire Integrated Development Plan.



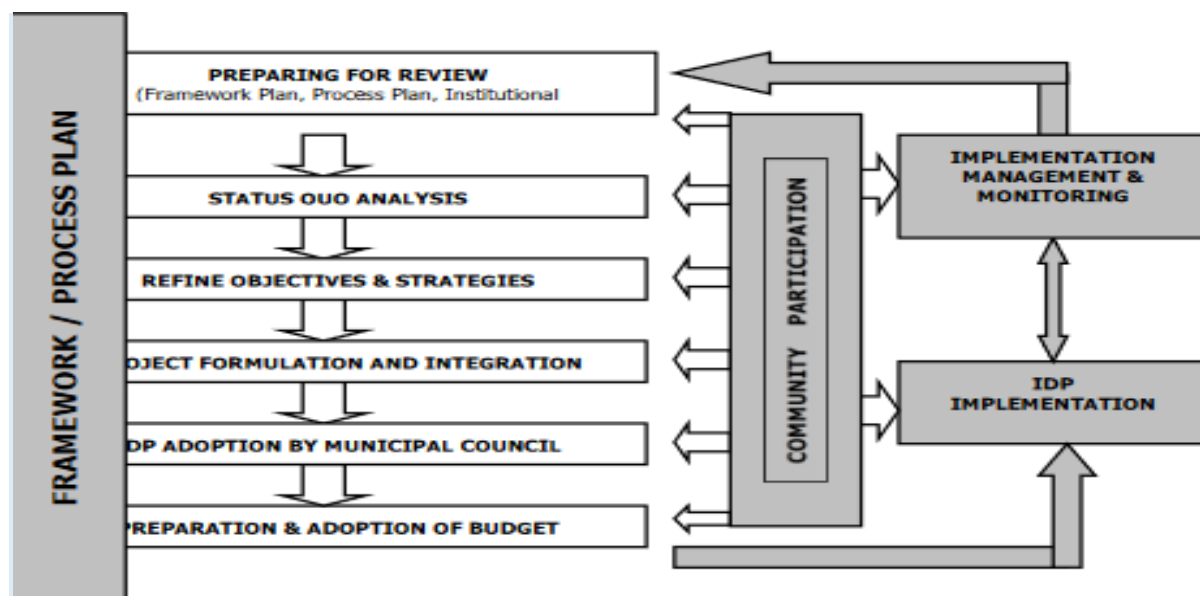


The Integrated Development Plan is a municipal plan that last for the term of office of the council. Therefore, Xhariep District Municipality process of developing the strategic plan that is a bedrock of the Integrated Development Plan always involves intense consultation. It began with prior interactions between Executive Mayor, Mayoral Committee, the Municipal Manager and other senior managers. This culminates into a strategic planning session held during September 2019 with the mayoral committee and senior management facilitated by an independent party with expert knowledge in strategic planning environment.

The strategic planning session follows more or less the strategic planning process below. The diagram below provides a sense of how the process unfolded beginning with the vision, mission and the moved on to the priorities and, finally the strategies



The context of the 2020/21 IDP is a process that consists of sub-activities that culminate in to the adoption of the IDP by the Council of Xhariep District Municipality which can be illustrated as following;



IDP PROCESS PLAN

In terms of the Council approved IDP and Budget process plan, Council should approve the final IDP before the start of the new financial year, that is, no later than 30 June 2020. In order for Xhariep District Municipality to prepare a credible IDP document, several stakeholders had to be engaged to provide inputs and guide the final IDP plan. The IDP process involves the consultation process: ***The Process Plan, since is a thick document, is attached as Annexure to the IDP Document.***

MEC comments on the 2019/20 IDP

In terms of Local Government: Municipal Systems Act, 2000 a municipality should submit a copy of the Council approved IDP to the MEC for Local Government. The MEC comments will be taken into consideration on the preparations of the review of IDP 2020/21. All the MEC comments on the 2019/20 IDP were noted and have been considered in compiling the new IDP.

IDP FRAMEWORK AND PROCESS PLAN

Outlines the methodology of preparing the IDP. It further provides for the timelines and framework, role players and the adoption process

Analysis Phase

This section analyses the demographic, institutional, and socio-economic issues of the municipality. The section also discusses service delivery backlogs.

Strategic Phase

The section expresses Xhariep DM vision and mission as well as the strategic development in order to address the service delivery backlogs and community priorities.



Projects Phase

The section stresses the role of community outreach, which includes public consultation. During this process the local community provides Xhariep DM with the inputs and priorities that inform IDPs. 2019/20 Revised IDP, of the 5 years 2017-2022 Integrated Development Plan

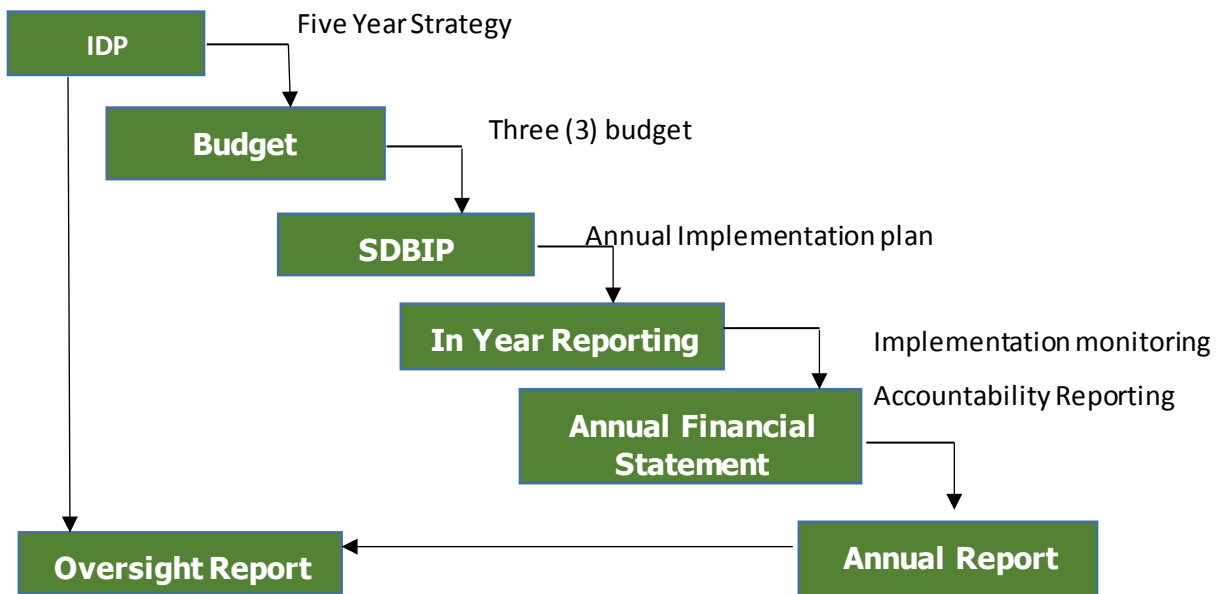
Integration Phase

The section explains the IDP prioritization model and projects to be undertaken for the next three financial year and in the Medium Term Expenditure Framework.

Adoption Phase

It provides all annexures which are essential part of the inclusive nature of the IDP.

Municipal Accountability Cycle



CHAPTER 2: SITUATIONAL ANALYSIS

Introduction

The situational analysis and statistics presented in this chapter indicate the developmental challenges facing Xhariep District Municipality, such as poverty, unemployment and service delivery backlogs. The programmes and projects in this IDP are informed by this scenario. The first step in the IDP process was to look at the existing situation of the Municipality.

During the Analysis Phase the process focused only on the relevant aspects of issues influencing the development of the municipality. The purpose of this phase was also then to ensure that the selection of strategies and projects will be based on:

- The qualitative priority needs and challenges on local residents.
- Proper quantitative information on all those priority issues.
- Clear knowledge of the availability of local resources, and
- A holistic understanding of the dynamics or key issues determining the various development priorities within the municipality.

Community Survey 2016 (CS 2016) is a large-scale survey which happened in between Censuses 2011 and 2021. The main objective of the survey is to provide population and household statistics at municipal level to all stakeholders including the government and private sector to support planning and decision-making.

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Approximately 1.3 million households were sampled for the survey across the country wherein the Free State province contributed about 6.1% (83 645 sampled households) to the country's 1.3 million sampled households.

The purpose of this document is to provide a summary on key population and household indicators generated from CS 2016. This report is intended to be used as a quick reference to the key indicators and should be used with other municipal reports and/or publications released by Statistics South Africa (Stats SA). In addition, other government publications will be used for statistical purposes.

The following point is brought to the attention of the readers:

The information provided is based specifically on *2016 municipal boundary changes* as promulgated by Municipal Demarcation Board (MBD) as well as research conducted by IHS Markit as commissioned by Department of Economic Development.

Important notice

Whilst the consultants have applied the degree of skill, care and diligence normally exercised by consultants in similar circumstances the data and information contained



in this report is based on third party sources and has not been independently verified and no warranty or guarantee is provided as to its accuracy.

Data Collection.

Data collection has been undertaken through:

- Literature review: published material on legislation, policy, land reform analyses, Xhariep and local municipal IDPs and associated sector plans, available material on land, land use, land and agricultural potential, existing GIS information, municipal valuation rolls and deeds office searches.
- Consultation through interviews / meetings with:
 - relevant national and provincial departmental staff, particularly DRDLA, Department of Agriculture, DESTEA, Housing, Health, the Department of Local Government and Traditional Affairs (DLGTA).
 - district and local municipal staff and councillors.
 - NGOs and CBOs, and
 - Community meetings.

Demographic Profile of the Municipality

This summary provides a brief outline of the context, content, process outcomes and impact of the Xhariep District Municipality's IDP.

Overview Statistics

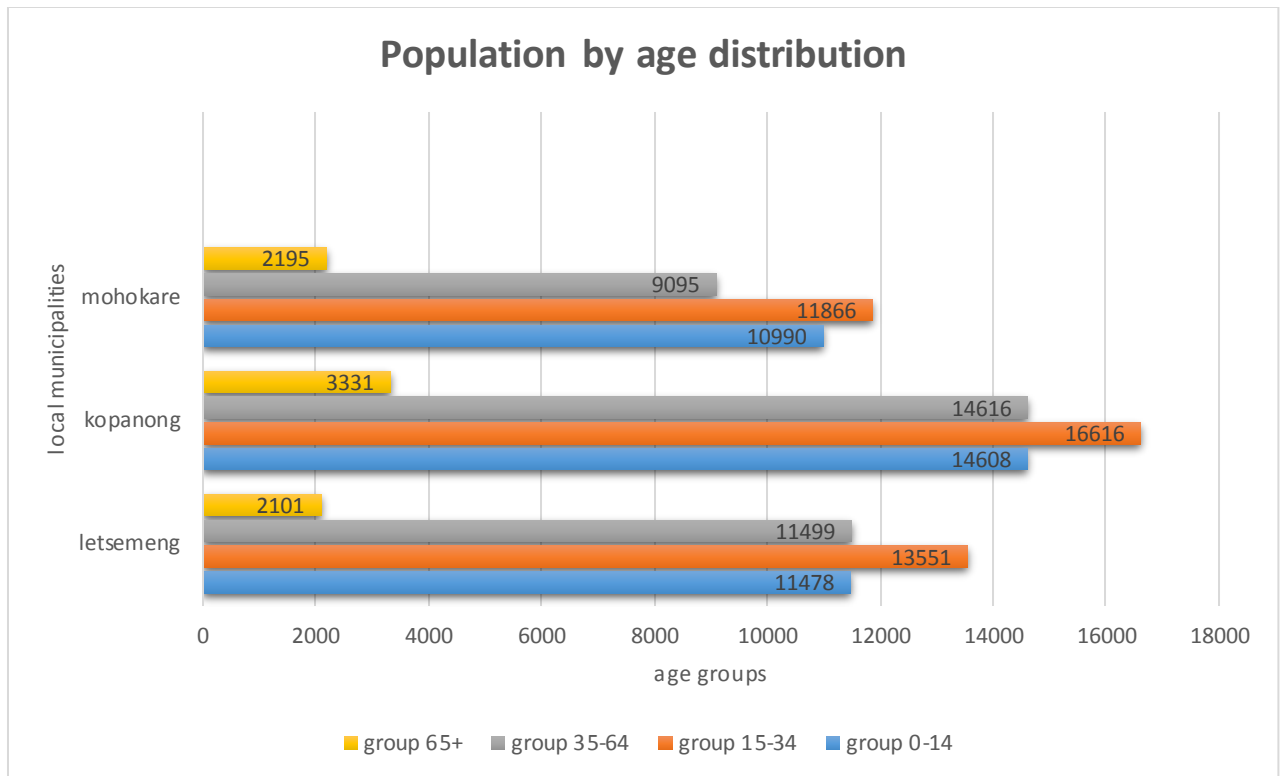
Population	: 121 945
Number of households	: 44 767
Formal	: 39 571
Informal	: 5 446
Backyard shacks	: 351

Population by Age Distribution

DC16: Xhariep (YEARS)		Group 0-14	Group 15-34	Group 35-64		Group 65+		Total
	Letsemeng	11 478	13 551	11 499		2 101		38 628
	Kopanong	14 608	16 616	14 616		3 331		49 171
	Mohokare	10 990	11 866	9 095		2 195		34 146
	Total	37 076	42 033	35 210		7 627		121 945

Data Source: STATSSA community survey 2016



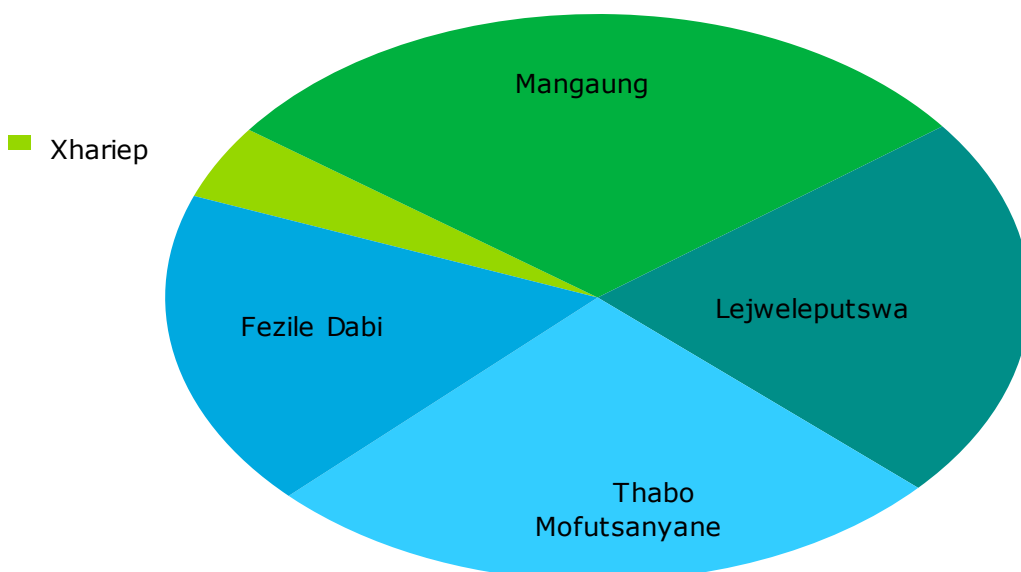


Data Source: STATSSA community survey 2016

With 121 945 people, the Xhariep District Municipality housed 0.2% of South Africa's total population in 2017. Compared to Free State's average annual growth rate (0.62%), the growth rate in Xhariep's population at -0.73% was significant lower than that of the province.

Total population

Free State Province, 2017



When compared to other regions, the Xhariep District Municipality accounts for a total population of 121,945 or 4.2% of the total population in the Free State Province, with the Mangaung being the most populous region in the Free State Province for 2017. The ranking in terms of the size of Xhariep compared to the other regions remained the same between 2007 and 2017. In terms of its share the Xhariep District Municipality was slightly smaller in 2017 (4.2%) compared to what it was in 2007 (4.9%). When looking at the average annual growth rate, it is noted that Xhariep ranked lowest (relative to its peers in terms of growth) with an average annual growth rate of -0.7% between 2007 and 2017.

Brief Summary of Xhariep District Municipality

Xhariep District forms the southern part of the Free State Province and is one of four district municipalities in the Free State. The municipality measures 34289 km sq. It is bordered by Tokologo Municipality in Lejweleputswa District to the north, Mangaung Metro and Mantsopa Municipality in Thabo Mofutsanyana District to the north-east. Other borders are with the Kingdom of Lesotho to the east, Ukhahlamba Municipality in Eastern Cape Province to

Topographically the district is bordered for most of its eastern border by the Maluti and Drakensberg mountains. Hydrological the district is located between the Vaal River to the north, and Orange River to the south, with rivers within the district draining towards these rivers.

Xhariep consists of three local municipal areas, with Letsemeng forming the north western section, Kopanong the middle section, Mohokare the south eastern section of the district.

Xhariep District was estimated at a population of approximately 164 000 people in 2007. According to the 2011 Census statistics, its population size has declined with a lesser average of 2.21% per annum since 2007 to 2011. The current district's population is at 121 945 people as per the 2016 census survey statistics

The table below gives a breakdown of the population distribution per local municipality. The table and graph depicts population distribution as per the Community Survey conducted in 2016 which clearly shows a decline in population.

Population by Population Group, Gender and Age - Xhariep District Municipality, 2017 [Number].

	African		White		Coloured	
	Female	Male	Female	Male	Female	Male
00-04	4,800	4,810	222	326	914	937
05-09	5,260	5,250	244	273	944	962
10-14	4,410	4,720	198	167	982	953
15-19	3,750	3,770	148	200	894	848
20-24	3,900	3,860	134	177	764	762
25-29	4,460	4,620	255	250	751	769
30-34	4,220	4,320	293	279	732	706
35-39	3,730	3,500	272	291	680	646



40-44	2,500	2,340	210	264	641	719
45-49	1,830	1,760	235	247	612	577
50-54	1,610	1,660	281	316	415	529
55-59	1,520	1,740	376	333	426	398
60-64	1,450	1,430	401	395	319	322
65-69	1,010	1,090	336	378	269	253
70-74	1,020	1,020	315	312	235	199
75+ Total	1,080	739	626	452	153	121
	46,600	46,600	4,550	4,660	9,730	9,700

Data Source: STATSSA community survey 2016

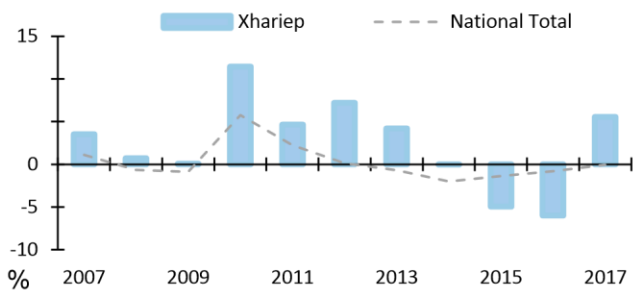
Total Population - Local Municipalities of Xhariep District Municipality, 2007, 2012 And 2017

	2007	2012	2017	Average Annual growth
Letsemeng	42,800	39,100	39,100	-0.91%
Kopanong	54,100	49,300	48,400	-1.09%
Mohokare	34,700	34,300	34,800	0.01%
Xhariep	131,629	122,739	122,282	-0.73%

Data Source: STATSSA community survey 2016

The Mohokare Local Municipality increased the most, in terms of population, with an average annual growth rate of 0.0%, the Letsemeng Local Municipality had the second highest growth in terms of its population, with an average annual growth rate of -0.9%. The Kopanong Local Municipality had the lowest average annual growth rate of -1.09% relative to the other within the Xhariep District Municipality.





	2007	2017	Change
Xhariep	0.48	0.61	0.13
National Total	0.55	0.66	0.11

57.9%

Xhariep

58.2%

South Africa



POPULATION

Total Population

122,000

People

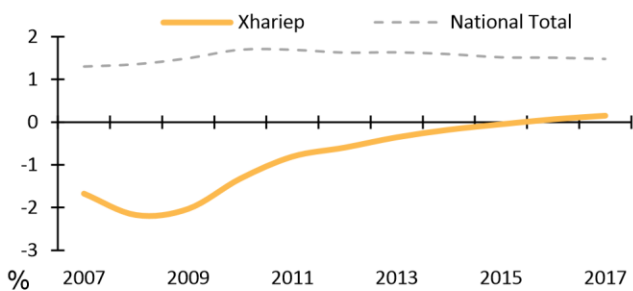
0.2%

of national population

Growth in population annual % change

	2017	10 year avg.
Xhariep	0.1%	-0.7%
National Total	1.5%	1.6%

Population growth: 2007-2017



Dominant share: 2007 and 2017

	2007	2017
Language: Sesotho	57.9%	58.2%
African population group	74.1%	76.2%

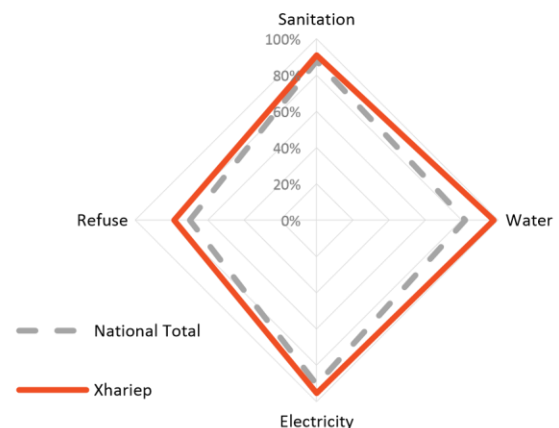


HOUSEHOLD SERVICES

Household backlog

	2007	2017
Sanitation	21.8%	10.5%
Water	5.8%	1.8%
Electricity	9.6%	4.6%
Refuse	24.7%	25.7%

Household services diamond



Index of services development

0.81

Xhariep

0.75

South Africa

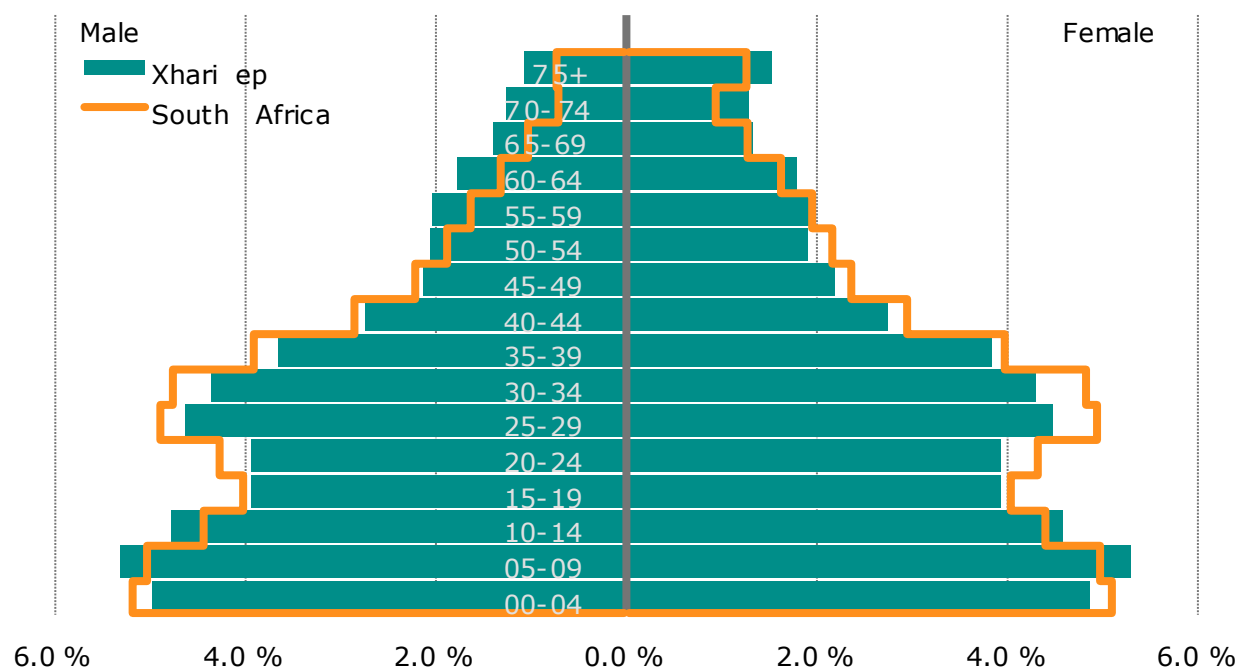


Population Pyramids

Definition: A population pyramid is a graphic representation of the population categorized by gender and age, for a specific year and region. The horizontal axis depicts the share of people, where the male population is charted on the left-hand side and the female population on the right-hand side of the vertical axis. The vertical axis is divided in 5 year age categories.

With the African population group representing 76.2% of the Xhariep District Municipality's total population, the overall population pyramid for the region will mostly reflect that of the African population group. The chart below compares Xhariep's population structure of 2017 to that of South Africa.

Xhariep vs. South Africa, 2017



Source: IHS Markit Regional Explorer

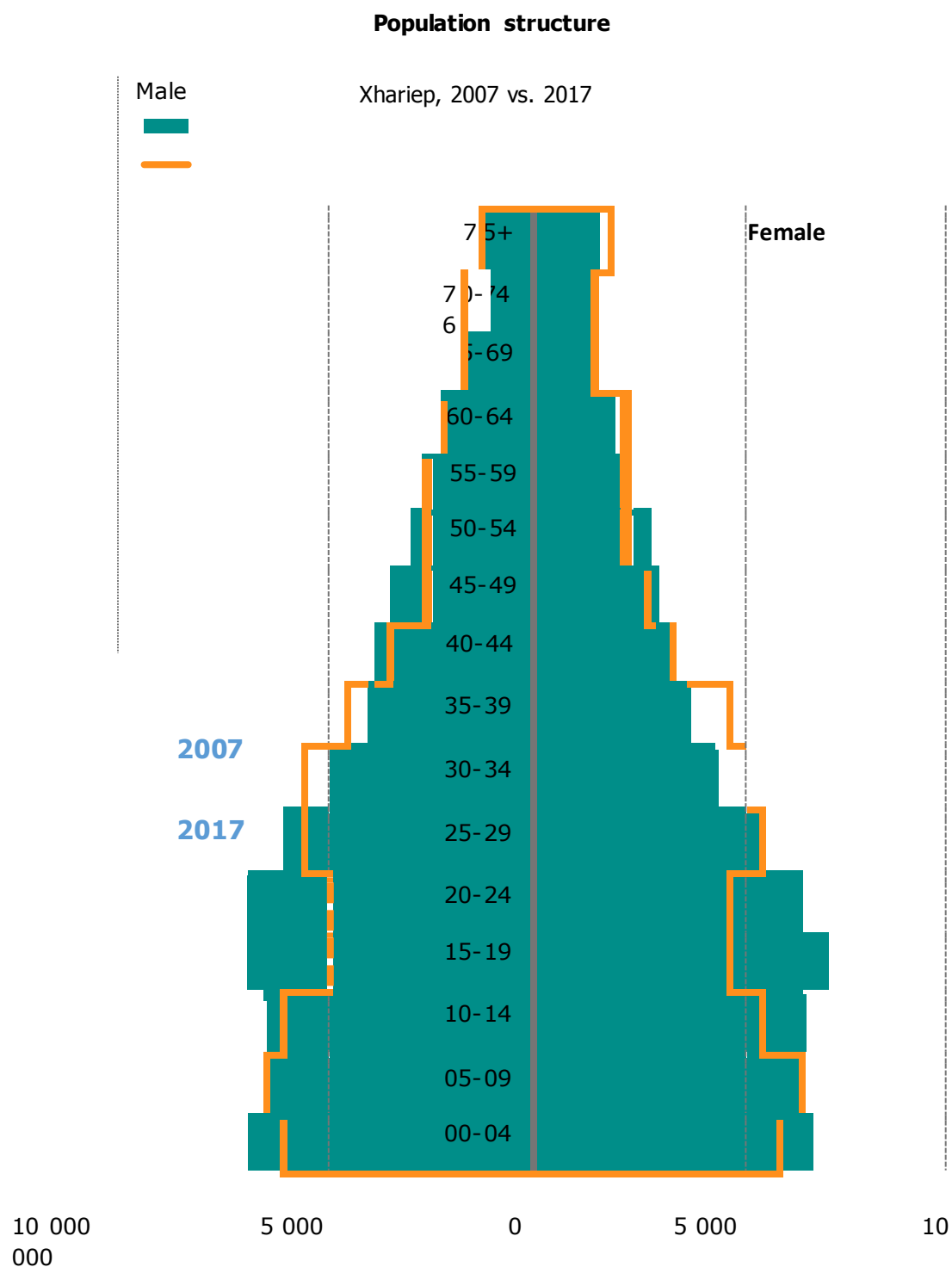
By comparing the population pyramid of the Xhariep District Municipality with the national age structure, the most significant differences are:

- There is a significant smaller share of young working age people - aged 20 to 34 (25.6%) in Xhariep, compared to the national picture (28.0%).
- The area seems to be a migrant sending area, with many people leaving the area to find work in the bigger cities.
- Fertility in Xhariep is slightly higher compared to South Africa as a whole.



- Spatial policies changed since 1994.
- The share of children between the ages of 0 to 14 years is slightly larger (29.8%) in Xhariep compared to South Africa (29.1%). Demand for expenditure on schooling as percentage of total budget within Xhariep District Municipality will therefore be higher than that of South Africa.

Population Pyramid - Xhariep District Municipality, 2007 Vs. 2017



When comparing the 2007 population pyramid with the 2017 pyramid for the Xhariep District Municipality, some interesting differences are visible:

- In 2007, there were a slightly larger share of young working age people - aged 20 to 34 (25.8%) - compared to 2017 (25.6%).
- Fertility in 2007 was slightly higher compared to that of 2017.
- The share of children between the ages of 0 to 14 years is slightly smaller in 2007 (29.6%) compared to 2017 (29.8%).
- Life expectancy is increasing.

In 2017, the female population for the 20 to 34 years age group amounted to 12.4% of the total female population while the male population group for the same age amounted to 13.4% of the total male population. In 2007 the male working age population at 12.9% still exceeds that of the female population working age population at 12.7%.

HIV+ and AIDS Estimates

HIV and AIDS can have a substantial impact on the growth of a particular population. However, there are many factors affecting the impact of the HIV virus on population progression: adult HIV prevalence rates; the speed at which the virus progresses; age distribution of the virus; the mother to-child transmission; child treatment; adult treatment; and the percentage by which the virus decreases total fertility. ARV treatment can also prolong the lifespan of people that are HIV+. In the absence of any treatment, people diagnosed with HIV live for approximately 10 years before reaching the final stage of the disease (called AIDS). When patients reach this stage, recovery is highly unlikely.

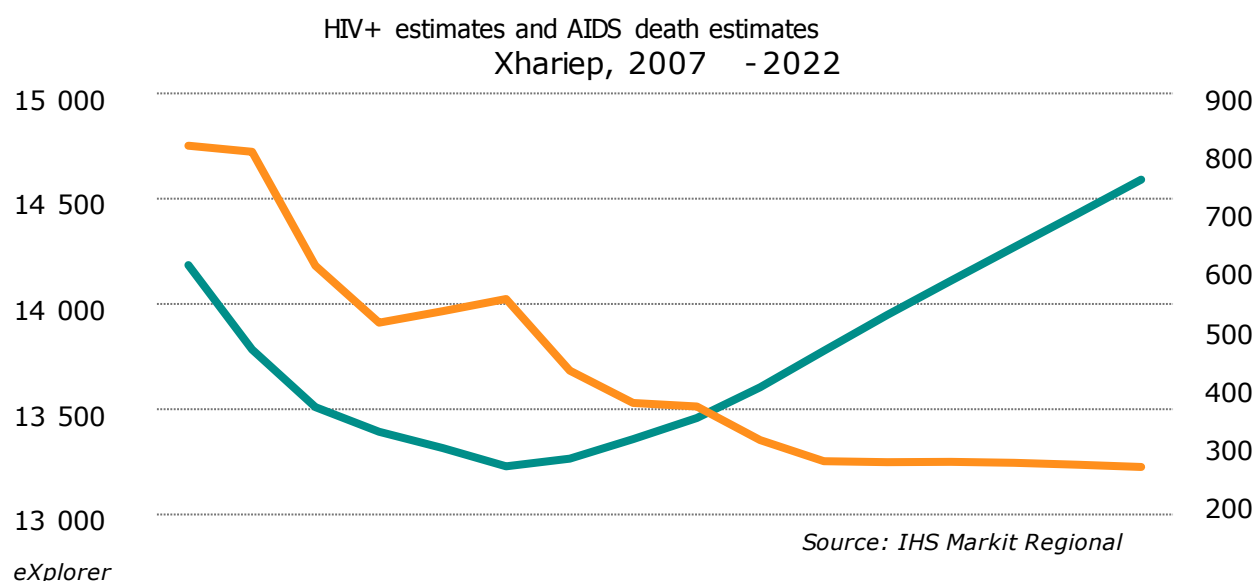
	Xhariep	Free State	National Total	Xhariep as % of province	Xhariep as % of national
2007	14,200 0.26%	341,000	5,370,000	4.2%	
2008	13,800 0.26%	339,000	5,400,000	4.1%	
2009	13,500 0,25%	339,000	5,480,000	4.0%	
2010	13,400 0.25%	341,000	5,590,000	3.9%	
2011	13,300 0,24%	343,000	5,680,000	3.9%	
2012	13,200 0,23%	343,000	5,760,000	3.9%	
2013	13,300 0,23%	346,000	5,880,000	3.8%	
2014	13,400 0,23%	351,000	6,010,000	3.8%	



2015	13,500	356,000	6,130,000	3.8%
	0,23%			
2016	13,600	361,000	6,280,000	3.8%
	0,23%			
2017	13,800	367,000	6,430,000	3.7%
	0,22%			
Average Annual growth				
2007-2017	-0.29%	0.76%	1.83%	

In 2017, 13 800 people in the Xhariep District Municipality were infected with HIV. This reflects a decrease at an average annual rate of -0.29% since 2007, and in 2017 represented 11.27% of the district municipality's total population. The Free State Province had an average annual growth rate of 0.76% from 2007 to 2017 in the number of people infected with HIV, which is higher than that of the Xhariep District Municipality. When looking at the South Africa as a whole it can be seen that the number of people that are infected increased from 2007 to 2017 with an average annual growth rate of 1.83%.

AIDS Profile and Forecast - Xhariep District Municipality, 2007-2022



Presenting the number of HIV+ people against the number of people living with AIDS, the people with AIDS added up to 810 in 2007 and 271 for 2017. This number denotes a decrease from 2007 to 2017 with a high average annual rate of -10.38% (or -539 people). For the year 2017, they represented 0.22% of the total population of the entire district municipality.

Key Developmental Challenges

- High poverty and unemployment – 46.3% (STATSSA 2011).
- Inadequate access to basic services (water, sanitation, refuse collection, electricity, and housing and primary health care).



- Infrastructure, maintenance and service backlogs.
- HIV and AIDS – 30.8% prevalence rate (Antenatal Care Statistics) and TB.
- Substance abuse.
- Illegal dumping.
- High rate of illiteracy and lack of tertiary institutions (only two site-light institutions)
- Lack of integrated planning between the three spheres of government.
- Unfunded mandates.
- Housing shortage and rectification of incomplete houses.
- Lack of integrated and sustainable human settlements.

Xhariep Economic Analysis

The economic state of Xhariep District Municipality is put in perspective by comparing it on a spatial level with its neighbouring district municipalities, Free State Province and South Africa. The section will also allude to the economic composition and contribution of the regions within Xhariep District Municipality.

The Xhariep District Municipality does not function in isolation from Free State, South Africa and the world and now, more than ever, it is crucial to have reliable information on its economy for effective planning. Information is needed that will empower the municipality to plan and implement policies that will encourage the social development and economic growth of the people and industries in the municipality respectively.

Gross Domestic Product by Region (GDP-R)

The Gross Domestic Product (GDP), an important indicator of economic performance, is used to compare economies and economic states.

Definition: Gross Domestic Product by Region (GDP-R) represents the value of all goods and services produced within a region, over a period of one year, plus taxes and minus subsidies.

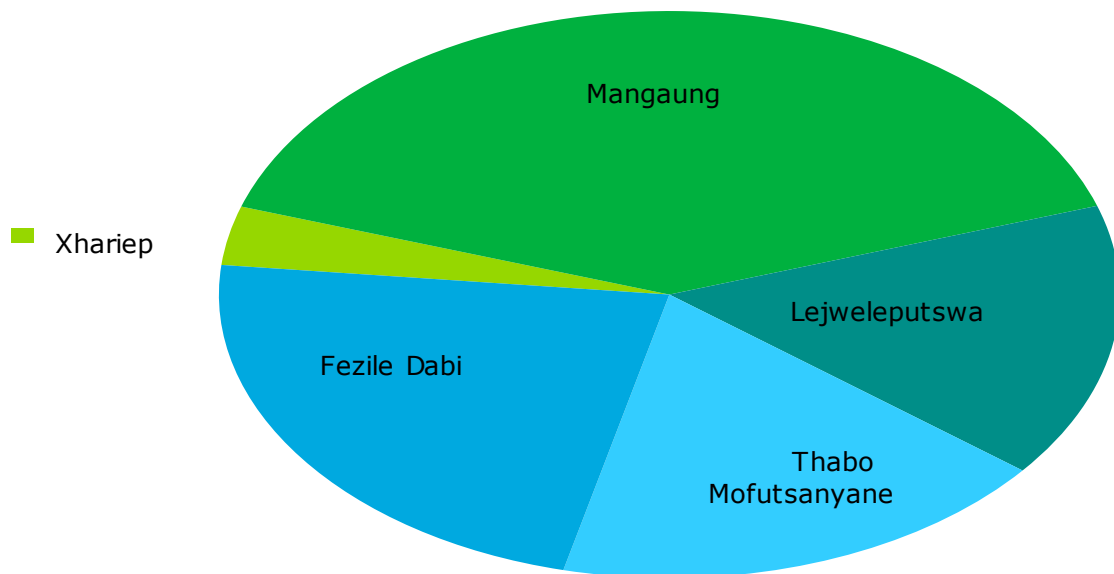
GDP-R can be measured using either current or constant prices, where the current prices measures the economy in actual Rand, and constant prices measures the economy by removing the effect of inflation, and therefore captures the real growth in volumes, as if prices were fixed in a given base year.

With a GDP of R 7.86 billion in 2017 (up from R 3.68 billion in 2007), the Xhariep District Municipality contributed 3.36% to the Free State Province GDP of R 234 billion in 2017 increasing in the share of the Free State from 3.23% in 2007. The Xhariep District Municipality contributes 0.17% to the GDP of South Africa which had a total GDP of R 4.65 trillion in 2017 (as measured in nominal or current prices). It's contribution to the national economy stayed similar in importance from 2007 when it contributed 0.17% to South Africa, but it is lower than the peak of 0.18% in 2008.



Gross Domestic Product (GDP)

Free State Province, 2017



The Xhariep District Municipality had a total GDP of R 7.86 billion and in terms of total contribution towards Free State Province the Xhariep District Municipality ranked lowest relative to all the regional economies to total Free State Province GDP. This ranking in terms of size compared to other regions of Xhariep remained the same since 2007. In terms of its share, it was in 2017 (3.4%) slightly larger compared to what it was in 2007 (3.2%). For the period 2007 to 2017, the average annual growth rate of 2.2% of Xhariep was the second relative to its peers in terms of growth in constant 2010 prices.

GROSS DOMESTIC PRODUCT (GDP) - LOCAL MUNICIPALITIES OF XHARIEP DISTRICT MUNICIPALITY, 2007 TO 2017, SHARE AND GROWTH

	2017 (Current prices)	Share of district municipality	2007 (Constant prices)	2017 (Constant prices)	Average Annual growth
Letsemeng	2.31	29.33%	1.83		1.78%
Kopanong	3.34	42.42%	1.98	2.36	1.74%
Mohokare	2.22	28.25%	1.12	1.59	3.54%
Xhariep	7.86		4.64	5.78	

Source: IHS Markit
Regional Explorer



Mohokare had the highest average annual economic growth, averaging 3.54% between 2007 and 2017, when compared to the rest of the regions within the Xhariep District Municipality. The Letsemeng Local Municipality had the second highest average annual growth rate of 1.78%. Kopanong Local Municipality had the lowest average annual growth rate of 1.74% between 2007 and 2017.

Gross Value Added by Region (GVA-R)

The Xhariep District Municipality's economy is made up of various industries. The GVA-R variable provides a sector breakdown, where each sector is measured in terms of its *value added* produced in the local economy.

Definition: Gross Value Added (GVA) is a measure of output (total production) of a region in terms of the value that was created within that region. GVA can be broken down into various production sectors.

The summary table below puts the Gross Value Added (GVA) of all the regions in perspective to that of the Xhariep District Municipality.

Gross Value Added (Gva) by Broad Economic Sector - Xhariep District Municipality, 2017 [R Billions, Current Prices]

	Xhariep	Free State	National Total	Xhariep as % of province	Xhariep as % of national
Agriculture	1.1	11.6	106.4	9.9%	1.08%
Mining	0.9	21.8	334.7	4.3%	0.28%
Manufacturing	0.3	24.4	551.6	1.1%	0.05%
Electricity	0.2	10.0	155.2	2.2%	0.14%
Construction	0.2	5.1	163.3	4.7%	0.14%
Trade	0.9	29.2	626.8	3.1%	0.14%
Transport	0.6	22.1	411.5	2.9%	0.15%
Finance	0.6	33.1	840.7	1.9%	0.07%
Community services	2.2	52.9	981.6	4.2%	0.22%
Total Industries	7.2	210.2	4,171.7	3.4%	0.17%

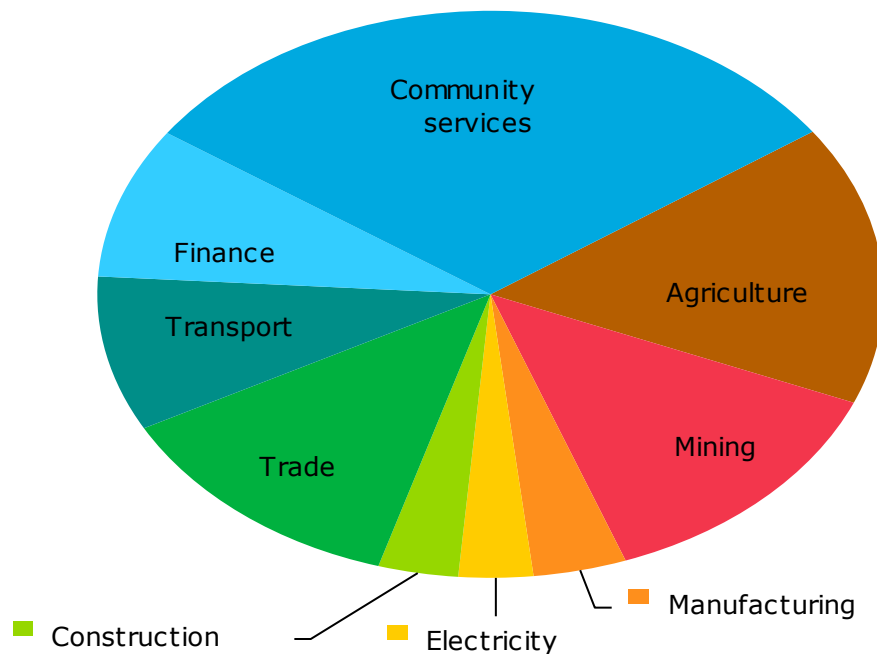
Source: IHS Markit Regional Explorer

In 2017, the community services sector is the largest within Xhariep District Municipality accounting for R 2.2 billion or 30.6% of the total GVA in the district municipality's economy. The sector that contributes the second most to the GVA of the Xhariep District Municipality is the agriculture sector at 16.0%, followed by the mining sector with 13.2%. The sector that contributes the least to the economy of Xhariep District Municipality is the electricity sector with a contribution of R 219 million or 3.06% of the total GVA.



Gross Value Added (GVA) by Broad Economic Sector - Xhariep District Municipality, 2017 [Percentage Composition]

Gross Value Added (GVA) by Broad Economic Sector
Xhariep District Municipality, 2017



Source: IHS Markit Regional eXplorer

The community sector, which includes the government services, is generally a large contributor towards GVA in smaller and more rural local municipalities. When looking at the regions within the district municipality, the Kopanong Local Municipality made the largest contribution to the community services sector at 50.92% of the district municipality. As a whole, the Kopanong Local Municipality contributed R 3.02 billion or 42.12% to the GVA of the Xhariep District Municipality, making it the largest contributor to the overall GVA of the Xhariep District Municipality.

2007	2012	2017		Average Annual growth
Agriculture	515.0	604.9	718.3	3.38%
Mining	735.7	769.5	981.4	2.92%
Manufacturing	170.3	158.6	164.7	-0.33%
Electricity	106.2	102.0	101.5	-0.45%
Construction	160.9	181.0	195.7	1.98%
Trade	671.0	757.4	807.5	1.87%
Transport	344.8	381.0	424.1	2.09%
Finance	369.8	407.2	438.3	1.71%
<u>Community services</u>	<u>1,188.0</u>	<u>1,336.0</u>	<u>1,482.9</u>	<u>2.24%</u>
Total Industries	4,261.5	4,697.6	5,314.4	2.23%

Source: IHS Markit Regional eXplorer



The tertiary sector contributes the most to the Gross Value Added within the Xhariep District Municipality at 60.7%. This is slightly lower than the national economy (68.6%). The primary sector contributed a total of 29.1% (ranking second), while the secondary sector contributed the least at 10.2%.

Labour

The labour force of a country consists of everyone of working age (above a certain age and below retirement) that are participating as workers, i.e. people who are actively employed or seeking employment. This is also called the economically active population (EAP). People not included are students, retired people, stay-at-home parents, people in prisons or similar institutions, people employed in jobs or professions with unreported income, as well as discouraged workers who cannot find work.

Working Age Population in Xhariep, Free State and National Total, 2007 - 2017

	Xhariep		Free State		National Total	
	2007	2017	2007	2017	2007	2017
15-19	14,100	9,630	305,000	238,000	5,240,000	4,560,000
20-24	13,400	9,610	310,000	249,000	5,350,000	4,860,000
25-29	11,400	11,100	255,000	280,000	4,720,000	5,560,000
30-34	9,140	10,600	188,000	269,000	3,690,000	5,420,000
35-39	7,710	9,170	159,000	216,000	2,970,000	4,460,000
40-44	7,210	6,710	150,000	151,000	2,610,000	3,280,000
45-49	6,500	5,290	137,000	123,000	2,320,000	2,590,000
50-54	5,820	4,850	116,000	118,000	1,920,000	2,290,000
55-59	4,880	4,840	94,400	109,000	1,560,000	2,030,000
60-64	4,170	4,350	73,500	94,200	1,210,000	1,660,000
Total	84,328	76,184	1,787,502	1,848,055	31,597,274	36,711,715

Source: IHS Markit Regional Explorer

The working age population in Xhariep in 2017 was 76 200, decreasing at an average annual rate of 1.01% since 2007. For the same period the working age population for Free State Province increased at 0.33% annually, while that of South Africa increased at 1.51% annually.

Total Employment

Employment data is a key element in the estimation of unemployment. In addition, trends in employment within different sectors and industries normally indicate significant structural changes in the economy. Employment data is also used in the calculation of productivity, earnings per worker, and other economic indicators.

Definition: Total employment consists of two parts: employment in the formal sector, and employment in the informal sector.

Total Employment - Xhariep, Free State and National Total, 2007-2017

	Xhariep	Free State	National Total
2007	36,600	766,000	13,500,000



2008		36,500	787,000	14,100,000
2009		35,100	775,000	14,000,000
2010		33,300	748,000	13,600,000
2011		32,600	740,000	13,800,000
2012		32,100	727,000	14,000,000
2013		32,200	730,000	14,500,000
2014		33,400	755,000	15,100,000
2015		34,900	777,000	15,500,000
2016		35,500	785,000	15,700,000
2017		36,800	802,000	15,900,000
Average Annual growth 2007-2017		0.05%	0.46%	1.61%

Source: IHS Markit
Regional Explorer

In 2017, Xhariep employed 36 800 people which is 4.59% of the total employment in Free State Province (802 000), 0.23% of total employment in South Africa (15.9 million). Employment within Xhariep increased annually at an average rate of 0.05% from 2007 to 2017.

Total Employment per Broad Economic Sector - Xhariep and the rest of Free State, 2017

	Xhariep	Mangaung	Lejweleputswa	Thabo Mofutsanyane	Fezile Dabi	Total Free State
Agriculture	5,960	13,000	21,300	33,300	21,400	95,049
Mining	5,340	3,560	27,100	1,190	4,600	41,757
Manufacturing	1,320	16,700	11,400	12,800	17,300	59,532
Electricity	144	2,950	1,770	859	1,150	6,883
Construction	1,930	16,900	7,910	9,640	10,500	46,819
Trade	6,970	61,800	35,200	41,400	27,500	172,785
Transport	1,110	13,500	6,360	6,750	5,670	33,363
Finance	2,060	32,500	13,700	12,200	10,600	71,191
Community services	6,800	80,700	33,600	38,700	26,700	186,549
Households	5,150	31,800	18,700	17,600	14,500	87,795

Source: IHS Markit Regional Explorer

Xhariep District Municipality employs a total number of 36 800 people within its district municipality. The district municipality that employs the highest number of people relative to the other regions within Free State Province is Mangaung district municipality with a total number of 274 000. Xhariep District Municipality also employed the lowest number of people within Free State Province.



In Xhariep District Municipality the economic sectors that recorded the largest number of employment in 2017 were the trade sector with a total of 6 970 employed people or 19.0% of total employment in the district municipality. The community services sector with a total of 6 800 (18.5%) employs the second highest number of people relative to the rest of the sectors. The electricity sector with 144 (0.4%) is the sector that employs the least number of people in Xhariep District Municipality, followed by the transport sector with 1 110 (3.0%) people employed.

Unemployment

Definition: The unemployed includes all persons between 15 and 65 who are currently not working, but who are actively looking for work. It therefore excludes people who are not actively seeking work (referred to as discouraged work seekers).

The choice of definition for what constitutes being unemployed has a large impact on the final estimates for all measured labour force variables. The following definition was adopted by the Thirteenth International Conference of Labour Statisticians (Geneva, 1982): The "unemployed" comprise all persons above a specified age who during the reference period were:

- "Without work", i.e. not in paid employment or self-employment;
- "Currently available for work", i.e. were available for paid employment or self-employment during the reference period; and
- "Seeking work", i.e. had taken specific steps in a specified reference period to seek paid employment or self-employment. The specific steps may include registration at a public or private employment exchange; application to employers; checking at worksites, farms, factory gates, market or other assembly places; placing or answering newspaper advertisements; seeking assistance of friends or relatives; looking for land.

UNEMPLOYMENT (OFFICIAL DEFINITION) - XHARIEP, FREE STATE AND NATIONAL TOTAL, 2007-2017 [NUMBER PERCENTAGE]

	Xhariep	Free State	National Total	Xhariep as % of province	Xhariep as % of national
2007	10,000	277,000	4,460,000		
		3.6%		0.23%	
2008	9,360	265,000	4,350,000	3.5%	
	0.22%				
2009	9,220	269,000	4,370,000	3.4%	
	0.21%				
2010	9,510	283,000	4,490,000	3.4%	
	0.21%				
2011	9,930	299,000	4,570,000	3.3%	
	0.22%				
2012	10,600	324,000	4,690,000	3.3%	
	0.23%				
2013	11,300	347,000	4,850,000	3.3%	
	0.23%				
2014	11,800	364,000	5,060,000	3.2%	
	0.23%				



2015	11,700 0.22%	369,000	5,290,000	3.2%
2016	11,900 0.21%	382,000	5,630,000	3.1%
2017	11,700 0.20%	384,000	5,940,000	3.0%

Average Annual growth

2007-2017 **1.50%** **3.33%** **2.91%**

Source: IHS Markit Regional eXplorer

In 2017, there were a total number of 11 700 people unemployed in Xhariep, which is an increase of 1 610 from 10 000 in 2007. The total number of unemployed people within Xhariep constitutes

3.04% of the total number of unemployed people in Free State Province. The Xhariep District Municipality experienced an average annual increase of 1.50% in the number of unemployed people, which is better than that of the Free State Province which had an average annual increase in unemployment of 3.33%.

UNEMPLOYMENT RATE (OFFICIAL DEFINITION) - XHARIEP, FREE STATE AND NATIONAL TOTAL, 2007-2017 [PERCENTAGE]

	Xhariep		Free State		National Total
2007	21.6%		26.7%		24.8%
2008	20.4%		25.4%		23.6%
2009	20.9%		25.9%		23.8%
2010	22.4%		27.6%		24.8%
2011	23.6%		29.0%		24.9%
2012	25.1%		31.0%		25.0%
2013	26.4%		32.5%		25.1%
2014	26.5%		32.7%		25.1%
2015	25.5%		32.4%		25.5%
2016	25.4%		33.0%		26.4%
2017	24.1%		32.2%		27.2%

Source: IHS Markit Regional eXplorer

In 2017, the unemployment rate in Xhariep District Municipality (based on the official definition of unemployment) was 24.06%, which is an increase of 2.49 percentage points. The unemployment rate in Xhariep District Municipality is lower than that of Free State. The unemployment rate for South Africa was 27.21% in 2017, which is a increase of -2.44 percentage points from 24.77% in 2007.



Income and Expenditure

In a growing economy among which production factors are increasing, most of the household incomes are spent on purchasing goods and services. Therefore, the measuring of the income and expenditure of households is a major indicator of a number of economic trends. It is also a good marker of growth as well as consumer tendencies.

Number of Households by Income Category

The number of households is grouped according to predefined income categories or brackets, where income is calculated as the sum of all household gross disposable income: payments in kind, gifts, homemade goods sold, old age pensions, income from informal sector activities, subsistence income, etc.). Note that income tax is included in the income distribution.

Income categories start at R0 - R2,400 per annum and go up to R2,400,000+ per annum. A household is either a group of people who live together and provide themselves jointly with food and/or other essentials for living, or it is a single person living on his/her own. These income brackets do not take into account inflation creep: over time, movement of households "up" the brackets is natural, even if they are not earning any more in real terms.

HOUSEHOLDS BY INCOME CATEGORY - XHARIEP, FREE STATE AND NATIONAL TOTAL, 2017
[NUMBER PERCENTAGE]

	Xhariep	Free State	National Total	Xhariep as % of province	Xhariep as % of national
0-2400	3	83	1,650	3.8%	0.19%
2400-6000	66	1,520	32,500	4.3%	0.20%
6000-12000	562	16,000	315,000	3.5%	0.18%
12000-18000	1,180	32,300	626,000	3.7%	0.19%
18000-30000	3,900	99,800	1,730,000	3.9%	0.22%
30000-42000	4,830	108,000	1,750,000	4.5%	0.28%
42000-54000	4,420	98,700	1,550,000	4.5%	0.29%
54000-72000	5,160	105,000	1,670,000	4.9%	0.31%
72000-96000	4,410	89,300	1,520,000	4.9%	0.29%
96000-132000	4,020	79,900	1,430,000	5.0%	0.28%
132000-192000	3,310	70,100	1,370,000	4.7%	0.24%
192000-360000	3,670	86,300	1,760,000	4.3%	0.21%
360000-600000	2,090	51,700	1,160,000	4.0%	0.18%
600000-1200000	1,320	33,400	840,000	3.9%	0.16%
1200000-2400000	456	10,400	266,000	4.4%	0.17%
<u>2400000+</u>	<u>75</u>	1,580	42,000	4.8%	0.18%
Total	39,500	884,000	16,100,000	4.5%	0.25%

Source: IHS Markit Regional Explorer

It was estimated that in 2017 14.47% of all the households in the Xhariep District Municipality, were living on R30,000 or less per annum. In comparison with 2007's 41.85%, the number is more than half. The 54000-72000 income category has the highest number of households with a total number of 5 160, followed by the 30000-

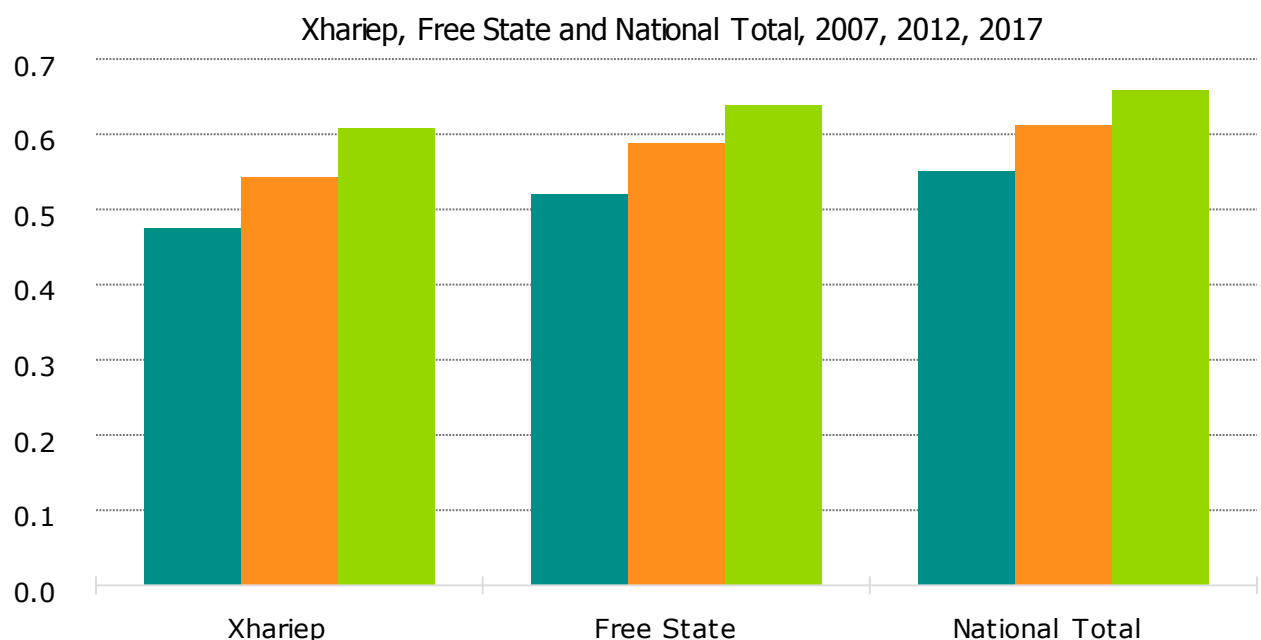


42000 income category with 4 830 households. Only 3.2 households fall within the 0-2400 income category.

HUMAN DEVELOPMENT INDEX (HDI)

Definition: The Human Development Index (HDI) is a composite relative index used to compare human development across population groups or regions.

HDI is the combination of three basic dimensions of human development: A long and healthy life, knowledge and a decent standard of living. A long and healthy life is typically measured using life expectancy at birth. Knowledge is normally based on adult literacy and / or the combination of enrolment in primary, secondary and tertiary schools. In order to gauge a decent standard of living, we make use of GDP per capita. On a technical note, the HDI can have a maximum value of 1, indicating a very high level of human development, while the minimum value is 0, indicating no human development.

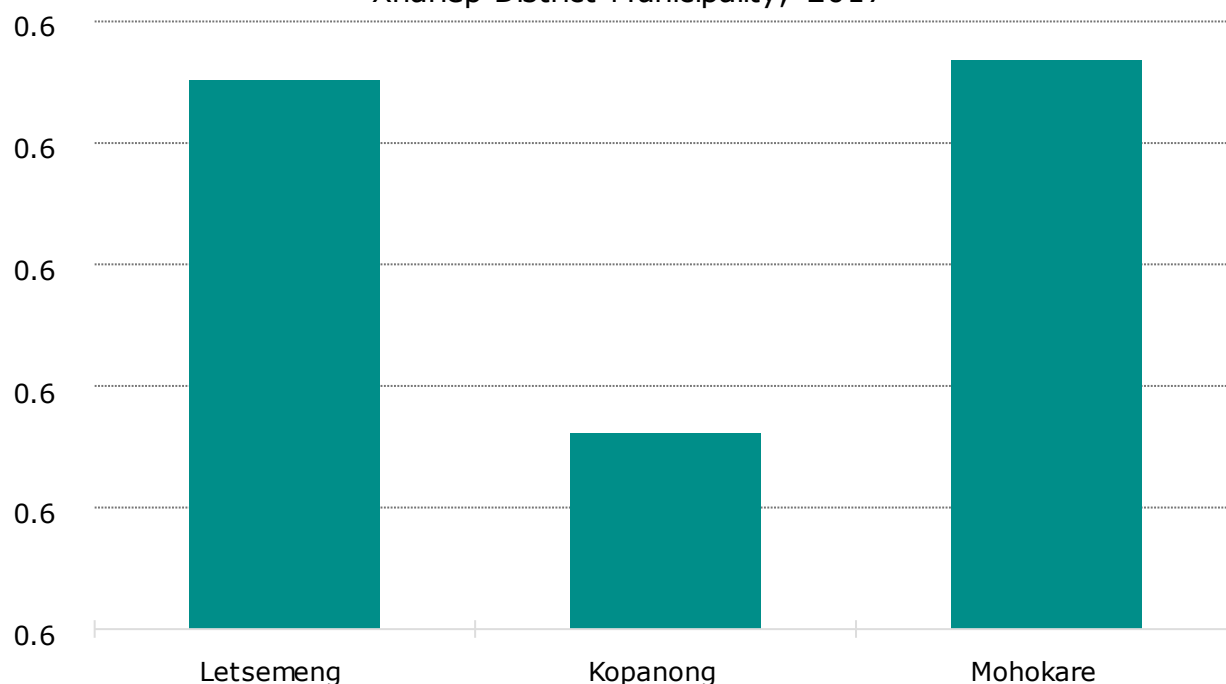


In 2017 Xhariep District Municipality had an HDI of 0.608 compared to the Free State with a HDI of 0.638 and 0.659 of National Total as a whole. Seeing that South Africa recorded a higher HDI in 2017 when compared to Xhariep District Municipality which translates to worse human development for Xhariep District Municipality compared to South Africa. South Africa's HDI increased at an average annual growth rate of 1.80% and this increase is lower than that of Xhariep District Municipality (2.49%).



Human development Index (HDI)

Xhariep District Municipality, 2017



In terms of the HDI for each the regions within the Xhariep District Municipality, Mohokare Local Municipality has the highest HDI, with an index value of 0.613. The lowest can be observed in the Kopanong Local Municipality with an index value of 0.598.

Poverty

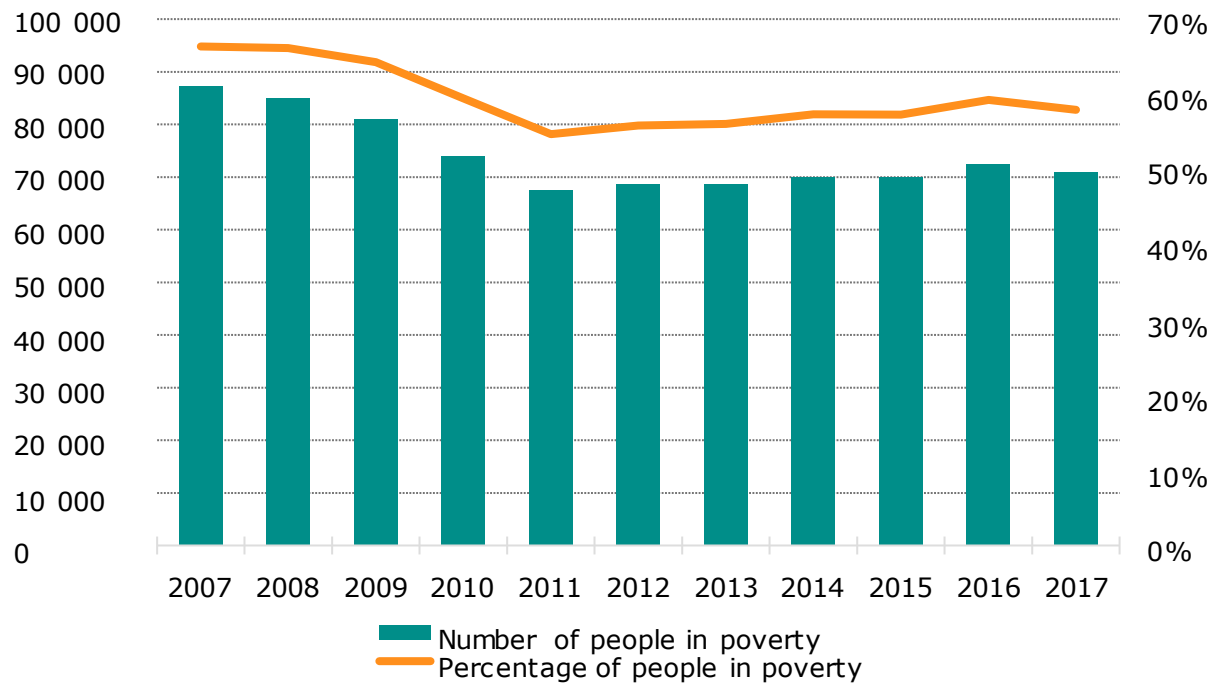
Definition: The upper poverty line is defined by StatsSA as the level of consumption at which individuals are able to purchase both sufficient food and non-food items without sacrificing one for the other. This variable measures the number of individuals living below that particular level of consumption for the given area, and is balanced directly to the official upper poverty rate as measured by StatsSA.

NUMBER AND PERCENTAGE OF PEOPLE LIVING IN POVERTY - XHARIEP DISTRICT MUNICIPALITY, 2007-2017 [NUMBER PERCENTAGE]

Number and percentage of people in poverty



Xhariep, 2007-2017



In 2017, there were 71 000 people living in poverty, using the upper poverty line definition, across Xhariep District Municipality - this is 18.70% lower than the 87 300 in 2007. The percentage of people living in poverty has decreased from 66.37% in 2007 to 57.93% in 2017, which indicates a decrease of 8.44 percentage points.

Education

Educating is important to the economic growth in a country and the development of its industries, providing a trained workforce and skilled professionals required.

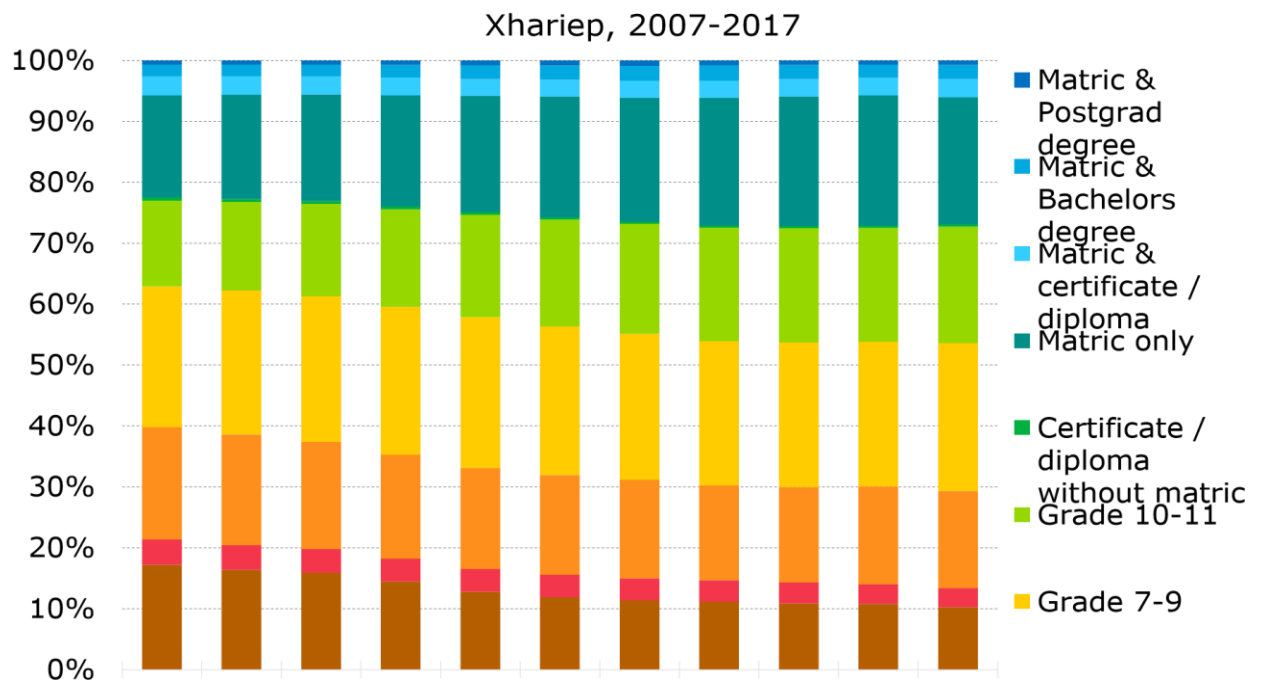
The education measure represents the highest level of education of an individual, using the 15 years and older age category. (According to the United Nations definition of education, one is an adult when 15 years or older. IHS uses this cut-off point to allow for cross-country comparisons.

Furthermore, the age of 15 is also the legal age at which children may leave school in South Africa).

HIGHEST LEVEL OF EDUCATION: AGE 15+ - XHARIEP DISTRICT MUNICIPALITY, 2007-2017 [PERCENTAGE]

Highest level of education: age 15+





Within Xhariep District Municipality, the number of people without any schooling decreased from 2007 to 2017 with an average annual rate of -5.29%, while the number of people within the 'matric only' category, increased from 13,200 to 16,000. The number of people with 'matric and a certificate/diploma' decreased with an average annual rate of -0.77%, with the number of people with a 'matric and a Bachelor's' degree increasing with an average annual rate of 1.69%.

HIGHEST LEVEL OF EDUCATION: AGE 15+ - XHARIEP, FREE STATE AND NATIONAL TOTAL, 2017 [NUMBERS]

	Xhariep	Free State	National Total	Xhariep as % of province	Xhariep as % of national
No schooling	7,830	96,700	2,270,000	8.1%	0.35%
Grade 0-2	2,360	48,100	684,000	4.9%	0.35%
Grade 3-6	12,200	203,000	3,110,000	6.0%	0.39%
Grade 7-9	18,500	352,000	6,030,000	5.3%	0.31%
Grade 10-11	14,600	415,000	8,390,000	3.5%	0.17%
Certificate / diploma without matric	278	8,620	191,000	3.2%	0.15%
Matric only	15,900	499,000	10,400,000	3.2%	0.15%
Matric certificate / diploma	2,270	97,400	2,160,000	2.3%	0.11%
Matric Bachelors degree	1,790	63,300	1,530,000	2.8%	0.12%
Matric Postgrad degree	549	25,000	749,000	2.2%	0.07%

The number of people without any schooling in Xhariep District Municipality accounts for 8.10% of the number of people without schooling in the province and a total share of 0.35% of the national. In 2017, the number of people in Xhariep District Municipality with a matric only was 16,000 which is a share of 3.20% of the province's total number of people that has obtained a matric. The number of people



with a matric and a Postgrad degree constitutes 2.83% of the province and 0.12% of the national.

FUNCTIONAL LITERACY

Definition: For the purpose of this report, IHS defines functional literacy as the number of people in a region that are 20 years and older and have completed at least their primary education (i.e. grade 7).

Functional literacy describes the reading and writing skills that are adequate for an individual to cope with the demands of everyday life - including the demands posed in the workplace. This is contrasted with illiteracy in the strictest sense, meaning the inability to read or write. Functional literacy enables individuals to enter the labour market and contribute towards economic growth thereby reducing poverty.

	Illiterate		Literate		%
2007		34,072		58,553	63.2%
2008		32,227		58,330	64.4%
2009		30,583		58,095	65.5%
2010		28,508		58,991	67.4%
2011		26,538		60,219	69.4%
2012		25,392		60,776	70.5%
2013		24,704		61,149	71.2%
2014		24,093		61,631	71.9%
2015		24,018		61,679	72.0%
2016		24,211		61,576	71.8%
2017		23,804		62,157	72.3%
Average Annual growth 2007-2017		-3.52%		0.60%	1.35%

Source: IHS Markit Regional Explorer

A total of 62 200 individuals in Xhariep District Municipality were considered functionally literate in 2017, while 23 800 people were considered to be illiterate. Expressed as a rate, this amounts to 72.31% of the population, which is an increase of 0.091 percentage points since 2007 (63.22%). The number of illiterate individuals decreased on average by -3.52% annually from 2007 to 2017, with the number of functional literate people increasing at 0.60% annually.

Household Infrastructure

Drawing on the household infrastructure data of a region is of essential value in economic planning and social development. Assessing household infrastructure involves the measurement of four indicators:



- Access to dwelling units
- Access to proper sanitation
- Access to running water
- Access to refuse removal
- Access to electricity

A household is considered "serviced" if it has access to all four of these basic services. If not, the household is considered to be part of the backlog. A household is defined as a group of persons who live together and provide themselves jointly with food and/or other essentials for living, or a single person who lives alone.

The next few sections offer an overview of the household infrastructure of the Xhariep District Municipality between 2007 and 2017.

Household by dwelling type: Using the StatsSA definition of a household and a dwelling unit, households can be categorised according to type of dwelling. The categories are:

- **Very formal dwellings** - structures built according to approved plans, e.g. houses on a separate stand, flats or apartments, townhouses, rooms in backyards that also have running water and flush toilets within the dwelling. .
- **Formal dwellings** - structures built according to approved plans, i.e. house on a separate stand, flat or apartment, townhouse, room in backyard, rooms or flatlet elsewhere etc, but without running water or without a flush toilet within the dwelling.
- **Informal dwellings** - shacks or shanties in informal settlements, serviced stands, or proclaimed townships, as well as shacks in the backyards of other dwelling types.
- **Traditional dwellings** - structures made of clay, mud, reeds, or other locally available material.
- **Other dwelling units** - tents, ships, caravans, etc

	Very Formal	Formal	Informal	Traditional	Other dwelling type	Total
Letsemeng	5,340	4,800	1,240	1,020	45	12,400
Kopanong	5,360	9,240	840	617	139	16,200
Mohokare	3,030	6,840	667	272	17	10,800
Total Xhariep	13,736	20,882	2,744	1,906	201	39,469

Source: IHS Markit Regional Explorer

The region within the Xhariep District Municipality with the highest number of very formal dwelling units is the Kopanong Local Municipality with 5 360 or a share of 39.04% of the total very formal dwelling units within Xhariep District Municipality. The region with the lowest number of very formal dwelling units is the Mohokare



Local Municipality with a total of 3 030 or a share of 22.08% of the total very formal dwelling units within Xhariep District Municipality.

Household by type of Sanitation

Sanitation can be divided into specific types of sanitation to which a household has access. We use the following categories:

- **No toilet** - No access to any of the toilet systems explained below.
- **Bucket system** - A top structure with a seat over a bucket. The bucket is periodically removed and the contents disposed of. (Note: this system is widely used but poses health risks to the collectors. Most authorities are actively attempting to discontinue the use of these buckets in their local regions).
- **Pit toilet** - A top structure over a pit.
- **Ventilation improved pit** - A pit toilet but with a fly screen and vented by a pipe. Depending on soil conditions, the pit may be lined.
- **Flush toilet** - Waste is flushed into an enclosed tank, thus preventing the waste to flow into the surrounding environment. The tanks need to be emptied or the contents pumped elsewhere.

	Flush toilet	Ventilation Improved Pit (VIP)	Pit toilet	Bucket system	No toilet	Total
Letsemeng	10,300	1,100	506	246	294	12,400
Kopanong	14,200	256	213	187	1,320	16,200
Mohokare	9,210	223	226	690	478	10,800
Total Xhariep	33,733	1,574	945	1,123	2,094	39,469

Source: IHS Markit Regional eXplorer

The municipality within Xhariep with the highest number of flush toilets is Kopanong Local Municipality with 14 200 or a share of 42.16% of the flush toilets within Xhariep. The region with the lowest number of flush toilets is Mohokare Local Municipality with a total of 9 210 or a share of 27.31% of the total flush toilets within Xhariep District Municipality.

Households by access to Water

A household is categorized according to its main access to water, as follows: Regional/local water scheme, Borehole and spring, Water tank, Dam/pool/stagnant water, River/stream and other main access to water methods. No formal piped water includes households that obtain water via water carriers and tankers, rain water, boreholes, dams, rivers and springs.



	Piped water inside dwelling	Piped water in yard	Communal piped water: less than 200m from dwelling (At RDP-level)	Communal piped water: more than 200m from dwelling (Below RDP)	No formal piped water	Total
Total	16,942	21,308	488	352	379	
Letsemeng	6,130	5,700	211	257	141	12,400
Kopanong	6,700	9,130	205	48	117	16,200
Mohokare	4,110	6,480	73	48	122	10,800
39,469						

The regions within Xhariep District Municipality with the highest number of households with piped water inside the dwelling is Kopanong Local Municipality with 6 700 or a share of 39.55% of the households with piped water inside the dwelling within Xhariep District Municipality. The region with the lowest number of households with piped water inside the dwelling is Mohokare Local Municipality with a total of 4 110 or a share of 24.28% of the total households with piped water inside the dwelling within Xhariep District Municipality.

Households by type of Electricity

Households are distributed into 3 electricity usage categories: Households using electricity for cooking, Households using electricity for heating, households using electricity for lighting. Household using solar power are included as part of households with an electrical connection. This time series categorises households in a region according to their access to electricity (electrical connection).

HOUSEHOLDS BY TYPE OF ELECTRICAL CONNECTION - LETSEMENG, KOPANONG AND MOHOKARE LOCAL MUNICIPALITIES, 2017 [NUMBER]

	Electricity for lighting only	Electricity for lighting and other purposes	Not using electricity	Total
Letsemeng	216	11,700	522	12,400
Kopanong	618	14,900	715	16,200
Mohokare	714	9,530	591	10,800
Total Xhariep	1,548	36,093	1,828	39,469

Source: IHS Markit Regional eXplorer

The municipality within Xhariep with the highest number of households with electricity for lighting and other purposes is Kopanong Local Municipality with 14 900 or a share of 41.19% of the households with electricity for lighting and other purposes within Xhariep District Municipality. The municipality with the lowest number of households with electricity for lighting and other purposes is Mohokare Local Municipality with a total of 9 530 or a share of 26.39% of the total households with electricity for lighting and other purposes within Xhariep District Municipality.



Households by Refuse Disposal

A distinction is made between formal and informal refuse removal. When refuse is removed by the local authorities, it is referred to as formal refuse removal. Informal refuse removal is where either the household or the community disposes of the waste, or where there is no refuse removal at all. A further breakdown is used in terms of the frequency by which the refuse is taken away, thus leading to the following categories:

- Removed weekly by authority
- Removed less often than weekly by authority
- Removed by community members
- Personal removal / (own dump)
- No refuse removal

HOUSEHOLDS BY REFUSE DISPOSAL - LETSEMENG, KOPANONG AND MOHOKARE LOCAL MUNICIPALITIES, 2017 [NUMBER]

	Removed weekly by authority	Removed less often than weekly by authority	Removed by community members	Personal removal (own dump)	No refuse removal	Total
Letsemeng	7,930	127	1,370	2,480	525	12,400
Kopanong	12,400	443	558	2,220	605	16,200
<u>Mohokare</u>	<u>7,940</u>	<u>463</u>	<u>312</u>	<u>1,860</u>	<u>256</u>	<u>10,800</u>
Total Xhariep	28,243	1,033	2,240	6,567	1,386	39,469

Source: IHS Markit Regional eXplorer

The municipality within Xhariep with the highest number of households where the refuse is removed weekly by the authority is Kopanong Local Municipality with 12 400 or a share of 43.81% of the households where the refuse is removed weekly by the authority within Xhariep. The municipality with the lowest number of households where the refuse is removed weekly by the authority is Letsemeng Local Municipality with a total of 7 930 or a share of 28.09% of the total households where the refuse is removed weekly by the authority within the district municipality.

Climate Change Impacts

Xhariep District Municipality is currently experiencing issues of water scarcity and quality. Climate change is expected to exacerbate this problem. Drought, reduced runoff, increased evaporation, and an increase in flood events will impact on both water quality and quantity. In addition to this, the groundwater capacity within the District may decrease and possibly impact on households that are dependent on this source of water.

Letsemeng

The Petrusburg Node and farms utilise 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 sources need 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 get its 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.

The following trends can be highlighted:

- Extension of and identification of bulk water supply.
- Water metering.
- Internal reticulation and house connections.
- Cost of bulk water supply.
- Uniform tariff structure.
- Application of Free Water Policy.



Xhariep at a Glance

Below is a summary of statistics for the Xhariep District Municipality

South Africa	Xhariep	LOW	Xhariep's rank against 52 regions	HIGH	Rank	Description	IHS Markit
SIZE INDICATORS 2017							
1.22 m	34 200	Land Size		9	Size of the region, square kilometer		
56.5 m	122 000	Population		51	Total Population, all ages		
4.65 tn	7.86 bn	GDP		51	Current prices, Rands		
15.9 m	36 800	Employment		51	Total employment, formal and informal		
PERFORMANCE INDICATORS 2007-2017							
0.2%	2.9%	GDP per capita growth		1	Average annual % growth (Constant prices)		
1.8%	2.2%	GDP growth		11	Average annual % growth (Constant prices)		
6.4%	8.0%	Household income growth		21	Average annual % growth (Household income in current prices)		
1.6%	0.1%	Employment growth		49	Average annual % growth		
1.6%	-0.7%	Population growth		52	Average annual % growth		
DEVELOPMENT INDICATORS 2017							
27.2%	24.1%	Unemployment rate (inverse)		14	Unemployment rate, official definition (%)		
40.2	42.7	Tress Index (inverse)		18	Concentration or diversification level within a region		
0.749	0.813	Household services index		21	Index value between 0 and 1, higher is better		
58.2%	57.9%	Poverty (inverse)		22	Percentage of people living in poverty		
82.3 k	64.2 k	Standard of living		28	GDP per capita (Current prices)		
0.54	0.605	Dependency ratio (inverse)		29	Ratio of persons 65+ and persons 0-14 to persons of working age (15-64)		
293 k	214 k	Productivity		37	GDP per employee (Current prices)		
84.1%	72.3%	Literacy rate		47	Percentage of literate population		



Spatial Overview

Geological Factors

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 Eccia group in the western region. Karoo dolerite formation is scattered throughout the area (Source: Council for Geosciences, 2001).	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 hectors required per livestock 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	<p>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.</p> <p>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.</p>	<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

Xhariep District forms the southern part of the Free State Province and is one of four 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. 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, Fauriesmith and Jagersfontien. However, Jagersfontien 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 Philippolis 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 Philippolis 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.
Oppermans	Oppermans 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.
Kopanong Local Municipality		
Town	Description	Spatial Issues
Trompsburg	Trompsburg/Madikgetla serves as the regional administrative seat within Kopanong Municipality. It is situated approximately 108 km south of Bloemfontein. Access to the town is via the N1 between Bloemfontein and Colesberg. The main	<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



	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"> 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 Kopanong 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.
Edenburg	Edenburg/Ha-Rasebei serves as a general agricultural service centre within Kopanong 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/Ipopeng 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 from 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:	<ul style="list-style-type: none"> ▪ Access to land by emerging farmers. ▪ Sustainable land management. ▪ Conservation of areas surrounding local rivers;



	(a) regional agricultural services centre, (b) key regional tourist destination, and (c) social functions such as residence, education and medical services.	
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 from 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 from 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 from major transport routes. ▪ Poor road access between Smithfield and Trompsburg.
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 from major transport routes.

Data Source: XDM SDF

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. 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:

TOWN	KOFFIEFONTEIN	PETRUSBURG	JACOBSDAL	OPPERMANSGRONDE	LUCKHOFF	TROMPSBURG	EDENBURG	REDDERSBURG	FAURESMTIH	JAGERSFONTEIN	PHILLIPOLIS	SPRINGFONTEIN	GARIEP DAM	BETHULIE	ZASTRON	SMITHFIELD	ROUXVILLE	DEWETSDORP	WEPENAR	VAN STANDENSURUS
KOFFIEFONTEIN	0																			
PETRUSBURG	55	0																		
JACOBSDAL	45	76	0																	
OPPERMANSGRONDE	12	67	57	0																
LUCKHOFF	42	97	87	30	0															
TROMPSBURG	12	18	170	13	13	0														
EDENBURG	11	15	160	12	17	3	0													
REDDERSBURG	14	14	186	15	31	6	26	0												
FAURESMTIH	48	73	93	60	48	7	67	93	0											
JAGERSFONTEIN	58	31	103	70	23	6	57	83	10	0										
PHILLIPOLIS	10	13	154	12	83	5	92	11	61	71	0									
SPRINGFONTEIN	14	20	192	15	15	2	61	87	99	89	42	0								
GARIEP DAM	17	24	218	19	13	6	10	12	13	12	48	40	0							
BETHULIE	17	23	222	18	18	5	91	14	12	11	10	30	52	0						
ZASTRON	28	24	328	29	32	1	17	14	23	22	23	16	18	13	0					
SMITHFIELD	21	21	260	22	25	9	82	77	16	15	16	88	11	67	68	0				
ROUXVILLE	25	25	298	31	28	1	14	11	20	19	20	13	15	10	30	38	0			

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.

KEY SPATIAL ISSUE	BRIEF DESCRIPTION
Access to land	The issue of access to land relates 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.
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 distinguished:

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. The 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 support 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 neighboring 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: Urban centres located within a Local Municipality's area of jurisdiction, 2012

Letsemeng Municipality	Local	Kopanong Local Municipality	Mohokare Municipality	Local
Jacobsdal		Bethulie	Rouxville	
Koffiefontein		Edenburg	Smithfield	



Luckhoff	Fauresmith	Zastron
Oppermans	Gariiep Dam	
Petrusburg	Jagersfontein	
	Philippolis	
	Reddersburg	
	Springfontein	
	Trompsburg	

Data Source: Xhariep District Municipality RDP

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 practice 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 areas where growth will be experienced. 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.

Blomfontein, 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

Phillippolis 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 specialization

The region offers a variety of region specific products. It was therefore proposed that these products should be promoted and therefore nodes of specialization 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 specialize 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
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



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 Alwal 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.

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 Oppermansgronde 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:

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 Planning and Social Development 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.

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.

National Spatial Development Perspective

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.

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.

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 Luckhoff 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 feldspathic 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 greyish-green and red to purple mudstone with bands of fine- to coarse grained sandstone. Lenses of grit, scattered large pebbles, cobbles and boulders up to 6 kg in weight, occurs in certain sandstone beds.



Elliot Formation

A small portion of the study area (which is underlain by the Molteno Formation) is underlain by the Elliot Formation. The Elliot Formation (Tre) 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 kilometres 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 volcano 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)

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

Locality	Groundwater is currently the only source of water supply	Groundwater is currently a supplementary and/ or an emergency source of water supply	Groundwater is currently not used, was utilised in the past
Jacobsdal		•	
Petrusburg	•		
Koffiefontein		•	
Luckhoff			•
Gariep dam			
Phillipolis		•	
Bethulie			•
Springfontein		•	
Trompsburg	•		
Fauriesmith	•		
Jaggersfontien	•		
Edenburg		•	
Reddersburg		•	
Zastron			•
Rouxville			
Smithfield		•	

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 (x10 ⁹ m ³)
Smithfield Dam	D 24	4.55
Bethulie Dam	D 34	4.60
Gariep Dam	D 35	5 673.80
Welbedacht Dam	-	15 245 km ² catchment
Egmont Dam	-	9 300 000 m ³

Source: Xhariep Environmental Management Programme

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

Data Source: Xhariep Environmental Management Programme



DWA (Department of Water Affairs) 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 categorized 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.

Mineral and Heritage Resources:

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

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, 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

Environmental Management & Climate Change Aspects and Issues for the Xhariep DM IDP – 2020/21

Introduction

What is the environment? Environment means the surroundings within which humans exist and that are made up of land, water, atmosphere of the earth, micro-organisms, plant & animal life, any part of the combination of the above and the interrelationships among and between them and the physical, chemical, aesthetic and cultural properties and conditions of the forgoing that influence human health and wellbeing.

Section 24 of the Constitution states that everyone has the right to an environment that is not harmful to their health and wellbeing and that of future generations. Climate change is not a stand-alone environmental concept, but interlinked with all other environmental issues of sustainability being, water, energy, health, air quality, agriculture and biodiversity. It is then imperative that in each section of the environmental discussion, that climate change be given due consideration with regards to forward planning on improving environmental quality in the Xhariep District Municipality.

Environmental tools that are critical in addressing climate change impacts in the district include National Biodiversity Strategy and Action Plan, Integrated Waste Management Plan of the District Municipality, National Waste Management Strategy, the Provincial Air Quality Management Plan (the XDM AQMP is not yet developed), the Environmental Management Framework of the Xhariep DM which assists the municipality with sensitive areas and those that require attention with regards to conservation.

National/Provincial Environmental Plans/Tools/Strategies

1.1 National Biodiversity Strategy Action Plan (NBSAP)



The NBSAP sets out a framework and a plan of action for the conservation and sustainable use of South Africa's biological diversity and the equitable sharing of benefits derived from this use. The goal of the NBSAP is to conserve and manage terrestrial and aquatic biodiversity to ensure sustainable and equitable benefits to the people of the country and the Xhariep District Municipality.

From the National Biodiversity Strategy Action Plan, the most relevant objectives and activities to the Xhariep District Municipality IDP are as follows:

- **Strategic Objective 1:** An enabling policy and legislative framework integrates biodiversity management objectives into the economy
- **Strategic Objective 2:** Enhanced institutional effectiveness and efficiency ensures good governance in the biodiversity sector
- **Strategic Objective 3:** Integrated terrestrial and aquatic management minimizes the impacts of threatening processes on biodiversity, enhances ecosystem services and improves social and economic security
- **Strategic Objective 4:** human development and well-being is enhanced through sustainable use of biological resources and equitable sharing of benefits
- **Strategic Objective 5:** A network of conservation areas conserves a representative sample of biodiversity and maintains key ecological processes across the landscape.

The National Waste Management Strategy (NWMS)

The National Department of Environmental Affairs developed the National Waste Management Strategy of which municipalities are tasked with implementing. The strategy contains, among others, targets for waste minimisation, avoidance, recycling, etc.

Summary of NWMS

Goals	Description	Targets (2016)
Goal 1:	Promote waste minimisation, re-use, recycling and recovery of waste.	25% of recyclables diverted from landfill sites for re-use, recycling or recovery. All metropolitan municipalities, secondary cities and large towns have initiated separation at source programmes. Achievement of waste reduction and recycling targets set in Industrial Waste Management Plans for paper and packaging, pesticides, lighting (CFLs) and tyres industries.
Goal 2:	Ensure the effective and efficient delivery of waste services.	95% of urban households and 75% of rural households have access to adequate levels of waste collection services. 80% of waste disposal sites have permits.
Goal 3:	Grow the contribution of the waste sector to the green economy.	69 000 new jobs created in the waste sector 2 600 additional SMEs and cooperatives participating in waste service delivery and recycling
Goal 4:	Ensure that people are aware of the impact of waste on their health, well-being and the environment.	80% of municipalities running local awareness campaigns. 80% of schools implementing waste awareness programmes.
Goal 5:	Achieve integrated waste management planning.	All municipalities have integrated their IWMPs with their IDPs, and have met the targets set in IWMPs. All waste management facilities required to report to SAWIS have waste quantification systems that report information to WIS.
Goal 6:	Ensure sound budgeting and financial management for waste services.	All municipalities that provide waste services have conducted full-cost accounting for waste services and have implemented cost reflective tariffs.
Goal 7:	Provide measures to remediate contaminated land.	Assessment complete for 80% of sites reported to the contaminated land register. Remediation plans approved for 50% of confirmed contaminated sites.



Goal 8:	Establish effective compliance with and enforcement of the Waste Act.	50% increase in the number of successful enforcement actions against non-compliant activities. 800 EMIs appointed in the three spheres of government to enforce the Waste Act.
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Provincial Air Quality Management Plan (AQMP)

It is from this plan where the Xhariep DM is guided on the management of air quality in its jurisdiction. The National Air Quality Act establishes national standards and regulations according to which municipalities have to monitor the ambient air quality and atmospheric emissions from definite, non-definite and mobile sources. The role of the provincial government is to monitor the performance of local government in implementing the Act. Currently the Xhariep District Municipality forms part of the Free State Provincial Air Quality Officers' Forum. The district municipality needs to lobby for funding and assistance on the development of the municipal air quality management plan

Programmes, Interventions and Projects in the Xhariep District by National Department of Environmental Affairs

- The National Department of Environmental Affairs appointed a warm body to facilitate local government support functions in the Xhariep DM on environmental management. All local municipalities (Kopanong LM, Letsemeng LM, Mohokare LM) are accommodated by the Official.
- **Environmental Protection & Infrastructure Programmes:** The 3-year cycle projects funded by DEA focus on projects planned and proposed by municipalities.

Projects which are funded during the current 3-year cycle are:

- *FS – Renovation of the Bethulie Landfill Site – R7 million (project on hold)*
- *FS –Kalema Game Farming and Cattle Ranching – R20 million*
- *FS-Establishment of Dithake Recreational Park – R8 million*
- *The Department of Environmental Affairs will also be funding the Youth Mass Training Programme where youth in a particular municipal town are trained on a qualification chosen by the municipality for 12 months while receiving a stipend.*
- *The DEA Youth Community Outreach Programme is a programme being implemented in the Mohokare LM where a Youth Coordinator has been appointed and based in the Mohokare LM to coordinate environmental education and awareness in the municipality for a period of 3 years.*

Municipal Planning Tools/Programmes/Strategies

Xhariep DM Integrated Waste Management Plan (IWMP)



The Xhariep DM has finalised the review of its IWMP. The Integrated Waste Management Plan is the most critical planning tool for the municipality on waste management and the support it provides to its local municipalities. The Xhariep District Municipality forms part of the Free State provincial Waste Management Officers' Forum. Implementation of the Integrated Waste Management Plan will be the focus during the coming municipal financial year of 2019/20.

Xhariep DM Environmental Management Framework (EMF)

The Environmental Management Framework was developed and what needs to culminate from the framework is a detailed environmental management plan which will serve as a tool that further assists the district municipality with environmental planning and conservation.

Xhariep DM Local Economic Development Strategy

The Xhariep DM LED strategy is available, however, the municipality is in the process of reviewing it. It is essential that the Xhariep District Municipality considers and prioritises the green economy and green jobs concepts in promoting economic development. The Department of Environmental Affairs through the Local Government Support Programme, forms part of the Xhariep DM Local Economic Development Forum and uses the platform to raise awareness and promote the green economy concept, including wildlife economy, EPIP Funding opportunities, bio prospecting, aquaculture, etc.

Xhariep DM Spatial Development Framework (SDF)

The SDF is available along with a package of maps which illustrate essential aspects of the municipality including agricultural practices, etc. The maps will play a critical role in informing the environmental management plan, once the Xhariep District Municipality has developed it. Another crucial role of the maps is to highlight environmentally sensitive areas. These guide the municipality on areas that should be earmarked for conservation and environmental protection programmes.

Xhariep DM EPWP Programme

The XDM EPWP Programme assists the local municipalities with ensuring that municipal towns are left in a clean and healthy state through the annual cleaning and greening programmes.

Xhariep DM Disaster Management Plan

The Disaster Management Plan has been developed and the Xhariep DM is in the process of lobbying for funds for the development of a disaster management centre in order to implement disaster relief programmes, emergency preparedness strategies, etc. such includes environmental emergency incidents, veld fires, floods, drought relief programmes, etc.

The Xhariep DM intends to lobby for funding for the development of the **Air Quality Management Plan** as well as the **Climate Change and Green Economy Policy**

Climate Change Adaptation Response Plan



The National Department of Environmental Affairs has funded for the development of Climate Change Adaptation Response Plans in the Xhariep District Municipality. The plan is still in draft format and needs to be circulated for public comments before it is to be finalised and adopted by the district municipality.

Xhariep DM Structures

Cooperative governance and coordination of activities is critical in effective planning. The municipality has established a number of structures to this effect, being:

- **Energy Forum** – focuses on the provision of energy in the Xhariep DM
- **Agriculture Forum** – focuses on agriculture programmes and food security in the Xhariep DM
- **Local Economic Development Forum** focuses on economic development and support of SMMEs and Co-Operatives in the Xhariep DM
- **Waste & Air Quality Officers' Forum** focuses on waste management and air quality issues in the Xhariep DM
- **Water Quality Advisory Forum** focuses on the quality of water inclusive of the Green Drop and Blue Drop Standards.
- **Disaster Management Advisory Forum** – focuses on disaster management and relief programmes in the Xhariep DM
- **Expanded Public Works Programme Steering Committee** – focuses on EPWP programmes in the Xhariep DM
- **IDP Forums** – focuses on IDP related matters including intergovernmental relations.

Municipal Profiles

The Department of Environmental Affairs had conducted a desktop study on municipal profiles regarding environmental attributes such as climate change, air quality, waste management.

Air Quality Profile

This area focuses on air quality and associated facilities and activities that impact considerably on the quality of air in the Xhariep DM and how the municipality applies certain legislated processes to manage the quality of air in the district. The National Environmental Management: Air Quality Act and its regulations provides the municipality with the duty of issuing air emission licenses to facilities that have a considerable impact on the quality of air. Thus ensuring that emissions are within acceptable limits, while economic activities are not hindered. According to the study, there is only one facility that applies based in Goedemoed. The facility, being an incinerator was issued a Provisional Air Emissions License to track and monitor that emissions are within acceptable limits before issuing a permanent license. The facility has even commissioned, therefore the Provisional Air Emissions License has not taken effect.

Waste Management Profile

This area focuses on all activities related to waste management. The broad spectrum varies from landfill sites to waste minimisation programmes such as recycling. The Xhariep DM houses quite a high number of landfill sites. There are also a number of recycling activities in the various towns of the district, however, this is done on a smaller scale. The profile study shows that these recycling groups need support, generally, in the form of transportation, storage and sorting facilities, equipment such as baling machines, etc.

Landfill Sites



The Xhariep DM houses 17 landfill sites in total. Mohokare has 3 landfill sites, Letsemeng Local Municipality houses 5 landfill sites and the Kopanong Local Municipality houses 9 landfill sites. Below is a profile of the landfill sites within the Xhariep DM Region

Kopanong LM Landfill Sites

Local Municipality	Name of Facility	Type of waste stream	Licenced NR	Operational or Closed	Capacity of site	Source Documentation
Kopanong LM	Fauresmith Landfill Site	Solid Waste	B33/2/350/7/P90	Operational	License valid for 15 years	DWA Waste Permit
Kopanong LM	Gariep Dam Landfill Site	Solid Waste	WML/BAR/15/2012	Operational	License valid for 15 years	DESTEWA Waste License
Kopanong LM	Trompsburg Landfill Site	Solid Waste	WML/BAR/16/2012	Operational	License valid for 20 years	DESTEWA Waste License
Kopanong LM	Springfontein Landfill Site	Solid Waste	WML/BAR/13/2012	Operational	License valid for 15 years	DESTEWA Waste License
Kopanong LM	Phillipolis Landfill Site	Solid Waste	WML/BAR/17/2012	Operational	License valid for 15 years	DESTEWA Waste License
Kopanong LM	Bethulie Landfill Site	Solid Waste	WML/BAR/14/2012	Operational	License valid for 15 years	DESTEWA Waste License
Kopanong LM	Reddersburg Landfill Site	Solid Waste	WML/EIA/12/2012	Under Construction	License valid for 15 years	DESTEWA Waste License
Kopanong LM	Reddersburg Landfill Site	Solid Waste	B33/2/350/9/P11	Operational	License valid for 15 years	DWA Waste Permit
Kopanong LM	Edenburg Landfill Site	Solid Waste	B33/2/350/5/P84	Operational	License valid for 15 years	DWA Waste Permit

Letsemeng LM Landfill Sites

Local Municipality	Name of Facility	Type of waste stream	Licenced NR	Operational or Closed	Source Documentation
Letsemeng LM	Luckhoff Landfill Site	Solid Waste	WML/BAR/22/2014	Operational but to be closed	DESTEWA Waste License
Letsemeng LM	Oppermansgronde Landfill Site	Solid Waste	16/2/7/C514/D3/1	Operational	DWA Waste Permit
Letsemeng LM	Petrusburg Landfill Site	Solid Waste	16/2/7/C524/D1/1	Operational	DWA Waste Permit
Letsemeng LM	Koffiefontein Landfill Site	Solid Waste	16/2/7/C514/D4/1	Operational	DWA Waste Permit
Letsemeng LM	Jacobsdal Landfill Site	Solid Waste	B33/2/350/32/P33	Operational	DWA Waste Permit

Mohokare LM Landfill Sites

Local Municipality	Latitude	Longitude	Name of Facility	Type of waste stream	Licenced NR	Operational or Closed	Capacity of site	Source Documentation
Mohokare LM	30° 34' 27" S	26° 22' 36" E	Goedemoed Landfill Site	Solid Waste	WML/1B/04/2010	Operational	License valid for 20 years	DESTEWA Waste License
Mohokare LM			Smithfield Landfill Site	Solid Waste	B33/2/420/3/P154	Operational	License valid for 30 years	DWA Waste Permit
Mohokare LM	Y 17511.648	X 3365517.024	Rouxville Landfill Site	Solid Waste	B33/2/420/P57	Operational	Unknown	DWA Waste Permit

Below, is a workplan of the Department of Environmental Affairs: Local Government Support Official who is based in the Xhariep District Municipality. It illustrates among others, the support provided by the Official to the district.

Work Plan - Performance Standards and Indicators



NO	KEY PERFORMANCE AREA	WEIGHT %	KEY PERFORMANCE INDICATORS	ANNUAL TARGET	QUARTERLY TARGETS/ KEY ACTIVITIES	RESOURCE REQUIREMENTS / ENABLING CONDITIONS
1.	Support Municipal planning and ensure integration Environment Planning & Management	30	IDP Analysis Report Xhariep DM EIA Project Screen report for Xhariep DM Municipal Feedback report Comments of the inputs provided during IDP development process	District IDP Analysis report with Project Screening Report on IDP development process	Q1: Conduct IDP analysis for the Xhariep District and Local Municipalities Q 1: Conduct Project screening for EIA purpose for Xhariep DM (To form part of the IDP Analysis Report) Q3: Provide feedback to all municipalities in the Xhariep DM on IDP engagements Q1-Q4 Participate in the IDP development processes in all municipalities	Office Equipment; Internet connection; Transport Cooperation from Municipalities, Province, DEA Branches, COGTA & SALGA Funding, resource/ promotional materials
2.	Facilitate and coordinate environmental capacity building	30	Municipal Capacity Analysis report (Xhariep District & Local Municipalities) Capacity Building Proposal/plan 1 st Capacity building report 2 nd Capacity building report Consolidated capacity building report	Municipal Capacity Analysis report (Xhariep DM & Local Municipalities) 2 Capacity Building initiatives facilitated – Annual Report	Q1: Identification of environmental capacity gaps within District and Local Municipalities. Q1: Identification of capacity building initiatives Q2: Initiate and facilitate 1st capacity building initiative Q3: Initiate and facilitate 2nd capacity building initiative Q4: Consolidate report for the capacity building initiatives	Office Equipment; Internet connection; Transport Cooperation from Municipalities, Province, DEA Branches, COGTA& SALGA Funding, resource/ promotional materials
3	Facilitate and coordinate environmental awareness initiatives	20	Report on 1 st Environmental Management Campaign (EE, Calendar Days, Clean up, etc.) conducted Report on 2 nd Environmental Management Campaign (EE, Calendar Days, Clean up, etc.) conducted Report on 3 rd Environmental Management Campaign (EE, Calendar Days, Clean up, etc) conducted Report on 4 th Environmental Management Campaign (EE, Calendar Days, Clean up, etc.) facilitated	4 Environmental Management Campaigns (EE, Calendar Days, Clean up, etc.) within Xhariep DM – Annual Report	Q1: Initiate/Facilitate one Environmental Management Campaign (Clean-up/Calendar Day,/awareness) Q2: Initiate/Facilitate one Environmental Management Campaign (Clean-up/Calendar Day,/awareness) Q3: Initiate/Facilitate one Environmental Management Campaign (Clean-up/Calendar Day/awareness) Q4: Initiate/Facilitate one Environmental Management Campaign (Clean-up/Calendar Day/awareness) Q4: Consolidate report for the Environmental Management Campaigns (Clean-up/ Calendar Day /awareness)	Office Equipment; Internet connection; Transport Cooperation from Municipalities, Province, DEA Branches, COGTA& SALGA Funding, resource/ promotional materials
4	Improve environmental governance systems within municipality	10	Inventory of all Environmental Structures within the municipality	Annual report on municipal environmental governance	Q1: Consolidate a list/inventory of all Environmental Structures within the municipality	Office Equipment; Internet connection; Transport



			Quarterly reports on an identified/established Municipal Environmental Governance Forum	forum meetings	Q1: Establish/Convene/Support Municipal Environmental Governance Forum	Cooperation from Municipalities, Province, DEA Branches, COGTA& SALGA
					Q2: Convene/Support Municipal Environmental Governance Forum	
					Q4: Convene/Support Municipal Environmental Governance Forum	
			List/database of identified Provincial/ National Governance Structures	Annual report on Provincial/ National Governance environmental structures	Q1 Identify/Update existing Provincial/ National Governance structures	Funding, resource/ promotional materials
Quarterly reports on Provincial/ National Governance Structures		Q1-Q4: Participate in Provincial/ National Governance environmental structures				
5	Support the planning & implementation of Environmental Management programmes/projects in Municipalities.	10	Inventory of all Environment Projects in the municipality new project proposals both DEA and Municipality	Project Inventory (DEA & Municipalities)	Q1-Q4: Consolidated and updated Inventory of all Environment Projects in the municipality for both DEA and Municipality	Office Equipment; Internet connection; Transport
			Project proposals for DEA: EP and Municipalities	Project proposals	Q1-Q4: Development of one project proposal informed by DEA:EP & Municipal Processes	Cooperation from Municipalities, Province, DEA Branches, COGTA& SALGA
			Report on Business Planning activities within the Xhariep DM: <ul style="list-style-type: none">Stakeholder EngagementIntroduction of ImplementersPre-planning site visitCollate data for business planningProject inclusion in IDPs	Annual report on business planning	Support Environmental planning of projects	Funding, resource/ promotional materials
			Project Implementation status quo report for three projects in Capricorn DM Recruitment of beneficiaries <ul style="list-style-type: none">Quality AssuranceSkill auditSite VisitsPAC Coordination	Annual project status report for all projects in Xhariep DM.	Q1-Q4 Support the Implementation Phase of the environmental projects within Xhariep DM.	

Disaster Management Profile

What is Disaster Management?

District Municipalities have been tasked with the responsibility of coordinating disaster management efforts within their jurisdiction. 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.

Both the Municipal Systems Act and the Disaster Management Act require the inclusion of a Disaster Management Plan into the IDP of the Municipality. It would however not be practical to include the complete Disaster Management Plan with all its annexures. The complete plan



can therefore be considered as an annexure to the IDP, while a brief summary of the document will be included in the IDP.

It is our aim to include disaster risk management in the planning and execution stages of all our projects. This will ensure the integration of disaster management into the IDP and will ensure that all plans and projects are focused on contributing to disaster risk reduction and disaster preparedness -thus reducing the impact of disasters on lives, property, community activities, the economy and the environment in the Xhariep District Municipality.

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 MUNICIPAL AREA			
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 lying 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 populated areas	High wind velocity can increase risk of spreading of fires	Low
Drought	Most of the farms are affected	Affects more than one town	Medium
Endemic disease (Covid 19)	All communities that lack information	Affecting a town or more than one town	High
Water, sanitation	Urban areas	Lack of water to a town, Water poisoning	Low
Communication	Telephone, radio, electronic data	Loss of communication and data	Low

Disaster Management Centre

The district is currently negotiating with the Provincial Department of Health for use of one of their Emergency Management System (EMS) block as a Disaster Management Centre. The building (New Trompsburg Albert Nzula District Hospital) is centrally located in Trompsburg. It will provide a 24 hour call taking and dispatch facility. An organisational facility is also available that is not only used as a Joint Operation Centre (JOC) during disasters, but also as a venue for planning sessions outside disaster periods. A tactical facility is available as well as offices for various emergency services. The aim is to make it a one stop centre for all incident reporting. This centre will be a big advantage to our citizens as it is too costly for Xhariep to have its own Disaster Management Centre.



Funding: The success and implementation of all the above planning is dependent on adequate funding and the identification of the sources of funding. Funding to reduce risks, to prepare for and respond to disasters should be made available.

Xhariep Rural Development Plan

The "District Rural Development" and the "District Rural Development Implementation Plan" as developed by the Rural Development and Land Reform and the Department of Agriculture and Rural Development has been considered and serves this IDP as a separate Rural Development Sector Plan. The department made an in-depth presentation during our Strategic Planning Session and subsequently to Council of Xhariep District Municipality.



Introduction

The preparation of Integrated Development Plan is a legislative requirement as outlined in terms of Section 25 of the Municipal Systems Act (No 32) of 2000. An IDP is one of the key tools for Local Government to cope with its new developmental role. The Municipal Systems Act which provides a framework for the preparation of IDP's recommends that once in place, each IDP must be reviewed annually to re-assess and re-evaluate Municipal's development priorities and challenges and to accommodate new developments in local government processes.

This document summarizes the completed processes so far as part of the review of the 2019/20. The IDP review process identified a number of goals and objectives that are aimed at creating a pathway for the municipality to realize its vision.

These goals and objectives are aligned to the six Local Government Key Performance Areas (KPAs) as prescribed by the National Department of Cooperative Governance and Traditional Affairs (CoGTA).

The Local Government: Municipal Systems Act No. 32 of 2000 mandates municipalities to undertake developmental oriented planning, so as to ensure that they achieve their constitutional mandates (see Sections 152 and 153 of the Constitution). To this end, Xhariep District Municipality's Integrated Development Plan (IDP) serves as a strategic framework that guides its five-year IDP planning and budgeting.

In order to provide democratic and accountable government for local communities, the Municipality consulted both internal and external stakeholders in the IDP development process. The key projects identified for implementation in the IDP were sourced from communities and other stakeholders through various public participation platforms.

This IDP is informed by national and provincial government development goals and priorities, emerging socio-economic trends, the ever-increasing demand and social cry of the people of Xhariep District Municipality for better services and other related issues that provide a framework in which the Municipality can ensure developmental local government. Municipalities operate in an ever-changing environment, and the Xhariep District Municipality, too, is not immune to such changes.

The dynamic nature of local, national and global environments constantly presents local government with new challenges and new demands. Similarly, the needs and priorities of the communities within the Xhariep District Municipal area change from year to year.



To ensure close co-ordination and integration amongst projects, programmes and activities, line function departments within the Municipality seek to work cohesively not only amongst themselves, but also with external stakeholders (such as the business community and civil society) and provincial and national government departments. This integration further seeks to promote integrated service delivery to communities. The IDP seeks to achieve sustainable development within Xhariep District Municipality.

To this end, there is a balanced approach to economic, environmental and social development: the overarching pillars of sustainable development. In pursuit of economic growth and the provision of services to its citizens, the Municipality cannot compromise its responsibility for protecting the natural and built environment.

It is committed to adhere to good governance principles (participation, efficiency, effectiveness, accountability, transparency, equity, fairness and the rule of law) and Batho Pele principles (courtesy and people first, consultation, service excellence, access, information, openness and transparency, redress and value for money) in the provision of services to local residents.

The IDP is implemented through an annual implementation framework (Service Delivery and Budget Implementation Plan - SDBIP), which links key performance indicators to the annual budget. Senior municipal managers conclude annual performance agreements, which serve as a monitoring tool for departmental performance.

The Municipality monitors the implementation of its SDBIP and the performance of its senior managers through an integrated performance management system.

Key Performance Areas

The Municipality's vision and mission are translated into the following six (6) municipal key performance areas:

- KPA 1: Municipal Transformation and Organizational development
- KPA 2: Local Economic Development & planning



- KPA 3: Financial sustainability and viability
- KPA 4: Good governance and community participation
- KPA 5: Basic service delivery, infrastructure and community services.
- KPA 6: Spatial Rationale and Environmental Management (*This was added later*)

Strategic Overview: Xhariep Key Priorities

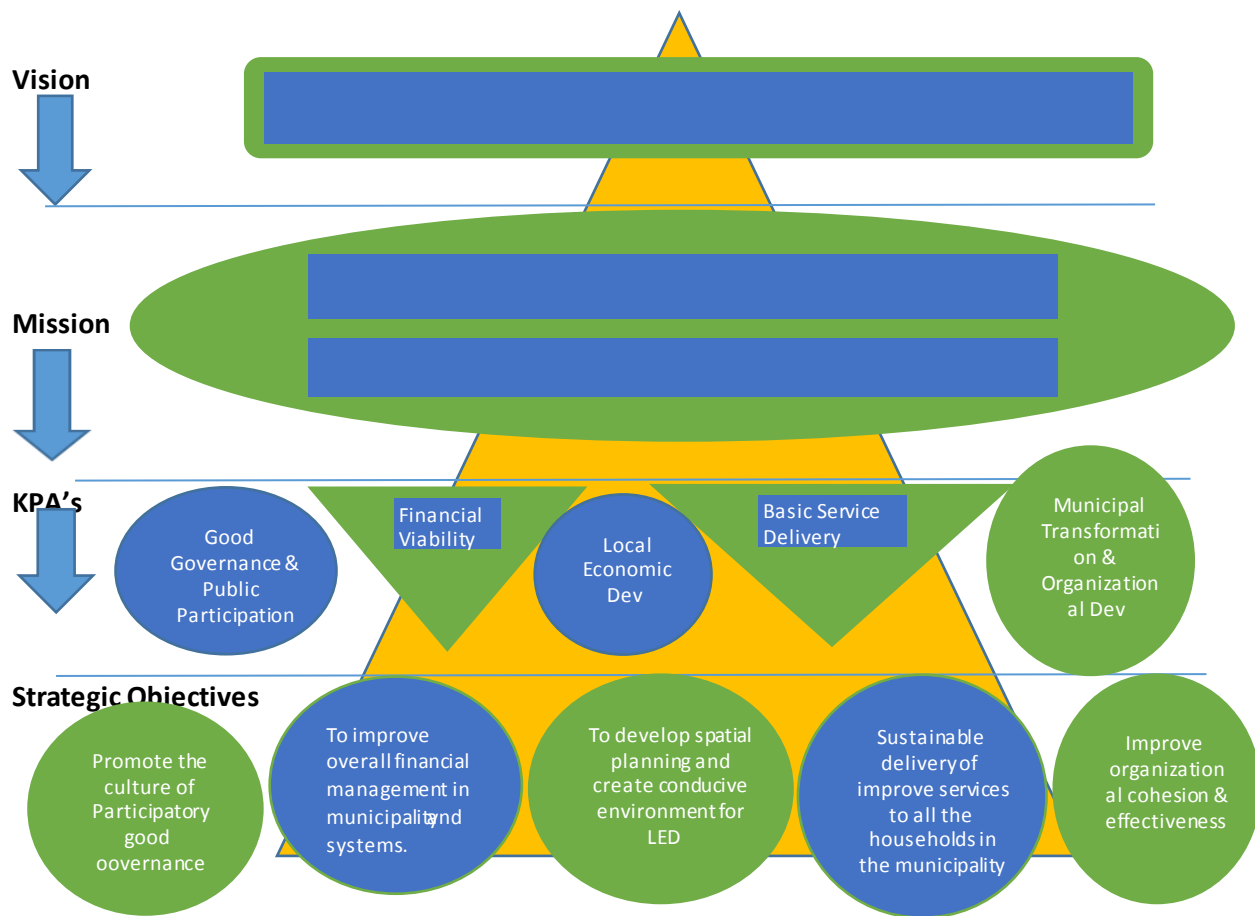
The review of the IDP remains consistent to the FSGP and the five-year IDP. The Executive Mayor also identified certain priorities for his term of office:

1. Economic growth and job creation
2. Tourism Development
3. Health and community development
4. A safe, clean and green city
5. A well-governed and managed municipality
6. HIV and AIDS
7. Education

Each sector has responded by providing key interventions in terms of the sector's vision that is linked to the municipality's overarching vision. The table entitled **SWOT ANALYSIS** provides a high-level summation of the key responses informing our analysis of Xhariep's opportunities and constraints.

Given a holistic overview and understanding of the development challenges, Xhariep District Municipality sees its core strategy as the eradication of poverty through sustainable development. The municipal strategy must be aimed at addressing the challenges of poverty and ensure a systematic developmental path through the levels of poverty to develop a prosperous and self-sufficient society with high levels of living.





The IDP within Context of National and Provincial Planning

The IDP should reflect the integrated planning and development intent of all spheres of government relevant to a particular municipal geographic space. The effective implementation of the IDP can be attained only if government across all spheres is committed to the common goal of rendering quality services; hence the Inter-Governmental Relations Act seeks to enhance alignment between the spheres of government. This section reflects the alignment of intergovernmental strategic objectives and highlights key priority projects and programmes that will be implemented within the municipal space during the five-year cycle of this IDP.

Global Perspective: Sustainable Development Goals (Vision 2030)

The sustainable development goals (**SDGs**) are a new, universal set of goals, targets and indicators that UN member states will be expected to use to frame their agendas and political policies over the next 15 years. The SDGs follow and expand on the [millennium development](#)



[goals](#) (MDGs), which were agreed by governments in 2001 and have already expired at the time of the review of this document.

On 25 September 2015, the United Nations General Assembly formally adopted the 2030 Agenda for Sustainable Development, along with a set of 17 Sustainable Development Goals and 169 associated targets.

Building upon the success of the Millennium Development Goals, this new development agenda is the international community's primary guide for sustainable development in the years to come. Like never before, the sustainability aspects of development are considered of primary concern at local, national, regional and international levels.

UNDESA's divisions engage stakeholders around the world in the implementation, evaluation and monitoring process of the Sustainable Development Goals, and assist countries in translating global goals into national policies, and national policies into action on the ground.

Given the adoption of the 2030 Agenda for Sustainable Development with its sustainable development goals (SDGs), the report adopts the SDGs as its scope.

It endeavors to present a range of scientific perspectives and to be policy-relevant but not policy-prescriptive. Like its predecessors, it continues to explore possible approaches and vantage points from which to examine the science-policy interface, as well as scientific approaches that can inform policies building upon integration and interlinkages across sustainable development goals, sectors, and issues. The report was prepared specifically to inform the discussions at the high-level political forum on sustainable development in 2016.

What are the proposed 17 goals?



Regional Perspective: Africa Strategy 2063

The Africa Strategy 2063 seeks to achieve a prosperous Africa, based on inclusive growth and sustainable development. It seeks to achieve an integrated continent, politically united and based on the ideals of Pan Africanism and the vision of an African Renaissance. An Africa with a strong cultural identity, common heritage, values and ethics, and a continent where development is people-driven, unleashing the potential of its women and youth, among others, are the key focus areas of the Africa Strategy 2063.

The African Aspirations for 2063

The seven African Aspirations were derived through a consultative process with the African Citizenry. These are:

- A Prosperous Africa, based on inclusive growth and sustainable development
- An integrated continent, politically united, based on the ideals of Pan Africanism and the vision of Africa's Renaissance
- An Africa of good governance, democracy, respect for human rights, justice and the rule of law
- A Peaceful and Secure Africa
- Africa with a strong cultural identity, common heritage, values and ethics
- An Africa whose development is people driven, relying on the potential offered by people, especially its women and youth and caring for children
- An Africa as a strong, united, resilient and influential global player and partner

National Perspective

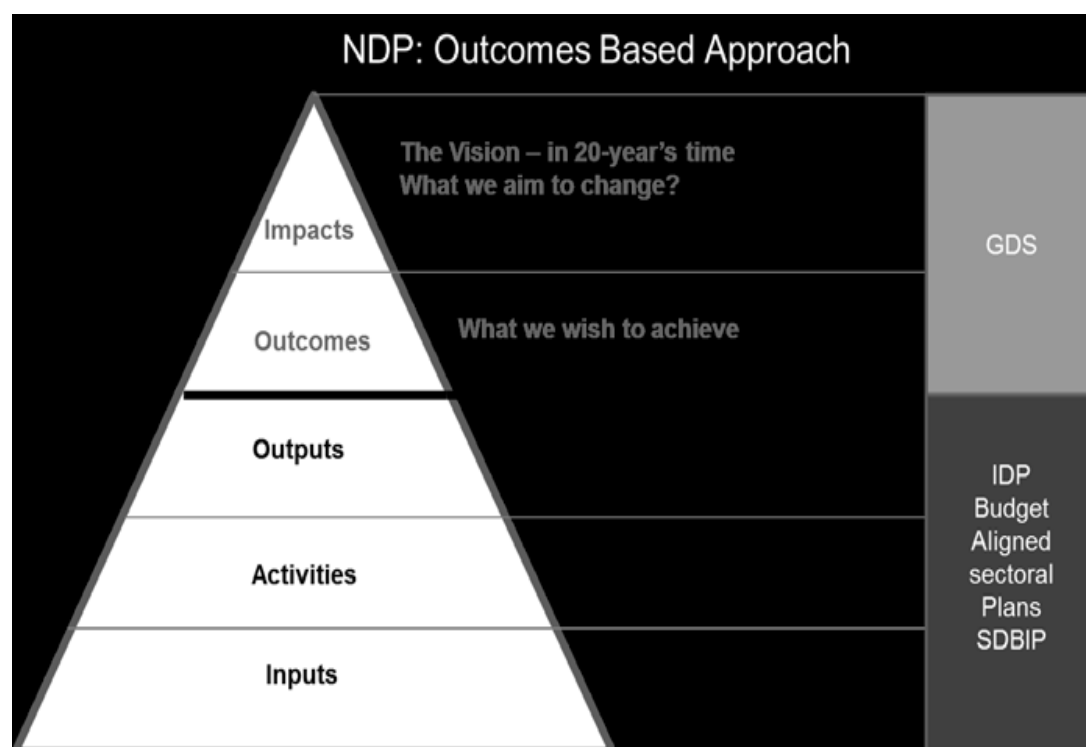
National Development Plan, Vision 2030



The National Development Plan (NDP) is a government initiated plan aimed at eliminating poverty and reducing inequality by 2030. The Plan presents a long-term strategy to increase employment through faster economic growth, improvement in the quality of education, skills development and innovation, and building the capability of the state to play a developmental and transformative role.

The Plan also focuses on upgrading public health facilities and producing more health professionals, as well as infrastructure development, financed through tariffs, public-private partnerships, taxes and loans, amongst other things.

Through the Growth and Development Strategy process Xhariep District will achieve proper alignment between the different spheres' of government's plans and policies as well as sectoral and budget alignment. This is demonstrated in the illustration below:



Medium Term Strategic Framework (MTSF) – Government Priority Outcomes

The Medium Term Strategic Framework (MTSF) is Government's strategic plan for the electoral term. It reflects the commitments made in the election manifesto of the governing party, including the commitment to implement the NDP. The MTSF sets out the actions Government



will take and targets to be achieved. It also provides a framework for the other plans of national, provincial and local government.

The aim of the MTSF is to ensure policy coherence, alignment and co-ordination across government plans as well as alignment with budgeting processes. Performance agreements between the President and each Minister will reflect the relevant actions, indicators and targets set out in this MTSF.

In the presence of the NDP as an overarching, long-term plan the MTSF process has been reoriented towards conversion of the NDP into medium-term five-year plans. The intention of the MTSF is to directly inform departments' planning and oversight of plans and performance. The 2014 – 2019 MTSF has two overarching themes which are radical in economic transformation and improving service delivery and 14 priority outcomes which are building on previous MTSF and the NDP. Within each priority outcome there are broad objectives and themes.

The 14 priority outcomes are as follows:

NATIONAL OUTCOMES	MTSF KPAs	BACK TO BASICS
1. Quality basic education;	1. Basic Services and Infrastructure 2. Local Economic Development (LED) 3. Good Governance & Public Participation 4. Institutional Transformation and Development 5. Financial Viability and Management 6. Spatial Planning	1. Basic Services: Creating decent living conditions 2. Good Governance 3. Public Participation 4. Financial Management 5. Institutional Capacity
2. A long and healthy life for all South Africans;		
3. All people in South Africa are and feel safe;		
4. Decent employment through inclusive growth;		
5. A skilled and capable workforce to support an inclusive growth path;		
6. An efficient, competitive and responsive economic infrastructure network		
7. Vibrant, equitable, sustainable rural communities contributing towards food security for all;		
8. Sustainable human settlements and improved quality of household life;		
9. Responsive, accountable, effective and efficient local		



<i>government;</i>
<i>10. Protect and enhance our environmental assets and natural resources;</i>
<i>11. Create a better South Africa and contribute to a better Africa and a better world;</i>
<i>12. An efficient, effective and development-oriented public service;</i>
<i>13. A comprehensive, responsive and sustainable social protection system;</i>
<i>14. A diverse, socially cohesive society with a common national identity.</i>

National Spatial Development Perspective (NSDP)

The objective of the National Spatial Development Perspective (NSDP) is to promote informed economic investment profiling to guide regional growth and development planning within a socio-economic framework. It therefore acts as an indicative planning tool for the three sphere of government. An example of a district outcome of such economic investment profiling that involve all sphere of government is the Xhariep Agri-Hub in Springfontein. The National Spatial Development Perspective also inform the Spatial Development framework of the Municipality. The achievement of this vision is based on the following nine elements:

- i. Creating jobs and livelihoods,*
- ii. Expanding infrastructure,*
- iii. Transitioning to a low-carbon economy,*
- iv. Transforming urban and rural spaces,*
- v. Improving education and training,*
- vi. Providing quality health care,*
- vii. Building a capable state,*
- viii. Fighting corruption and enhancing accountability,*
- ix. Transforming society and uniting the nation.*

Local Government Back to Basics Strategy

In September 2014, Cabinet introduced the Back to Basics Strategy, goal is to improve the functioning of municipalities to better serve communities by getting the basics right.



The transformational agenda recognizes that there are widely divergent levels of performance between different categories of municipalities – in terms of services, public engagement, good governance, financial management and technical capacity. The aim is to encourage all municipalities to become positively functional centres of good governance.

Taking its tune from these initiatives, as well as prevailing local conditions, challenges and the environment, the Municipality was introduced to the concept so that it integrated it into its key strategic planning documents (IDP, Budget, and SDBIP), enabling the monitoring of the implementation thereof and reporting in line with institutional timelines.

Standards for Municipal Performance Back to basics concept

- **Priority 1:** For those municipalities in a dysfunctional state we will aim to perform at the very least the basic functions of local government. We will do this through enforcement of current policies and legislation, systematically managing performance and accountability, and ensuring that there are consequences for underperformance. Minimum performance requirements include ensuring the proper functioning of council structures and council processes, the provision of basic services, and the appointment of competent staff – these are non-negotiable.
- **Priority 2:** For those who are functional but are not doing enough in critical areas of service, we will support municipalities to progress to a higher path. Here the focus will be on building strong municipal administrative systems and processes, and ensuring that administrative positions are filled with competent and committed people whose performance is closely monitored. The oversight system for local government will be improved through creating real-time monitoring systems. Measures will be taken to ensure that municipalities engage properly with their communities.
- **Priority 3:** We will incentivise municipalities that are performing well by giving them greater flexibility and control over their resources and grants, and encourage them to move beyond the basics and transform the local space economy and integrate and densify our communities to improve sustainability. We will implement the Integrated Urban Development Framework and the National Spatial Development Framework to ensure effective alignment of our national economic, environment and social programmes with those of our municipalities.
- **Priority 4:** There will be a targeted and vigorous response to corruption and fraud, and a zero tolerance approach to ensure that these practices are rooted out. Supply chain management practices in municipalities will be closely scrutinized. Where corruption and mismanagement have been identified, we will not hesitate to make sure these are decisively dealt with through provisions such as asset forfeiture and civil claims. We will also work to change practices in the private sector and enlist the support of civil society to change the national morality.



The Back to Basics Strategy is a national initiative aimed at ensuring that municipalities perform their core mandate of delivering basic services to local communities, as enshrined in chapter of the Constitution. The Back Basics approach is based on five principles, which are

- Putting people first and engaging with the community
- Delivering basic services
- Good government
- Sound financial management , and
- Building capacity

<i>Pillar</i>	<i>Basic indicators</i>
1. Putting people first Measures must be taken to ensure that municipalities engage with their communities. The provisions of the Municipal Systems Act on community participation must be complied with. Municipalities must develop affordable and efficient communication systems to communicate regularly with communities and disseminate urgent information.	<ul style="list-style-type: none"> • The existence of the required number of functional Ward committees. • The percentage of ward committee's grants spent. • The number of council effective public participation programmes conducted. • The regularity of community satisfaction surveys carried out.
2. Delivering Basic Services Create conditions for decent living by consistently delivering municipal services to the right quality and standard. This includes planning for and delivery of infrastructure and amenities, maintenance and upkeep, including the budgeting to do this. Ensure no failures in services and where there are, restore with urgency.	<ul style="list-style-type: none"> • Develop fundable consolidated infrastructure plans. • Ensure Infrastructure development maintenance (7% OPEX) and reduce losses. • Ensure the provision of free basic services and the maintenance of indigent register.
3. Good Governance Municipalities must be well governed and demonstrating good governance and administration - cutting wastage, spending public funds prudently, hiring competent staff, ensuring transparency and accountability.	<ul style="list-style-type: none"> • The holding of Council meetings as legislated. • The functionality of oversight structures, Section 79/80 committees, audit committees and District IGR Forums. • Whether or not there has been progress following interventions over the last 3-5 years. • The existence and efficiency of Anti-Corruption measures. • The extent to which there is compliance with legislation and the enforcement of by laws. • The rate of service delivery protests and approaches to address them.
4. Sound Financial Management Sound financial management is integral to the success of local government. National Treasury has legislated standards and reporting requirements, and based on their monitoring of the indicators, key areas emerging from the profiles will be identified and support provided with the remedial process.	<ul style="list-style-type: none"> • The number disclaimers in the last 3-5 years. • Whether the budgets are cash backed. • The percentage revenue collected. • The extent to which debt is serviced. • The efficiency and functionality of supply chain management.
5. Building Capabilities There has to be a focus on building strong municipal administrative systems and processes. It includes ensuring that administrative positions are filled with competent and committed people whose performance is closely monitored. Targeted and measurable training and capacity building will be provided for Councillors and municipal officials so that they are able to deal with the challenges of local governance as well as ensuring that scarce skills are addressed through bursary and training programmes.	<ul style="list-style-type: none"> • Ensuring that the top six post (Municipal Manager, Finance, Infrastructure Corporate Services, Community development and Development Planning) vacancies are filled by competent persons. • That the municipal organograms are realistic, underpinned by a service delivery model and affordable. • That there are implementable human resources development and management programmes. • There are sustained platforms to engage organised labour to minimize disputes and disruptions.



Municipal Level Policy Directives

Xhariep District Municipality IDP Goals and Strategic Objectives

Strategic Mapping

XDM was given a clean administration award by GIMFRO. It is important to look at what are contributing factors that made the municipality to achieve this award.

Looking at the award itself it can be concluded that the following factors are the ultimate contributor in achieving clean administration as the municipality.

To have a sound governance to ensure the geographical area experiences economic growth, that good skills of employees (human Capital) are retained and attracted, that effective communication between the different levels of communication is introduced and forward planning and project management is introduced to optimized revenue.

In order for the municipality to maintain the status quo and improve the strategic planning will be based on the following themes:

1. Economic Growth
2. Social, Environmental sustainability and Infrastructure Development
3. Good Governance and Administration

	RESULTS	Income for all	Sustainable Quality Life	Good credit record
	THEME	Economic Growth	Social, Environmental sustainability and Infrastructure Development	Good Governance and Administration
STRATEGIC PERSPECTIVES	Community satisfaction	1. Create community beneficiation and empowerment opportunities through networking for increased employment and poverty alleviation	2. Escalation of Disaster management service to local communities	5. Develop an effective and sustainable stakeholders relations
			3. Streamline and align environmental health service with relevant stakeholders	
			4. Improve access to sustainable and affordable services	
	Financial	1. Upscaling of labour intensive job creation projects and sourcing of funding for EPWP project	3. To develop a funding model of environmental projects	5. To maintain the status quo while working towards obtaining a clean audit opinion
			4. Optimize infrastructure investments and services	6. Curbing of Unauthorized Irregular and Fruitless expenditures
		2. Create a stable economic		



		environment by attracting suitable investments		7. Increase financial viability by identifying revenue generation mechanism and improve budget mechanism
				8. Compliance through MFMA
				9. Effective Implementation of SCM regulations
				10. Effective Internal Control systems
	Internal process	1. Address community needs through developmental spatial and integrated planning	2. Proper alignment of planned performance against available resources	5. Strategy that respond to municipal core functions
				6. Institutional integrated HR processes aligned to the IDP
			3. IDP Objectives that are properly aligned to the situation of the municipality and the national KPAs	7. Information Technology that is aligned to the institutional core functions
			4. Maintain and upgrade municipal assets	8. Municipal legal system that support district and local municipalities
				9. Centralized Archives system
				10. Effective risk management system
				11. Develop and improve systems, processes, procedures and processes by practicing sound governance
	Learning Growth	1. Develop a high performance culture for a changed, diverse, efficient and effective local government		2. Attract and retain Human Capital to become employer of choice
				3. To develop skills and knowledgeable workforce

Xhariep Objective Attainment

Strategies were developed per theme as indicated under strategy mapping

<i>Strategic Goals</i>	<i>Sub-Objectives</i>
1. Environmental integrity	<ul style="list-style-type: none"> • Sustainable development guidelines • Develop policy certainty reduces risks • Limit air pollution by licensing • Monitoring air pollution • Pro-active disaster risk reduction • Risk awareness and self-resilience • Effective disaster response and recovery • Keep citizens informed about developments, opportunities and threats



2. Inclusive economic growth	<ul style="list-style-type: none"> • Increase speed and efficiency of development programmes and investments (use good practices) • Reduce constraints to development and growth • Investment promotion • More productive use of unutilized public property • Attract more tourism visitors and spending • Develop policy certainty, reduces risk • Strengthen competitive advantages for business • Ensure supply of serviced land to match demand (Collaborate with LM's) • Increase effectiveness of public investment • Better quality assurance systems for development • Keep citizens informed about developments, opportunities and threats • Efficient procurement support for development • Support local firms to compete better for business • Reduce school dropout rates • Support youth to compete better for jobs • Pro-active disaster risk reduction • Effective disaster response and recovery • Reduce damage to business, property and catchment areas due to fire
3. Social well-being	<ul style="list-style-type: none"> • Increase speed and efficiency of development programs and investment (use of good practices) • Improved quality of living environment • Sustainable Development guidelines • Ensure supply of serviced land to match demand • Early childhood development, better curricula • Better support for vulnerable children 6 - 17 • Reduce school dropout rates • Support youth to compete better for jobs • Support families at risk - strengthen relationships • Recognize, protect and support elderly • Grow Xhariep brand awareness and affinity (attraction) • Keep citizens informed about developments, opportunities and threats • Efficient procurement support for development • Pro-active disaster risk reduction • Effective disaster response and recovery • Reduce damage to community, property and catchment areas due to fire
4. Supply basic services	<ul style="list-style-type: none"> • Well maintained roads – maintenance and upgrading for provincial government • Leverage funding contributions towards roads • Support local municipalities with joint landfill sites • Pro-active disaster risk reduction • Effective disaster response and recovery • Provide fire services to local municipalities • Reduce damage to business, property and catchment areas due to fire
5. Good Governance	<ul style="list-style-type: none"> • Municipal budget adds more value for money • Explore additional funding models for sustainability • Efficient procurement support for development • Good governance in procurement • District and Local government sector skills development facilitation and co-ordination • Utilise ICT as a strategic enabler for development • Reliable and efficient ICT systems for XDM • Keep citizens informed about developments, opportunities and threats • Increase effectiveness of public investment • Better quality assurance systems for development • Increase speed & efficiency of development programs & investment (use of good practices) • Policy certainty reduces development risks



Horizontal and Vertical Alignment of Key Strategies

Horizontal alignment is pursued through inter-governmental planning, consultation and co-ordination and ensured through aligning the respective vision, mission and strategic objectives of the municipalities in the region. The alignment of key national, provincial and regional strategies is illustrated in the table below:

Sustainable Development Goals	National Development Plan	Medium Term Strategic Framework	National Outcomes	Provincial Strategic Objectives	XDM Strategic Objectives	Local Municipalities
End poverty in all its forms everywhere End hunger, achieve food security and improved nutrition, and promote sustainable agriculture	An economy that will create more jobs	Speed up economic growth and transform the economy to create decent work and sustainable livelihoods	Decent employment through inclusive economic growth	Inclusive economic growth and sustainable job creation	Grow the district economy by improving employment opportunities	To develop progressive strategies to optimise the use of available human resource
	Improving Infrastructure	Massive programme to build economic and social infrastructure	An effective, competitive and responsive economic infrastructure network	Inclusive economic growth and sustainable job creation	Facilitate infrastructure development in the entire district municipality	To create an enabling environment for economic growth that attracts investors, encourages innovation and facilitate pro-poor intervention
	Transition to a low carbon economy			Reduce Green House Gas emissions through alternative methodologies and processes	Facilitate provision of energy and electricity services to all residents of Xhariep	
	An inclusive and integrated rural economy	Comprehensive rural development strategy linked to land and agrarian reform and food security	Vibrant, equitable and sustainable rural communities and food security	Build dedicated economic and social infrastructure specifically designed to accelerate economic opportunities for rural communities.	The sustainable management and usage of land in Xhariep in partnership with local municipalities	
Make cities and human settlements inclusive, safe, resilient and sustainable	Reversing the spatial effects of apartheid	Build cohesive, caring and sustainable communities	Sustainable human settlements and improved quality of household life.	Identify and acquire land parcels for integrated inclusive human settlement development in close proximity to employment opportunities	Facilitate provision of housing to the poor	To promote access for all citizens to equitable, appropriate and sustainable infrastructure and services within a safe environment
		Sustainable resource management and use	Protection and enhancement of environmental assets and natural resources			To ensure ecological integrity through sustainable practices of municipal governance



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	Improving the quality of education, training and innovation	Strengthen the skills and human resource base	Improve the quality of basic education A skilled and capable workforce to support inclusive growth	Intensify and expand school management and performance programmes to ensure effective and efficient teaching ethics and environment	To accelerate institutional transformation	To develop progressive strategies to optimise the use of available human resource
Ensure healthy lives and promote wellbeing for all at all ages	Quality health care for all	Improve the health profile of society	Improve health and life expectancy	Intensify general health promotion and lifestyle programmes	Provide environmental health services to the residents of Xhariep	To facilitate real opportunities for youth, women, and disabled and appropriate care for the age
Improve maternal health	Social protection Building safer communities	Intensify the fight against crime and corruption	All people in south Africa protected and feel safe	Improve and expand the CCMT (HIV/AIDS) programme to reduce HIV and AIDS related deaths	Ensure safety of residents of Xhariep Community	
Combat HIV/Aids, malaria, and other diseases				Increase safety		
	Reforming the public service	Build a developmental state including improvement of public services and strengthening democratic institutions	A development orientated public service and inclusive citizenship A responsive and, accountable, effective and efficient local government system	Institutionalize practices to ensure recruitment and appointment of competent people in managerial posts	Improve the accuracy and integration of various components of the Financial System to enable proper financial planning and reporting	To establish a common vision and create coherence in government's work by seeking close partnerships with citizenry. To ensure a municipalities that are committed to an innovative approach, prudent investment of public funds, good governance, financial viability and optimal institutional transformation that accommodates diversity in service deliver
Achieve gender equality and empower all women and girls	Transforming society and the country	Pursue regional development, African advancement and enhanced international cooperation	A better South Africa, a better Africa and world	Ensure the mainstreaming of vulnerable groups such as women, youth, children and people with disabilities as priority groups during the implementation of these programmes		To facilitate real opportunities for youth, women, and disabled and appropriate care for the aged
Develop a global partnership for development						



State of the Nation Address (SONA) 2020

In the State of the Nation address, by His Excellency, Cyril Matamela Ramaphosa, President of the Republic of South Africa, it emerged that the main concerns of the people of SA based on the inputs to the SONA 2020 are, among others, crime and corruption, roads, access to education, youth internship schemes and employment, water, electricity and support for small businesses.

State of the Province Address (SOPA) 2020

A brief summary of the State of the Province Address by the Honourable S Ntombela during her address in 2020 can be found on the government website.

Free State Provincial Growth and Development Strategy (FSPGDS)

The PGDP also plays an important role in shaping the Municipality's IDP. The PGDP of the Free State Provincial Government is reflected as follows in the Municipality's five key performance areas:

- Agriculture and Food Security, Fighting Poverty,
- Agro-processing and Tourism are reflected in municipal Local Economic Development.
- Human Resources Development are reflected in Municipal Transformation and Organizational Development.
- Infrastructure Development is reflected in Basic Service Delivery and Infrastructure Development.

These are all underpinned by key performance areas relating to financial sustainability and good governance.

Xhariep District Municipality

Xhariep District Integrated Development Plan: Section 29(2) of the Municipal Systems Act (MSA) Act 32 of 2000 clearly states that district municipalities must:

- Plan integrated development for the area of the district municipality as a whole but in close cooperation with the local municipalities in the area;
- Align its integrated development plan with the framework adopted; and
- Draft its integrated development plan, taking into account the integrated development processes of and proposals submitted to it by the local municipalities in that area.

Xhariep District Swot Analysis

The 4rd Generation 5 year IDP clearly outlines the strategic objectives, focus areas and operational priorities for the municipality. This review of the IDP indicates quite clearly that Xhariep District Municipality is still on track to achieve the targets it set for itself and have demonstrated significant progress in this regard.

The primary aim of strategic planning is to bring an organization into balance with the external environment and to maintain that balance over time (Sackett, Jones, and Erdley 2005).



Organizations accomplish this balance by evaluating new programs and services with the intent of maximizing organizational performance. SWOT analysis is a preliminary decision-making tool that sets the stage for this work.

A comprehensive financial plan linked the required resources for the implementation of the strategy. A comprehensive SWOT analysis was conducted in order to get a better understanding of the municipality, the environment wherein it functions and its capacity to pursue the new strategy. The analysis is also an important exercise to identify the critical areas for intervention over the next five years.

A guided process of self-assessment was followed, which included the following steps:

- Identification of the strengths and weaknesses of the municipality
- Identification of opportunities to overcome the weaknesses; and
- Identification of threats which may prevent the municipality from making successful use of the opportunities

During the strategic planning session SWOT analysis was done under four core functions namely: Economic, Institutional, Natural, Social/Culture

STRENGTHS		WEAKNESSES	
NATURAL CAPITAL			
<ul style="list-style-type: none">• High quality of the natural environment• Wide diversity of scenic landscapes• Sought-after holiday and tourism destination (Gariiep Dam, Tussen Die Revier)	<ul style="list-style-type: none">• Limited availability of land hampers potential property developments• Slow pace of land reform• Inability to optimise the strategic and economic utilisation of municipal owned land and property• Water shortage limits development potential• Ineffective waste water treatment maintenance plan		
ECONOMY			
<ul style="list-style-type: none">• Well maintained regional road transport infrastructure• Strong domestic tourism destination brand aligned to the river mouth, mountains, and hospitality industry.• Wool manufacturing, construction, agricultural, wholesale and retail industries have great potential• Well-developed linkages to Cape Town and Port Elizabeth economies• Competitive commercial and emerging farmers• Facilitating economic opportunities for local entrepreneurs• Regional Hospital• Regional Taxi Rank• Mining (Jagersfontein and Koffifontein)	<ul style="list-style-type: none">• High level of inequality (wide gap between rich and poor)• Limited progress with BBBEE at a local level• Seasonality of the economy and employment• Skills gap in basic business techniques• Limited support to SMMEs• High cost of land and property• Relatively high rate of unemployment and poverty		
SOCIAL/CULTURAL			
<ul style="list-style-type: none">• Diversity of local and international cultures with good international networks and economic linkages• English, Afrikaans, and African languages medium schools• Rural Conservation Guidelines and other strategies to maintain our cultural and architectural heritage• Updated and reliable data available in the census 2011 report	<ul style="list-style-type: none">• Inconsistent understanding of economic development objectives• Increasing levels of drug related crime and crime induced poverty• Increasing level of violence against women & children• Increasing incidence of HIV/Aids and TB• High levels of alcohol & substance abuse• Dependency on social grants and wage income by the poor• Low levels of labour force education• Teenage pregnancies• High drop-out rate in schools• Increase in substance and alcohol abuse amongst youth		



INSTITUTIONAL	
<ul style="list-style-type: none"> Few skilled individuals linked to business and municipal management Dynamic administrative leadership to drive the development agenda Highly skilled ex-professionals available to assist municipality (grey power) Functional libraries and museums Accessibility to good quality public facilities (Schools, Clinics) 	<ul style="list-style-type: none"> Relatively high wage bill inside the municipality Ageing infrastructure and limited resources available for effective maintenance programme Ability to attract highly skilled labour (excl. scarce skills)
OPPORTUNITIES	THREATS
NATURAL CAPITAL	
<ul style="list-style-type: none"> Exploring of effective partnerships to enhance conservation of the natural environment 	<ul style="list-style-type: none"> Climate change impacting on existing agricultural production Unsustainable water supply Quality of drinking water Limited land and high cost of land
ECONOMY	
<ul style="list-style-type: none"> Growth in both domestic and international tourism markets Collaboration and improved coherence amongst established and emerging businesses Volatile exchange rate Narrowing agriculture profit margins Fluctuations in the tourism industry Development oriented political and administrative leadership Sound financial management & viability Optimal utilisation of municipal owned land and properties 	<ul style="list-style-type: none"> High level of inequality Political dynamics Civil unrest/regular protest action Lack of unity within business (No Business Chambers) Steep increase in land value (Trompsburg and surrounding areas) Volatile exchange rate Fluctuations in the tourism industry Business property tax High property tax and service charges Limited access to adequate resources to achieve strategic objectives Relatively high levels of poverty and unemployment Increase in alcohol abuse and drug related crimes Low skilled workers Relatively high HIV/Aids and TB prevalence
SOCIAL/CULTURAL	
<ul style="list-style-type: none"> Commitment to strengthening local government sphere Integration of strategic planning processes (Strong IGR Structures) Established effective intergovernmental relations Effective communication platforms with the community (Mayoral Imbizo's) 	<ul style="list-style-type: none"> Unrealistic demand from residents for service delivery and infrastructure development Limited resources to address the service delivery and infrastructure demands & backlogs (Inadequate Equitable Share) Worrying decrease in population (Migration)
INSTITUTIONAL	
<ul style="list-style-type: none"> Expanded Public Worker Programme SETA's and Learnerships Good work ethics amongst staff and councillors 	<ul style="list-style-type: none"> Decreasing demand for low-skilled labour Exploring of partnerships with private sector and NGO's to improve service delivery and facilitate development

XD Municipal Swot Analysis

Provincial Pillars as listed below were considered during the formulation of the objectives.

- Inclusive economic growth and sustainable job creation
- Education, innovation and skills development
- Improved quality of life
- Sustainable rural development
- Build social cohesion
- Good governance

The aforementioned Provincial pillars as contained in the Free State Growth and Development Plan, guided the formulation of the Development Priorities or Institutional Key Performance



Areas and Objectives. Further in crafting the focus areas with the ultimate goal to improve service delivery, uplifting the lives and communities the Community and Stakeholder consultation as provided in the analysis has been instrumental.

Approach to Development Priorities and Strategic Objectives

To support the process of the IDP objectives linked to measurements that will serve as the quantifiable monitoring tools for this last year of the five year cycle a simplified template for the objectives has been formulated. The measurements are elaborated in terms of outcomes and realistic targets for the next financial year. The development strategies and planned projects are delineated from the measurements as they represent the most detailed level of the municipal outcomes. These measurements are also adjusted to serve as project indicators. This approach was a conscious attempt to align the IDP with the requirements of the Performance Management System (PMS), as these measurements will represent the standards in the Performance Agreements of Section 57 employees.

The following factors influenced the adjustment of the objectives tables:

- Inadequate budget and poor budget alignment and limited capital fund resulted in projects not being implemented and therefore limited targets for are met. In order to guide the municipal area towards the intended future, the implementation process requires a rigorous process of monitoring and reporting.
- Poor linkage to performance management system resulted in IDP objectives/measurements and targets not checked in each department
- Project implementation is difficult where internal co-operation/ integration among departments are required
- Insufficient co-operation among departments with regard to other programmes
- Incorporate and mainstream the objective, measurement, strategies and related projects in a single template
- The inclusion of accountability of all strategies to accommodate inclusion in the Performance Contracts
- Identification of areas where more than one department is involved they need to agree how they will formulate the partnership.

XHARIEP STRATEGIC OBJECTIVES

The following section alludes to the future intentions of the Xhariep District Municipality for the fourth cycle of IDPs, the 2019/2022 financial year. The identified objectives are a response to the key priority issues that were identified by the communities.

A credible IDP has to meet and align with the following Six National KPAs and Provincial Targets which have been considered during the planning as namely:

KEY PERFORMANCE AREA	BASIC SERVICES DELIVERY AND INFRASTRUCTURE DEVELOPMENT	
STRATEGIC OBJECTIVES	FOCAL AREA	MUNICIPAL PROGRAMMES / ACTIVITIES / PROJECTS
SO 1 Create an inclusive, responsive, and healthy	<ul style="list-style-type: none"> ○ Water provision ○ Provide Public Transport and Road Infrastructure 	<ul style="list-style-type: none"> ○ Water Quality ○ Rural Road Asset Management System



environment conducive for living and sustainable growth	<ul style="list-style-type: none"> ○ Solid Waste Management ○ Household Electricity and lighting 	<ul style="list-style-type: none"> ○ Solid Waste Management, Green Waste / Recycling / SWOP SHOPS / Refuse Dumping Sites, Waste to Energy Initiatives ○ Coordinate Energy Forum in the district
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KEY PERFORMANCE AREA	SPATIAL DEVELOPMENT AND ENVIRONMENT	
STRATEGIC OBJECTIVES	FOCAL AREA	MUNICIPAL PROGRAMMES / ACTIVITIES / PROJECTS
SO 2 To manage land-use and development in line with the Spatial Development Framework	<ul style="list-style-type: none"> ○ Land-use Management 	<ul style="list-style-type: none"> ○ To manage land-use and development in line with the Spatial Development Framework ○ Develop Spatial Development Framework for the district
SO 3 To render efficient environmental health and disaster management services	<ul style="list-style-type: none"> ○ Cleaning Services ○ Biodiversity Management ○ Air Quality Management ○ Disaster Management 	<ul style="list-style-type: none"> ○ Street Cleaning / Entrepreneur Cleaning Project and Public Open Spaces ○ EPWP Projects / Cleaning Interventions / Deforestation / Clearing of Alien Vegetation ○ Disaster Management / Disaster Management Plan ○ Climate Change Response Strategy ○ Firefighting and Rescue Services ○ Road Safety Awareness

KEY PERFORMANCE AREA	COMMUNITY DEVELOPMENT AND EDUCATION	
STRATEGIC OBJECTIVES	FOCAL AREA	MUNICIPAL PROGRAMMES / ACTIVITIES / PROJECTS
SO 4 To provide recreational facilities and opportunities and programmes aimed to facilitate and promote community development and social cohesion	<ul style="list-style-type: none"> ○ Social Development ○ Rural Development ○ Youth Development ○ Sport and Recreation 	<ul style="list-style-type: none"> ○ ID Campaigns ○ Mayoral Social Development Fund ○ Women Development Programmes / Support of the Disabled / Elderly / HIV/AIDS Programmes and Interventions ○ Rural Development Programme / Youth



		Development Programmes, Activities and Projects <ul style="list-style-type: none"> ○ Participate in Annual OR Tambo Games
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KEY PERFORMANCE AREA	LOCAL ECONOMIC DEVELOPMENT	
STRATEGIC OBJECTIVES	FOCAL AREA	MUNICIPAL PROGRAMMES / ACTIVITIES / PROJECTS
SO 5 To facilitate economic and tourism development to the benefit of the town and all residents	<ul style="list-style-type: none"> ○ Red-Tape Reduction ○ SMME Development ○ Tourism Development 	<ul style="list-style-type: none"> ○ Tourism Marketing and Development ○ Support Local Economic Development ○ Support SMME's and serve as link with funding agencies

KEY PERFORMANCE AREA	MUNICIPAL ADMINISTRATION GOVERNANCE COMMUNICATION	
STRATEGIC OBJECTIVES	FOCAL AREA	MUNICIPAL PROGRAMMES / ACTIVITIES / PROJECTS
SO 6 Embed good governance through sound administrative practices and improved stakeholder relations	<ul style="list-style-type: none"> ○ Corporate Administration Services ○ Information Technology Management ○ Public Participation and Communication ○ Ward Committee Functionality ○ Municipal Call Centre 	<ul style="list-style-type: none"> ○ Municipal Manager / Corporate Services and Administration Function ○ Records and Archive ○ Information Technology ○ Computerized Supporting Administrative Systems ○ Performance Management ○ Legal Services ○ Council and Committee Functioning ○ Delegation of Powers ○ Operation Clean Audit ○ Municipal Monthly Newsletters ○ Ward Committee Capacity Building ○ IDP and Budget Roadshows ○ Audit Committee ○ Municipal Public Accounts Committee
KEY PERFORMANCE AREA	MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	
STRATEGIC OBJECTIVES	FOCAL AREA	MUNICIPAL PROGRAMMES / ACTIVITIES / PROJECTS
SO 7	<ul style="list-style-type: none"> ○ Training and Development 	<ul style="list-style-type: none"> ○ Training and development



To maintain a skilled, capable and diverse workforce in a good working environment	<ul style="list-style-type: none"> ○ Employment Equity and Diversity Management ○ Maintain Municipal Buildings ○ Acquire and Maintain assets Needed for Service Delivery 	<p>through the adoption and implementation of the Work Skills Plan (WSP)</p> <ul style="list-style-type: none"> ○ Functioning of the Training Committee and Local Labour Forum (LLF) ○ Employment Equity Plan Administration, Implementation and Monitoring ○ Recruitment and Selection ○ Maintain, Replace or Acquisition of New Fleet or Furniture Tools and Equipment
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KEY PERFORMANCE AREA	FINANCIAL VIABILITY AND MANAGEMENT	
STRATEGIC OBJECTIVES	FOCAL AREA	MUNICIPAL PROGRAMMES / ACTIVITIES / PROJECTS
SO 8 Embed financial viability and sustainability through good financial management principles and practices	<ul style="list-style-type: none"> ○ Financial Management ○ Supply Chain Management 	<ul style="list-style-type: none"> ○ Financial Management ○ Operation Clean Audit ○ CFO and BTO Office ○ Income and Expenditure ○ Supply Chain Management ○ Insurance ○ Asset Management ○ Finance Capacity Building ○ Intern Programme

Alignment of Municipal Strategic Objectives with the National Development Plan and Free State Growth and Development Strategy

Legislative framework related to planning

The Constitution ACT 108 of 1996

Section 125 of the Constitution focuses specifically on the executive authority of provinces. According to Sections 125(20)(d)&(e) the premier and members of the executive council are responsible for developing and implementing Provincial policy, as well as ensuring the implementation of national policies and the coordination of functions between provincial departments. These functions include, inter alia, being involved in the planning, monitoring and reporting of provincial administrative functions to support service delivery.

Public Service Act 103 of 1994



Section 10 of the Amendment Act states in terms of Section 7 of the Act, the following information pertaining to performance management is to be included: (4)(c) ... subject to applicable legislation, the executive authority shall, after consultation with the Minister and Minister of Finance and by Government Notice, determine the reporting requirements to the head of the principal department to enable that head to advise the relevant executive authority on the oversight of the component on policy implementation, performance, integrated planning, budgeting and service delivery.

Intergovernmental Relations framework Act, Act No 13 of 2005

Section 37 of the Act states that... "The Premier of a province is responsible for ensuring the co-ordination of 15 intergovernmental relations within the provincial government with-

- (a) the national government; and
- (b) local governments in the province...."

According to the Act, when developing provincial policies or draft legislation affecting the local sphere of government in a province, the provincial government is mandated to take into account the following: national priorities, the interests of local communities in the province; and the views of affected municipalities. It should be noted that the Premier of a province is responsible for ensuring the co-ordination of intergovernmental relations between the provincial government and national and local government. The Mayor of a district municipality is responsible for ensuring the co-ordination of intergovernmental relations with local municipalities in the district.

White Paper on local Government (1998) and Municipal Systems Act (MSA, 2000)

Importantly, the White Paper on Local Government (1998) clarified what the developmental vision for local government should mean in practice. Essentially, the White Paper indicates that developmental local government means two things: a new approach to doing things and a set of new tools which local government can use to build this approach. The White Paper proposes that municipalities must focus their energies on a clear set of developmental outcomes that will meaningfully address the impact of apartheid on human settlements.

These outcomes are:

- provision of household infrastructure and services;
- creation of livable, integrated cities, towns and rural areas;
- local economic development; and
- community empowerment and redistribution.

In order to orientate itself with these developmental outcomes, local government is constitutionally required to structure and manage its administration, planning and budgeting processes differently. The White Paper proposed some of the new administrative systems that municipalities needed to adopt to build a developmental approach. These systems are the pillars which concretely support a developmental orientation and are enshrined in the Municipal Systems Act (MSA, 2000). They include:



- integrated development planning
- performance measurement and management
- structures and systems to enable active involvement of citizens and communities in the affairs of municipalities.

Integrated Development Planning

The Municipal Systems Act obligates all municipalities to undertake a process of preparing and implementing IDPs.

What is **Integrated Development Planning**? It is an elaborate and collaborative planning process which produces a strategic plan designed to guide municipalities and their entities to systematically eradicate service delivery backlogs; encourage socio-economic development; preserve and conserve the natural environment; address spatial disparities of development and deliver on the agreed priorities which are translated into projects with clearly defined outputs and targets within five year planning cycle. This plan covers a five year period and is reviewed annually to accommodate new and pressing priorities.

The MSA and the IDP Guide Pack (developed by DCoG) provided a framework for the development of credible IDPs.

National Development Plan, Provincial Growth and Development Strategy and MTSF

Key directives from the President and Cabinet influence the mandates of and subsequently also the plans that institutions will compile. The National Planning Commission was appointed in 2010 to draft a vision and national development plan. The national development plan provides detail on how South Africa can realise goals of alleviating poverty and reduction of inequality by 2030, by drawing on energies of its people, growing an inclusive economy, building capabilities, enhancing the capacity of the state and promoting leadership and partnerships through society (*National Development plan 2030*, 2012)

Related to the above, the plan focuses on critical capabilities needed to transform the economy and society. This requires a change in how things are done. Given the complexity of national development aimed at providing direction towards improved planning, implementation and achievement of national outcomes, the National Development Plan – Vision 2030 sets out six interlinked priorities:

- Uniting all South Africans around a common programme to achieve prosperity and equity
- Promoting active citizenry to strengthen development, democracy and accountability
- Bringing about faster economic growth, higher investment and greater labour absorption
- Focusing on key capabilities of people and state
- Building a capable and developmental state
- Encouraging strong leadership through society to work together to solve problems



Related to these priorities, the National development Plan – Vision 2030 (2012) provides a broad strategic framework to guide key choices and actions, described in a number of chapters. A summary of these chapters and key objectives related to each chapter theme are provided in the Executive Summary of the National Development Plan – Vision 2030 which also provides key actions that should be taken to achieve the above –given objectives.

Shaped by a range of policy instruments and priorities that include the electoral mandate, Reconstruction and Development Plan, National Development Plan, the New Growth Path and the Industrial Policy Action Plan, the FSGDS recognises that inclusive growth and development are essential to address the challenges of unemployment, poverty and inequality in their various dimensions. In order to do this, the FSGDS places the provincial government at the helm as the prime of inclusive growth and development agent that should articulate the various initiatives and drive them towards a common goal. At the same time, as an expression of the desires of the people of the Free State, the FSGDS acknowledges the significance of social partners in the ultimate realisation of its objectives.

The FSGDS is thus an important instrument to shape and coordinate the allocation of resources across a wide government and societal spectrum based on the provincial development needs and priorities. It impels both the provincial government and social partners to be focused and decisive; weigh up trade-offs and make choices in the face of competing demands; develop and implement consistent strategies and programmes; and ensure that their plans reflect a shared vision by all. The objectives of the FSGDS are thus the following:

- To serve an overarching planning instrument articulating the development agenda and providing strategic direction for the province.
- To build uniformity of application of planning processes and methodologies.
- To formulate development plans and priorities for the province.
- To ensure inclusivity of planning processes.
- To make effective use of scarce resources within the province by searching for more cost-effective and sustainable solutions, whilst addressing the real causes of development challenges instead of merely the symptoms.
- To facilitate the speedy delivery of government programmes and plans.
- To identify opportunities for investment and provide an environment of certainty and predictability critical for investment.
- To provide a common vision and act as the basis for common action amongst all social partners, both inside and outside government in a province.
- To serve as a framework for budgets, implementation, and performance management.
- To serve as a framework for provincial spatial development.
- To monitor the implementation of plans and evaluate the impact thereof against the government's developmental priorities

In line with such planning documents, millennium goals and election manifesto, government usually launches the Medium Term Strategic Framework (MTSF) designed to guide policy and the programme action over a specific five year election period. The most recent Draft MTSF 2014-2019 is meant as a guide to plan and allocate resources across all spheres of government.



The basic thrust of the MTSF is to improve the conditions of life of all South Africans and contribute to building a better Africa and a better world (Section 25).

The Draft MTSF is meant to guide planning and resource allocation across the spheres of government. It identifies a number of priority areas that government institutions should focus on. In order to achieve these priority areas the MTSF states that long-term national planning capacity and subsidiary objectives are required. The MTSF makes mention of core catalytic interventions aimed at laying the foundation for movement towards improved growth and development. Achieving these interventions requires continuous planning, monitoring, reporting and evaluation so that current and future challenges are met with new tenacity.



Pillar1: Inclusive Economic Growth and Sustainable Job Creation

Driver1: Diversify and expand agricultural development and food security

District Strategic Objective

- Economic Growth and Job Creation
- A safe clean and green city

Linked Potential Projects/Programme:

- LED Projects,
- Springfontein - Agri-Park,
- Bethulie Solar Hub,

NDP Objectives	NDP Actions	FSGDS Long-term programmes	FSGDS Actions	MTSF Actions
<ul style="list-style-type: none"> • Increase investment in new agricultural technologies, research and the development of adaptation strategies for the protection of rural livelihoods and expansion of commercial agriculture. 	<ul style="list-style-type: none"> • Channel public investment into research, new agricultural technologies for commercial farming, as well as for the development of adaptation strategies and support services for small-scale and rural farmers. • Put in place a regulatory framework for land use, to ensure the conservation and restoration of protected areas. 	<ul style="list-style-type: none"> • Expand and diversify sustainable agriculture production and food security. 	<ul style="list-style-type: none"> • Protect agricultural land for agricultural land use in line with SDF. • Align all agricultural initiatives with the Provincial Spatial Development Framework. • Identify, research and promote competitive products. • Enhance profitable and market-related production. • Improve agricultural market intelligence. • Promote sustainable agricultural practices to protect the environment and sustainable resources. • Improve the safety net protecting the sector against unforeseen disasters. • Expand the establishment of agricultural-related Local Economic Development projects. • Expand and transform small-scale agriculture and improve access to inputs. 	<ul style="list-style-type: none"> • Develop and implement spatial development frameworks as the basis to guide rural land use planning and development and to address spatial inequities. • Institutionalise regulatory framework for land use to guide and support development initiatives. • Implement the comprehensive food security and nutrition strategy. • Develop under-utilised land in communal areas and land reform projects for production. • Expand land under irrigation. • Provide support to smallholder producers in order to ensure production efficiencies.
<ul style="list-style-type: none"> • An additional 643 000 direct jobs and 326 000 indirect jobs in the agriculture, agro-processing and related 	<ul style="list-style-type: none"> • Rural economies will be activated through improved infrastructure and service delivery, a review of land 	<ul style="list-style-type: none"> • Accelerate post settlement support programmes for emerging farmers. 	<ul style="list-style-type: none"> • Implement human resource development programmes for emerging farmers. • Intensify Comprehensive 	<ul style="list-style-type: none"> • Develop under-utilised land in communal areas and land reform projects for production.



<ul style="list-style-type: none"> sectors by 2030. Maintain a positive trade balance for primary and processed agricultural products. 	<ul style="list-style-type: none"> tenure, service to small and micro farmers, a review of mining industry commitments to social investment, and tourism investments Channel public investment into research, new agricultural technologies for commercial farming, as well as for the development of adaptation strategies and support services for small-scale and rural farmers. 		<p>Agriculture Support Programmes and land care programmes.</p> <ul style="list-style-type: none"> Improve institutional support and accelerate the process of land restitution. Unlock financial support for emerging farmers. Establish appropriate agri-marketing, information systems and social networks for emerging farmers. 	<ul style="list-style-type: none"> Acquire and allocate strategically located land. Create tenure security for people living and working on farms. Develop and implement policies promoting the development and support of smallholder producers. Develop and implement the Integrated Agricultural Policy Action Plan (IAPAP).
<ul style="list-style-type: none"> Increase investment in new agricultural technologies, research and the development of adaptation strategies for the protection of rural livelihoods and expansion of commercial agriculture. 	<ul style="list-style-type: none"> Channel public investment into research, new agricultural technologies for commercial farming, as well as for the development of adaptation strategies and support services for small-scale and rural farmers. 	<ul style="list-style-type: none"> Strengthen agricultural research, knowledge and skills. 	<ul style="list-style-type: none"> Market and promote agriculture as a professional career. Establish, maintain and equip agri-schools with skilled and qualified teachers. Revitalise agri and Further Education and Training (FET) colleges. Strengthen the linkages between universities, farmers and government. Align and develop training and curriculum programmes with the changing and future needs of the agricultural sector. Infuse agricultural training with entrepreneurial focused training and development programmes. Implement voluntary internship programmes for final year and post graduate students. Revitalise and expand extension and advisory services. Develop a farm worker career path and appropriate training system. Strengthen agricultural research capacity in the 	<ul style="list-style-type: none"> Promote skills development in rural areas with economic development potential.



			provincial department of agriculture and tertiary institutions.	
<ul style="list-style-type: none"> • An additional 643 000 direct jobs and 326 000 indirect jobs in the agriculture, agro-processing and related sectors by 2030. 	<ul style="list-style-type: none"> • Consolidate and selectively expand transport and logistics infrastructure. 	<ul style="list-style-type: none"> • Improve and maintain agro-logistics. 	<ul style="list-style-type: none"> • Prioritise and fund the upgrading and maintenance of road and rail infrastructure at strategic agricultural nodes to ensure effective and efficient distribution of agricultural products. 	<ul style="list-style-type: none"> • Improve transport infrastructure and public transport in rural areas.
<ul style="list-style-type: none"> • An additional 643 000 direct jobs and 326 000 indirect jobs in the agriculture, agro-processing and related sectors by 2030. • Maintain a positive trade balance for primary and processed agricultural products. • Increase investment in new agricultural technologies, research and the development of adaptation strategies for the protection of rural livelihoods and expansion of commercial agriculture. 	<ul style="list-style-type: none"> • Rural economies will be activated through improved infrastructure and service delivery, a review of land tenure, service to small and micro farmers, a review of mining industry commitments to social investment, and tourism investments. • Create tenure security for communal farmers, especially women; investigate different forms of financing and vesting of private property rights to land reform beneficiaries that does not hamper beneficiaries with a high debt burden. • Channel public investment into research, new agricultural technologies for commercial farming, as well as for the development of adaptation strategies and support services for small-scale and rural farmers. 	<ul style="list-style-type: none"> • Establish and fast track value adding agro-processing. 	<ul style="list-style-type: none"> • Identify growth points for value adding programmes and align with spatial development framework. • Unlock agro-processing potential by implementing incentives to draw-in investments. • Implement relevant and applicable grain and livestock beneficiation programmes. 	<ul style="list-style-type: none"> • Promote sustainable rural enterprises and industries in areas with economic development potential. • Create incentives to attract investment in rural areas for the development of rural enterprises and industries throughout commodity value chains. • Develop resource and implement the Agricultural Value Chain interventions. • Develop and implement policies promoting the development and support of smallholder producers. • Create incentives to attract investment in rural areas for the development of rural enterprises and industries throughout commodity value chains.
<ul style="list-style-type: none"> • In 2030 people living in living in South Africa feel safe and have no fear of crime. They feel safe at home, at school and at work, and enjoy an active community life free of fear. Women can walk freely in the street and the children 	<ul style="list-style-type: none"> • The National Rural Safety Strategy Plan must be implemented in high risk areas involving all role-players and stakeholders. 	<ul style="list-style-type: none"> • Strengthen rural security of farm communities. 	<ul style="list-style-type: none"> • Reinforce cross-border protection activities. • Establish and maintain rural security and safety systems. • Implement appropriate animal identification, monitoring and traceability systems. 	<ul style="list-style-type: none"> • Implement crime prevention strategies/actions. • Establish integrated Border Management Agency. • Develop and implement the Border safeguarding strategy. • Combat illegal activities at



can play safely and the children can play safely outside.			<ul style="list-style-type: none"> • Implement farm worker development programmes. • Strengthen bio-security of animal diseases. 	<ul style="list-style-type: none"> • the border and ports of entry. • Secure the land borderline.
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DRIVER 2: MINIMISE THE IMPACT OF THE DECLINING MINING SECTOR AND ENSURE THAT EXISTING MINING POTENTIAL IS HARNESSSED

District Strategic Objective

- *Economic Growth and Job Creation*
- *Tourism Development*
- *A safe, clean and green city*

Linked Potential Projects/Programme:

- *Mining Development Programme (Benefiting ex-miners)*
- *Tourism Marketing & Development*

NDP Objectives	NDP Actions	FSGDS Long-term programmes	FSGDS Actions	MTSF Actions
<ul style="list-style-type: none"> • Broaden ownership of assets to historically disadvantage groups. 	<ul style="list-style-type: none"> • Increase the benefit to the country of our mineral resources by: giving clear certainty over property rights (the right to mine) increasing rail, water and energy infrastructure, structure a taxation regime that is fair, equitable and predictable and that recognises the non-renewable nature of mineral resources. • Remove the most pressing constraints on growth, investment and job creation, including energy generation and distribution, urban planning etc. • Rural economies will be activated through improved infrastructure and service delivery, a review of land tenure, service to small and micro farmers, a review of mining industry commitments to social investment, and tourism investments. 	<ul style="list-style-type: none"> • Support the life of existing mines and create new mining opportunities. 	<ul style="list-style-type: none"> • Invest in key infrastructure programmes that are secondary to mining. • Open up opportunities for new mining initiatives. • Market opportunities through new mining business profiles. • Curb crime which impacts negatively on the mining industry. • Promote small-scale mining in sandstone, clay, salt, diamonds and other commodities. 	<ul style="list-style-type: none"> • Mining Beneficiation Action Plan (MAP) developed, implemented and reviewed regularly in terms of impact on growth, employment, rural incomes, investment, output, exports and African regional development.
<ul style="list-style-type: none"> • Broaden ownership of assets 	<ul style="list-style-type: none"> • Increase the benefit to the 	<ul style="list-style-type: none"> • Develop a post-mining 	<ul style="list-style-type: none"> • Develop and support 	<ul style="list-style-type: none"> • Mining Beneficiation Action



to historically disadvantage groups.	<p>country of our mineral resources by: giving clear certainty over property rights (the right to mine) increasing rail, water and energy infrastructure, structure a taxation regime that is fair, equitable and predictable and that recognises the non-renewable nature of mineral resources.</p> <ul style="list-style-type: none"> Rural economies will be activated through improved infrastructure and service delivery, a review of land tenure, service to small and micro farmers, a review of mining industry commitments to social investment, and tourism investments. 	economy for mining areas.	<p>partnerships with social partners.</p> <ul style="list-style-type: none"> Re-use mining infrastructure in line with spatial development plans. Implement mine tourism initiatives. 	Plan (MAP) developed, implemented and reviewed regularly in terms of impact on growth, employment, rural incomes, investment, output, exports and African regional development.
<ul style="list-style-type: none"> Broaden ownership of assets to historically disadvantage groups. 	<ul style="list-style-type: none"> Increase the benefit to the country of our mineral resources by: giving clear certainty over property rights (the right to mine) increasing rail, water and energy infrastructure, structure a taxation regime that is fair, equitable and predictable and that recognises the non-renewable nature of mineral resources. Rural economies will be activated through improved infrastructure and service delivery, a review of land tenure, service to small and micro farmers, a review of mining industry commitments to social investment, and tourism investments. 	<ul style="list-style-type: none"> Ensure rehabilitation of mining areas. 	<ul style="list-style-type: none"> Coordinate mining rehabilitation concerns (road construction) (waste recycling). Institutionalise an agreed upon funding model for mining rehabilitation. Empower local entrepreneurs to benefit from mining aggregates. Re-mining of existing slime dams and dumps. 	<ul style="list-style-type: none"> Mining Beneficiation Action Plan (MAP) developed, implemented and reviewed regularly in terms of impact on growth, employment, rural incomes, investment, output, exports and African regional development.

Driver 4: Capitalise on transport and distribution opportunities



District Strategic Objective

- *Economic Growth and Job Creation*
- *A safe, clean and green city*
- *Tourism Development*

Linked Potential Projects/Programme:

- *Tourism Marketing & Development*
- *Trompsburg Transport Centre*
- *Springfontein Transport Hub (Presidential Project – SIP7)*
- *Rural Road Asset Management Grant (RRAMS)*

NDP Objectives	NDP Actions	FSGDS Long-term programmes	FSGDS Actions	MTSF Actions
<ul style="list-style-type: none"> • The proportion of people who use public transport for regular commutes will expand significantly. By 2030, public transport will be user friendly, less environmentally damaging, cheaper and integrated or seamless. 	<ul style="list-style-type: none"> • Consolidate and selectively expand transport and logistics infrastructure, with key focus areas being: • Public transport infrastructure and systems, including the renewal of the commuter rail fleet, supported by enhanced links with road-based services 	<ul style="list-style-type: none"> • Develop and maintain an efficient road, rail and public transport network. 	<ul style="list-style-type: none"> • Develop a provincial road network plan which defines an inter-regional strategic public transport network indicating primary and/or feeder/district routes. • Improve road infrastructure. • Identify and address road safety hotspots. • Provide fully operational weighbridges in strategic locations. • Improve the public transport facilities. • Improve rural public transport services through setting up scheduled subsidised public transport services to improve access to services. 	<ul style="list-style-type: none"> • Improve national transport planning to develop long-term plans for transport that synchronise with spatial planning and align infrastructure investment activities of provincial and local government and clearly communicates the state's transport vision to the private sector. • Improve and preserve national, provincial and local road infrastructure. • Strengthen road traffic management (result indicator: accidents, deaths). • Improve public transport. • Strengthen institutional arrangements for public transport.

Driver 5: Harness and increase tourism potential opportunities

District Strategic Objective

- *Economic Growth and Job Creation*
- *Tourism Development*

Linked Potential Projects/Programme:

- *Tourism Marketing & Development*



- *Tourism Awareness*
- *District Heritage Festival (Xhacufe)*

NDP Objectives	NDP Actions	FSGDS Long-term programmes	FSGDS Actions	MTSF Actions
	<ul style="list-style-type: none"> • Rural economies will be activated through improved infrastructure and service delivery, a review of land tenure, service to small and micro farmers, a review of mining industry commitments to social investment, and tourism investments. 	<ul style="list-style-type: none"> • Implement a government support programme for tourism development and growth. 	<ul style="list-style-type: none"> • Support and maintain local tourism infrastructure. • Develop and implement a tourism-network strategy within the province and across provincial borders. • Enhance local government capacity for tourism development. • Ensure adequate budgeting for local tourism support. • Strengthen local and provincial tourism business forums. • Ensure after-hours information and tourism access at tourism office. 	<ul style="list-style-type: none"> • National Tourism Strategy implemented and reviewed regularly in terms of impact on growth, employment, investment, output, exports and African regional development.
	<ul style="list-style-type: none"> • Rural economies will be activated through improved infrastructure and service delivery, a review of land tenure, service to small and micro farmers, a review of mining industry commitments to social investment, and tourism investments. 	<ul style="list-style-type: none"> • Improve tourism marketing. 	<ul style="list-style-type: none"> • Compile a comprehensive database of tourism products. • Establish an integrated tourism website. 	<ul style="list-style-type: none"> • National Tourism Strategy implemented and reviewed regularly in terms of impact on growth, employment, investment, output, exports and African regional development.
	<ul style="list-style-type: none"> • Rural economies will be activated through improved infrastructure and service delivery, a review of land tenure, service to small and micro farmers, a review of mining industry commitments to social investment, and tourism investments. 	<ul style="list-style-type: none"> • Expand tourism products and product range. 	<ul style="list-style-type: none"> • Develop tourism routes. • Support differentiated tourism product development in conferencing, adventure tourism, education, medical, exhibitions, sport, mining, agriculture and small town attractions. 	<ul style="list-style-type: none"> • National Tourism Strategy implemented and reviewed regularly in terms of impact on growth, employment, investment, output, exports and African regional development.
<ul style="list-style-type: none"> • Expand the college system with a focus on improving quality. Better quality will build confidence in the college sector and attract more learners. 	<ul style="list-style-type: none"> • Build the capacity of FET institutions to become the preferred institutions for vocational education and training. Learners should be able to choose vocational pathway before completing 	<ul style="list-style-type: none"> • Increase and build human capacity for tourism development and service excellence. 	<ul style="list-style-type: none"> • Introduce basic training and skills development programme for tourism. • Align the school curriculum for Tourism with provincial tourism needs. • Capitalise on FET colleges 	<ul style="list-style-type: none"> • National Tourism Strategy implemented and reviewed regularly in terms of impact on growth, employment, investment, output, exports and African regional development.



	<p>Grade 12. Expand the geographical spread of FET institutions.</p> <ul style="list-style-type: none"> • Build a strong relationship between the college sector and industry. SETAs have a crucial role in building relationships between education institutions and the employers. • Rural economies will be activated through improved infrastructure and service delivery, a review of land tenure, service to small and micro farmers, a review of mining industry commitments to social investment, and tourism investments. 		and training institutions to provide appropriate tourism skills.	
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Pillar 2: Education, Innovation and Skills Development

Diver 6: Ensure an appropriate skills base for growth and development

District Strategic Objective

- *Education*

Linked Potential Projects/Programme:

- *Mayoral Social Development Programme*
- *Youth Development Programme*
- *Special Programme*
- *Skills Development (Financial Grant)*

NDP Objectives	NDP Actions	FSGDS Long-term programmes	FSGDS Actions	MTSF Actions
<ul style="list-style-type: none"> • About 90 per cent of learners in grade 3, 6 and 9 must achieve 50 per cent or more in the annual national assessments in literacy, maths and science. • Between 80-90 per cent of learners should complete 12 years of schooling and or vocational education with at least 80 per cent successfully passing the exit exams. 	<ul style="list-style-type: none"> • The interest of all stakeholders should be aligned to support the common goal of achieving the educational outcomes that are responsive to community needs and economic development. • Educational institutions should be provided with the capacity to implement policy. Where capacity is lacking, 	<ul style="list-style-type: none"> • Improve educator performance. 	<ul style="list-style-type: none"> • Intensify and expand school management and performance programmes to ensure effective and efficient teaching ethics and environment. • Improve qualifications and performance of existing educators through bursaries, continuous professional development, mentoring and coaching focusing on 	<ul style="list-style-type: none"> • Implement a more effective teacher development programme and develop teacher competency. • Increased accountability for performance in schools. • Strengthen monitoring system and capacity of districts. • Establish effective schools accountability linked to learner performance.



<ul style="list-style-type: none"> • Increase the number of students eligible to study towards maths and science based degree to 450 000 by 2030. 	<p>this should be addressed as an urgent priority.</p> <ul style="list-style-type: none"> • Teachers should be recognized for their efforts and professionalism. Teaching should be highly valued profession. • Introduce incentive schemes linked to the annual national assessments to reward schools for consistent improvements • Top performing schools in the public and private sectors must be recognized as national assets. They should be supported and not saddled with unnecessary burdens. • Strengthen and expand Funza Lushaka and ensure that graduates of the programme are immediately absorbed into schools. It should not be left to graduates to find placements in schools. • Investigate introducing professional certification. Newly qualified teachers would need to demonstrate certain competencies before they are employed in schools, and after that they would be offered preliminary or probationary certification, to be finalized based on demonstrated competence. The professional certification of all teachers would need to be renewed periodically. • Change the appointment process to ensure that competent individuals are attracted to become school principals. • Candidates should undergo a 		<p>mathematics and physical science.</p> <ul style="list-style-type: none"> • Implement a focused recruitment programme to attract suitable candidates for the education profession. • Ensure that universities produce demand-driven qualified educators. 	<ul style="list-style-type: none"> • Use an improved ANA for holding schools and district accountable. • Establish functioning district offices that are able to support schools. • Assess teachers' content knowledge in the subjects they teach. • Absorb Funza Lushaka bursary holders into teaching posts. • Replenishing the current stock of teachers. • Change the process of appointing principals so that only competent individuals are appointed.
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	<p>competency assessment to determine their suitability and identify the areas in which they would need development and support.</p> <ul style="list-style-type: none"> • Eliminate union influence in promoting or appointing principals. The Department of Basic Education and provincial department of education must ensure that human resources management capacity is improved and recruitment undertaken correctly. • Implement an entry level qualification for principals. 			
<ul style="list-style-type: none"> • Eradicate infrastructure backlogs and ensure that all schools meet the minimum standards by 2016. 	<ul style="list-style-type: none"> • The interest of all stakeholders should be aligned to support the common goal of achieving the educational outcomes that are responsive to community needs and economic development. <ul style="list-style-type: none"> ○ Educational institutions should be provided with the capacity to implement policy. Where capacity is lacking, this should be addressed as an urgent priority. 	<ul style="list-style-type: none"> • Promote an enabling environment to increase educational performance. 	<ul style="list-style-type: none"> • Expand and intensify: <ul style="list-style-type: none"> ○ School infrastructure programme (new schools and schools related facilities) ○ Comprehensive school maintenance programme ○ Rural/farm school development programme ○ School nutrition programme ○ Transport services ○ Comprehensive wellness programme ○ Libraries / mobile libraries ○ No-school fee schools • Ensure provision of adequate and timeous learning materials and equipment. 	<ul style="list-style-type: none"> • Infrastructure complying with minimum standards and norms. • Increase access to quality reading material.
<ul style="list-style-type: none"> • Expand the college system with a focus on improving quality. Better quality will build confidence in the college sector and attract more learners. • Provide 1 million learning opportunities through 	<ul style="list-style-type: none"> • Support the development of specialised programmes in universities focusing on training college lectures and provide funding for universities to conduct research on the vocational education sector. 	<ul style="list-style-type: none"> • Create an environment and relationships in which post-school education institutions / training agencies respond to the educational and skills demands in line with growth and development needs. 	<ul style="list-style-type: none"> • Improve the ability of the intermediate sector (Nursing college, Agricultural college, FET colleges) to: <ul style="list-style-type: none"> ○ Improve post-Grade 12 vocational training quality and results ○ increase work place 	<ul style="list-style-type: none"> • Create a post-school system that provides a range of accessible alternatives for young and older people in all post-school institutions. • Strengthen the governance and management of post school institutions.



<p>Community Education and Training Centres.</p> <ul style="list-style-type: none"> • Improve the throughout rate to 80 per cent by 2030. • Produce 30 000 artisans per year. 	<ul style="list-style-type: none"> • Build the capacity of FET institutions to become the preferred institutions for vocational education and training. Learners should be able to choose the vocational pathway before completing Grade 12. Expand the geographical spread of FET institutions. • Build a strong relationship between the college sector and industry. SETAs have crucial role in building relationships between education institutions and the employers. 		<p>experience</p> <ul style="list-style-type: none"> ○ Continuous vocational training. • Position the FET colleges to: <ul style="list-style-type: none"> ○ Provide Grade 10-12 vocational training ○ Ensure bridging opportunities for non-qualified out-of-school youth. • Establish an operational, inclusive support system to foster collaboration between educational institutions, work places and the public sector. 	<ul style="list-style-type: none"> • Encourage and support measures to improve access and success in post school institutions. • Map out the information and knowledge needs of the system, to build on what is already taking place. • Build capacity of college teaching staff, and develop effective professional development for lecturers, counsellors, administrators and mentors. • Integrated work-based learning within the VCET system. • Reform the skills development system to improve its relevance and alignment within the post school sector. • Support carefully structured institutional-level programmes that provide opportunities for the Next Generation of academics. • Manage a structured, well-supported systematic national programme of building a Next Generation of academics. • Enhance innovation capacity.
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Pillar 3: Improved Quality of Life

Driver 7: Curb crime and streamline criminal justice performance

District Strategic Objective

- *Health and Community Development*
- *HIV/AIDS*
- *A safe, clean and green city*

Linked Potential Projects/Programme:

- *Mayoral Social Development Programme*
- *Youth Development Programme*



- *Special Programme*
- *Community Development & Public Participation*

NDP Objectives	NDP Actions	FSGDS Long-term programmes	FSGDS Actions	MTSF Actions
<ul style="list-style-type: none"> • In 2030 people living in South Africa feel safe and have no fear of crime. They feel safe at home, at school and at work, and enjoy an active community life free of fear. Women can walk freely in the street and the children can play safely outside. The police service is well resourced professional institution staffed by highly skilled officers who value their work, serve the community, safeguard lives and property without discrimination, protect the peaceful against violence, and respect the rights of all to equality and justice. 	<ul style="list-style-type: none"> • Mobilise youth for inner city safety to secure safe places and spaces for young people. • The National Rural Safety Plan must be implemented in high risk areas involving all role-players and stakeholders. • All schools should have learner safety plans. 	<ul style="list-style-type: none"> • Prevent and reduce contact crime, property and other serious crimes through more efficient police action. 	<ul style="list-style-type: none"> • Extend the implementation of the anti-rape strategy. • Expand youth crime prevention and capacity building programmes. • Enforce the Domestic Violence Act. • Intensify and roll out victim empowerment programmes to all municipalities. • Ensure sector policing at high contact crime police stations. • Provide property-related protection. 	<ul style="list-style-type: none"> • Collect accurately assessed and timeously analysed information in order to have a meaningful impact on policing. • Implement crime combating strategies/actions for serious and violent crime. • Reduce repeat offending or recidivism. • Implement social crime prevention strategy.
<ul style="list-style-type: none"> • In 2030 people living in South Africa feel safe and have no fear of crime. They feel safe at home, at school and at work, and enjoy an active community life free of fear. Women can walk freely in the street and the children can play safely outside. The police service is well resourced professional institution staffed by highly skilled officers who value their work, serve the community, safeguard lives and property without discrimination, protect the peaceful against violence, and respect the rights of all to equality and justice. 	<ul style="list-style-type: none"> • Safety audits done in all communities focusing on crime and safety conditions of most vulnerable in the community. • All schools should have learner safety plans. • Increase community participation in crime prevention and safety initiatives. 	<ul style="list-style-type: none"> • Enhance relationships between the SAPS and communities. 	<ul style="list-style-type: none"> • Intensify and expand the community policing forum programme. • Improve consultation, communication and information services between communities and SAPS. 	<ul style="list-style-type: none"> • Promote community participation in crime prevention and safety initiatives.

Driver 8: Expand and maintain basic and road infrastructure



District Strategic Objective

- *Economic Growth and Job Creation*
- *Tourism Development*

Linked Potential Projects/Programme:

- *Rural Road and Asset Management System (RRAMS)*
- *Re-Gravelling of Roads (Dept: Police, Road & Transport)*
- *Trompsburg Transport Centre*
- *Brick-making Manufacturing Plant*
- *District Energy Forum*
- *Municipal Environmental Health Programmes*

NDP Objectives	NDP Actions	FSGDS Long-term programmes	FSGDS Actions	MTSF Actions
<ul style="list-style-type: none"> • The proportion of people with access to the electricity grid should rise to at least 90 percent by 2030, with non-grid options available for the rest. • The country would need an additional 29 000MW of electricity by 2030. About 10 900MW of existing capacity is to be retired, implying new build of more than 40 000MW. • At least 20 000MW of this capacity should come from renewable sources. • Ensure that all people have access to clean, potable water and that there is enough water for agriculture and industry, recognising the trade-offs in the use of water. • Reduce water demand in the urban areas to 15 percent below the business-as-usual scenario by 2030. 	<ul style="list-style-type: none"> • Move to less carbon-intensive electricity production through producing at least 20 000MW of renewable energy, increased hydro-imports from the region and increased demand-side measures, including solar water heating. • Ring-fence the electricity distribution businesses of the 12 largest municipalities (which account for 80 percent of supply), resolve maintenance and refurbishment backlogs and develop a financing plan, alongside investment in human capital. • A comprehensive management strategy including an investment programme for water resource development, bulk water resource development, bulk water supply and wastewater management for major centres. • Timely development of several new water schemes to supply urban and industrial centres. 	<ul style="list-style-type: none"> • Maintain and upgrade basic infrastructure at local level. 	<ul style="list-style-type: none"> • Develop water, sanitation and electricity master plans for municipalities. • Dedicate funding for maintenance of current infrastructure. • Establish partnerships in selective municipalities for service delivery with regard to yellow fleet, waste management and water service delivery. • Establish partnerships in all municipalities for electricity delivery. 	<ul style="list-style-type: none"> • Develop the Integrated Energy Plan (IEP). • Refine, update and implement the Integrated Resource Plan (IRP). • Ring-fence the electricity-distribution businesses of the 12 largest municipalities and resolve their maintenance and refurbishment backlogs. • Review bulk electrical infrastructure required for universal access to electricity, prepare an implementation plan, and implement. • Improve demand-side management, including through smarter management of electricity grids. • Improve governmental support for combating illegal use of electricity. • Establish a national water-resources infrastructure agency



	<ul style="list-style-type: none"> • Create regional water and waste water utilities, and expand mandates of the existing water boards. 			
<ul style="list-style-type: none"> • The proportion of people with access to the electricity grid should rise to at least 90 percent by 2030, with non-grid options available for the rest. • The country would need an additional 29 000MW of electricity by 2030. About 10 900MW of existing capacity is to be retired, implying new build of more than 40 000MW. • At least 20 000MW of this capacity should come from renewable sources. • Ensure that all people have access to clean, potable water and that there is enough water for agriculture and industry, recognising the trade-offs in the use of water. • Reduce water demand in the urban areas to 15 percent below the business-as-usual scenario by 2030. 	<ul style="list-style-type: none"> • Move to less carbon-intensive electricity production through producing at least 20 000MW of renewable energy, increased hydro-imports from the region and increased demand-side measures, including solar water heating. • Ring-fence the electricity distribution businesses of the 12 largest municipalities (which account for 80 percent of supply), resolve maintenance and refurbishment backlogs and develop a financing plan, alongside investment in human capital. • A comprehensive management strategy including an investment programme for water resource development, bulk water resource development, bulk water supply and wastewater management for major centres. • Timely development of several new water schemes to supply urban and industrial centres. • Create regional water and waste water utilities, and expand mandates of the existing water boards. 	<ul style="list-style-type: none"> • Provide new basic infrastructure at local level (water, sanitation and electricity). 	<ul style="list-style-type: none"> • Identify and facilitate the implementation of infrastructure by municipalities for development in the recognised growing municipal areas. • Develop policies for private developers which will include incentives to encourage development. 	<ul style="list-style-type: none"> • Establish formal structures to foster collaboration between government, Eskom, Transnet, Sasol, IPPs and the coal industry: <ul style="list-style-type: none"> ◦ to optimise domestic coal use while maximising coal exports ◦ to address fragmentation in the coal industry ◦ to plan optimal utilisation for specific coal fields (draw on Coal Road Map exercise). • Develop a national coal policy and investment strategy. • Develop the Integrated Energy Plan (IEP). • Refine, update and implement the Integrated Resource Plan (IRP). • Reform of the electricity supply industry to introduce IPPs in support of electricity security of supply. • Establish an independent systemoperator. • Establish regional water and waste-water utilities to support municipalities. • Carry out review of existing water allocations in areas where new users are seeking access but current users already take more than can reliably be provided. • Urgent review of water and sanitation norms and standards together with the financial provisions to meet



				<p>these.</p> <ul style="list-style-type: none"> Establish a dedicated national programme to provide support to local and sectoral efforts to reduce water demand and improve water-use efficiency in the Agricultural sector. Investigate and implement water re-use and desalination projects and continue with applied research. Water and Sanitation Infrastructure Master Plan.
<ul style="list-style-type: none"> The proportion of people with access to the electricity grid should rise to at least 90 percent by 2030, with non-grid options available for the rest. The country would need an additional 29 000MW of electricity by 2030. About 10 900MW of existing capacity is to be retired, implying new build of more than 40 000MW. At least 20 000MW of this capacity should come from renewable sources. Ensure that all people have access to clean, potable water and that there is enough water for agriculture and industry, recognising the trade-offs in the use of water. Reduce water demand in the urban areas to 15 percent below the business-as-usual scenario by 2030. 	<ul style="list-style-type: none"> Move to less carbon-intensive electricity production through producing at least 20 000MW of renewable energy, increased hydro-imports from the region and increased demand-side measures, including solar water heating. Ring-fence the electricity distribution businesses of the 12 largest municipalities (which account for 80 percent of supply), resolve maintenance and refurbishment backlogs and develop a financing plan, alongside investment in human capital. A comprehensive management strategy including an investment programme for water resource development, bulk water resource development, bulk water supply and wastewater management for major centres. Timely development of several new water schemes to supply urban and 	<ul style="list-style-type: none"> Provide and upgrade Bulk Services. 	<ul style="list-style-type: none"> Ensure compliance of waste water treatment (new and upgraded) with the Green Drop standards in all towns and new developments. Establish regional water and waste-water utilities to support municipalities Ensure compliance of water treatment works and water storage, including bulk in towns with blue drop standards for new development areas. 	<ul style="list-style-type: none"> Develop comprehensive investment programme for water-resource development, bulk-water supply and wastewater management, assessing requirements to achieve universal access, and prioritise a new dam on the Umzimvubu River. Finalise the future institutional arrangements for the management of water-resources.



	<ul style="list-style-type: none"> industrial centres. Create regional water and waste water utilities, and expand mandates of the existing water boards. 			
		<ul style="list-style-type: none"> Implement alternative sanitation, water and electricity infrastructure 	<ul style="list-style-type: none"> Promote and facilitate solar water heating and arial / street lighting for energy saving. Promote and facilitate alternative sanitation and water infrastructure. 	<ul style="list-style-type: none"> Commission at least 7000 MW of renewable energy by 2020.
<ul style="list-style-type: none"> Staff at all levels has the authority, experience, competence and support they need to do their jobs. 	<ul style="list-style-type: none"> Establish a formal graduate recruitment scheme for the public service with provision for mentoring, training and reflection. Formulate long term skills development strategies for senior managers, technical professional and local government staff. 	<ul style="list-style-type: none"> Improve technical capacity of local municipalities for sustainable local infrastructure. 	<ul style="list-style-type: none"> Provide training on compliance, operations and maintenance in line with the terms of the relevant Act. Train management and administrative levels to ensure an understanding of the technical processes of service delivery. Roll out laboratories and consolidate capacity in existing laboratories to assist with water quality programme. Recruit, employ and retain qualified technical staff. 	<ul style="list-style-type: none">

Driver 9: Facilitate sustainable human settlement

District Strategic Objective

- Economic Growth and Job Creation
- Tourism Development

Linked Potential Projects/Programme:

- Brick-making Manufacturing Plant
- District Energy Forum
- Building of economic infrastructure and networks

NDP Objectives	NDP Actions	FSGDS Long-term programmes	FSGDS Actions	MTSF Actions
<ul style="list-style-type: none"> Strong and efficient spatial planning system, well integrated across the spheres of government. Upgrade all informal 	<ul style="list-style-type: none"> Introduce spatial development framework and norms, including improving the balance between location of jobs and people. 	<ul style="list-style-type: none"> Accelerate and streamline township establishment processes and procedures to ensure sustainable settlement. 	<ul style="list-style-type: none"> Improve the quality of Spatial Development Frameworks to include master planning in areas of interest, town planning 	<ul style="list-style-type: none"> Develop and implement spatial development frameworks to address spatial inequities. Fast track release of well-



<p>settlements on suitable, well located land by 2030.</p> <ul style="list-style-type: none"> • More people living closer to their places of work. • More jobs in or close to dense, urban townships 	<ul style="list-style-type: none"> • Reform to the current planning system for improved coordination. • Provide incentive for citizen activity for local planning and development of spatial compacts. • Introduce mechanisms that would make land markets work more effectively for the poor and support rural and urban livelihoods. 		<p>schemes, availability of services.</p> <ul style="list-style-type: none"> • Establish private-public sector planning structures and processes to improve the quality of planning services. • Identify and acquire land parcels for integrated inclusive human settlement development in close proximity to employment opportunities. • Release surplus government land for human settlements. • Ensure law enforcement in the planning and property development environment. • Curb and manage informal land invasion. 	<p>located land for housing and human settlements targeting poor households.</p> <ul style="list-style-type: none"> • Include access to basic infrastructure and services in new development. • Address infrastructure and basic services backlog in existing settlements. • Develop a strategy that ensures developments are in areas that promote integration (inclusionary housing), household livelihoods and appropriate densification. • Develop minimum standards and finance options for investment in public spaces particularly in social and economic infrastructure that benefit poor households, e.g. provision of municipal infrastructure trading facilities, investing in roads, pathways, etc. • Develop housing and human settlement plans that respond to various spatial and economic instruments and strategies that identify priority precincts for restructuring. • Setting up of an M&E framework to measure effectiveness of spatial targeting (contribution to National Observatory). • Review of the National Spatial and Human Settlements Planning.
<ul style="list-style-type: none"> • Strong and efficient spatial planning system, well integrated across the spheres of government. 	<ul style="list-style-type: none"> • Provide incentives for citizen activity for local planning and development of social compacts. 	<ul style="list-style-type: none"> • Ensure that municipalities, councillors, officials, the community at large and private sector role players are capacitated to accelerate sustainable human 	<ul style="list-style-type: none"> • Increase awareness amongst officials, councillors and other social partners on the New Comprehensive Plan for Sustainable Human Settlements. 	<ul style="list-style-type: none"> • Develop and implement appropriate programmes to increase technical capacity across all three spheres of government for spatially targeting housing and



		settlement development.	<ul style="list-style-type: none"> • Improve basic town planning / engineering services at provincial level. • Educate communities with regard to housing rights, market values of their properties and planning and regulation. • Establish a province-wide housing construction agency to drive the provision of decent housing to optimise job-creation and local provincial procurement. • Improve the quality of contractors through effective training programmes, grading and ranking of contractor performance and contractor registration with the National Home Building Regulatory Council. • Enhance opportunities for capacity building in town planning, project management, engineering, urban design and property management. 	<p>human settlements development.</p> <ul style="list-style-type: none"> • Increase the participation of stakeholders in housing development by encouraging community-based organizations, civil society organizations, and other forms of non-governmental entities that contribute to human settlements development. • Strengthen current mechanism to mobilise private sector to contribute to human settlements developments. • Develop horizontal and vertical consultative mechanisms among spheres of government responsible for economic, environmental, social, human settlements and housing policies.
•	•	•	<ul style="list-style-type: none"> • Expand the public-private partnership approach for sustainable human settlements. • Improve access to the Integrated, Residential Development Programme for basic infrastructure. • Promote socially integrated human settlements in order to support social cohesion. • Put emphasis on densification of new developments, to improve overall settlement efficiency and resource utilization. • Improve access to the basic social and economic amenities programme. 	<ul style="list-style-type: none"> • Increase the supply of housing using different tenure types to ensure the diversity necessary for addressing different social, economic and cultural needs. • Provide support for economic development hubs, nodes and linkages to be developed in historical black townships.



			<ul style="list-style-type: none"> Facilitate the implementation of the communal land right programme. Intensify the informal settlements upgrading programme. Research and promote alternative building methods and material for eco-friendly environments. 	
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Driver 10: Provide and improve adequate health care for citizens

District Strategic Objective

- Health and community development
- A safe, clean and green city
- HIV/AIDS

Linked Potential Projects/Programme:

- Municipal Environmental Health Programmes
- District Aids Council
- Special Programme

NDP Objectives	NDP Actions	FSGDS Long-term programmes	FSGDS Actions	MTSF Actions
<ul style="list-style-type: none"> Increase average male and female life expectancy at birth to 70 years. Progressively improve TB prevention and cure. Reduce maternal, infant and child mortality. Significantly reduce prevalence of non-communicable chronic diseases. Reduce injury, accidents and violence by 50 percent from 2010 levels. 	<ul style="list-style-type: none"> Prevent and control epidemic burdens through deterring and treating HIV/AIDS, new epidemics and alcohol abuse, improve the allocation of resources and the availability of health personnel in public sector, and improve the quality of care, operational efficiency, health worker morale and leadership and innovation. Promote healthy diets and physical activity. Implement the NHI scheme in a phased manner, focusing on: 	<ul style="list-style-type: none"> Strengthen health care programmes to address the burden of critical diseases. 	<ul style="list-style-type: none"> Improve and expand the CCMT (HIV/AIDS) programme to reduce HIV and AIDS related deaths. Improve and expand TB Management Programmes. Improve maternal and child health programmes. Improve and expand non-communicable disease programmes in the four main critical areas of mental health, cancer, diabetes, and heart disease. Intensify general health promotion and lifestyle programmes. 	<ul style="list-style-type: none"> Implement the National Strategic Plan for Maternal, Newborn, Child and Women's Health for 2012-2016 and monitor outcomes. Accelerate finalization of regulations on diet and content of salt in foodstuffs. Produce regulations on tobacco control, in line with WHO's framework convention on tobacco control. Develop legislation to abolish marketing of alcohol products by 2015. Improve access to ART.



	<ul style="list-style-type: none"> • Improving the quality of care in public facilities • Reducing the relative cost of private medical care • Increasing the number of medical professionals • Introducing a patient record system and supporting information technology systems. 			<ul style="list-style-type: none"> • Monitor Uptake of HIV testing by TB patients. • Implement essential interventions to reduce HIV mortality. • Improve the TB case registration rate. • Improve the TB case detection rate. • Improve TB treatment outcomes. • Implement interventions to reduce TB mortality. • Reduce the HIV Mother-to-Child-Transmission (MTCT) rate (six weeks and 18 months). • Implement the National Strategic Plan for Maternal, Newborn, Child and Women's Health for 2012-2016 and monitor outcomes. • Develop and implement an effective monitoring, evaluation and reporting (MER) system for tracking the implementation of the recommendations of the National Committee of Confidential Enquiry into Maternal Deaths (NCCEMD). • Develop and implement an effective monitoring, evaluation and reporting (MER) system for tracking the implementation of the CARMMA Strategy. • Coordinate a comprehensive and intersectoral response by government to violence and injury, and to ensure action. • Fast track legislation and regulations to deal with the risk factors of diseases and injury, including the creation of a multi-sectoral Health
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				<p>Commission.</p> <ul style="list-style-type: none"> • Embark on activities to promote healthy lifestyles through mobilization of individuals and communities to engage in physical activities, good dietary practices and reduction of harmful use of alcohol, tobacco and to control of substance abuse. • Strengthen the capacity of rehabilitation services in the public sector with a focus on mental health, physical disability, gender based violence, childhood trauma and substance abuse. • Phased implementation of the building blocks of NHI. • Establish a National Pricing Commission to regulate health care in the private sector.
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Driver 12: Integrate environmental limitations and change into growth and development planning

District Strategic Objective

- *Health and community development*
- *A safe, clean and green city*

Linked Potential Projects/Programme:

- *Municipal Environmental Health Programmes*
- *Water Quality*
- *Waste Water*
- *Disaster Management*
- *IDP Review*
- *Special Programme*
- *Climate Change (Response Plan)*
- *EPWP Programmes*

NDP Objectives	NDP Actions	FSGDS Long-term programmes	FSGDS Actions	MTSF Actions
<ul style="list-style-type: none"> • Ensure that all people have access to clean, potable 	<ul style="list-style-type: none"> • A comprehensive management strategy 	<ul style="list-style-type: none"> • Improve water quantity and quality management. 	<ul style="list-style-type: none"> • Intensify the monitoring and evaluation of river health and 	<ul style="list-style-type: none"> • Implement strategies for water conservation and



<p>water and that there is enough water for agriculture and industry, recognising the trade-offs in the use of water.</p> <ul style="list-style-type: none"> • Reduce water demand in the urban areas to 15 percent below the business-as-usual scenario by 2030. 	<p>including an investment programme for water resource development, bulk water supply and wastewater management for major centres by 2012, with reviews every five years.</p> <ul style="list-style-type: none"> • Complete phase 2 of the Lesotho Highlands water project by 2020. • Create regional water and wastewater utilities, and expand mandates of the existing water boards (between 2012 and 2017). 		<p>water quality (both surface and ground water).</p> <ul style="list-style-type: none"> • Improve the standards of drinking water treatment (Blue Drop). • Improve waste water management (Green Drop – enforcement). • Enhance the standard of catchment management practices through improved soil conservation and land care. • Monitor and mitigate the impact of acid mine drainage to minimise the effects thereof on both surface and groundwater quality. • Optimise water management practices, especially in the agricultural sector through the improvement of soil and water management. • Optimise urban water management practices, through the improvement of water-saving infrastructure. • Optimise groundwater use and reuse through the implementation of water recycling schemes and aquifer recharge. • Implement economic incentives for environmental protection 	<p>demand management.</p> <ul style="list-style-type: none"> • Implement environmental regulations to mitigate exploitation of strategic mineral resources. • Combat land degradation. • Implement a waste management system that reduces waste going to landfills.
<ul style="list-style-type: none"> • The proportion of people with access to the electricity grid should rise to at least 90 percent by 2030, with non-grid options available for the rest. • The country would need an additional 29 000MW of electricity by 2030. About 10 900MW of existing capacity is to be retired, implying new build of more 	<ul style="list-style-type: none"> • Move to less carbon-intensive electricity production through procuring at least 20 000MW of renewable energy, increased hydro-imports from the region and increased demand-side measures, including solar water heating. • An independent Climate Change Centre, in 	<ul style="list-style-type: none"> • Mitigate the causes and effects of climate change. 	<ul style="list-style-type: none"> • Reduce Green House Gas emissions in industries through alternative methodologies and processes. • Adopt and integrate alternative energy approaches (solar, wind, hydro and biofuels) to reduce the carbon footprint of the province's energy requirements. 	<ul style="list-style-type: none"> • Integrated environmental assessments for major infrastructure and provision of incentives for green economic activities. • Incentives and regulatory frameworks to promote a low carbon economy. • Include climate change risks in the national disaster management plan and communication strategies.



<ul style="list-style-type: none"> • than 40 000MW. • At least 20 000MW of this capacity should come from renewable sources. • Achieve the peak, plateau and decline trajectory for greenhouse gas emissions, with the peak being reached around 2025. • By 2030, an economy-wide carbon price should be entrenched. • Zero emission building standards by 2030. 	<p>partnership with academic and other appropriate institutions, is established by government to support the actions of government, business and civil society.</p> <ul style="list-style-type: none"> • Carbon price, building standards, vehicle emission standards and municipal regulations to achieve scale in stimulating renewable energy, waste recycling and in retrofitting buildings. • Carbon-pricing mechanisms supported by a wider suite of mitigation policy instruments to drive energy efficiency. • All new buildings to meet the energy efficiency criteria set out in South African National Standard 204. 		<ul style="list-style-type: none"> • Adopt the sustainable development approach of a 'Green Economy' by increasing the use of green energy, waste recycling schemes, facilitation of ecotourism opportunities and the advocacy of labour-intensive economic development. • Develop climate change mitigation strategies pertaining to the core functions of provincial departments. 	<ul style="list-style-type: none"> • Implement adaptation strategies. • Research in Climate services. • Improvement in air quality. • Promote a just transition to an environmentally sustainable low carbon economy. • Enhance compliance monitoring and enforcement capacity within the sector. • Full cost accounting of environmental impacts of public investment as a corporate governance standard. • Implementation of building standards in energy efficiency and renewable energy standards. • Expand use of renewable energy and off-grid electrification.
<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • Expand responsible extensive wildlife ranching with local species in marginal agricultural areas as a business unusual alternative. • Advocate and encourage the production of alternative crops in dry land areas. • Improve the capacity of the DETEA to enforce its cross-sectoral mandate. • Increase the numbers of suitably qualified environmental officials in government and civil society. • Increase the awareness and formal knowledge of law enforcers and the judiciary regarding environmental issues. • Encourage and support the increase of formal environmental skills training through tertiary educational 	<ul style="list-style-type: none"> • Enhanced environmental awareness and consciousness. • Enhance compliance monitoring and enforcement capacity within the sector. • Develop technical and policy skills to facilitate transition to low carbon economy and adaptation research and implementation.



<ul style="list-style-type: none"> • An additional 643 000 direct jobs and 326 000 indirect jobs in the agriculture, agro-processing and related sectors by 2030. • Maintain a positive trade balance for primary and processed products. 	<ul style="list-style-type: none"> • Rural economies will be activated through improved infrastructure and service delivery, a review of land tenure, service to small and micro farmers, a review of mining industry commitments to social investment, and tourism investments. 	<ul style="list-style-type: none"> • Improve rural development; build institutions, skills, social and economic infrastructure, promote non-farm activities. 	<p>institutions.</p> <ul style="list-style-type: none"> • Build dedicated economic and social infrastructure specifically designed to accelerate economic opportunities for rural communities. • Expand social services to all rural communities throughout the province. • Establish agri-villages in selected areas. 	<ul style="list-style-type: none"> • Promote skills development in rural areas with economic development potential. • Eradicate infrastructure backlog in rural schools. • Eradicate infrastructure backlog in rural health facilities to meet national core standards. • Provide rural communities with ICT infrastructure. • Provide access to piped water in rural areas. • Provide access to sanitation services in rural areas. • Provide access to energy in rural areas. • Improve transport infrastructure and public transport in rural areas.
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Pillar 5: Build Social Cohesion

Driver 14; Maximise arts, culture, sports and recreation opportunities and prospects for all communities

District Strategic Objective

- *Health and community development*
- *Tourism Development*
- *A safe, clean and green city*
- *Economic growth and job creation*

Linked Potential Projects/Programme:

- *Heritage Festival*
- *OR Tambo Games (District & Provincial)*
- *Special Programmes*
- *Tourism Marketing & Development*

NDP Objectives	NDP Actions	FSGDS Long-term programmes	FSGDS Actions	MTSF Actions
• Our vision is a society where	• Sustained campaigns against	• Promote the full diversity of	• Encourage the use and	• Promote the Bill of



<p>opportunity is not determined by race or birth right; where citizens accept that they have both rights and responsibilities. Most critically, we seek a united, prosperous, non-racial, non-sexist and democratic South Africa.</p>	<p>racism, sexism, homophobia and xenophobia.</p> <ul style="list-style-type: none"> • At school assembly the Preamble of the Constitution to be read in language of choice. • Bill of responsibilities to be used at schools and prominently displayed in each work place. • All South Africans to learn at least one indigenous language, business to encourage and reward employees who do so. • Incentivising the production and distribution of all art forms that facilitate healing, nation building and dialogue. 	<p>arts (visual and performing), culture and heritage services in the province with the aim of developing skills, creating jobs, alleviating poverty and supporting education and recreation.</p>	<p>development of indigenous languages.</p> <ul style="list-style-type: none"> • Facilitate access to external funding for deserving and emerging artists. • Establish collaborative relationships between major provincial theatres and the Drama Department at the University of the Free State. • Make provision for the appointment of full-time cultural officers at municipal level. • Make provision for the appointment of full-time art managers, art administrators and artists at selected provincial art centres. • Establish working relationships between provincial libraries, arts and cultural institutions (art centres and theatres) and schools to enhance grassroots mass participation. • Implement and expand a range of arts and culture programmes and develop upcoming artists through: <ul style="list-style-type: none"> ○ The Macufe annual event ○ Musicon Singing Competition ○ Provincial choir festivals ○ Strings programmes ○ The Wednesday School Programme promoting, among other things, dance, music and theatre ○ The Internship Programme for Multilingual Information 	<p>Responsibility, Constitutional values and national symbols amongst children in schools.</p> <ul style="list-style-type: none"> • Policy interventions to make families better able to foster values such as tolerance, diversity, non-racialism, non-sexism and equity. • Establish Constitutional Monday. • Popularise the Moral Regeneration Movement and the charter of good values. • Implement programmes by conducting constitutional rights awareness campaigns. • Improve enforcement of the Employment Equity Act. • Change attitudes and behaviour in relation gender issues and xenophobia. • Increase progress towards gender equality. • Build non-racialism through community dialogues and hosting of national summit on Action Plan to combat racism, racial discrimination, xenophobia and related intolerance. • Increase multilingualism in the school environment. • Promote social cohesion in schools. • Promote heritage and culture. • Transform the utilization of currently marginalised languages.
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			<ul style="list-style-type: none"> Development Project <ul style="list-style-type: none"> Capacity building programmes (particular focus on administrative and financial capacity) for artists. 	
<ul style="list-style-type: none"> Our vision is a society where opportunity is not determined by race or birth right; where citizens accept that they have both rights and responsibilities. Most critically, we seek a united, prosperous, non-racial, non-sexist and democratic South Africa. 	<ul style="list-style-type: none"> Improving public services and spaces as well as building integrated housing and sport facilities in communities to ensure sharing of common spaces across race and class. 	<ul style="list-style-type: none"> Promote effective and efficient sport and recreation development. 	<ul style="list-style-type: none"> Expand talent development programmes and high performance capacity academies to groom talented and international athletes. Facilitate the development and maintenance of multi-purpose sport and recreation facilities by amongst other things, ring fencing 15% of Municipal Infrastructural Grant funds for sports infrastructure development and maintenance. Expand mass participation in sports and recreation programmes. Strengthen coordination and collaboration amongst provincial sport structures and between provincial and local sports structures. Expand inter-provincial school sport competitions. Ensure that sport facilities in all local municipalities become affordable in terms of hiring costs. Upgrade selective infrastructure to host national and international events. Strengthen and support provincial sport federations. 	<ul style="list-style-type: none"> Provide mass participation opportunities. Promote participation in sport and recreation. Ensure that equal opportunities exist for all South Africans to participate and excel in sport and recreation. Provide adequate sport and recreation facilities and ensure that these are maintained. Encourage communities to organise sporting events, leagues and championships. Develop talented athletes by providing them with opportunities to excel.

Pillar 6: Good Governance

Driver 15: Foster good governance to create a conducive climate for growth and development

District Strategic Objective



- *A well-governed and managed municipality*

Linked Potential Projects/Programme:

- *Msoa*
- *IDP Review*
- *HR Policies*
- *Skills Development*
- *Intergovernmental Relations (IGR)*
- *Public Participation*
- *Promote Batho Pele Principle*
- *Develop our Corporate Image – Reviewed Vision & Mission*

NDP Objectives	NDP Actions	FSGDS Long-term programmes	FSGDS Actions	MTSF Actions
<ul style="list-style-type: none"> • A state that is capable of playing a developmental and transformative role. • A public service immersed in the development agenda but insulated from undue political interference. • Staffs at all levels have the authority, experience, competence and support they need to do their jobs. 	<ul style="list-style-type: none"> • Create an administrative head of the public service with responsibility for managing the career progression of heads of department. Put in place a hybrid approach to top appointments that allows for the reconciliation of administrative and political priorities. • Enhance the role of the Public Service Commission to champion and monitor norms and standards to ensure that only competent and suitably experienced people are appointed to senior positions. • Establish a formal graduate recruitment scheme for the public service with provision for mentoring, training and reflection. Formulate long-term skills development strategies for senior managers, technical professionals and local government staff. • Use assessment mechanisms such as exams, group exercises and competency tests to build confidence in recruitment systems. 	<ul style="list-style-type: none"> • Establish a strong and capable political and administrative management cadre. 	<ul style="list-style-type: none"> • Institutionalise practices to ensure recruitment and appointment of competent people in managerial posts. • Develop leaders and managers in collaboration with Public Administration Leadership and Management Academy (PALAMA) and institutions of higher learning. • Expand the international and national leadership and management exchange programme. • Implement mentorship, succession planning and learnership programmes in leadership and management. • Foster collaboration across different spheres to ensure the deployment of competent managers where necessary. • Develop leaders by delegating and decentralising functions to appropriate levels. • Put measures in place to prevent the manipulation of organograms. • Ensure that exit interviews are conducted at senior management level. 	<ul style="list-style-type: none"> • Create minimum level of PSA delegations from EA to AO and other senior officials. • Develop standard administrative processes to inform EA decisions for managing the career incidents of national heads of department. • Develop standard administrative processes in the Offices of the Premier to inform EA decisions for managing the career incidents of provincial heads of department. • Introduction of a hybrid approach to top appointments that allows EAs to appoint heads of department and DDGs based on a shortlist drawn up through a standard process run by the administrative head of the public service. • Pilot a formal graduate recruitment scheme to support departments in attracting and developing young talent. • Use assessment mechanisms such as exams, group exercises and competency tests to build confidence in



	<ul style="list-style-type: none"> • Use placements and secondments to enable staff to develop experience of working in other spheres of government. • Amend the Public Service Act to locate responsibility for human-resources management with the head of department. 		<ul style="list-style-type: none"> • Promote integrated development orientation through a shared vision and development trajectory and work towards a single public service guided by the same regulations. 	<p>recruitment systems.</p> <ul style="list-style-type: none"> • Develop mentoring and peer review mechanisms for senior managers.
<ul style="list-style-type: none"> • Relations between national, provincial and local government are improved through a more proactive approach to managing the intergovernmental system. 	<ul style="list-style-type: none"> • Use differentiation to ensure a better fit between the capacity and responsibilities of provinces and municipalities. Take a more proactive approach to resolving coordination problems and a more long-term approach to building capacity. • Develop regional utilities to deliver some local government services on an agency basis, where municipalities or districts lack capacity. • Adopt a less hierarchical approach to coordination so that routine issues can be dealt with on a day-to-day basis between mid-level officials. Use the cluster system to focus on strategic cross-cutting issues and the Presidency to bring different parties together when coordination breaks down. • Develop public interest mandates for SOEs. Improve coordination between policy and shareholder ministers by making them jointly responsible for appointing the board. Ensure appointment processes are credible and that there is greater stability in 	<ul style="list-style-type: none"> • Strengthen an integrated development orientation and planning approach in governance. 	<ul style="list-style-type: none"> • Develop an integrated planning framework for the province (including municipalities). • Establish appropriate integrating and inter-governmental relations planning structures at all levels in line with the framework. • Reconfigure the planning unit in line with national directives and best practice to render an efficient integrated planning service including research and policy coordination. • Develop and strengthen integrated sector strategies pertaining to the economic drivers: agriculture, mining, tourism, transport and distribution and manufacturing. • Develop a provincial spatial development framework in line with the FSGDS. • Strengthen planning and research capacity in municipalities. • Define the role and contribution of public entities in planning and implementation. • Undertake an analysis of the legislative environment created as enabling 	<ul style="list-style-type: none"> • Adopt a less hierarchical approach to interdepartmental coordination. • •



	appointments.		frameworks for growth and development. <ul style="list-style-type: none"> Investigate the viability of existing municipalities. 	
<ul style="list-style-type: none"> Our vision is a society where opportunity is not determined by race or birth right; where citizens accept that they have both rights and responsibilities. Most critically, we seek a united, prosperous, non-racial, non-sexist and democratic South Africa. 	<ul style="list-style-type: none"> Promote citizen participation in forums such as Integrated Development Plans, Ward Committees, School Governing Boards and Community Policing Forums. 	<ul style="list-style-type: none"> Improve the link between citizens and the state to ensure accountability and responsive governance. 	<ul style="list-style-type: none"> Improve community communication structures and feedback mechanisms Implement complaint management systems. including rapid response on municipal level Improve the level and quality of political oversight by strengthening the capacity and role of the oversight structures 	<ul style="list-style-type: none"> Improve participation in National Elections. Improve participation in Local government elections. Improve participation in School Governing Bodies elections. Promote citizen-based monitoring of government service delivery. Increased routine accountability of service delivery departments to citizens and other service users. Revitalize and monitor adherence to Batho Pele programme (wearing name tags improving attitudes, being courteous, responsiveness, etc).
<ul style="list-style-type: none"> A state that is capable of playing a developmental and transformative role. A public service immersed in the development agenda but insulated from undue political interference. Staffs at all levels have the authority, experience, competence and support they need to do their jobs. 	<ul style="list-style-type: none"> Create an administrative head of the public service with responsibility for managing the career progression of heads of department. Put in place a hybrid approach to top appointments that allows for the reconciliation of administrative and political priorities. Establish a formal graduate recruitment scheme for the public service with provision for mentoring, training and reflection. Formulate long-term skills development strategies for senior managers, technical professionals and local government staff. 	<ul style="list-style-type: none"> Develop a skilled and capable public service workforce to support the growth and development trajectory for the province 	<ul style="list-style-type: none"> Develop a provincial HRD plan aligned with sector skills plans. Ensure linkages between HRD plan, skills development plan, employment equity plan, work place skills plan, personal development plan and skills audits. Facilitate an integrated framework for recruitment, selection and retention of critical / scarce skills including Head of Departments, Municipal Managers and Chief Financial Officers (provincial and municipal). Strengthen the collaboration between Services Training Authorities, private trainer providers, universities, FET 	<ul style="list-style-type: none"> Develop mechanisms to help departments strengthen their internal HR capacity, focusing particularly on the enabling role of HR professionals. Improve the quality of training through PALAMA/the School of Government.



			colleges and the Free State Training and Development Institute (FSTDI) to enhance training and development. <ul style="list-style-type: none"> Reconfigure the FSTDI to be in line with PALAMA at a national level. 	
<ul style="list-style-type: none"> A corruption free society, a high adherence to ethics throughout society and a government that is accountable to its people. 	<ul style="list-style-type: none"> The capacity of corruption fighting agencies should be enhanced and public education should be part of the mandate of the anti-corruption agencies. The National Anti-Corruption Forum should be strengthened and resourced. Expand the scope of whistle-blower protection to include disclosure to bodies other than the Public Protector and the Auditor- General. Strengthen measures to ensure the security of whistle-blowers. Centralise oversight of tenders of long duration or above a certain amount. An accountability framework should be developed linking the liability of individual public servants to their responsibilities in proportion to their seniority. Clear rules restricting business interests of public servants should be developed. Corruption in the private sector is reported on and monitored by an agency similar to the Public Protector. Restraint-of-trade agreements for senior civil servants and politicians at all levels of government. All corrupt officials should be 	<ul style="list-style-type: none"> Improve the overall financial management in governance structures in the province to ensure clean audits and appropriate financing towards the growth and development of the province. 	<ul style="list-style-type: none"> Improve and enforce the implementation of all supply chain management requirements. Introduce early warning systems in all municipalities and provincial departments. Streamline funding models in line with long term growth and development priorities. Establish and ensure that financial oversight committees (internal and external) and subcommittees are functional such as: <ul style="list-style-type: none"> Internal audit (departments and municipalities) Risk management Tender committees Anti-corruption committees Finance committee and legislature Ensure compliance with Treasury guidelines in respect of budget transfers, roll-overs and deviations in supply chain management system. Review equitable share formula at provincial and local government level. 	<ul style="list-style-type: none"> Reduce level of corruption in public and private sector, thus improving investor perception, trust in and willingness to invest in South Africa. Reduce corruption within the JCPS Cluster to enhance its effectiveness and its ability to serve as a deterrent. Review existing anti-corruption legislation. Assess the need for special anti-corruption courts. Strengthen capacity in all sectors of anti-corruption work. Integrate public and private approaches to countering corruption. Differentiate between different forms of procurement. Capacity building and professionalising supply chain management. Provide real-time operational support. Ensure effective and transparent oversight. Review and simplification of regulations and guidelines where necessary. Strengthen implementation of Financial Disclosure Framework. Prohibit public servants from doing business with the state. Strengthen protection of



	made individually liable for all losses incurred as a result of their corrupt actions.			<p>whistle-blowers.</p> <ul style="list-style-type: none">• Allow for restraint-of-trade agreements for civil servants where there is a clear risk of a serious conflict of interest.
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CHAPTER 4 : PUBLIC PARTICIPATION AND INTERGOVERNMENTAL RELATIONS

Section 23 of the Municipal Finance Management Act (MFMA) requires that the council considers the views of the community and other stakeholders with regards to the draft annual budget before council can adopt the final Budget.

Subsequent to that , Municipalities in South Africa are legally required to prepare Integrated Development Plans (IDPs) for their area of jurisdiction in terms of the Municipal Systems Act, 2000 (Act No. 32 of 2000). In terms of the process of preparing an Integrated Development Plan and specifically stakeholder involvement, the Act stipulates the following:

The process followed by a municipality to draft its integrated development plan, including its consideration and adoption of the draft plan, must through appropriate mechanisms, processes and procedures, allow for –

- The local community to be consulted on its development needs and priorities;
- The local community to participate in the drafting of the integrated development plan; organs of state, including traditional authorities, and other role players to be identified and consulted on the drafting of the integrated development plan.

Apart from the Public Participation Roadshows, the municipality has advertised an IDP Notice in all Local Municipal Notice Board and our own Municipal Website.

Xhariep District Municipality places a high premium on inclusivity and subsequently the involvement and participation of all relevant stakeholders forms an essential component of the IDP review process. The public participation process for the 2020/2021 review of the IDP will be done on the basis of full-scale public meetings in each four of our local municipalities. This is due to the vastness of the district and local municipalities.

A fundamental characteristic of this initial round of public participation is also to introduce the Municipal Budget and other related municipal policies and clearly defined the distinction between such and the IDP review process.

The purpose of this initial round of public participation was:

- To discuss the process followed for the 2020/21 IDP review
- To consult on the content for the IDP review and what components of the IDP should be reviewed
- Monitor the progress made in terms of implementation of the 5 year 3rd Generation IDP to date.
- Provide feedback to the different communities on the issues they have raised and input provided during the first round of public participation;
- Provide a progress report on significant projects implemented in the different municipalities.
- Provide an overview of the 2020/21 draft IDP review;
- Provide an overview of the 2020/21 annual budget of the municipality; and

- Encourage communities and stakeholders to peruse the draft IDP review and budget of the municipality and make use of the opportunity to make submissions in this regard.

It must be noted that due to the Corona Virus which has been declared as a pandemic by the World Health Organisation, the public participation was only limited to certain stakeholders and other forms of communication.

Intergovernmental Relations

The municipality fosters relations with other spheres of government and participates in various intergovernmental activities to promote a closer working relationship between the various spheres of government. Council is of the view that these relationships can assist in enhancing government's services to the communities of the Greater Xhariep Municipal Area.

The municipality delegated officials and Councilors to the following forums:

<i>Forum / Council</i>	<i>Frequency</i>	<i>Responsibility</i>
Municipals Managers Forum	Quarterly	Municipal Manager
SALGA working groups	Quarterly	Director/Delegated official and Portfolio Councillor specific to working group
District Coordinating Forum (IGR Forums)	Quarterly	Mayor
Premiers Coordinating Forum	Quarterly	Mayor
Provincial and District IDP Managers Forums	Quarterly	Municipal Manager – IDP Manager
Disaster Management Forum	Quarterly	Manager: Disaster Management
Human Resources Forum	Quarterly	Corporate Services
Environmental Health Forum	Quarterly	Planning & Social Development
Chief Finance Officers	Quarterly	Budget & Treasury Office
Supply Chain Management Forum	Quarterly	Budget & Treasury Office
Local Economic Development forum	Quarterly	Planning and Development
Audit Committee/ Forum	Quarterly	Chief Internal Auditor (MM)
Risk Committee/Forum	Quarterly	Chief Risk Office (MM)
Speakers Forum	Quarterly	Manager: Office of the Speaker
Communications Forum	Quarterly	Manager: Communication
District Aids Council	Quarterly	Executive Mayor

During the review process of the IDP and particularly the public participation process it became apparent that approximately 40% of the issues raised and the projects suggested by communities relate to competencies which fall outside of the ambit of local government. Integrated planning between the different spheres of government is thus critically important if government wants to effectively fulfil its constitutional mandates and effectively address the socio-economic challenges faced by communities.

IDP is increasingly becoming a cornerstone for intergovernmental planning and budget alignment. Resources are also limited and establishing strategic partnerships between the different spheres of government will certainly optimize the impact of such resources. The IDP should therefore guide where sector departments allocate their resources at local government level. The municipality should however also take into consideration the sector department's policies and programmes when developing its own policies and strategies. For this reason it is in the interest of the sector departments to participate in the IDP review process of the municipality to ensure alignment between development programmes.

Provincial IDP Manager's Forums

The Department Corporative Governance, Human Settlement and Traditional Affairs (Cogta) facilitates Provincial IDP's Manager's Forums engagements on an annual basis. The forums are usually held quarterly each year and focuses on strategic alignment between the municipalities and the different sector departments in the province and has the following objectives:

- To provide provincial strategic guidance and dialogue on provincial policies and programmes and overall planning implications for municipalities;
- To create a platform for alignment of Districts and local municipality IDPs to Provincial and National plans;
- Obtain and share information on sector projects implemented in municipalities, focusing on geo-spatial budgeting;
- Share municipal priorities with sector departments to inform and guide future sector departmental priority setting;
- Foster alignment between municipal and provincial project implementation as part of Intergovernmental Planning and through spatial mapping as a planning aid;
- Present and share information on municipal financial allocations; and
- To encourage cross border alignment of plans at municipal level

The above-mentioned engagements form an integral part of the IDP review process and assist municipalities to garner support and or interventions from the different sector departments with a number of programmes/projects implemented within municipalities. A fundamental deliverable of these IDP engagements is the agreements reached between the municipality and respective sector departments for specific interventions, funding or technical support required for the successful implementation of projects/programmes.

IDP Assessment

In terms of Section 32 of the Municipal Systems Act (Act 32 of 2000) a copy of the municipality's IDP must be submitted to the MEC for Local Government for assessment which will ensure that more credible IDP's are produced. The timing of the assessment process is strategically determined during the month of April each year to allow input from sector departments on the draft revised IDP's which will allow municipalities to still make adjustments before the final IDP reviews are adopted by Councils towards the end of May each year.

The assessment of draft IDP's was done with one- on- one engagements between Provincial Treasury, provincial Department of Local Government, Department of Environmental Affairs & Development Planning and officials of the municipality. This assessments are usually done during April of each year. The written comments received from the MEC for Local Government in the province assists municipalities a great deal to ensure strategic alignment with the objectives and planning processes of the provincial and national government. The MEC's comments also form the basis of the review process of the 5 year strategic plan of the municipality and the comments received last year have been duly incorporated into this review, albeit not all due to budget constraints.

CHAPTER 5: INSTITUTIONAL ARRANGEMENTS

Introduction

The IDP is the Municipality's single most strategic document that drives and directs all implementation and related processes. The Municipality's budget is developed based on the priorities, programmes and projects of the IDP, after which a Service Delivery and Budget Implementation Plan (SDBIP) is developed to ensure that the organisation actually delivers on the IDP targets. Finally, the Annual Report records the success or otherwise of the previous year's implementation. The organisation's performance is monitored at various levels and within different processes, thereby underpinning the entire cycle. It is important that an organisational structure, which is capable of implementing the strategy, is in place.

The Municipal Demarcation Board assessment of capacity for the Xhariep District Municipality 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 parlors and crematoria** – Xhariep district is discharging an inspection function;
- **Monitoring of refuse and waste disposal sites**, for which it has one available staff member
- **Municipal Environmental Health**
- **Disaster Management.**

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

Financial capacity

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.

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 financial and technical skills. 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.

ROLE CLARIFICATIONS

Section 53 of the Municipal Systems Act (Act 32 of 2000) stipulates inter alia that the respective roles and areas of responsibility of each political structure and political office bearer of the Municipality and of the municipal manager must be defined.

Municipal Council

- a) Governs by making administering laws and taking decisions that affect people's rights;
- b) is the primary decision maker and takes all the decisions of the Municipality except those that are delegated to political structures, political office bearers, individual councillors or officials;
- c) can delegate responsibilities and duties for the purposes of fast and effective decision making;
- d) must strive towards the constitutional objects of local government;
- e) must consult the community with respect to local government matters; and
- f) is the only decision maker on non-delegated matters such as the approval of the IDP and budget.

Executive Mayor

- a) Is the executive and political leader of the Municipality and is in this capacity supported by the mayoral committee;
- b) is the social and ceremonial head of the Municipality;
- c) must identify the needs of the Municipality and must evaluate progress against key performance indicators;
- d) is the defender of the public's right to be heard;
- e) has many responsibilities with respect to the annual budget, the budget process, budget control and various other financial matters; and
- f) performs the duties and exercise the responsibilities that were delegated to him/her by the council.

Mayoral Committee

- a) Its members are elected by the Executive Mayor from the ranks of councillors,
- b) Its functional responsibility area is linked to that of the Executive Mayor to the extend that s/he must operate together with the members of the mayoral committee;
- c) Its primary task is to assist the Executive Mayor in the execution of his/her powers - it is in fact an "extension of the office of Executive Mayor"; and the

committee has no powers of its own – decision making remains that of the Executive Mayor.

The Council and Council Committees

The Xhariep District Municipal Council consists of 15 Councillors:

Executive Mayor: Cllr MJ Sehanka (ANC)

Speaker: Cllr S Mqungquthu (ANC)

District Councillors and Political Parties they represent

NAME & SURNAME	POLITICAL PARTY	STATUS (DIRECT OR PR)
Cllr MJ Sehanka (F)	ANC	Direct
Cllr S Mqungquthu (M)	ANC	Direct
Cllr J Moitse (M-Chiefwhip)	ANC	Seconded
Cllr M.S Mogapi (F)	ANC	Direct
Cllr M.K Matlakala (M)	ANC	Direct
Cllr A.J.J Van Rensburg (M)	DA	Direct
Cllr J.K Sebeco (F)	ANC	Direct
Cllr T.S Tseuoa (M)	EFF	Direct
Cllr K Moeketsi (M)	ANC	Seconded
Cllr R Van Wyk	DA	Seconded
Cllr M.J Phaliso (M)	ANC	Seconded
Cllr A.N November	ANC	Seconded
Cllr T Nthapo (M)	DA	Seconded
Cllr T.D Mochechepa (M)	ANC	Seconded
Cllr I.S Riddle (M)	DA	Seconded

Council Committees

The Xhariep District Municipal Council consist of the following Committees:

Mayoral Committee

NAME & SURNAME	PORTFOLIO COMMITTEE
Cllr Motsheoa Sehanka (F)	Chairperson : Mayoral Committee
Cllr Kediemetse Sebeco (F)	Chairperson : Finance & Budget
Cllr Kagisho Moeketsi (M)	Chairperson : Corporate Service
Cllr Teboho Mochechepa (M)	Chairperson : Planning & Social Development

Finance & Budget

NAME & SURNAME	PORTFOLIO COMMITTEE
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Cllr KJ Sebeco (F)	Chairperson
Cllr M.J Phaliso (M)	Member
Cllr T.S Tseuoa (M)	Member

Corporate Services

NAME & SURNAME	PORTFOLIO COMMITTEE
Cllr K Moeketsi (M)	Chairperson
Cllr T Nthapo (M)	Member
Cllr R Van Wyk	Member

Planning and Social Development

NAME & SURNAME	PORTFOLIO COMMITTEE
Cllr T Mochechepa (M)	Chairperson :
Cllr A.J.J Van Rensburg (M)	Member
Cllr A.N November	Member

Audit Committee

NAME & SURNAME	PORTFOLIO COMMITTEE
Ms Nozuko Mdaka	Chairperson
Mr. Sechaba Thole	Member
Mrs Puleng Mototo	Member
Mr Mpho Tamasane	Member

Municipal Public Accounts Committee (MPAC)

Chairperson	Jerry Moitse (Clr)
Member	M.S Mogapi (Clr)
Member	I.S Riddle (Clr)

Administration of the Municipality

Roles and Responsibilities of Stakeholders in the Operation and Management of the Performance Management System. Municipal Council's political oversight roles and responsibilities

Roles and Responsibilities of the Municipal Manager

Monitoring			
Planning	Review	Reporting	Performance Audit
1. Adopts priorities and objectives of the Integrated Development Plan. 2. Adopts the PMS	1. Proposes to Council, the annual review programme of the IDP, including the review of key performance indicators and performance targets. 2.	1. Receives monthly budget statement. 2. Receives performance reports quarterly from the internal auditor. 3. Receives	1. Submits the municipal annual audit plan and any substantial changes to council for approval. 2. Approves the implementation of the recommendations of the internal auditor

framework. 3. Adopts the municipal strategic scorecard that includes priorities and objectives of the IDP. 4. Assigns the responsibility for the management of the PMS to the Mayor. 5. Establish an oversight committee for the purpose of the annual report.	Proposes the annual performance improvement measures of the municipality as part of the new municipal strategic scorecard. 3. Proposes changes to the priorities, objectives, key performance indicators and performance targets of the municipality. 4. Quarterly evaluates the performance of the municipality against adopted KPIs and targets. 5. Quarterly reviews the performance of departments to improve the economy, efficiency and effectiveness of the	performance reports twice a year from the Audit Committee. 4. Receives monthly and quarterly reports from the Municipal Manager on the performance of Directors and the rest of the staff. 5. Report to council on the mid-term review and the annual report on the performance of the municipality. 6. Reports to Council on the recommendations for the improvement of the performance management system.	with regard to both improvement in the performance of the municipality or improvement of the performance management system itself. 3. Receives performance audit report from the Auditor General and makes recommendations to Council.
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Monitoring				
Planning	Implementation	Review	Reporting	Performance Audit
1. Coordinates the process of needs identification and prioritization among all stakeholders, including community structures. 2. Coordinates the formulation and revision of the PMS framework. 3. Coordinates the formulation and revision of the municipal strategic scorecard. 4. Leads the process of the formulation and revision of the Service Delivery and Budget Implementation Plans. 5. Enters into a performance agreement with Directors on behalf of Council	1. Manages the overall implementation of the IDP. 2. Ensures that all role players implement the provisions of the PMS framework. 3. Ensures that the Departmental scorecards and departmental annual programmes serve the strategic scorecard of the municipality. 4. Ensures that annual programmes are implemented according to the targets and timeframes agreed to. 5. Implements performance improvement measures approved by the Mayor and the Council. 6. Ensures that performance objectives in the Directors' performance agreements are achieved.	1. Formulation of the annual review programme of the IDP, including the review of key performance indicators and performance targets for the consideration of Council Committees and the Mayor. 2. Formulation of the annual performance improvement measures of the municipality as part of the new municipal strategic scorecard. 3. Quarterly reviews the performance of departments to improve the economy, efficiency and effectiveness of the municipality. 4. Quarterly and annually evaluates the performance of Directors	1. Receives performance reports quarterly from the internal auditor. 2. Receives performance reports twice a year from the Performance Audit Committee. 3. Receives monthly departmental performance reports. 4. Reports once in two months to council committees and the Mayor on the performance of Departments. 5. Reports on the implementation of improvement measures adopted by the Mayor and Council. 6. Annually reports on the performance of Directors. 7. Submit the municipal annual report to the Mayor	1. Formulates the municipal annual audit plan. 2. Formulates a response to the recommendations of the internal auditor and the Audit Committee. 3. Formulates a response to performance audit report of the Auditor General and makes recommendations to the Mayor

The Municipal Manager is the Chief Accounting Officer of the Xhariep District Municipality. He is the head of administration, and primarily has to serve as chief custodian of service delivery and interpretation of political priorities. He is assisted by senior management, whose responsibility it is to help him deliver on his mandate.

The Office is also responsible for disaster management. These function is crucial in terms of creating a municipality that is aware of disasters and how to avoid them, as well as providing the capacity to respond to related emergencies and other forms of disaster.

Roles and responsibilities of Council Committees

Monitoring			
Planning	Review	Reporting	Performance Audit
1. Advise the Mayor on priorities and objectives of the Integrated Development Plan. 2. Deliberates and advice on the municipal strategic scorecard. 3. Participates in the formulation of the Top Level Service Delivery and Budget Implementation Plan. 4. Ensures that concerns of community structures are taken into account in discharging their responsibilities.	1. Participate in the formulation of the annual review programme of the IDP, including the review of key performance indicators and performance targets. 2. Participate in the formulation of proposals for the annual performance improvement measures of the municipality as part of the new municipal strategic scorecard. 3. Quarterly evaluates the performance of their portfolios against adopted KPIs and targets. 4. Quarterly reviews the performance of their portfolios to improve the economy, efficiency and effectiveness of the municipality.	1. Receives Audit Committee performance reports from the municipal manager and make recommendations to the Mayor. 2. Receives quarterly reports from the Directors responsible for their portfolios before they are tabled at Exco. 3. Reports to the Mayor on the recommendations for the improvement of the performance management system. 4. Council adopts the oversight	1. Receives and note the annual audit plan. 2. Advices the Mayor on the implementation of the recommendations of the internal auditor with regard to both the improvement in the performance of the municipality and improvement of the performance management system itself.

Roles and Responsibilities of Heads of Departments

		Monitoring		
Planning	Implementation	Review	Reporting	Performance Audit
1. Participates in the identification of IDP priorities and the whole IDP process. 2. Participates in the formulation and revision of the municipal strategic scorecard. 3. Participates in the formulation of the Top level SDBIP. 4. Develop Technical SDBIP.	1. Manages the implementation of the Departmental SDBIP. 2. Ensures that annual programmes are implemented according to the targets and timeframes agreed to. 3. Implements performance improvement measures approved by the Mayor and the Council. 4. Manages the	1. Participates in the formulation of the annual review programme of the IDP, including the review of key performance indicators and performance targets for the consideration of Council Committees and the Mayor. 2. Annually reviews the performance of	1. Submit monthly and quarterly departmental performance reports. 2. Comments on the monthly reports in terms of any material variance. 3. Reports on the implementation of improvement measures adopted by the Mayor and Council. 4. Annually reports on the performance of the department.	1. Participates in the formulation of the response to the recommendations of the internal auditor and the Performance Audit Committee. 2. Participates in the formulation of the response to performance audit report of the Auditor General and makes recommendations to the municipal manager.

5. Manages subordinates' performance measurement system. 6. Regularly reports to the Municipal manager. 7. Enters into a performance agreement with the Municipal Manager.	implementation of subordinates' performance measurement system. 5. Ensures that performance objectives in the performance agreements are achieved.	the department to improve the economy, efficiency and effectiveness of the departments. 3. Quarterly and annually evaluates the performance of the department. 4. Participates in Mid-Term Review.		
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Roles and Responsibilities of Staff

Monitoring			
Planning	Implementation	Review	Reporting
1. Participates in the development of the Technical SDBIP. 2. Participates in the development of their own performance measurement.	1. Executes individual work plans.	1. Participates in the review of departmental plans. 2. Participates in the review of own performance.	1. Reports to line manager.

Roles and responsibilities of the Internal Audit Unit

Planning	Monitoring	Reporting
	Review	
1. Develop a risk and compliance based audit plan.	1. Measures the performance of departments according to KPIs and performance scorecards targets set in the municipal scorecard and departmental 2. Assess the functionality of the PMS. 3. Ensures that the system complies with the Act. 4. Audit the performance measures in the municipal scorecard and departmental scorecards. 5. Conduct compliance based audit.	1. Submit quarterly reports to the Municipal Manager. 2. Submit quarterly reports to the Performance Audit Committee.

Roles and Responsibilities of the Audit Committee

Planning	Monitoring Review	Reporting
1. Receives and approves the annual audit plan.	1. Review quarterly reports from the internal audit committee.	1. Reports quarterly to the municipal Council.

Roles and Responsibilities of the Municipal Public Accounts Committee

Planning	Monitoring	Reporting
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	Review	
1. Check if Objectives, Targets and KPIs of the IDP and SDBIP are consistent and SMART	1. Receive and play oversight role on the quarterly, midterm and annual reports	1. Reports quarterly to the municipal Council after obtaining community input

Roles and Responsibility of the Community

Planning	Monitoring	Reporting
	Review	
1. Participate in the drafting and implementation of the municipality's IDP through established forums 2. Participates in the setting of KPIs and targets for the municipality every year 3. Make representations on the draft annual budget	Participate in the annual review of performance through their involvement in the development of the Oversight Report.	1. Receive annual performance and budget reports from council 2. Participate in the development of the Oversight report 2. Participate in the development of the Oversight report

Human Resource Development

Staffing and Remuneration

The municipality has employed competent staff in various departments to provide efficient service delivery, and its remuneration policy has attracted the requisite talents capable of responding to the needs of the municipality.

The municipality will, however, constantly research trends in local government both in the areas of staffing and remuneration to make sure that the municipality is permanently adaptable to challenges of service delivery and policy changes.

The remuneration policy of the municipality will also address market trends to sufficiently respond to poaching of staff. The municipality's staffing and remuneration policy does not exclusively pre-occupy itself with attracting the right people, but also focuses on people on the internal issues in terms of ongoing training and development programmes, and how to deal with staff misplacements over the next five years.

The 2017 - 2022 Mayoral Term will be characterized by further enhancements and improvements in staffing and remuneration.

Succession Planning

Due to the realisation that in some specific categories, specialised staff can be easily attracted by the private sector for their skills, the succession planning project will be consolidated and enhanced to develop a remuneration strategy to retain staff. Talent management is being developed to retain staff and improve skills.

Succession planning is also characterised by an aggressive career pathing, where staff would be continuously alerted of the opportunities for growth in the municipality. Succession planning also aims to create conditions where the departure of a leadership does not signal collapse in organisational leadership. Every leadership level should be immediately replaceable internally, through a properly managed succession planning process.

Skills Development

The municipality has developed a programme to address the skills and competency needs of staff. New challenges demand that staff perform optimally to meet the identified needs. Changes also impact on processes, necessitating rapid adjustment by the departments.

In the 2017 – 2022 Mayoral Term, the municipality aims to invigorate the progress around skills development driven by the programme priorities rather than the compliance requirements of the Skills Development Act. Skills development programmes will be aggressively undertaken by the municipality to ensure that staffs already in the employ of the municipality are ready for deployment to new responsibilities and/or added demands to their existing functions. This will be driven mainly by the programmes mentioned in the 2017 - 2022 IDP. A vigorous campaign for Skills Development in our communities, in partnership with provincial government will be enhanced.

Employment Equity

The Employment Equity Act dictates that all workplaces promote equity in terms of gender, race and disability. A programme will be developed to assess the accessibility of all Council's main facilities, with a view of taking corrective action to redress impediments. In dealing with disability, the programme is aimed at creating understanding and acceptance of people with disabilities and how to accommodate them in the workplace. This is in addition to targets for the employment of people with disabilities to promote sensitivity towards disability and to manage stereotypes.

In the next five years, the municipality will be vigilant in attaining the targets set up by the municipality's Employment Equity Plan. The municipality will, however, make it a point that employment equity goes beyond aggregates, and instead focuses on representativeness across all sectors and units of the Xhariep District Municipality

Conditions of Service

The local government context presents a highly formalised structural arrangement of bargaining and engagement with organised labour. The municipality is represented by the South African Local Government Association (SALGA) in the South African Local Bargaining Council (SALBC).

SALGA ensures that collective bargaining strategies support the overall organisational strategies through a consistent approach to employee-related matters, and the engagement with labour is meaningful to promote cordial relationships in the workplace.

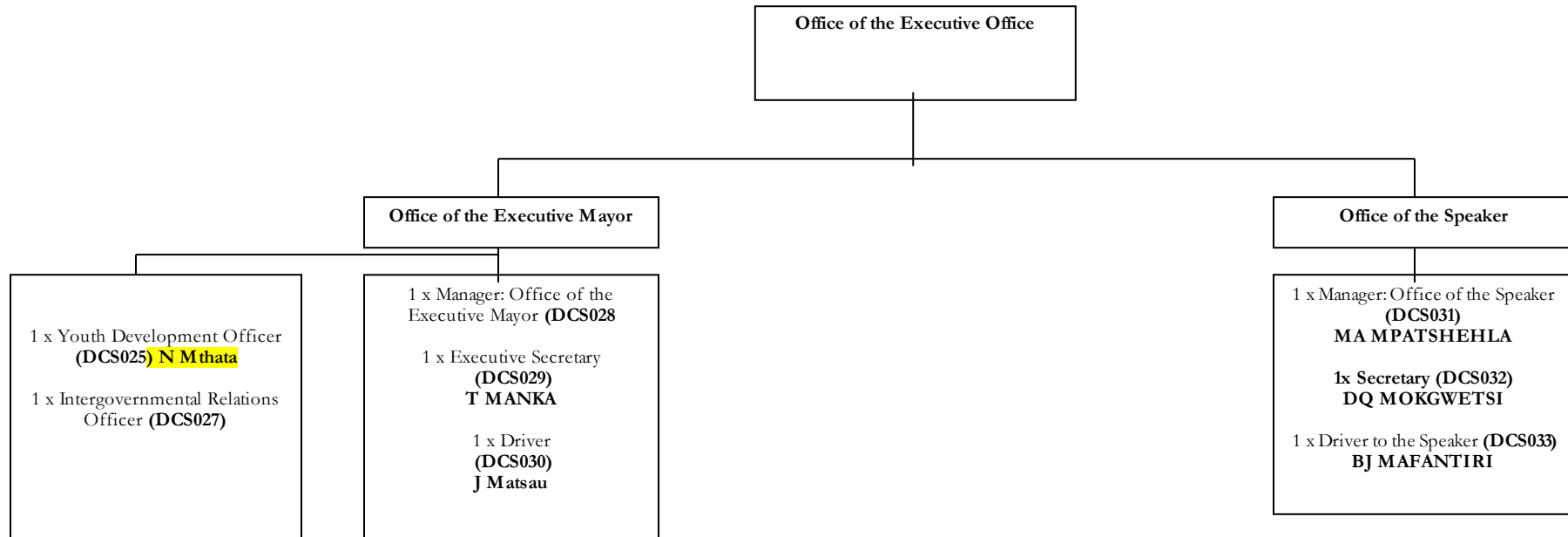
All current and envisaged policies and related strategies take into account all the municipality's variables so that labour can be managed in an integrated basis. The management of organisational issues which impact on employees' interests are also done in a consultative/co-operative manner and, when necessary, on a joint decision-making basis with representatives of the unions.

To streamline such arrangements, a new set of conditions of employment has been introduced nationally. These have prompted synergy as well as parity, to a greater extent. The new conditions of service will also address the legacy of the past imbalances in terms of fairness, and deal with the municipality's unfunded mandate

Organisational Structure (Organogram)

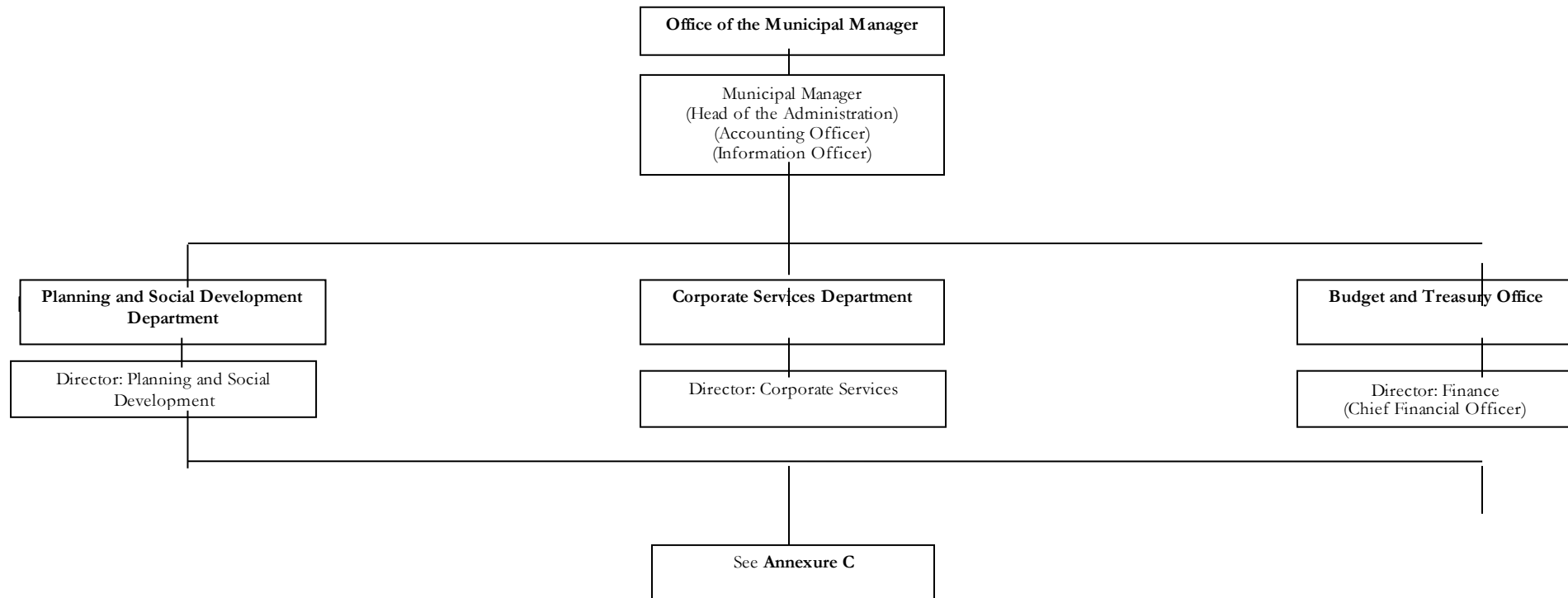
XHARIEP DISTRICT MUNICIPALITY EXECUTIVE OFFICE

ANNEXURE A



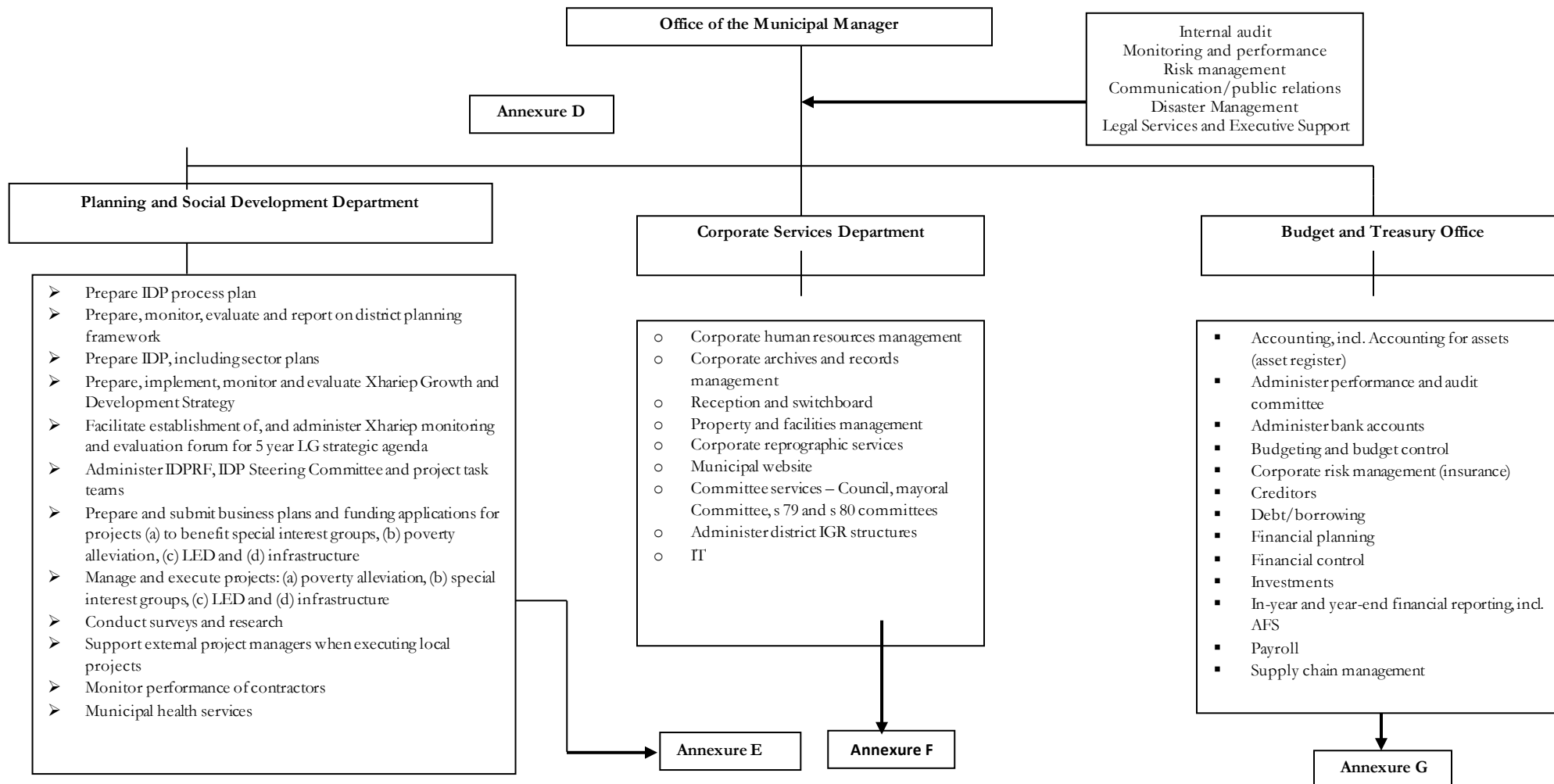
XHARIEP DISTRICT MUNICIPALITY MACRO-STRUCTURE

ANNEXURE B



XHARIEP DISTRICT MUNICIPALITY FUNCTIONAL STRUCTURE

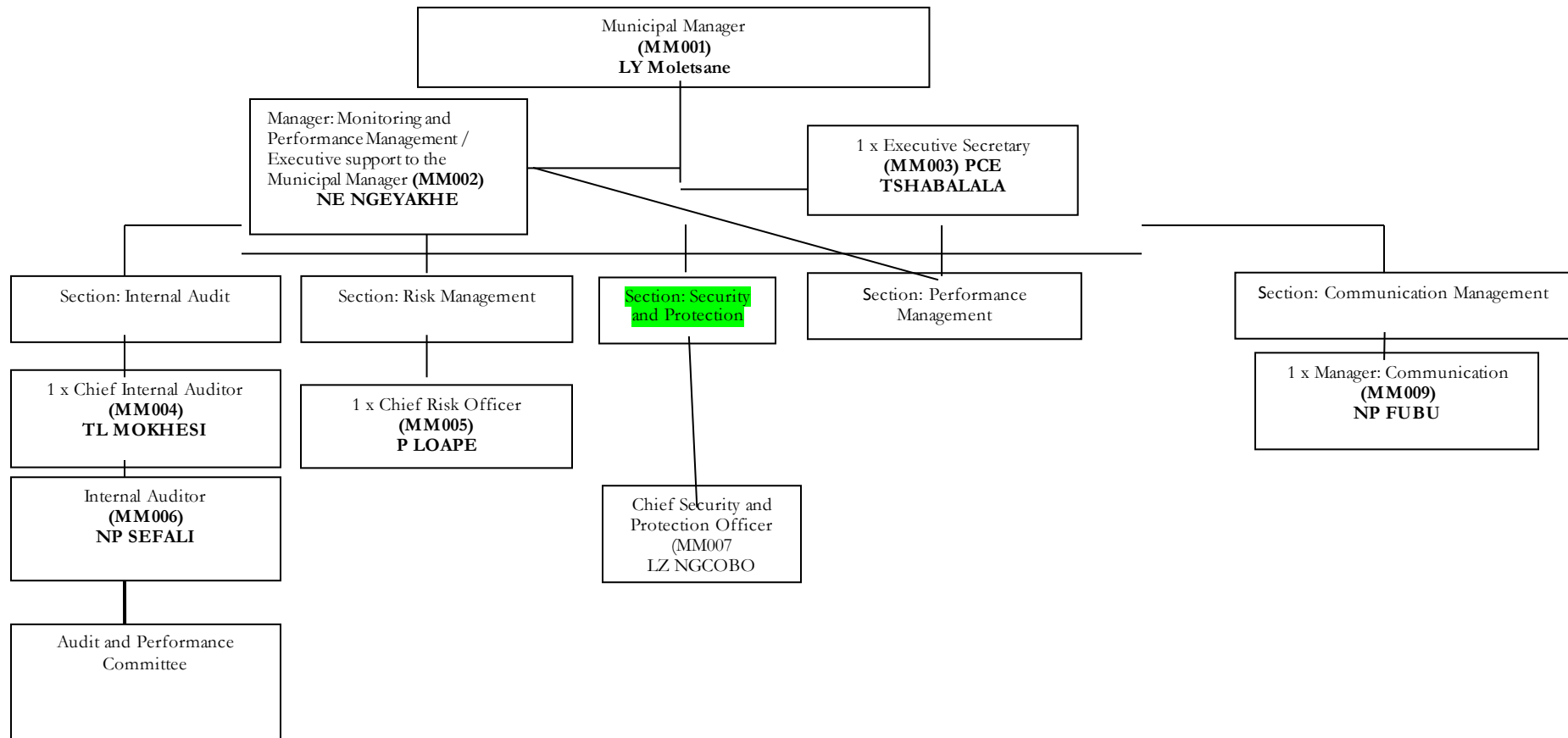
ANNEXURE C



XHARIEP DISTRICT MUNICIPALITY

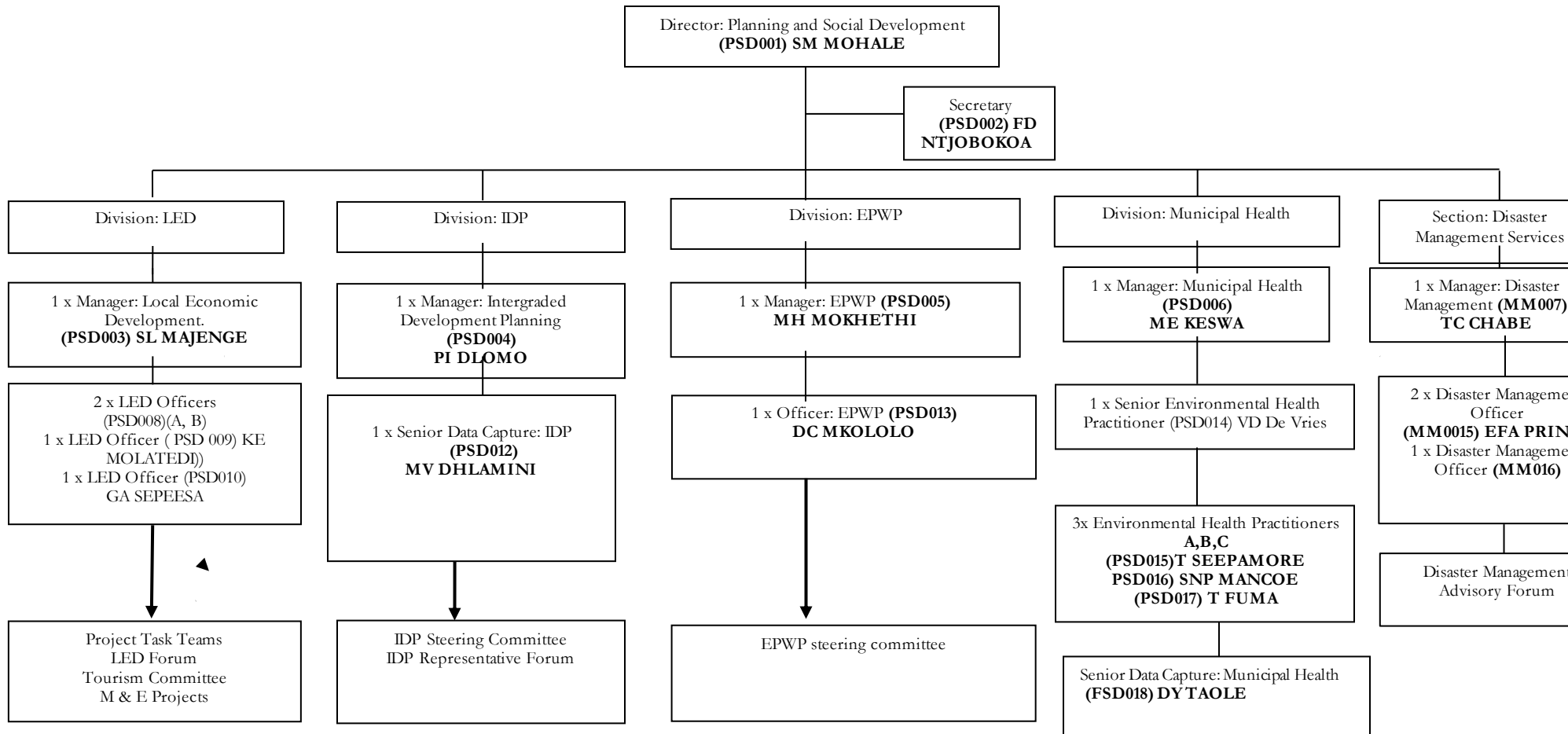
OFFICE OF THE MUNICIPAL MANAGER

ANNEXURE D



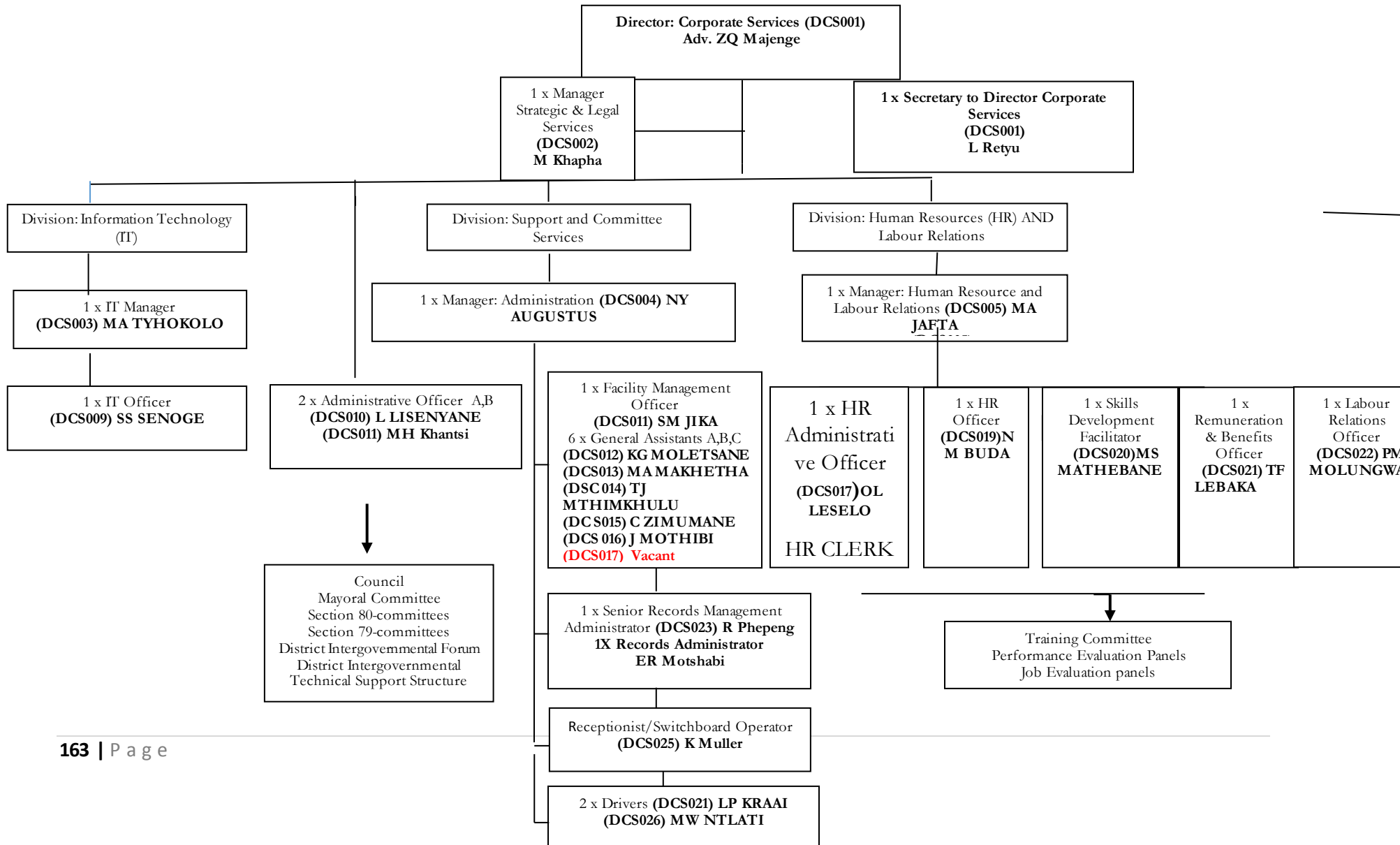
XHARIEP DISTRICT MUNICIPALITY PLANNING AND SOCIAL DEVELOPMENT

ANNEXURE E



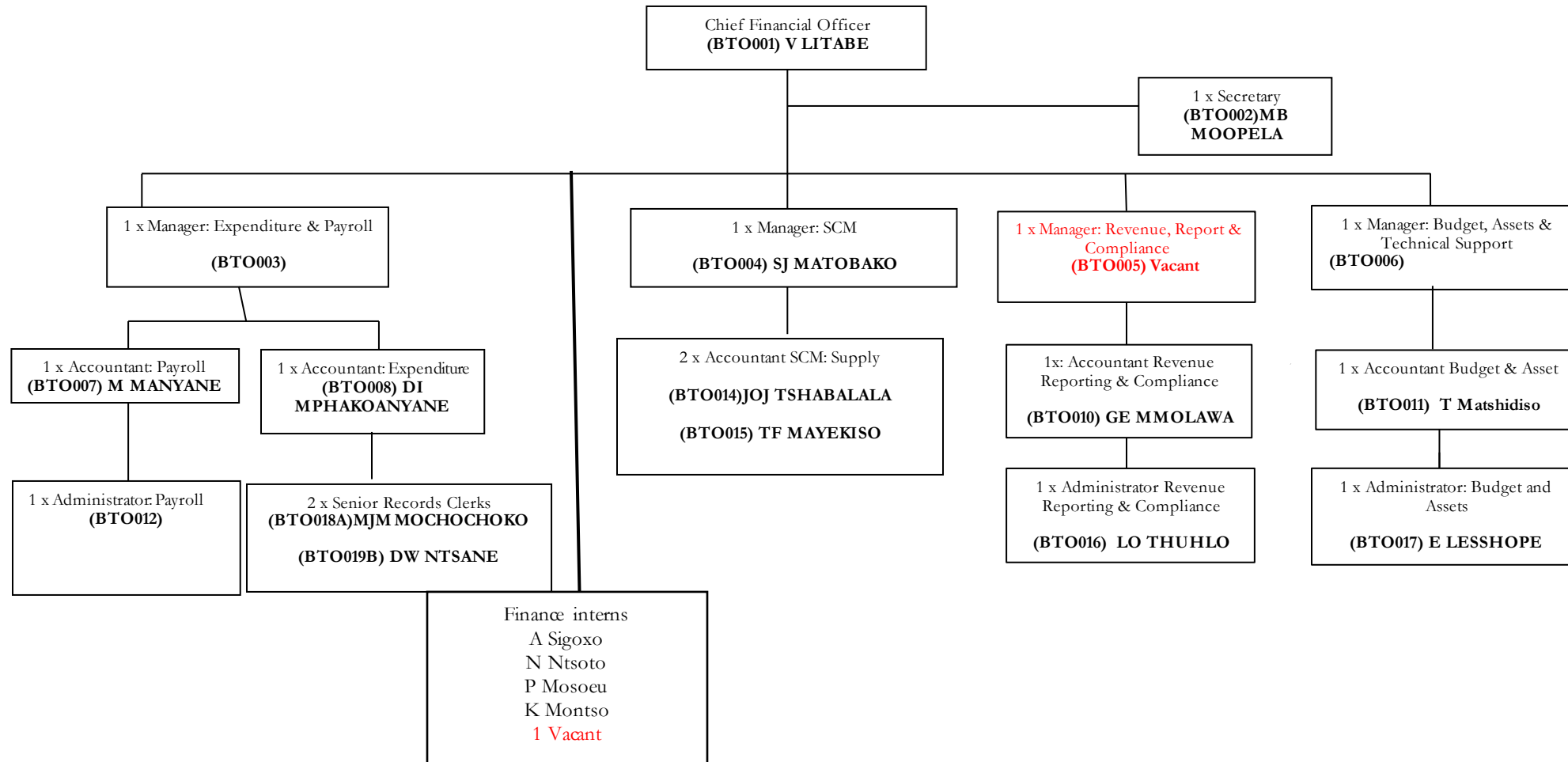
XHARIEP DISTRICT MUNICIPALITY CORPORATE SERVICES

ANNEXURE F



XHARIEP DISTRICT MUNICIPALITY BUDGET AND TREASURY OFFICE

ANNEXURE G



CHAPTER 6 : MUNICIPAL PROJECTS AND PROGRAMMES FOR 2020/2021

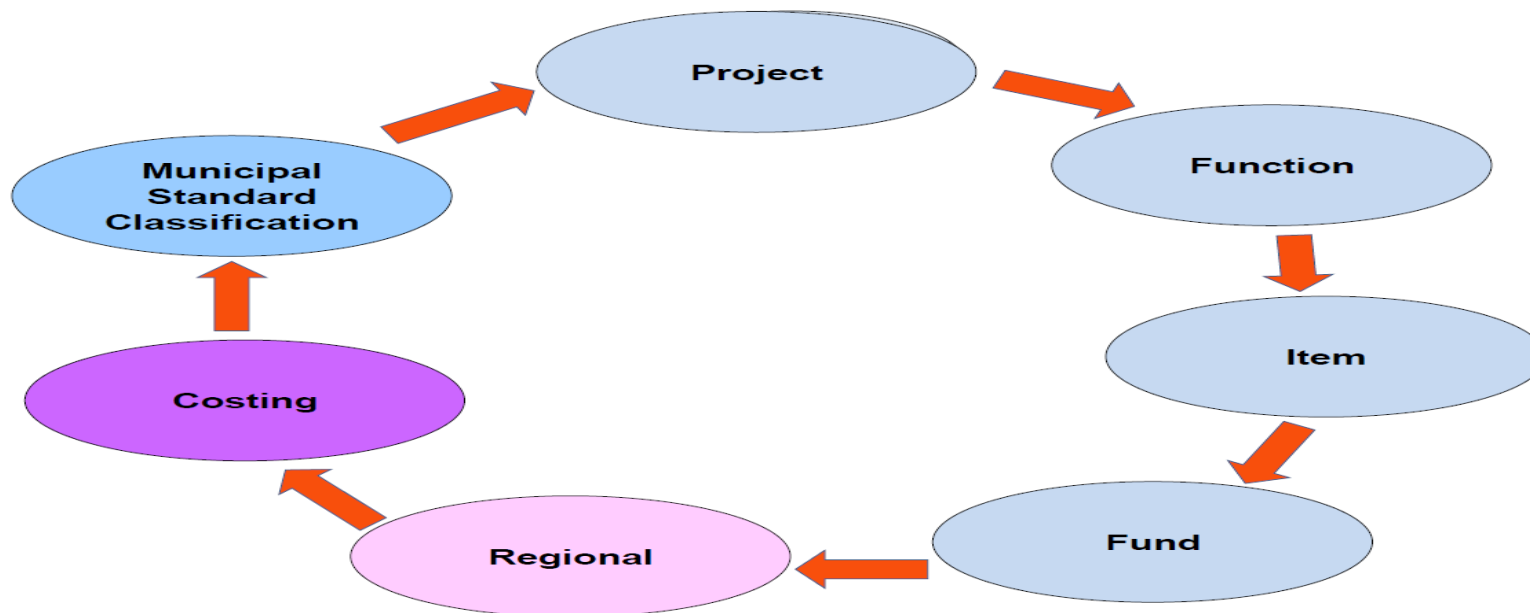
Municipal Standard Charter of Accounts (mSCOA)

The XDM started implementing mSCOA live as of the 1st July 2017, as national regulation requirement.

What is Municipal SCOA (mSCOA):

mSCOA stands for “standard chart of accounts” and provides a uniform and standardised financial transaction classification framework. Essentially this means that mSCOA prescribes the method (the how) and format (the look) that municipalities and their entities should use to record and classify all expenditure (capital and operating), dly South African” project researched by National Treasury based on municipal practices, reporting outcomes, policy implementation and review, etc. *mSCOA is multi-dimensional in nature*

mSCOA is a business reform rather than a mere financial reform and requires multidimensional recording and reporting of every transaction across the following 7 segments:



Why mSCOA:

The SCOA transaction classification reforms already commenced in 1998 for national and provincial government and since 2004, the Economic Reporting Format (ERF) and SCOA are fully operational and used by all national and provincial departments. Overall, the implementation process has proceeded smoothly without any major hurdles or impediments. The successful implementation of SCOA contributed to growing positive public perception, locally and internationally, and strengthened public sector accountability and reporting. However, when incorporating municipal information for whole-of-government reporting and decision making, the misalignment in municipal reporting (discussed below) prevented informed decision making and affected the credibility of our reporting.

The SCOA regulation

Object of these Regulations

1. The object of these Regulations is to provide for a national standard for the uniform recording and classification of municipal budget and financial information at a transaction level by prescribing a standard chart of accounts for municipalities and municipal entities which—
 - a) is aligned to the budget formats and accounting standards prescribed for municipalities and municipal entities and with the standard charts of accounts for national and provincial government; and
 - b) enables uniform information sets recorded in terms of national norms and standards across the whole of government for the purposes of national policy coordination and reporting, benchmarking and performance measurement in the local government sphere.

Application of these Regulations

2. These Regulations apply to all municipalities and municipal entities.” Implementation date was 01 July 2017.

Below is an explanatory table of mSCOA and what municipalities should achieve.



Project Name	Activities	Opex /Capex	Town/Area		
Mscoa	Project Description	Option	Regional Segment		
				20/21 FY	Type of grant
Rural Roads and Asset Management	Collection of road and bridge inventory data, condition assessment and traffic information	Opex	Entire District	R2,413,000	Division of Revenue (DORA)
Expanded Public Works Programme	Cleaning and greening (Job Creation)	Opex	Entire District	R1,039,000	Division of Revenue (DORA)
Environmental Health Project	Drinking Water	Opex	Entire District	R500,000	Equitable Share
Disaster Management Contribution	To support disaster relieve and reduction programmes	Opex	Entire District	R50,000	Equitable Share
LED & Tourism Development	Tourism Exhibition, Broachers & Forums	Opex	Entire District	R500,000	Equitable Share
Finance Management Grand (FMG)	Municipal Support (Interns)	Opex	Internal	R990,000	Finance Management Grand
Health, Hygiene & Communicable Decease	Ensure safety and well-being of the community	Opex	Internal	R150,000	Equitable Share
MSCOA	Financial Management	Opex	Internal	R2,600,000	Equitable Share
License Fees – ICT Software	Internet Services	Opex	Internal	R100,000	Equitable Share

Public Participation	Strengthen accountability with our stakeholders	Opex	Entire District	R100,000	Equitable Share
Youth Development		Opex	Entire District	R40,000	Equitable Share
Special Programmes	To implement effective special groups support development programmes focusing on Youth, Gender and Disabled	Opex	Entire District	R40,000	Equitable Share
IGR	Stakeholder Relations	Opex	Entire District	R10,000	Equitable Share
Social Responsibility Fund	To implement effective special groups support development programmes focusing on Youth, Gender and Disabled	Opex	Entire District	R80,000	Equitable Share
Mandela Day	To implement effective special groups support development programmes focusing on Youth, Gender and Disabled	Opex	Entire District		Equitable Share
District Aids Council	Promote healthy living in the entire district	Opex	Entire District	R20,000	Equitable Share
OR Tambo Games	Promote healthy living in the entire district especially among youth	Opex	Entire District	R100,000	Equitable Share

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MSCOA ALIGNED PROJECTS: KEY PERFORMANCE AREAS, KEY PERFORMANCE INDICATORS AND STRATEGIC OBJECTIVES FOR 2020/2021

Municipality	Town/Area	Project Description	Intervention / Project or Funding	Phasing of Project Allocation	Responsible Department
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2020/2021 SECTOR DEPARTMENTAL PROJECTS

				2019/20	2020/21	2021/22	
Xhariep DM	Zastron	New school (Mooifontein) Already in construction phase		-	-	-	Department of Education
Xhariep DM	Trompsburg	Trompsburg Special School		R 80 000 000	To be divided over the MTF		Department of Education
Xhariep DM	Gariep dam	New hostel (Oranekrag)		R 10 000 000	R 15 000 000	-	Department of Education
Xhariep DM	Trompsburg	Trompsburg special school hostel		R 6 000 000	R 10 000 000		Department of Education
Xhariep DM	Rouxville Zastron Smithfield	Bulk Water supply		R 30 000 000	R 5 000	-	Department of Water and sanitation
Xhariep DM	Smithfield	Bulk water supply		R 510 837	R 28 025 000 (for entire WSIG programme)	R 21 000 000 (for entire WSIG programme)	Department of Water and sanitation
Xhariep DM	Rouxville	Abstraction work		R 14 258 870	R 28 025 000 (for entire WSIG programme)	R 21 000 000 (for entire WSIG programme)	Department of Water and sanitation
Xhariep DM	Jagersfontein Fauresmith	BWS Phase 2 of 2		R 3 000 000	0	0	Department of Water and sanitation
Xhariep DM	Various wards	Cleaning and greening		R 15 651 000	TBC	TBC	Department of Public Works
Xhariep DM	Various wards	Community Work Programme		R 11 183 000	TBC	TBC	Department of Public Works
Xhariep DM	Various wards	Cash for Waste		R 3 954 000	TBC	TBC	Department of Public Works
Xhariep DM	Various wards	National Youth Services (NYS)		R 42 400 000	TBC	TBC	Department of Public Works
Xhariep DM	Various wards	Contractor Development Programme (CDP)		R 5 200 000	TBC	TBC	Department of Public Works
Xhariep DM	Jacobsdal	Transport route phase 1		R 11 500 000	R 20 000 000	R 15 000 000	Department of Police ,Roads and Transport
Xhariep DM	Whole District	Regravelling		R 20 000 000	R 10 000 000	R 40 000 000	Department of Police ,Roads and Transport
Xhariep DM	Whole province	Flood damage		R 15 000 000	R 19 000 000	R 58 101 000	Department of Police ,Roads and Transport
Xhariep DM	Springfontein	construction of Springfontein warehouse & services		R 11 000 000			Department of Rural development and Land reform

Xhariep DM	Edenburg	Jothla (PTY)		R 1 200 000			Department of Rural development and Land reform
Xhariep DM	Edenburg	PSP - stock water projects		R 380 000			Department of Rural development and Land reform
Xhariep DM	Springfontein	PSP for the designs and construction monitoring for phase 1 of Springfontein AGRI-HUB		R 300 000			Department of Rural development and Land reform
Xhariep DM	Edenburg	spitskop & vontejie & zandmartinsdrift soil rehabilitation and de hoop farm soil rehab		R 280 000			Department of Rural development and Land reform
Xhariep DM	Koffiefontein	Oudefontein - soil rehabilitation		R 500 000			Department of Rural development and Land reform
Xhariep DM	Jacobsdal	Recreational centre		R 921 028			Department of Rural development and Land reform
Xhariep DM	Zastron	Zastron pound		R 800 000			Department of Rural development and Land reform
Xhariep DM	Zastron	Zastron commonage		R 400 000			Department of Rural development and Land reform
Xhariep DM	Smithfield	Hatelang pele		R 780 000			Department of Rural development and Land reform
Xhariep DM	Jagersfontein	Township Revitalization Programme		R 3 778 000	TBC	TBC	
Xhariep DM	Luckhoff	Township Revitalization Programme		R 3 613 000	TBC	TBC	
Xhariep DM		Infrastructure Development Projects		R 33 470 000	R 38 130 000	R 38 130 000	DESTE

CHAPTER 7: MUNICIPAL BUDGET AND FINANCIAL PLAN

Introduction (Financial Plan)

The financial strategies of a municipality should recognize the Constitutional and legislative mandate of local government in respect of developmental local governance (budget alignment to IDP priorities), as well as various financial reforms applicable to local government (implementation of MFMA, GRAP etc.) – which now forces a paradigm shift in respect of municipal financial planning and management.

This plan is prepared in terms of Section 26 (h) of the Local Government: Municipal Systems Act, as amended, which stipulates that a financial plan must be prepared as part of the Integrated Development Plan.

The financial plan includes an Operating Budget and the Sources of Funding for all the programmes, financial strategies and programmes, various financial management policies adopted by Council, key financial targets and a budget according to the IDP priorities. The financial plan does not include any Capital Projects as the municipality does not render any basic service related to the infrastructure projects.

Objective

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

Financial Plan

The focus here is to outline the role forecasting as a critical tool of local government finance and to provide guidelines to strengthen local public finances in improving the financial management. In particular, proper financial management must: adequately control the total level of revenue and expenditure, appropriately allocate public resources among functional areas and programs, and, ensure that departments operate as efficiently as possible.

The three-year Financial Plan includes an operating Budget that are informed by the IDP priorities. It takes into account the key performance areas of the IDP. All programmes contained in the budget are reflected in the IDP.

The key benefit of financial planning and budgeting is that it gives stakeholders the opportunity to stand back and review their organizational performance and the factors affecting operational requirements.

These can include:

- Greater ability to make continuous improvements and anticipate problems
- Sound financial viability and information on which to base decisions
- Improved clarity and focus
- A greater confidence in your decision making
- Greater accountability and transparency

Financial Management

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

Maintaining a healthy financial base that fully supports district services; this work is reflected in restructuring and reshaping district services, implementing financial management systems, securing sound recurring revenues, and making responsible spending adjustments in light of revenue growth limitations.

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

The municipal fiscal environment is influenced by a variety of macro-economic control measures. National Treasury determines the ceiling of subsidies.

Capital and Operating Budget Estimates

The financial plan includes an Operating Budget (Table 1), the Capital Investment Programme per GFS Classification (Table 2), the Capital Investment Programme per Department (Table 3), and the Capital Investment Programme per Funding Source (Table 4) for the three years ending 30 June 2020

DC16 Xhariep - Table A1 Budget Summary

DC16 Xhariep - Table A1 Budget Summary										
Description	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Financial Performance										
Property rates	–	–	–	–	–	–	–	–	–	–
Service charges	–	(546)	–	–	–	–	–	–	–	–
Investment revenue	–	–	518	200	820	820	820	871	900	950
Transfers recognised – operational	–	–	35 549	68 740	68 834	68 834	68 834	66 261	74 788	76 819
Other own revenue	–	–	641	769	755	755	755	774	795	822
Total Revenue (excluding capital transfers and contributions)	–	(546)	36 707	69 709	70 409	70 409	70 409	67 906	76 483	78 591
Employee costs	–	–	32 712	46 146	45 606	45 606	45 606	43 580	49 697	53 266
Remuneration of councilors	–	–	3 377	4 809	4 501	4 501	4 501	4 622	5 622	4 622

Depreciation & asset impairment	–	–	14	1 652	1 652	1 652	1 652	1 661	1 252	952
Finance charges	–	–	(10)	310	155	155	155	290	411	433
Materials and bulk purchases	–	–	69	40	40	40	40	50	46	48
Transfers and grants	–	–	83	–	57	57	57	10	17	16
Other expenditure	–	–	7 496	16 485	18 152	18 152	18 152	17 089	19 385	19 193
Total Expenditure	–	–	43 740	69 443	70 163	70 163	70 163	67 302	76 430	78 531
Surplus/(Deficit)	–	(546)	(7 033)	266	246	246	246	604	53	60
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	–	–	–	–	–	–	–	–	–	–
Contributions recognised - capital & contributed assets	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	–	(546)	(7 033)	266	246	246	246	604	53	60
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	–	(546)	(7 033)	266	246	246	246	604	53	60
Capital expenditure & funds sources										

Capital expenditure	–	–	224	266	246	246	246	604	53	60
Transfers recognised – capital	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	–	–	224	266	246	246	246	604	53	60
Total sources of capital funds	–	–	224	266	246	246	246	604	53	60
						246				
Financial position										
Total current assets	–	11 763	(3 585)	–	–	–	–	–	–	–
Total non current assets	–	12 929	224	671	275	246	246	604	53	60
Total current liabilities	–	13 422	8 246	–	–	–	–	–	–	–
Total non current liabilities	–	–	–	–	–	–	–	–	–	–
Community wealth/Equity	–	9 096	49	–	–	–	–	–	–	–
Cash flows										
Net cash from (used) operating	–	–	(43 727)	(67 301)	(68 020)	(65 150)	(65 150)	(65 150)	(75 177)	(77 579)
Net cash from (used) investing	–	–	224	266	246	246	246	(604)	(53)	(60)
Net cash from (used) financing	–	–	–	–	–	–	–	–	–	–
Cash/cash equivalents at the year end	–	–	(43 502)	(67 035)	(67 774)	(64 904)	(64 904)	(65 754)	(53)	(218 623)

<u>Cash backing/surplus reconciliation</u>										
Cash and investments available	–	371	7 (3 383)	–	–	–	–	–	–	–
Application of cash and investments	–	680	12 7 499	–	–	–	–	–	–	–
Balance - surplus (shortfall)	–	309	(5 (10 882)	–	–	–	–	–	–	–
<u>Asset management</u>										
Asset register summary (WDV)	–	759	3 224	266	246	246	246	604	53	60
Depreciation	–	–	1	–	–	–	–	1 882	1 465	1 169
Renewal and Upgrading of Existing Assets	–	–	199	266	246	246	246	604	53	60
Repairs and Maintenance	–	–	–	5	–	–	–	–	–	–
<u>Free services</u>										
Cost of Free Basic Services provided	–	–	–	–	–	–	–	–	–	–
Revenue cost of free services provided	–	546	–	–	–	–	–	–	–	–
<u>Households below minimum service level</u>										
Water:	–	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–	–
Energy:	–	–	–	–	–	–	–	–	–	–

Refuse:	-	-	-	-	-	-	-	-	-	-

Capital Budget Forecast

DC16 Xhariep - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Revenue Framework	Medium & Term Expenditure	
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre- audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<u>Revenue By Source</u>											
Property rates	2	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	-	(546)	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		-	-	-	25	627	627	627	649	665	682
Interest earned - external investments		-	-	518	200	820	820	820	871	900	950
Interest earned - outstanding debtors		-	-	198	-	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines, penalties and											

forfeits		–	–	–	–	–	–	–	–	–	–
Licences and permits		–	–	–	562	25	25	25	30	35	40
Agency services		–	–	–	–	–	–	–	–	–	–
Transfers and subsidies		–	–	35 549	68 740	68 834	68 834	68 834	66 261	74 788	76 819
Other revenue	2	–	–	443	182	103	103	103	95	95	100
Gains on disposal of PPE		–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		–	(546)	36 707	69 709	70 409	70 409	70 409	67 906	76 483	78 591
Expenditure By Type	-										
Employee related costs	2	–	–	32 712	46 146	45 606	45 606	45 606	43 580	49 697	53 266
Remuneration of councilors		–	–	3 377	4 809	4 501	4 501	4 501	4 622	5 622	4 622
Debt impairment	3	–	–	–	490	490	490	490	491	–	–
Depreciation & asset impairment	2	–	–	14	1 652	1 652	1 652	1 652	1 661	1 252	952
Finance charges		–	–	(10)	310	155	155	155	290	411	433
Bulk purchases	2	–	–	–	–	–	–	–	–	–	–
Other materials	8	–	–	69	40	40	40	40	50	46	48
Contracted services		–	–	754 ³	8 624	784 ⁸	784 ⁸	784 ⁸	205 ⁷	358 ⁸	065 ¹⁰
Transfers and subsidies		–	–	83	–	57	57	57	10	17	16
Other expenditure	4, 5	–	–	3 741	7 371	8 878	8 878	8 878	9 393	11 027	9 128
Loss on disposal of PPE		–	–	–	–	–	–	–	–	–	–
Total Expenditure		–	–	43 740	69 443	70 163	70 163	70 163	67 302	76 430	78 531

Surplus/(Deficit)		–	(546)	033) ⁽⁷	266	246	246	246	604	53	60
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	6	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		–	(546)	(7 033)	266	246	246	246	604	53	60
Taxation		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation		–	(546)	(7 033)	266	246	246	246	604	53	60
Attributable to minorities		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		–	(546)	(7 033)	266	246	246	246	604	53	60
Share of surplus/ (deficit) of associate	7	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year		–	(546)	(7 033)	266	246	246	246	604	53	60

The Capital Investment Programme will be subject to the availability of funding.

Financial Strategy

Managing municipal finances involves both a strategic and operational component. Strategically, the finances must be managed to accommodate fluctuations in the economy and the resulting changes in costs and revenues. Operationally, the municipality must put in place clear financial goals, policies, and tools to implement its strategic plan.

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

The Financial Framework

i. Revenue Adequacy and Certainty

It is essential that the Municipality has access to adequate sources of revenue, from both its own operations and intergovernmental transfers, to enable it to carry out its functions. It is furthermore necessary that there is a reasonable degree of certainty with regard to source, amount and timing of revenue. The Division of Revenue Act has laid out the level of funding from National Government that will be received for the 2020/21 to 2022/23 financial years as follows:

Grants:	DORA Allocations_2020/21	DORA Allocations_2021/2 2	DORA Allocations_2022/ 23
Equitable Share	45 348 000,00	47 491 000,00	49 284 000,00
Finance Management Grant	1 500 000,00	1600000	1 700 000
Expanded Public Works Programme Incentive Grant	1 039 000,00	-	-
Financial Assistance Grant	16 000 000,00	22 261 000,00	22 245 000,00
Rural Roads and Asset Management Grant	2 167 000	2 286 000	2 418 000
Total	63 887 000	71 352 000	73 229 000

It is important to track the respective sources of revenue received by the Municipality as they can be quite different and can vary substantially depending upon the phase that the municipality is in.

Knowledge of the sources of funds will illustrate the Municipality's position more accurately, its ability to secure loans relative to its income streams and its borrowing capacity.

Cash / Liquidity Position

Cash and cash management is vital for the short and long term survival and good management of any organisation. The appropriate benchmarks which can assist in assessing the financial health of the Municipality are:

The current ratio expresses the current assets as a proportion to current liabilities. "Current" refers to those assets which could be converted into cash within 12 months and those liabilities which will be settled within 12 months. A current ratio in excess of 1: 0.43 is considered to be unhealthy.

Sustainability

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

Effective and Efficient Use of Resources

In an environment of limited resources, it is essential that the Municipality makes maximum use of the resources at its disposal by using them in an effective, efficient and economical manner.

Accountability, Transparency and Good Governance

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

Equity and Redistribution

The Municipality should be treated equitably by national and provincial government when it comes to inter-governmental transfers

Development and Investment

In restructuring the financial systems of the Municipality, the underlying policies should encourage the maximum degree of private sector investment.

Macro-economic Investment

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

Borrowing

The strong capital market in South Africa (banks and other lending institutions like DBSA, INCA, etc.) provides an additional instrument to access financial resources. However, it is clear that the Municipality cannot borrow for long term period to balance its budget and pay for overspending. Safeguards need to be put in place to ensure that the Municipality borrows in a responsible way. In order to have access to this market, the Municipality will need to have accurate and appropriate financial

accounting policies and procedures and effective reporting systems. The manner in which the Municipality manages debt or takes on new debt to finance activities will have a significant impact on the solvency and long-term viability of the Council.

Strategies and Programmes

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

Revenue Raising Strategies and Programmes

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

- Environmental Health By-laws;
- Water service authority;
- distribution of water from Gariep Dam throughout the District/Province;
- installation of traffic camera on the N1 route within the District jurisdiction;
- administration of infrastructure projects within the District above 1 million rands;
- financial assistance in building of a Disaster Management Plant in Xhariep;
- full administration of EPWP Grant for the whole Xhariep District.

Asset Management Strategies and Programmes

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

- The implementation of a fixed asset register and asset control system as well as the maintenance thereof

This programme will involve the amendment /update of the asset register to be in line with the current reforms, capacitation of the asset management unit in order to maintain GRAP requirements

- The implementation of a disaster recovery plan

This plan will detail the procedures to be followed with regard to the operations and administration of the Municipality in the event of a disaster, to ensure that there is the least possible disruption and loss of service rendition. The plan will detail alternative locations, IT arrangements, back-up/start-up procedures, etc.

- The establishment of a disaster management centre

The building and/or equipping of an alternative site from which to manage the Municipality's operations, in the event of a disaster rendering the current operational centres unusable.

- The development and implementation of a repairs and maintenance policy

Such a policy will set out the details with regard to repairs and maintenance of all asset categories e.g. Furniture & Equipment, etc. The intention is to ensure that planned and preventative maintenance is always on-going.

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

Operational Financing Strategies and Programmes

Council's policy is to fund operation expenses from normal revenue streams with short term funding being used as a last resort. It is expected that strong financial management including accurate cash forecasting will obviate the need to resort to short-term borrowings. It is council's intention to maintain a strong base through good working capital management including setting aside of adequate provisions for working capital. It is anticipated that these reserves will be based on the same principles as currently apply to contributions to existing statutory funds.

Strategies to Enhance Cost-effectiveness

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

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

- Training and development of financial (and other) staff

The aim of this project will be to constantly ensure that the Financial (and other) staff receive the training they require to ensure a cost-effective and efficient service to the Municipality.

- Enhanced budgetary controls and timeliness of financial data

To improve the operation of the Budget Office, in respect of producing financial information and the monitoring and reporting of budget variances. Some of the more significant measures of acceptable performance in this area will be: Financial bottom line matched to forecasts to a 10% variance level, Receipt of unqualified audit reports, Monthly financial statements produced within 10 days of month-end, etc.

Financial Management Policies

General Financial Philosophy

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

- withstand local and regional economic impacts;
- adjust efficiently to the community's changing service requirements;
- manage the Municipality's budget and cash flow to the maximum benefit of the community;

- prudently plan, coordinate and implement responsible and sustainable community development and growth;
- provide a high level of social services to assure public health and safety.

Xhariep District Municipality's financial policies shall address the following fiscal goals: -

- keep the Municipality in a fiscally sound position in both the short and long term;
- maintain sufficient financial liquidity through regular reviews and adjustments to meet normal operating and contingent obligations;
- operate utilities/entities in a responsive and fiscally sound manner;
- provide a framework for the prudent use of debt financing;
- direct the Municipality's financial resources toward meeting the goals of the Municipality's Integrated Development Plan.

The following, amongst others, are financial policies and procedure manuals of Xhariep District Municipality submitted to council for approval and adoption:

- Bad Debts Policy;
- Banking and Investment Policy;
- Credit Control and Debt Collection Policy;
- Journal Processing Procedure Manual;
- Transaction Processing Procedure Manual;
- Budget and Virements Policy;
- Cell-phone Policy;
- Fixed Asset Policy;
- Funding and Reserves Policy;
- Laptop/Ipad Policy;
- Tariff Policy;
- Supply Chain Management Policy;

Budget Policies

The annual budget is the central financial planning document that embodies all operating revenue and expenditure, and capital budget decisions.

It establishes the level of services to be provided by each department.

The Municipal Manager shall incorporate the Xhariep District Municipality's priorities in the formulation of the preliminary and final budget proposal.

The budget will be subject to monthly control and be reported to Council with recommendations of action to be taken to achieve the budget's goal. The budget will be subject to a mid-term review, which may result in an Adjustment Budget.

Adequate maintenance and replacement of the Municipality's capital property, plant and equipment will be provided for in the annual budget.

The budget shall balance recurring operating expenses to recurring operating revenues.

Investment and Cash Management Policies

In terms of the Municipal Finance Management Act, Act 56 of 2003, and Section 13(2): "Each Municipal Council shall adopt by resolution an investment policy regarding the investment of its money not immediately required."

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

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

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

Investment officials are required to:

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

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

The Municipality's financial information system will provide adequate information concerning cash position and investment performance. The non-integrated financial systems currently being utilised by the Municipality are as follows:

- VIP;
- Pastel;
- Caseware;
- Document Management System.

The Municipality will not invest monies in contradiction to the policy guidelines as adopted by Council.

The Minister of Finance may identify by regulation in terms of Section 168 of the Municipal Finance Management Act, instruments or investments other than those referred to below in which a Municipality may invest:

- Deposits with banks registered in terms of the Banks Act, 1990 (Act No. 94 of 1990);
- Securities issued by the National Government;
- Investments with the Public Investment Commissioners as contemplated by the Public Investment Commissions Act, 1984 (Act No. 5 of 1984);
- Listed corporate bonds with an investment grade rating from a nationally or internationally recognised credit rating agency;
- Deposits with the corporation for Public Deposits as contemplated by the Corporation for Public Deposits Act, 1984 (Act 46 of 1984);
- Bankers acceptance certificates or negotiable certificates of deposits of banks registered in terms of the Banks Act, 1990 (Act 94 of 1990)
- Municipal Bonds issued by a Municipality
- Guaranteed endowment policies with the intention of establishing a sinking fund; and
- Repurchase agreements with banks registered in terms of the Banks Act, 1990 (Act 94 of 1990)

Debt Management Policies

The Municipality will incur short-term debt only when it is provident to settle it within the same financial year in line with the prescripts of section 45 of the MFMA.

Asset Management Policies

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

A summary of the Principles supported in this policy are:

- A fixed asset shall mean a movable asset, under the control of the municipality, and from which the municipality reasonably expects to derive economic benefits, or reasonably expects to use in-service delivery, over a period extending beyond 12 months.
- The fixed asset register shall comply with the requirements of Generally Recognized Accounting Practice (GRAP) and any other accounting requirements, which may be prescribed.
- Fixed assets are classified under the following headings:
 - Buildings
 - Furniture and Fittings
 - Computer Equipment
 - Heritage Assets
 - Investment Properties
 - Other Assets
- Every Head of Department shall be directly responsible for the physical safekeeping of any fixed asset controlled or used by the department in question.

- PPE is stated at cost less accumulated depreciation, or fair value at date of acquisition less accumulated depreciation where assets have been acquired by grant or donation.
- Subsequent expenditure relating to property, plant and equipment is capitalized if it is probable that future economic benefits or potential service delivery of the asset are enhanced in excess of the originally assessed standard of performance. If expenditure only restores the originally assessed standard of performance, then it is regarded as repairs and maintenance and is expensed. The enhancement of an existing asset, so that its use is expanded or, the further development of an asset so that its original life is extended, are examples of subsequent expenditure, which should be capitalized.
- Assets are capitalized according to a capitalization criteria and all expenditure below a capitalization threshold, as determined in the approved policy, is expensed when incurred.
- Depreciation is calculated on cost, using the straight-line method, over the estimated useful lives of the assets.
- Heritage assets, which are defined, as culturally significant resources, are not depreciated as they are regarded as having an infinite life.
- The carrying amount of an item or a group of identical items of PPE will be reviewed periodically in order to assess whether or not the recoverable amount has declined below the carrying amount. When such a decline has occurred, the carrying amount will be reduced to the recoverable amount (also termed as impairment of assets). The amount of the reduction will be recognized as an expense immediately, unless it reverses a previous revaluation, in which case it will be charged to the revaluation non-distributable reserve.
- The difference between the net book value of assets (cost less accumulated depreciation) and the sales proceeds is reflected as a gain or loss in the statement of financial performance.

Report of the auditor-general to the Free State Legislature and the council on the Xhariep District Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Xhariep Local Municipality set out on pages ... to ..., which comprise the statement of financial position as at 30 June 2019, the statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Xhariep District Municipality as at 30 June 2019, and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2018 (Act No. 1 of 2018) (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.
4. I am independent of the municipality in accordance with sections 290 and 291 of the International Ethics Standards Board for Accountants' *Code of ethics for professional accountants* and, parts 1 and 3 of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA codes) as well as the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA codes.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Material uncertainty relating to going concern

6. I draw attention to the matter below. My opinion is not modified in respect of this matter.
7. I draw attention to note 25 to the financial statements, which indicates that the municipality incurred a net surplus of R6 950 900 during the year ended 30 June 2019 and, as of that date the municipality's current liabilities exceeded its current assets by R2 137 910. The municipality is unable to pay its creditors' accounts when they fall due, as it takes the municipality more than 180 days to settle creditors. These events or conditions, along with other matters as set forth in note 25, indicate that a material uncertainty exists that may cast significant doubt on the municipality's ability to continue as a going concern.

Emphasis of matters

8. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Irregular expenditure

9. As disclosed in note 28 to the financial statements, irregular expenditure of R2 466 957 (2018: R1 745 547) was incurred due to non-compliance with Supply Chain Regulations (SCM) requirements.

Unauthorised expenditure

10. As disclosed in note 26 to the financial statements, unauthorised expenditure of R6 175 909 (2018: R1 830 760) was incurred due to overspending of the approved budget.

Fruitless and wasteful expenditure

11. As disclosed in note 27 to the financial statements, fruitless and wasteful expenditure of R341 809 (2018: R753 986) was incurred mainly due to interest on arrear payments to creditors and penalties.

Restatement of corresponding figures

12. As disclosed in note 36 to the financial statements, the corresponding figures for 30 June 2018 were restated as a result of an error in the financial statements of the municipality at, and for the year ended, 30 June 2019.

Material impairment

13. As disclosed in note 4 to the financial statements, trade debtors were impaired by R1 588 212 (2018: R1 384 093).

Other matter

14. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Unaudited disclosure notes

15. In terms of section 125(2)(e) of the MFMA the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and accordingly I do not express an opinion thereon.

Unaudited supplementary schedules

16. The supplementary information set out on pages XX to XX does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on thereon.

Responsibilities of the accounting officer for the financial statements

17. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the SA Standards of GRAP and the requirements of the MFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
18. In preparing the financial statements, the accounting officer is responsible for assessing the Xhariep Local Municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

19. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
20. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

21. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected key performance areas (KPA's) presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
22. My procedures address the reported performance information, which must be based on the approved performance planning documents of the municipality. I have not evaluated the completeness and appropriateness of the performance indicators/ measures included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
23. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected KPA's presented in the annual performance report of the municipality for the year ended 30 June 2019:

KPA	Pages in the annual performance report
KPA 2 – basic service delivery and infrastructure	x – x
KPA 3 – local economic development	x – x

24. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

25. I did not raise any material findings on the usefulness and reliability of the reported performance information for the following KPAs:

- KPA 2 – basic service delivery and infrastructure
- KPA 3 – local economic development

Other matters

26. I draw attention to the matters below.

Achievement of planned targets

27. Refer to the annual performance report on pages to for information on the achievement of planned targets for the year and explanations provided for the under and over achievement of a number of targets.

Adjustment of material misstatements

28. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of KPA – basic service delivery and infrastructure. As management subsequently corrected the misstatements, I did not raise any material findings on the usefulness and reliability of the reported performance information.

Report on the audit of compliance with legislation

Introduction and scope

29. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the municipality with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

30. The material findings on compliance with specific matters in key legislations are as follows:

Annual financial statements

31. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of non-current assets, current assets and liabilities, revenue, expenditure and disclosure items identified by the auditors in the submitted financial statement were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.

Expenditure Management

32. Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.
33. Reasonable steps were not taken to prevent irregular expenditure amounting to R2 466 957 as disclosed in note 28 to the annual financial statements, as required by section 62(1)(d) MFMA. The majority of the irregular expenditure was caused by non-compliance with MSA and Supply Chain regulations.
34. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R341 809, as disclosed in note 27 to the annual financial statements, in contravention section 62(1)(d) of the MFMA. The majority of the disclosed fruitless and wasteful expenditure was caused by interest and penalties for late payments of suppliers
35. Reasonable steps were not taken to prevent unauthorised expenditure amounting to R6 175 909, as disclosed in note 26 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the unauthorised expenditure was caused by overspending of the subdivision of the vote and spending not allocated to a vote.

Asset Management

36. I was unable to obtain sufficient appropriate audit evidence that all investments were made in accordance with the requirements of the investment policy, as required by municipal investment regulation 3(3).

Liability Management

37. Long-term debt was incurred without a resolution of the municipal council approving the debt agreement, in contravention of section 46(2)(a) of the MFMA.

Procurement and contract management

38. Some of the goods and services with a transaction value of below R200 000 were procured without obtaining the required price quotations, in contravention of by SCM regulation 17(a) and (c). Similar non-compliance was also reported in the prior year.
39. Some of the invitations for competitive bidding were not advertised for a required minimum period of days, in contravention of SCM regulation 22(1) and 22(2).
40. Some of the competitive bids were adjudication by a bid adjudication committee that was not composed in accordance with SCM regulation 29(2).

41. The preference point system was not applied some of the procurement of goods and services above R30 000 as required by section 2(a) of the Preferential Procurement Policy Framework Act. Similar non-compliance was also reported in the prior year.
42. Sufficient appropriate audit evidence could not be obtained that contracts were awarded to suppliers based on preference points that were allocated and calculated in accordance with the requirements of the Preferential Procurement Policy Framework Act and its regulations.
43. Sufficient appropriate audit evidence could not be obtained that contracts were awarded to bidders that scored the highest points in the evaluation process as required by section 2(1)(f) of Preferential Procurement Policy Framework Act Preferential Procurement Regulations.
44. The contract performance and monitoring measures and methods were not sufficient to ensure effective contract management, as required by section 116(2)(c) of the MFMA.

Consequence Management

45. Unauthorised expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(a) of the MFMA.
46. Irregular and fruitless and wasteful expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.

HR Management

47. Appropriate systems and procedures to monitor, measure and evaluate performance of staff were not developed and adopted, as required by section 67(1)(d) of the MSA.

<h4>Other information</h4>

48. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected KPAs presented in the annual performance report that have been specifically reported in this auditor's report.
49. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
50. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected KPAs presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
51. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

52. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on the findings on compliance with legislation included in this report.
53. There was slow response from the leadership in implementing and monitoring the audit action plans to address prior year findings and internal control deficiencies identified during the previous audits. This resulted in a last minute effort from management during the audit to attempt to resolve the internal control deficiencies as well as material misstatements to avoid material findings on the financial statements.
54. The leadership did not take effective steps to ensure that there were consequences for poor performance and transgressions, as not all of the unauthorised, irregular, and fruitless and wasteful expenditure was investigated during the financial year.
55. There were vacancies and some instability in key positions in the finance unit of the municipality, which resulted in insufficient capacity for the municipality as it relates to the preparation of financial statements, thereby resulting in late appointments and over reliance on consultants to prepare credible financial statements.

Auditor - General

Bloemfontein

30 November 2019



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure – Auditor-general's responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements, and the procedures performed on reported performance information for selected KPAs and on the municipality's compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:
 - identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
 - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer
 - conclude on the appropriateness of the accounting officer's use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Xhariep District Municipality's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a municipality to cease continuing as a going concern
 - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.

CHAPTER 8: MUNICIPAL SECTOR PLANS

Xhariep District Municipality is responsible for the delivering of municipal functions as specified in Schedule 4B and 5B of the Constitution of South Africa. All the strategic planning processes to address these functions should be aligned and fully integrated to ensure sustainable growth and development. It is therefore required that all the sector plans are considered as these plans should guide the departments on specific issues to be addressed during planning and implementation of the IDP. The sector plans focus on specific sectors within the context of local government.

The alignment of sector plans between all spheres of government is important in ensuring integration of programmes and maximum utilization of available resources. The following table highlights the status of the sector plans which after each of the sector plans are discussed in more detail:

Sector Plan	Objectives of Plan	Status of Plan	Implementing Directorate
Rural Development Plan	Create a living environment that offers improved quality of life for the district population residing in the district towns and the rural areas	The plan was approved and adopted by Council	Planning and Social Development: IDP Unit
Spatial Development Framework (SDF)	To make spatial provision for IDP and other strategic planning objectives of Xhariep in line with the principles of Sustainable Development	The plan was approved and adopted by Council. The IDP unit has made a request for the plan to be reviewed since it includes Naledi Local Municipality.	Planning and Social Development: IDP Unit
Local Economic Development Strategy (LEDS)	Strategy to create a conducive environment for all stakeholders to stimulate economic growth and create decent job opportunities	The plan was approved and adopted by Council	Planning and Social Development: LED Unit
Disaster Management Plan	A plan to pro-actively identify risks and prevent disasters from happening or minimising the impact of such disasters if it cannot be avoided	Approved and in process of being implemented. The Disaster Management Plan is also reviewed annually	Planning and Social Development: Disaster Management Unit
Sector Plan	Objectives of Plan	Status of Plan	Implementing Directorate
Integrated Waste Management Plan (IWMP)	To integrate and optimise waste management, in order to maximise efficiency and minimise the associated environmental impacts and financial costs, and to improve the quality of life of all residents within Xhariep	The plan was approved and adopted by Council	Planning and Social Development: Environmental Health Management Unit
Environmental Management Framework (EMF)	The main objective of an EMF is to pro-actively identify areas of potential conflict between development proposals and critical/sensitive environments.	The plan was approved and adopted by Council	Planning and Social Development: Environmental Health Management Unit

Long Term Financial Plan	A financial plan that will ensure the financial viability of the municipality in order to give effect to the strategic objectives of Council as portrayed in the IDP	The Financial Plan is still in a draft form and will be adopted with the final IDP	Budget and Treasury: Chief Finance Office
Asset Management Plan	To record all assets of the municipality and make recommendations for the optimal economic utilisation of such assets	The plan was approved and adopted by Council	Budget and Treasury: Chief Finance Office
Performance Management Policy Framework	Establishing a culture of performance throughout the whole organisation	The framework was approved and adopted by Council	Office of the Municipal Manager
Risk Management Plan	To identify potential risks in all systems and procedures of the municipality and develop proactive risk reduction strategies	Approved and in process of being implemented. Currently the position of Chief Risk Officer is vacant	Office of the Municipal Manager
Sector Plan	Objectives of Plan	Status of Plan	Implementing Directorate
Anti-fraud and Corruption Plan	To minimize fraud and corruption within the municipality	Approved and in process of being implemented. Currently the position of Chief Risk Officer is vacant	Office of the Municipal Manager
Internal Audit Charter	Improve good governance and administration within the municipality	The plan was approved and adopted by Council	Office of the Municipal Manager
Integrated HIV/Aids Plan	To facilitate awareness and pro-active strategies to combat HIV/Aids and provide support to people infected and affected by HIV/Aids	To be developed. The current plan has reached its sell-by date.	Office of the Executive Mayor
Employment Equity Plan	To ensure that targets are being set for transformation of the staff structure of the municipality in order to reflect the demographic composition of the area	The plan was approved and adopted by Council	Corporate Services: Human Resource
Workplace Skills Plan	To co-ordinate training and capacity building of municipal staff as per their personal career objectives	The plan was submitted to LGSETA	Corporate Services: Human Resource
EPWP Policy	To have EPWP as an approved delivery strategy for projects implementation, employment creation and skills development, by ensuring that EPWP guidelines and principles are adhered to in the implementation of any municipal project	The policy was approved and adopted by Council	Planning and Social Development: LED Unit
Climate Change Response Plan	Actions are required to reduce carbon emissions (mitigation), and prepare for the changes that are projected to take place (adaptation) in the District.	The plan was submitted to Council as a draft	Cut across all departments

A brief summary of sector plans is provided below:

Xhariep Rural Development Plan (XRDP)

The Department of Rural Development and Land Reform (DRDLR) was mandated by the President of the Republic of South Africa to champion Rural Development Programmes in the Country. To achieve this, the department is required to develop plans that will address the needs of people who live in extreme poverty and who are subjected to underdevelopment in rural parts of South Africa. Xhariep District is among the Districts identified as poor and needing special attention through a RDP. The Xhariep Rural Development Plan (XRDP) provides a mechanism to accelerate development through integrated spatial, economic and social development interventions using a multi-sectoral approach that is anchored on sustainable development principles.

The notion of integration is particularly important to the XRDP. Spatial and economic linkages between the rural areas of the district and the towns need to be strengthened. Planning for functional areas where strategic resources exist across municipal boundaries needs to be encouraged. Value chains for various products in the district need to be enhanced. Planned interventions need to exploit latest knowledge and technologies to ensure that Xhariep District pursues a “green” path to development. We propose that Xhariep rural development plan be anchored a strong “Xhariep brand” that involves use of green production processes, packaging and marketing tourism and agricultural products in a way that reflects the natural and organic uniqueness of the district. It is a synthesis of various preceding documents that have been produced and discussed with stakeholders namely the vision and mission document, the status quo and functional regions report.

This report should be read together with the spatial representation of the rural development plan that accompanies this document. The “District Rural Development” and the “District Rural Development Implementation Plan” as developed by the Rural Development and Land Reform and the Department of Agriculture and Rural Development has been considered and serves this IDP as a separate Rural Development Sector Plan

Local Economic Development Strategy

The social and demographic profile of Xhariep District Municipality indicates that there is a large youth population who are unemployed. There is a definite need to address education and skills requirements amongst the economically active population. This will help decrease unemployment and increase household income. Infrastructure backlogs in Xhariep DM should be resolved especially the sanitation backlogs within the different municipalities. Providing proper basic services and infrastructure is an important component of local economic development. Agriculture is the largest contributor to the district economy accounting for the highest GDP contributor and the main source of income and employment for the largest population of the District.

New developments such as the Agri-Park provide opportunity for local farmers to have better access to markets.

Manufacturing: Expanding existing industries and developing new niche industries will not only benefit the manufacturing sector but also promote local exports. Food and beverages, non-metallic mineral products, fuel, petroleum and chemical products. The district also has various products that are produced as shoes manufacturing factory. There's also game meat industry such as biltong hunting throughout the district. There is also water harvesting by Water Affairs to generate hydroelectricity.

Mining: The district has a mining sector that contributes approximately 16% of the total GDP, with an average annual growth of 8.1% (2001-2005). The mining activities are mainly concentrated at Jagersfontein and Koffiefontein areas and the mines produce mainly diamond and other precious and semi-precious minerals.

Trade: This important sector requires the necessary pro-active measures to ensure that the district can grow as the regional trade hub.

Tourism: This sector's influence spans over a multitude of economic sectors and has a significant multiplier effect. The existing, numerous, tourism assets in Xhariep District Municipality should be optimally promoted and developed. The district boasts some of the country's largest man-made lakes, such as the Gariep Dam, which has already established a fish hatchery project.

There are also tourism routes that support development focusing on hospitality and tourism in Xhariep such as:

- ❖ Diamond and mine route
- ❖ Gariep and Maluti routes.
- ❖ N6 Route
- ❖ Griqua Route (Philippolis route) 219
- ❖ Springbok Route

Construction: New developments such as the TROMSBURG Hospital, Agri-Park infrastructure investment by government also provide opportunity for local construction companies to benefit.

Transport: The district is stands as a central location of the province which has potential in terms of transport linkages, it is located centrally along the national road networks including the N1 to Cape Town, Bloemfontein and Gauteng, the N6 to East London and the N10 to Port Elizabeth, N8 Kimberley.

Some anchor projects identified by project prioritization include:

- Reduction of service delivery backlogs
- SMME incubator
- Agriculture beneficiation and development projects
- New tourism developments in existing conservation areas
- Organic waste beneficiation
- Solar geysers in housing developments
- Rain water harvesting in rural communities and new business developments.

The entire LED Strategy Document for Xhariep District Municipality is attached as “Annexure” to the IDP Document.

Climate Change Response Plan

Xhariep District Municipality acknowledges that climate change poses a threat to the environment, its residents, and future development. Actions are required to reduce carbon emissions (mitigation), and prepare for the changes that are projected to take place (adaptation) in the District. Xhariep District Municipality has therefore prioritized the development of a Climate Change Vulnerability Assessment and Climate Change Response Plan.

Biodiversity and Environment

Changes in climate are predicted to result in the shifting of bioregions across South Africa. In the Xhariep District Municipality, it is projected that with the warmer temperatures that there will be a replacement of grassland and nama karoo biomes with savanna. A large amount of grassland and nama karoo, and related species will be lost.

Human Health

There are a number of different ways that climate change will impact human health in the Xhariep District Municipality. Projected increases in temperatures due to climate change will impact negatively on the young and elderly. People working in the informal sector usually work outdoors and will therefore be particularly vulnerable to increases in temperature. A changing climate may also result in reduced food production and lead to issues of food insecurity. The entire plan is attached to the final IDP Document for any reference.

Disaster Management Plan

The purpose of the Xhariep District Municipality Disaster Risk Management Plan (DRMP) is to document the institutional arrangements for disaster risk management planning, including the assignment of primary and secondary responsibilities for priority disaster risks, posing a threat in the Xhariep District Municipality. It further provides the broad framework within which the departments will implement the disaster risk management planning requirements of the Act and other entities included in the organisational structure of the Xhariep DM. It establishes the operational procedures for disaster risk reduction planning as well as the emergency procedures to be implemented in the event of a disaster occurring or threatening to occur in a Council's area.

This disaster risk management plan is in line with the National Disaster Management Framework and addresses disaster risks through the four Key Performance Areas (KPA's) and three Enablers:

- ❖ KPA 1: Integrated Institutional Capacity for Disaster Risk Management
- ❖ KPA 2: Disaster Risk Assessment
- ❖ KPA 3: Disaster Risk Reduction
- ❖ KPA 4: Response and Recovery

- ❖ Enabler 1: Information Management and Communication
- ❖ Enabler 2: Education, Training, Public Awareness and Research
- ❖ Enabler 3: Funding arrangements for Disaster Risk Management

The relationship between and different roles and responsibilities of the Xhariep District Disaster Management Centre (DRMC) and the PDRMC of the Free State Province are alluded to. This plan also gives guidance in relation to the declaration of a local state of disaster, disaster classification and the institutional arrangement necessary for the successful implementation of the Act. Each section of this plan contains a number of Actions to be taken, which need to be considered and implemented in order for the Xhariep DM to obtain the outcomes envisaged by this plan.

The custodian of the plan

The Head of the Xhariep DM Disaster Management Centre (DRMC) is the custodian of the disaster risk management plan for the Xhariep DM Municipality and is responsible to ensure the regular review and updating of the plan. The plan is attached in the final IDP Document for reference

Integrated Waste Management Plan (IWMP)

The scope of work primarily required the development of a district waste management plan, by aligning all municipal plans and mapping of related priority data. The final plan is characterized by the following:

- ❖ Alignment of municipal waste management plans within the district;
- ❖ Identification of strategic and critical situational features through site visits, interviews and research;
- ❖ Consolidation of the waste management plans of local municipalities into a district IWMP;
- ❖ A district integrated waste management plan with recommendations and implementation strategy and/or project proposals on problem areas identified in the exercise;
- ❖ Development of priority based implementation plans using a phased approach;
- ❖ The consolidation of sector (sector that generates, manages and/or handle waste) departmental strategies into a district plan.

The objective of the district IWMP is to direct the district and its constituent municipalities to synergistically develop appropriate waste management systems and build management capacity in order to maximize efficiency in waste management, minimize environmental impacts and associated financial costs within the district. The implementation of the plan should lead to healthier and cleaner environment able to sustain an improved quality of life for all.

The IWMP sets targets for waste minimization and milestones to be achieved. It also sets out the review and subsequent reporting processes as articulated in the NEM: Waste Act, 2008. The IWMP of Xhariep District Municipality would be submitted to the DETEA for approval and be incorporated into the district IDP as a sector plan.

Environmental Management Framework (EMF)

An EMF is a framework of spatially represented information, connected to parameters such as ecology, hydrology, infrastructure and services. The main purpose of an EMF is to pro-actively identify areas of potential conflict between development proposals and critical/sensitive environments. Therefore, the purpose of this EMF is to provide a framework which will inform the Integrated Development Planning (IDP) process and Spatial Development Frameworks (SDF) within Xhariep District Municipality, as well as to provide a framework for decision making through:

- ❖ *Providing definite criteria for decision making,*
- ❖ *Providing an objective environmental sensitivity overview,*
- ❖ *Defining and categorisation of environmental, social and heritage resources, economic and institutional aspects, and*
- ❖ *Formulation of management guidelines.*

Xhariep DM has 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 plan is attached as annexure to the document.

Expanded Public Works Programme Policy

EPWP is South African Government initiated programme aimed at creating 6 million work opportunities by 2019. The programme is implemented by all spheres of government, across four (4) defined sectors, namely Infrastructure, Social, Non-State and Environment and Culture. The programme is co-ordinated by the National Department of Public Works, as mandated by Cabinet.

The programme is not implemented in isolation with other Government strategic initiatives, the NGP outlines Key Job drivers, such as targeting more labour-absorbing activities across the main economic sectors, and substantial public investment in infrastructure both to create employment directly, in construction, operation and maintenance as well as the production of inputs, and indirectly by improving efficiency across the economy. EPWP work opportunities are all linked to the NGP Job drivers and expected to contribute to the NGP targets through its FTE targets.

The National Development Plan Vision 2030 through the Diagnostic Report identified nine main challenges facing South Africa, amongst others are: few people work and the quality of education available to the majority is poor. The persistently high rate of unemployment in South Africa (23.9%) is one of the most pressing socio-economic challenges facing government. High youth unemployment in particular means young people are not acquiring the skills or experience needed to drive the economy forward. This inhibits the country's economic development and imposes a larger burden on the state to provide social assistance.

No single policy offers the solution; what is needed is a sustained period of accelerated and inclusive economic growth and a comprehensive set of short-term and long-term policy reforms and initiatives that encompass increasing demand for labour, improving education and skills, and labour market interventions that improve the employability of young people. Expanded

Public Works Programme is one of those short-term initiatives by Government aimed to create work opportunities for the marginalised: women, youth and people with disabilities.

The incentives grant was introduced during the second phase of the Programme with the aim of reinforce and reward public bodies that implement labour intensive methods and utilise their existing budget allocations effectively to increase the labour content of service delivery; also to encourage public bodies to meet their EPWP targets and rapidly expand job creation.

Spatial Development Framework (SDF)

Legal Framework (Current Case Law)

Recent case law, e.g. Johannesburg v Gauteng Development Tribunal, Lagoon Bay, Clairisson's and finally the Habitat Council case, some of which went to the Constitutional Court, indicate that the primary responsibility for land use management and consideration of applications lies with local government. Until 04 August 2013 (Habitat Council case) the planning authority in the Western Cape vested ultimately with the Provincial Government, in terms of the Land Use Planning Ordinance, 1985, Ordinance 15 of 1985 (LUPO). This long awaited and much applauded clarification of the Constitutional functions of the local sphere of government has numerous implications for all municipalities.

Spatial Planning and Land Use Management Act, 2013 (Act No. 16 of 2013) The new Spatial Planning and Land Use Management Act, 2013 (Act No. 16 of 2013) (SPLUMA) was promulgated on 5 August 2013.

Institutional Organization: SPLUMA further intends to address the failures of the "old order" planning ordinances and legislation, the majority of which predate 1994. SPLUMA intends to create a coherent regulatory framework for spatial planning and land use management, amongst others by legislating actions to ensure justice and equity in the application of spatial development planning and land use management systems. Amongst others SPLUMA requires Spatial Development Frameworks (SDF's) to be completed by all three spheres of government for respectively, the country, a province or a municipal area.

The process of compiling SDF's becomes an involved process in which local government places a central role, primarily because it must provide the data / information for the planning. SDF's will form the basis of all future decisions in terms of the SPLUMA and they will be taken by tribunals, which are non-political / technical bodies, established in terms of Section 35 of SPLUMA. It broadly determines that a municipality or municipalities jointly, must constitute a Planning Tribunal to consider all land use planning applications.

The SPLUMA prescribes the membership of tribunals, which consists of no less than five members, with no councillors in attendance. Councils now become the appeal authorities. These tribunals are the sole responsibility of the municipalities, who must bear the cost of the meetings and the administration relevant thereto. Every municipality must develop and/or adopt a Municipal Planning By-Law, which can be a unique document specific to the municipality, or a

general one, based on a model that is being prepared by the Free State Government for the Free State municipalities.

By-laws will forthwith determine the procedural and administrative aspects of land use planning and management, instead of the Provincial Regulations. The Minister / MEC now only comments on and when appropriate concurs with a municipality's land use planning decision which subsequently means that appeals are thus decided by Council. The MEC will only consider the procedural aspects of the appeals and cases before him. Where a municipality has made a procedural error in dealing with the case, e.g. not following due process or not taking relevant information into account, the MEC will advise that the decision of the municipality be set aside and referred back to it for re-processing and reconsideration. No right of appeal will be established in such instance. One of the consequences of the new planning legislation and processes is that a municipality now becomes legally accountable for decisions, i.e. an applicant or aggrieved party will no longer sue the MEC and add the municipality as a respondent. Instead, the municipality will be sued and it must provide for the costs and administration of such legal cases.

- *Financial Implications of SPLUMA*
- *Tribunal operational costs;*
- *Legal costs;*
- *Planning and Land use management bylaws;*
- *Human resources.*

Development Principles: One of the main objectives of this act is to provide a framework for spatial planning and land use management to address past spatial and regulatory imbalances. 225 The act sets out the following 5 main development principles applicable to spatial planning, land use management and land development:

- *Spatial justice (improved access to and use of land with an emphasis on informal settlements and disadvantaged communities);*
- *Spatial sustainability (protection of prime and unique agricultural land, development in locations that are sustainable, limit urban sprawl and creation of viable communities);*
- *Efficiency (optimising the use of existing resources and infrastructure)*
- *Spatial resilience (allow for flexibility in spatial plans)*
- *Good administration.*

Municipal SDF: Section 21 of the Act provides a detailed description of information to be included in a municipal SDF, including: - a 5 year and long term (10 – 20 year) spatial vision, structuring and restructuring elements, housing demand, planned location and density of future housing projects, - identify areas for inclusionary housing, population growth, economic trends and infrastructure requirement estimates for the next 5 years, - environmental assessment, identify areas for incremental upgrading, capital expenditure framework and include and implementation plan.

Workplace Skills Development Plan Xhariep District Municipality has a skills development plan which is updated and reviewed annually in line with the prescripts of the Skills Development Act

of 1998. The Act aims to improve the quality of life of the labour force, to encourage the labour force to be self-motivated and to encourage workers to participate in leadership and other programmes.

The municipality promotes and implements skills development strategies to facilitate the implementation of the objectives of the Integrated Development Plan. Although the Directorate: Corporate Services drives the Workplace Skills Plan, every municipal department is required to implement the plan and allocate budgets accordingly. This WSP also needs to identify areas where skills shortages exist with a strong focus of developing scarce skills internally which will also assist to stimulate the local economy. The plan is submitted to LGSETA on the 30th April each year.

Risk Management Plan (RMP)

Risk Management is a logical and systematic process of establishing the context, identifying, analysing, evaluating, treating, monitoring and communicating risks associated with any activity, function or process, in a way that enables an organization to minimize losses and maximize opportunities.

In order to ensure the inclusion of all the factors impacting on Risk Management within the Municipality it is important to identify the environment within which the municipality operates. As with most municipal disciplines the risk management environment has altered substantially and requires a complete review of current policies, practices and assumptions.

Financial Management Policies

Council's financial policies are reviewed annually and amended according to need and/or legislative requirements. One such policy is SCM Policies. The salient points of all our policies are that the budget must be cash-funded, tariff adjustments must be fair, employee-related costs must be all-inclusive and the conditions of all provisions must be cash met where required.

A number of indicators are also highlighted to ensure the municipality has enough cash to continue operations. The financial requirements of the policy have been reported upon each month within the broader Section 71 report. It is a report that is easily understandable to the man in the street.

The future budgets of Council will take the very important step of introducing for the first time a Budget Policy. This policy reinforces much of what is contained in the MFMA and regulates inter alia:

- The preparation of the budget;
- The shifting or virement of funds;
- The timing and nature of Adjustment budgets;
- Unforeseen and unavoidable expenditure; and
- Establish and maintain procedures to adhere to budget processes.

The main principles underpinning the policy are:

- that the municipality may not budget for a cash deficit;
- expenses may only be incurred in terms of an approved budget;
- the budget must always be within the IDP framework;

By following this policy Council should be able to produce future budgets that are realistic, practical and affordable to the residents which in itself is already a major step forward for the 227 municipality. In respect of the other budget policies there have been minor changes as always, mainly to increase local supply chain rules and to redefine basic service provision. ***A comprehensive Financial Plan is attached in the document***

Performance Management System

This Chapter deals with the implementation and monitoring of the IDP projects and programmes aimed at achieving the vision and objectives of Xhariep District Municipality as set out in this document. The IDP and Budget are implemented through a Service Delivery and Budget Implementation Plan (SDBIP). The Top Layer SDBIP is used as a scorecard to measure, monitor, evaluate and report on institutional performance (monthly, quarterly, bi-annual and annual basis). The Departmental SDBIP measures the performance of the departments and performance agreements and plans are used to measure the performance of employees.

The Performance Management System implemented at Xhariep District Municipality is intended to provide a comprehensive, step by step planning system that helps the municipality to manage the process of performance planning and measurement effectively. The PMS serves as primary mechanism to monitor, review and improve the implementation of the municipal IDP and eventually the budget. The performance management policy framework as approved by Council provides for performance implementation, monitoring and evaluation at organisational as well as individual levels.

The organisational performance of the municipality is evaluated by means of a municipal scorecard (Top Layer SDBIP) at organisational level and through the service delivery budget implementation plan (SDBIP) at directorate and departmental levels. The Top Layer SDBIP set out consolidated service delivery targets and provides an overall picture of performance for the municipality as a whole, reflecting performance on its strategic priorities as determined by the IDP review process. The departmental SDBIP capture the performance of each defined department which reflects on the strategic priorities of the municipality. The SDBIP provides detail of each outcome for which the senior management is responsible for, in other words a comprehensive picture of the performance of that directorate/sub-directorate.

Performance Indicators (PIs)

Section 38 (a) of the Systems Act requires Municipalities to set appropriate key performance indicators as a yardstick for measuring performance, including outcomes and impact, with

regard to the community development priorities and objectives set out in its Integrated Development Plan.

Section 9 (1) of the Regulations to this Act maintains in this regard, that a Municipality must set performance indicators, including input indicators, output indicators and outcome indicators in respect of each of the development priorities and objectives. Every year, as required by Section 12 (1) of the Regulations to the Systems Act, the Municipality also set performance targets for each of the key performance indicators. The IDP process and the performance management 228 process are therefore seamlessly integrated. The Key Performance Indicators (KPI's) will be incorporated into the SDBIP of the municipality as a performance management tool.

Performance Reporting

Performance is reported on a regular basis and it includes the evaluation of performance, the identification of poor performance and corrective actions to improve performance.

Quarterly Reports

Reports on the performance in terms of the Top Level SDBIP are generated and submitted to Council. These reports must be published on the municipal website on a quarterly basis.

Mid-Year Assessment

The performance of the first 6 months of the financial year assessed and reported on in terms of section 72 of the MFMA. This assessment must include the measurement of performance, the identification of corrective actions and recommendations for the adjustments of PI's, if necessary. The format of the report complies with the section 72 requirements. This report is submitted to Council for approval before the end of January of each year and published on the municipal website.

Integrated HIV/Aids Plan

A comprehensive HIV/Aids Strategy needs to be developed to address the challenges of the evolving epidemic of HIV/AIDS and tuberculosis in the Greater Xhariep Municipal Area. This strategy will be regarded as Council's commitment and determination to face HIV/Aids and TB, not only as medical and health problems, but also to address them as cultural, social and economic issues which affect all sectors of our society and every family in our community. The Xhariep area was during 2009 shown to have the highest prevalence of HIV, and that HIV and AIDS are impacting on the community of the district.

Although the district and its local municipalities have no primary responsibility for health or social services, it recognizes its responsibility to facilitate as far as possible a well-planned and effectively executed response to HIV/Aids and TB in order to achieve the strategic objectives as captured in this IDP. Whilst not directly responsible for the delivery of health and social services it is clear that Xhariep District Municipality can be a valuable player by directing its energy towards:

- Supporting its service delivery partners by ensuring there is strong coordination of services
- Providing visible leadership through publicly addressing HIV/Aids and TB
- Ensuring that the people of Xhariep as well as visitors to Xhariep are effectively and efficiently referred to services when required

Concluding Remarks

The IDP process and development in the post-apartheid context will continue to be dynamic in nature and there are, and will, remain areas of improvement in these processes.

Notwithstanding these, positive strides have been made to improve strategic planning and management to the benefit of the Xhariep community. More specifically, it is trusted that the IDP and Budget process have been an assertive effort in directing the municipality towards the development challenges and needs of our communities.

Therefore Xhariep District Municipality has to ensure that its Annual Budget is guided directly by the priorities included in the IDP. It is noted that through our Public Participation processes, Xhariep District Municipality is informed of the current nature of people's livelihoods and that it is constantly consulted and informed about the development plans of the Xhariep District Municipality.

DECLARATION OF ADOPTION

SIGNATURES

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DATE: JUNE 2020

Ms LY MOLETSANE

MUNICIPAL MANAGER

.....

DATE: JUNE 2020

MJ SEHANKA (CLR)

EXECUTIVE MAYOR

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