

2024

# XHARIEP DISTRICT MUNICIPALITY INTEGRATED DEVELOPMENT PLAN FINAL IDP 2024/25



## TABLE OF CONTENT

*Executive Mayor's foreword*

*Municipal Manager's foreword*

*Political leadership*

*Acknowledgement*

CHAPTER	PAGE NO
1: Executive summary	10
2: Situational analysis	20
3: Five year strategic goals and Intergovernmental alignment	49
4: Public participation and Intergovernmental relations	92
5: Institutional arrangements	120
6: Municipal projects and programmes	130
7: Municipal budget and financial plan	147

## **FOREWORD: EXECUTIVE MAYOR**

The Municipal Systems Act, 32 of 2000 requires all municipalities to develop 5-year Integrated Development plans and review them annually. Xhariep district municipality has developed the IDP within an approved IDP process plan and engaged in a consultation process to ensure that communities become part of the planning and decision making processes.

We managed to conduct the public participation sessions in Kopanong Local Municipality, Gariepdam, Letsemeng Local Municipality, Petrusburg and Mohokare Local Municipality in Rouxville. Inputs were highly appreciated and incorporated in to our plan.

The district is quite stable on the area of performance management framework. The Service Delivery Implementation Plan (SDBIP), which outlines projects and programs that are to be implemented per KPI within the IDP in the current financial year that is ending July 2024, and the draft is already in place for the next financial year, 2024 /2025. Noting that the SDBIP only covers those projects and programs that have budget and human resource capital support

The Xhariep District has with the introduction of the District Development Model, managed to develop its DDM One Plan which has been reviewed with its local municipalities. The Xhariep DDM One Plan according to the Quality Assurance Assessment managed to receive a rating of 2.6 out of 3, implying that it is one of the plans that has been developed in the Free State Province. This was achieved through a structured partnership that was led by COGTA Free State with all other Government Departments, including National Departments.

The district process plans ensure that all programs are aligned together and these will in future include the District Development Model and all will be prioritized to the core.

We continue to highlight and stress to Government the importance of the review of the Division of Revenue Allocations to municipalities, through various platforms with both COGTA and Treasury we are putting forward our case as the district of Xhariep, this is twinned with the allocated powers and functions of this district, which must seriously be reviewed as it affects the district in a highly negative way.

The continuous reduction of the Equitable Shares and financial support to the Xhariep District has put the municipality at a position that is unfavourable to deliver services, while not implementing all the powers and functions as allocated to all other districts in the Free State and the Country. A typical example is the provincial allocations that were recently done, with the Xhariep District receiving 7% only out of the entire Provincial Budget.

We as a district do not intend to mislead our communities by engaging in sessions that continue to plan for the bettering their lives while on the other hand Government

planning and execution is doing exactly contrary to the cause, this will lead to failure by all, the greatest loss will be by communities of the Xhariep District.

We will continue as a municipality and as leadership strive to ensure that the district of Xhariep does not perish and instead it must be recognized as a district, just like all the other districts in the Province and the Country. We must strive until Xhariep District is rightfully recognized in Government books as a District Municipality.

Through this IDP & Budget, the municipality seeks to address the challenges of our local municipalities and communities.

**Yours in governance**



**Executive Mayor**

**Cllr N I Mehlomakulu**

## **FOREWORD: THE MUNICIPAL MANAGER**

I am proud to present the Final IDP 2024-25 to the Council for approval as the first review (of four) prepared as part of the five-year planning and implementation cycle, which started in July 2022 and ended in June 2027.

Our municipalities in the Xhariep District are in a dire state. One of the district's worst challenges is unemployment, especially among young people.

Municipalities need government initiatives to reduce unemployment and poverty by intensifying programs such as the District Development Model (One Plan) and other means of economic opportunities in the district. We pride ourselves in the following grants that make an impact on the lives of the citizens of Xhariep:

- The Finance Management Grant (FMG) aims at developing graduates, capacity building, transferring work skills and improving financial management systems.
- Expanded Public Works Programme-government strategy that aims at creating work opportunities and, at the same time has economic benefits.
- Rural Roads Asset Management System- a grant that was awarded to the district in 2013 aiming at developing internal roads.

Our actual role as a district municipality has been to coordinate all efforts of locals in the district as well as to carry out certain designated services, and this has been one of the challenges in recent years, including reduced funding. The district needs a model initiative that will ultimately assist us in achieving our ideal dream of a single authority in which service delivery backlog will be a thing of the past.

The Technical IGR is used as a platform to lobby stakeholders to come and invest in the district. It is also an initiative in ensuring that whatever projects that both National and Provincial departments plan to implement within the district, should be implemented through the District Development Model (DDM).

Changing circumstances within society's political, social, economic, environmental, and technological environment have motivated us to become more vigilant and innovative in fiscal discipline. Thus, we prioritize a sustainable and responsive budget that favors growth and effect major improvements in citizens' lives.

Once again, I wish to thank each community member who has participated in the planning process to date. I would also like to thank the honorable councilors and municipal officials who contributed to the consultation processes and to preparing this document. This is also to remind us that integrated development planning never ends and demands total commitment from all municipal officials at all times.

Yours in local Government,

A handwritten signature in black ink, appearing to read 'LY Moletsane', positioned above a dotted line.

**Me. LY Moletsane**

**Municipal Manager**

## **XDM POLITICAL LEADERSHIP**

### **EXECUTIVE MAYOR AND SPEAKER OF COUNCIL**



**Executive Mayor**

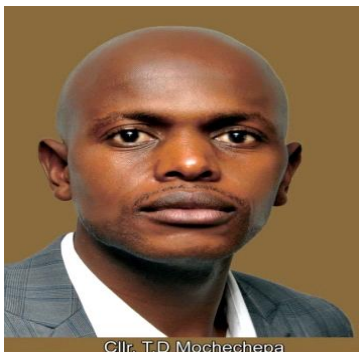


**Speaker**

### **MEMBERS OF THE MAYORAL COMMITTEE CHAIRPERSONS OF PORTFOLIO COMMITTEES**



**Corporate Services**



**Planning & Social Development**



**Budget and Treasury**

The first review of the 2021-2026 fifth-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 2024/25 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 2022, as the review does not constitute a new IDP.***

The 2024/25 IDP Review builds on the planning and development priorities agreed upon in the fifth 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 in the Chapter dealing with sector plans, in particular the Spatial Development Framework. For an electronic copy of this document please visit the municipal website at [www.xhariep.gov.za](http://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

### **2024/25 REVISION SUMMARY**

<b>Document Reference</b>	<b>Amendments/Additions</b>	<b>Purpose and impact on planning and budget prioritization</b>
	Socio Economic Analysis (Xhariep District at a Glance)	Demonstrate socio economic reality and data projections to be considered in current and future planning and development decision making
	Foreword by the Executive Mayor	Sets political leadership tone and provides governance oversight.
	Foreword by the Municipal Manager	Sets management leadership tone and provides administrative oversight.
	Main aim of the 2024/25 IDP Review	To give effect to Section 34 of the Local Government Municipal Systems Act, 32 of 2000
	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
	Situational Analysis	To recognize the 2022 STATSSA Report and the 2022 Spatial Development Framework findings, growth and development impact assumptions in our planning trajectory.
	1. Institutional Arrangements 2. Organisational Structure Review 3. Work Place Skills Plan 4. Internal Audit Strategy 2024/25 5. Audit General 2023/24 Audit Outcome Overview	1. To update and align the administrative and institutional capacity to ensure organisational readiness to implement the IDP. 2. Incorporate approved new Macro and Micro Structure

		that will come into effect 1 July 2024. 3. Reviewed and aligned 2024 Work Place Skills Plan to IDP
	Development Strategy	The overarching development strategy remains unchanged. The 2024/25 IDP Review seeks to align and depict major capital and operational investment per Municipal Key Performance Area as prioritized in the 2024/25 MTREF.
	Sector and Operational Plans ♦ Spatial Development Framework ♦ Disaster Management Plan	The reviewed and updated Spatial Development Framework has been incorporated in this IDP Review. The updated Disaster Management Plan has been incorporated.
	Intergovernmental Development Perspective	To reflect the 2024/25 Provincial Government Sector Department's and investments in our municipal space.
	IDP Implementation ♦ Review Financial Plan ♦ Align 2018/19 Capital and Operational Budget to IDP	To review the Financial Plan to ensure sound financial planning and sustainability over the 5-year IDP Implementation period. 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

## **CHAPTER 1: EXECUTIVE SUMMARY**

The Municipal Systems Act 2000 (Act No 32 of 2000) stipulates that each council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality. Xhariep District Municipality (XDM) integrated development plan (IDP) is the primary strategic planning tool which guides and informs all planning, budgeting, management and decision making for the municipality. The Municipality covers the population size of **131 901** persons as per Census 2022 report, which is an increase of 8.2% from 2011 to 2022. It is renowned for its agricultural and tourism attractions. Sixty (60%) of the population is in the working age cohort of 15-64 years.

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.

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 2021 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<sup>564,m</sup>
  - 7.
- 0 000000Education

## **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 th4]

e 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***

Chapter five (5), section 26 of the Act indicates the core components of an IDP and that such an IDP must reflect the following:

- The municipal council’s vision for the long term development of the municipality with special emphasis on the municipality’s most critical development and internal transformation needs.
- An assessment of the existing level of development in the municipality, which must include an identification of communities which do not have access to basic municipal services.
- The council’s development priorities and objectives for its elected term, including its local economic development and internal transformation needs.
- The council’s development strategies which must be aligned with any national and provincial sectoral plans and planning requirements that are binding on the municipality in terms of legislation.
- A Spatial development framework which must include the provision of basic guidelines for a land use management system for the municipality.
- The council’s operational strategies.
- Applicable disaster management plans.

- The key performance indicators and performance targets determined in terms of section 41 of the MSA.

### **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;

### **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.



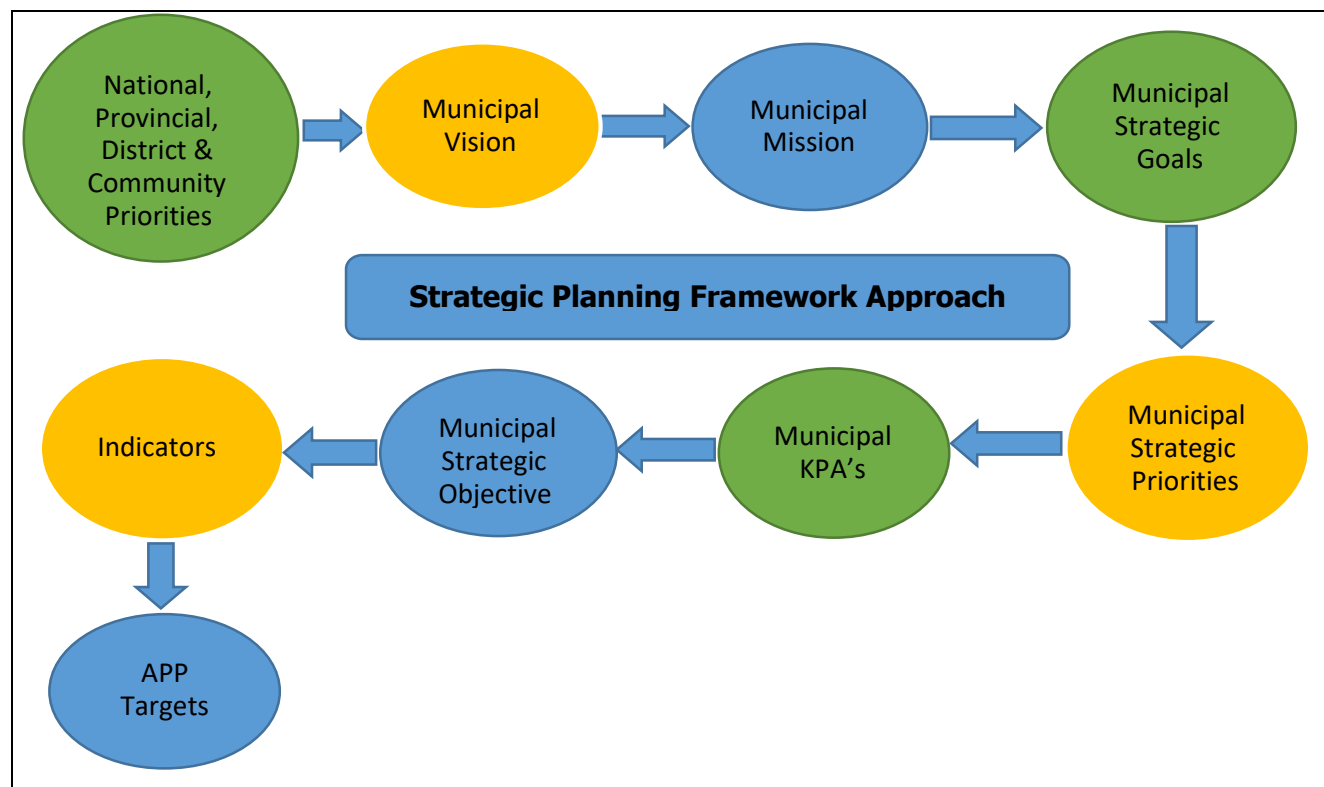
- Human Resources Development are reflected in Municipal Transformation and Organizational Development.
- Infrastructure Development is reflected in Basic Service Delivery and Infrastructure Development.

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

## 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.



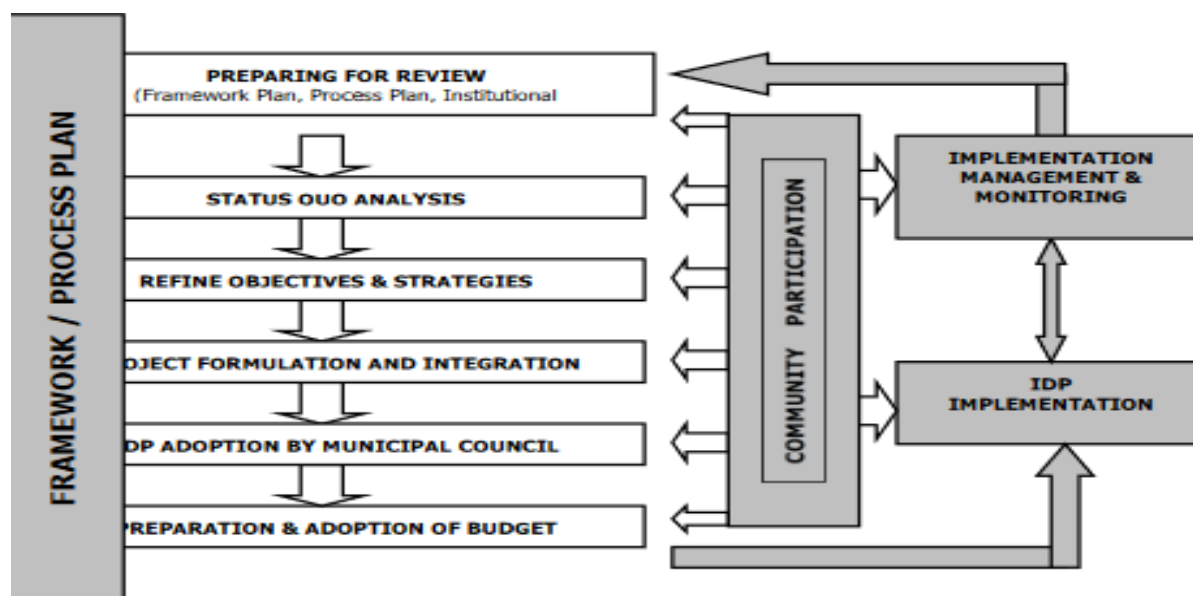
## INTERGOVERNMENTAL RELATIONS FRAMEWORK ACT NO 13 OF 2000

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. Figure 1 illustrate the legislative process when compiling the IDP and Figure 2 illustrate the IDP 5 year cycle.

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 2024/25 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 was since adopted by Council in August 2023 as per legislation and can be downloaded from the municipal website [www.xhariep.gov.co.za](http://www.xhariep.gov.co.za)***

## 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.

**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.

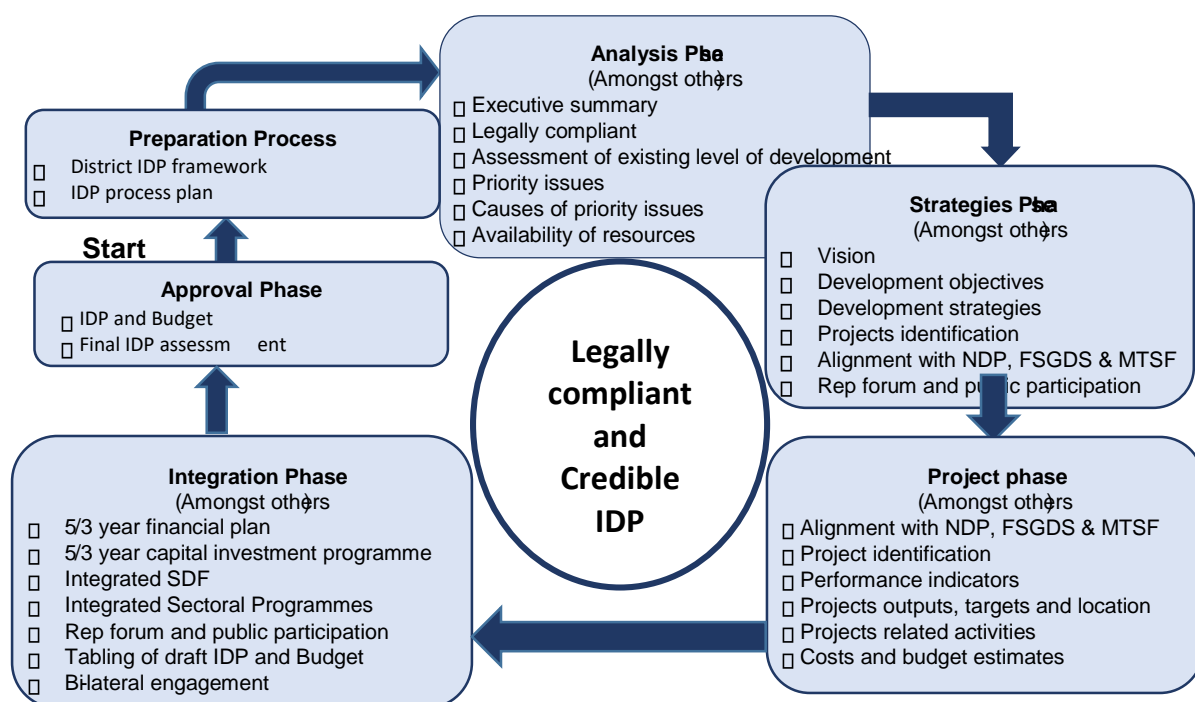


Figure 1: Phases informing the IDP Process

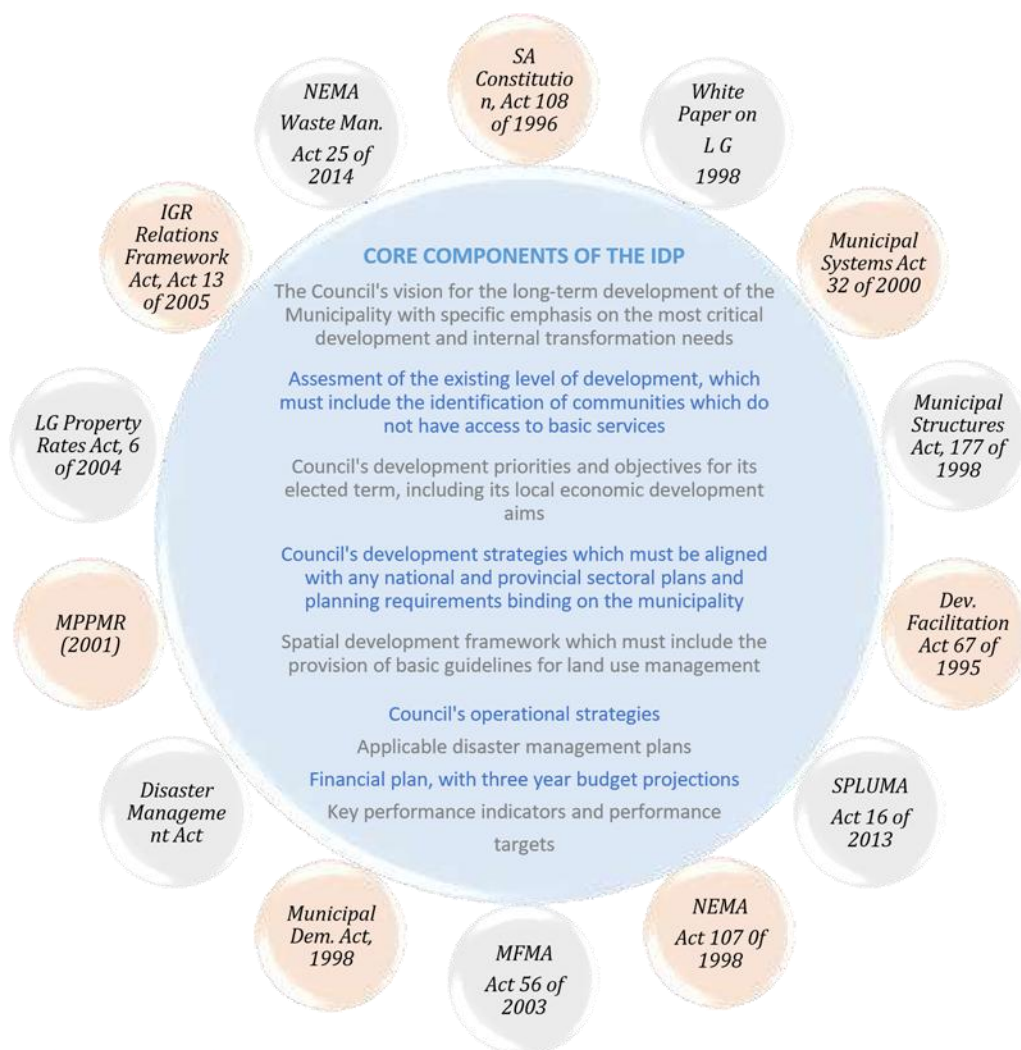


Figure 1: IDP Legislative Framework

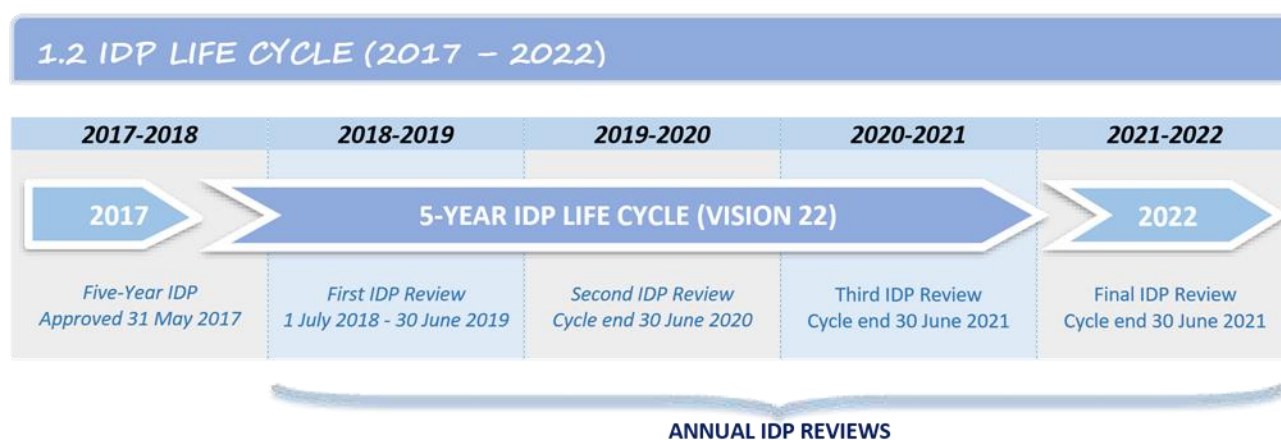


Figure 2: IDP Life Cycle

## **CHAPTER 2: SITUATIONAL ANALYSIS**

### **Overview of Xhariep District Municipality**

Xhariep is named after the Gariep Dam, which is the largest dam in South Africa and is situated at the southern tip of the district. The District is located in a semi-arid region with a dispersed settlement pattern and is known as a place of endless space, and vast tracts of sheep and cattle farmland.

Xhariep is a typical rural district with 20 small towns and 3 remote towns which boast abundant natural resources such as water along the Orange River and numerous pockets of high potential agricultural land. Xhariep is bordered for most of its eastern border by the Maluti-Drakensberg Mountains. Hydrologically, the district is located between the Vaal River to the north and the Orange River to the south, with rivers within the district draining towards these rivers.

The Xhariep District Municipality (DC 16) is a Category C municipality and is situated in the southern part of the Free State. It shares its boundaries with Mangaung Metropolitan Municipality to its north, Eastern Cape to its south and Northern Cape to its west. To its east, Xhariep shares a border with Lesotho.

The municipality covers a surface area of 34 250km<sup>2</sup> and it is the largest district in the province, making up just more than a third of its geographical area. Xhariep District Municipality is comprised of three local municipalities: Letsemeng Local Municipality, Kopanong Local Municipality and Mohokare Local Municipality. The administrative headquarters for Xhariep are in Trompsburg, which lies 125km south of Bloemfontein. The District is home to the largest dam in South Africa, Gariep Dam, which is situated at the southern tip of the District.

Three national roads the N1 (Gauteng to Cape Town), N6 (Eastern Cape to Bloemfontein) and N8 (Bloemfontein to Kimberley) pass through this District making it accessible to other parts of the country.

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 in Xhariep is either owned by private individuals, government, or the local municipalities. A large portion of the land is privately owned in the District.

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.

The Census Survey Report of 2022 is a large-scale survey which happened in between Censuses 2011 and 2022. 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.

The South African population and housing census provides a mechanism for the country to take stock of the population and housing numbers every 10 years. The census is a rich source of statistical information and the foundation of statistical sampling within the organisation. It provides information on the demographic, socioeconomic and geographic characteristics of the population, as well as household characteristics.

In a departure from previous practice, the 2022 census was the first digital census conducted by South Africa and used three modes of collection: Computer-assisted Personal Interview (CAPI); Computer-assisted Web Interview (CAWI); and Computer-assisted Telephonic Interview (CATI).

The population of South Africa increased from 51,7 million in 2011 to more than 62 million in 2022; a growth rate of 1,8% in the intercensal period. Females constituted 51,5% of the total population, while 48,5% were males. Gauteng and KwaZulu-Natal had the highest populations at 15 million and 12,4 million respectively, while the Northern Cape had the smallest (1,3 million).

Black Africans remain the dominant population group at 81,4%, followed by the coloured population at 8,2%. The white population percentage declined to 7,3% in 2022 from 8,9% observed in 2011, while that for Indians/Asians increased slightly from 2,5% in 2011 to 2,7% in 2022. The median age increased to 28 years from 25 years in 2011, suggesting a consistent increase over time and an overall increase of three years.

### ***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. For the purpose of this document we rely on statistics released by Statistics South Africa (STATS SA). **Stats SA is a national government department accountable to the Minister in the Presidency: Planning, Monitoring and Evaluation.**

The activities of the department are regulated by the Statistics Act (6 of 1999) which mandates the department to advance the production, dissemination, use and coordination of official statistics to advance planning, monitoring and decision making to advance economic growth, development and democracy.

The Census generates diverse data on demographic and socio-economic information and plays an essential role in planning, policy formulation, evaluation and budget allocation.

- **Equity in distribution** of government services
- Distributing and **allocating government funds** among various regions and districts for services
- **Measuring the performance** impact of socio economic development of government policies and programmes

### **Overview Statistics**

Population	:	131 901	
Number of households	:	36 064	
Formal dwelling	:	32 814	<b>(91.0%)</b>
Traditional dwelling	:	122	<b>(0.3%)</b>
Informal dwelling	:	2 989	<b>(8.1%)</b>
Other	:	189	<b>(0.5%)</b>



## DEMOGRAPHICS

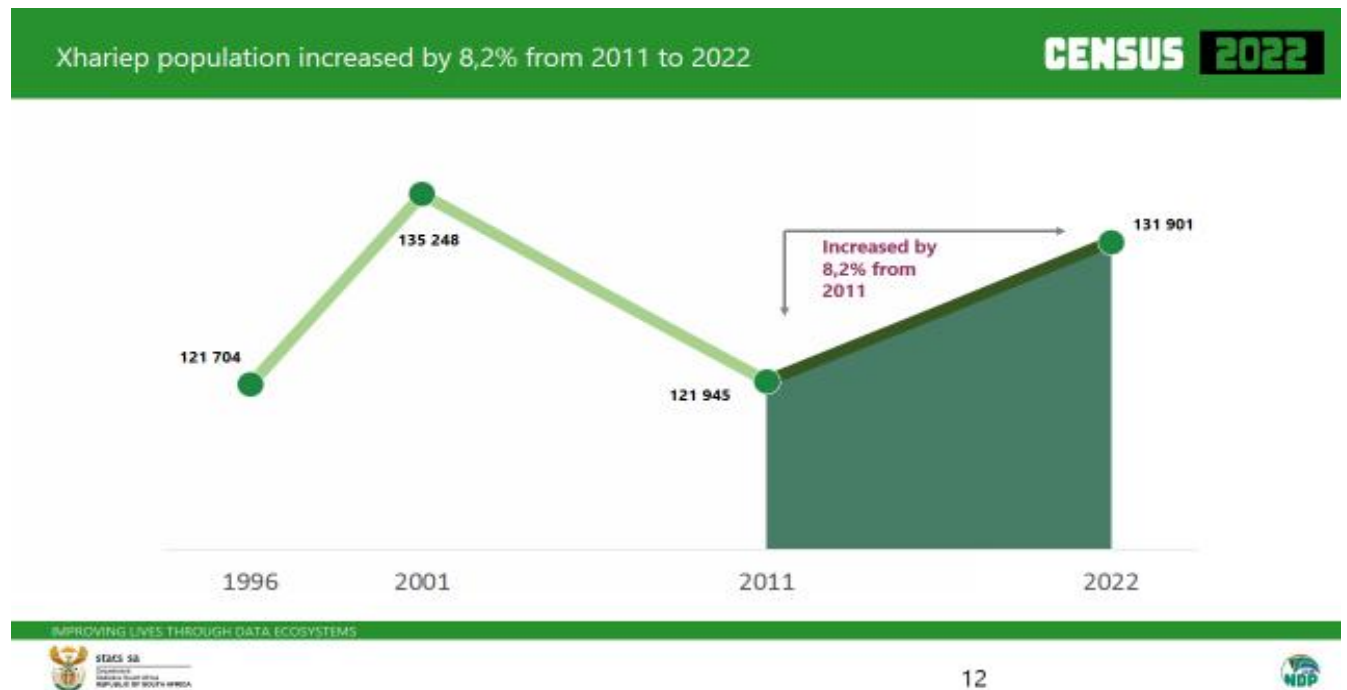
### Population





Name	Frequency	%
MALE	63 244	47,9%
FEMALE	68 657	52,1%

In 2011 the Xhariep district total population was 121 945 and in 2022 the district has increased its population size to 131 901 which amount to 8.2% and is ranked number five in the Free State Province. The female population has increased to 68 657 compared to males at 63 244.



Xhariep District population by Local Municipality (in thousands) .
CENSUS 2022



The district has three (3) local municipalities, namely, Letsemeng, Kopanong and Mohokare. All three municipalities has shown an increase in their population size since 2011 to 2022.

Xhariep District population by Local Municipality (in thousands) .
CENSUS 2022



## Population by Race

Name	Frequency	%
BLACK AFRICAN	97 821	74,2%
COLOURED	19 747	15,0%
INDIAN/ASIAN	695	0,5%
WHITE	13 325	10,1%
OTHER	290	0,2%

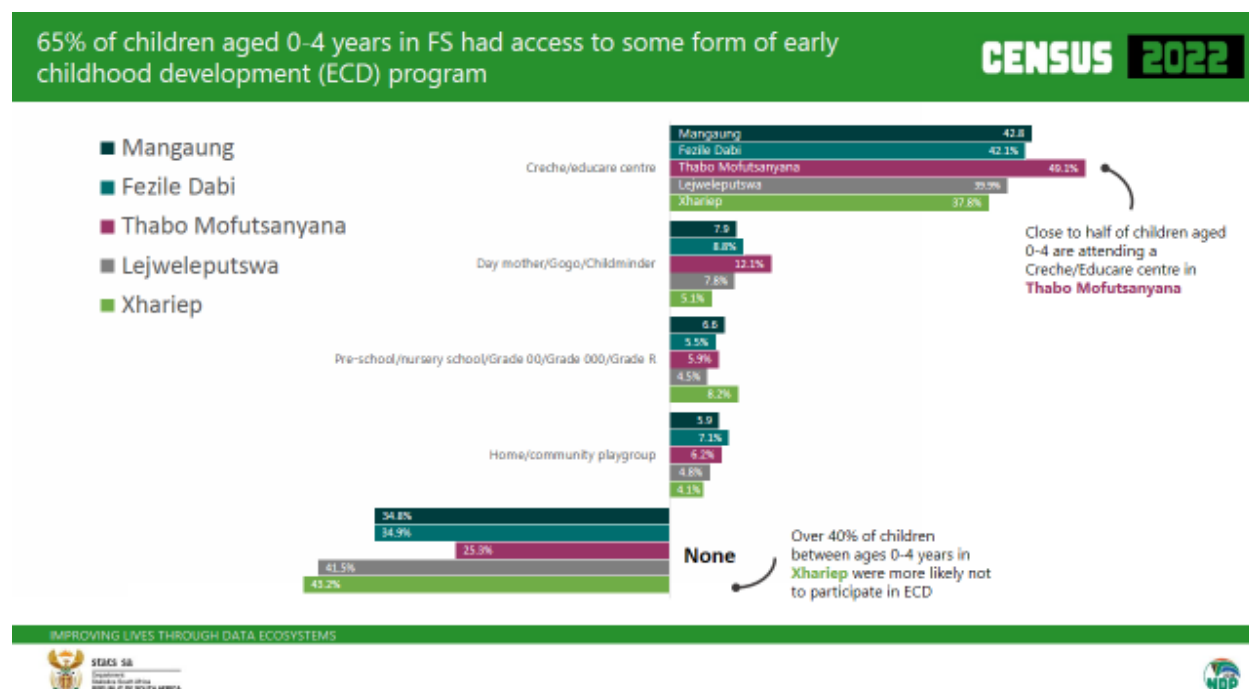
At **88,8%** the Black African population group constitutes the largest proportion of FS's population, followed by White population at **8,0%**. At **74,2%** the Black African population group constitutes the largest proportion of Xhariep's population, followed by Coloured at 15,0%, Whites at 10,1 followed by others at 0,2%.

## Sex and Age Group

Name	Male	Male (%)	Female	Female (%)
85+	206	0,2%	535	0,4%
80-84	262	0,2%	647	0,5%
75-79	621	0,5%	980	0,7%
70-74	1 174	0,9%	1 633	1,2%
65-69	1 613	1,2%	2 431	1,8%
60-64	2 128	1,6%	2 896	2,2%
55-59	2 566	1,9%	3 253	2,5%
50-54	2 817	2,1%	3 481	2,6%
45-49	3 156	2,4%	3 830	2,9%
40-44	3 990	3,0%	4 060	3,1%
35-39	4 633	3,5%	4 784	3,6%
30-34	5 200	3,9%	5 274	4,0%
25-29	5 196	3,9%	5 230	4,0%
20-24	5 088	3,9%	5 078	3,8%
15-19	6 026	4,6%	6 138	4,7%
10-14	6 345	4,8%	6 425	4,9%
5-9	5 992	4,5%	6 123	4,6%
0-4	6 228	4,7%	5 858	4,4%

As age increases women outlive their male counterparts in Xhariep District, 2022. Women outnumber men in these age groups (25 years and up)

## Education



As much as 65% of children aged 0-4 years in FS had access to some form of early childhood development (ECD) program, over 40% of children between ages 0-4 in Xhariep were more likely no to participate in Early Childhood Development.

Name	Frequency	%
No Schooling	7 890	10,4%
Some Primary	9 555	12,6%
Completed Primary	4 182	5,5%
Some Secondary	25 132	33,0%
Grade 12/Std10	23 489	30,9%
Higher Education	5 280	6,9%
Other	526	0,7%

Attendance at an educational institution between ages 5-24 years has increase drastically since 2011 recording 6.9% in 2022 compared to 5.7% in 2011.

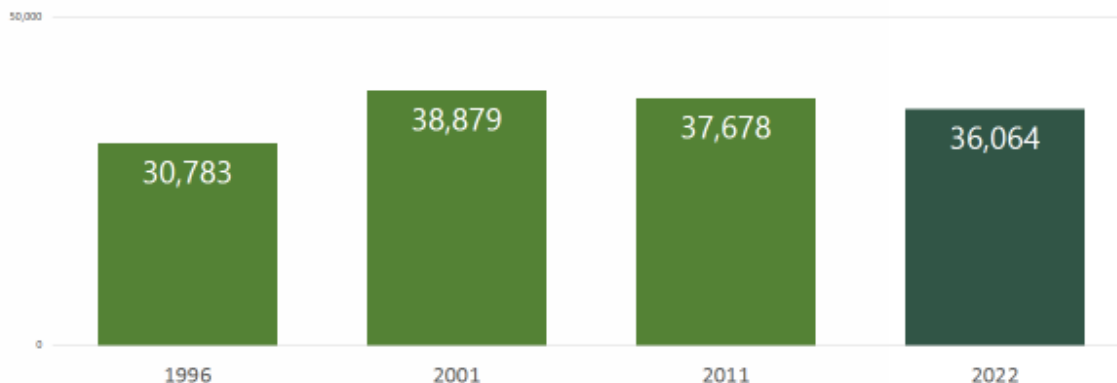
Name	Frequency	%
Yes	32 587	73,0%
No	12 066	27,0%

## Housing and Households

Number of households in Xhariep District decreased by around 2 815 since 2001

**CENSUS 2022**

Number of households for Xhariep District, 1996 - 2022



IMPROVING LIVES THROUGH DATA ECOSYSTEMS



Name	Number of households	Rank
Thabo Mofutsanyane	244 415	1
Mangaung	229 426	2
Lejweleputswa	189 807	3
Fezile Dabi	145 539	4
Xhariep	36 064	5

It is concerning that the number of households in Xhariep District decreased by around 2 815 since 2001 and it is ranked number five (5) in the entire province. In 2022 the average household size was 3.7

## Households Living Conditions

### Dwelling Type

Name	Frequency	%
Piped (tap) water inside the dwelling	16 745	46,4%
Piped (tap) water inside the yard	16 279	45,1%
Piped (tap) water on community stand	1 789	5,0%

Name	Frequency	%
No access to piped water	1 252	3,5%

The district has recorded an increase from 44.9% in 2011 to 46.4% in 2022 in terms water connections different sites. About 46,4% of households in Xhariep had access to piped water inside the dwelling in 2022 up by 1,5 percentage point from 44,9% in 2011.

### Refused Disposal

Name	Frequency	%
Removed by local authority at least once a week	24 420	67,7%
Removed by local authority less often	1 011	2,8%
Communal refuse dump	1 327	3,7%
Communal container/central collection point	599	1,7%
Own refuse dump	6 625	18,4%
No Rubbish Disposal	1 928	5,3%
Other	155	0,4%

70,8% of households in Xhariep use refuse removal collected by local authority in 2022 at least once a week up from 70,1% in 2011.

### Energy for Cooking

Name	Frequency	%
Electricity from mains	28 570	79,2%
Gas	5 476	15,2%
Paraffin	1 146	3,2%
Wood	650	1,8%
Coal	16	0,0%
Animal dung	1	0,0%
Solar	76	0,2%
Other	23	0,1%
None	106	0,3%

### Energy for Lightning

Name	Frequency	%
Electricity from mains	33 808	93,7%
Gas	76	0,2%
Paraffin	436	1,2%
Candles	1 374	3,8%
Solar	282	0,8%
Other	34	0,1%
None	54	0,1%

Compared to 91.8% in 2011, Xhariep recorded 93.7% for provision of electricity in 2022.

## **Spatial Overview**

The 2023 Xhariep District Spatial Development Framework was reviewed as part of the 2022/2023 Xhariep District IDP review process in terms of the provisions of the Municipal Systems Act. The Xhariep District Spatial Development Framework was also compiled to comply with the content requirements for a Municipal Spatial Development Framework as defined in Section 21 (a) to (p) of the Spatial Planning and Land Use Management Act, Act 16 of 2013 (SPLUMA).

The Xhariep District SDF was prepared in adherence to the Guidelines for the Development of Spatial Development Frameworks, as set out by the Department of Rural Development and Land Reform. This iteration of the SDF involved a review and update of the current DSDF as well as a public consultation process that was undertaken to get input and buy-in from various stakeholders.

The approved Spatial Development Framework of 2023, therefore, replaces the Municipality's current Spatial Development Framework and would be applicable until 30 June 2027. The new Spatial Development Framework details spatial policies, strategies, and implementation mechanisms applicable to the Municipality, as well as those that have been amended or added. It also includes those technical components as contemplated in Section 21 of SPLUMA.

## **THE SDF REVIEW**

The review of the District SDF has been undertaken to:

- Ensure alignment between the strategic approach to managing development investment in the district embodied in the original District SDF and current government policy as embodied by:
  - Changing International Policy Environment.
  - The National Development Plan and National Spatial Development Framework.
  - Free State Provincial Spatial Development Framework (2014).
  - Relevant legislation, including the Spatial Planning & Land Use Management Act 16 of 2013.
  - Incorporate the latest available data on social (demographic), economic and infrastructural development indicators.
  - Build into the SDF datasets and spatial proposals based on the latest information derived from new and/or revised Sector Plans.

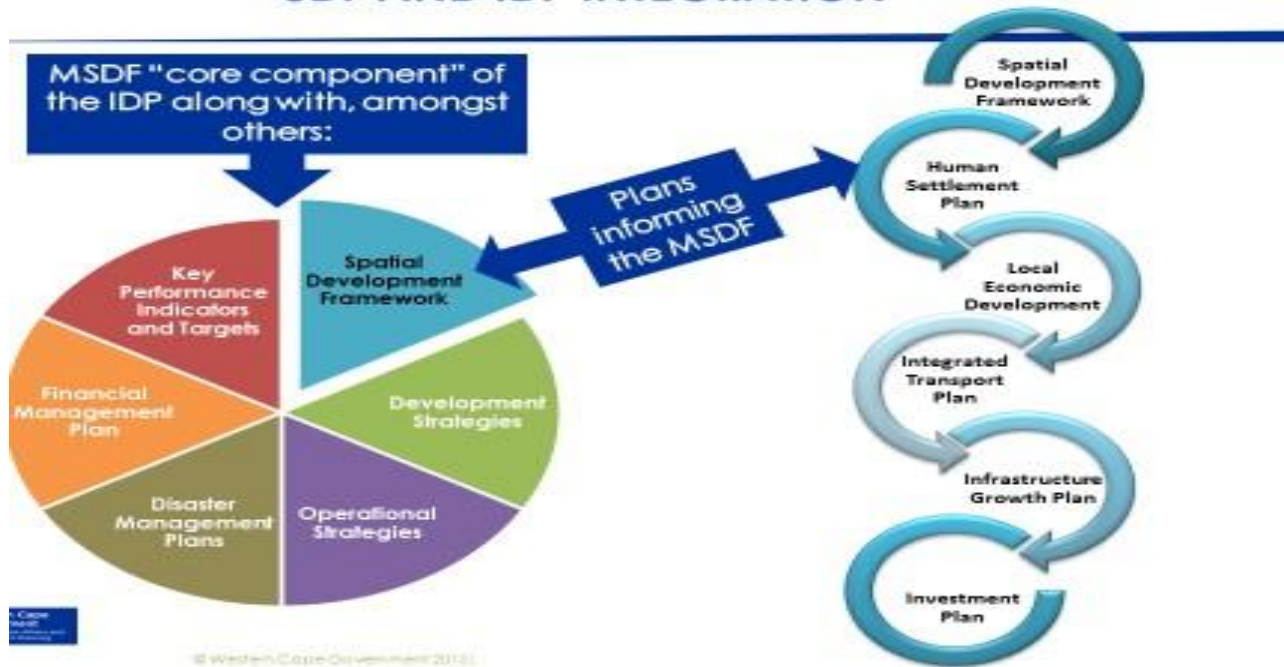
- Alignment to the amended political boundary as delineated through the Demarcation Board.
- To give spatial direction towards the implementation of the Xhariep District Development Model.

***The main changes to give effect to the District SDF include among other the following:***

- A revision of the Priority Spatial Issues was identified based on a new Analysis as well as the revision of the related Spatial Development Objectives and Strategies, in line with the amendments effected to the most recent IDP.
  - A revision of the proposed Hierarchy of Settlements to align with the National Spatial Development Framework and Free State Provincial Spatial Development Framework.
  - A revision of the proposed Development Nodes and Corridors as well as the identified Special Development Areas to align with the NSDF, PSDF and MSDFs.
  - Alignment to the Provincial, Regional, District and Local Precinct, Structure, and other Frameworks.
  - Alignment to the Integrated Urban Development Framework (IUDF). The IUDF responds to the post-2015 Sustainable Development Goals (SDGs).
  - Considering Provincial Sector Plans such as the Free State Provincial Agricultural Master Plan.
  - Alignment to the re-delineated Xhariep Demarcated boundary (political boundaries)
  - The inclusion of more detailed and specific Land Use Management Guidelines.
  - A consideration of the potential role the Xhariep District might play in the implementation of the Spatial Planning & Land Use Management Act (Act 16 of 2013).



## SDF AND IDP INTEGRATION



Because of the volume of the Xhariep Spatial Development Framework (XSDF) document, all stakeholders are encouraged to visit the municipal website at [www.xhariep.gov.co.za](http://www.xhariep.gov.co.za). The Executive Mayor and Management of the municipality wish to thank and acknowledge the support provided by the Department of Rural Development and Land Reform for their assistance during the compilation of the framework.

### ***Environmental Management & Climate Change Aspects and Issues for the Xhariep DM IDP***

#### **1. 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.

It is against this background that the municipality has developed environmental tools to ensure the attainment of this constitutional obligation. The municipality has developed an Integrated

Environmental Management Plan which was approved by council in 2015 and the review process is due to kick-start before end of the current financial year 2022/23.

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.

## **2. NATIONAL/PROVINCIAL ENVIRONMENTAL PLANS/TOOLS/STRATEGIES**

### **2.1 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 municipality also appreciates the support (human and Financial) from the Department of Forestry, Fisheries & the Environment, as well as the Provincial Department of Economic, Small Business Development, Tourism and Environmental Affairs.

### **2.2 The National Waste Management Strategy (NWMS)**

The Department of Forestry, Fisheries & the Environment (DFFE) developed the 2020 National Waste Management Strategy which municipalities, among other sectors, are tasked with implementing. The strategy contains, among others, targets for waste minimisation, avoidance, recycling, etc.

## **STRATEGIC PILLARS OF THE NWMS 2020**

The Three (3) Pillars of the NWMS 2020 can in the context of the strategy, the purpose, expected outcomes and performance indicators be described as follows;

### **PILLAR 1: WASTE MINIMISATION**

#### **2.2.1 Strategic Thrust**

The strategic thrust of this pillar is:

- ☐ Minimising the impact of waste and especially plastic packaging in our coasts, rivers, wetlands

and our human settlement environments, by amongst others, diverting waste away from landfill;

- ☐ Increasing re-use, recycling, recovery and alternative waste treatment; and

- ☐ Maximising the role of the waste sector in the circular economy.

A critical enabler of this pillar is the building of long-term collaboration and partnership between government and the private sector.

### **Strategic Role-players**

Key strategic role-players i.r.t Pillar 1 include the DEFF, DSI, DTIC, CSIR, NCPC-SA, TIA, DMRE, DALRRD,

Waste Management Bureau, CWE Phakisa team, relevant local government departments, Department of Public Works, Department of Transport, National Treasury, Department of Health, private sector organisations/representative structure, civil society organisations.

### **PILLAR 2: EFFECTIVE AND SUSTAINABLE WASTE SERVICES**

#### **2.2.2 Strategic Thrust**

The strategic thrust of this pillar is:

- ☐ Recognising and addressing the very different circumstances and waste management challenges that exist between local government authorities;

- ☐ Developing and implementing flexible approaches to service delivery that incorporates the

informal sector while addressing local needs;

- ☐ Guiding public investment and partnerships with the private sector in waste management

infrastructure and projects; and

- ☐ Ensuring that the delivery of waste services contributes to sustainable development.

A critical enabler of this Pillar is the building of strong co-operative governance relationship between

the three spheres of government and specifically local government

### **Strategic Role-players**

Key strategic role-players i.r.t Pillar 2 include the DEFF, NT, the South African Local Government

Association (SALGA), Department of Cooperative Governance and Traditional Affairs (COGTA), the

South African Cities Network (SACN), the DSI and Innovation Hub through the Waste RDI Road Map,

private sector organisations and civil society organisations

## **PILLAR 3: COMPLIANCE, ENFORCEMENT AND AWARENESS**

### **2.2.3 Strategic Thrust**

The strategic thrust of this Pillar is:

- ☐ Mitigating and preventing the environmental and social damage caused by waste due to noncompliance;
- ☐ Increasing compliance to local, provincial, national and international legislation and standards;
- ☐ Mitigating and preventing pollution, littering and illegal dumping of waste; and
- ☐ Improving the visibility and awareness of the socio-economic and environmental benefits of

compliance, effective waste management and environmentally compliant infrastructure.

Pillar 3 focuses on managing the environmental impact of waste and preventing pollution through changes in behaviour and attitude that lead to a culture of compliance with acceptable local and international standards taking root amongst citizens, businesses and government.

### **Strategic Role-players**

Key strategic role-players i.r.t Pillar 3 include the DFFE, enforcement agencies such as INTERPOL, South Africa's NPA, SAPS, South African Revenue Service and the Road Traffic Management Corporation (RTMC), COGTA, SALGA, NT, National Compliance Forum, private sector organisations and local government structures.

### **2.3 Provincial Air Quality Management Plan (AQMP)**

The municipality does not have an Air Quality Management Bylaw nor Plan in place, instead it relies on the Provincial Air Quality Management Plan. It is from this plan where the Xhariep DM and its local municipalities, including the Letsemeng LM are 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 continuously lobbies for funding and assistance on the development of the district municipal air quality management plan which will encompass all the local municipalities

No baseline air quality data is available for the Xhariep District Municipality as there are no air quality monitoring stations within the Municipal Area (National Air Quality Information System [www.saaqis.org.za](http://www.saaqis.org.za)). However, based on the Free State Province Air Quality Management Plan (AQMP), Particulate Matter (PM10) is likely to be a significant contributor to air quality issues within the municipality. Key sources of PM10 include agricultural activities (i.e. windblown dust from bare fields), veld fires, vehicles, unpaved roads and construction, as well as domestic fuel burning.

### **3. PROGRAMMES, INTERVENTIONS AND PROJECTS IN THE XHARIEP DM BY THE DEPARTMENT OF FORESTRY, FISHERIES & THE ENVIRONMENT**

The Department of Forestry, Fisheries & the Environment (DFFE) has 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 serviced by the Official. The DFFE has also funded projects in the Xhariep DM as follows:

**2024/2025 – DFFE FUNDED PROJECT REPORT FOR XHARIEP DISTRICT  
MUNICIPALITY**

Project Name	Project type/ Focus	Project Description	Q3	Q4
1 Youth Community Outreach Programme	Youth Employment	<p>The programme is aimed at supporting municipalities through the appointment of 1 Environmental Science youth graduate in each local municipality for the environmental management mandate. It is a salary level 6 post and will run for 2 years.</p> <p>The municipality is requested to form part of the interview panel as the interview process is yet to unfold.</p> <p>The local municipality is expected to provide an office and associated facilities for the candidate over the 2 year period</p>	Project was re-introduced in September 2022 National Advertisement was published	Project is under planning Shortlisting process is currently underway
2 In-House Model Cleaning Programme	Working on Waste	<p>The programme is aimed at supporting municipalities on their waste management function through the eradication of illegal dumps in their jurisdictions.</p> <p>It is an EPWP project that will run for 12 months, observing the EPWP stipend rate of</p>		Project is under implementation. Project Introduction meeting held in February 2023 Municipalities have availed PPE and required tools for 29 participants The project

			R130.00 (General Labourer) and R200 (Supervisor) per day and adhering to the Ministerial Determination 120 participants will be appointed per local municipality		Participants started work in June 2023
3	Councillor Induction Programme	Capacity Building	It is a programme aimed at the capacity building of incoming councillors on legislative prescripts related to environmental management, specifically those that address the municipal mandate on environmental management	The programme was rolled out during September/October 2023 in the Province	The workshop for the Province was a success and Councillors were in attendance for the induction

#### 4. MUNICIPAL PLANNING TOOLS/PROGRAMMES/STRATEGIES

##### 4. 1 Xhariep DM Integrated Waste Management Plan (IWMP)

The Xhariep DM is planning to start the review process for its IWMP in the coming financial year 2024/25. 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 2024/25.

##### 4.1.1 Strategies employed to reduce, re-use and recycle waste

Currently the different local municipalities have relied heavily on organised and individual recyclers/reclaimers for reduction and recycling of waste. The municipality has erected a structure for storing separated waste at the Bethulie landfill site through a DFFE funded project. The structure has not yet been handed over to the municipality due to unforeseen circumstances. The Xhariep DM has however embarked on annual training programmes for reclaimers in the whole District, in collaboration with the DFFE Local Government Support and the Provincial DESTEA.

##### 4.2 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. It is from this environmental planning tool that the 3 local municipalities will benefit greatly as the information contained in the document will provide detail pertaining to their localities.

#### **4.3 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 DFFE 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, bioprospecting, aquaculture, etc. the forum rotates in all local municipalities of the District.

#### **4.4 Xhariep DM EPWP Programme**

The XDM EPWP Programme assists the local municipalities, including the Letsemeng LM with ensuring that municipal towns are left in a clean and healthy state through the annual cleaning and greening programmes through job creation opportunities for local residents of various towns. The programme participants are traditionally trained on a number of issues, including basic environmental management, climate change, waste management best practices, among others. Where budget is availed, accredited training would then be catered for as well. Through such interventions, the participants would exit with skills acquired from the programme.

#### **4.5 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 municipality does conduct schools' awareness campaigns on disasters and climate change related incidents

#### **4.6 Climate Change Adaptation Response Plan**

The DFFE had funded for the review process of the Climate Change Adaptation Response Plans in the Xhariep District Municipality. Processes of municipal consultations are already underway. The Plan will also encompass climate change issues for the Letsemeng LM. The Climate Change Response Plan of 2016 had the following content which the municipality has considered on environmental aspects:

#### **4.7 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 savannah. A large amount of grassland and Nama Karoo, and related species will be lost.

The proposed priority responses in the Biodiversity and Environmental Sector are:



1. Develop a local biodiversity management plan to protect priority biomes.
2. Develop an Environmental Management Plan for the District.
3. Raise awareness on wetlands loss and conservation.

Ecosystem services are services that are generated by the natural environment, which enhance human wellbeing, and are directly used by people. The Millennium Ecosystem Assessment categorised ecosystem services as follows:

Categories	Description	Examples of Ecosystem Goods /Services
Provisioning services	Provision of goods from the Environment that people use directly.	Water Food Raw materials for building Firewood Medicinal plants, etc.
Regulating services	Ecological processes that contribute to economic production or cost savings	Flood attenuation / mitigation Regulation of base flows in rivers Groundwater recharge Soil stability Water purification in the natural environment Carbon sequestration etc.
Cultural services	Value that is derived from the use or appreciation of biodiversity /natural assets.	Spiritual Educational Cultural Recreational

		Existence Bequest etc.
Supporting services	Ecological processes that underlie or support the above three categories of services.	Process of making soils fertile Pollination (e.g. crop fertilisation) Pest control etc.

It is the municipality's responsibility to ensure the protection and sustainable use of this ecological services and natural assets. The Municipality's 2018 Integrated Environmental Management Plan also gives a clear picture of the status of the natural environment.

The Xhariep DM has initiated the process of reviewing the plan such that it addresses current challenges and trends experienced that are climate change related.

## 5. Xhariep DM Activities & Programmes

On an annual basis, the Xhariep District Municipality sets aside an operational budget for Environmental Education and Awareness Programmes, such include as well the celebration of Environmental Calendar Days such National Water Week, National Environment Month, National Wetlands Day, etc. Such programmes targets mainly community members and schools. These programmes play a pivotal role in increasing people's awareness and knowledge around environmental management and climate change.

## 6. Municipal Profiles

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

### 6.1 Air Quality

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 environmental aspect in the district. The National Environmental Management: Air Quality Act and its regulations provides the municipality with the duty of issuing air emission licenses (AELs) 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 are currently no facilities that trigger the regulations nor require the issuing of AELs. However, the District has the prerogative to require a facility to develop a Dustfall Monitoring Plan wherever it deems it necessary or has reason to believe dust emissions from activities exceed the required threshold.

### 6.2 Biodiversity Status

The Xhariep DM houses private game lodges throughout its jurisdiction which promote the conservation of green and natural resources through eco-tourism, game farming and various

other wildlife economy programmes. However, the municipality does not have a Biodiversity Management Plan nor any associated plans such as the Alien Invasive Species Eradication Plan to handle alien invasive species prevalent in the municipality.

### **6.3 Waste Management**

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 and in an informal manner. The profile study shows that these recycling groups require support, generally, in the form of funding, training, transportation, storage and sorting facilities, as well as electronic equipment such as baling machines, etc. The municipality works closely with the DFFE and SEDA on various capacity building/training programmes as well as other offerings from SEDA relevant for the recycling cooperatives. The DFFE intervened in 2022/23 financial year to assist reclaimers with protective clothing, and gloves to ensure their safety when handling waste in its different components.

#### **6.3.1 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. The DFFE LGS conducts an annual landfill site audit in order to provide a report to municipalities on the status of compliance to the NEM: Waste Act and associated Norms and Standards stipulated therein. 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 Closure License	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	DESTEa Waste License
Kopanong LM	Trompsburg Landfill Site	Solid Waste	WML/BAR/16/2012	Operational	License valid for 20 years	DESTEa Waste License
Kopanong LM	Springfontein Landfill Site	Solid Waste	WML/BAR/13/2012	Operational	License valid for 15 years	DESTEa Waste License
Kopanong LM	Phillipolis Landfill Site	Solid Waste	WML/BAR/17/2012	Operational	License valid for 15 years	DESTEa Waste License
Kopanong LM	Bethulie Landfill Site	Solid Waste	WML/BAR/14/2012	Operational	License valid for 15 years	DESTEa Waste License
Kopanong LM	Reddersburg Landfill Site	Solid Waste	WML/EIA/12/2012	Under Construction	License valid for 15 years	DESTEa 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	DESTEa 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 but to be closed	DWA Waste Permit
Letsemeng LM	Jacobsdal Landfill Site	Solid Waste	B33/2/350/32/P33	Operational	DWA Waste Permit

#### **Mohokare LM Landfill Sites**

<b>Local Municipality</b>	<b>Latitude</b>	<b>Longitude</b>	<b>Name of Facility</b>	<b>Type of waste stream</b>	<b>Licensed NR</b>	<b>Operational or Closed</b>	<b>Capacity of site</b>	<b>Source Documentation</b>
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	DESTEA Waste License
Mohokare LM	30° 13' 19" S	26° 32' 46" E	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
Mohokare LM	30° 18' 10.08" S	27° 05' 33.80" E	Zastron Landfill Site	General Waste	WML/BAR/03/2018	Closed		DESTEA Waste Management License

Below, is a work-plan of the DFFE: 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**

<b>NO</b>	<b>KEY PERFORMANCE AREA</b>	<b>WEIGHT%</b>	<b>KEY PERFORMANCE INDICATORS</b>	<b>ANNUAL TARGET</b>	<b>QUARTERLY TARGETS/ KEY ACTIVITIES</b>	<b>RESOURCE REQUIREMENTS/ ENABLING CONDITIONS</b>
1.	Facilitate the mainstreaming or	20	Conduct IDP analysis for the	Xhariep District IDP	Q1: Conduct IDP analysis for the District and Local	Office Equipment; Internet connection;

NO	KEY PERFORMANCE AREA	WEIGHT%	KEY PERFORMANCE INDICATORS	ANNUAL TARGET	QUARTERLY TARGETS/ KEY ACTIVITIES	RESOURCE REQUIREMENTS/ ENABLING CONDITIONS
	integration of environmental sustainability in the IDP across all environmental themes (Air Quality Management, Biodiversity and Conservation, Climate Change, Coastal Management, Integrated Environmental Management, Waste Management, etc.)		District and Local Municipalities informed by the municipal environmental mandates.	Analysis Report	Municipalities	Transport Cooperation from Municipalities, Province, DFFE Branches, COGTA& SALGA Funding, resource/ promotional materials
			Conduct Environmental Impact Assessment Project screening for municipal projects contained in the IDP.	Project Screening Report	Q1: Conduct EIA screening on municipal projects Xhariep District (To form part of the IDP Analysis Report)	
			Provide feedback to all municipalities on IDP analysis and recommendations for improvement.	Municipal Feedback Report	Q3: Provide feedback to all municipalities on IDP engagements	
			Participate in the IDP development processes in all municipalities in order to improve the IDP environmental credibility.	Evidence of participation in the IDP development processes in all municipalities in order to improve the IDP environmental credibility.	Q3-Q4 Participate in the IDP development processes in all municipalities.	

NO	KEY PERFORMANCE AREA	WEIGHT%	KEY PERFORMANCE INDICATORS	ANNUAL TARGET	QUARTERLY TARGETS/ KEY ACTIVITIES	RESOURCE REQUIREMENTS/ ENABLING CONDITIONS
			IDPs environnemental statues quo/ situational analysis prepared	IDPs environnemental status quo/ situation analysais	Q3-Q4 Support the preparation of environmental analysis chapters for municipal IDP's environmental status quo/ situation analysis	
2.	Facilitate and coordinate environmental capacity building.	15	Conducted environment capacity analysis in the District and Local Municipalities	Municipal Capacity Analysis report (DM & LM)	Q1: Monitoring of municipal environmental performance through assessment/analysis of municipal environmental capacity across all municipal environmental mandates (Air Quality, Biodiversity and Conservation, Climate Change, Coastal Management, Waste Management, etc.)	Office Equipment; Internet connection; Transport Cooperation from Municipalities, Province, DFFE Branches, COGTA& SALGA Funding, resource/ promotional materials
			Identification and capacity building initiatives	4 Capacity Building Initiatives Conducted in Xhariep (Annual Report)	Q1-Q4 Identification and facilitation/coordination of environmental capacity building initiatives in Air Quality Management, Biodiversity and Conservation, Climate Change, Integrated Environmental	

NO	KEY PERFORMANCE AREA	WEIGHT%	KEY PERFORMANCE INDICATORS	ANNUAL TARGET	QUARTERLY TARGETS/ KEY ACTIVITIES	RESOURCE REQUIREMENTS/ ENABLING CONDITIONS
					Management, Waste Management, etc.	
3.	Support environmental planning and management in municipalities	25	Number of municipal environmental sector plans developed or reviewed, , e.g., AQMP, Emission Reduction Strategies, Biodiversity Sector Plans, CCRP, IWMP, Waste disposal strategy CMP, Environmental outlook, etc.	One IWMP for the Letsemeng Local Municipality reviewed	Q1: Municipal inception meeting Q2: First draft Letsemeng LM IWMP Q3: Stakeholder consultation Q4: Final draft Letsemeng LM IWMP (Submitted to the municipality)	Office Equipment; Internet connection; Transport Cooperation from Municipalities, Province, DFFE Branches, COGTA & SALGA Funding, resource/ promotional materials
			Number of municipal environmental law-making instruments developed or reviewed, e.g., Air Quality Management bylaws, Waste bylaws, Model by-laws for the management of environmental impacts, etc	One Waste By-law for the Letsemeng Local Municipality developed	Q1: Municipal inception meeting Q2: First draft Letsemeng Local Municipality Waste By-law Q3: Stakeholder consultation Q4: Final draft Letsemeng Local Municipality Waste By-law (Submitted to the	



NO	KEY PERFORMANCE AREA	WEIGHT%	KEY PERFORMANCE INDICATORS	ANNUAL TARGET	QUARTERLY TARGETS/ KEY ACTIVITIES	RESOURCE REQUIREMENTS/ ENABLING CONDITIONS
					municipality	
			Report on municipal environmental licensing, permitting & registration activities facilitated or supported, e.g. AEL, Landfill Site Licensing, EIA comments on development within municipalities, EIA consideration on municipal projects.	Four quarterly report and evidence on support provided with respect to municipal environmental licensing, permitting & registration activities. (e.g. AEL, Landfill Site Licensing, EIA)	Q1 & Q4: Quarterly report Support on support provided with respect to municipal environmental licensing, permitting & registration activities on EIA comments	
			Number of reports on municipal environmental service provisions facilitated or supported, e.g. waste collection, response to emergencies & incidents, waste collection, waste disposal sites/facilities & transfer facilities,	Four quarterly reports on environmental service provisions supported, e.g. waste collection, response to emergencies & incidents, waste collection, waste disposal sites/facilities & transfer facilities, waste minimization,	Q1 – Q4: Quarterly report on environmental service provisions supported, e.g. waste collection, response to emergencies & incidents, waste collection, waste disposal sites/facilities & transfer facilities, waste minimization, Air quality services insofar as they relate to environmental health services, etc.	

NO	KEY PERFORMANCE AREA	WEIGHT%	KEY PERFORMANCE INDICATORS	ANNUAL TARGET	QUARTERLY TARGETS/ KEY ACTIVITIES	RESOURCE REQUIREMENTS/ ENABLING CONDITIONS
			waste minimization, Air quality services insofar as they relate to environmental health services, etc.	Air quality services insofar as they relate to environmental health services, etc.		
			Number of reports on municipal environmental monitoring and enforcement activities such as the EMI training, EMI enforcement across all thematic areas, monitoring of municipal EMI performance, issuing of directives,	Four quarterly reports on municipal environmental monitoring and enforcement activities	Q1–Q4: Quarterly reports on provided to municipalities in addressing their environmental monitoring and enforcement activities such as the designation of EMI, EMI training, EMI enforcement across all thematic areas, monitoring of municipal EMI performance, issuing of directives,  District EMI Local Authority Survey/ study questioners	
			Report of the	Annual report of the	Q1-Q4: Annual report of	

NO	KEY PERFORMANCE AREA	WEIGHT%	KEY PERFORMANCE INDICATORS	ANNUAL TARGET	QUARTERLY TARGETS/ KEY ACTIVITIES	RESOURCE REQUIREMENTS/ ENABLING CONDITIONS
			designated Air Quality Officer, Waste Management Officer, etc	designated Air Quality Officer, Waste Management Officer, etc	the designated Air Quality Officer, Waste Management Officer, etc	
			Number of reports on assisting and supporting municipalities when procuring and securing environmental infrastructure and equipment such as Landfill, Yellow Fleet, Air Quality Monitoring Stations, etc.	Four quarterly reports on assisting and supporting municipalities when procuring and securing environmental infrastructure and equipment such as Landfill, Yellow Fleet, Air Quality Monitoring Stations, etc.	Q1-Q2: Quarterly reports on assisting and supporting municipalities when procuring and securing environmental infrastructure and equipment such as Landfill, Yellow Fleet, Air Quality Monitoring Stations, etc.	
4.	Facilitate and coordinate environmental awareness initiatives.	10	Facilitate and coordinate municipal environmental advocacy and campaigns (clean-up campaigns, environmental calendar days and community/school environmental education and	Four environmental advocacy and campaigns (clean-up campaigns, environmental calendar days and community/school environmental education and awareness in support of	Q1-Q4: One environmental advocacy and campaigns (clean-up campaigns, environmental calendar days and community/school environmental education and awareness in support of municipality per quarter	Office Equipment; Internet connection; Transport Cooperation from Municipalities, Province, DFFE Branches, COGTA& SALGA & funding

NO	KEY PERFORMANCE AREA	WEIGHT%	KEY PERFORMANCE INDICATORS	ANNUAL TARGET	QUARTERLY TARGETS/ KEY ACTIVITIES	RESOURCE REQUIREMENTS/ ENABLING CONDITIONS
			awareness in support of municipality	municipality		
5.	Improve environmental governance systems within municipality.	20	Establishment and coordination of municipal environmental forums in response to legislative requirements and guided by municipal dynamics	Two biannual reports on municipal environmental governance forum meetings.	Q1-Q2: Establish /Convene / Support Municipal Environmental Governance Forum - Biannual report.  Q3-Q4: Convene / Support Municipal Environmental Governance Forum - Biannual report	Office Equipment; Internet connection; Transport Cooperation from Municipalities, Province & DFFE Branches
			Participate in provincial forums for both branch and sector	Quarterly support provincial forums for both branch and sector	Q1-Q4: Quarterly support provincial forums for both branch and sector	
			Municipal Environmental Organisational structure for environmental performance in municipalities	Environmental municipal organisational structure & job descriptions for one municipality	Q1-Q4: Assist municipalities to develop environmental municipal organizational structure & job descriptions for one municipality.	

NO	KEY PERFORMANCE AREA	WEIGHT%	KEY PERFORMANCE INDICATORS	ANNUAL TARGET	QUARTERLY TARGETS/ KEY ACTIVITIES	RESOURCE REQUIREMENTS/ ENABLING CONDITIONS
			developed	developed		
			Designation of relevant legislated positions such as Air Quality Officer, Waste Management Officer, Environment Management Inspectorate, etc.	Designation of relevant legislated positions such as Air Quality Officer, Waste Management Officer, Environment Management Inspectorate, etc.	Q1-Q4: Assist municipalities in the designation of relevant legislated positions such as Air Quality Officer, Waste Management Officer, Environment Management Inspectorate, etc.	
6.	Support the planning and implementation of Environmental Management programmes and projects in Municipalities	10	Consolidate and update Inventory of all Environment Projects in the municipality.	Project Inventory (DFFE & Municipalities)	Q1-Q4: Consolidated and update Inventory of all Environment Projects in the municipality quarterly	Office Equipment; Internet connection; Transport Cooperation from Municipalities, Province & DFFE Branches

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.
- **IGR Forums (Political & Technical)**

#### *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.

## **CHAPTER 3: FIVE (5) YEAR STRATEGIC GOALS AND INTERGOVERNMENTAL ALIGNMENT**

### **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 2024/25. 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 (KPA's) 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.

## **Municipal Overarching Strategy**

The Xhariep District Municipal Council acknowledges its constitutional responsibility and understands the importance of strong political leadership, sound administration and

financial management in the effective functioning of a municipality. It has therefore reaffirm its vision, mission and values.

### ***Vision, Mission, Values***

#### **VISION**

***“A community-oriented municipality, with a sustainable environment for business and economic opportunities”***

***(A Heart of Development with Opportunity for All)***

#### **MISSION**

- *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.*

#### **STRATEGIC GOALS**

1. *Provision of sustainable and accessible basic services to all.*
2. *Provide a safe, healthy environment.*
3. *Promote economic growth and job creation.*
4. *Promote good governance, organizational development and financial sustainability.*

#### **VALUES**

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

## 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.

## The IDP Strategic Approach and Alignment with all Spheres of Government

The development of IDP is underpinned by strategic international, national, provincial and local policies. The development objectives of these policy frameworks have influenced the development of the strategic direction of the municipality to ensure vertical and horizontal alignment. This report is also informed by relevant developmental policies depicted in the table.

### List of Policy Frameworks applicable to XDM

KEY POLICIES /STRATEGIES/ PLANS
<input type="checkbox"/> 17 Sustainable Development Goals (SDGs)
<input type="checkbox"/> Agenda 2063: Africa We Want
<input type="checkbox"/> Ruling Party Key Manifesto priorities
<input type="checkbox"/> Medium Term Strategic Framework (MTSF)
<input type="checkbox"/> National and Provincial Policy statements (State of the Nation Address (SONA), State of the Province Address (SOPA), State of the District Address (SODA) and Budget speeches)
<input type="checkbox"/> Local Government Strategic Agenda
<input type="checkbox"/> National Development Plan (Vision 2030)
<input type="checkbox"/> New Growth Path
<input type="checkbox"/> 12 National Outcomes (in particular Outcome 9)
<input type="checkbox"/> National Spatial Development Perspective (NSDP)
<input type="checkbox"/> Free State Spatial Development Framework
<input type="checkbox"/> Free State Growth and Development Plan (FSGDP)
<input type="checkbox"/> Local Government Back to Basics Strategy
<input type="checkbox"/> Municipal Integrated Development Plans
<input type="checkbox"/> Municipal Spatial Development Frameworks
<input type="checkbox"/> Xhariep District <b>Vision</b> and LMs Growth and Development Strategies
<input type="checkbox"/> District Development Model (One Plan, One Budget, One Approach)

### ***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?***

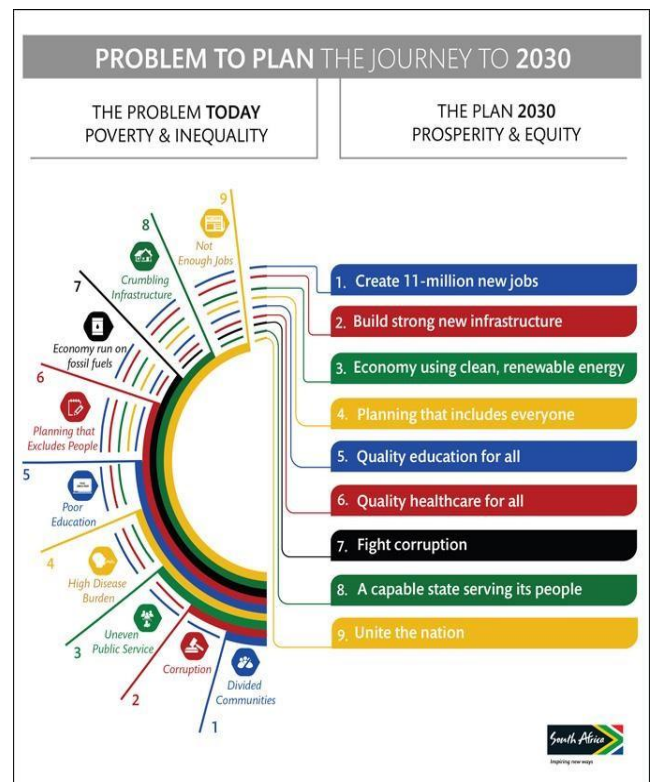


## National Development Plan (NDP): 2030

The National Development Plan aims to eliminate poverty and reduce inequality by 2030. South Africa has the potential and capacity to eliminate poverty and reduce inequality over the next two decades. This requires a new approach – one that moves from a passive citizenry receiving services from the State to one that systematically includes the socially and economically excluded, where people are active champions of their own development, and where government works effectively to develop people’s capabilities to lead the lives they desire.

**As a long-term strategic plan, the NDP serves four broad objectives:**

- Providing overarching goals for what we want to achieve by 2030.
- Building consensus on the key obstacles to achieving these goals and what needs to be done to overcome those obstacles.
- Providing a shared long-term strategic framework within which more detailed planning can take place in order to advance the long-term goals set out in the NDP.



- Creating a basis for making choices about how best to use limited resources.

**National Development Plan: Thematic focus areas:**

- Policy making in a complex environment
- Demographic trends
- Economy & employment
- Economy infrastructure – the foundation of social & economic development
- Environmental sustainability – an equitable transition to a low carbon economy
- An integrated and inclusive rural economy
- Transforming human settlement and the national space economy
- Positioning South Africa in the world
- Improving education, training & innovation
- Promoting health
- Social protection
- Building safer communities
- Building a capable and developmental state
- Fighting corruption
- Transforming society & uniting the country

**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.

***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.

### **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.

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

<i>Pillar</i>	<i>Basic indicators</i>
<b>1. Putting people first</b>  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"> <li>• The existence of the required number of functional Ward committees.</li> <li>• The percentage of ward committee's grants spent.</li> <li>• The number of council effective public participation programmes conducted.</li> <li>• The regularity of community satisfaction surveys carried out.</li> </ul>
<b>2. Delivering Basic Services</b>  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"> <li>• Develop fundable consolidated infrastructure plans.</li> <li>• Ensure Infrastructure development maintenance (7% OPEX) and reduce losses.</li> <li>• Ensure the provision of free basic services and the maintenance of indigent register.</li> </ul>
<b>3. Good Governance</b>  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"> <li>• The holding of Council meetings as legislated.</li> <li>• The functionality of oversight structures, Section 79/80 committees, audit committees and District IGR Forums.</li> <li>• Whether or not there has been progress following interventions over the last 3-5 years.</li> <li>• The existence and efficiency of Anti-Corruption measures.</li> <li>• The extent to which there is compliance with legislation and the enforcement of by laws.</li> <li>• The rate of service delivery protests and approaches to address them.</li> </ul>
<b>4. Sound Financial Management</b>  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"> <li>• The number disclaimers in the last 3-5 years.</li> <li>• Whether the budgets are cash backed.</li> <li>• The percentage revenue collected.</li> <li>• The extent to which debt is serviced.</li> <li>• The efficiency and functionality of supply chain management.</li> </ul>
<b>5. Building Capabilities</b>  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"> <li>• Ensuring that the top six post (Municipal Manager, Finance, Infrastructure Corporate Services, Community development and Development Planning) vacancies are filled by competent persons.</li> <li>• That the municipal organograms are realistic, underpinned by a service delivery model and affordable.</li> <li>• That there are implementable human resources development and management programmes.</li> <li>• There are sustained platforms to engage organised labour to minimize disputes and disruptions.</li> </ul>



## STATE OF THE NATION ADDRESS

His Excellency President Cyril Ramaphosa delivered the SONA to a Joint Sitting of the two houses of Parliament – the National Assembly and National Council of Provinces – at the Cape Town City Hall on Thursday, 9 February 2024.

### Priorities of 2024

- Growing the economy and jobs
- Building better lives
- Fighting corruption
- Making communities safer
- Making government work

### Key Issues

**National Health Insurance:** This means that every South African will have a right to access comprehensive healthcare services free of charge at the point of use at accredited health facilities such as clinics, hospitals and private health practitioners.

**Energy Actions:** Several new energy generation projects will be coming online over the next few years. This includes:

- Over 500 MW from the remaining projects in Bid Window 4 of the renewable energy programme, which are at advanced stages of construction.
- 2 600 MW from Bid Window 5 of the renewable energy programme, for which the preferred bidders were announced last year.
- Up to 800 MW from those risk mitigation power projects that are ready to proceed.
- 2 600 MW from Bid Window 6 of the renewal energy programme, which will soon be opened.
- 3 000 MW of gas power and 500 MW of battery storage, for which requests for proposals will be released later this year.
- An estimated 4 000 MW from embedded generation projects in the mining sector.
- Approximately 1 400 MW currently in the process of being secured by various municipalities.

**Water:** Government has also embarked on the process of institutional reform in capacitating the Department of Water and Sanitation (DWS) and reviewing water boards in as far as their mandates are concerned and ensuring that they serve municipalities in terms of the District Development Model (DDM).

**Economic Growth:** The Economic Reconstruction and Recovery Plan aims to build a new economy and unleash South Africa's true potential. The overarching

goal of the plan is to create sustainable, resilient and inclusive economy. It will focus on the following priority areas:

- Energy security.
- Industrial base to create jobs.
- Mass public employment programme.
- Infrastructure development.
- Macro-economic interventions.
- Green economy.
- Food security.
- Reviving the tourism sector.

### ***Plans for job creation***

- Jobs Plan – 2 500 job opportunities for the next five years
- Youth Employment Service
- Employment Tax Incentive
- SMME Funding Scheme
- Public-Private Growth Initiative
- Expanded Public Works Programme
- Clothing and Textiles Master Plan and Poultry Master Plan

***Education:*** The investments government make now in Early Child Development and early school learning will yield great economic benefits in the next two decades and beyond. There are immediate interventions that government is making to improve the quality and relevance of educational outcomes. It is making progress with the introduction of the three-stream curriculum model, heralding a fundamental shift in focus towards more vocational and technical education. Various technical vocational specialisations have already been introduced in 550 schools and 67 schools are now piloting the occupational stream.

***Fighting Crime:*** Crime remains a serious problem in South Africa and therefore a priority for government. Investment and growth require a safe, stable and crime-free environment. More importantly, it is fundamental to the aspirations of all people to live in security, peace and comfort.

Police visibility, effective training and better resourcing of police stations are government's priorities. Government has prioritized its response to the growing problem of criminal groups that extort money from construction and other businesses. Specialised units – bringing together the South African Police Service (SAPS) and the National Prosecuting Authority – are mandated to combat these crimes of economic disruption. To support the growth of the tourism industry, the SAPS will increase visibility at identified tourist attraction sites. It is training Tourism Safety Monitors and will establish a reserve police capacity to focus on the policing of tourist attraction areas.

**Land Reform:** The Department of Rural Development and Land Reform is strengthening integrated development to ensure that land access yields broader economic spin-offs. The department is also resolving systemic challenges which form barriers to the progress of beneficiaries. To support black farmers, preferential allocation of water rights, infrastructure provision and access to markets will be applied. In the 2023/24 financial year, Government intends to settle 1 151 land claims at a cost of R2 billion; and prioritize post settlement support on restituted farms, to the value of R700 million.

**Fighting Corruption:** There has been great progress in turning around law enforcement bodies, with critical leadership positions filled, improved cooperation and sharing of resources by law enforcement agencies, and implementation of the National Anti-Corruption Strategy. National Anti-Corruption Advisory Council members will be appointed shortly. Government has committed itself to having zero tolerance for and fighting corruption in all sectors of society.

## **STATE OF THE PROVINCE ADDRESS**

The Official Opening of the Free State Legislature took place on the 29th February 2024, during which the Premier presented the State of the Province Address. The State of the Province Address (SOPA) outlines key policy goals and deliverables for the coming year, as well as the provinces' effective response to the challenges met during the period under review.

### *Provincial Economic Outlook*

The Free State province still faces the battle of high unemployment and poverty rates. The recent fourth quarter labour force data shows a decline in the province's official unemployment rate, from 38.5 percent in the third quarter of 2023 to 37 percent in the fourth quarter of 2023, reflecting a decrease of 1.5 percentage point. On a positive front, the provincial economy is forecasted, in real terms, to grow by 0.1 percentage points to 1.1 percent in 2024, before rising to 2.1 percent in 2025.

Looking ahead into 2024, the projected growth for the Free State economy would rely on the performance of sectors such as Community Services, Finance, Trade, Manufacturing and Mining, which are expected to contribute sectoral growth of nearly 29.6 percent, 19.5 percent, 12.9 percent, 10.2 percent, and 9.8 percent respectively. On the other hand, the Transport and Agriculture sectors are forecasted to contribute growth of about 6.8 percent and 6 percent respectively to the provincial growth, whilst the Electricity sector is anticipated to only produce a growth of merely 2 percent.

### **Council Strategic Direction for 2021-26**

*The Municipal Systems Act requires that the municipality determine the following:*

- *a vision for the long-term development;*
- *development objectives for the elected term of the council (including its local economic development aims and its internal transformation needs);*
- *Development strategies, which are to be aligned with national, or provincial sector plans and planning requirements.*

## 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	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
End hunger, achieve food security and improved nutrition, and promote sustainable agriculture						
	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	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
			A skilled and capable workforce to support inclusive growth			
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						

### ***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"><li>• High quality of the natural environment</li><li>• Wide diversity of scenic landscapes</li><li>• Sought-after holiday and tourism destination (Gariep Dam, Tussen Die Revier)</li></ul>	<ul style="list-style-type: none"><li>• Limited availability of land hampers potential property developments</li><li>• Slow pace of land reform</li><li>• Inability to optimise the strategic and economic utilisation of municipal owned land and property</li><li>• Water shortage limits development potential</li><li>• Ineffective waste water treatment maintenance plan</li></ul>		
ECONOMY			
<ul style="list-style-type: none"><li>• Well maintained regional road transport infrastructure</li><li>• Strong domestic tourism destination brand aligned to the river mouth, mountains, and hospitality industry.</li><li>• Wool manufacturing, construction, agricultural, wholesale and retail industries have great potential</li><li>• Well-developed linkages to Cape Town and Port Elizabeth economies</li><li>• Competitive commercial and emerging farmers</li><li>• Facilitating economic opportunities for local entrepreneurs</li><li>• Regional Hospital</li><li>• Regional Taxi Rank</li><li>• Mining (Jagersfontein and Koffifontein)</li></ul>	<ul style="list-style-type: none"><li>• High level of inequality (wide gap between rich and poor)</li><li>• Limited progress with BBBEE at a local level</li><li>• Seasonality of the economy and employment</li><li>• Skills gap in basic business techniques</li><li>• Limited support to SMMEs</li><li>• High cost of land and property</li><li>• Relatively high rate of unemployment and poverty</li></ul>		
SOCIAL/CULTURAL			
<ul style="list-style-type: none"><li>• Diversity of local and international cultures with good international networks and economic linkages</li><li>• English, Afrikaans, and African languages medium schools</li><li>• Rural Conservation Guidelines and other strategies to maintain our cultural and architectural heritage</li><li>• Updated and reliable data available in the census 2011 report</li></ul>	<ul style="list-style-type: none"><li>• Inconsistent understanding of economic development objectives</li><li>• Increasing levels of drug related crime and crime induced poverty</li><li>• Increasing level of violence against women &amp; children</li><li>• Increasing incidence of HIV/Aids and TB</li><li>• High levels of alcohol &amp; substance abuse</li><li>• Dependency on social grants and wage income by the poor</li><li>• Low levels of labour force education</li><li>• Teenage pregnancies</li><li>• High drop-out rate in schools</li><li>• Increase in substance and alcohol abuse amongst youth</li></ul>		
INSTITUTIONAL			
<ul style="list-style-type: none"><li>• Few skilled individuals linked to business and municipal management</li><li>• Dynamic administrative leadership to drive the development agenda</li><li>• Highly skilled ex-professionals available to assist municipality (grey power)</li><li>• Functional libraries and museums</li><li>• Accessibility to good quality public facilities (Schools, Clinics)</li></ul>	<ul style="list-style-type: none"><li>• Relatively high wage bill inside the municipality</li><li>• Ageing infrastructure and limited resources available for effective maintenance programme</li><li>• Ability to attract highly skilled labour (excl. scarce skills)</li></ul>		
OPPORTUNITIES		THREADS	
NATURAL CAPITAL			
<ul style="list-style-type: none"><li>• Exploring of effective partnerships to enhance conservation of the natural environment</li></ul>	<ul style="list-style-type: none"><li>• Climate change impacting on existing agricultural production</li><li>• Unsustainable water supply</li><li>• Quality of drinking water</li><li>• Limited land and high cost of land</li></ul>		
ECONOMY			

<ul style="list-style-type: none"> <li>• Growth in both domestic and international tourism markets</li> <li>• Collaboration and improved coherence amongst established and emerging businesses</li> <li>• Volatile exchange rate</li> <li>• Narrowing agriculture profit margins Fluctuations in the tourism industry</li> <li>• Development oriented political and administrative leadership</li> <li>• Sound financial management &amp; viability</li> <li>• Optimal utilisation of municipal owned land and properties</li> </ul>	<ul style="list-style-type: none"> <li>• High level of inequality</li> <li>• Political dynamics</li> <li>• Civil unrest/regular protest action</li> <li>• Lack of unity within business (No Business Chambers)</li> <li>• Steep increase in land value (Trompsburg and surrounding areas)</li> <li>• Volatile exchange rate</li> <li>• Fluctuations in the tourism industry</li> <li>• Business property tax</li> <li>• High property tax and service charges</li> <li>• Limited access to adequate resources to achieve strategic objectives</li> <li>• Relatively high levels of poverty and unemployment</li> <li>• Increase in alcohol abuse and drug related crimes</li> <li>• Low skilled workers</li> <li>• Relatively high HIV/Aids and TB prevalence</li> </ul>
<b>SOCIAL/CULTURAL</b>	
<ul style="list-style-type: none"> <li>• Commitment to strengthening local government sphere</li> <li>• Integration of strategic planning processes (Strong IGR Structures)</li> <li>• Established effective intergovernmental relations</li> <li>• Effective communication platforms with the community (Mayoral Imbizo's)</li> </ul>	<ul style="list-style-type: none"> <li>• Unrealistic demand from residents for service delivery and infrastructure development</li> <li>• Limited resources to address the service delivery and infrastructure demands &amp; backlogs (Inadequate Equitable Share)</li> <li>• Worrying decrease in population (Migration)</li> </ul>
<b>INSTITUTIONAL</b>	
<ul style="list-style-type: none"> <li>• Expanded Public Worker Programme</li> <li>• SETA's and Learnerships</li> <li>• Good work ethics amongst staff and councillors</li> </ul>	<ul style="list-style-type: none"> <li>• Decreasing demand for low-skilled labour</li> <li>• Exploring of partnerships with private sector and NGO's to improve service delivery and facilitate development</li> </ul>

#### ***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.

### **Xhariep Strategic Objectives**

The following section alludes to the future intentions of the Xhariep District Municipality for the fifth cycle of IDPs, the 2024/2025 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
<b>SO 1</b> Create an inclusive, responsive, and healthy environment conducive for living and sustainable growth	<ul style="list-style-type: none"> <li>Water provision</li> <li>Provide Public Transport and Road Infrastructure</li> <li>Solid Waste Management</li> <li>Household Electricity and lighting</li> </ul>	<ul style="list-style-type: none"> <li>Water Quality</li> <li>Rural Road Asset Management System</li> <li>Solid Waste Management, Green Waste / Recycling / SWOP SHOPS / Refuse Dumping Sites, Waste to Energy Initiatives</li> <li>Coordinate Energy Forum in the district</li> </ul>

KEY PERFORMANCE AREA	SPATIAL DEVELOPMENT AND ENVIRONMENT	
STRATEGIC OBJECTIVES	FOCAL AREA	MUNICIPAL PROGRAMMES / ACTIVITIES / PROJECTS
<b>SO 2</b> To manage land-use and development in line with the Spatial Development Framework	<ul style="list-style-type: none"> <li>Land-use Management</li> </ul>	<ul style="list-style-type: none"> <li>To manage land-use and development in line with the Spatial Development Framework</li> <li>Develop Spatial Development Framework for the district</li> </ul>
<b>SO 3</b> To render efficient environmental health and disaster management services	<ul style="list-style-type: none"> <li>Cleaning Services</li> <li>Biodiversity Management</li> <li>Air Quality Management</li> <li>Disaster Management</li> </ul>	<ul style="list-style-type: none"> <li>Street Cleaning / Entrepreneur Cleaning Project and Public Open Spaces</li> <li>EPWP Projects / Cleaning Interventions / Deforestation / Clearing of Alien Vegetation</li> <li>Disaster Management / Disaster Management Plan</li> <li>Climate Change Response Strategy</li> <li>Firefighting and Rescue Services</li> <li>Road Safety Awareness</li> </ul>

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

		<ul style="list-style-type: none"> <li>○ Participate in Annual OR Tambo Games</li> </ul>
--	--	--

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

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

KEY PERFORMANCE AREA	MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	
STRATEGIC OBJECTIVES	FOCAL AREA	MUNICIPAL PROGRAMMES / ACTIVITIES / PROJECTS
<b>SO 7</b> To maintain a skilled, capable and diverse workforce in a good working environment	<ul style="list-style-type: none"> <li>○ Training and Development</li> <li>○ Employment Equity and Diversity Management</li> <li>○ Maintain Municipal Buildings</li> <li>○ Acquire and Maintain</li> </ul>	<ul style="list-style-type: none"> <li>○ Training and development through the adoption and implementation of the Work Skills Plan (WSP)</li> <li>○ Functioning of the Training Committee and Local Labour Forum (LLF)</li> </ul>

	assets Needed for Service Delivery	<ul style="list-style-type: none"> <li>○ Employment Equity Plan Administration, Implementation and Monitoring</li> <li>○ Recruitment and Selection</li> <li>○ Maintain, Replace or Acquisition of New Fleet or Furniture Tools and Equipment</li> </ul>
--	------------------------------------	---

KEY PERFORMANCE AREA	FINANCIAL VIABILITY AND MANAGEMENT	
STRATEGIC OBJECTIVES	FOCAL AREA	MUNICIPAL PROGRAMMES / ACTIVITIES / PROJECTS
<b>SO 8</b> Embed financial viability and sustainability through good financial management principles and practices	<ul style="list-style-type: none"> <li>○ Financial Management</li> <li>○ Supply Chain Management</li> </ul>	<ul style="list-style-type: none"> <li>○ Financial Management</li> <li>○ Operation Clean Audit</li> <li>○ CFO and BTO Office</li> <li>○ Income and Expenditure</li> <li>○ Supply Chain Management</li> <li>○ Insurance</li> <li>○ Asset Management</li> <li>○ Finance Capacity Building</li> <li>○ Intern Programme</li> </ul>

## 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 realize 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 2019-2024 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.

## Developmental Strategy Priority Issues

The municipal objectives and strategies should focus on the strategic intent of the municipality in achieving the vision and mission in line with the identified priority issues and program.

## Key Performance Areas, Strategic Objectives, Targets and Indicators

KPA: Basic Services and Infrastructure								
Strategic Goal : Provision of sustainable and accessible basic services to all								
Priority Issue	KPA Problem statement(s)	Strategic Objective	Measures		Target	Projects per KPA	Date/Time Frame	Programme Budget
			Baseline	Indicator				Total Projects Allocation
<b>Environmental Management</b> <b>Clean water, Cemeteries, Solid Waste Management</b>	Ineffective rendering of environmental managements services results in non-compliance to environmental legislation, negative climate change effects.	Plan, develop and maintain infrastructure and facilities.	Greening and planting of trees. Education and awareness programmes	Implementation of Air quality management plan, Climate change strategy, Environmental management plan, compliance to EIA regulation	All sector plans developed and implemented accordingly, continuous greening, compliance to EIA and	Development of Air quality management plan.  Development of Climate change adaptation and mitigation strategy  Development of Environmental Management plan	2024/25	
		Provide safe and healthy environment for the community.						
		Strategic support on the implementation of municipal programmes and projects						
<b>Sanitation</b>	Overloaded waste water treatment works and distribution networks	Development of sectoral plans					2024/25	
		Reduction of historical backlogs						
<b>Waste Management</b>	Rendering efficient and effective waste management services and integration of rural villages is a challenge for the municipality.	Implementation of IWMP	How landfilled sites, how many many licensed.	% household have access to waste collection/refuse removal	Close all landfill site and operate the Regional landfill site, servicing of house holds	Development of Regional Landfill sites, 1 transfer stations, Rehabilitation and closure of 2 dumping sites	2024/25	



	Lack of proper infrastructure and poor waste management system results in illegal dumping and pollution of our natural resources					Purchase of 50 skip bins per financial year Purchase of one compactor truck or Skip truck per financial year Review IWMP Gazette waste by-laws and implementation		
--	--	--	--	--	--	--	--	--

### KPA : Local Economic Development

**Strategic Goal: Promote economic growth and job creation**

Priority Issue	KPAs problem statement	Strategic Objectives	Measures		Target	Projects per KPA	Time frame	Projects Budget
			Baseline	Indicator				Total Projects Allocation
<b>Local Economic Development and Job Creation, SMME Development , Economic Development (investment)</b>	Ineffective and non-coordination of SMME's in the entire district	Facilitate investment and development of strategic infrastructure to unlock growth and job creation	Red-Tape Reduction SMME Development Tourism Development	Red-Tape Reduction  SMME Development  Tourism Development	LED Strategy developed and Implemented	Tourism Marketing and Development / Local Economic Development / SMME Development Informal Trading / Hawker Stands	2024/25	
<b>EPWP</b>	High percentage of unemployment		EPWP Grant	Number of jobs created through EPWP	% increase of jobs created	Cleaning & Greening (EPWP)	2024/25	

### KPA : Spatial and Community Development

**Strategic Goal: To establish economical, socially, environmentally sustainable integrated human settlements around Xhariep District Municipality**

Priority Issue	KPAs Problem Statement	Strategic Objectives	Measures		Target	Time frame	Projects per KPA	Budget
			Baseline	Indicator				

Licensing, Cultural services, Safety and Security, Human Settlements, Town planning, Social Programmes, Emergency Services and Youth Development,  Land Use Management	Control of land use is still a major problem in our local municipalities	Facilitate for the creation of a safe, secured, informed and healthy environment for the community  Plan and develop integrated and sustainable human settlements and rural areas. Coordinate sustainable social livelihood through developmental programmes	Draft Spatial Development Plan  Xhariep Rural Development Plan	Adopted the SDF for the entire district Council Resolution  Adopted Rural Development Plan	Complete SDF and Rural Development Plan	2023/24	<ul style="list-style-type: none"> <li>• Implementation of the SDF</li> <li>• Implementation of the Rural Development Plan</li> </ul>	
Business Licensing	Most businesses that operates within the municipality still operates without licences		Illegal Business Operation	45% of Businesses are licensed	All businesses operating within the municipality to be licensed		Implementation of the Informal Business Trading By-law	

Social Services							
Goal: Promote safe and healthy environment							
Priority Issue	KPAs problem statement	Strategic Objectives	Measures	Target	Projects per KPA	Time frame	Projects Budget

			Baseline	Indicator				Total Projects Allocation
Disaster Management and Emergency services	Poor response due to outdated information on the disaster management plan.	Implementation of Disaster Management plan		Review of Disaster Management plan and strategy	Rapid response to disaster and emergencies	Disaster relief materials Purchase of fire and rescue equipment	2024/25	
Culture and heritage	Poor maintenance of community halls and transport procurement	Implementation of public participation strategy	How many programmes implemented so far	Number of programmes to be implemented (Attendance Registers)	Inclusion of community members in culture and heritage activities	Culture events	2024/25	
Youth affairs	Unemployment and under development	Promote youth development, social cohesion and mainstream inclusion of gender and people with disabilities affairs	How many programmes implemented so far	Number of programmes to be implemented (Attendance Registers)	Youth development	Youth Imbizo	2024/25	
Mayoral Social Development Fund	Insufficient bursary allocation	Promote youth development, social cohesion and mainstream inclusion of gender and people with disabilities affairs	20 new bursaries awarded	Number of bursaries to be awarded	Producing of skilled personnel	Tertiary bursaries	2024/25	
Disability Affairs	Unemployment, poor education and coordination	Promote youth development, social cohesion and mainstream	How many programmes implemented so far	Number of programmes to be implemented	Inclusion of community members in programmes	<ul style="list-style-type: none"> <li>Disability Forum</li> <li>Awareness campaigns</li> <li>District Aids Council</li> </ul>	2024/25	

### KPA: Municipal Institutional Development and Transformation

#### Strategic Goal: Promote good governance, organizational development and financial sustainability

Priority Issue	KPA Problem statement	Strategic Objective	Measures		Target	Projects per KPA	Date	Programme Budget
			Baseline	Indicator				Total Projects Allocation

Human Capital, Labour Relations, HR Skills Development, Recruitment and Retention and Policy Development	Review of WSP in order to capacitate employees and councilors	Develop and enhance human capital Services to maximize service delivery  Sustain good corporate governance through effective and accountable clean administration	WSP is reviewed annually to identify employee needs or gaps in order to address them	% of performing employees contributing to productivity	% of employees	Capacity building workshops or training	2024/25		
Training and Skills Development									
KPA: Municipal Institutional Development and Transformation									
Strategic Goal: Promote good governance, organizational development and financial sustainability									
Priority Issue	KPA statement	Problem	Strategic Objective	Measures		Target	Projects per KPA	Date	Programme Budget
				Baseline	Indicator				Total Projects Allocation
Organisational Infrastructure	Municipal Organogram is bloated needs to be reviewed		Alignment of the organisational structure to the IDP	Organogram is annually reviewed. Critical posts have been identified to be filled	Filling of critical posts and reduction of Organogram	100% filling of posts and having productive employees	Filling of posts  Review of Organogram	2024/25	
The litigation issues. Litigation and legal advisory support	The litigation and contracts.		To render legal advice. To render the legal admin support.	Four litigation reports per year. Four contract registers per year.	Four litigation reports to be submitted per year. Four contract registers per year.			Yearly	

Auxiliary Support Services	<ul style="list-style-type: none"> <li>Insufficient airtime allocation to employees</li> <li>Reviewal of Printing and stationery contract</li> <li>poor internet bandwidth</li> <li>Hygiene systems not in place</li> </ul>	To provide support to all offices	Contract in place For telephones for Employees  Telephone fax not working and	<ul style="list-style-type: none"> <li>Availability of contract and cell phones</li> <li>Availability of printing and stationery</li> <li>Functionality of telephone fax and internet</li> <li>Availability of cleaning materials</li> </ul>	Effective communication Effective working condition To improve communications  Clean, safe and healthy environment	<ul style="list-style-type: none"> <li>Cell phone contract</li> <li>Printing and stationery</li> <li>Telephone fax internet</li> <li>Cleaning materials</li> </ul>	2024/25	
----------------------------	---	-----------------------------------	--	--	--	--	---------	--

### ewKPA: Municipal Institutional Development and Transformation

#### Strategic Goal: Promote good governance, organizational development and financial sustainability

Priority Issue	KPA Problem statement	Strategic Objective	Measures		Target	Projects per KPA	Date	Programme Budget
			Baseline	Indicator				Total Projects Allocation
Occupational Health and Safety	Non compliance to OHS Act 85 of 1993 and applicable regulations	Provide support to municipal offices	Lack of implementation of OHS policy.	% compliance to OHS Act and conformance of policy	% compliance to Act and policies	<ul style="list-style-type: none"> <li>Purchasing of protective clothing</li> <li>Medical assessments for employees</li> <li>Safety inductions</li> <li>Awareness programmes</li> </ul>	2024/25	

Auxiliary-Records Management	Lack filling cabins Improper renewal of postal services	<ul style="list-style-type: none"> <li>Implementation of communication strategy.</li> <li>To provide support to local municipal offices</li> </ul>	<ul style="list-style-type: none"> <li>Improper renewal of post bags by other sections without contacting registry section.</li> <li>Inadequate space to put more filling</li> </ul>	<ul style="list-style-type: none"> <li>Availability of postal bags.</li> <li>Availability of installed mobile cabins.</li> </ul>	<ul style="list-style-type: none"> <li>Proper filing system in place.</li> <li>Effective postal services for the institution</li> </ul>	<ul style="list-style-type: none"> <li>Postage filling cabins.</li> <li>Electronic record system</li> </ul>	2024/25	
<b>KPA: Municipal Institutional Development and Transformation</b>								
<b>Strategic Goal: Promote good governance, organizational development and financial sustainability</b>								
Priority Issue	KPA Problem statement	Strategic Objective	Measures		Target	Projects per KPA	Date	Programme Budget
			Baseline	Indicator				Total Projects Allocation
			cabins for proper record system.					
Fleet management	Shortage of fleet assets	Provide support to Municipal offices	XDM offices operate at a shortage of fleet assets	Number of fleet purchased	How many vehicles	Purchase and maintenance of municipal vehicles	2024/25	
Information and Communication Technology	The need exists to provide an effective and user friendly ICT environment that is guided by IT Policies and Frameworks.	To deliver and implement effective Corporate Governance of ICT	%	% Implementation of the Local Municipality ICT strategy based on the IDP	100 % implementation of ICT Governance Framework  Number of Structured engagement with strategic ICT Stakeholders  % Development of a Broadband	ICT GOVERNANCE (Implementation of ICT Governance Framework)  HR DEVELOPMENT BASED ON ICT SKILLS (ICT Skills Training BROADBAND CONNECTIVITY (Phased)	2024/25	

### KPA: Institutional Transformation and Development

#### KPA: Municipal Institutional Development and Transformation

Strategic Goal: Promote good governance, organizational development and financial sustainability	KPA statement	Problem	Strategic Objective	Measures		Target	Projects per KPA	Date	Programme Budget
				Baseline	Indicator				Total Projects Allocation
						Connectivity Strategy	Implementation approach of the Provincial Broadband Connectivity)		

### KPA: Good governance and public participation

#### Strategic Goal : Promote Good Governance

#### Building a modern, innovative and performance driven municipality

Priority Issue	KPA statement	problem	Strategic Objectives	Measures		Target	Projects per KPA	Date	Programme Budget
				Baseline	Indicator				Total Projects Allocation
Integrated Development Plan	Implementation of all prioritized projects and programmes		Improve the IDP, budget and SDBIP planning process	Municipal IDP is reviewed annually as per legislation	Implementation of IDP priorities	Credible and implementable IDP	Review of IDP annually	2024/25	

### KPA: Good Governance & Public Participation

#### Strategic Goal : Promote Good Governance

#### Building a modern, innovative and performance driven municipality

Priority Issue	KPA statement	problem	Strategic Objectives	Measures		Target	Projects per KPA	Date	Programme Budget
----------------	---------------	---------	----------------------	----------	--	--------	------------------	------	------------------

			Baseline	Indicator				Total Projects Allocation
		Implementation of IDP priorities						
Communications	Most if not all municipal communications/documents are in English, hence some segment of the target audience do not receive or comprehend the information due to the language barrier. Response time by Officials/municipality is not adequate. We take long time to respond to complaints(protest memorandum etc)	Implementation of communication strategy.  Implementation of communication policy.  Implementation of public participation strategy.	Communication strategy in place.  Complaints management committee in place and functional. Complaints/compliment/suggestions boxes installed in all municipal work stations (regional offices, libraries).  Dedicates officials dealing with complaints appointed.	Implemented communication strategy	Issue municipal communication in all spoken languages within the municipal area.  Improve on distribution of municipal newsletter to cover all cover all areas like high schools, health centers, hospitals, courts, police station, government department, all municipal offices, libraries,	<ul style="list-style-type: none"> <li>Municipal Newsletter</li> <li>Municipal website</li> <li>Branding of the municipality</li> </ul>	2024/25	
KPA: Good Governance & Public Participation								
Strategic Goal : Promote Good Governance Building a modern, innovative and performance driven municipality								
Priority Issue	KPA statement	problem	Strategic Objectives	Measures		Target	Projects per KPA	Date
				Baseline	Indicator			Programme Budget
								Total Projects Allocation



					shopping center etc. • Intensify/improve on the use of a community or local newspaper.  • Intensify the use of social media targeting the youth. • Regularly issuing posters and or flyers to councilors, and ward committees about service delivery updates.			
Risk Management	Every year the municipality prepares its strategic & operational risk	Ensure risk management activities are fully integrated into	The municipality is in the process of finalizing its 2022/2023 strategic & operational risk assessments	Adherence and compliance on relevant legislations	Complete strategic & Operation	Update and implement risk registers	2024/25	
<b>KPA: Good Governance &amp; Public Participation</b>								
<b>Strategic Goal : Promote Good Governance Building a modern, innovative and performance driven municipality</b>								
Priority Issue	KPA problem statement	Strategic Objectives	Measures		Target	Projects per KPA	Date	Programme Budget
			Baseline	Indicator				Total Projects Allocation

	assessments	planning, monitoring and reporting processes			risk assessment on time	Ensure availability of action plans Provide reports to relevant stakeholders (e.g. Risk Management, Audit committee, Council , National & Provincial treasury		
Internal Audit	Non-compliance to audit reports	To provide an assurance that the internal control, risk and governance process within the Municipality are adequate and effective.	Three years rolling plan and annual Internal audit plan developed	Full implementation of internal audit plan	Report to Audit Committee on quarterly basis	Implementation of Audit recommendations/findings  Audit Committee reporting to Council on quarterly basis.	2024/25	
<b>KPA: Good Governance &amp; Public Participation</b>								
<b>Strategic Goal : Promote Good Governance Building a modern, innovative and performance driven municipality</b>								
Priority Issue	KPA statement	Strategic Objectives	Measures		Target	Projects per KPA	Date	Programme Budget
			Baseline	Indicator				Total Projects Allocation

Performance Management Systems	Alignment of performance targets of senior manager with lower level not effectively implemented.  The SDBIP is meant to implement the IDP priorities and if not aligned with the IDP certain projects may not be implemented. IDP wish list should be minimized to the budgeted projects only.	To implement XDM municipality PMS Framework  Monitoring the implementation of SDBIP & IDP.	<ul style="list-style-type: none"> <li>PMS Implemented since 2007</li> <li>SDBIP &amp; IDP 2023/4 aligned.</li> </ul>	Constant/quarterly monitoring the implementation of PMS.  Development of SDBIP & IDP timeously.  Monitoring & evaluation of score cards for submission to Internal Audit	Constant/quarterly monitoring the implementation of PMS  Develop a compliant SDBIP within 28 days	quarterly Yearly/ annually	Automation Machine  Performance Bonuses	
Public participation	Outdated public participation strategy	Implementation of public participation strategy	Strategy is outdated	Reviewed strategy	Effective public participation	2024/25	Review of public participation strategy	

### KPA: Good Governance & Public Participation

#### Strategic Goal : Promote Good Governance Building a modern, innovative and performance driven municipality

Priority [Programme]	Issue	Objective	Measures		Target	Date	Programme Budget	
			Output	Outcome			Total Allocation	Pro
Public Participation and Good Governance		Improve public participation to enhance good governance	Accountability to the public	Improved reporting on the Annual Performance Report and the outcome of the AG	100% accountability to the Public	Yearly		

### KPA: Financial Viability & Management

#### Strategic Goal: Promote good governance, organizational development and financial sustainability

Priority Issue	KPA statement	Problem	Strategic Objective	Measures	Target	Projects per KPA	Date	Programme Budget
----------------	---------------	---------	---------------------	----------	--------	------------------	------	------------------

			Baseline	Indicator					
Accounting and reporting	Non -compliance with reporting framework	To manage the finances of the municipality to ensure financial viability.  Continue with accountable and developmental orientated monetary management to sustain a sound fiduciary position.	GRAP compliant AFS and reduced audit findings	Preparation of AFS on an accrual basis that are GRAP compliant	GRAP compliant AFS	AFS & REPORTING	31 August 2024		
Budget Management	90% Government dependents		90% government grants dependence	% government grants dependence	%	Improve own revenue collection	2024/25		
Revenue Management	Revenue collection is low at %	Implementation of revenue enhancement strategy	Revenue collection is below %	% increase in revenue collection	To increase collection by %	Appointment of debt collectors	2024/25	Internally driven	
KPA: Financial Viability & Management									
Strategic Goal: Promote good governance, organizational development and financial sustainability									
Priority Issue	KPA statement	Problem	Strategic Objective	Measures		Target	Projects per KPA	Date	Programme Budget
				Baseline	Indicator				Total Projects Allocation
							Implement credit control effective		
Expenditure	Failure to pay creditors within 30 days based on MFMA requirements	Adherence to financial regulations, policies and other relevant legislative frameworks	Procedures have been developed to ensure timeous movement of documents from SCM to Creditors for payment	Payment to all creditors within the prescribed period	All payments should be done within 30 days from the date of invoice	Adherence to internal control procedures	2024/25		

Supply Chain Management	Non-compliance with the SCM policy and Treasury circulars and guidelines	Adherence to financial regulations, policies and other relevant legislative frameworks	Compliance with all the guidelines, circulars and SCM policies	Avoid irregular expenditures on all appointments	Avoid irregular expenditures on all appointments	Adherence to internal controls	2024/25	
Assets	Safe guarding of assets, Accounting and control	Adherence to financial regulations, policies and other relevant legislative frameworks	GRAP compliant FAR	Number of GRAP compliant FAR	1 GRAP compliant FAR	31 August	2024/25	

### ***District Development Model – One Plan***

District Development Model (One Plan)	
DDM Goals	Xhariep KPAs
Demographic / People Development	KPA 1: Infrastructure Development and Service Delivery
Economic Positioning	KPA 3: Local Economic Development
Spatial Restructuring and Environment Development	KPA 2 : Spatial and Community Development
Infrastructure Development	KPA 1: Infrastructure Development and Service Delivery
Integrated Service Provision	KPA 1: Infrastructure Development and Service Delivery KPA 2 : Spatial and Community Development
Governance Development	KPA 4: Municipal Institutional Development and Transformation
	KPA 5: Financial Viability and Management

XDM Key IDP Strategic Objectives		XDM 2030 Growth & Development Strategy: Key Strategic Levers	FS Growth & Development Plan Key Pillars	National Development Plan (NDP)	Back to Basics Strategy Key Performance Areas	District Development Model- Towards the development of the One Plan
Plan and develop integrated and sustainable human settlements and rural areas		Spatial, Land and Environmental Development	Sustainable rural development	Transforming Human Settlements	Basic  Creating decent living conditions	Integrated Service Provisioning / Spatial Restructuring and Economic Positioning
		Disaster Management Function		Environmental sustainability resilience		
Plan, develop and maintain infrastructure and facilities.						
Plan, develop and maintain infrastructure and facilities.		Infrastructure Development	Improved quality of life	Economic infrastructure		Infrastructure Delivery/  Spatial Restructuring and Economic Positioning
			Build social cohesion	Economy and Employment		
Facilitate investment and development of strategic infrastructure to unlock growth and job creation		Economic Growth and Development	Inclusive economic growth and sustainable job creation			
Continue with accountable and developmental orientated monetary management to sustain a sound fiduciary position.		Good Governance	Good governance	Fighting corruption	Financial Management	Governance, Leadership and Financial Management
To increase the capacity of the district to deliver its Mandate		Education and Skills Development	Education, innovation and skills development	Improving education, training and innovation	Institutional capacity	Governance Leadership
					Good governance	

	Good Governance	Good governance	Building a capable and developmental state  Positioning South Africa in the region and the world	Public participation	
		Build social cohesion			

### Alignment to National and Provincial Policies and Plans

A core element of an IDP is to ensure alignment of the municipality's development objectives to national and provincial policies and plans. The table below provide an indication of alignment to:

- National KPAs for Municipalities & Back to Basics
- National Development Plan and Medium-Term Strategic Framework
- Integrated Rural Development Plan
- Growing Free State Together
- Xhariep IDP and District Development Model One Plan

### Table: Alignment of the District Development Model (One Plan) with XDM Key Strategic Priorities, XDM GDS Key Levers, FSGDP, NDP and Back to Basics

As illustrated above, 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.

**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.





## **CHAPTER 4: PUBLIC PARTICIPATION AND INTERGOVERNMENTAL RELATIONS**

Section 152(1) of the Constitution of the Republic of South Africa, Act 108 of 1996, determines that the objects of local government are to provide democratic and accountable government for local communities; to ensure the provision of services to communities in a sustainable manner; to promote social and economic development; to promote a safe and healthy environment; and, to encourage the involvement of communities and community organizations in the matters of local government. The municipality will follow the same consultation process of the 4<sup>th</sup> Generation IDP to involve the community with the development of the 5<sup>th</sup> Generation IDP Process.

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 2025/2021 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.

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 2024/2025 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 2024/5 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 2024/25 draft IDP review;
- Provide an overview of the 2024/25 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.

***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:

<b><i>Forum / Council</i></b>	<b><i>Frequency</i></b>	<b><i>Responsibility</i></b>
Municipals Managers Forum	Quarterly	Municipal Manager
SALGA working groups	Quarterly	Director/Delegated official and Portfolio Councillor specific to working group
District Coordinating Forum (IGR)	Quarterly	Mayor

Forums)		
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 Corporate 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:

### ***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.

- 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.

Our biggest challenge lies in improving the participation of our community in all aspects of municipal governance. We have also initiated a municipal newsletter as well as on social media (Facebook Page) by our communication department.

During the compilation of the 2024/25 IDP, the Council undertook their public participation in the following areas.

<b>INTEGRATED DEVELOPMENT PLAN PUBLIC PARTICIPATION ROADSHOWS – XHARIEP DISTRICT</b>		
<b>DATE</b>	<b>TOWN/VENUE</b>	<b>RESPONSIBILITY</b>
11 April 2024	Rouxville	Executive Mayor, MMC's, Councillors, Municipal Manager & Senior Management
12 April 2024	Petrusburg	Executive Mayor, MMC's, Councillors, Municipal Manager & Senior Management
17 April 2024	Gariep Dam	Executive Mayor, MMC's, Councillors, Municipal Manager & Senior Management

Comments from the communities are summarised as follows:

- Local economic growth and job creation should be a priority in the district
- Community members in Rouxville showed appreciation regarding the building of the special school
- Youth development should remain a priority in the district, more funds must be allocated for the development of youth
- Access to clean, safe water and sanitation remains a problem in the communities
- There is a need for mobile clinic trucks to assist people living in farms
- Most of the municipal roads are in bad condition
- Alcohol and drug abuse it's a huge challenge in our communities, recreational projects could be the solution.
- There is a need for improvement in terms of municipal service delivery
- There is a need for agricultural development in the district
- Feedback regarding the municipal expenditure and projects is very important
- Street lights need to be fixed
- Good health and hygiene of the community is compromised by use of pit toilets

### **Ward Committees and Community Development Workers**

Within our local municipalities there are ward committee structures that are envisaged to narrow the gap between the municipality and communities, since ward committees have the knowledge and understanding of the citizens and communities

they represent. Ward Committees are also seen as mechanisms to strengthen the capacity of communities and thus deepen public participation.

The municipality also utilises CDWs as another form of link in accessing communities in relation to community development initiatives/programmes. Whilst the CDWs are regarded as the link between government and the community, there are still communities especially the majority of people who fall in the poorer segment of the population that are unable to access the full potential of the municipality programmes.

### **Communication and Stakeholder Liaison**

The approach to government communication takes its cue from the constitutional imperative of freedom of information and the objectives of building a truly democratic state.

This requires government to maintain continued interaction with the people to be able to understand their needs. This type of communication will enhance an informed and appropriate response to people's needs to enable the community to become active and conscious participants in social transformation.

A fundamental need of government communication is to reach the majority of the population, especially the disadvantaged and those previously marginalized from all forms and channels of communication.

### **Communication platforms**

#### **Print and electronic media**

Local newspapers and radio stations are being utilised to disseminate information and ensure widespread and conducive stakeholder participation.

#### **Web page on [www.xhariep.gov.za](http://www.xhariep.gov.za)**

The XDM website provide the community with easily accessible online information on service delivery matters, services, programmes, upcoming events and promote the municipality's corporate image.

#### **Local Communicators Forum**

Quarterly engagement meetings with locally based Government Departments and parastatals are held – Labour, SASSA, Cogta, Stats SA, Home Affairs, Eskom, etc.

#### **Publications**

The municipality's marketing and communication publications- brochures, newsletters, reports, magazines, newspapers – are based on the plans and goals of the municipality for a particular financial year. They are based on public benefit or if the public requires specific information that is best communicated through a publication.

## **Media briefings and interactions**

Media briefings are held to communicate visible achievement of milestones on service delivery which have a direct impact on the community.

## **Notice Board**

Official notice boards are utilized to deliver key messages to staff and members of the public at low cost.

## **Administration services**

For the Council to achieve its goal and objectives, it needs effective and efficient support services in relation to committee service & support services. The Administration Section therefore is committed to render and act as custodian of Council's administrative support services.

This Section will commit to do the following:

- To continue compiling good quality reports to Council, Mayoral Committee & Council Committees, implement and facilitate the process of ensuring the passing of resolutions and ensure all Council Resolutions are minuted.
- To ensure effective, accountable administration and monitor and report the implementation of Council Resolutions.

## **Legal services**

The legal division intends to conduct legal audit on all legislation having an impact on the municipality in the next financial year to be able to strictly monitor compliance each relevant department and to be able to render the professional legal advice.

The unit commits to execute the following:

- Ensure more effective, accountable and clean local government that works together with national and provincial government.
- The Council Fraud Prevention Policy will be continuously updated and diligently implemented.
- Service Standards for all municipal services will be compiled, published and applied as far possible.

## ***The municipality has also developed the following registers:***

- Contract register – with the intention of properly following up on all the contracts and monitoring compliance thereof.
- Municipal code & policy register – to keep record of all municipal by – laws & policies.



## **Performance Management System (PMS) and Integrated Development Plan (IDP)**

Planning in XDM is regarded as a vital tool to ensure the integration of municipal activities with other sectors of development planning at different levels by serving as a basis for communication and interaction. The IDP and PMS serve as the basis for engagement between the council and the community, various stakeholders and interest groups. The municipality strives to remain a participatory and accountable government to all by ensuring proper planning, utilization of resources and performance management.

### **Risk management**

Section 62(1) (c) (i) of the Municipal Finance Management Act compels the accounting officer to establish and maintain, among others, a system of managing risks faced by the municipality. The XDM has in place a system of risk management for the municipality to provide some assurance that risks across all functions and levels, that may have an impact on the achievement of objectives, are adequately and proactively anticipated and mitigated.

Risk Management processes are coordinated, supported and championed by the Risk Management Department, led by the Chief Risk Officer. The governance model of operation of the XDM's systems of managing risk a decentralized one, wherein departments are responsible for performing risk identification, evaluation, mitigation and reporting processes.

XDM has in place a shared service of Risk Management Committee and Audit Committee. The Risk Management Committee, which comprises of independent external members, is responsible for overseeing enterprise wide risk management of the municipality. XDM Audit Committee also supports the Risk Management Committee in its risk oversight role.

The effective management of risk is prioritised to ensure that business risks across the organisation are identified and managed on an ongoing basis for the achievement of the municipality's "the number one African city in service delivery and good governance". The risk categories have been aligned to the strategic objectives in order to identify those risks that directly affect and/or impede the municipality's ability to achieve those strategic and business objectives.

During the risk assessment process, management took into account the following five (5) key performance areas (KPAs):

- KPA 1: Good Governance and Public Participation
- KPA 2: Municipal Transformation and Organisational Development
- KPA 3: Financial Viability
- KPA 4: Local Economic Development
- KPA 5: Service Delivery and Infrastructure Development
- KPA 6: Spatial and Community Development

Risk management in the municipality is guided and monitored by various committees at Council and administrative levels. These committees include the Executive Management Committee, Risk Management Committee, and the Audit Committee. Additionally, the municipality appointed a Risk Officer as part of the reasonable steps taken to maintain an effective, efficient, and transparent system of financial and general risk management.

Council has adopted Risk Management enablers, the Risk Management Policy, Strategy, implementation Plan, Fraud Prevention and response plan, Whistleblowing policy and Risk registers (strategic and operational) that enable management to proactively identify and respond appropriately to all significant risks that could impact business objectives. In line with the approved Risk Management Policy and Strategy, a top-down and bottom up approach has been adopted in developing the risk profiles of the organisation. The results of the strategic and operational assessments were used to compile a risk register.

### **Audit and Performance Audit Committee**

- The Municipality has appointed an Audit and Performance Audit Committee (APAC) through a Shared Model. The roles and responsibilities of the committee in respect of the IDP are amongst others is to :
  - Play advisory role to the Municipal, Council, Accounting Officer, Executive Management on effective governance process and compliance with any applicable legislation for example MFMA, MSA and Spatial Development.
  - Oversee good governance practices within municipality including control environment and risk management systems.
  - Review as to whether the 3 Year Rolling Strategic Audit objectives which are aligned to the IDP objectives.
  - Review the process followed in drafting the integrated development plan.
  - Review the implementation of the integrated development plan
  - Review the content of the integrated development plan.
  - Review the municipality's performance in relation to the KPIs and the targets of the municipality.
  - Assess/Evaluate performance of section 56 employees in relation to IDP KPI's
  - Report to the Audit Committee and Council on the results of the above-mentioned responsibilities

### **Internal Audit**

Internal Audit Function provide an independent, objective Assurance and Consulting Services that add value and improve the municipality's operations. The Function assist the Municipality to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. The

Function evaluate risk exposures relating to the Municipality's governance, operations, and information systems regarding the:

- Reliability and integrity of financial and operational information;
- Effectiveness and efficiency of operations;
- Safeguarding of assets; and
- Compliance with laws, regulations, and contracts.

The below legislations and prescripts underpins the establishment of the function:

- Municipal Finance Management Act No. 56 of 2003 section 165;
- Internal Audit Framework (IAF) National Treasury Republic of South Africa March 2009 (2nd Edition) section 3;
- International Standards for the Professional Practice Standards effective January 2017; and
- King III and IV Code Governance Reports.

The internal audit function report administratively to the Accounting Officer (Municipal Manager) and functionally to the Audit Committee on the following Policies and Procedures as approved by the Audit Committee and Council:

### **Internal Audit Charter**

- The International Standards for the Professional Practice of Internal Audit, Standard 1000 requires the purpose, authority and responsibilities of the internal audit activities to be formally defined in an Internal Audit Charter.
- The internal audit activity, with strict accountability for confidentiality and safeguarding records and information, is authorized full, free, and unrestricted access to any and all of organization records, physical properties, and personnel pertinent to carrying out any engagement.
- Furthermore the Internal Audit Charter requires that all employees be requested to assist the internal audit activity in fulfilling its roles and responsibilities. The internal audit activity will also have free and unrestricted access to the Council.
- The Charter set out the nature, role, responsibility, status and authority of Internal Audit Function within the Municipality, and to outline the scope of the internal audit work.

### **Internal Audit Methodology**

- Establish a standard methodology for conducting internal audit reviews as required in terms of section 165 & 166 of the Municipal Finance Management Act (MFMA), the Treasury Regulations, and to comply with the International Standards for the Professional Practice of Internal Auditing (ISPPA).

- The Methodology is applicable to all audit reviews except those conducted by specialized audit functions.
- The Methodology is modelled on International Standards for the Professional Practice of Internal Auditing (ISPPIA) guidelines.
- The guide must be used in conjunction with all other relevant policy documents, for example, the ISPPIA, Internal Audit Charter and Audit Committee Charter although the scope and nature of the system being audited may differ substantially from one audit to the next, this methodology must be applied to the adequate and effective review of all systems of internal control.
- The manual document in detail the internal audit policies and procedures on the activity. Serve as a useful guide to the internal audit staff in respect of their responsibilities, approach and authorities to conduct effective internal audits and communicate audit results to relevant stakeholders.
- The Internal Audit Methodology use the documentation as a basis for internal initiatives for the improvement of systems and improving internal control procedures.

### **Three-year rolling and annual internal audit plan**

- Risk based audit plan outline in detail to the Municipal Manager and the Audit Committee the areas which will be reviewed by Internal Audit Function.
- The plan is a product of the risk assessment performed by Risk Management Function and internal audit function identify audit universe based on most significant risk areas and that's where an annual engagement focus is derived.
- Statutory requirement such as MFMA section 165 i.e. Performance Management, Loss Control are also identified categorically.
- The plan is regularly reviewed and updated to maintain its relevance and it should be approved by the Audit Committee prior to the execution of Internal Audit fieldwork.
- The Plan is also an important tool to manage the internal audit activity to communicate planned internal audit activities to other interested parties (i.e. Auditor-General of South Africa) and to measure the performance of the internal audit activity on a periodic basis.
- The approach to internal audit will be flexible and where necessary the planned approach can be adjusted to take account of any special requests by Management and Audit Committee.
- The detailed scope and timing of the work will be agreed upon by the Audit Committee and the Municipal Manager and the focus of the planned projects can be amended and/or projects removed from the plan to take account of special requests.

### **Combined Assurance Framework**

- The framework provide for a Combined Assurance Plan to ensure optimal overall assurance to Senior Management, the Accounting Officer, the Audit Committee and the Council and its oversight bodies.
- The framework details key assurance providers, roles and responsibilities, as well as the type, level and frequency of interaction required to ensure combined assurance.

### **Types of audits**

- Regularity Audit (Financial, Compliance – Risk Based/Process Based)
- Performance Audit (Economy, Efficiency Effectiveness –Objective Based),
- Value for Money Audit (Management request) ( Agreed upon procedures/Control Based )
- IT audits (General and Application Controls – Risk, Control, Process Based)

### **Customer care**


Access to decent Customer Care is no longer a privilege to be enjoyed by a few, it is now the rightful expectation of all citizens. The municipality want to turn words into action and to ensure that the needs of the community come first and be satisfied. The community need to view and experience Customer Care in an entirely new way.

It is an initiative that aims to ensure that municipal employees are service orientated, strive for excellence in service delivery and commit themselves to continuous improvement in this regard. Xhariep District Municipality is accountable to our community for the level of service we render. We constantly have to ask ourselves:

- Do we deliver the service standard that we promised?
- Do all citizens have equal access to services that they are entitled to?
- Do we always treat all citizens with courtesy, dignity and respect?
- Are we open and transparent about how we work?
- Do we ensure value for money?
- Are we having a positive impact on our customers?

### **Assessment of Existing Level of Development and Service Delivery**

An assessment of the existing level of development was conducted across the six KPAs to inform the current performance and status quo of XDM. The performance analysis is presented as a rating system with three evaluation criteria, as follows:

1.		Good performance / implementation / standard
----	---	--

2.		Average performance / standard OR policy in place with average implementation
3.		Poor performance / standard OR no performance / function

The key benefit of this performance review framework is the ability to rapidly monitor the current areas of strengths and weaknesses of the Municipality. Moreover, it provides the ability to evaluate trends, allows decisions to be made on areas which require immediate attention. Below is the current performance of the Municipality.

- **KPA 1: Good Governance**
- **KFA 1: Governance Structures**

Description	21/22	22/23	23/24
1. Council has been duly elected and is fully functional			
2. Executive Mayor and Mayoral Committee			
3. Sect 80-Committees			
4. Sect 79-Municipal Public Accounts Committee (MPAC)			
5. Audit & Performance Committee			
6. IDP Representative Forum			
7. Office of the Speaker			
8. Budget Steering Committee			
9. Risk Management Committee			
10. Integrated Development Planning (IDP)			

## KFA 2: Risk Management

Description	21/22	22/23	23/24
1. Integrity Management (Anti-Fraud and Corruption)			
2. Risk Management Policy			
3. Risk Register (Strategic & Operational)			
4. Risk Management Plan			

## KFA 3: Stakeholder Participation

Description	21/22	22/23	23/24
1. District Communicators Forum			
2. Disaster Management Forum			
3. LED Forum			
4. Functional ward committees in all wards	N/A	N/A	N/A
5. Participation in IDP and Budget process			
6. Mayoral Imbizo's			
7 IDP Forums			



8. IGR Forums (Political)			
9. IGR Forum (Technical)			

#### **KFA 4: Intergovernmental Relations**

Description	21/22	22/23	23/24
1. Premier's Co-ordinating Forum (PCF)			
2. Technical PCF			
3. MECLOGA			
4. SALGA			
5. District Fora			
6. Premier's Coordinating Forum (PCF)			

#### **KPA 2: Safe & Healthy Environments**

#### **KFA 5: Safety and Security**

Description	21/22	22/23	23/24
1. Community Training/ Projects			
2. Security & CCTV Project			

3. Crime Prevention			
4. By-law Enforcement			

#### **KFA 6: Emergency Services**

Description	21/22	22/23	23/24
1. Fire Prevention			
2. Community Training /Projects			
3. Disaster Management Plan			
4. Disaster Management Centre (District Function)			
5. Disaster Relief Projects			

#### **KFA 7: Environmental Heath**

Description	21/22	22/23	23/24
1. Environmental Management Framework			
2. Integrated Waste Management Plan			
3. Water Quality			
4. Food Control			

5. Funeral Parlours			
6. Air Quality & Monitoring			
7. By-laws			

#### **KFA 8: Special Programmes**

Description	21/22	22/23	23/24
1. Mayoral Social Development Fund			
2. Youth Development			
3. District Aids Council			
4. Gender-Based Violence			
5. Elderly Programmes			
6. ECD Programmes			
7. Disability Programmes			

#### **KPA 4 Institutional Development**

#### **KPI 9: Human Resources & Skills Development**

Description	21/22	22/23	23/24
<b>Organisational Structure</b>			
1. Functional Organisational Structure (Organogram)			
2. Number of Vacancies			
3. Staff Turn-over			
4. Employment Equity			
5. Vetting			
<b>Human Capital and Skills Development</b>			
6. Submission of Workplace Skills Plan (WSP) and Annual Training Report (ATR) to Department of Labour			
7. Succession Plan			
8. Study Assistance Scheme			
9. Implementation of Annual Training Plan (ATP)			
10. Staff Morale			

#### **KPI 10: Monitoring & Evaluation and Performance Management**

Description	21/22	22/23	23/24
1. Performance Management Policy			
2. Performance Management System			
3. Cascading of Performance Management System			
4. Regular review of institution			
5. Regular review of service providers and contractors			
6. Annual Report			
7. Audit Report (Opinion –Unqualified)			
8. Audit Charter			
9. Audit Action Plan			
10. Performance Agreements (Senior Management)			

#### KPI 11: Information Communications Technology (ICT)

Description	21/22	22/23	23/24
1. Strategic Capability			
2. Resources (Budget, Staff & Equipment)			

3. Master Systems Plan (MSP)			
4. ICT Helpdesk and Technical Support			
5. Financial Management System			
6. Human Resources Management Plan			
7. Consumer Account Management (Printing & Distribution)			

#### **KPI 12: Policies, Processes and Procedures**

Description	21/22	22/23	23/24
1. Regular internal management meetings			
2. Departmental Meetings			
3. Regular Mayoral Strategic Sessions			
4. Processes and procedures are in place to address and implement Council policies			
5. Processes and procedures are reviewed or developed departmentally as and when required on the basis of changed circumstances			
6. Policy Register			

7. Regular review of policies & by-laws			
8. System of Delegations			
9. Municipal By-Laws			

#### **KPA 5: Financial Stability**

#### **KPI 13: Financial Management (Expenditure, Budget & Reporting)**

Description	21/22	22/23	23/24
Financial Management			
1. Capital Expenditure			
2. Operating Expenditure			
3. Cost Containment			
Financial Reporting			
1. Section 71-monthly reporting			
2. Section 52-quarterly reporting			
3. Mid-year Performance Reporting			
4. Annual Report			

5. Annual Financial Statements			
Budgeting			
1. Budget Policy			
2. Budget Steering Committee			
3. Operational Budget			
4. Capital Budget			
Funding			
1. Own Funding			
2. Grant Funding			
3. External Loans			

#### KPI 14: Revenue Management

Description	21/22	22/23	23/24
1. Outstanding Debt			
2. Registered Indigents	N/A	N/A	N/A



3. Revenue Collection			
-----------------------	--	--	--

#### **KPI 15: Supply Change Management**

Description	21/22	22/23	23/24
1. Supply Chain Management			

#### **KPI 16: Asset, Equipment & Fleet Management**

Description	21/22	22/23	23/24
Assets			
1. Movable Assets			
2. Infrastructure Assets			
Fleet			
Total of the XDM Fleet: vehicles, excluding trailers and equipment			
Average age of the Council's vehicles: 8 years			
1. Condition of fleet -			
2. Condition of fleet -			
3. Condition of fleet -			

Equipment			
8. Computers			
9. Laptops			
10. Printers			
11. Switches			
12. Software			

#### **KFA 17: Climate Change Adaptation and Mitigation**

Description	21/22	22/23	23/24
1. Climate Change Adaptation and Mitigation Strategy			

#### **KPA 7: Communications & Customer Care**

#### **KFA 18: Communications & Marketing**

Description	21/22	22/23	23/24
1. Communications Policy			
2. Communications Plan			
3. Marketing Plan			

4. Communications and Marketing Unit			
5. Budget and Resources (PR & Marketing)			
6. Internal Newsletter			
7. External Newsletter			
8. Media Releases			
9. Branding			
10. Corporate Identity Manual			
11. Advertising and Marketing			
12. Events			
13. Functional Website and Compliance with Section 75 of the MFMA			
14. Internal Communications Email			
15. Social Media Accounts			
16 People's Assembly/SOMA			

**KPA 8 Economic Growth & Spatial Transformation**

**KFA 19: Municipal Planning & Built Environment**

Description	21/22	22/23	23/24
1. SPLUMA Compliance			
2. Spatial Development Framework (SDF)			

#### **KFA 20: Local Economic Development**

Description	21/22	22/23	23/24
1. LED Strategy			
2. Food Security Programmes			
3. Improved IGR with other Provincial and National Sector Departments			
4. SMME Database			
5. Xhariep Economic Analysis			
6. LED Projects			
7. Agriculture			
8. Farmers Support (Access to Municipal Owned Land)			
9. Capacity Building Programmes for Job Creation			

10. Expanded Public Works Programme (EPWP)			
11. SMME development			
12. District Development Plan (DDM)			

## 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 administrating 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 16 Councillors:

**Executive Mayor:** Cllr I Mehlomakhulu (ANC)

**Speaker:** Cllr M Shasha (ANC)

### **District Coucillors and Political Parties they represent**

NAME & SURNAME	POLITICAL PARTY	STATUS (DIRECT OR PR)
Cllr I Mehlomakhulu (F)	ANC	Direct
Cllr M Shasha (F)	ANC	Direct
Cllr N Gareokoe (F-ANC Chiefwhip)	ANC	Direct
Cllr P Phatsoane (M)	ANC	Direct
Cllr A Lebaka (M)	ANC	Seconded (Letsemeng)
Cllr A.J.J Van Rensburg (M)	DA	Direct
Cllr Mokheseng (M)	ANC	Seconded (Kopanong)
Cllr M Mohai (F)	EFF	Direct
Cllr M Malgas (M)	ANC	Seconded (Kopanong)
Cllr R Van Wyk (M)	DA	Seconded (Kopanong)
Cllr Potgiter (F)	DA	Seconded (Letsemeng)
Cllr A.N November (F)	ANC	Seconded (Letsemeng)
Cllr Adonis (F)	ANC	Seconded (Mohokare)
Cllr T.D Mochechepa (M)	ANC	Seconded (Mohokare)
Cllr I.S Riddle (M)	DA	Seconded (Mohokare)
Cllr M Lekoenea	EFF	Seconded (Kopanong)



## Council Committees

The Xhariep District Municipal Council consist of the following Committees:

### Mayoral Committee (Section 80 Committee)

<b>NAME &amp; SURNAME</b>	<b>PORTFOLIO COMMITTEE</b>
<i>Cllr Irene Mehlomakulu (F)</i>	<i>Chairperson : Mayoral Committee</i>
<i>Cllr Abram Lebaka (M)</i>	<i>Chairperson : Finance &amp; Budget</i>
<i>Cllr Nthabiseng Garekoe (F)</i>	<i>Chairperson : Corporate Service</i>
<i>Cllr Teboho Mochechepa (M)</i>	<i>Chairperson: Planning &amp; Social Development</i>

### Budget and Treasury Office

<b>NAME &amp; SURNAME</b>	<b>PORTFOLIO COMMITTEE</b>
Cllr AM Lebaka (M)	Chairperson
Cllr MV Malgas	Member
Cllr) AM Molai	Member

### Corporate Services

<b>NAME &amp; SURNAME</b>	<b>PORTFOLIO COMMITTEE</b>
Cllr N Garekoe (F)	Chairperson
Cllr ME Lekoenea	Member
Cllr MG Mokheseng	Member
Cllr MM Potgieter	

### Planning and Social Development

<b>NAME &amp; SURNAME</b>	<b>PORTFOLIO COMMITTEE</b>
Cllr TD Mochechepa (M)	Chairperson :
Cllr AJJ Van Rensburg	Member
Cllr NA Adoons	Member
Cllr RW Van Wyk	

### Audit Committee

<b>NAME &amp; SURNAME</b>	<b>PORTFOLIO COMMITTEE</b>
Salimane Sello (Mr)	Chairperson
Tamasane Mpho (Mr)	Member
Hlalele Manana (Ms)	Member
Vacant	Member

## Municipal Public Accounts Committee (MPAC)

<b>Chairperson</b>	<b>TI Phatsoane (Clr)</b>
Member	AN November (Clr)
Member	IS 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 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.	1. Proposes to Council, the annual review programme of the IDP, including the review of key performance indicators and performance targets. 2. 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	1. Receives monthly budget statement. 2. Receives performance reports quarterly from the internal auditor. 3. Receives 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.	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 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.

Monitoring				
Planning	Implementation	Review	Reporting	Performance Audit
1. Coordinates the process of needs identification and prioritization among all stakeholders, including	1. Manages the overall implementation of the IDP. 2. Ensures that all role players implement the provisions of the PMS	1. Formulation of the annual review programme of the IDP, including the review of key performance indicators and	1. Receives performance reports quarterly from the internal auditor. 2. Receives performance reports twice a year from the Performance Audit	1. Formulates the municipal annual audit plan. 2. Formulates a response to the recommendations of the internal auditor

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	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.	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	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	and the Audit Committee. 3. Formulates a response to performance audit report of the Auditor General and makes recommendations to the Mayor
--	---	---	---	---

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/s is the head of administration, and primarily has to serve as chief custodian of service delivery

and interpretation of political priorities. He/s is assisted by senior management, whose responsibility it is to help him/her deliver the mandate of the municipal council.

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. Advice 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. 5. Manages subordinates' performance measurement system.	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 implementation of subordinates' performance measurement system.	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 the department to improve the economy, efficiency and effectiveness of the departments.	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.

6. Regularly reports to the Municipal manager. 7. Enters into a performance agreement with the Municipal Manager.	5. Ensures that performance objectives in the performance agreements are achieved.	3. Quarterly and annually evaluates the performance of the department. 4. Participates in Mid-Term Review.		
--	--	---	--	--

## 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
	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 2021 - 2026 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 characterized 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 2021 – 2026 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 2021 - 2026 IDP. A vigorous campaign for Skills Development in our communities, in partnership with provincial government will be enhanced.

**The municipality has immensely invested in its employees and currently the following skills development programmes are offered and benefited employees:**

- Municipal Finance Management Programme (MFMP) – Level 6
- Bachelor of Management Leadership (BML - UFS) – Level 6
- Secretaries and Personal Assistance Development Courses

### ***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).

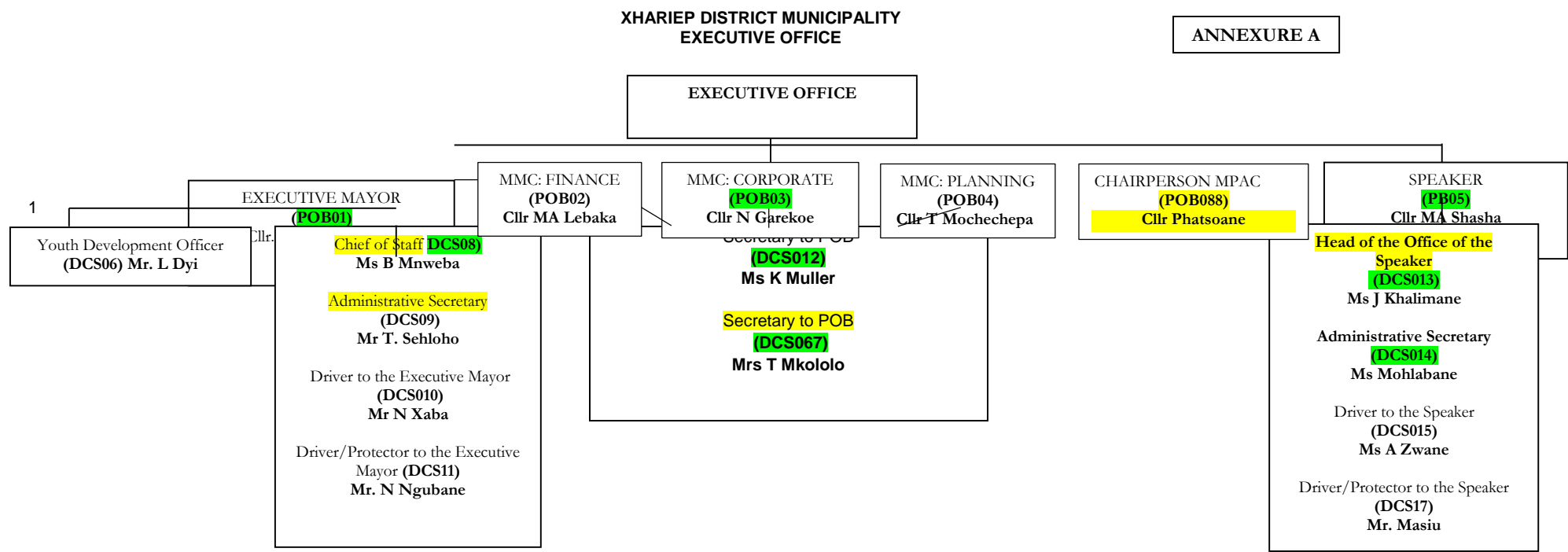
SALGA ensures that collective bargaining strategies support the overall organisational strategies through a consistent approach to employee-related matters, and the engagement with labour is meaningful to promote cordial relationships in the workplace.

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

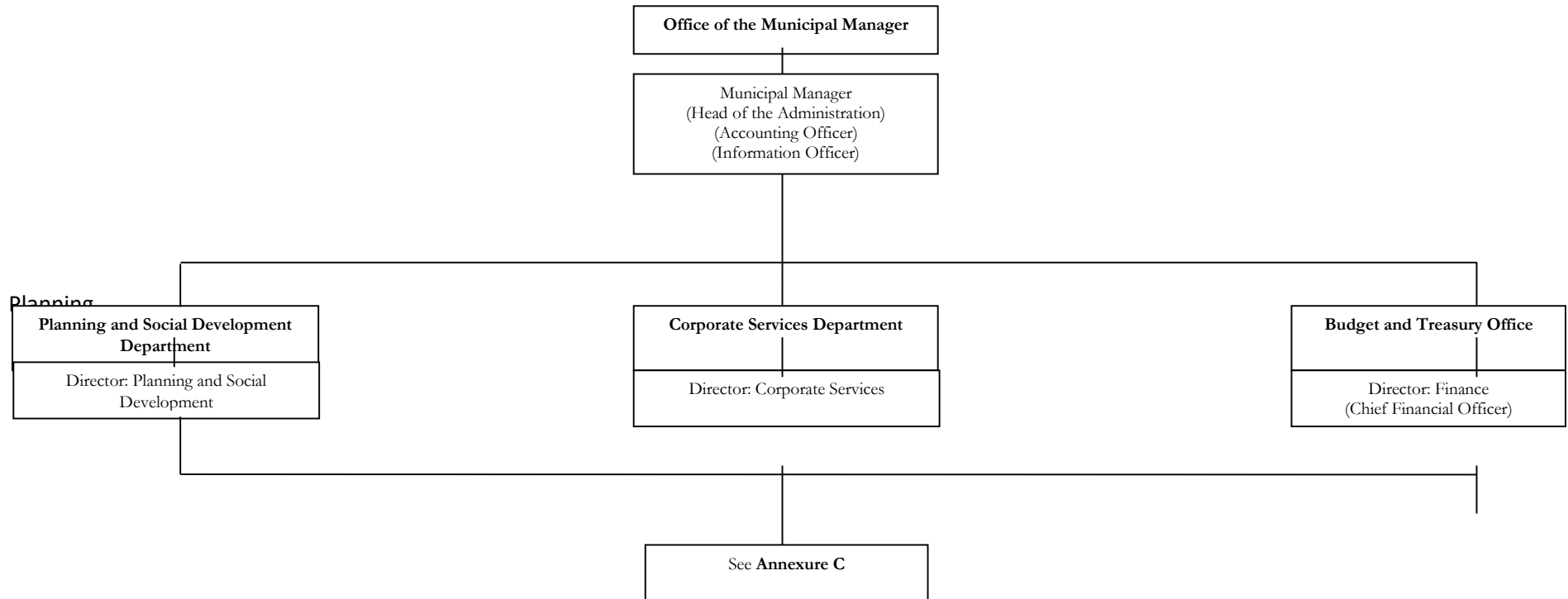


Organisational Structure (Organogram)



## XHARIEP DISTRICT MUNICIPALITY MACRO-STRUCTURE

ANNEXURE B



# XHARIEP DISTRICT MUNICIPALITY FUNCTIONAL STRUCTURE

## ANNEXURE C

**For perusal:**

**Green Shaded Codes: number of Females**

**Black Codes: Number of Males**

**Red shaded Coded Vacant: reflect vacant post**

**Yellow shaded: reflect recently reviewed**

Office of the Municipal Manager

Internal audit  
Monitoring and performance  
Risk management  
Prepare IDP process plan, Prepare, monitor, evaluate and report on district planning framework, Prepare IDP, including sector plans, Prepare, implement, monitor and evaluate Xhariep Growth and Development Strategy

Planning and Social Development Department

Corporate Services Department

Budget and Treasury Office

- Facilitate establishment of, and administer Xhariep monitoring and evaluation forum for 5 year LG strategic agenda
- Prepare and submit business plans and funding applications for projects (a) to benefit special interest groups, (b) poverty alleviation, (c) LED and (d) infrastructure
- Manage and execute projects: (a) poverty alleviation, (b) special interest groups, (c) LED and (d) infrastructure
- Conduct surveys and research
- Support external project managers when executing local projects
- Monitor performance of contractors
- Municipal health services

- Corporate human resources management
- Corporate archives and records management
- Reception and switchboard
- Property and facilities management
- Corporate reprographic services
- Municipal website
- Committee services – Council, mayoral Committee, s 79 and s 80 committees
- Administer district IGR structures
- IT

- Accounting, incl. Accounting for assets (asset register)
- Administer performance and audit committee
- Administer bank accounts
- Budgeting and budget control
- Corporate risk management (insurance)
- Creditors
- Debt/borrowing
- Financial planning
- Financial control
- Investments
- In-year and year-end financial reporting, incl. AFS
- Payroll
- Supply chain management

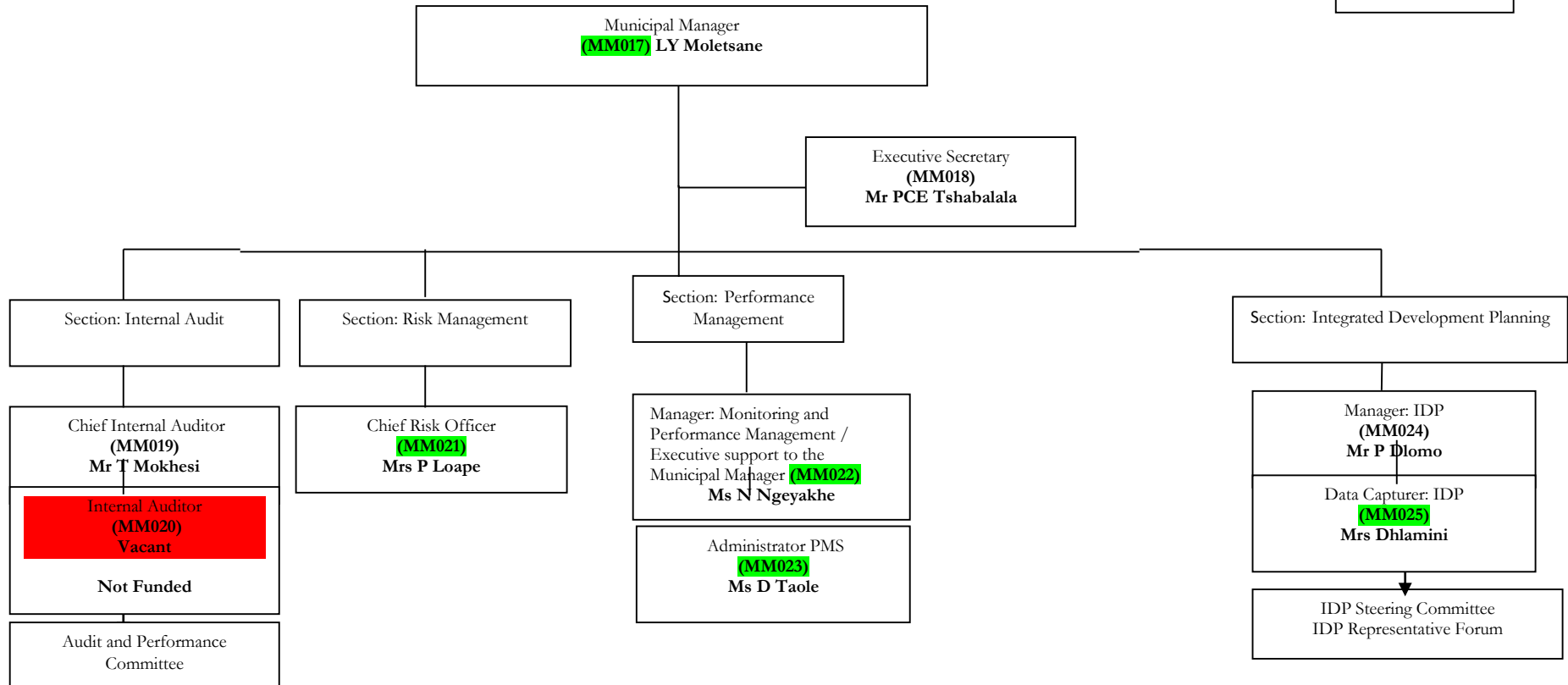
Annexure E

Annexure F

Annexure G

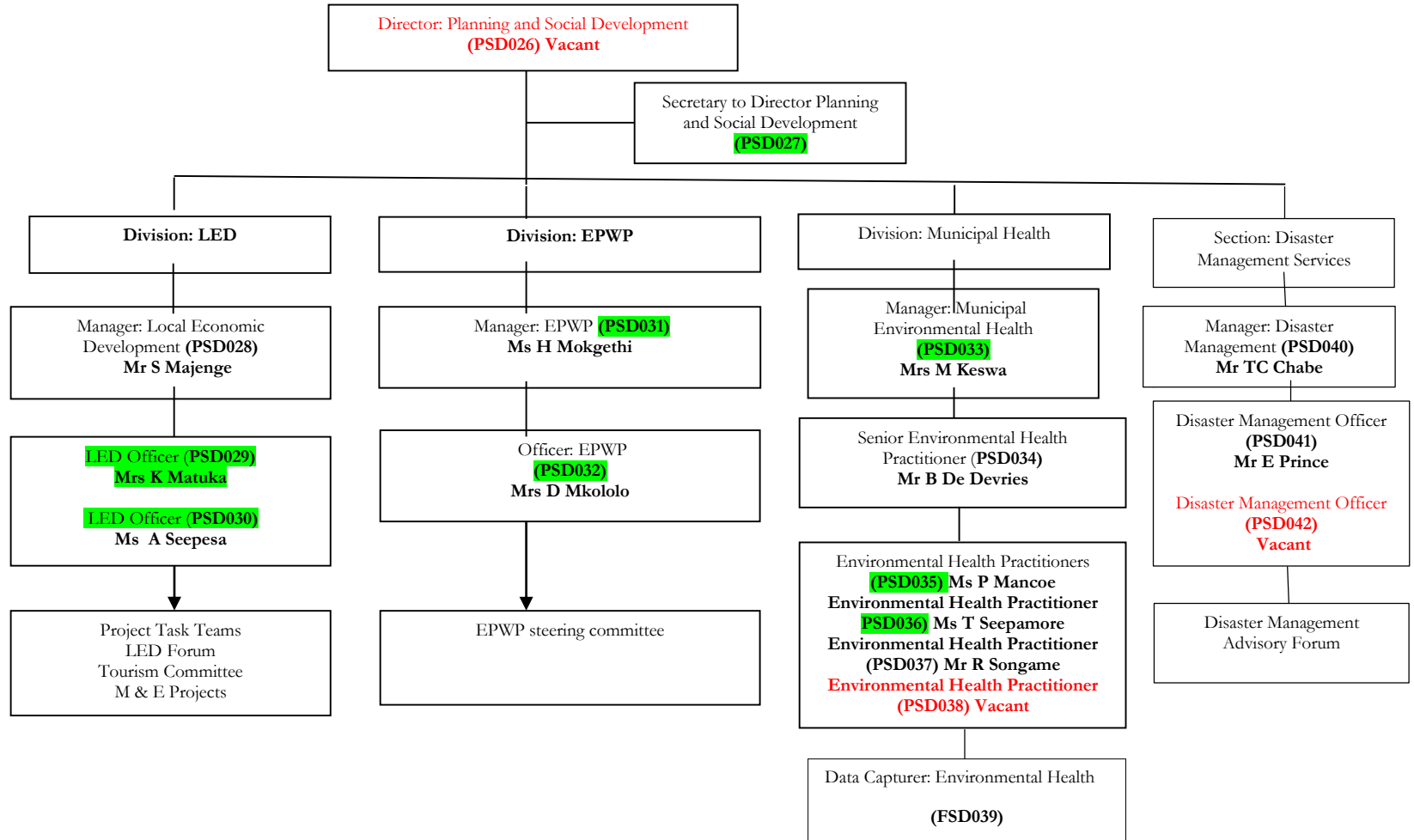
# XHARIEP DISTRICT MUNICIPALITY OFFICE OF THE MUNICIPAL MANAGER

ANNEXURE D



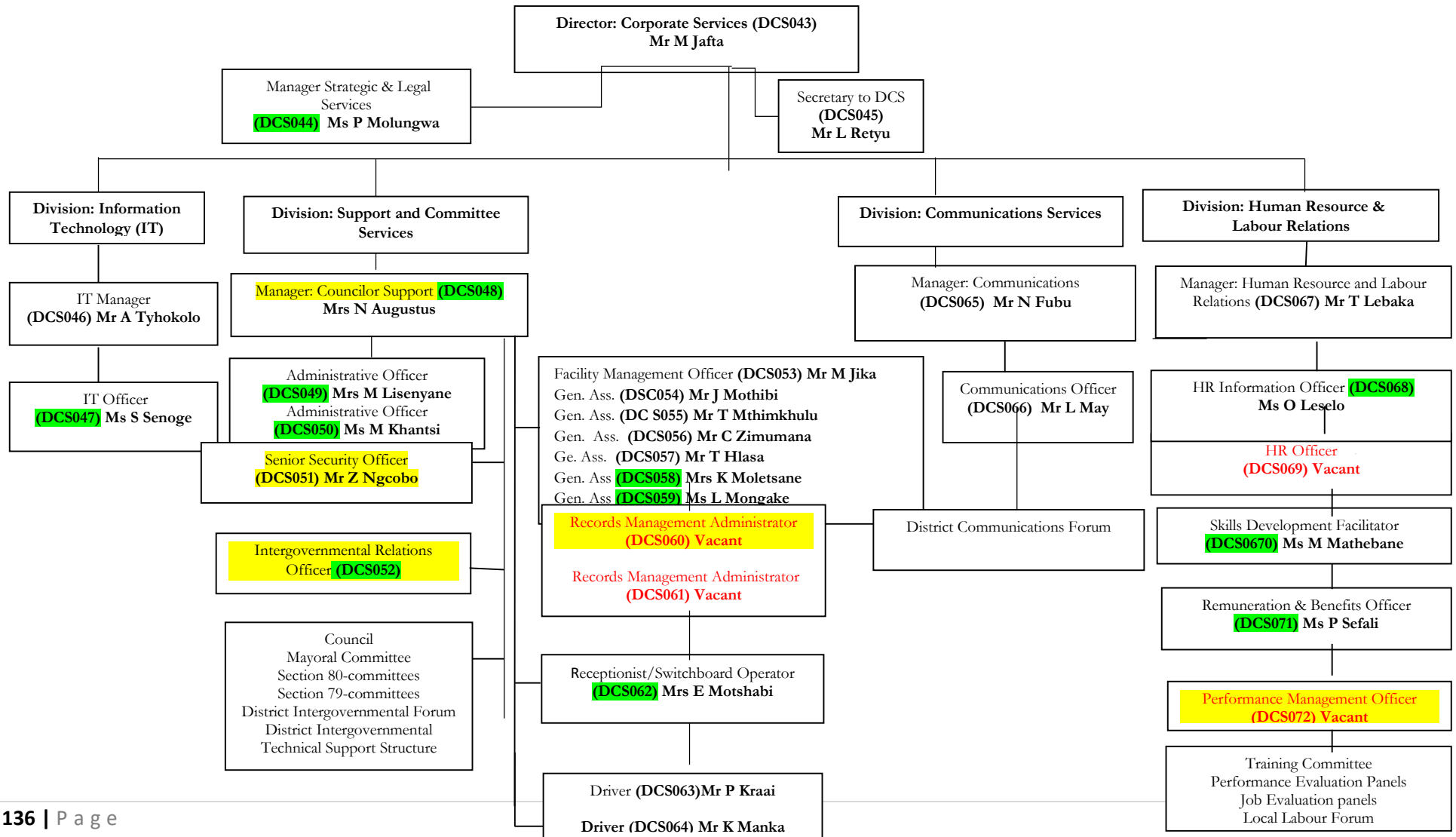
**XHARIEP DISTRICT MUNICIPALITY  
PLANNING AND SOCIAL DEVELOPMENT**

**ANNEXURE E**



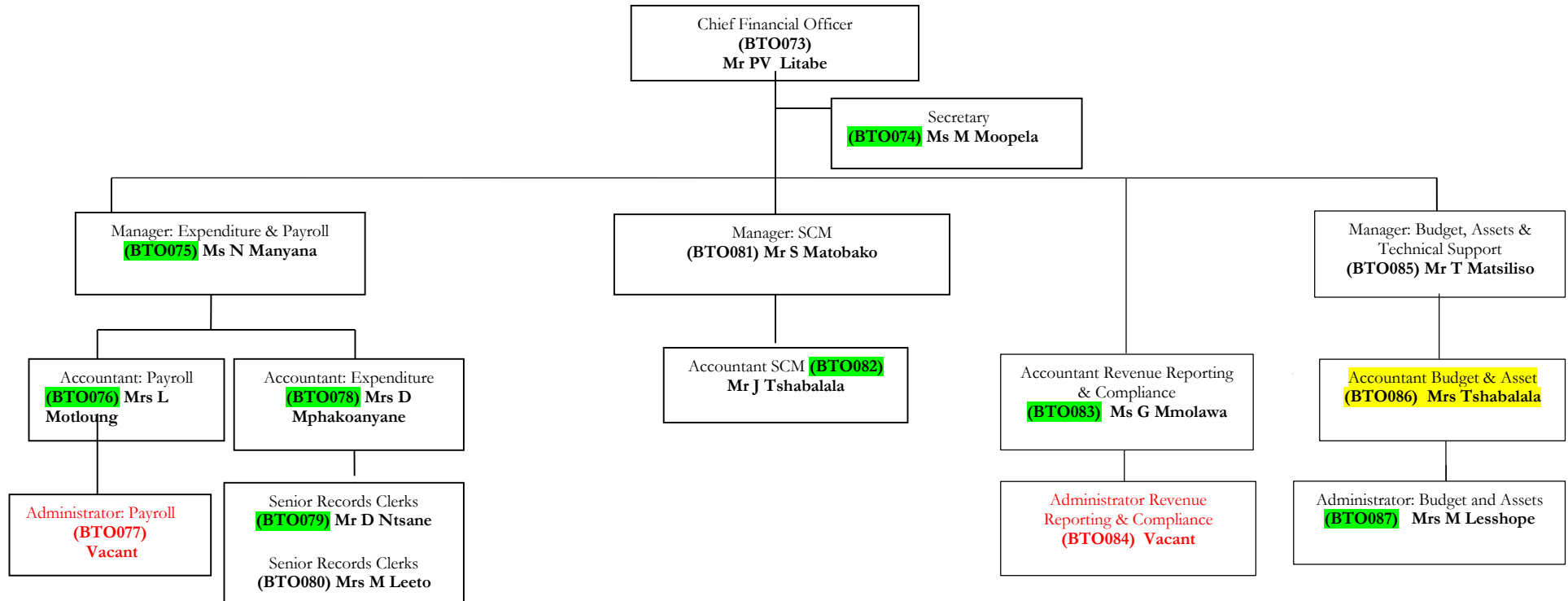
## XHARIEP DISTRICT MUNICIPALITY CORPORATE SERVICES

ANNEXURE F



# XHARIEP DISTRICT BUDGET AND TREASURY OFFICE

ANNEXURE G



## CHAPTER 6: MUNICIPAL PROJECTS AND PROGRAMMES FOR 2024/2025

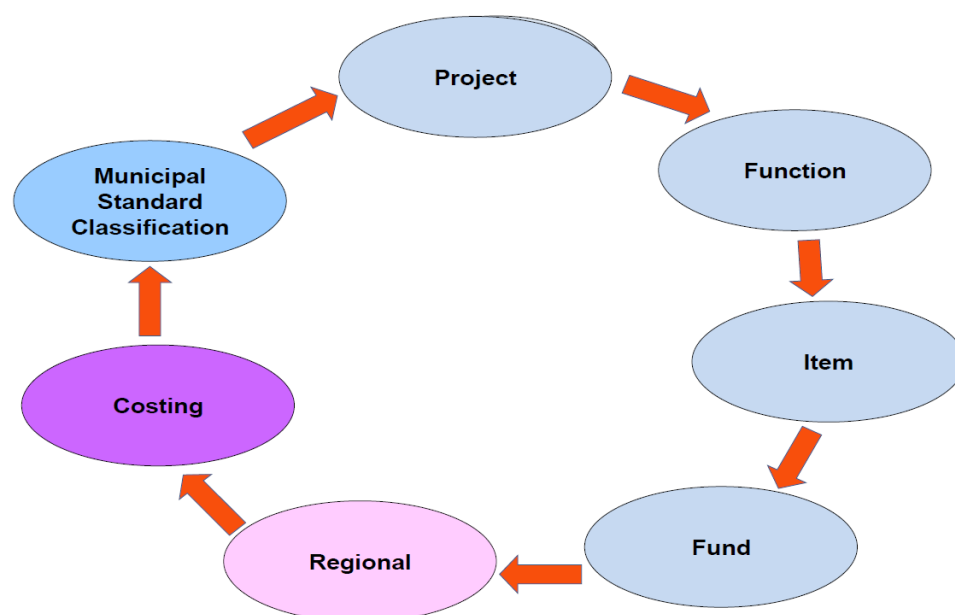
### ***Municipal Standard Charter of Accounts (mSCOA)***

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

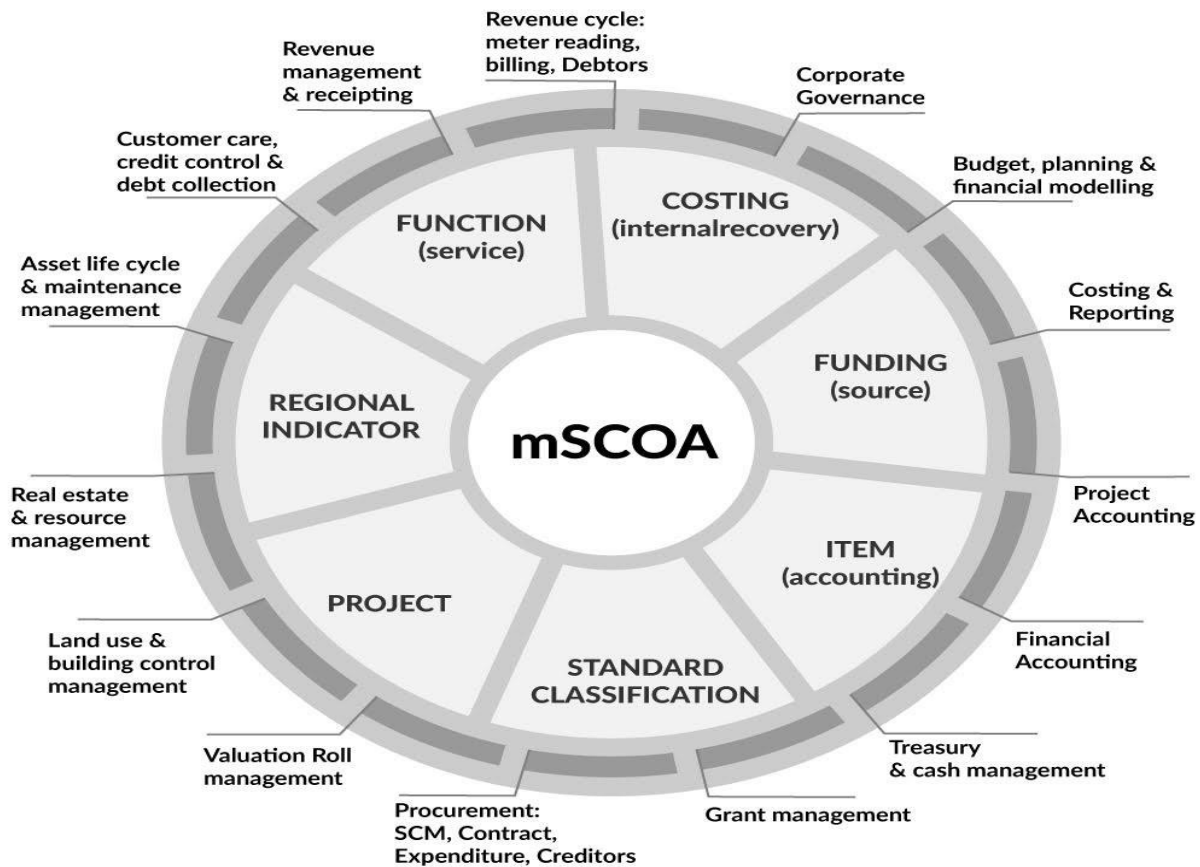
*What is Municipal SCOA (mSCOA):*

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.

***How we link Mscoa to IDP by using the municipal developmental objectives, key performance areas and service delivery objectives.***

## The IDP and mSCOA

**Link the IDP to the mSCOA Project Segment by inserting** the: IDP KPA number, Service delivery Objective, IDP KPI (Objective) and project number as **a prefix** to the project name **as part of the “breakdown allowed”**. For example:

IDP Objectives	Strategic	Development Strategy	KPI Number	Indicator
Create a conducive environment for economic growth and reduction of unemployment		01 Provide support to local tourism and	LED 01.1	Update Tourism Database
			LED 01.2	Review LED Plan

**PROJECT NAME: KPA2\_01\_LED01.1\_ P001\_ Update Tourism Database**

**PROJECT NAME: KPA2\_01\_ LED01.2 \_P002\_ Review LED Plan**

**MSCOA ALIGNED PROJECTS: KEY PERFORMANCE AREAS, KEY PERFORMANCE INDICATORS AND MUNICIPAL PROJECTS FOR 2024/2025**

Project Name	Activities	Opex /Capex	Town/Area		
Mscoa	Project Description	Option	Regional Segment		
				2024/2025 FY	Type of grant
Rural Roads and Asset Management	Collection of road and bridge inventory data, condition assessment and traffic information	Opex	Entire District	R 2 308 000	Division of Revenue (DORA)
Expanded Public Works Programme	Cleaning and greening (Job Creation)	Opex	Entire District	R 921 000	Division of Revenue (DORA)
Environmental Health Project	Drinking Water	Opex	Entire District	R 160 000	Equitable Share
Disaster Management Contribution	To support disaster relieve and reduction programmes	Opex	Entire District	-	Equitable Share
LED & Tourism Development	Tourism Exhibition, Broachers & Forums	Opex	Entire District	-	Equitable Share

<b>Finance Management Grand (FMG)</b>	Municipal Support (Interns)	Opex	Internal	R 1 720 000	Finance Management Grand
<b>Health, Hygiene &amp; Communicable Decease</b>	Ensure safety and well-being of the community	Opex	Internal		Equitable Share
<b>MSCOA</b>	Financial Management	Opex	Internal	R 450 000	Equitable Share
<b>License Fees – ICT Software</b>	Internet Services	Opex	Internal		Equitable Share
<b>Public Participation</b>	Strengthen accountability with our stakeholders	Opex	Entire District	R 70 000	Equitable Share
<b>Youth Development</b>		Opex	Entire District	R 10 000	Equitable Share
<b>Special Programmes</b>	To implement effective special groups support development programmes focusing on Youth, Gender and Disabled	Opex	Entire District	R 110 000	Equitable Share
<b>IGR</b>	Stakeholder Relations	Opex	Entire District	R 10 000	Equitable Share
<b>Social Responsibility Fund</b>	To implement effective special groups support development programmes focusing on Youth, Gender and Disabled	Opex	Entire District	R 100 000	Equitable Share
<b>Mandela Day</b>	To implement effective special groups support development programmes focusing on Youth, Gender and Disabled	Opex	Entire District	-	Equitable Share

<b>District Aids Council</b>	Promote healthy living in the entire district	Opex	Entire District	R 5 000	Equitable Share
<b>OR Tambo Games</b>	Promote healthy living in the entire district especially among youth	Opex	Entire District	-	Equitable Share

## SECTOR DEPARTMENTS PROJECTS & PROGRAMMES

The following projects will be implemented by sector departments and private sector:

### 2022/2027 List of Projects from Sector Departments

PROJECT DESCRIPTION	TARGETED AREA	SECTOR DEPARTMENT	BUDGET
			2024/2025
Boaramelo C/S (New fencing)	Jagersfontein	Dept. of Education	R 1 000 000.00
Bokamoso Ikamva P/S (New fencing)	Zastron	Dept. of Education	R 1 000 000.00
Edenburg C/S (New fencing)	Edenburg	Dept. of Education	R 1 000 000.00
Fencing around farming units (Hendrick Potgieter)	Reddersburg	Dept. of Education	R 1 000 000.00
Renovations and repairs Fencing Ipetleng S/S	Petrusburg	Dept. of Education	R 800 000.00 R 1 000 000.00
Fencing around farming units	Jacobsdal	Dept. of Education	R 800 000.00

PROJECT DESCRIPTION	TARGETED AREA	SECTOR DEPARTMENT	BUDGET
			2024/2025
Demolition of damaged hotel block Luckhoff C/S	Luckhoff	Dept. of Education	R 1 000 000.00
Fencing (P.T Sanders C/S)	Trompsburg	Dept. of Education	R 1 000 000.00
1 toilet block & 3 classroom block Samuel Johnson I/S	Zastron	Dept. of Education	R 13 200 000.00
2x Laboraties (Samuel Johnson)	Zastron	Dept. of Education	R 6 500 000.00
Employment of youth Environmental Coordinator	All 3 LMs	Dept. of Forestry, Fisheries and Environment	Operational budget
Trompsburg special school (New hostel)	Trompsburg	Dept. of Public works and Infrastructure	Client department (Funded by DOE)
Trompsburg special school	Trompsburg	Dept. of Public works and Infrastructure	Client department (Funded by DOE)
Orangekrag School (Hostel)	Gariiep dam	Dept. of Public works and Infrastructure	Client department (Funded by DOE)
Regional bulk water supply scheme	Rouxville	Dept. of Water and Sanitation	-



### ***Introduction***

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 year-on-year increases in the total Operating Budget. Various government departments also affect municipal service delivery through the level of grants and 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 2025



## Capital Budget Forecast

The Capital Budget reflects the investments that the municipality will make in the next three financial year on new infrastructure such as water reticulation, roads, sport facilities, waste management's etc. The table below provides some detail of capital expenditure for the various departments (votes) of Xhariep District Municipality.

DC16 Xhariep - Table A1 Budget Summary

Description	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25	Medium Term	Revenue &
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Framework +1 2025/26	Budget Year +2 2026/27
<b>R thousands</b>										
<b>Financial Performance</b>										
Property rates	-	-	-	1	1	1	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-	-
Investment revenue	652	-	-	115	550	550	893	670	722	775
Transfer and subsidies - Operational	61 203	493	476	63 743	64 743	64 743	41 674	58 016	57 099	56 629
Other own revenue	795	52 214	66 716	255	356	356	619	416	446	476
<b>Total Revenue (excluding capital transfers and contributions)</b>	62	56	72	65	66	66	43	59	58	57
Employee costs	650	858	405	113	649	649	188	102	267	880
Remuneration of councillors	48	44	46	48	46	46	31	51	50	50
Depreciation and amortisation	331	744	049	165	156	156	521	199	030	030
Interest	4 701	4 261	4 721	4 808	5 409	5 409	3 909	5 023	5 023	5 023
Inventory consumed and bulk purchases	1	1	1	600	600	600	150	600	600	600
Transfers and subsidies	980	773	806	-	68	68	68	68	68	68
Other expenditure	258	347	735	161	46	46	102	62	62	62
<b>Total Expenditure</b>	103	142	159	309	15	15	975	10	11	11
<b>Surplus/(Deficit)</b>	70	38	15	983	983	983	9	777	057	011
Transfers and subsidies - capital (monetary allocations)	15	(48)	18	836	836	836	421	057	011	011
Transfers and subsidies - capital (in-kind)	725	807	836	836	836	836	421	057	011	011
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	69	70	69	65	68	68	51	67	66	66
Share of Surplus/Deficit attributable to Associate	147	025	142	043	263	263	078	729	841	795
<b>Surplus/(Deficit) for the year</b>	(6)	(13)	3	70	(1)	(1)	(7)	(8)	(8)	(8)
	497	168	263	23	614	614	891	627	574	915
	-	-	-	989	497	497	789	-	-	-
	(6)	(13)	3	039	883	883	898	627	574	915
	-	-	-	-	-	-	-	-	-	-
	(6)	(13)	3	039	883	883	898	627	574	915
	497	168	263	23	614	614	891	627	574	915
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>	89	012	880	28	24	24	18	280	200	200
Transfers recognised - capital	174	736	880	039	089	089	108	60	-	-
Borrowing	-	-	880	25969	23969	23969	-	-	-	-
Internally generated funds	(84)	275	-	70	100	100	399	200	200	200
<b>Total sources of capital funds</b>	89	012	880	28039	24069	24069	507	280	200	200
<b>Financial position</b>	12	3	3	-	(1)	(1)	21	(1)	(1)	(1)
Total current assets	630	338	339	1	061	061	765	063	651	342
Total non-current assets	216	10 454	9	1	061	061	25	063	651	342
Total current liabilities	17	20	461	956	23 469	23 469	538	6	7	7
Total non-current liabilities	997	920	16 588	25 439	(39)	(39)	29	387	000	740
Community wealth/Equity	2 285	2 477	2 554	3 356	475	475	192	19 178	20 176	22 191
	564	604	(6)	039	61 883	61 883	15 557	(14 753)	(14 827)	(15 793)
<b>Cash flows</b>										
Net cash from (used) operating	(51)	(83)	(104)	(3)	32	32	126	301	(9)	(9)
Net cash from (used) investing	644	749	375	250	645	645	109	435	279	601
Net cash from (used) financing	-	-	-	350	679	679	-	-	(230)	71
<b>Cash/cash equivalents at the year end</b>	(51 644)	(83 749)	(104 375)	099	23	24	60	472	(981)	(25 512)
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	7	-	-	(3)	-	-	18	(9)	(9)	(9)
Application of cash and investments	330	226	394	197	(6)	(6)	17	206	509	831
<b>Balance - surplus (shortfall)</b>	19 933	23 707	19 372	3 318	804	804	704	18 281	20 109	22 120

<b>Asset management</b>	(12)	(23)	(18)	(6)	-	(6)	-	(6)		(27)	(29)	(31)
Asset register summary (WDV)	604)	481)	978)	514)	804)	804)	804)	590	488)	618)	952)	
Depreciation												
Renewal and Upgrading of Existing Assets	11	10	9	25	23	23	23	9	9	10	11	
Repairs and Maintenance	216	454	461	439	469	469	469	121	121	008	048	
	1 960	1 764	1 606	600	600	600	600	600	600	600	600	
	408	420	147	70	100	100	100	200	200	200	200	
	379	348		190	664	664	664	664	664	664	664	
<b>Free services</b>												
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	-	-	-	-	-	-	-	-	-	-	-	-
<b>Households below minimum service level</b>												
Water:	-	-	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-	-	-

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 2024/25 to 2026/27 financial years as follows:

Grants:	DORA Allocations_2024/25	DORA Allocations_2025/26	DORA Allocations_2026/27
Equitable Share	R 52 396 000	R52 664 000	R 52 321 000
Finance Management Grant	R 1 700 000	R 1 800 000	R 2 000 000
Municipal Systems Improvement Grant	R 1 041 000	R 1 636 000	R 1 636 000
Expanded Public Works Programme Incentive Grant	R 1 241 000	R -	R -
Financial Assistance Grant	R 17 000 000	R 17 850 000	R 17 850 000
Rural Roads and Asset Management Grant	R 2 411 000	R 2 519 000	R 2 635 000

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.

## **ii. 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.

## **iii. 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.

## **iv. 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.

## **v. 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.

## **vi. Equity and Redistribution**

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

## **vii. Development and Investment**

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

## **viii. 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.

## **ix. 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 Provincial Legislature and the Council on Xhariep District Municipality

## Report on the audit of the financial statements

### Qualified opinion

1. I have audited the financial statements of the Xhariep District Municipality set out on pages xx to xx, which comprise the statement of financial position as at 30 June 2023, statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget information with actual information for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the effects and possible effects of the matters described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the Xhariep District Municipality as at 30 June 2023, and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2022 (Dora).

### Basis for qualified opinion

#### Statement of comparison of budget and actual amounts

3. Statement of comparison of budget and actual amounts was not correctly prepared and disclosed as required by GRAP 24, *Presentation of budget information in financial statements*. This was due to multiple errors in determining the approved budget amounts. Consequently, the statement of comparison of budget and actual amounts is overstated by R10 355 459. (ISS.23)

#### Cash flow statement

4. The municipality did not correctly prepare and disclose the cash flow statement as required by GRAP 2, *Cash flow statement*. This was due to multiple errors in determining cash flows from operating activities. I was not able to determine the full extent of the errors in the net cash flows from operating activities, as it was impractical to do so. Consequently, I was unable to determine whether any adjustments to cash flows from operating activities as stated at R830 893.(ISS.30)

## Context for opinion

5. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
6. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other 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 code.
7. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

## Material uncertainty relating to going concern

8. I draw attention to the matter below. My opinion is not modified in respect of this matter.
9. Note 32 to the financial statements indicates that the municipality's current liabilities exceeded its current assets by R13 141 414. The total liabilities exceeded its total assets by R (6,233,801) which means the municipality is insolvent. This event or condition, along with other matters as set forth in note 32, 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

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

### **Unauthorised expenditure**

11. As disclosed in note 34 to the financial statements unauthorised expenditure of R6 724 033 (2022: R6 110 077) was incurred, due to overspending of the budget.

### **Irregular expenditure**

12. As disclosed in note 36 to the financial statements, irregular expenditure of R1 295 694 (2022: R3 354 493) was incurred, due to non-compliance with supply chain management (SCM) requirements.

### **Restatement of corresponding figures**

13. As disclosed in note 40 to the financial statements, the corresponding figures for 30 June 2022 were restated as a result of errors in the financial statements of the municipality at, and for the year ended, 30 June 2023.

## Other matter

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

## Unaudited disclosure notes

15. In terms of section 125(2)(e) of the MFMA, the particulars of non-compliance with the MFMA should be disclosed 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 on it.

## Responsibilities of the accounting officer for the financial statements

16. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the standards of GRAP and the requirements of the MFMA and Dora 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.
17. In preparing the financial statements, the accounting officer is responsible for assessing the 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.

## Responsibilities of the auditor-general for the audit of the financial statements

18. 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.
19. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.
20. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected material performance indicators presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
21. I selected the following material performance indicators related to basic services and infrastructure development and spatial and community development presented in the annual

performance report for the year ended 30 June 2023. I selected those indicators that measure the municipality's performance on its primary mandated functions and that are of significant national, community or public interest.

- Maintaining and improving the standard of water quality (compliance to SANS 241).
- Ensure that the RRAMS grant is fully utilised by 30 June 2023.
- Play an oversight role in terms of the implementation of the RRAMS project.
- Ensuring HCRW management compliance in health care facilities.
- Support implementation of disaster management plan.
- Support the implementation of the disaster management plan.
- Environmental health services.
- Water quality monitoring.
- Waste management (NEMWA & HCRW Policy).
- Food monitoring as per R638.
- Water quality monitoring.
- Improve service delivery to communities.
- Environmental health services.
- Disaster management
- Social responsibility.

22. I evaluated the reported performance information for the selected material performance indicators against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery on its mandate and objectives.

23. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives
- the indicators are well defined to ensure that they are easy to understand and can be

applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements

- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner
- there is adequate supporting evidence for the achievements reported and for measures taken to improve performance.

24. I performed the procedures to report material findings only; and not to express an assurance opinion or conclusion.

25. I did not identify any material findings on the reported performance information for the selected indicators.

Other matter

26. I draw attention to the matter below.

### **Achievement of planned targets**

27. The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance.

28. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the municipality's compliance with legislation.

29. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

30. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipality, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

31. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:



## **Annual financial statements and annual report**

32. 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.
33. Material misstatements of current assets, liabilities, revenue and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were provided subsequently, but the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving a qualified audit opinion.

## **Expenditure management**

34. Money owed by the municipality was not always paid within 30 days as required by section 65(2) (e) of the MFMA.
35. Reasonable steps were not taken to prevent irregular expenditure amounting to R1 295 649 as disclosed in note 36 to the annual financial statements, as required by section 62(1) (d) of the MFMA. The majority of the irregular expenditure was caused by competitive bids which were not evaluated in accordance with the municipal supply chain management regulations.
36. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R398 286, as disclosed in note 35 to the annual financial statements, in contravention of section 62(1) (d) of the MFMA. The majority of the disclosed fruitless and wasteful expenditure was caused by interest charged on overdue accounts.
37. Reasonable steps were not taken to prevent unauthorised expenditure amounting to R6 724 033, as disclosed in note 34 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the unauthorised expenditure was caused by expenditure that was not budgeted for and overspending within the votes.

## **Consequence management**

38. Some of the 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.
39. Irregular expenditure incurred by the municipality were not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.
40. Some of the 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.

## **Strategic planning and performance management**

41. The service delivery and budget implementation plan (SDBIP) for the year under review was not approved by the mayor, as required by section 53(1) (c) (ii) of the MFMA.

## Other information in the annual report

42. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected material indicators in the scoped-in development priorities presented in the annual performance report that have been specifically reported on in this auditor's report.
43. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
44. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected material indicators in the scoped-in development priorities presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
45. 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.

<b>Internal control deficiencies</b>
--------------------------------------

46. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
47. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion and the material findings on compliance with legislation included in this report.
48. The municipality did not prepare accurate and complete financial statements that were supported and evidenced by reliable information. This is evidenced by material misstatements identified on the statement of comparison of budget and actual amounts and the cash flow statement.
49. The audit action plan was not adequately implemented and monitored to address prior year internal control deficiencies. This resulted in material misstatements in the financial statements of which some were subsequently corrected by management and repeat instances of non-compliance with applicable laws and regulations.
50. Oversight of financial reporting and compliance was not adequately exercised, as controls the controls in place did not prevent or detect internal control deficiencies, resulting in material misstatements.



**AUDITOR GENERAL  
SOUTH AFRICA**

*Auditing to build public confidence*

## **Annexure to the auditor's report**

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

### **Auditor-general's responsibility for the audit**

#### **Professional judgement and professional scepticism**

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 material performance indicators and on the municipality's compliance with selected requirements in key legislation.

#### **Financial statements**

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
- conclude on the appropriateness of the 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 relating to events or conditions that may cast significant doubt on the ability of the municipality 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 my 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 operating as a going concern

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

### **Communication with those charged with governance**

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.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

## Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003	<p>Section 1 - Paragraph (a), (b) &amp; (d) of the definition: irregular expenditure</p> <p>Section 1 - Definition: service delivery and budget implementation plan</p> <p>Sections 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 29(1),</p> <p>Sections 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), 32(2)(b), 32(6)(a),</p> <p>Sections 32(7), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 62(1)(f)(i), 62(1)(f)(ii),</p> <p>Sections 62(1)(f)(iii), 63(1)(a), 63(2)(a), 63(2)(c), 64(2)(b), 64(2)(c), 64(2)(e),</p> <p>Sections 64(2)(f), 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), 72(1)(a)(ii), 112(1)(j),</p> <p>Sections 116(2)(b), 116(2)(c)(ii), 117, 122(1), 122(2), 126(1)(a), 126(1)(b),</p> <p>Sections 127(2), 127(5)(a)(i), 127(5)(a)(ii), 129(1), 129(3), 133(1)(a),</p> <p>Sections 133(1)(c)(i), 133(1)(c)(ii), 170, 171(4)(a), 171(4)(b)</p>
MFMA: Municipal Budget and Reporting Regulations, 2009	Regulation 71(1), 71(2), 72
MFMA: Municipal Investment Regulations, 2005	Regulations 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2017	<p>Regulations 5, 12(1)(c), 12(3), 13(b), 13(c), 13(c)(i), 16(a), 17(1)(a), 17(1)(b),</p> <p>Regulations 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), 27(2)(e),</p> <p>Regulations 28(1)(a)(i), 28(1)(a)(ii), 29(1)(a) and (b), 29(5)(a)(ii), 29(5)(b)(ii),</p> <p>Regulations 32, 36(1), 36(1)(a), 38(1)(c), 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i),</p> <p>Regulations 38(1)(g)(ii), 38(1)(g)(iii), 43, 44, 46(2)(e), 46(2)(f)</p>
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations 5(2), 5(3), 5(6), 8(4)
Annual Division of Revenue Act	Sections 11(6)(b), 12(5), 16(1); 16(3)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulations 17, 25(7A)

Legislation	Sections or regulations
Municipal Property Rates Act 6 of 2004	Section 3(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8), 7(1), Regulations 7(2), 7(3), 7(6), 7(8), 8(2), 8(5), 9(1), 10(1), 10(2), 11(1), 11(2)
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)
Municipal Systems Act 32 of 2000	Sections 25(1), 26(a), 26(c), 26(h), 26(i), 27(1), 29(1)(b)(ii), 29(2)(a), Sections 29(2)(c), 34(a), 34(b), 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, Sections 43(2), 56(a), 57(2)(a), 57(4B), 57(6)(a), 66(1)(a), 66(1)(b), Sections 67(1)(d), 74(1), 93J(1), 96(b) Parent municipality with ME: Sections 93B(a), 93B(b) Parent municipality with shared control of ME: Sections 93C(a)(iv), 93C(a)(v)
MSA: Municipal Planning and Performance Management Regulations, 2001	Regulations 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 3(5)(a), 7(1), 8, 9(1)(a), 10(a), Regulations 12(1), 15(1)(a)(i), 15(1)(a)(ii)
MSA: Municipal Performance Regulations for Municipal Managers and Managers directly Accountable to Municipal Managers, 2006	Regulations 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3)
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations 17(2), 36(1)(a)

## **SECTOR PLANS AND POLICIES**

---

In terms of section 35 of the Municipal Systems Act the IDP “is the principal strategic planning instrument which guides and informs all planning and development, and all decisions with regard to planning, management, and development, in the municipality.” Sector plans are the level of planning and management just below the IDP and are informed by the IDP. There is however a mutual interaction between the IDP and sector plans - not only does the IDP inform the sector plans, the sector also provides important strategic directives to the IDP. Xhariep Municipality’s sector plans can be viewed on the website [www.xhariep.gov.co.za](http://www.xhariep.gov.co.za).

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:

### *Finance Department*

#### **Long Term Financial Plan: 2021 – 2026**

Council approved the Long Term Financial plan.

### *Developmental Services*

#### **Performance Management Framework**

Approved. The Performance Management Framework is being reviewed on an annual basis/ or as the need arises. It is currently not viable to implement to all levels due to PMS staff capacity and budget constraints. The implementation per Post Level will be done per year and alternative measures are being investigated to strengthen the PMS staff capacity.

#### **IDP Process Plan**

Approved by Council in August 2023.



## **Local Economic Development Plan**

Council has approved LED Strategy for implementation. The Department of Economic Development, Tourism & Environmental Affairs (DESTEA) supported the municipality with the review of the LED Strategy.

## ***Corporate Services***

## **Skills Development Plan**

The Municipality has submitted its Workplace Skills Plan (WSP) on 30 April 2023 and a new Employment Equity Plan (EEP) was reviewed and only training for EEP Committee is outstanding submitted to the Department of Labour.

## **Communication Strategy & Communication Policy**

Adopted by Council

## **Human Resource Management Strategy**

Adopted by Council

## **IT Governance Framework**

Adopted by Council

## **IT (Strategy) Master Systems Plan**

Adopted by Council

## **IT Disaster Recovery Plan**

Adopted by Council

## **IT Bussiness Process Document**

Adopted by Council

## **IT Policy**

Adopted by Council

## **Spatial Development Framework (SDF)**

Council approved the Xhariep District Municipality's Spatial Development Framework in August 2023 in terms of the Municipal Systems Act 32 of 2000. In order to comply with legislation, the Municipality is required to follow a process to ensure that the subsequent SDF is adopted and in alignment with the requirements of the MSA, SPLUMA and the Municipal By-Law on Land Use Planning for the 5th generation IDP. Xhariep Municipal area is constantly growing and changing and in order to ensure that the needs of the community, visitors and investors are being catered for the area needs a plan to provide guidance for future growth.

### **Risk Management Framework**

To be reviewed.

### **Air Quality Management Plan**

Not yet approved.

### **Integrated Waste Management Plan (IWMP)**

Council has approved the Integrated Waste Management Plan (IWMP).

### **Disaster Management Plan**

Council has an approved Disaster Management Plan

### **Integrated Transport Plan**

Draft ITP completed on District level

### **Expanded Public Works (EPWP)**

The Xhariep Municipality administers the Expanded Works Programme (EPWP), which is funded by the national and provincial government. During the period 1 July 2021 to March 2024 alone, 519 work opportunities were offered on short-term contracts, which ranged between 3 to 6 months on average. The salary payments and benefits of the EPWP –employees are administered through the same systems as that of the permanent staff and they receive similar rights and benefits to ensure that they are not in any way discriminated against or disadvantaged. This programme is a powerful mechanism to alleviate unemployment in this municipal area and offer participant short-term financial relief during trying times.

### ***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 OF THE IDP 2024/2025***

**SIGNATURES**

.....

DATE: 31 MAY 2024

Ms LY MOLETSANE

**MUNICIPAL MANAGER**

.....

DATE: 31 MAY 2024

Clr NI MEHLOMAKULU

**EXECUTIVE MAYOR**