



rural development
& land reform

Department:
Rural Development and Land Reform
REPUBLIC OF SOUTH AFRICA



PROPOSED GENERIC

INTEGRATED DEVELOPMENT PLANNING (IDP) TEMPLATE

Proposed Framework:

(Conceptual Document developed to link up with SPISYS)

JUNE 2012



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ABBREVIATIONS:

Abbreviation	Description
ASGI SA	<i>Accelerated Shared Growth Initiative of SA</i>
CBD	<i>Central Business District</i>
CDW	<i>Community Development Workers</i>
DMP	<i>Disaster Management Plan</i>
EMP	<i>Environmental Management Plan</i>
EPWP	<i>Expanded Public Works Programme</i>
GDP	<i>Gross Domestic Product</i>
GIS	<i>Geographic Information System</i>
GRAP	<i>Generally Recognized Accounting Practice</i>
HIV	<i>Human Immunodeficiency Virus</i>
HR	<i>Human Resources</i>
HSP	<i>Housing Sector Plan</i>
ICT	<i>Information Communication Technology</i>
IDP	<i>Integrated Development Plan</i>
IRPTN	<i>Integrated Rapid Public Transport Network</i>
ISRDP	<i>Integrated Sustainable Rural Development Programme</i>
IT	<i>Information Technology</i>
KPA	<i>Key Performance Area</i>
KPI	<i>Key Performance Indicator</i>
LAP	<i>Local Area Plan</i>
LDTF	<i>Long Term Development Framework</i>
LED	<i>Local Economic Development</i>
LGSETA	<i>Local Government Sector Education Training Authority</i>
LGTAS	<i>Local Government Turn Around Strategy</i>
LUMS	<i>Land Use Management System</i>
M&E	<i>Monitoring and Evaluation</i>
MDG	<i>Millennium Development Goals</i>
MEC	<i>Member of Executive Council</i>
MFMA	<i>Municipal Finance Management Act</i>
MIG	<i>Municipal Infrastructure Grant</i>

MILE	<i>Municipal Institute of Learning</i>
MPR	<i>Municipal Planning Region</i>
MPRA	<i>Municipal Property Rates Act</i>
MSB	<i>Municipal Service Backlog</i>
MSFM	<i>Municipal Services Financial Model</i>
MTIEF	<i>Medium-Term Income and Expenditure Framework</i>
MTSF	<i>Medium-Term Strategy Framework</i>
NEMA	<i>National Environmental Management Act No 107 of 1998</i>
NEPAD	<i>The African Union and New Partnership for Africa's Development</i>
NSDP	<i>National Spatial Development Perspective</i>
PAA	<i>Public Audit Act</i>
PAIA	<i>Promotion of Access to Information Act</i>
PGDS	<i>Provincial Growth Development Strategy</i>
PHC	<i>Primary Health Care</i>
PMS	<i>Performance Management System</i>
PMS	<i>Performance Management System</i>
PPP	<i>Public-private partnership</i>
PSDF	<i>Provincial Spatial Development Framework</i>
PSEDS	<i>Provincial Spatial Economic Development Strategy</i>
SCM	<i>Supply Chain Management</i>
SDF	<i>Spatial Development Framework</i>
SDBIP	<i>Service Delivery Budget Implementation Plan</i>
SFA	<i>Strategic Focus Area</i>
SLA	<i>Service Level Agreement</i>
SMME	<i>Small Medium and Micro Enterprises</i>
SOB	<i>State of Biodiversity</i>
The MSA	<i>Municipal Systems Act No 32 of 2000</i>
UDL	<i>Urban Development Line</i>
VIP	<i>Ventilated improved pit latrines</i>
WPLG	<i>White Paper Local Government</i>
WSA	<i>Water Service Authority</i>
WSDP	<i>Water Service Development Plan</i>



A. INTRODUCTION:

1. The Aim Of The Spisys IDP Report Is To:

- *To create a standardized IDP Structure that will ease referencing between different IDPs*
- *To create an automated integration process that ought to link up with Sector Departments to ensure Integration through IDP Projects*
- *To automate the alignment between Sector Plans and the IDP through Spatial reporting templates within Spisys*
- *To assist with the provision of up to date data with specific reference to the Situational Analysis of each ward and even up to a Provincial or National Level*
- *Determine the credibility of the IDP's based on the national credibility assessment framework;*
- *Determine trends in IDP quality and state of municipal strategic planning;*
- *To identify development challenges in respect of IDP implementation;*
- *Identifying gaps and threats in achieving the Departmental Strategic Goal of Aligning IDPs with Provincial Growth and Development Strategy;*
- *Ensuring that IDP's become credible for the next term of office; and*
- *Determining municipal specific interventions and provincial priorities on the development challenges identified.*
- *Be adaptive towards Policy changes in National, Provincial or Local Government, specifically data sourcing and ad-hoc generation of up to date monitoring and or evaluation reports*

2. Purpose of the IDP

The purpose of integrated development planning is faster and more appropriate delivery of services and providing a framework for economic and social development in a municipality. A range of links exist between integrated development planning and its developmental outcomes, which have great relevance, in particular in a context of financial crisis of municipalities, urgency of service delivery, and employment generation. Integrated development planning can contribute towards eradicating the development legacy of the past, making the notion of developmental local government work and fostering co-operative governance.

The IDP should be reviewed annually and is the principal strategic planning instrument that guides and informs all planning, budgeting, management and decision-making in a municipality. It is a tool for bridging the gap between the current reality and the vision of satisfying the needs of the whole community in an equitable and sustainable manner. Integrated development planning will enable municipalities to develop strategic policy capacity to mobilise resources and to target their activities.

In practice the IDP is a comprehensive strategic business plan for the Municipality over the short and medium term.

According to the Municipal Systems Act, every Council has to prepare its own IDP which will guide them for the five years that they are in office. The IDP is therefore linked to the term of office of councillors.

The new council has the option either to adopt the IDP of its predecessor should it feel appropriate to do so or develop a new IDP taking into consideration already existing planning documents.

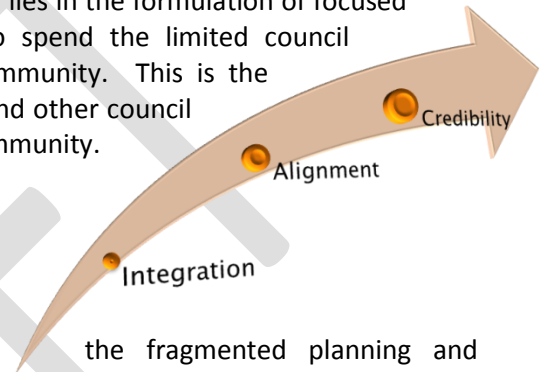
Under the new Constitution, local government has a new, expanded role to play. In addition to the traditional role of providing services, municipalities must now lead, manage and plan for development and also play an active role in social and human development. In addition to ensuring that all citizens have access to at least a minimum level of basic services, municipalities must now also take a leading role in addressing poverty, and in promoting local economic and social development. They must not only deliver on present demands for services - they must also anticipate future demands and find ways to provide services in an effective, efficient and sustainable manner over the short, medium and long term.

The value of integrated development planning for municipalities lies in the formulation of focused plans, based on developmental priorities. It is essential to spend the limited council resources on the key development priorities of the local community. This is the essence of the IDP - how to align the projects, plans, budgets and other council resources with the sustainable development priorities of the community.

3. Rationale of Integrated Development Planning

It is a strategic tool that will enable municipalities to eliminate the fragmented planning and implementation processes of the past and bring together the different initiatives and resources together in order to do more with the least resources and increase synergy. Spisys is creating a foundation to kick off the integrated planning process as this template provides a fixed and credible structure with automated data population of the report on an ad – hoc basis. This framework would ensure that the COGTA Simplified guidelines can be effectively implemented for the category B4 Municipalities. Other Municipalities could also utilize this template with success as this framework has been compiled to fit a comprehensive IDP Process.

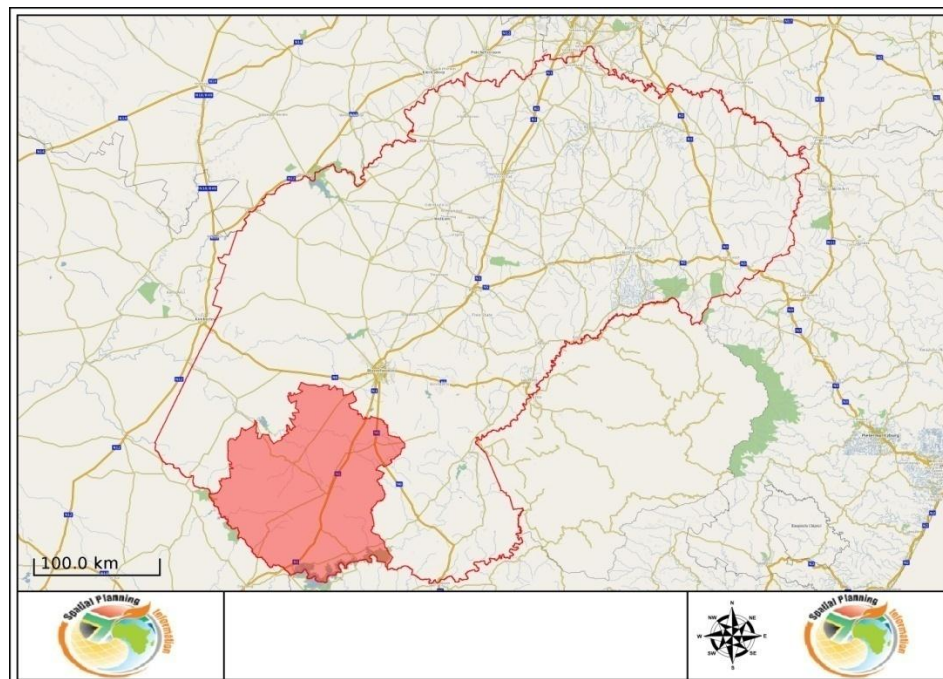
The focus and priority must be the poor of the poorest; where the IDP's holistic nature forces us to be people-centered and environmentally sustainable.





B. EXECUTIVE SUMMARY

Map 1 : Map of the Location of the Municipality in the Provincial Context



1. Executive Summary

The IDP is the result of extensive consultation with the various role players as is demonstrated by the development priorities that each of the wards in a Municipality put forward. A situation analysis is made of where the community is at present and where it wants to be in future. The infra-structure and services delivery, socio-economic, spatial development and economic framework are respectively outlined. The way forward is subsequently concretized firstly by a strategic long term vision and secondly, by the detail of the way in which these strategic objectives will be achieved.

Act 108 of 1996, Section 152, suggests the following as the mandate for local government:

- To promote democratic and accountable local government;
- 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 IDP is guided by the vision for the Municipality:

*Type the Vision of the Municipality
(Give an indication for a 20 year term plan)*

In order to achieve the vision, we have to start change processes immediately. This requires the development of a Mission Statement and the elucidation of the Strategic IDP Objectives.

*Type the Mission of the Municipality
(Objectives to address Vision, practical and realistic strategy)*

2. Municipality Powers and Functions

(Powers and functions assigned to the municipality, tick which applies).

Table 1: Municipal Powers and Functions

<i>Air & Noise Pollution</i>	<input checked="" type="checkbox"/>	<i>Beaches and Amusement Facilities</i>	<input type="checkbox"/>	<i>Billboards & Display of Advertisements in Public Places</i>	<input checked="" type="checkbox"/>
<i>Billboards & Display of Advertisements in Public Places</i>	<input type="checkbox"/>	<i>Building, Trading Regulations, Liquor & Public, Nuisance Control</i>	<input checked="" type="checkbox"/>	<i>Cemeteries, Funeral Parlours & Crematoria</i>	<input checked="" type="checkbox"/>
<i>Child Care Facilities</i>	<input type="checkbox"/>	<i>Cleansing & Trade Areas</i>	<input type="checkbox"/>	<i>Electricity Reticulation</i>	<input checked="" type="checkbox"/>
<i>Fencing and Fences</i>	<input checked="" type="checkbox"/>	<i>Fire Fighting Services Licensing, Facilities for Accommodation, Care & Burial of Animals</i>	<input checked="" type="checkbox"/>	<i>Local Tourism</i>	<input checked="" type="checkbox"/>
<i>Local Amenities</i>	<input type="checkbox"/>	<i>Local Sport Facilities</i>	<input type="checkbox"/>	<i>Markets Stalls / Trade Areas</i>	<input type="checkbox"/>
<i>Municipal Abattoirs</i>	<input type="checkbox"/>	<i>Municipal Planning</i>	<input checked="" type="checkbox"/>	<i>Municipal Public Transport</i>	<input checked="" type="checkbox"/>

Municipal Parks and Recreation		Municipal Roads	✓	Pontoons, Ferries, Jetties, Piers & Harbours	
Storm Water Management		Pounds		Public, Nuisance Control Fire Fighting Services	✓
Public Places	✓	Refuse Removal, Refuse Dumps & Solid Waste	✓	Street Trading	✓
Traffic and Parking		Storm Water Management			

Provide a short indication on the ability to fulfill the powers and functions applicable to the Municipality in the following format

Table 2: Ability to fulfill the powers and functions applicable to the Municipality

Powers/Function	Capability in terms of capacity	Capability in terms of Resources
To be Completed by relevant Municipal Officials	To be Completed by relevant Municipal Officials	To be Completed by relevant Municipal Officials

3. Municipality Development Strategies

(Summary of the proposed IDP development strategies, listed by priority)

To be Completed by relevant Municipal Officials

4. Municipality Broad Geographic Context

Background of the municipality, in terms of location, size, settlements etc.

To be Completed by relevant Municipal Officials

5. Opportunities offered by the Municipality

Background on Main economic Sectors and how the Municipality is strategically linked to major Transport Corridors and Nodes

6. The Municipality Strength, Weaknesses, Opportunities, Threads

[Tubular form]



Table 3: Municipal SWOT Analysis

STRENGTHS	WEAKNESS
<i>To be Completed by relevant Municipal Officials</i>	<i>To be Completed by relevant Municipal Officials</i>
OPPERTUNITIES	THREATS
<i>To be Completed by relevant Municipal Officials</i>	<i>To be Completed by relevant Municipal Officials</i>

7. Municipal Comparative Synopsis

Table 4: Municipal Comparative Synopsis

ISSUES	STATUS – PREVIOUS FINANCIAL YEAR	STATUS THIS FINANCIAL YEAR
Staff Establishment	<i>To be Completed by relevant Municipal Officials</i>	<i>To be Completed by relevant Municipal Officials</i>
Vacancies Organizational Structure (incl. Frozen)		
Filled Positions		
Salary % of Total Budget & Operating Budget		
Free Basic Services (6KL water, 50 KW electricity)		
By-laws		
Internal Audit		
Audit Committees		
Revenue Collection		

ISSUES	STATUS – PREVIOUS FINANCIAL YEAR	STATUS THIS FINANCIAL YEAR
Annual Financial Statements		
Annual Budget		
Audit Reports Tabled		
Audit Inspection (last financial year)		
MFMA Implementation (Compliance Cost)		
GAMAP / GRAP Compliance		
SCM Compliance		
Asset Register		
MM appointed		
CFO appointed		
Job Evaluation		
Information Management System (MunAdmin)		
Delegations		
PMS		
Skills Development Plan		
Employment Equity Plan		
Assistance Plan		
Occupational Health & Safety		
Website/Communication Plan		
Customer Care Strategy (Batho Pele)		
Indigent Policy HIV/AIDS Plan (Component of Health Plan)		
Special Programmes (Youth, Gender,		

ISSUES	STATUS – PREVIOUS FINANCIAL YEAR	STATUS THIS FINANCIAL YEAR
Disability)		
Financial Delegations		
Procurement Framework		
Audit Committees		
By-Law Reformer Policy		
Project Management Unit		
Organisational Structure		
Fin. Maintenance Budget		
Capital Expenditure Budget		
Disaster Management Plan		
Spatial Development Framework		
Housing Sector Plan		
Transport Plan		
Environmental Management Plan		

C. IDP PROCESS

1. IDP Process

The developmental role of municipalities cannot be over emphasized. It is a mandate and challenge that municipalities must continuously strive for.

The developmental role calls for municipalities to maximize social development and economic growth with the traditional role that municipality know of provision of services such as water, refuse removal and others to those rural areas which do not have a luxury of such due to the infrastructural backlogs.

Amid these challenges the critical role is to be able to put communities at the centre of development without undermining their abilities, knowledge and wisdom. Public participation still remains the weakest link in our initiatives and once strengthened it is the link that will make our programmes sustainable.



- i. The Integrated Development Planning (IDP) Process is a process through which the municipalities prepare strategic development plans for a five-year period. An IDP is one of the key tools for Local Government to cope with its new developmental role and seeks to arrive at decisions on issues such as municipal budgets, land management, promotion of local economic development and institutional transformation in a consultative, systematic and strategic manner.
- ii. According to the Local Government Municipal Systems Act No. 32 of 2000, all municipalities have to undertake a process to produce IDP's. As the IDP is a legislative requirement it has a legal status and it supersedes all other plans that guide development at local government level.
- iii. Section 23 of the Local Government Municipal Systems Act, No. 32 of 2000 determines that a municipality must undertake a development oriented planning in-order to ensure that it strives to achieve the objectives of local government and gives effect to its developmental duties as set out in the Constitution.
- iv. Section 25 of the Local Government Municipal Systems Act, No. 32 of 2000 stipulates that immediately after the start of its term, each municipal council must within a prescribed period; adopt a single, inclusive and strategic plan for the development of the municipality.
- v. Section 25 of the Government Municipal Systems Act, No. 32 of 2000 further stipulates that the municipal must on annual basis, review the adopted integrated development plan until

the new council come into power, which will then adopt its own integrated development plan.

vi. Section 25 (3) (a) of the Government Municipal Systems Act, No. 32 of 2000 further determines that a newly elected municipal council may adopt the integrated development plan of its predecessor, but must also ensure that it complies with Section 29, which states that(1) The process followed by a municipality to draft its integrated development plan, including its consideration and adoption of the draft plan, must _ (b) through appropriate mechanisms, processes and procedures established in terms of Chapter 4, allow for the local community to be consulted on its development needs and priorities; provide for the identification of all plans and planning requirements binding on the municipality in terms of provincial and national legislation; and(d) be consistent with any other matters that may be prescribed by regulation

vii. Section 34 of the Local Municipal Systems Act No. 32 of 2000 and the Municipal Planning and Performance Management Regulations (2001), which stipulates that:

A Municipal Council must review its integrated development plan –

- annually in accordance with an assessment of its performance measurements in terms of section 4 I;
- to the extent that changing circumstances so demand; and
- May amend its IDP in accordance with a prescribed process.

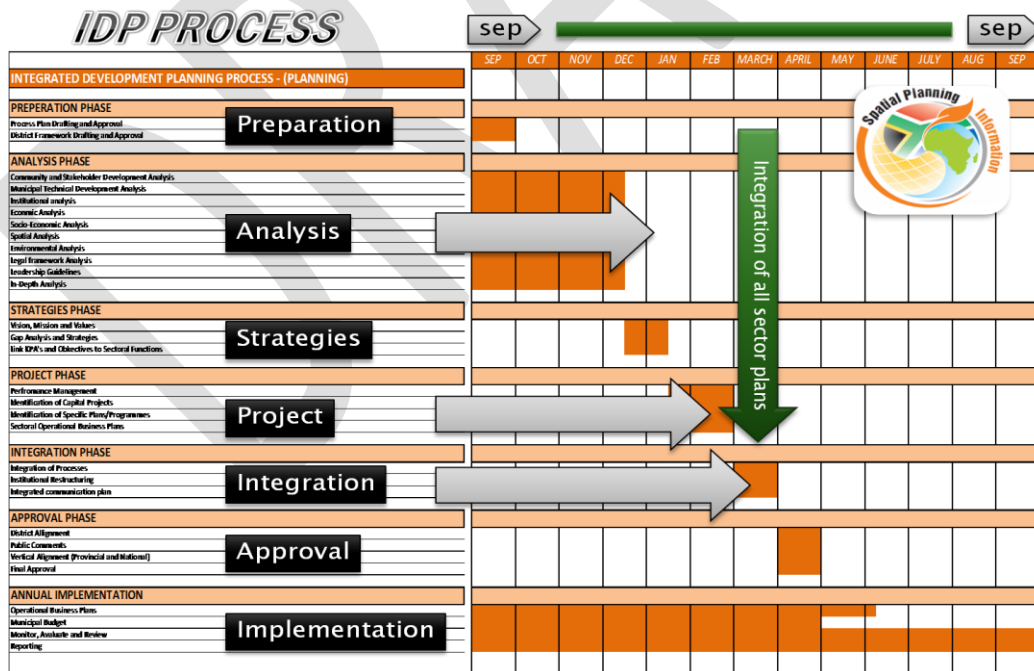


Figure 1 Proposed IDP Process and Integration using Spisys

2. IDP Review Process Plan

In order to ensure certain minimum quality standards of the IDP Review process, and proper co-ordination between and within spheres of government, municipalities need to prepare IDP review process plans. The preparation of a Process Plan, which is in essence the IDP Review Process set in writing, requires adoption by Council. This plan has to include the following:

- i. A programme specifying the time frames for the different planning steps;
- ii. Appropriate mechanisms, processes and procedures for consultation and participation of local communities, organs of state, traditional authorities, and other role players in the IDP review process; and
- iii. Cost estimates for the review process.

3. Distribution of Roles and Responsibilities

A Municipality should establish an IDP Representative Forum that is representative of all stakeholders and interested and affected parties. New role players are continuously added to the list of stakeholders in the IDP Process.

The main roles and responsibilities allocated to each of the role players are set out below.



4. Different Role Players

Table 5: Roles and responsibilities-Internal

ROLE PLAYER	ROLES AND RESPONSIBILITIES
Council	<ul style="list-style-type: none"> • Final decision making • Approval of the reviewed IDP documentation
Councillors	<ul style="list-style-type: none"> • Linking the IDP process with their constituencies • Organising public participation
Portfolio Committee (Economic Dev and Planning)	<ul style="list-style-type: none"> • Political over-sight of the IDP Process and recommendations to the Executive Committee

Mayor/ Executive Committee	<ul style="list-style-type: none"> Decide on the process plan. Be responsible for the overall management, coordination and monitoring of the process and drafting of the IDP documentation, or delegate this function
Municipal Manager	<ul style="list-style-type: none"> Accountable for all IDP related administrative processes Decide on planning process. Monitor process. Overall Management and co-ordination Day-to-day management of the process
IDP Manager (may be delegated this function by the Municipal Manager)	
MANCO (IDP Steering Committee)	<ul style="list-style-type: none"> Assist and support the Municipal Manager/IDP Manager and Representative Forum. Make relevant line function inputs into the various stages of the IDP Information “GAP” identification Oversee the alignment of the planning process internally with those of the local municipality areas.
Municipal Officials	<ul style="list-style-type: none"> Provide technical/sector expertise. Prepare draft progress proposals.

Table 6: Roles and responsibilities-External

ROLE PLAYERS	ROLES AND RESPONSIBILITIES
Alignment Committee	
Representative Forum: consisting of Civil Society, Ward Committees, Traditional Structures and Public and Private Sector entities	<p>Representing stakeholder interest and contributing knowledge and ideas</p> <ul style="list-style-type: none"> Provide data and information. Budget guidelines Alignment of budgets with the IDP Provide professional and technical support.
Government Departments	

- Methodological guidance
- Facilitation of planning workshops
- Support with guidance on Sector Plans (sources of funding and guidelines).
- Documentation
- Providing the required specialist services for various planning activities

5. Public Participation

The *Constitution* stipulates that one of the objectives of municipalities is “to encourage the involvement of communities and community organizations in the matters of local government”.

The *White Paper for Local Government (WPLG)* emphasizes the issue of public participation (not only in municipal planning). It goes into some detail on how to achieve public participation and of the role local government has to play to ensure the involvement of citizens in policy formulation and designing of municipal programmes, as well as implementation and monitoring and evaluation of such programmes. Public participation is meant to promote local democracy. While the WPLG emphasizes that the municipalities themselves should develop appropriate strategies and mechanisms to ensure participation, some hints on how are given, such as:



- forums of organized formations (especially in the fields of visioning and on issue-specific policies, rather than on multiple policies);
- *structured stakeholder participation* in council committees (in particular in temporary issue-oriented committees);
- *participatory action research*, with specific focus groups (for in-depth information on specific issues); and
- Formation of *associations* (especially among people in marginalized areas).

There are guidelines reflected in these hints. Firstly, participation should be a structured process rather than a process of public mass meetings. Secondly, public participation should focus on certain specific processes, and is not equally useful in all fields of municipal management. Local government is not only expected to find its own ways of structuring participation, but is expected to become active in encouraging and promoting participation, especially when it comes to the participation of marginalized groups and women. While the *Municipal Systems Bill (MSB)* defines a municipality as a “corporate entity” which consists not only of its “structures, functionaries and administration”, but also of its “communities, residents and ratepayers”, it differentiates clearly between the roles and responsibilities of the “governing structures” (which form a separate legal personality), and the communities, residents and ratepayers. The public participation chapter of the *MSB* is guided by the principle that formal representative government must be complemented by a system of participatory governance. Participation in the decision-making processes of the municipality is determined to be *a right* of

communities, residents and ratepayers. Integrated development planning is emphasized as a special field of public participation. The decision on appropriate mechanisms, processes and procedures for public participation is largely left to the municipality. The only prescribed participation procedures are the receipt, processing and consideration of petitions and complaints and the public notice of council meetings. No procedures are prescribed for participation in the integrated development planning process. Municipalities are requested to create conditions for public participation and, moreover, to encourage it. The only prescribed tool for promotion of public participation, however, is the dissemination of information on mechanisms and matters of public participation, on rights and duties of residents and on municipal governance issues in general.

- Section 151(1) (e) of the South African Constitution, obliges municipalities to encourage the involvement of communities and community organizations in local government.
- Section 16(1) of the Municipal Systems Act 32 of 2000 requires the municipality to develop ‘a culture of municipal governance that compliments formal representative government with a system of participatory governance’
- Chapter 4 of the Municipal Systems Act spells out how the objectives of participatory governance compliment the formal system of representative local government. Public participation is seen to include:
 - *Preparation, implementation and review of the IDP;*
 - *Implementing and reviewing the performance management systems and performance outcomes;*
 - Basic assumptions underlying public participation can be summed up as follows:
 - *Public participation is a fundamental right of all people;*
 - *Public participation is designed to narrow the social distance between the electorate and elected institutions;*
 - *Public participation is about investing in our people;*
 - *Public participation is designed to promote the values of good governance and humans rights;*
 - *South Africans are encouraged to participate as individuals or interest groups in order to improve service delivery*
 - *Community is defined as a ward in the context of public participation;*
 - *Ward committees are central in linking up elected institutions and these linkages are reinforced by other forums of communication with communities like the izimbizo, roadshows, the makgotla and so forth.*

6. Mechanisms of Participation

The following mechanisms for participation are proposed:

a) IDP Representative Forum

- This forum will represent all stakeholders and will be as inclusive as possible. Efforts will be made to bring additional organizations into the Representative Forum (RF) and ensure their continued participation throughout the process.



- The first Representative Forum (RF) meeting will involve a presentation of the Process Plan as well as a Gap analysis identifying areas to be addressed in the IDP Process.
- The Representative Forum (RF) workshops will be held to provide feedback on the IDP Review Process as well as to acquire input from Representative Forum (RF) members on the Sector Plans.

b) *Ward Committee meetings*

c) Media

Municipalities should use local newspapers to inform the community of the progress of their IDP process. The Spisys landing page could also serve as a communication tool to inform members of the public and other stakeholders.

7. Mechanisms for Alignment

a) National Linkages

The national sphere should provide a framework for the preparation of the Sector plans, and funding where possible. This will contribute to the creation of a normative framework and consistency between municipalities. The national sphere should also co-ordinate and prioritizes programmes and budgets between sectors and the national sphere in line with the framework and Simplified Guidelines.

b) Provincial Level

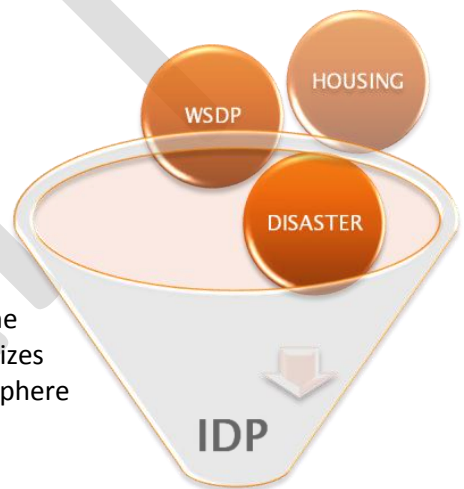
As with the National Government, Provincial Government should prepare Sectoral Guidelines and funding for the preparation of these plans. The preparation of the Sector plans and programmes and district programmes also need to be coordinated and aligned.

c) District Municipality

A District Municipality will, in consultation with local municipalities within its jurisdiction prepare a framework plan to co-ordinate all planning activities during the review process. Through the IDP Manager, the District Municipality will also organise district level alignment meetings between all the municipalities and as well as between municipalities and service providers.

d) Local Municipalities

Local municipalities will participate in all district-level alignment events and specific alignment meetings, but will also attempt to draw individual service providers into the local planning



processes. The local municipalities will also contribute strategies in addressing district-level issues during the alignment meetings.

e) Integrated Spatial Management System (SPISYS)

SPISYS will support both the district and the local municipality to ensure that proper alignment takes place through facilitation and guidance where required. The system has been developed to provide a Integrated sharing platform for information and spatial data required to do spatial planning in the Province and could be utilized to assist as a mechanism as follow:

- i. Spatial alignment of different Sector Plans to represent the location, uses and rights of all projects
- ii. To identify suitable locations and preferred positions of new projects by following a scientific approach towards sustainable development
- iii. Making informed decisions to guide political decision makers
- iv. Ease of reference to all documents required in a single environment to guide decision making
- v. Having the latest data and information at your finger tips to assist decision makers with paving the way forward.

8. Core Components of the IDP Preparation

The 'core elements' of the IDP correspond to the core functions of municipalities as outlined in the Municipal Structures Act and other legislation, the Department of Provincial and Local Government's IDP Guide Pack III and VI, as well as critical elements that have arisen from the preparation of the IDP's over the past years.

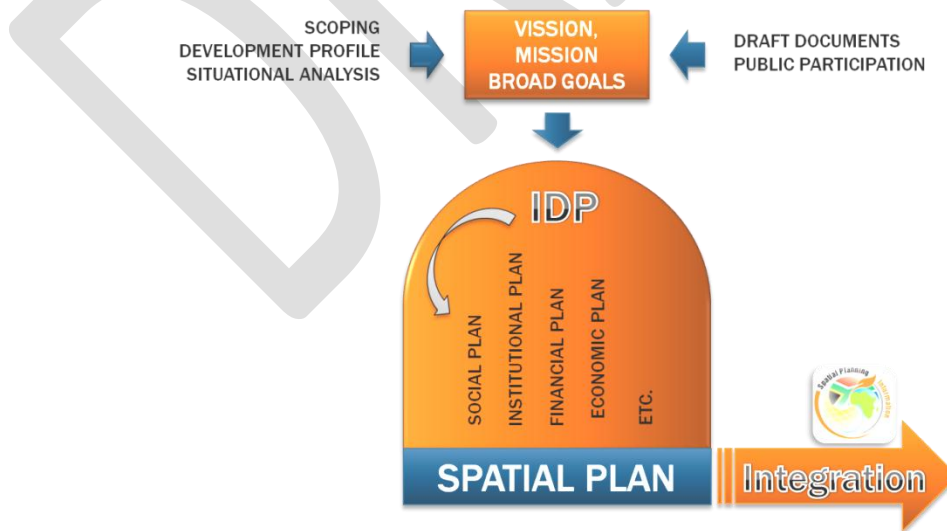


Figure 2 Proposed Integration model using the SDF through Spisys

The core components of the IDP process are grouped as follows:

- a) Status of the implementation process of the previous IDP (Full term performance report).
- b) Nine IDP Components as per the Municipal Structures Act (MSA):
 - a. *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;*
 - b. *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;*
 - c. *the council's development priorities for its elected term, including its local economic development aims and its internal transformation needs;*
 - d. *the council's development strategies which must be aligned with any national or provincial sectoral plans and planning requirements binding on the municipality in terms of legislation;*
 - e. *spatial development framework which must include the provision of basic guidelines for a land use management system for the municipality;*
 - f. *the council's operational strategies;*
 - g. *applicable disaster management plans;*
 - h. *a financial plan, which must include a budget projection for at least the next three years; and*
 - i. *the key performance indicators and performance targets determined in terms of Section 41 of the Municipal Systems Act.*
- c) Performance Management System (through using Spisys Management Dashboards)
- d) Preparation and finalization of the annual municipal budget and ensuring compliance with the requirements of the Municipal Finance Management Act 2004

D. LEGAL REQUIREMENT



1. Background of the IDP

- a) Integrated Development Planning is a central process that has become a **driving process** to ensure the residents of the municipal area are ultimately the recipients of basic services that are provided by the municipality. The Integrated Development Plan is further seen as a consolidated process that provides a framework for the planning of future development in a municipality. In this regard, all other municipal plans must be aligned to the IDP and they must ultimately become annexures to the IDP.
- b) The development of Municipal Integrated Development Plans is not just for the purposes of meeting the requirements of the law, but Integrated Development plays a very crucial part in the development of the municipal area. It should be emphasized that municipalities must develop realistic and/or credible Integrated Development Plans, in order to meet the country's development objectives.
- c) According to COGTA, the following constitute the Credible IDP:
 - **Consciousness** by a municipality of its constitutional and policy mandate for developmental local government
 - **Awareness** by a municipality of its **role and place** in the regional provincial and national context and economy
 - **Awareness** by a municipality of its **own intrinsic characteristics and criteria for success**
 - **Comprehensive description** of the area – the environment and its spatial characteristics
 - A **clear strategy**, based on local developmental needs
 - **Insights into the trade-offs and commitments** that are being made with regard to economic choices, establishment of Sustainable Human Settlements, integrated service delivery etc
 - The **key deliverables** for the next 5 years
 - Clear **measurable budget and implementation plans** aligned to the Service Delivery and Budget Implementation Plan
 - A **monitoring system** (Organizational Performance Management Systems and Spisys)
 - Determines **capacity of municipality**
 - Communication, **participatory and decision-making** mechanisms
 - The degree of **intergovernmental action** and **alignment** to government wide priorities

2. Legal Overview For Integrated Development Planning

- a) The transformation of Local Government in South Africa has brought about drastic changes in the nature, powers and functions of municipalities. This transformation has placed an emphasis on developmental role of the municipalities, and hence, developmental local government. The notion of developmental local government commits the municipalities to work with the communities in ensuring that they together find sustainable ways of improving the quality of lives of the communities.
- b) Section 23 of the Local Government Municipal Systems Act No. 32 of 2000, which determines that all municipalities must undertake a development oriented planning, in order to ensure that they strive to achieve the objects of local government, further enhances the concept of developmental local government. It is through this development oriented planning that the developmental local government can be realized.
- c) The development oriented planning that is referred to above, is the integrated development planning, which is a process through which the municipalities prepare strategic development plans which extends for a five-year period. The ultimate product of this planning process is the Integrated Development Plan. An Integrated Development Plan (IDP) is the principal strategic planning instrument that guides and informs all planning, budgeting, management and decision-making processes in a Municipality.
- d) According to the Local Government Municipal Systems Act No. 32 of 2000, all municipalities have to undertake a process to produce IDP's. As the IDP is a legislative requirement it has a legal status and it supersedes all other plans that guide development at local government level.
- e) Section 23 of the Local Government Municipal Systems Act, No. 32 of 2000 determines that a municipality must undertake a development oriented planning in-order to ensure that it strives to achieve the objectives of local government and gives effect to its developmental duties as set out in the Constitution.
- f) Section 25 of the Local Government Municipal Systems Act, No. 32 of 2000 stipulates that immediately after the start of its term, each municipal council must within a prescribed period; adopt a single, inclusive and strategic plan for the development of the municipality.
- g) Section 25 of the Government Municipal Systems Act, No. 32 of 2000 further stipulates that the municipality must on annual basis, review the adopted integrated development plan until the new council come into power, which will then adopt its own integrated development plan.
- h) Section 25 (3) (a) of the Government Municipal Systems Act, No. 32 of 2000 further determines that a newly elected municipal council may adopt the integrated development plan of its predecessor, but must also ensure that it complies with Section 29, which states that –

(The process followed by a municipality to draft its integrated development plan, must allow for the local community to be consulted on its development needs and priorities;- provide for the identification of all plans and planning requirements binding on the municipality in terms of

provincial and national legislation; and, be consistent with any other matters that may be prescribed by regulation 9.)

- i) The integrated development planning process necessitates the coming together of all relevant stakeholders, with an aim of:
- Identifying its key development priorities;
 - Formulating a clear vision, mission and values;
 - Formulating appropriate strategies;
 - Developing the appropriate organizational structure and systems to realize the vision and mission; and
 - Aligning resources with the development priorities
- j) The Municipal Systems Act further compels the municipalities to draw up an Integrated Development Plan as a singular, inclusive and strategic development plan that is aligned with the strategic development plans of the surrounding municipalities and other spheres of government. In this regard, a Municipality shall endeavor to align its strategic development plan to that of the neighboring Municipalities surrounding a Municipality
- k) A Municipal IDP shall by all means be made of the following components as required by Municipal Systems Act of 2000:
- A **vision** of the long term development of the municipality;
 - An **assessment of the existing level of development** in the municipal area which must include an identification of the need for basic municipal services;
 - The municipal **development priorities and objectives** for its elected term;
 - The municipal **development strategies** which **must be aligned** with national and/or provincial sectoral plans and planning requirements;
 - A **spatial development framework** which must include the provision of basic guidelines for a land use management system;
 - The municipal **operational strategies**;
 - A municipal **disaster management plan**;
 - A municipal **financial plan**, which must include a budget projection for at least the next three years; and
 - The key **performance indicators** and **performance targets**
- l) The Municipal Planning and Performance Management Regulations of 2001, further set out the following requirements for the Integrated Development Plan:
- An **institutional framework** for the implementation of the Integrated Development Plan and to address municipality's internal transformation
 - **Investment opportunities** that should be clarified;
 - **Development initiatives** including infrastructure, physical, social and institutional development; and
 - **All known projects, plans and programmes** to be implemented within the municipality by any organ of state. Alignment Reports generated through Spisys are shown in the Spatial Development framework (SDF) section of this IDP.

- m) The Municipal Finance Management Act (MFMA) of 2003 further provides for a total alignment between the municipal annual budget and the Integrated Development Plan. To ensure this, a Municipality should develop a single process to develop and review its annual budget and the integrated development plan.
- n) The Municipal Finance Management Act (MFMA) of 2003 further provides for the development of the Service Delivery and Budget Implementation Plan (SDBIP), which is a detailed plan that gives direction as to how the service delivery and annual budget should be implemented. SDBIP includes monthly revenue and expenditure projections, quarterly service delivery targets as well as performance indicators.

3. The Presidential Outcomes

From the development focus of the MTSF the government has derived twelve outcome areas that set the guidelines for more results-driven performance. The TWELVE KEY OUTCOMES that have been identified and agreed to by the Cabinet are:

- 1) *Improved quality of basic education*
- 2) *A long and healthy life for all South Africans*
- 3) *All people in South Africa are and feel safe*
- 4) *Decent employment through inclusive economic growth*
- 5) *A skilled and capable workforce to support an inclusive growth path*
- 6) *An efficient, competitive and responsive economic infrastructure network*
- 7) *Vibrant, equitable and sustainable rural communities with food security for all*
- 8) *Sustainable human settlements and improved quality of household life*
- 9) *A responsive, accountable, effective and efficient local government system*
- 10) *Environmental assets and natural resources that are well protected and continually enhanced*
- 11) *Create a better South Africa and contribute to a better and safer Africa and world*
- 12) *An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship*

Of the 12 outcomes above, Outcome 9 is closest to local government. The champion of the goal is the national Department of Cooperative Governance and Traditional Affairs. In order to achieve the vision of a “Responsive, accountable, effective and efficient local government system”, seven outputs have been identified:

- Output 1: Implement a differentiated approach to municipal financing, planning and support
- Output 2: Improving Access to Basic Services
- Output 3: Implementation of the Community Work Programme
- Output 4: Actions supportive of the human settlement outcomes
- Output 5: Deepen democracy through a refined Ward Committee model
- Output 6: Administrative and financial capability
- Output 7: Single Window of Coordination

The Outcomes-based approach can best be illustrated as follows :

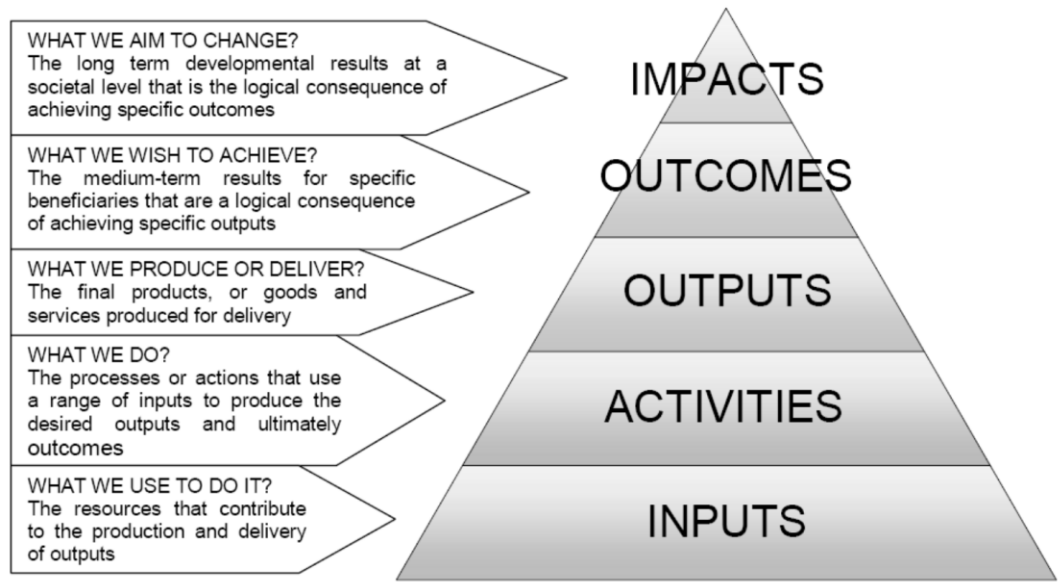


Figure 3: Outcomes based Approach

4. National Development Plan

The South African Government, through the Ministry of Planning, has published a National Development Plan. The Plan aims to eliminate poverty and reduce inequality by 2030. The Plan has the target of developing people's capabilities to be to improve their lives through education and skills development, health care, better access to public transport, jobs, social protection, rising income, housing and basic services, and safety. It proposes the following strategies to address the above goals:

- Creating jobs and improving livelihoods
- Expanding infrastructure
- Transition to a low-carbon economy
- Transforming urban and rural spaces
- Improving education and training
- Providing quality health care
- Fighting corruption and enhancing accountability
- Transforming society and uniting the nation

At the core of the Plan is to eliminate poverty and reduce inequality is the special focus on the promotion gender equity and addressing the pressing needs of youth.

E. SITUATIONAL ANALISYS



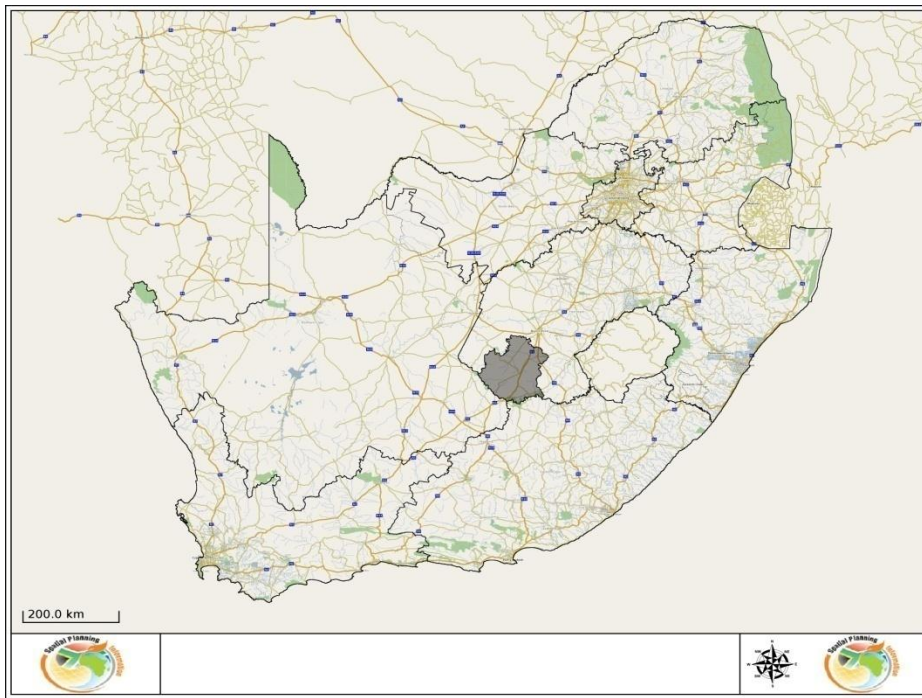
This chapter of the IDP is where the existing Municipal Situation is resembled through each of the Existing Status quo reports indicated by each section, most of the information is being automated through the use of Spisys to assist Municipalities to have the latest information available when compiling the Situational Analysis. It is very important for a Municipality to always ensure that the latest credible information is used in the compilation of the IDP. A municipality needs to know where their positioned and what needs to be addressed to turn around the existing position.

1. Geographical Context

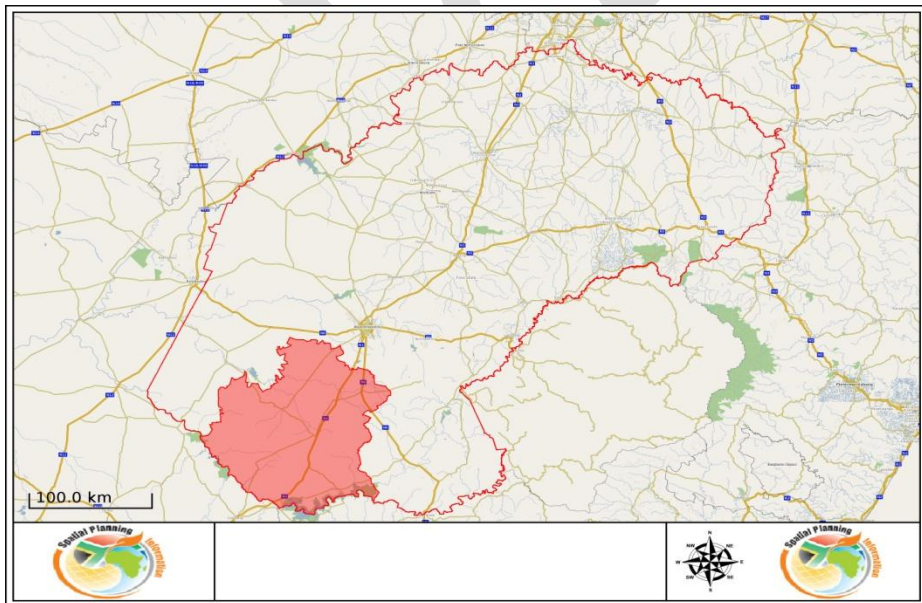
The location of the Municipality is summarized as follow:

<i>Table 7 : Geographic Summary</i>	
Province Name	<i>To be Completed by relevant Municipal Officials</i>
District Name	
Local Municipal Name	
Major Transport Routes	
Extent of Municipality (km ²)	
Nearest Major City and distance between major town/city in the Municipality	
Closest Harbor and Main Airport to the Municipality	
Region specific agglomeration advantages	
Municipal Borders	
Northern Border	:
Eastern Border	:
Southern Border	:
Western Border	:

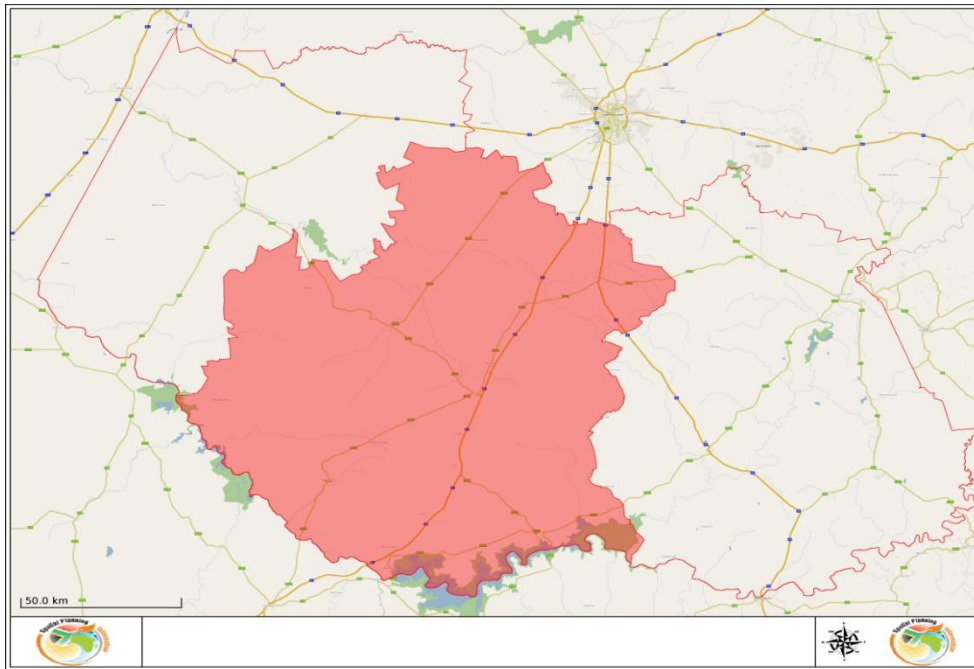
Map 2: The Municipality within the South African Context



Map 3: The Municipality within the Provincial Context



Map 4: The Municipality within the District Context



2. Environmental Context

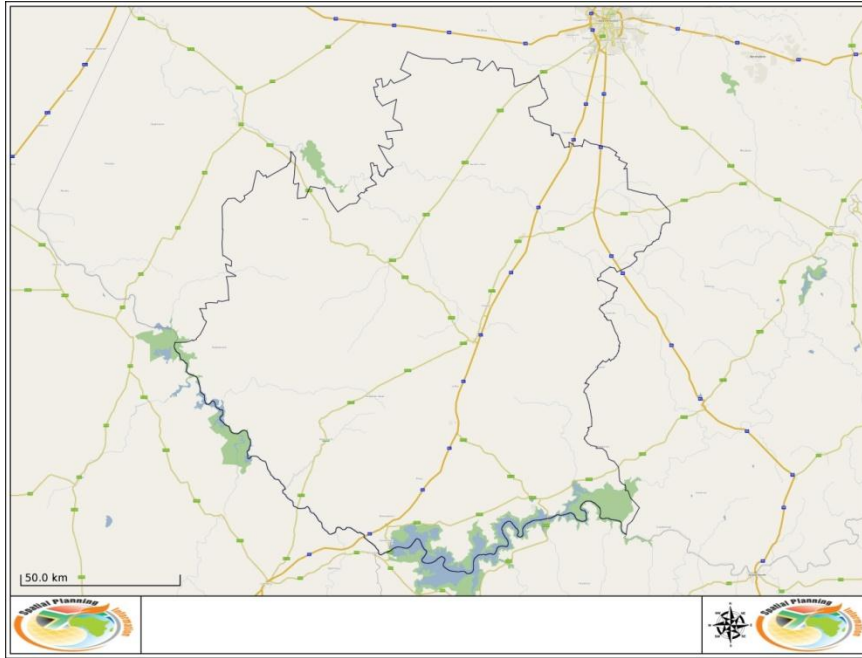
Table 8: Environmental Summary

Main Environmental Regions in the Municipality	To be Completed by relevant Municipal Officials
List of Conservation Areas	
List of Private Nature Reserves	
List of Government Owned Nature Reserves	
Biosphere areas	
Main Rivers within the Municipality	
Wetlands within the Municipality	
Heritage Sites within the Municipality	

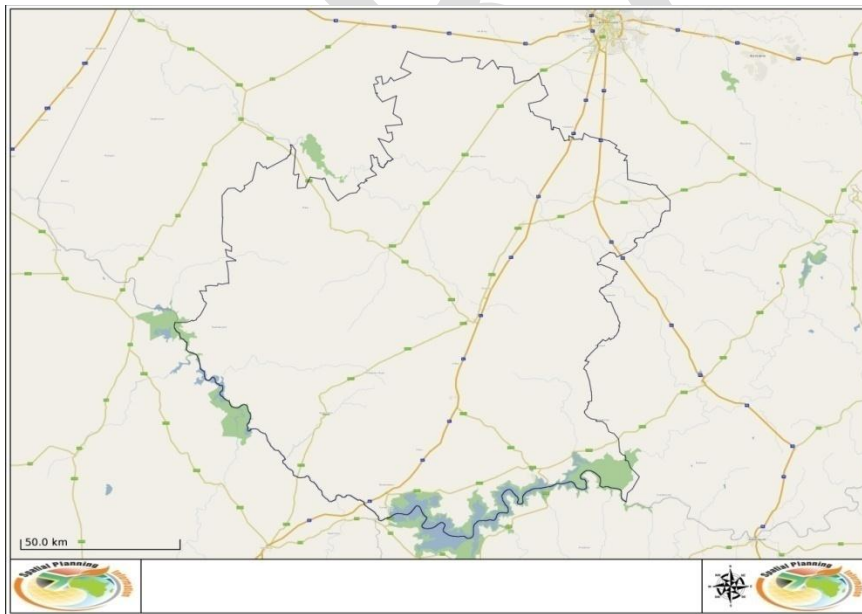
Conservation areas are priority areas and are strictly protected from most activities in terms of NEMA. The conservation areas and nature reserves are important in deciding on long term development proposals and strategies for the municipal area. Protected areas and

conservancies are strictly not physical attributes but have strong physical links and is a primary determinant of future development and development potential in the municipal area. As one extends the impact of environment issues, it is clear that the impact of ecological issues goes way beyond the demarcated areas and key environmental features.

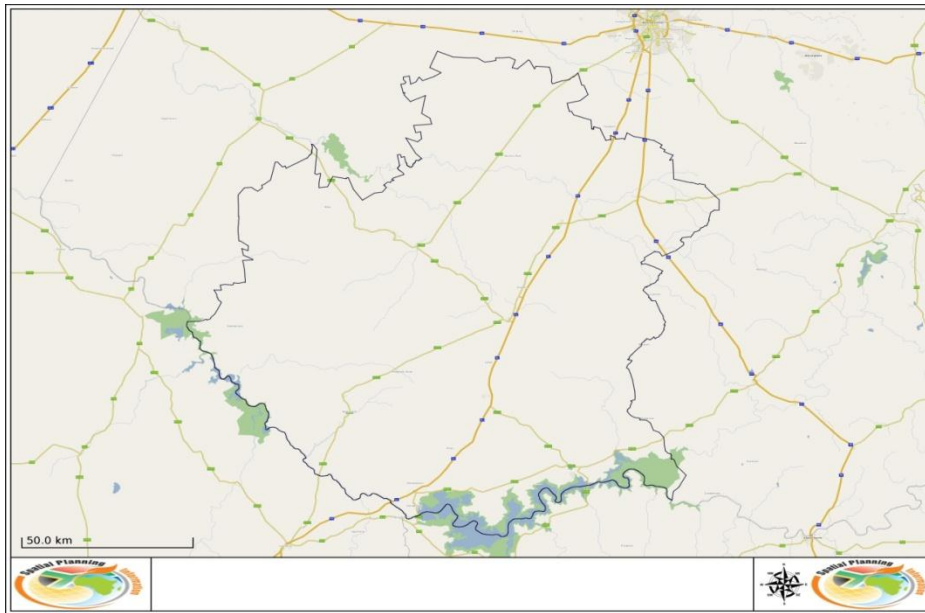
Map 5: Nature reserves, Biospheres



Map 6: Environmental Sensitive areas



Map 7: SDF Layer – Ecological Corridors



The environmental map shows the existing nature reserves, biosphere and conservation areas.

3. Biophysical Context

Table 9: Biophysical Context

Current Land Transformation status (land transformed from natural habitat to developed areas)	<i>To be Completed by relevant Municipal Officials</i>
List all major river systems	
Main agricultural land uses within the Municipality	
Demand for Development that will influence the transformation of land use	
Existing pressure from land use impacts on biodiversity from land use (e.g. drainage and cultivation of commercial crops, poor burning practices, alien invasive plants, head cut/donga erosion, sand winning, poor livestock grazing management, poor veldt management in upstream catchments, forestry, high demand for coastal residential development	

urbanization, and roads).

Current Threats on Alien Flora species and mitigation processes in place

List of Fauna Species within the Municipal area

List of endangered Flora species within the Municipal area

Any Eco – tourism Initiatives earmarked within the Municipality

Any initiatives required to sustain the ecological issues and impacts within the Local Municipality

Any Coastal areas within the Municipality

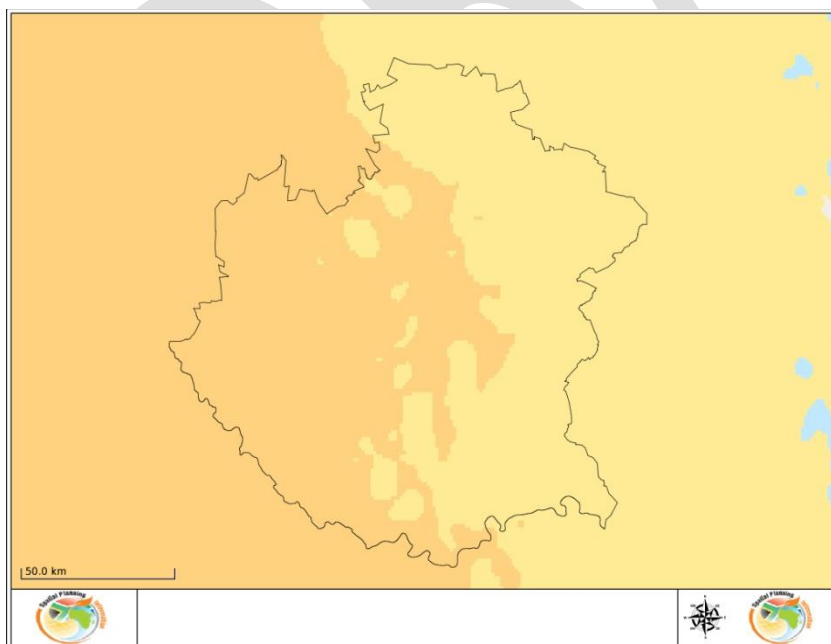
Coastal Management Status if applicable

Any Protected mountain areas/ranges within the Municipality

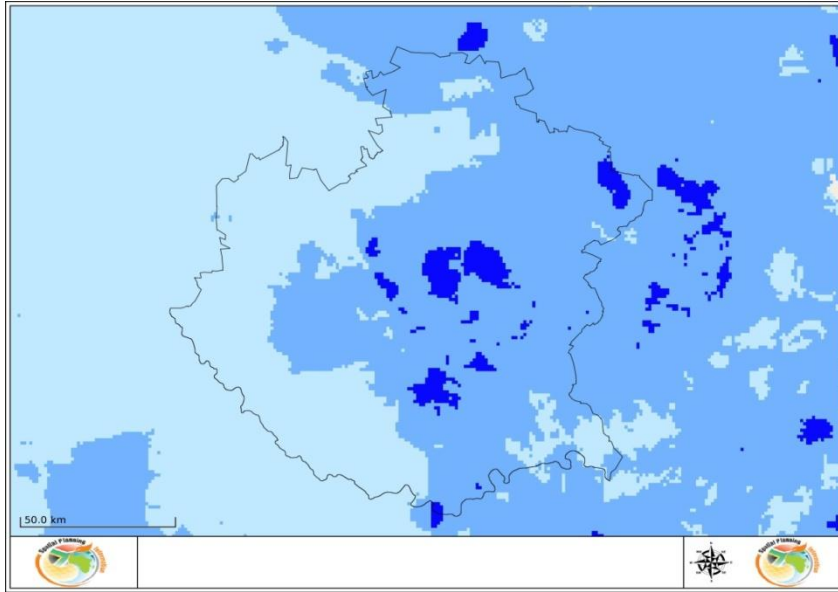
Average Rainfall for the Municipal Area

Minimum and Maximum average temperature for both winter and summer months in the Local Municipality

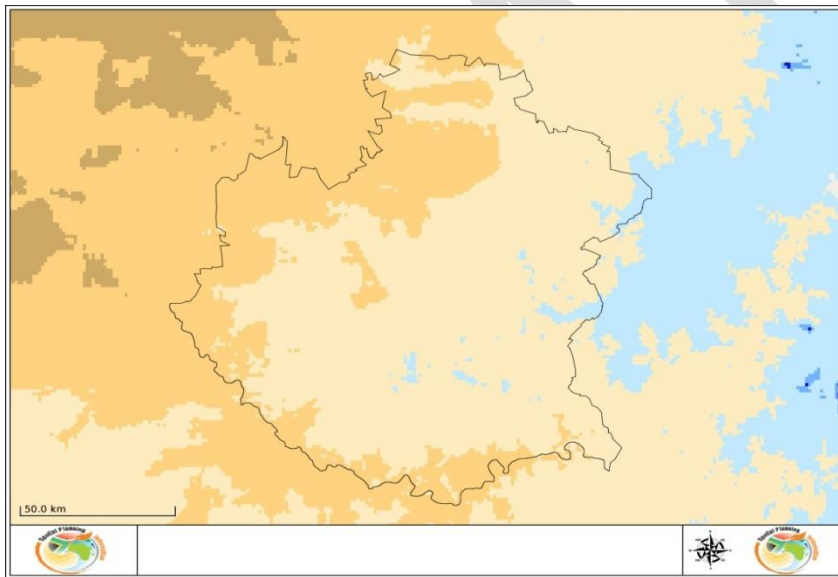
Map 8: Rainfall of the Municipality



Map 9: Minimum Temperatures



Map 10: Maximum Temperatures



4. Infrastructural Context

Table 10: Infrastructural Context

Current Disparity percentage in terms of the provision of Services within the Municipality	<i>To be Completed by relevant Municipal Officials</i>
Indicate major service sector backlog areas within the Municipality	
Indicate service areas where there is a lack of maintenance according to the priority needs	
Current Condition of Roads within the Municipality (name, route number and condition)	
Current Public Transport Services provided in the Municipality, list according to modes used most often	
Current status of the Local Municipal Airports (condition, status)	
Areas threatened by poor Storm water management (areas prone to flooding, list according to priority)	
Current Water Services Conditions (refer to blue drop report)	
Percentage with access to water (suitable for human usage) - %	
Current Waste Disposal Status and Condition	
Existing Landfill Registration Site Status in the Municipal area (EIA's status)	
Are ways of reducing inefficiencies waste and water loss investigated?	
Current Conditions of Waste Water Treatment Works (refer to green drop report)	
Any major development projects of significance in the Local Municipality that has a effect on the Existing Service delivery situation	
Any major developments restricted due to a lack of Bulk services in the Municipality	
Existing Condition on electrical services	

provision (reliability, major substations and internal infrastructure)

5. Social Context

Table 11 : Social Context

	<i>To be Completed by relevant Municipal Officials</i>
Existing Population Statistics (estimate of current population size of the Municipality)	
Education Levels (indication of percentage of the community has passed Grade 10)	
Existing Pre-Primary Schools within the Municipal Area	
Existing Primary Schools within the Municipal Area	
Existing Secondary Schools within the Municipal Area	
Existing Tertiary Institutions within the Municipal Area	
Existing Employment and Unemployment rates in the Municipal Area	
Income levels (general background on typical income within the Municipal Area)	
HIV and Aids (Population segment that is HIV Positive - % , Average Annual growth in HIV and segment)	
List major Travelling Modes for the Local Municipal community (by priority usage)	
Existing Transportation needs to serve the public transport sector	
Existing Public Transport areas of need and mode type that could link development corridors or development areas	

Table 12: Demographics of the Municipality

Indicators	African		Colored		White	Total	
	2005	2009	2005	2009		2005	2009
Population Growth Rate							
Number of Households by Population Group							
Number of people in Poverty							

Spisys to Automate Data Population

Table 13: Education levels

Persons	1996	% change
No schooling		
Some primary school		
Complete primary		
Secondary		
Grade 12		
Higher		

Spisys to Automate Data Population

Table 14: Municipal Facilities and types

Facility Type	Number of
Crèche	
Pre-Primary School	
Primary School	
Secondary School	
Tertiary Institution	

Spisys to Automate Data Population

Technical Institution	
Clinic	
Mobile Clinic	
Hospital	
District Hospital	
Liquor Licenses	
Police Stations	

5. Economic Context

Table 15: Economic Context

Percentage Economically Active within the Municipality	<i>To be Completed by relevant Municipal Officials</i>
Percentage not economically active within the Municipality	
Percentage Employed within the Municipality	
Percentage Unemployed within the Municipality	
Name the Three major Economic Sectors within the Municipality and the percentage of income within the Sector (GDP)	
Existing Initiatives to address unemployment within the Municipality	
List possible competitive advantages for the Municipality	
Existing Investment Initiatives and Incentives	

Table 16: GDP of the Municipality

Industry	
Agriculture	
Mining	
Manufacturing	
Construction	

**Spisys to Automate
Data Population**



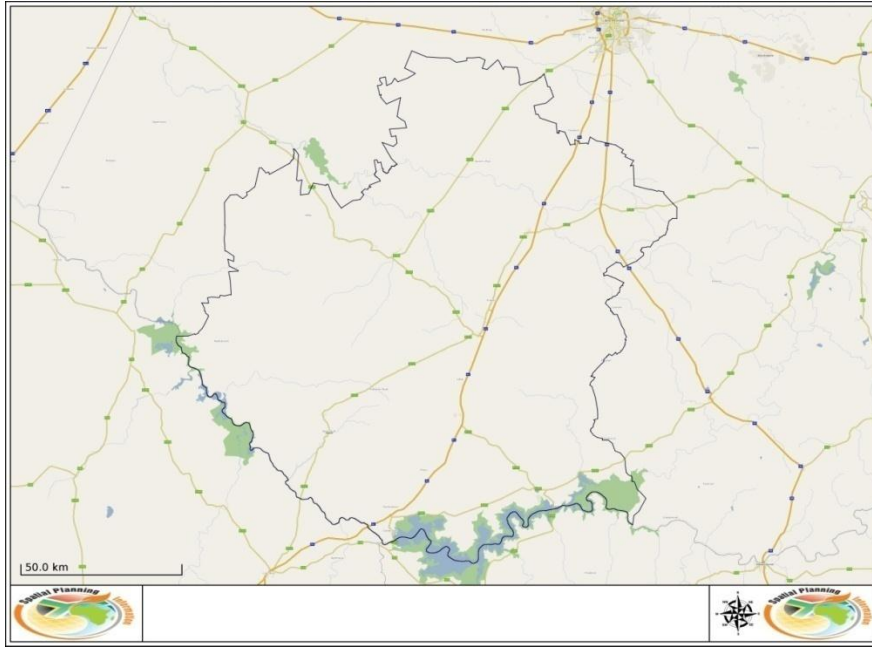
Retail Trade	
Transport and Communication	
Business services	
Social and Personal Services	

6. Strategic Context

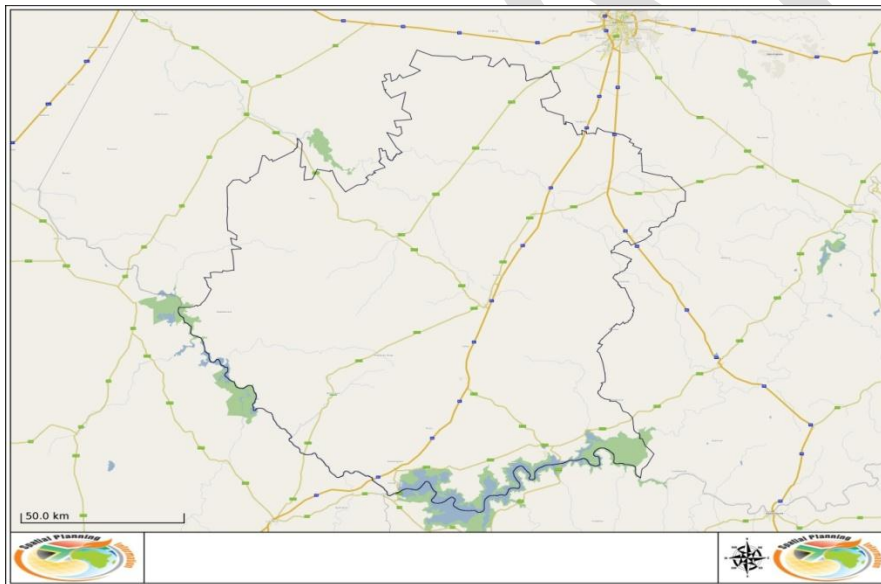
Table 17: Strategic Context

Location in terms of major Transport Nodes (nationally and District Wide)	<i>To be Completed by relevant Municipal Officials</i>
Comparative Advantage towards economic development potential within the direct boundaries of the Municipality	
Location in terms of the Provincial growth and Development Strategy (name hierarchy for major towns within the Municipality)	
Major Tourism, and Development Corridors within the Municipality, and how these corridors are being explored for further development.	
Existing Contribution to the GDP of the Province	
What is being done to create an enabling environment for investors within the Municipality	
What is being done to utilize the existing natural resources within the Municipality to attract investment , indirectly creating job opportunities	

Map 11: Existing National SDF Context (nodes, corridors etc)



Map 12: Existing Provincial SDF Context (nodes, corridors etc)



F. DEVELOPMENT STRATEGIES

1. Development Strategies

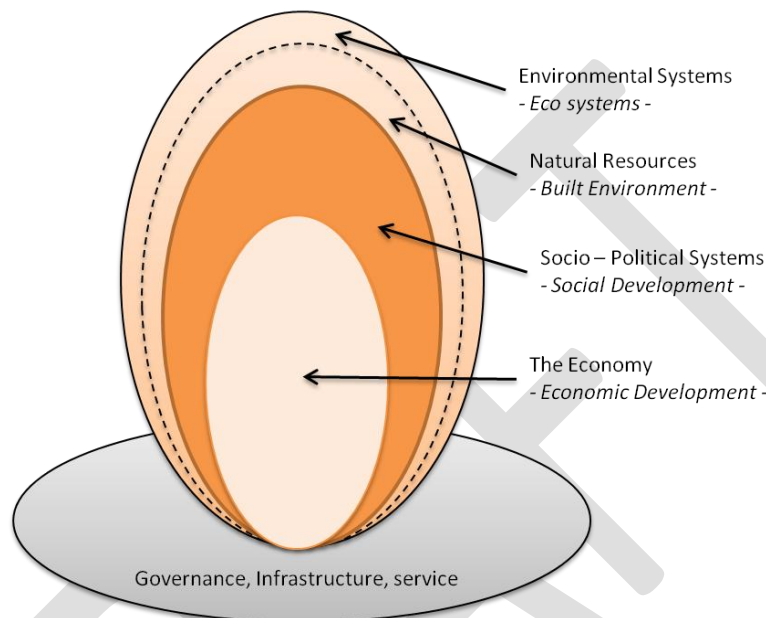


Figure 4: Strategy Model

The way in which five sustainable development themes are pursued is briefly outlined below.

a) Economic development

The structure of the local economy is described in the Situational Analysis. In order to move the economy and the associated institutions in the much needed development direction the following strategies are to be proposed to ensure sustainable development in the Municipality:

- Identify strategic economic initiatives per Sector
- Grow / stabilize the economic sectors
- Identification and implementation of keystone projects,
- Development of human resources,
- Provision of a system of business support,
- Development of poverty eradication strategies,
- Improvement of the regulatory environment and service delivery,

- Investigation of the potential of green and sustainable technologies, e.g. wind power, and use of partnerships to overcome limitations of being a small rural local authority.

b) Social development

For the implementation of a social development Programme the IDP needs to set the stage to:

- create opportunities to ensure that the youth of the Municipality realizes their full potential to ensure that quality services is provided to the poor, vulnerable people affected, amongst others by HIV & AIDS and TB
- create an effective developmental partnership between government and civil society to limit and reverse the spread of HIV & AIDS and TB

c) Sustainable environmental utilization

The sustainable use of the environment is divided up in two components namely:

- Spatial development as manifested in settlement patterns of the region's inhabitants and;
- Sustainable use of the natural environment

d) Spatial development

- The towns and villages in Municipalities are characterized by development that is spatially fragmented mostly associated with previous apartheid policies.
- Over the last number of year's rapid growth in the lower socio-economic settlements occurred within built-up areas and on the fringes of settlements which caused unmanaged urbanization.
- The low density patterns of lower socio-economic settlements result in high cost of service provision which resulted in urban sprawl.
- Decisions on spatial developments are often taken by a range of different authorities and full cognizance of its combined effect gives rise to unfavorable environmental and serviceability impacts, planning is not done in a coordination manner.
- Depletion of valuable natural resources and agricultural land. The consequence of abovementioned spatial development has an impact on the sustainable use of the natural environment

e) Infrastructure and service delivery

To ensure that a Municipality can cope with its future demand for infrastructure and service provision an integrated infrastructure development plan is needed to especially focus of the following key areas:

i. Strategic focus

- In order to ensure that infrastructure plans are not wish lists, public meetings should be arranged in the Municipality in order to agree on attainable objectives.
- Infrastructure planning should be guided by three principles namely to;
 - eliminate the backlogs of the past
 - Maintaining existing infrastructure
 - Plan and design new infrastructure timeously in order to satisfy future demand in a cost effective way

ii. The strategic focus should entail amongst others the following services:

- Water
- Sewerage
- Roads and transport
- Storm water
- Electricity
- Solid waste
- Housing

Housing should be seen as one of the areas of service provision that needs special attention because of the urgent need. The strategies need to be aligned with national and provincial policy documents. Housing plans should be reflected in the spatial development framework for a Municipality which supports the integrated development of previously disadvantaged communities. The framework should be aligned with the economic development Plan of the Municipality. The strategies for housing projects of the municipality focus on the destitute and the homeless residents. Alternative housing types for all groups should also receive attention. The GAP housing market that caters for the middle income groups needs to be explored. The Municipality should further investigate mixed housing and land use patterns in order to facilitate integration in line with the Spatial Development framework and national and provincial policies.

The provision of energy to local government users is a very important service where local authorities mainly act as a conduit for the national provider. It is one of the long term objectives of a Municipality to become less dependent on external sources of energy. Alternative sustainable renewable energy sources should be investigated as a way to

decrease this dependence and also at the same time create employment opportunities that can result from renewable energy projects. As part of the economic development plans, outlined above, the viability of solar, wind and solid waste energy plants should be assessed.

f) Good governance

Good governance is the cornerstone of the wellbeing of a community. Representatives should be elected by the community and must adhere, amongst others, to the following principles:

- Be accountable to their constituencies
- Ensure that the wishes of the community are communicated
- Ensure that the agreed upon priorities are executed
- Must communicate with the constituencies
- Create the channels of communication
- As governing body the Council must oversee that services are provided in a cost effective way by insisting on an appropriate performance evaluation system
- Monitor the execution of operational and capital plans
- Monitor capacity to execute projects and insist on a capacity building strategy
- Ensure that policies are in place to ensure ethical behavior of municipal officials and councillors
- Ensure policies to prevent corruption

The IDP cannot contain all the measures to ensure good governance. It is however prudent to indicate that the IDP documents in detail the consultation processes followed in the different wards to obtain their priorities in terms of development projects as well as required infrastructure.

The ward committee system should be operational as a link between the Council and its constituents. The elements to monitor good governance should be in place and a willingness to go beyond the statutory requirements could be demonstrated by the adoption of an anti-corruption strategy for the Municipality.

2. Strategic Focus Areas

In order to ensure integrated and sustainable development within the municipal area, a Municipality should formulate several strategic focus areas. In undertaking the strategy formulation process the Municipality should move towards an



outcomes based approach.

These strategies cover the entire spectrum of development needs and opportunities in the Municipality. The integration of the strategies and the budgets are also being pursued during this planning cycle, which seeks to guide the development of the area over the next five years. Each strategy should have a number of programmes and related projects attached to it, which on completion translates into the achievement of the strategic goal.

The situational analysis above has made all attempts to paint picture of the current realities of the Municipality, and therefore these outcome-based strategies are meant to address the problems identified under the situational analysis phase.

The following constitute the broad strategic areas for the Municipality. These broad strategic focus areas will further be broken down into programmes and projects. They are:

a) Improve service delivery

Improving the level of service delivery is one of the critical challenges that require serious attention. A proper strategy and programme must be developed in order for the Municipality to address this challenge. This challenge will be addressed together with the challenge on ensuring strict credit control.

b) Improve relationships

It is a legal imperative for the municipality to act in a developmental way, and to provide an enabling environment for all its stakeholders to engage in a meaningful partnership with the council to ensure that the needs are met.

c) Address poverty and unemployment

At the centre of development challenges is the need to create employment opportunities and the need to strengthen the economic base of the area. The development initiatives should be aimed at creating employment opportunities for the community of the Municipality. Most of these employment opportunities that are created are temporal, but they are playing a very important role in a fight against poverty and unemployment.

d) Good Governance and administration

The Municipality wants to be an institution that continuously improves its government, by ensuring good governance and an institution that has best administration practices.

e) Economic Development

The maximize the existing Economic Sectors within the Municipality and to further investigate other business and invest opportunities that will further enhance the major economic Sectors of the Municipality, this will unlock much needed employment opportunities.

f) People Development

The Municipality strives to be a place in which there is an advancement of community development, personal growth and social mobility so that at the end of the day challenges pertaining to poverty and vulnerability, inequality and social exclusion are addressed.

g) Integrated Sustainable Human Settlements

The Municipality needs to work on integrated sustainable human settlements, by ensuring that the Spatial Development frameworks do accommodate existing housing needs for all income levels and creating development incentives that will attract development within the Municipality

h) Provide infrastructure and basic services

The municipal area is characterized by areas where major service backlogs exist. This is in comparison with areas where the full range of services exists. This makes it important for the Municipality to forge good working relationships with sector departments and all stakeholders so that they will be able to contribute in as far as the provision of basic services to poor communities. Municipalities further need to ensure that developers are also responsible for service contributions to support the basic service delivery backlog programmes. This will ensure that while the up market development is going on, the poor communities are also getting something on the other hand.

i) Environment

Each Municipality should strive to be an environmentally sustainable municipal area that anticipates, manages and reduces its vulnerability to potential global and local environmental shocks, and works consistently to reduce the impact of its own built environment and urban processes on the broader envelop of natural resources.

j) Spatial form and urban management

A spatial form that embraces the principles of integration, efficiency and sustainability, and realizes tangible increases in accessibility, amenity, opportunities and quality of life for all communities and citizens of the Municipality.

k) Safe and secure environment

If the area is to meet its vision, the issues of crime, traffic-related offences, fire and emergency services, disaster management and prevention and households subject to flood risks need to be addressed. A place where life, property and lifestyles are safe and secure, so that residents and business can live and operate free of crime, threats to public safety, personal emergencies and disasters.

l) Financial sustainability:

The Municipality should strive to ensure that it is able to finance affordable and equitable delivery and development, and that maintains financial stability and sustainability through prudent expenditure, sound financial systems and a range of revenue and funding sources.

m) Ensure strict credit control

Each Municipality has to deal with huge unemployment and poverty. With this scenario it becomes critical for council to realise what the affordability levels for payment of services are and then to adopt appropriate credit control policies.

n) Manage the health environment and the HIV/Aids pandemic

Many Municipalities are faced with the major challenge of responding to the issue of HIV/AIDS and AIDS-related issues, such as Aids-orphans. To this regard, Council has to identify and introduce projects that are aimed at providing care for AIDS orphans.

3. Strategies and Programmes

The abovementioned strategic focus areas have been further broken down into six strategies to ensure integrated and sustainable development within the Municipality. In undertaking the strategy formulation process the Municipality has moved towards an outcomes based approach. These strategies cover the entire spectrum of development needs and opportunities in the Municipality.



The integration of the strategies and the budgets are also being pursued during this planning cycle, which seeks to guide the development of the Municipality over the next five years. Each strategy has a number of programmes and related projects attached to it, which on completion translates into the achievement of the strategy goal.

Strategy 1: Effective Infrastructure

OBJECTIVE: This strategy is focused on the improved maintenance and the provision of new infrastructural services within the Municipality. This is geared to ensure spatial integration of the Municipality and its transportation system. The strategy aims at improved service delivery and ensuring a basic standard of living for all.

Strategy 2: Integrated Human Settlements

OBJECTIVE: This strategy aims at the provision of human settlements that serve people in a way that is different from simply providing housing. It is premised on the understanding that people deserve to live in an environment suitable for community development and the development of children, which also provides services and amenities to enhance the quality of life. People need to understand the responsibilities that come part of living in formal housing and therefore, capacity building is key.

Strategy 3: Economic Development & Job Creation

OBJECTIVE: The strategy aims to establish economic growth and development in all economic sectors with a particular focus on agriculture, tourism and trade and industry (SMME), whilst contributing to poverty alleviation in the area. The Municipality will aim at ensuring the control and management of formal and informal business encouraging income growth and employment generation.

Strategy 4: Integrated Development

OBJECTIVE: The strategy focuses on the coordination of the spatial and service delivery component to improve the management of Municipal responsibilities. The strengthening of the nodes of the Municipality while ensuring the equitable development of the rural areas is of utmost importance. Environmental management and spatial integration of development are further components of the strategy to ensure integration and optimum organizational capacities.

Strategy 5: People Empowerment

OBJECTIVE: The focus of this strategy is social development and community empowerment, which deals with issues ranging from health care to education and the provision of community facilities e.g. disaster management. The strategy aims at uplifting the community and raising awareness around gender, health care, safety and security thereby ensuring a strong, participatory and inclusive community.

Strategy 6: Good Governance



OBJECTIVE: This strategy encapsulates the Municipality’s commitment to the provision of the highest quality of service to its constituents and to ensure that all the strategies and objectives are adhered to, resulting in a productive and sustainable Municipality. This strategy aims at establishing a network of Municipal service delivery throughout the Municipal area. The approach utilized here is that of outcomes based planning. That is in order for each strategy to be achieved, a number of actions need to be completed. In the case of the IDP, this means the fulfillment of a number of programmes and their associated projects. The table below highlights the programmes identified for each strategy. The projects are numerous and can be found in the resource allocation tables in latter sections of this document.

Table 18: Summary of Strategies and Programmes linked to the OPEX

Reconciliation Of IDP & Budget - Opex		Medium Term Revenue And Expenditure Framework		
STRATEGIC OBJECTIVES	ACTION PLAN	BUDGET YEAR 1	BUDGET YEAR 2	BUDGET YEAR 3
Effective Infrastructure	Electricity Roads and Storm water Civic Buildings Staff Houses Data Processing Civil works Administration	<i>To be Completed by relevant Municipal Officials</i>	<i>To be Completed by relevant Municipal Officials</i>	<i>To be Completed by relevant Municipal Officials</i>
Integrated Human Settlements	Housing			
Economic Development & Job Creation	Local Economic Development			
Integrated Development	Town Planning			
People Empowerment	Waste Management Community Culture & Sport Security Public Amenities Health Road Safety Fire & Rescue Disaster Management Road Verges Cemeteries			
Good Governance	Financial Management Human Resource Management Council General Municipal Manager Administration General Mechanical workshop			

Internal Audit Vehicles & Plant-Other Corporate Communications Assessment Rates			
TOTAL OPERATING EXPENDITURE			

Table 19: Reconciliation of the IDP and the Budget Revenue

Reconciliation Of IDP & Budget Revenue		Medium Term Revenue And Expenditure Framework		
STRATEGIC OBJECTIVES	ACTION PLAN	BUDGET YEAR 1	BUDGET YEAR 2	BUDGET YEAR 3
Effective Infrastructure	Electricity Civic Buildings Civil Works Staff Housing and Estates Data Processing	<i>To be Completed by relevant Municipal Officials</i>	<i>To be Completed by relevant Municipal Officials</i>	<i>To be Completed by relevant Municipal Officials</i>
Integrated Human Settlements	Housing			
Integrated Development	Town Planning (application fees) Local Economic Development			
People Empowerment	Health Community Security Fire & Rescue Cemeteries Public Amenities Culture & Sports Dolphin Park Road Safety Waste Management			
Good Governance	Financial Management Human Resource Management Council General Support Services/Fleet Assessment Rates Municipal Manager Administration General			
TOTAL OPERATING REVENUE				

4. Basic Service Delivery



Each and Every Municipality is under extreme pressure to address the basic service backlog that seems to be high in Municipalities. The Council of the Municipality should view the provision of access to basic service as well as investing to basic infrastructure, such as roads, electricity, water, sanitation, storm-water, maintenance of buildings, housing, etc, throughout the Municipal area as a very important step towards building a vibrant economy for the area.

Many of the Municipalities are still characterized by areas where major service backlogs exist. The Municipality should develop a *holistic service delivery strategy (Master Plan)* that will be in line with the Municipal Turn-Around Strategy.

For the provision of access to basic services the community of a Municipality relies heavily on internal funding, MIG funding, DME funding, any other development funding. This holistic service delivery strategy will ensure:

- That all citizens have an electricity service connection;
- To provide an acceptable level of lighting to all major roads, public open spaces and sport fields;
- To upgrade the medium voltage network and substations to allow for natural expansion of demand and new developments;
- To upgrade the low voltage network to allow for natural expansion;
- To ensure that the citizens get value for money;
- To maintain and upgrade the existing roads infrastructure in all areas;
- To maintain and upgrade the existing storm water infrastructure in all areas;
- To ensure that municipal buildings are properly maintained;
- To ensure that the administration of civil engineering services remains up to date;
- To ensure that fleet management services are reliable and economical;
- To ensure that vehicles are available for service delivery
- To ensure that obsolete vehicles are replaced timeously;
- To ensure equal access to service

Table 20: Basic Services Backlogs

BASIC SERVICE	BACKLOG PREVIOUS FINANCIAL YEAR	BACKLOG CURRENT FINANCIAL YEAR
Water	<i>To be Completed by relevant Municipal Officials %</i>	
Sanitation	%	%
Housing	%	%
Electricity	%	%
Roads	%	%

Table 21: IDP Projects for the Municipality – Electrical and Mechanical Services

ELECTRICAL AND MECHANICAL SERVICES										
						EXISTING BUDGET				
WARD	IDP REF NR	PROJECT NAME	UNIT	SPISYS LOCATION	QUANTITY	CURRENT FIN YEAR	FIN YEAR 2	FIN YEAR 3	FIN YEAR 4	FIN YEAR 5

Hyperlink to Location of the Project through the use of **SPISYS**

Table 22: IDP Projects for the Municipality – Civil Services

CIVIL SERVICES										
						EXISTING BUDGET				
WARD	IDP REF NR	PROJECT NAME	UNIT	SPISYS LOCATION	QUANTITY	CURRENT FIN YEAR	FIN YEAR 2	FIN YEAR 3	FIN YEAR 4	FIN YEAR 5

Hyperlink to Location of the Project through the use of **SPISYS**

Table 23: IDP Projects for the Municipality – Housing and Local Economic Development

HOUSING AND LOCAL ECONOMIC DEVELOPMENT	
	EXISTING BUDGET
	FUTURE BUDGETS

WARD	IDP REF NR	PROJECT NAME	UNIT	SPISYS LOCATION	QUANTITY	CURRENT FIN. YEAR	FIN YEAR 2	FIN YEAR 3	FIN YEAR 4	FIN YEAR 5

5. Institutional Development and Transformation

i. Introduction

Each Municipality strives to be a place in which there is an advancement of community development, personal growth and social mobility so that at the end of the day challenges pertaining to poverty and vulnerability, inequality and social exclusion are addressed. The following key issues to be addressed:



- Provide an efficient and effective Human Resources Support Service.
- Provide an effective and efficient administration and legal support.
- To provide an effective and efficient IT Service through the use of Spisys.
- To provide an effective and efficient Administration and Legal Services.
- To provide an effective and efficient Corporate Service to Council and other Directorates

The Integrated Institutional Programme, which is to be undertaken as part of the IDP process, should be informed by the requirements of the Employment Equity Act and human resource strategy of the municipality

The following are the issues that are dealt with extensively in this IDP:

i. Municipal Performance Management System

As an effort to instill high performance, a comprehensive performance management system in accordance with Chapter 6 of the Local Government Municipal Systems Act of 2000 as well as the Planning and Performance Management Regulations (2001) needs to be implemented.

Each Municipality should ensure that there is full alignment between the Performance Management System and the IDP as there are gaps normally identified by the Audit Committee, in terms of alignment of these two documents. The Performance Management System should be a structured and reporting in line with the performance management regulation, namely, Municipal Finance Management Act and Municipal Systems Act. There is nine phases in the

performance management cycle during each financial year that needs to be undertaken in terms of the Municipal Systems Act requirements. The following are the nine phases

- *Development of the Integrated Development Plan*
- *Development and implementation of Performance Management System*
- *Development and implementation of the Key Performance Indicators*
- *Setting of targets for Key Performance Indicators*
- *Actual Service Delivery Process*
- *Internal monitoring*
- *Internal control of the Performance management System*
- *Performance Measurement and Reporting Revision of Municipality's Performance*

ii. Skills Development

The Municipal Skills Development programme needs to be reviewed on an annual basis and should be geared towards equipping employees at all levels, with skills that are essential in ensuring that there is effective service delivery programme. Trade unions, through **each Municipalities' Training Committee**, plays an important role in identifying the **skills gap** within the municipality as well in identifying relevant courses that should be organized in order to address the skills gap. To this effect, the Municipality, on annual basis needs to create a data base of **reputable service providers that** are able to provide training on various fields, especially those identified through **skills gap analysis**. The following areas should be targeted training interventions in the current financial year and beyond:

- *Research and policy skills, linked to conceptual, analytical and problem solving skills for sector decision makers;*
- *Financial planning and management skills;*
- *Strategic leadership and management skills;*
- *Project and contract management skills; and*
- *Information and Technology (ICT) skills especially focused on the benefits of using Spisys as supported by the Provincial Government. Due to the lack of Capacity in the Municipality the services provided by this system could ensure that more time is spent on delivering services. Quarterly training sessions are required to ensure that the Municipality do understand the need and do understand the power of utilizing the Spisys platform towards future planning and development.*

iii. Auditor General's Report

The following Table serves as a summary of the Auditor Generals Findings for the existing financial year's Annual Report:

Table 24: Audit Report Findings for the Municipality

CRITERIA	FINDING / STATUS
Audit Status Received	
Month and Year when the Annual Report was adopted	<i>To be Completed by the relevant Municipal Officials</i>
Was the Annual Report included in the Auditor Generals' report for the same period	
The Auditor General's Office conducted an audit in accordance with the International Standards on auditing which read with General Notice 616 of 20083, issued in Government Gazette No. 31057 of May 2008. Some of the findings of the Auditor General were as follow	
The financial statements	(in accordance with the Standards of GRAP and in the manner of required by MFMA)
Payments for assets	
Declaration of VAT refunds	
fruitless and wasteful expenditure	
Significant uncertainties	
Services Payments (water, electricity losses)	
Performance with regard to its targets as per the approved integrated development plan	
Changes to its infrastructure targets from the approved integrated development plan	
Targets relating to the IDP programmes showing specifics in clearly identifying the nature and the required performance and time bound in specifying the time period or deadline for delivery	

Corrective measures are being put in place in order to avoid recurrence of non compliance in future

6. Local Economic development

Local economic development is not something separate from the daily work of the municipality, rather all the activities of a local government need to promote economic growth. The overriding economic challenge for South African local authorities is inequality and poverty, which can and should be addressed through all the functions of the municipality (1997 Green Paper on Local Government)

The long term LED vision for the Municipality is:

Type the LED Vision for the Municipality
(Objectives to address unemployment, creating a vibrant economy, investment incentives)

Over the past years, there has been a disjuncture between the vision and dream for local economic development and on the other hand, the reality of what the Municipality can deliver on local economic development with the resources at its disposal.



The Municipality's vision for the local economic development strives to develop a holistic economic development and growth plan which aimed at attending to infrastructural backlogs (water, roads, storm water, electricity, housing, ICT etc); developing of a clear rural development strategy, which builds the potential for rural sustainable livelihoods; promotion and rolling out a Council-led infrastructure investment programme; creation of conducive environment for the attraction of both domestic and foreign investment; creation of decent job opportunities; elimination of poverty; promotion of social cohesion; building of human capacity to drive economic transformation; as well as the creation of sustainable economy for the future generation of the Municipality.

The Municipality strongly believes that the struggle for transformation of the economy shall not emerge instinctively without strong, focused, goal-oriented, dedicated and partnerships whose goals are to change the lives of the people. It is therefore against this background that the

Municipality shall within the next five years strengthen its intergovernmental relations as well as partnerships with the private sector.

It is only through people acting collectively and in the spirit of human solidarity that the Municipality would be able to shape the patterns of economic development and growth. To this end, the Municipality should be acquiring more land for human settlement and economic development purposes.

The economic development strategies that will be addressed are a total shift from the present strategies that are ignoring the fact that apartheid did very big damage to the economy of the Municipal and surrounding areas.

The Municipality will address the abovementioned issues, being guided by among other things, the skewed patterns of ownership and production, and the spatial legacies of our apartheid past and the tendencies of the economy towards inequality, dualism and marginalization. Therefore, decisive action is required to thoroughly and urgently transform the economic patterns of the present in order to realize our vision for the future. This includes addressing the monopoly domination of our economy, which remains an obstacle to the goals of economic transformation, growth and development”.

Over the next few years, Local Economic Development shall be concentrating on the following main areas:

a) ***Economic development and growth:***

Which deals mainly with high level local economic development issues, including but not limited to nodal development initiatives; investment attraction and incentives; image rebuilding; building of partnerships; land banking; etc

b) ***Informal trade and business support:***

This concentrates mainly on the enhancement of the second economy as well the provision of support to emerging entrepreneurs. It is important to note that the Municipality will also in line Broad Based Black Economic Empowerment Act 53 of 2005, **(BBBEE)**, put into place programmes that are aimed at creating “*a generation of new value adders, drawn from the historically oppressed communities, who are able to create new wealth tapping into the entrepreneurial genius that was so long suppressed.*”

c) **Good Tax incentives and Investment packages** shall be put together so that they will be used in attracting foreign investors to the Municipality.

d) ***Land and Building Development:***

The Municipality has ignored issues relating to land and building development for over the years now. As part of changing focus of LED, Council shall be refocusing on among other things, the provisioning of infrastructure and land; land acquisition; the provision of workshops and small industrial premises for up and coming entrepreneurs as well as urban regeneration.

e) **Information and Marketing Assistance:**

Which deals with the supply of information and advice, general marketing and promotion and image reconstruction, targeted marketing of products or areas as well as well as export promotion

f) **Community agricultural development and support:**

This concentrates on poverty alleviation through encouragement of home and community gardens throughout the area of jurisdiction. The Municipality should further invest in the development of an Agricultural Development / Investment Plan to further unlock the Agricultural Potential of the area.

g) **Youth and sport, arts, culture and recreation development,** that focuses mainly on the mainstreaming of youth development in the Municipality, ward sport development as well as development of arts and culture.

h) **Tourism and heritage development,** which recognizes the local cultural history which can be used to attract tourist. Through its Tourism Strategy, other alternatives should be investigated to attract more tourism to the area; each area has its own unique tourist attractions and should be explored to the fullest.

i) **Community and knowledge centres,** which focuses more on the construction and proper management of libraries, community halls, wellness and fitness centres and youth centres as well as encouraging of the community to make use of these facilities. Spisys is to be introduced into all Libraries to give and share information to the community on and about the Municipality. Spisys would fulfill a feedback reporting platform to engage with communities.

j) **Holistic Urban & Rural Neighborhood Development:** The objectives of this strategy are twofold, *that is*, to implement and upgrade urban and rural infrastructure and services and to create employment opportunities.

k) **Economic Development and Job creation:** The Municipality wants to develop a municipal economy that plays a role as a key economic hub. Projects should be identified and prioritized as catalytic projects that could turn around investment opportunities and employment statistics within the Municipality.

- l) **Addressing poverty & unemployment:** At the centre of development challenges is the need to create employment opportunities and the need to strengthen the economic base of the area. Any development, whether creating temporary jobs or permanent jobs are extremely important for the Municipality as it all plays a major role in fighting poverty, indirectly fighting crime rates.
- m) **Establishment of a Chamber Business:** This involves the establishment of a chamber of business, a structure that will be made out of the business man and women of the area. The Municipality feels that it is imperative that a voice for the business men and women for the area is supported.
- n) **Tertiary & manufacturing sectors:** The objectives of this strategy involve creating enabling environment and maximizing opportunities within the tertiary sector (office, personal services, and finance). The tertiary sector in the Municipality is very weak and requires immediate intervention to strengthen the sector. Other objectives of this strategy are to attract new investment into the tertiary sector and the creation of an enabling environment and maximizing of opportunities within the manufacturing sector.

o) LED Institutional Framework

The objectives of this strategy involve strengthening the institutional framework of the LED. The council should be strengthening its capacity in as far as economic development and growth is concerned through, training and recruiting individuals who are highly skilled and specialized in the field of economic development and growth.

p) Encouraging and attraction of external investment

The Municipality should invest in strategies to further unlock investment as a global player, opportunities should be exploited whereby the Municipality could attract foreign investment, it should proof as a stable, well run Municipality within a track record which will ease the process of motivating investment within the area. The Spisys SDF can be used as an Investment Framework to attract investment within the Municipality, a link to the Municipal website is to be created that automatically updates this map.

q) Ensuring that the local investment climate is functional for local business

The Municipality shall through Supply Chain Management Policy, ensure that the local investment climate is always conducive for local businesses. First preference shall always be given to local supply and local professionals when the Municipality is procuring any services or goods.

r) Promotion of primary industrial development



Over the next few years the Municipality will be looking at how it can encourage primary industrial development in the area of jurisdiction. A comprehensive industrial development strategy should be developed to investigate further investment opportunities.

s) Promotion of a diversity of economic activities throughout the area :

The Municipality will be promoting the diversity of economic activities through ensuring that all economic sectors operate under most favorable economic climate.

t) Supporting the growth of particular clusters of business

The Municipality will be identifying and targeting certain economic sectors that seem to be doing well within the area, by giving them incentives to even grow bigger.

u) Social support to structures and community organizations

This will include among other things:

- Encouraging people living with disabilities to fully participate in the mainstream economy;
- Supporting ward LED initiatives;
- Facilitation of the formation and support of Small medium and micro enterprises forum;
- Facilitation of the formation and support of the cooperatives forum, and;
- Facilitation of the formation and support of the local agricultural forum

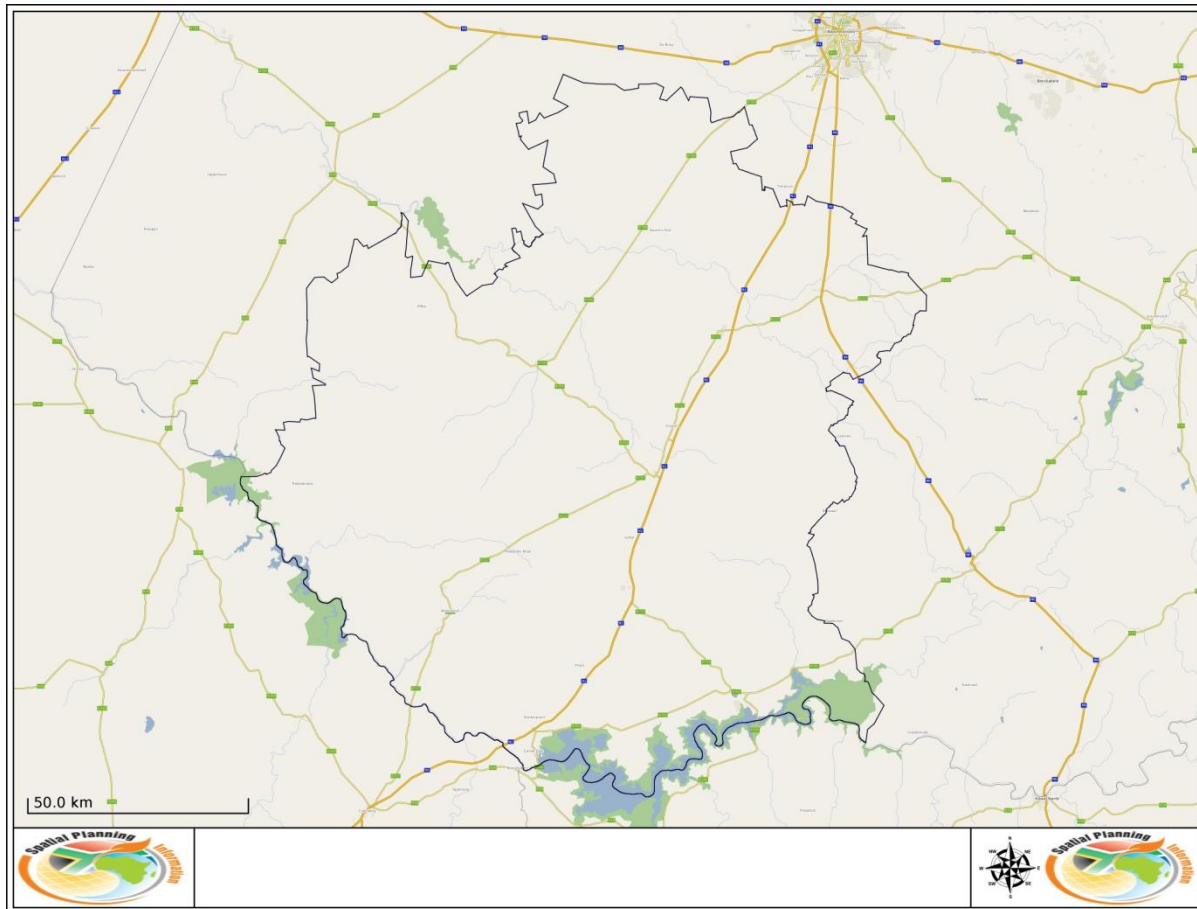
Table 25: Local economic Development Projects for the Municipality

LOCAL ECONOMIC DEVELOPMENT										
WARD	IDP REF NR	PROJECT NAME	CATALYTIC PROJECT (Yes/No)	SPISYS LOCATION	EXISTING BUDGET	FUTURE BUDGET				
					CURRENT FIN. YEAR	FIN YEAR 2	FIN YEAR 3	FIN YEAR 4	FIN YEAR 5	

Hyperlink to Location of the Project through the use of **SPISYS**



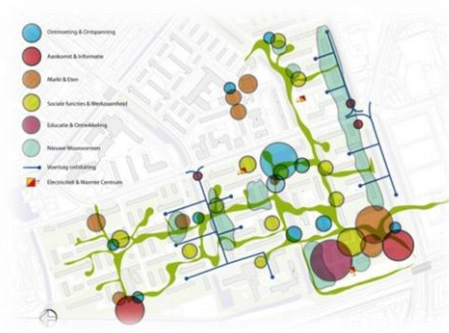
Map 13: Location of LED Projects within the Municipality



7. Spatial Development Framework

a) Spatial Development Framework Vision

The spatial development framework will contribute to the balanced physical development of the municipality by establishing a spatial development structure, guiding the management of future development, accommodating development pressures and additional investment, maintaining and further developing the economic potential of the municipality while protecting and integrating the natural environment of the area.



b) Legislative Framework

Section 26 of the Municipal Systems Act (no 32 of 2000) state one the key components of the IDP is a “Spatial Development Framework which must include the provision of basic guidelines for a land use management system for the municipality”.

c) Objectives of the spatial development framework

The following are the objectives for the Municipal Spatial Development Framework (SDF) and Land Use Management System (LUMS):

- To provide strategic guidance for the future, physical/spatial development of the Municipal area
- Ensuring that the envisaged physical/spatial development reflects the social, economic, environmental development issues identified in the IDP, i.e. while the SDF and LUMS provides primarily guidance for the existing and future physical / spatial development of the municipality, such development can only be considered appropriate if it adequately addresses the social, economic, environmental, institutional issues identified in the IDP.
- To create a management tool for the future development, i.e. providing a municipal-wide comprehensive town planning scheme which reflects the various existing development conditions and which provides development management for the first steps of realizing the SDF.
- To establish a development structure, i.e. identifying basic structuring elements which provide development guidance, certainty, growth opportunities and flexibility,
- To facilitate integration, i.e. ensuring appropriate vertical and horizontal linkage of policies, intentions and development,
- To create generative systems, i.e. encouraging the establishment of development which generates additional activities, variety and growth,
- To promote incrementalism, i.e. acknowledging development as a continuous process and facilitating an ongoing development process,
- To create a sense of place, i.e. building on the specific opportunities of each location and encouraging the creation of unique environments,
- To cluster development and establish a centre strategy, i.e. discouraging development sprawl, encouraging the clustering of compatible development and establishing a hierarchy of service nodes,
- To identify access routes as investment lines, i.e. utilizing levels of accessibility as guidance for the location of development components,
- To recognize natural resources as primary assets, i.e. positively integrating natural elements in the creation of a human and sustainable environment

d) Alignment with the National Spatial Development Perspective (NSDP)



The vision of the NSDP states that “South Africa will become a nation in which investment in infrastructure and development programmes support government’s growth and development objectives

- i. By focus economic growth and empowerment creation in areas where this is most effective and sustainable;
- ii. Supporting restructuring where feasible to ensure greater competitive
- iii. Fostering development on the basis of local potential
- iv. Ensuring that development institutions are able to provide basic services across the country

e) Alignment with Provincial Growth and Development Strategy

The Provincial Growth Development Strategy is a framework that indicates areas where economic opportunities exist; it also outlines the development priorities of the province. Some of the main objectives of the PGDS are to:

- Serve as the overarching framework for development in the province
- Guide the provincial government as well as other spheres, sectors and role players from civil society which can contribute to development in the province.
- Set a long term vision and direction for development in the province.
- Guide the district and metro areas’ development agenda.

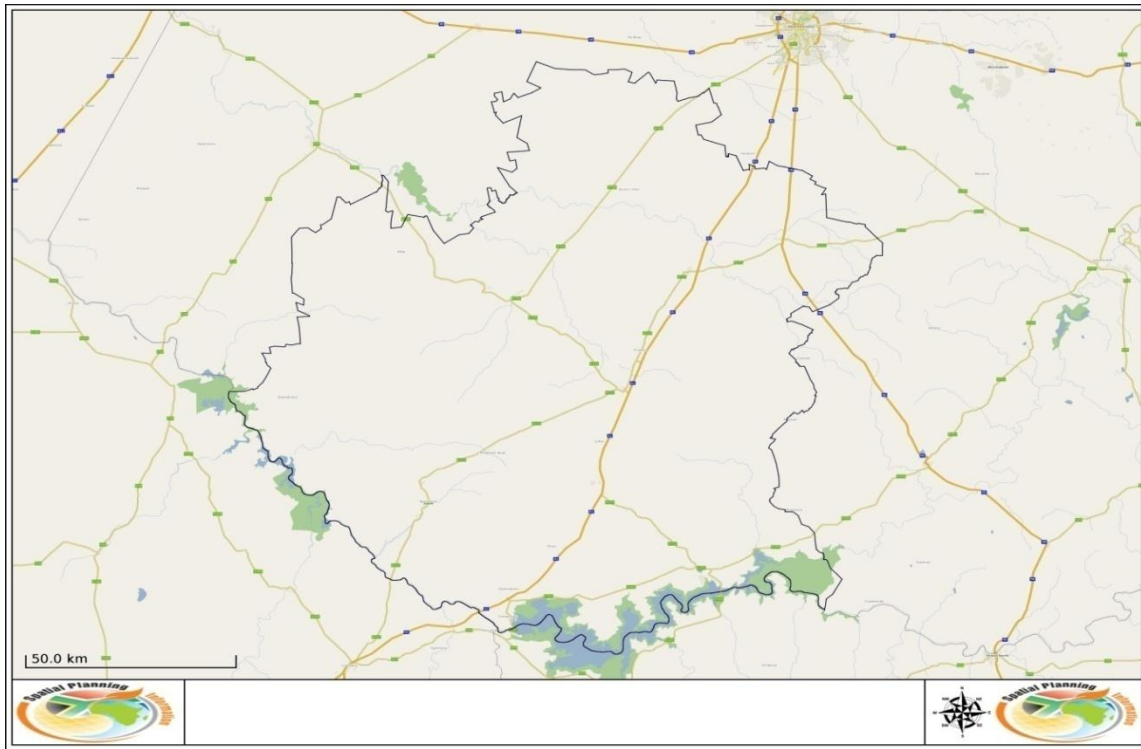
Table 26: Alignment to Nodes and Corridors linked to the Provincial SDF and/or PGDS

Priority Nr	Existing Nodes and Corridors encumbering the Municipality	Alignment to these Corridors and/or Nodes within the Municipality
	<i>To be completed by the relevant Municipal Officials</i>	

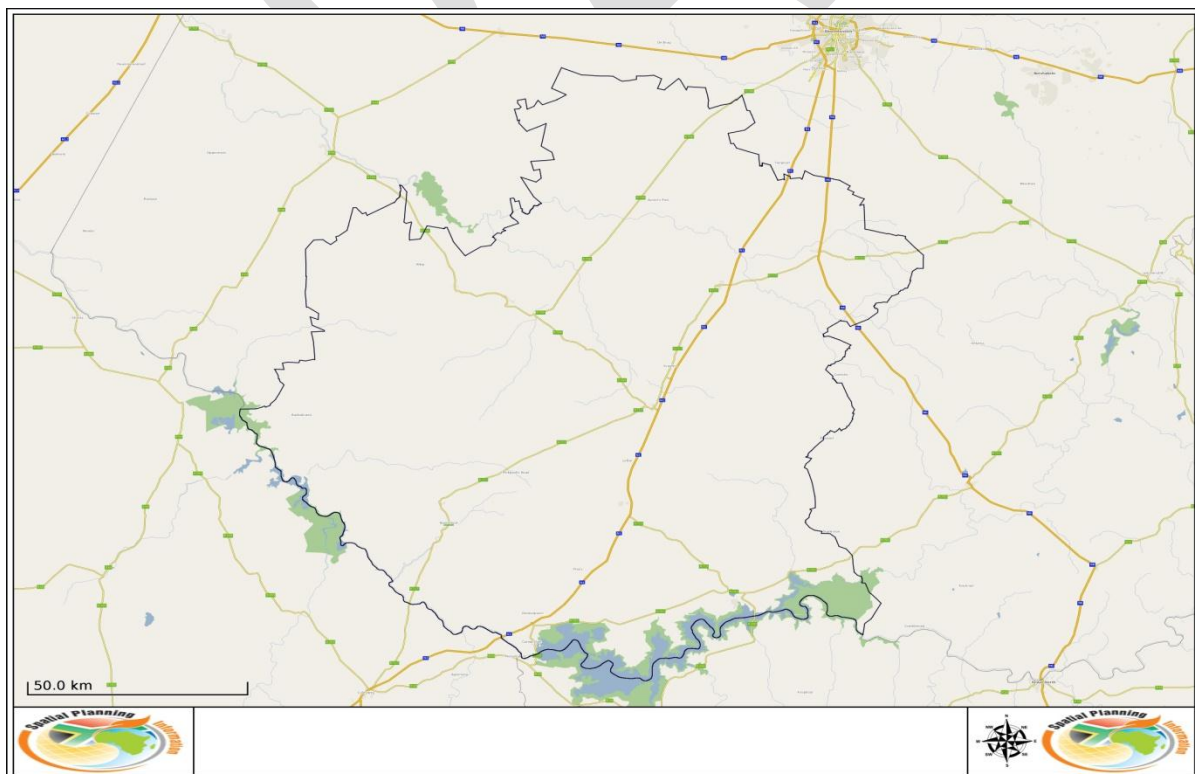
Table 27: The potential for development in the Municipality

Location of the Municipality in terms of Corridors	To be completed by the relevant Municipal Officials
Location of the Municipality in terms of Nodes	
Major Development Initiatives within the Municipality	
Potential Linkages to Municipalities outside the Municipality	
Existing Development Pressures and what needs to be addressed to decrease the development Pressures	
Important Transport Corridors within the Municipality and the potential development opportunities emanating from these Corridors	
Nearest Airport and Infrastructure requirements to unlock tourism and accessibility to the Municipality	
Existing Cross Border / Cross Boundary status and envisaged potential to utilize these linkages to create investment opportunities	
Municipal Development Potential	
Provision being made for future development needs within the SDF, especially in terms of housing development.	

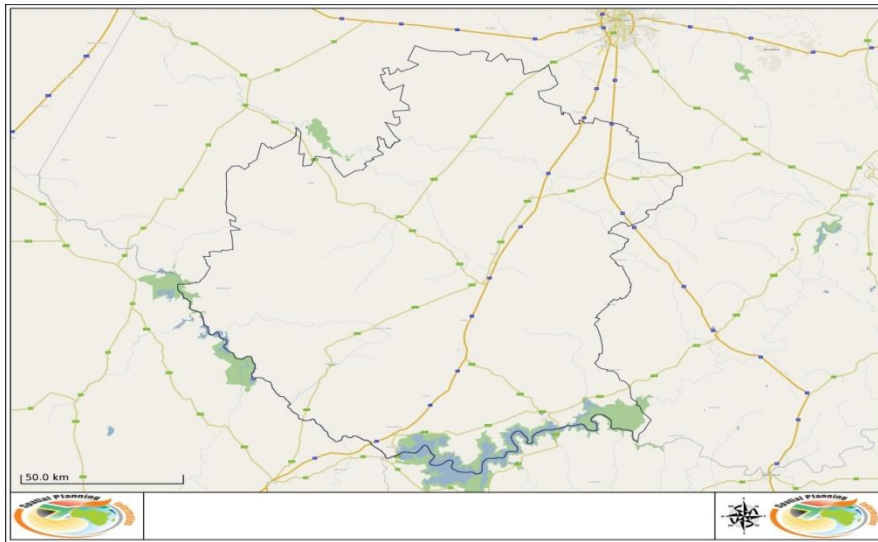
Map 14: SDF Implications in terms of the Provincial Context



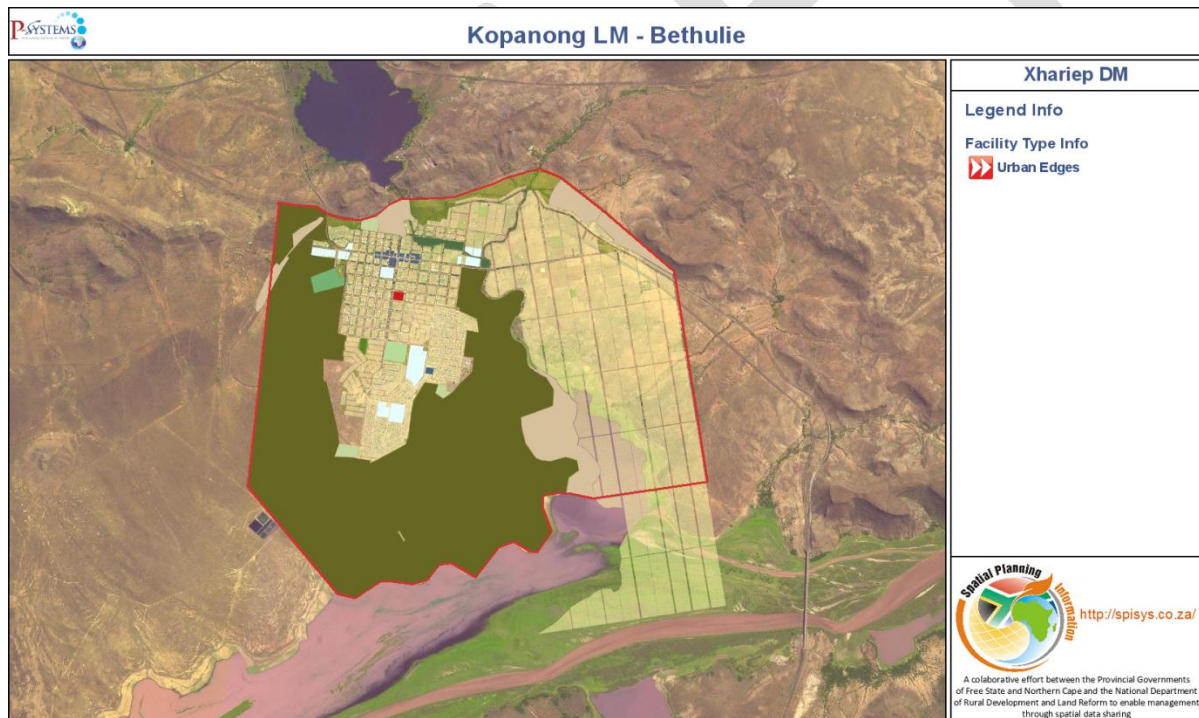
Map 15: SDF Implications in terms of the District (wall to wall around the Municipality) Context



Map 16: SDF Implications in terms of the Local Context



Map 17: SDF Proposals per Town within the Municipality (if local IDP)





Koponong LM - Gariep Dam



Xhariep DM

Legend Info

Facility Type Info



Urban Edges

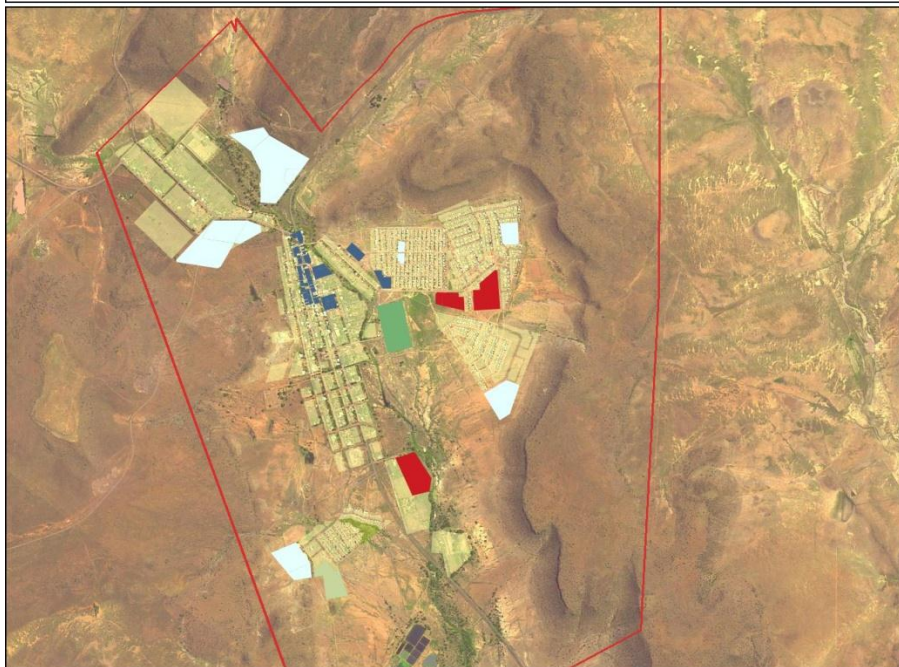


<http://spisys.co.za/>

A collaborative effort between the Provincial Governments of Free State and Northern Cape and the National Department of Rural Development and Land Reform to enable management through spatial data sharing.



Koponong LM - Philippolis



Xhariep DM

Legend Info

Facility Type Info



Urban Edges



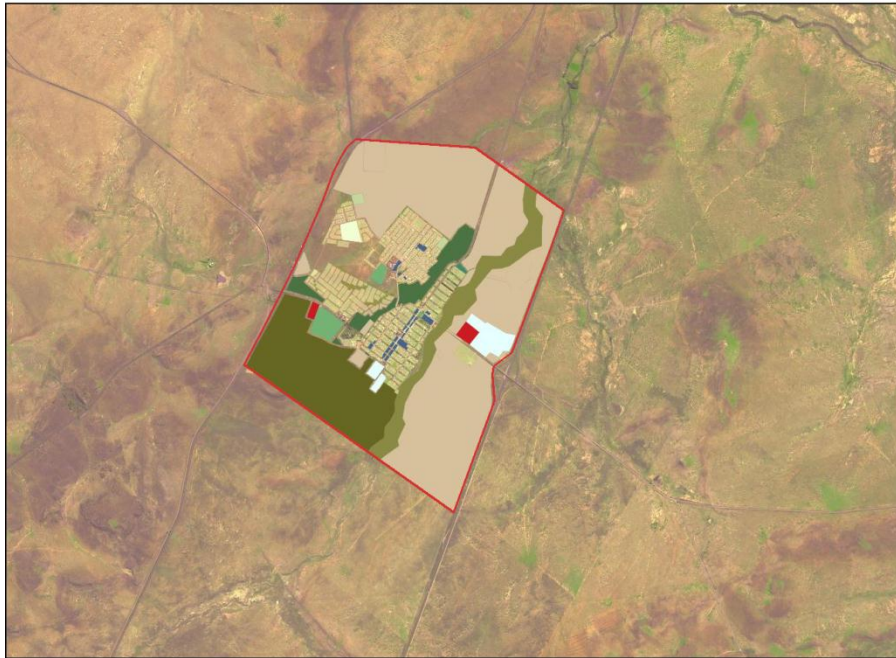
<http://spisys.co.za/>

A collaborative effort between the Provincial Governments of Free State and Northern Cape and the National Department of Rural Development and Land Reform to enable management through spatial data sharing.





Kopanong LM - Trompsburg



Xhariep DM

Legend Info

Facility Type Info

Urban Edges



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Kopanong LM - Springfontein



Xhariep DM

Legend Info

Facility Type Info

Urban Edges



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Kopanong LM - Jagersfontein



Xhariep DM

Legend Info

Facility Type Info

Urban Edges



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Kopanong LM - Fauresmith



Xhariep DM

Legend Info

Facility Type Info

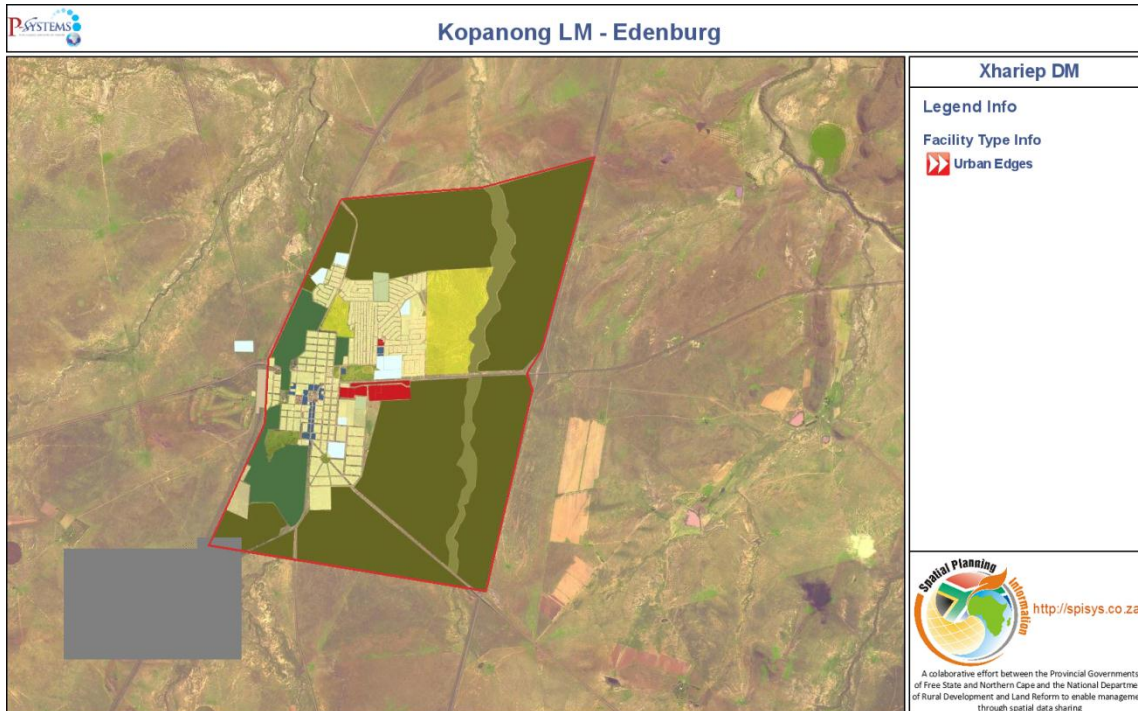
Urban Edges



<http://spisys.co.za/>

A collaborative effort between the Provincial Governments of Free State and Northern Cape and the National Department of Rural Development and Land Reform to enable management through spatial data sharing





8. Environmental Management

a) Introduction

- b) At the beginning of the 21st century, environmental issues have emerged as a major concern for the welfare of people and the past few years have witnessed an extensive change in the attitudes, approaches and policies of most people who are involved in development planning. This major change in attitudes of people is aiming at strengthening the concept of sustainability principles in all development planning activities. In line with the National Framework Document for the Department of Agriculture, Environmental Affairs and Rural Development, Municipalities must recognize the need to formulate environmental policies that will assist in addressing the issues of sustainable social, economic and environmental development. The intention of this framework is to strengthen sustainability in the Integrated Development Planning of municipalities. Municipalities must develop a Strategic Environmental Assessment which seeks to ensure that the unprecedented pressure placed by the development in the municipality does not compromise the state of natural goods.

c) Environmental Management Tools:

Municipalities use the adopted environmental management tools as a way of supporting the precautionary principle approach which serves as a guide to prevent the occurrence of environmental degradation within municipal area of jurisdiction. The Precautionary Principle approach has many advantages since it encompasses the belief that the developers together with society should seek to avoid environmental damage by careful planning and stopping potentially harmful activities and promote sustainability of Municipal resources. Environmental awareness programmes need to be extended to all areas within the municipality. Notwithstanding the fact that the general public is becoming increasingly aware of the environmental issues such as global warming, sustainable development activities, renewable energy, greenhouse effects, water and air pollution, only a few are knowledgeable on what to do in preventing environmental degradation. During these programmes, the following tools will be used:

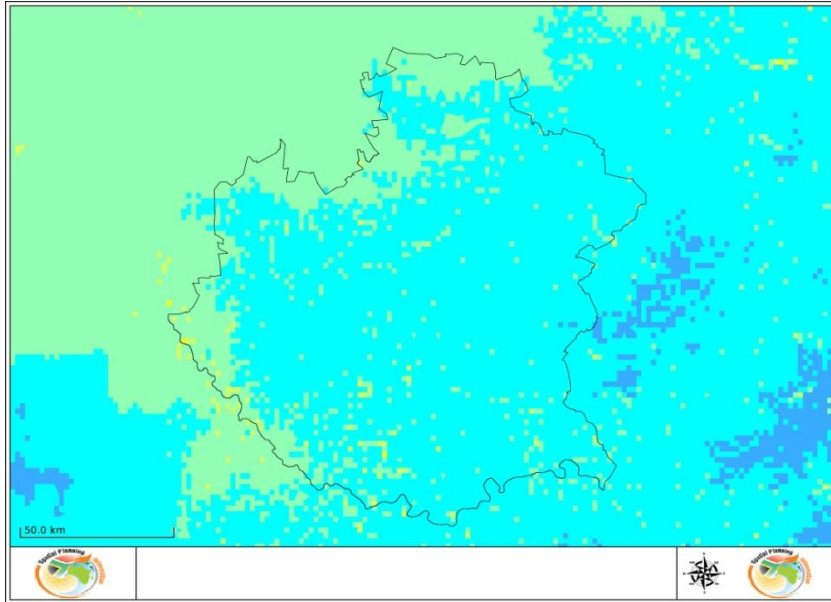
- National Environmental Management Act (Environmental Impact Assessment)
- Environment Conservation Act;
- Water Act;
- Provincial Biodiversity Act;
- Strategic Environmental Assessment; Environmental
- Management Plan Municipal Open Space Systems

d) Involvement of Environmental NGO/NPOs

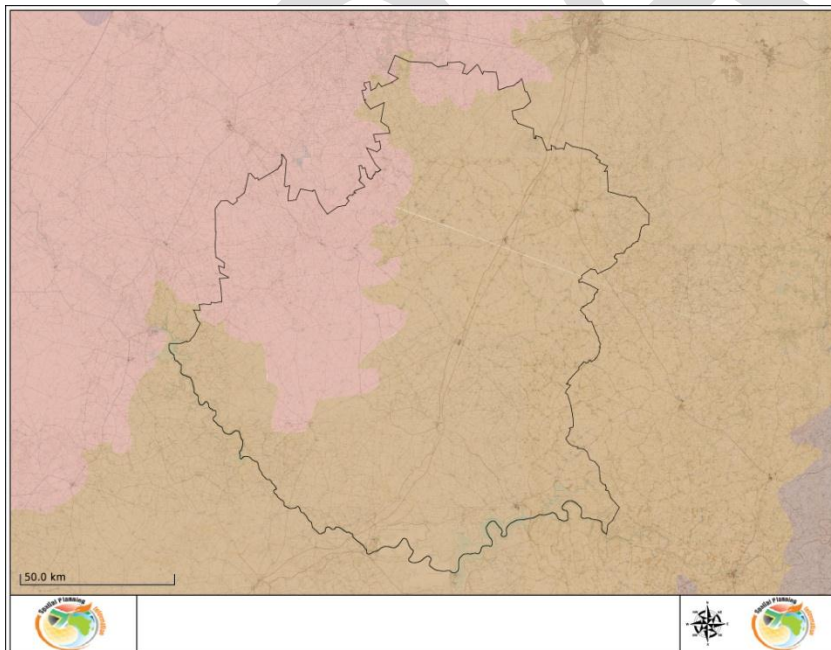
Municipalities should have a good working relationship with the local environmental NGOs and their input in the strategic planning of the municipal development programmes should always be taken into consideration. Caring for the environment is a joint venture within the municipality which includes local communities and all relevant stakeholders. Issues of global climate change are taken very seriously and NGOs are playing a crucial role in ensuring that the municipality adhered to environmental sustainability principles as are outlined by the NEMA regulations.

Natural environment Analysis

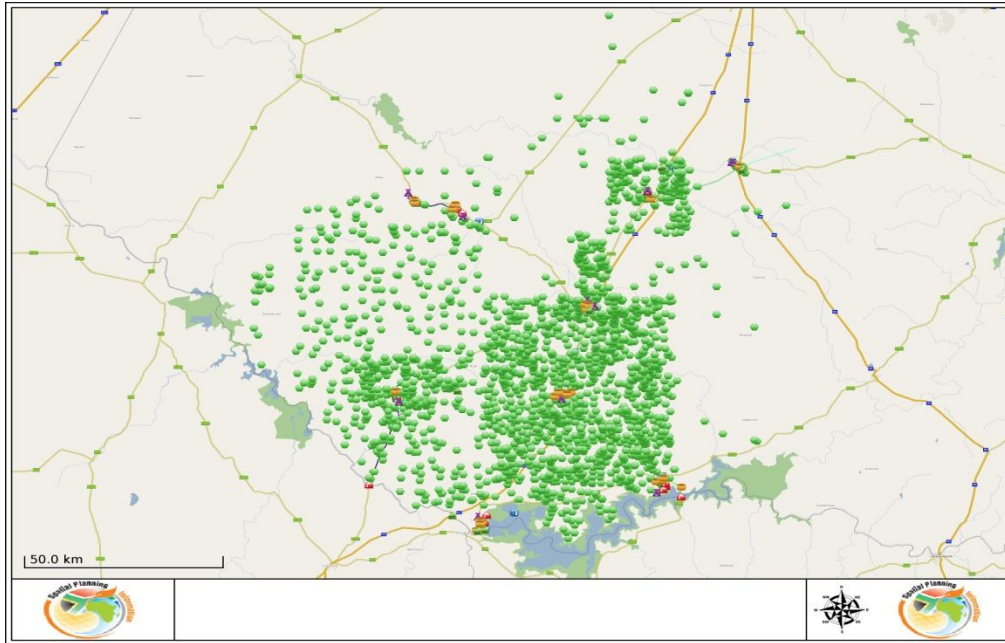
Map 18: Climate / Air Quality



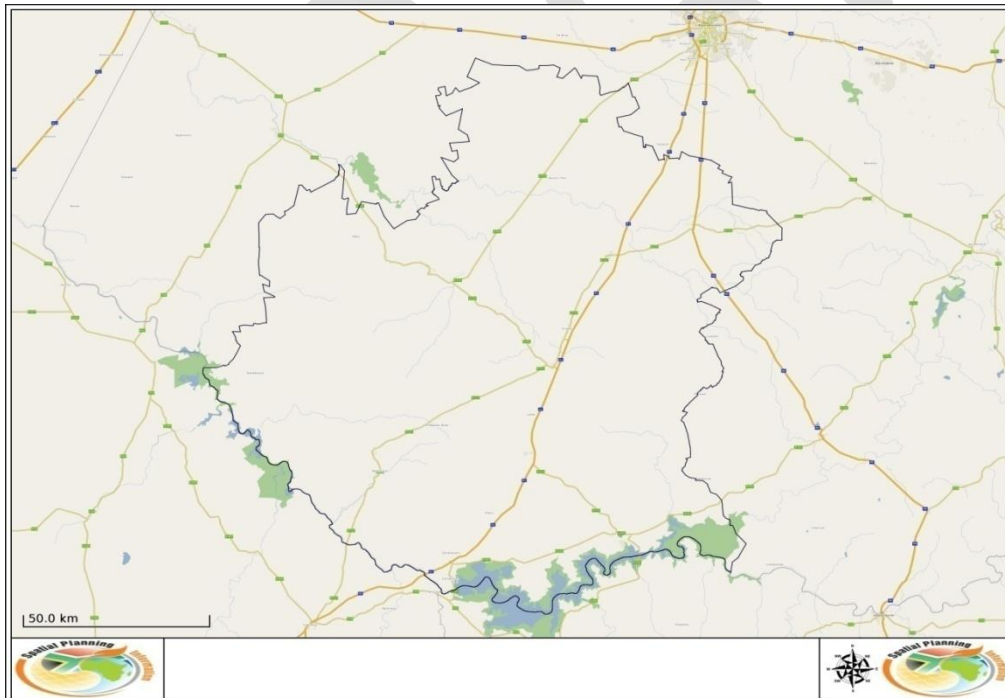
Map 19: Topography & Geology



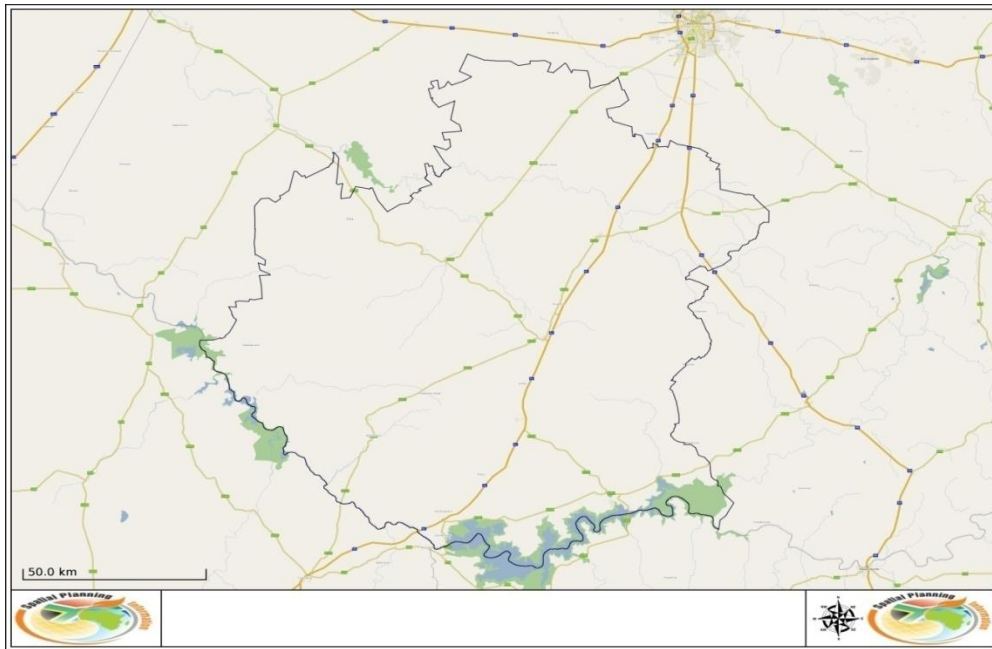
Map 20: Hydrology (Rivers and Dams, Wetlands, Estuaries)



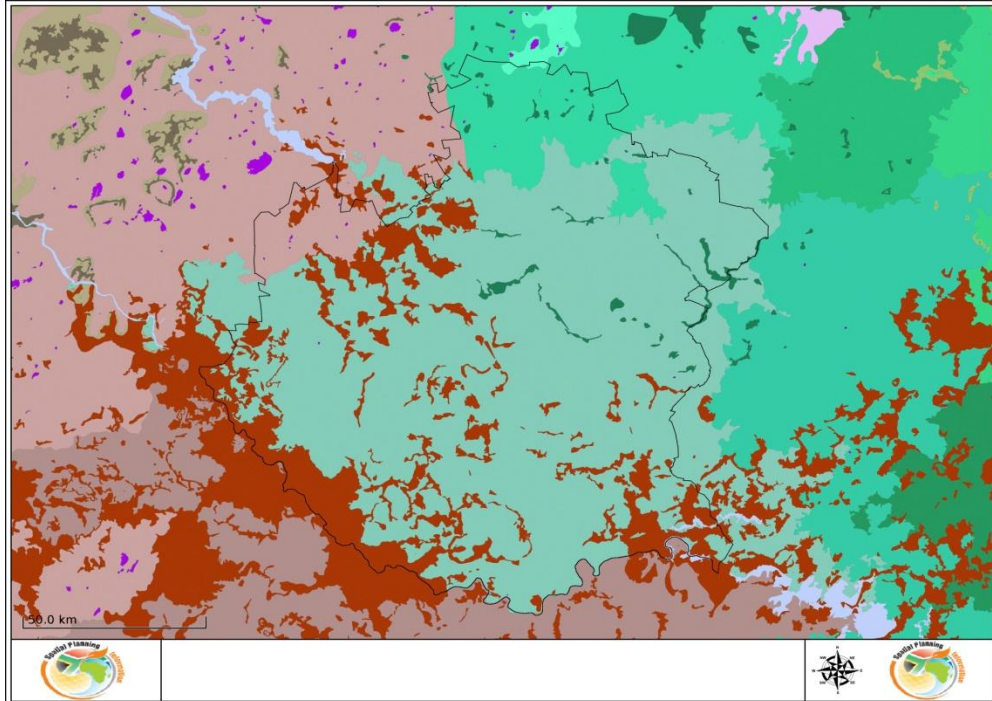
Map 21: Biodiversity & Protected Areas



Map 22: Coastal & Marine



Map 23: Vegetation/Fauna



e) Waste Management Hierarchy

The Municipality has completed the development of its Integrated Waste Management Plan and waste related legislative development and reform process. This is in line with Section 11 of Waste Act 59 Of 2008, the Integrated Pollution and Waste Management Policy and the National Waste Management Strategy. This Waste Management Plan sets out a number of objectives which needs to be achieved by a municipality. These include: waste management collection services; recycling; provision of quality, affordable and sustainable waste management collection services; environmentally sound management of special waste streams such as hazardous waste, construction waste etc.; waste treatment and disposal capacity; education and awareness; and effective waste information management systems.

The Integrated Waste Management Plan takes into account the relevant national and provincial government policies, legislation and strategies. The foundation of the Waste Management Plan is based on the principles of Integrated Waste Management and Waste Hierarchy Approach.

A municipality should subscribe to the Waste Management Hierarchy of the National Waste Management Strategy as a method of minimizing the environmental impacts due to waste that end up in the landfill sites. The Integrated Waste Management Plan aligns the waste management services that are provided in the Municipality with the National Waste Management Services and will contribute to the implementation of the national and provincial strategies to minimize waste at local level.

An Integrated Waste Management Plan conceptualizes the first attempt at setting out the strategy for future waste management and planning for the municipality. It encourages a major shift away from traditional waste management principles into more integrated waste management principles. Sustainable waste management is the key driver of this plan with the emphasis on waste avoidance, waste reduction, re-use, recycling, treatment and safe disposal. Therefore, the municipality recognizes that it has a responsibility to abide by the statutes, policies and guidelines that are introduced by the National and Provincial Departments. In strengthening environmental sustainability through Sustainable Waste Management, a municipality should develop a greening policy for the municipality which is based on the sustainable development principles.

f) Strategies and Priorities for Integrated Waste Management

The Municipality's Integrated Waste Management Plan sets the objectives and targets that will have to be achieved within a specific time frame. The main objective of the Waste Management

Plan is to ensure that waste is managed in an environmentally sound and integrated manner so as to prevent harm to the health of the people and the environment.

The Municipality should identify three core strategies that will assist in achieving integrated waste management:

- Waste Avoidance and Minimization Strategy
- Reduction and Resources Recovery Strategy
- Management of Residual waste Strategy

i. **Waste Avoidance and Minimization Strategy**

The waste avoidance and minimization strategy is aiming at the avoidance of waste through the adoption of eco-efficiency and waste avoidance measures. It is the most cost effective method of waste management intervention and it is best implemented at point source. The most important thing about waste avoidance is that it conserves natural resources, reduces the amount of waste requiring disposal to landfills, thereby increasing the airspace.

ii. **Waste Reduction and Resource Recovery Strategy**

The resource recovery strategy is aiming at reducing the volume of waste to be disposed while maximizing the economic value of resources during its life cycle through re-use, recycling and reprocessing, and energy recovery in preference to disposal. The need to pursue resource recovery is driven by a combination of additional economic and environmental factors such as:

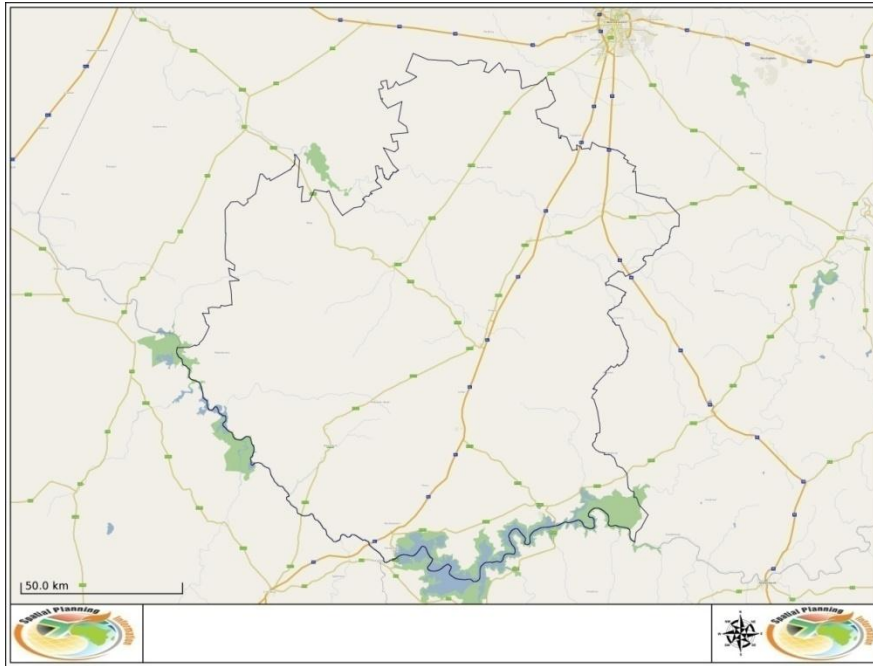
- the need to conserve finite resources
- the need to reduce energy consumption
- the need to reduce reliance to on the landfill
- The reality of increasing waste disposal costs.

iii. **Management of Residual Waste Strategy**

Irrespective of how efficient the municipal can be, there will always be a portion of waste stream that cannot be practically or economically avoided or recovered. This will result in residual waste that ends up in the landfill site. Residual waste has to be managed in an environmental sound manner. Information management systems (like Spisys) , sustainable collection services, capacity, education and awareness programmes, robust treatment and disposal systems have to be in place to handle residual waste in a responsible manner with the objective of protecting human health and the environment.

g) Environmentally sensitive areas

Map 24: Environmentally sensitive areas



The focus should be on sensitive, vulnerable, highly dynamic or stressed ecosystems, such as coastal shores, estuaries, wetlands, and similar systems require specific attention in management and planning procedures, especially where they are subject to significant human resource usage and development pressure

Map 25: Sustainability Framework through a strategic Environment Assessment

THEME	KEY RESOURCES / ISSUES	OBJECTIVES of the MUNICIPALITY	SUSTAINABILITY INDICATORS	RESPONSIBILITY / LEGISLATION
CLIMATE/AIR QUALITY	NATURAL SYSTEM			
		<ul style="list-style-type: none"> • Pollution and degradation of the environment must be avoided, or, where they cannot be altogether avoided, minimized and 	<ul style="list-style-type: none"> • Is there an adopted Air quality Management Plan? • % of incensed industries with did not comply with license conditions. • % of these for 	<ul style="list-style-type: none"> • District Municipality responsible, DEAT, Industry • The Atmospheric Pollution Act Environmental Conversation Act, Road Traffic Act and the Occupational Health and Safety Act are the current Central Government sets of legislation governing air quality. • The Atmospheric Pollution Prevention Act has been repealed with the Air Quality Act, but this

THEME	KEY RESOURCES / ISSUES	OBJECTIVES of the MUNICIPALITY	SUSTAINABILITY INDICATORS	RESPONSIBILITY / LEGISLATION
TOPOGRAPHY & GEOLOGY		<p>remedied.</p> <ul style="list-style-type: none"> Air quality to conform to standards. 	<p>which there was an enforcement response by the authority.</p>	<p>has not been enacted by the Minister. The Atmospheric Pollution Act provides the ambient air quality standards and also the guidelines for schedule Processes.</p>
		<ul style="list-style-type: none"> Safeguard soil quality and quantity and reduce contamination. 	<ul style="list-style-type: none"> Land cover typologies Agricultural land classification. Area of contaminated land. 	<ul style="list-style-type: none"> District Municipality, Local Municipality, DWAF, DAEA, DME, Farmers. Conservation of Agricultural resources Act Guidelines for Agricultural production Mineral & Petroleum resources development Act of 2002 (Act 28 of 2002)
HYDROLOGY		<ul style="list-style-type: none"> No new development or any change in land use must occur within the boundaries, or, within a reasonable buffer zone of a water resource, including wetlands and drainage lines. Water quality standards set by DWAF must be conformed to. A water resources strategy which prevents over-abstraction must be implemented. Quantification of wetland areas loss 	<ul style="list-style-type: none"> Compliance with water quality guidelines and discharge conditions, and associated enforcement. Compliance with abstraction license conditions, and associated enforcement % of wetland area lost area of wetland /riparian habitat being rehabilitated 	<ul style="list-style-type: none"> The department of Water Affairs and Forestry is broadly responsible. The relevant legislation is the National Water Act/ The Act provides for the protection and sustainable use of all Water Resources, and seeks to prevent water pollution. Development should in no way disturb damage or alter the characteristics of water resources. In the case of river this includes the riparian zones associated with them.

THEME	KEY RESOURCES / ISSUES	OBJECTIVES of the MUNICIPALITY	SUSTAINABILITY INDICATORS	RESPONSIBILITY / LEGISLATION
COSTAL & MARINE		<ul style="list-style-type: none"> All existing cultivation within wetlands must be phased out and a suitable buffer zone established. 		
	BIODIVERSITY & PROTECTED AREAS	<ul style="list-style-type: none"> Promote and maintain a largely natural outlook. Promote the preservation of primary, secondary or climax dune vegetation. Take a holistic view of development within certain areas that are deemed sensitive. 	<ul style="list-style-type: none"> % of beaches with blue flag status % of conservation to development no. dwellings within the Admiralty Reserve location, density and scale of development. 	<ul style="list-style-type: none"> District Municipality, Local Municipality, DWAF, DAEA National Environment Management Act, Act No.107 of 1998
		<ul style="list-style-type: none"> Addition of protected areas and appropriate rehabilitation. Education of local communities around the value of these unique environments Promote the development of nurseries for the propagation of muthi plants to prevent 	<ul style="list-style-type: none"> Area (hectares) and % of municipal area under 'local protected area' status % of land of 'conservation with a current/adopted management plan and authorized budget Area (hectares) of sensitive vulnerable, 	<ul style="list-style-type: none"> District Municipality, Local Municipality, DWAF, SANBI. Conservation Management Amendment Act, Act No. 5 of 1999 National Environment Management Act, Act No.107 of 1998 National Water Act, Act no.36 of 1998, Conservation of Agricultural resources Act, Act no.43 of 1983 National Environment Management, biodiversity Act, Act no. 10 of 2004

THEME	KEY RESOURCES / ISSUES	OBJECTIVES of the MUNICIPALITY	SUSTAINABILITY INDICATORS	RESPONSIBILITY / LEGISLATION
VEGETATION / FAUNA		<p><i>removal from natural environment</i></p>	<p><i>highly dynamic and stressed ecosystems in the municipal area by ecosystem type)</i></p> <ul style="list-style-type: none"> • <i>% of each of the above which is degraded or transformed on an annual basis</i> 	
		<ul style="list-style-type: none"> • Review and develop a formal strategy towards development proposal • Initiate a master plan for the control of alien vegetation 	<ul style="list-style-type: none"> • Area (hectares) of municipal land currently planted with indigenous and endemic species • Area (hectares) of municipal land currently invaded by alien species • % of municipal land currently invaded by alien species • Area of IAS cleared from municipal land (this reporting year) • % of municipal land currently invaded by alien species which has been cleared (this reporting year) • Is there an adopted Invasive Species Monitoring, 	<ul style="list-style-type: none"> • Local Municipality and the relevant authorities, such as DAEA and DWAF • Local Municipality and the relevant authorities, such as DAEA and DWAF, Local Municipality and the relevant authorities, Conservation of Agricultural Resources Act, Act No. 43 of 1983

THEME	KEY RESOURCES / ISSUES	OBJECTIVES of the MUNICIPALITY	SUSTAINABILITY INDICATORS	RESPONSIBILITY / LEGISLATION
			Control and • Eradication Plan that is integrated and aligned to the IDP?	

9. Integrated Human Settlements

a) Introduction

The Municipality regards the right to housing as a very important aspect as it is enshrined in Section 26 of the Constitution, 1996, of the Republic of South Africa, which states that “everyone has the right to have access to adequate housing and that the state must take reasonable legislative and other measures, within viable resources, to achieve the progressive realization of the right”

The Municipality has not only noted the abovementioned clause of the Constitution of the Republic of South Africa, but it has line with Section 9(1)(f) of the Housing Act, 1997, which states that “every municipality must, as part of the municipality’s process of integrated development planning, take reasonable and necessary steps within the framework of national and provincial housing legislation and policy to initiate, plan, coordinate, facilitate, promote and enable appropriate housing development in its area of jurisdiction.”

In line with the Housing Act, the Municipality has developed the Integrated Human Settlement Plan, which seeks to address the following backlogs:

Table 28: Housing Backlogs within the Municipality

<i>Housing Backlog Summary</i>					
<i>Year</i>	<i>Housing Supply Low Income</i>	<i>Housing Supply Affordable Income</i>	<i>Rural Housing Supply</i>	<i>Old Age Supply</i>	<i>Affordable / Middle Income</i>
<i>2012</i>	<i>To be completed by the relevant Municipal Officials</i>				
<i>2013</i>					

2014					
2015					
2016					
2017					
2018					
2019					
2020					
TOTAL					

Although the Municipality has continued to provide housing opportunities to the people, it must be mentioned that the **number of people who qualify for housing subsidy, is growing on daily basis**, especially because the masses of the people continue to migrate to the area in search of employment opportunities.

There has been a **slow progress in terms of the provision of housing** to the people and this can be attributed to the **lack of land** for housing as well as **lack of financial Resources** to buy land for building houses.

The Integrated Human Settlements Plan, recognizes the fact that the Municipality cannot on its own, provide housing and related infrastructure if does not work closely with relevant departments. In the **spirit of intergovernmental relations** and line with **Intergovernmental Relations Act**, the Municipality is working closely with the **Department of Human Settlements** as well as the **Department of Agriculture and Rural Department**; to solicit land for housing development.

Middle income housing is one area that has been neglected for so long. Many developers have promised to address it only to find that their houses were out of reach for the middle income group. The Municipality will continue to play an enabling environment with aim of addressing the middle income housing backlog.

Table 29: Housing Development Projects in the Municipality

HOUSING DEVELOPMENT										
WARD	IDP REF NR	PROJECT	LOCATION	SPISYS LOCATION	EXISTING BUDGET	FUTURE BUDGETS				
					CURRENT FIN. YEAR	FIN YEAR 2	FIN YEAR 3	FIN YEAR 4	FIN YEAR 5	

Hyperlink to Location of the Project through the use of **SPISYS**

Table 30: Addressing Low Income Housing Backlog

Existing Housing Backlog Status for the Municipality				
Priority Number	<i>Town / Area</i>	<i>Existing Backlog</i>	<i>Housing Classification on backlog</i>	<i>Expected Backlog in the next four (4) years</i>
	<i>To be completed by the relevant Municipal Officials</i>			
TOTAL				

Table 31: Land Acquisition Status –Availability of land for future development in the Municipality

Land Acquisition Status				
Land / Property Details	<i>Future Residential Area available</i>	<i>Estimated Stands that could be demarcated from property</i>	<i>Approved / Aligned with the SDF</i>	<i>Bulk Services within close proximity to service area</i>
	<i>To be completed by the relevant Municipal Officials</i>			
TOTAL				

Map 26: Future Residential Development Areas for each town of the Municipality



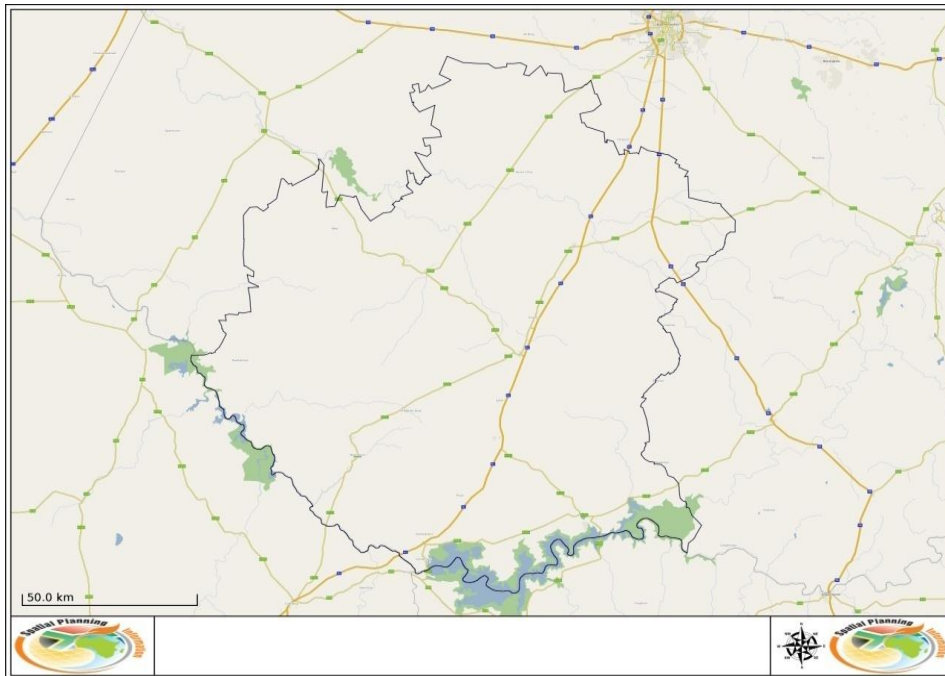


Table 27.1 Area available for Development (Residential low income markets)

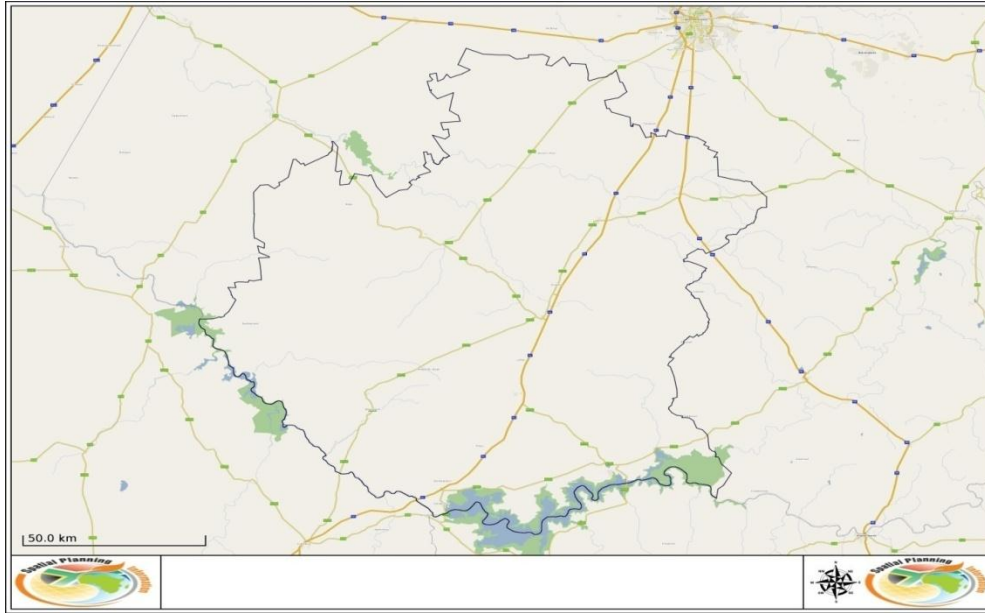
10. Tourism Development Strategy

The tourism sector has potential in the Municipal area and the municipality has identified the need to improve and enhance the tourism sector. The Municipal area has many tourist sites, which will be identified. The primary factors that attract tourists to this province are as follow:

Table 32: Local tourism Attractions

Tourism Asset / Tourist Site	Key Attraction
Heritage Resources	<i>To be completed by the relevant Municipal Officials</i>
Natural Resources	
Human Resources	
Developed Resources	

Map 27: Tourism Routes in the Municipal area with all the Tourism Sites, Tourism Centre's, Nature Reserves, Biosphere's, Heritage areas and Important Natural Resources.



Tourism sites are regarded as a cross-sectoral Industry because it represents linkages with the retail, manufacturing, transport, electricity and financial sectors. Tourism is a cross-sectoral industry meaning that it has linkages with an array of sectors. The retail sector as tourists will be purchasing goods such as memorabilia, food and clothing that is characteristic of the area. The transport sector forms an integral aspect, as there are tours, so bus services are essential and transport is essential in providing accessibility to the various tourist sites. Manufacturing of crafts and souvenirs are essential in tourism.

Electricity is a basic service required by all tourists as they require it for daily activities and for which businesses rely on for production of goods and services. The Municipal Tourism Development Strategy recognizes tourism as a LED directive that is mandated by the Constitution of the Republic of South Africa Act 108 of 1996 and the Tourism of Act of 1993.

According to Schedule 4 – Section 155(6) (a) and 7, Part B, local government must be organized to deliver on the following with respect to tourism:

- Developing and implementing local tourism policy that is line with provincial tourism policies;
- Urban and rural planning with the development of tourism products and services;
- Provision and maintenance of public tourist sites, attractions and services;
- Provision and maintenance of local infrastructure;
- Health, safety, licensing and local by-law compliance;
- Market and promote specific local attractions and provide local information services; and
- Facilitate the participation of local communities in the tourism industry

a) Tourism Vision

The tourism vision for the Municipality is as follow:

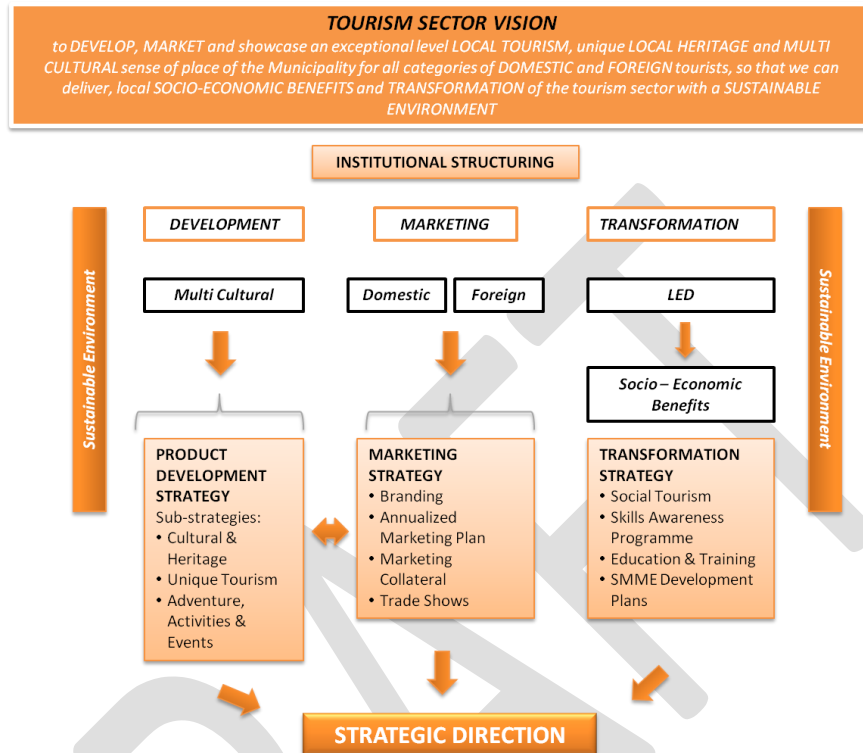


Figure 5: Tourism Vision

b) Tourism Marketing Strategy

Objectives:

The core objectives for the Tourism strategy include:

- Development and Consolidation of a strong Tourism Brand for the Municipality with the application of this brand across all marketing channels and visitor experience
- Marketing (both inward and outward marketing) and promotion of the area as an attractive tourism destination
- Tourism Market Research and Intelligence
- Improving communications between private and public sector tourism stakeholders
- Growing local awareness and meaningful participation in tourism
- Enhancing the visitor experience to encourage repeat business and positive word-of-mouth referrals
- Influencing investment for the market LED product development
- To actively market the tourism sector to create consumer awareness of the destination, grow visitor volumes, and increase the tourism spends and extends the stay-over factor.

Key Responsibilities:

The Tourism Section of the Municipality is responsible for the implementation of the Municipal Marketing Strategy through the preparation of the Marketing Plan.

The key Functions and responsibilities of this section include:

- Developing, Finalization and Implementation of the branding strategy
- Developing and Implementing of an Events Plans that is in line with existing and potential market demand and the Product Development Strategy
- Collaborative marketing with other tourism sector stakeholders
- Undertake market research and intelligence

c) Transformation and Social Tourism Strategy

Objectives:

- To promote transformation and local economic growth within the tourism sector by providing emerging tourists from both within and outside of the Municipal area with an affordable destination, and at the same time, employment opportunities to local communities (must be seen as both a market demand and a product driven initiative).
- The aim is to provide neglected or underdeveloped regions with new opportunities for generating cultural, social and economic benefits.
- Provide tourism products and events that are attractive and affordable to lower-income tourist markets and provided by previously disadvantaged sectors of the population within the Municipality.

Key Responsibilities:

The Municipal Tourism Section / Unit to:

- Identify areas within the local municipal area, which would be appropriate for social tourism initiatives and product development
- Develop a project plan for the social tourism enterprises / initiatives that could be developed at the identified site(s)
- Seek national / provincial funding and private sector support / buy-in to develop the new social tourism products and events

d) Tourism Product Development Strategy

The key objectives of the Tourism Development Strategy are:

- To co-ordinate and facilitate tourism product development within the Municipality area that is appropriate, sustainable, market-demand based and aligned to the tourism vision;

- To facilitate access to funding for tourism product development, by the Municipality as well as for local communities involved in tourism development;
- To provide strategic guidance and advice to all relevant stakeholders on tourism product development issues
- To ensure that both new and existing tourism product operates in a sustainable environment.
- The Local Municipality must be vigilant in enforcing environmental laws and safeguard the municipality's natural, scenic and heritage assets against being compromised through inappropriate development.

This should be done through:

- A Biodiversity and Conservation Strategy for the Municipality;
- Tourism Policy which incorporates regulations on tourism development that adheres to relevant spatial and environmental planning legislation
- Establishing good linkages with conservation bodies.

Table 33: Tourism Development Projects within the Municipality

TOURISM DEVELOPMENT									
WARD	IDP REF NR	PROJECT NAME	Tourism Market	SPISYS LOCATION	EXISTING BUDGET	FUTURE BUDGETS			
						FIN. YEAR 2	FIN. YEAR 3	FIN. YEAR 4	FIN. YEAR 5

Hyperlink to Location of the Project through the use of **SPISYS**

11. Provisions for Services

Table 34: Sustainability Framework through a strategic Services Assessment

THEME	KEY RESOURCES / ISSUES	OBJECTIVES of the MUNICIPALITY	SUSTAINABILITY INDICATORS	RESPONBILITY / LEGISLATION
BUILT SYSTEM/INFRASTRUCTURE				



THEME	KEY RESOURCES / ISSUES	OBJECTIVES of the MUNICIPALITY	SUSTAINABILITY INDICATORS	RESPONSIBILITY / LEGISLATION
STRUCTURES AND BUILDINGS		Protection of culturally significant structures and buildings, especially those older than 60 years.	Provided by Heritage Legislation and international guidelines for reservation of the built environment.	Heritage Legislation and international guidelines for preservation of the built environment.
WATER, SANITATION & WATER		Encourage efficiencies in resource use and waste reduction in the municipality.	% households with access to potable water within 200m of dwelling (or on site) % of households with at least a basic level of service as determined by the WSA service levels policy	Water Service Provider, LM and DM's The Water Services Act
STORMWATER MANAGEMENT		Development of a Storm water Management and control Master Plan to ensure appropriate storm water management. Improve the quality of storm water runoff. Appropriate maintenance and upgrading of infrastructure Recovery and reuse of storm water	% of storm water drains that are maintenance annually No. dwellings within the 50 year flood line.	DM & LM



THEME	KEY RESOURCES / ISSUES	OBJECTIVES of the MUNICIPALITY	SUSTAINABILITY INDICATORS	RESPONSIBILITY / LEGISLATION
WASTE DISPOSAL/ MANAGEMENT		Encourage efficiencies in resource use and waste reduction in the municipality through education, recycling, reuse, waste recovering and responsible disposal.	Number of incidents of illegal Dumping & of these incidents for which enforcement actions was taken and or Amount (tonnes) of illegal dumping cleared by the local authority % of municipal landfill sites licensed according to terms of the Environment Conservation Act Available landfill life span	DM & LM White Paper on Integrated Pollution & Waste Management Public Health Act Environment Conservation Act
	RECREATIONAL, CULTURAL & VISUAL AMENITY	Deliver and provide access to facilities and services to support those living in, visiting and working within the municipality.	Area (hectares) of municipal parks, recreation areas and other open space per capital within municipal area with conservation value % of this area in filled by development on an annual basis Area (hectares) of municipal parks, recreation areas and other open space per capital within municipal area	LM Only some urban areas/townships and former TLC areas Protected Areas Act

THEME	KEY RESOURCES / ISSUES	OBJECTIVES of the MUNICIPALITY	SUSTAINABILITY INDICATORS	RESPONSIBILITY / LEGISLATION
			% of municipal budget allocated to provision of and maintenance municipal parks and recreation areas	

Table 35: Data available on Service Delivery within the Municipality (different sources)

CATEGORY OF BASIC SERVICE	TOTAL NO OF HOUSEHOLDS IN THE MUNICIPALITY ACCORDING TO SURVEY	NO OF H/H WITH MINIMUM ACCESS	% OF H/H WITH MINIMUM ACCESS	H/H BELOW BASIC LEVEL OF SERVICES / BACKLOGS	% OF H/H BELOW BASIC LEVEL OF SERVICES / BACKLOGS
1. WATER					
STATS SA CENSUS 2001					
MUNICIPAL SURVEY	H/H				
COMMUNITY SURVEY 2007					
WSDP DATA					
OTHER DATA					
2. SANITATION					
STATS SA CENSUS 2001					
MUNICIPAL SURVEY	H/H				
COMMUNITY SURVEY 2007					
WSDP DATA					
OTHER DATA					
3. ELECTRICITY					
STATS SA CENSUS 2001					
MUNICIPAL SURVEY	H/H				
COMMUNITY SURVEY 2007					

Hyperlink to relevant data sources in **SPISYS**

DME SURVEY					
4. REFUSE REMOVAL					
STATS SA CENSUS 2001					
MUNICIPAL SURVEY	H/H				
COMMUNITY SURVEY 2007					
DME SURVEY					

Table 36: Indigent Households in the Municipality: Access to Free Basic Services

INDIGENT HOUSEHOLDS IN THE MUNICIPALITY : ACCESS TO FREE BASIC SERVICES						
SOURCE OF DATA	TOTAL NO OF HOUSEHOLDS	NO OF INDIGENT H/H	%	NO OF INDIGENT H/H SERVED	NO OF INDIGENT H/H BEING SUBSIDIZED	NO OF INDIGENT H/H BACKLOG
1. FREE BASIC WATER						
STATS SA CENSUS 2001						
MUNICIPAL SOURCE						
2. FREE BASIC ENERGY						
STATS SA CENSUS 2001						
MUNICIPAL SOURCE						

Hyperlink to relevant data sources in **SPISYS**

12. Disaster Management

The Integration of Disaster Management into the IDP should involve the following:

Identify areas of risk as per **table 38**: This would relate to where and what investment is required from Disaster Management perspective. This could be incorporated in SDF along with any identified projects as per **table: 39**.

Identify any disaster recovery projects – these could influence the priority projects within the municipality as well as in terms of the sector department and involve the reallocation of resources an example would be if an area within the municipality is identified as a high risk veldtfire area and a municipality has some funds for bulk water / water projects, this area could be prioritised over and above other areas within the municipality. Another example would be were a municipality has allocated

resources for a project but due to a disaster occurring these funds has to be reallocated to assist the community affected instead.

Identify any “priority” projects that would gear a municipality to address prevention, mitigation, response, preparedness and recovery. These projects should be aimed at creating a basis to further development of disaster management eg Disaster Management centre (DM), institutional development, funding for a comprehensive Disaster Management plan. It should address strategically what is going to have an impact on budgeting process for the financial year or the prioritization of the municipal projects.

Integration of Disaster Management Planning within the Integrated Development Planning

The Disaster Management Plan for a municipality should:

- Identify the types of disasters that are likely to occur in the municipal area.
- Determine the possible effects of the disaster;
- Identify the areas, communities or households at risk;
- Put actions in place to reduce the weakness of disaster- prone areas;
- Develop a system of incentives that will promote disaster management;
- Involve community in disaster management;
- Promote disaster management research;
- Identify and address weakness in capacity to deal with possible disasters;
- Facilitate emergency preparedness; and
- Contain contingency and emergency procedures in the event of a disaster which will:
 - allocate responsibility to various role-players and the co-ordination thereof;
 - provide prompt disaster response and relief;
 - obtain essential goods and services;
 - establish strategic communication links;
 - Provide for the dissemination of information.

Disaster Management could influence the priorities and projects of the IDP as the processes will occur separately and could inform each other eg if cholera is critical issue identified in the Disaster Management Plan process, then projects to address this such as sanitation could be prioritized in the IDP. Community participation for Disaster Management could occur via the IDP representative Forum. IDP and Disaster Management Plans are aligned but still separate processes (a DMP has unique requirements for e.g. incident response protocols that should not be distilled by the IDP process)

Table 37: IDP and Disaster Management Integration

IDP STRUCTURE	FUNCTION	ENGAGEMENT WITH DISASTER MANAGEMENT STRUCTURE
IDP MULTI-SECTORAL FORUM	Assesses the reviewed IDP and makes recommendations to the MEC responsible for Local	Provincial Disaster Management Section must be represented at this level



	Government. It is also a forum for Sector Departments to engage with the IDP	
IDP REPRESENTATIVE FORUM (District and Local levels)	Community Forum where the community could provide input into the IDP	Municipal Disaster Management could use this forum to engage with the community on the Disaster Management Plan.
IDP STEERING COMMITTEE (District and local levels)	Technical committee where line function departments engage and integrate their projects which would then be presented to the community. It is also the forum that steers the IDP	Municipal Disaster Management must align with the technical aspect of the IDP and influence the prioritization or allocation of projects/issues, etc.

Table 38: Disaster Types affecting the Municipal Area

TYPE OF DISASTER	AFFECTED AREA / RISK AREA
<i>Natural</i>	To be completed by relevant municipal officials
1. Epidemic	
2. Fire	
3. Storm (Wind And Rain)	
4. Flood	
5. Drought	
6. Snow	
7. Tornado	
8. Civil Unrest	
9. Hazards	

Table 39: Disaster Management Projects and Strategy

Phases of Disaster Management (life cycle)	Project (Examples listed below)	Priority	Locality	Type of Disaster	Responsibility	Budget Implication	STATUS
Institutional Readiness	To be completed by relevant municipal officials						
Prevention Mitigation Response							

Hyperlink to relevant location in **SPISYS**

Preparedness Recovery								
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G. INTEGRATED DEVELOPMENT PLAN

An Integrated Development Plan (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;
- binds the municipality in the exercise of its executive authority, except to the extent of any inconsistency between a municipality's integrated development plan and national or provincial legislation, in which case such legislation prevails; and
- binds all other persons to the extent that those parts of the integrated development plan that impose duties or affect the rights of those persons have been passed as a by-law; and it
- should be a product of intergovernmental and inter-sphere planning

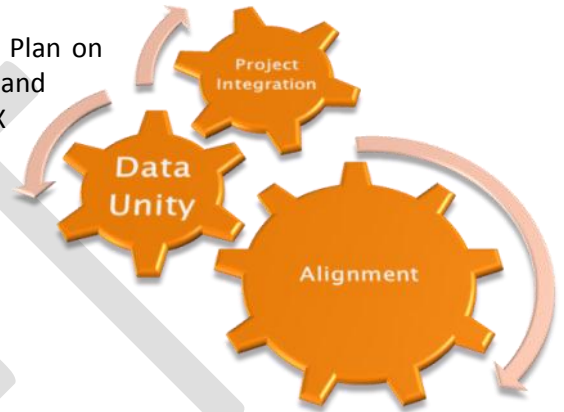
The integrating development planning (IDP) processes (phases/stages) in compiling the municipal plan is as important as the final product: The IDP. Rigorous, shared, analysis with sincere community and stakeholder consultations are necessary and sufficient conditions, among others, for the IDP to be authentic. The consultative and analytical processes must, however, be continuously enhanced and strengthened with each annual review of the annual plan. Technology and innovation allows the state to deepen this two-way communication process, the result of which must be a more responsive government.

The development of the Long Term Growth and Development Strategy, based on the vision, must encourage and allow for the meaningful contributions of the broader community, all spheres of government, traditional authorities, business, labour and other non-state actors. Such a process will result in the development of realistic and achievable objectives for the five year term of office of the council. The related priorities would also be realistic. Objectives are converted into strategies, plans, projects and activities, which must be tracked and monitored. All draft IDPs are required to be approved by municipal councils by 30th March annually. This is also in concert with the MFMA's deadline of adopting the draft budget 90 days before the end of the financial year. However, the final reviewed IDP and budget must be approved by council by 30th June of each year, as per the Municipal Systems Act - 2000.

Clearly, it is the annual plan that must be reviewed and not the entire IDP, provided that all the processes and components preceding the development of the annual plan are sound and informed by rigorous analysis. However, this annual review must also be informed by a high level reflection of the performance of the municipality in the previous years. The expenditure of conditional grants, the equitable share, and other revenue would be central to this reflection. The Auditor-General's reports and the municipality's evaluation of its service delivery and other related targets would also inform the annual plan and the rolling three year plan.

The IDP integrates the needs of communities with the programmes of local, provincial and national government. It ought to also integrate the national and provincial programmes in the local space, thus becoming the expression of all of government plans. It serves as an integrating agent of all differing needs of business, community organizations, the indigent, and mediates the tensions between these needs and the resources available to meet them. The IDP further integrates the various departments within a municipality for effective implementation. A good, realistic IDP is therefore one that is guided by community participation throughout its design and review processes, is resourced by a realistic budget and an adequately skilled workforce and can be implemented and monitored.

This entails the reviewing of the existing Integrated Development Plan on annual basis; ensuring that there is IDP/BUDGET/PMS Alignment and ensuring that the IDP is aligned to the NSDP, PGDS, ASGISA, APEX Priorities, District IDP, Local Municipal IDPs surrounding the Municipality, among other things.



1. Integrated Development Plan Alignment

Alignment as per IDP Phases identified within the IDP Guide pack:

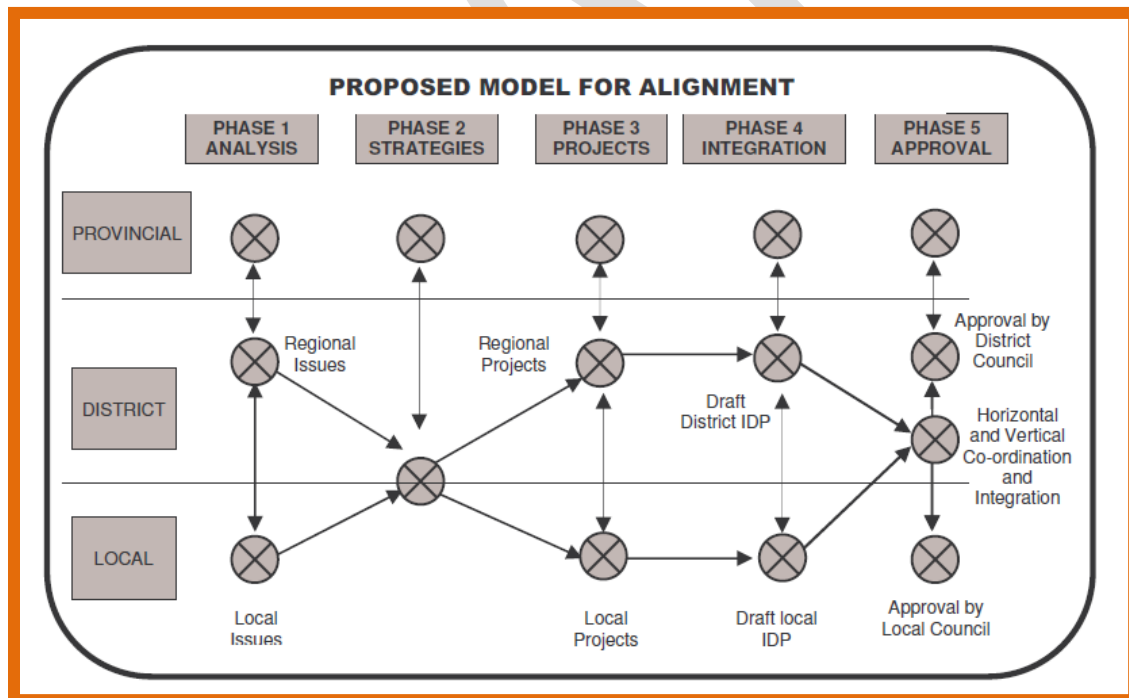


Figure 6: IDP Phases

a) Analysis Phase

Defining for the sectors what information is relevant to the IDP Process and what would need to be undertaken as a parallel sector planning process, therefore the IDP needs to guide Sector Departments on project specific requirements

b) Strategies Phase

- Sector specific alignment of legal requirements for areas of relevance with IDP priority issues Compliance requirements with the principles of the Development Facilitation Act and the National Environmental Management Act
- A Link with the SDF is required to ensure that the strategies identified as part of the multiyear vision is integrated into the envisaged strategies. This link can be setup through the use of Spisys to effectively ensure that projects do align with the respective strategies and serve as performance management tool in implementing the IDP Projects.

c) Project Phase

- To provide technical details to IDP projects thereby ensuring feasibility and compliance of project proposals with sector policies and requirements
- To ensure sector plans and programmes, relevant to the IDP Priority Issues, are in line with locally driven priorities, objectives and strategies
- To ensure that there is a direct link between the identified IDP Projects and the relevant Sector Departments. This will ensure continuity and effective project management between spheres of Government.

d) Integration Phase

- Consolidate / Integrate Sector programmes/plans for each sector for operational management and implementation
- Consolidate integrated programmes for crosscutting dimensions of development to ensure consistency and sustainability.

e) Approval Phase

- Providing a final opportunity for alignment on the draft IDP
- This involves coordination and alignment of sector departments' programmes and projects with the IDP.

2. Coordination and Development of Sector Plans

This involves development and reviewing of all relevant sector plans by the Municipality. These sector plans include the following: Social Cohesion, Organizational PMS, Infrastructure Investment Plan, Local Economic Development Plan, Energy Master Plan, Disaster Management Plan, Cemetery &

Crematorium, Housing Plan, Integrated Transport Plan, Spatial Development Plan, District Health Plan, Waste Management Plan and Land Use Management System

Table 40: Programmes for the next five Years – Sector Planning

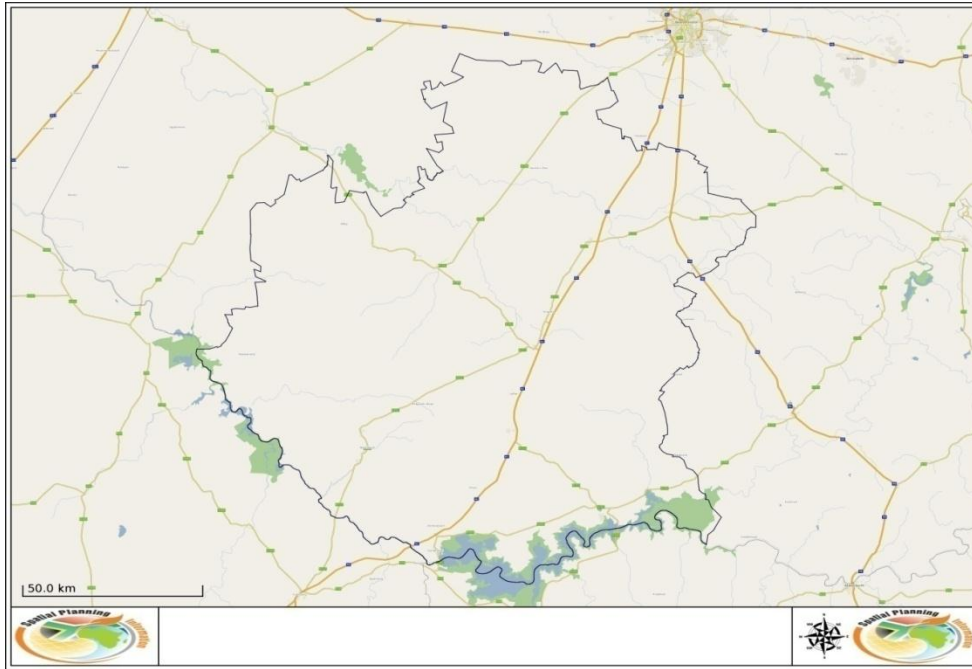
PROJECTS	WARD	IDP REF:	CURRENT	FINANCIAL YEAR 2	FINANCIAL YEAR 3	FINANCIAL YEAR 4	FINANCIAL YEAR 5
Compilation and reviewing of the IDP	<i>To be completed by the relevant municipal official</i>						
Compilation and reviewing of sector plans							
Alignment of the IDP with that of surrounding municipalities							

3. Alignment with the District Integrated Development Plan

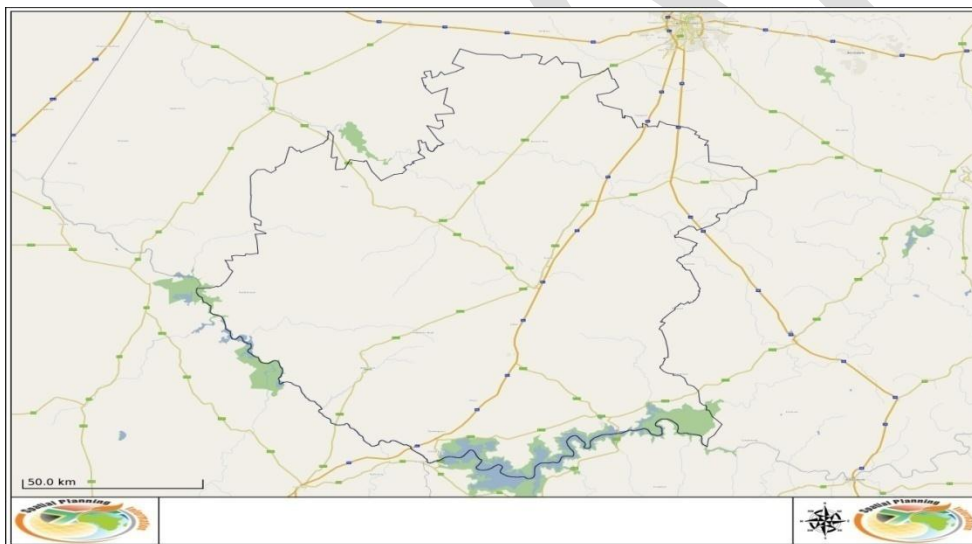
Spisys was utilized to compose the following District/Local Alignment Spatial Reports to spatially identify projects that are within the respective IDPs and to ensure that the projects requiring alignment are aligned.

- a) The following Reports indicate the respective alignment between die IDP's within space:**

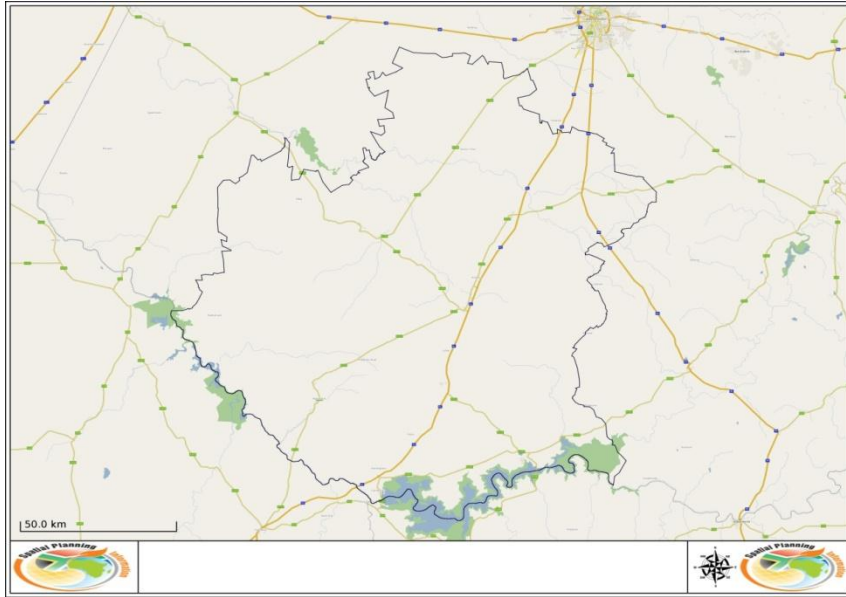
Map 28: IDP Projects form the District



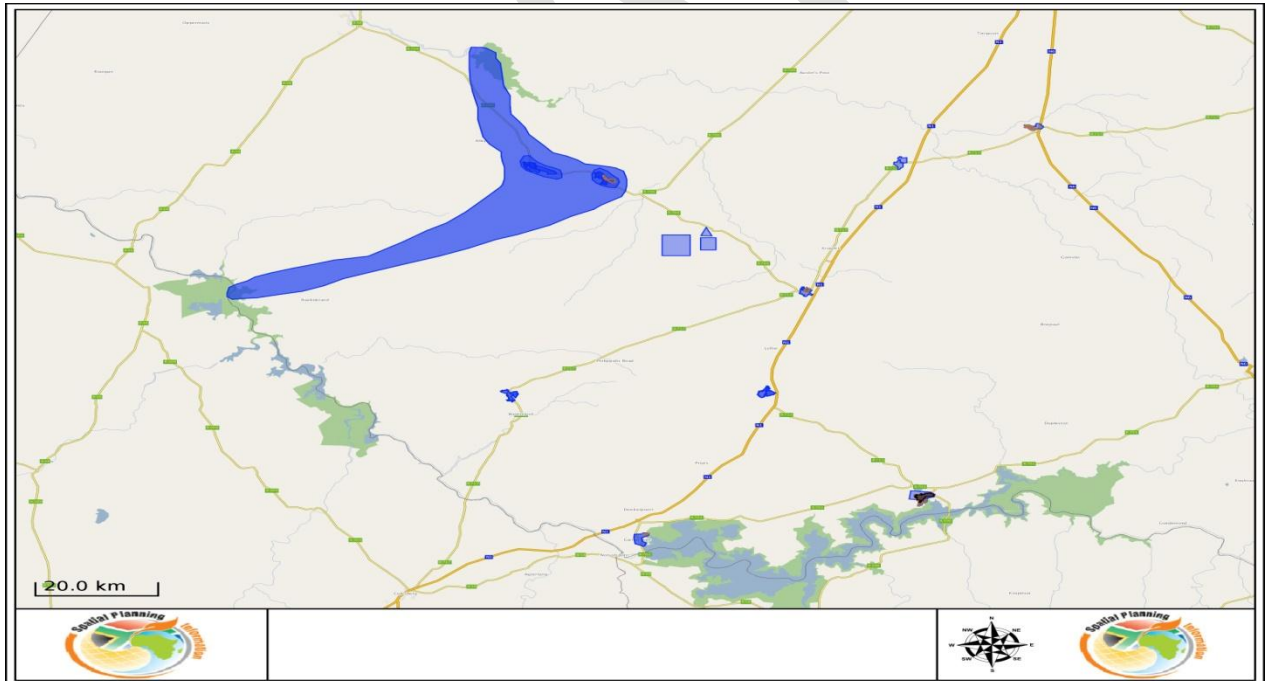
Map 29: IDP Projects from the Local Municipality



Map 30: Cross border IDP Projects affecting the Municipality



Map 31: MIG Projects within the Municipal space indicating the different stages of the project lifecycle



The Municipal Budget should be aligned to the abovementioned development strategies. For a project or a programme to be budgeted for, it must fall within one of these development strategies. For the Municipality to achieve its Vision, it will package all its programmes and projects basing them on the Development Strategies. The Municipality recognizes the fact that it is part of a big family of municipalities. Therefore, it will be important to note that development will take place within the context of the Municipal Development Wish, which is as follows:

b) The Municipal Development Wish

The Municipal position statement provides foundation from which clarity and agreement can be obtained of the desired future for the area. By explicitly formulating a development wish, the Municipality can ensure that all planning endeavors are focused on the same aim or destination. It inspires, focuses the attention and mobilizes all residents, communities, stakeholders, politicians and officers in creating that desired future. Ultimately, this development wish can be condensed into a more catchy vision statement, but the basics stay the same, i.e.:

- Creating economic growth and jobs.
- Eradicating backlogs in service delivery
- Providing for housing and socio-economic development (including the impact of HIV/AIDS).
- Positioning the area as a prime tourist destination.
- Making the area of a safe and vibrant meeting place of rural, traditional and urban life-styles.
- Integrating the first and second economies to benefit from investment.
- Achieving a sustainable settlement pattern where people could meet all their needs to provide for a better quality of life and maintain sustainable livelihoods.
- Creating functional and institutional harmony with upstream and downstream spheres of government.

4. Development directives and principles

In its quest of achieving the development wish the Municipal IDP will observe national and provincial directives as well as the principles of Bathu Pele. Together, with all public servants in this province, the Municipality pledge to the creation of an environment that is characterized by a culture of service excellence. This starts with treating citizens as 'customers' and implies:

- Listening to their views and taking them into account when making decisions regarding services that should be provided.
- Treating them with consideration and respect.
- Ensuring that the promised level and quality of service is always of the highest standard.
- Responding swiftly and sympathetically when standards of service promised are not met.
- Development directives form the basis for determining priorities and ensure that IDP programmes are geared to addressing development problems and exploiting comparative advantage in specifically identified focus areas.

- These development directives focus the policy, actions and implementation in specific directions in accordance with these identified focus areas of the Municipality.
- The IDP provides the development guidelines as a basis for the spatial and a spatial development of the area, encapsulated by the development directives.

This provides a basis for creating an environment that creates the following:

- General benefits for all residents, or large numbers of people, living in the area.
- A positive relationship between humans and the environment (built and natural).
- A well functioning living environment, with a variety of opportunities including:
 - Easy access to places, resources, services and other people.
 - On a physical level, this refers to movement (walking, routes, modes, public transport, and private car).
 - Integration of land uses facilitates access and efficiency by bringing people and opportunities closer to one another in order to maximize economic, social and cultural possibilities.
 - Compact urban form raises the thresholds for economic activity and public transport. It implies that high population density is needed for urban efficiency. It does not mean that all areas of the city have to be high density, but rather than that, there are a range of densities. Compaction prevents the costly supply and maintenance of services and engineering infrastructure in peripheral areas.

a) Legibility and order.

Legibility refers to the city pattern and the ease with which people can understand the structure of the city. Order refers to the relationships between structuring elements. A hierarchy (from neighborhood to district scale), of public and private places (including roads, nodes and open spaces), gives legibility.

The following are key elements to ensure legibility:

- Resilience that ensures that the structuring elements are robust and will endure over time and adapt to changing needs of future generations. It requires that a long-term view of the city is adopted and that special places, natural and built, are protected and enhanced.
- Efficiency, referring to the management of development through various institutional means such as policies and legal mechanisms, as well as the manner in which the structuring elements come together to provide residents with a positive urban experience, such as creating safe environments.
- There are a number of key policy issues which the Municipality needs to consider and develop further. These policy issues are incorporated into the development directive and package approach. The Municipality needs to differentiate between the various regional potentials (both positive and negative). For example, the area is clearly the area of high economic growth, whereas the rural hinterland has a dispersed population and high levels of poverty.

- The Municipality needs to provide the type of investment in the area that underpin and enhance its high economic growth potential and opportunities. The rural hinterland with its limited growth potential requires a different investment package. The Municipality could consider investing mainly in social services and infrastructure in these areas, creating opportunity of communities to achieve sustainable livelihoods.
- Investment would focus on people, through skills development in these areas, thus giving them the ability and mobility to access areas of opportunity and explore other alternatives.
- Spatial information in the District suggests the need for the prevalence of high potential agricultural land and the agricultural productivity of these areas needs to be both enhanced and promoted. These areas should be encouraged to produce consumer goods that can be used within the province, thus circulating capital within the Province.

b) **The development directives for the Municipality are:**

Table 41: Development Directives for the Municipality

Development Directive	Explanation and Implications
Integration and Alignment	<i>This directive is aimed at effective governance and administration within the District, aligning itself with national, provincial and local goals and targets to ensure sustainable and integrated development and growth</i>
Partnerships	<i>Building enduring partnerships by promoting a shared vision for the District's growth and development plan to frame sectoral and development agreements and lay the basis for partnership in action. Lending a hand by securing the commitment and active participation of all social partners in those areas identified for prioritized action in ways that build on lessons learn from the successful implementation of social and economic development programmes</i>
Resource Management	<p><i>There are competing resources in the Municipality along with ever-increasing needs. This development directive focuses on prioritizing needs and providing a clear and concise mechanism to allocate resources. These resources include natural, technological and fiscal resources at a district level</i></p> <p><i>Integrated development along with the provision of basic services and the upgrading of existing infrastructure in terms of a long-term performance management system.</i></p> <p><i>Alteration of the procurement processes to incorporate empowerment, community management, labour intensive concepts as well as the implementation targets per department and municipality in relation to their financial allocations Human resource development is a critical</i></p>

Environmental Management

element to achieve sustainability, as people are an essential asset. The focus needs to be on empowerment, capacitating and training, and mentorship.

There is a need to use limited resources to their optimum and to employ the concepts of economies of scale through the concept of the Shared Services Centre. There is, however, a need for integration and commitment by all departments as well as between provincial and municipal levels.

Environmental management is often misrepresented in the form of conservation – it is often seen as a hindrance in the development arena.

Within this context, it should be seen as an integrative tool that focuses on efficient management, as there will be clear mechanisms to achieve the long term balance and communities that can sustain themselves. Within this context, the development directive needs to promote efficient, sustainable growth within the context of limited resources

The promotion of agriculture in areas of high potential coupled with PPP initiatives in relation to land ownership and the optimum use of these prime resources

The development and implementation of a renewable strategy across the District Incorporation of environmental management principles and day-to-day practices into the LUMS of Local Municipalities

The formulation of targets and performance management system to monitor implementation along with both national and international accountability

Eco-tourism and the management and promotion of the Municipality's cultural assets are also essential.

Sustainable Economic Development

This directive deals with the interrelationship between the economic, environmental and social equity aspects of all development

The IDP provides for detailed mechanisms that will facilitate the achievement of this sustainable perspective and balance between the elements in the District Skills development to comprise a multi-pronged approach

LED focuses on stimulating and maintaining the local

energy in accordance with specified comparative advantages. It is essential that economic development and job creation are sustainable and have a long-term perspective, taking cognizance of the risks.

5. Development Perspective:

To achieve sustainable growth and development within the District, it is considered essential that the development principles, directives be used as a backdrop to the implementation of the development perspectives. Further, the composition of a development perspective is to realize the potential of the Municipal resources and assets by acting as a catalyst to ensure an integrated approach in the context of promoting the development directives. Through this approach, the Municipality will actively facilitate the building of Partnerships for Sustainable Growth and Development long-term solutions and leadership with the aim of achieving the future vision of National Government. Both Provincial Sector Departments and Local Municipalities will then be able to identify where they need to concentrate on and how to allocate their limited financial resources accordingly to the competitive advantages and potential that has been identified. This approach therefore enables a paradigm shift towards implementation, where the Local IDPs become guiding tools as opposed to regulatory requirements. Ultimately, there is a need to facilitate a development balance within province both geographically and sectorally. The following Development Perspectives therefore need to be explored and invested.

Table 42: Development Perspective

Development Perspective	Objective
Sustainable Human Settlements	<ul style="list-style-type: none"> • <i>To provide for human settlements that serve people in a way that is different from simply providing housing. It is premised on the understanding that people deserve to live in an environment suitable for community development and the development of children, which also provides services and amenities to enhance the quality of life</i> • <i>To provide adequate shelter for all</i> • <i>To improve human settlement management</i> • <i>To promote sustainable land use planning and management</i> • <i>To promote the integrated provision of engineering infrastructure, i.e. water, sanitation, drainage and solid waste management</i> • <i>To promote sustainable energy and transport systems</i> • <i>To promote sustainable construction industry activities</i> • <i>To promote access to income to enable sustained affordability levels for basic infrastructure and services and ensure sustainable livelihoods</i> • <i>To promote human resource development and capacity building</i>

<p>Conservation Management</p>	<p><i>for human settlement development</i></p> <ul style="list-style-type: none"> • <i>To encourage the development of strategic tools to guide decision-making for environmental management and sustainable development</i> • <i>To rehabilitate and improve the environment</i> • <i>To establish an integrated environmental management system</i> • <i>To conserve areas of environmental, conservation and tourist significance</i> • <i>To undertake soil rehabilitation in areas of high erosion</i> • <i>To eradicate alien vegetation</i> • <i>To address the pollution of water catchments by industrial activity</i> • <i>To address environmental issues relating to waste disposal</i> • <i>To promote environmental awareness</i>
<p>Urban Renewal and Regeneration</p>	<ul style="list-style-type: none"> • <i>To improve and revitalize specific areas of the Municipality</i> • <i>To renew areas to the benefit of the larger District</i> • <i>To contribute to public investment and enhanced livability</i> • <i>To stimulate investment from the private sector</i> • <i>To increase property value</i> • <i>To attract new business and increases job opportunities</i> • <i>To promote economic development</i> • <i>To improve the quality of life</i>
<p>Economic Development and Job Creation</p>	<ul style="list-style-type: none"> • <i>To develop and diversify the local economy on a sustainable manner to increase the overall competitive advantage thereof.</i> • <i>The focus is on the development and diversification of the following three sectors – agriculture, manufacturing and tourism</i> • <i>To stimulate local economic development to reverse the current trends of decline and lack in diversity of the economy “the growth economic pie”</i> • <i>To providing assistance, training and information to entrepreneurs in the area to enable them to develop and manage their businesses in an economically viable manner</i> • <i>To address local factors that affect economic growth – factors that make conducting business in the area attractive and effortless as possible. This includes an attractive physical and commercial environment</i> • <i>To act on the development opportunities originating from the various corridors running through the area, as well as other business zones and development zones.</i>
<p>Transportation</p>	<ul style="list-style-type: none"> • <i>To identify areas in need in terms of road infrastructure and transport services</i> • <i>To implement programmes and projects in a systematic and prioritized manner</i>

Tourism	<ul style="list-style-type: none"> • To promote the area as a prime tourist destination • To identify opportunities in the area that will lead to the identification of potential key catalytic projects • To implement projects that may lead to job creation • To provide support services to the industry such as advertising and promotion
Agriculture	<ul style="list-style-type: none"> • To identify agricultural opportunities • To provide guidelines on agricultural roles and responsibilities between the different LED stakeholders in the municipal area • To coordinate the formulation and implementation of Municipal agricultural policies
Crime Reduction	<ul style="list-style-type: none"> • To reduce crime in the area • To create a safe and secure environment that facilitates investment and visitor (tourists) confidence
Poverty Alleviation	<ul style="list-style-type: none"> • To coordinate the efforts of all stakeholders involved in poverty alleviation • To identify specific poverty alleviation projects for implementation • To take the necessary steps to ensure the poverty alleviation, empowerment of women and socio-economic upliftment of the rural community
Infrastructure Management	<ul style="list-style-type: none"> • To ensure that municipal services are provided to all communities within the Municipality in the most efficient, effective, affordable and sustainable manner • To identify and agree the most effective, efficient, affordable and sustainable manner to render these services • To determine and agree on the functions to be performed by the various municipalities and service providers. • To meet a minimum of RDP level in the provision of municipal services across the district through the upgrading of existing services or the provision of new services where required.
Land Use Management	<ul style="list-style-type: none"> • To improve spatial structure and definition of urban functions within the Municipality and to improve access to opportunities in urban core areas as well as rural areas • To encourage the appropriate and effective use of land and resources • To guide on the decision of the Municipality relating to the use, development and planning of land • To implement strategic plans and manage development

6. Provincial Growth and Development Strategy

The Free State Growth Development Strategy (FSGDS) aims to provide a framework for sustainable growth and economic development for the Province over a ten years period. The strategy establishes the basis from where the Provincial Programme of Action is negotiated through consultations with both internal and external stakeholders. It further forms a yardstick from which progress and achievements are monitored and evaluated.

The FSGDS is guided by the National policy thrusts identified for the millennium (2004 –2014). It seeks to achieve balanced development of economic sectors and spatial localities in accordance with the needs and aspirations of the people. It is also aimed at targeted investments in the province, with the aim of offering opportunities to the people in skills development, employment and the improved quality of life.

Based on the social and economic development challenges of the province, the Free State province has identified the following as primary development objectives:

- Stimulate economic development
- Develop and enhance infrastructure for economic growth and social development.
- Reduce poverty through human and social development
- Stimulate economic development.
- Ensure a safe and secure environment for all people of the province
- Promote effective and efficient governance and administration

The FSGDS (revised 2007) is a most impressive attempt to internalize the NSDP and align it with the Provincial and Local Government Plans. The strength of the FSGDS is that they devised their own methodology using NSDP concepts to identify priority areas in the Province. Their analysis identifies specific needs and areas required for intervention.

The Strategy addresses the key and most fundamental issues of development, spanning the social, economic and political environment. It constantly takes into account annual provincial priorities and sets broad targets in terms of provincial economic growth and development, service delivery and public service transformation.

The Strategy has identified four priority areas of intervention by the province, namely;

- Economic Development and Employment Creation;
- Social and Human Development;
- Justice and Crime Prevention;
- Efficient Administration and Good Governance

Table 43: Important Priority development implications in terms of the PGDS (2012 draft PGDS)

PGDS Pillar's	Implications for the Municipality
Inclusive economic growth and sustainable job creation	
Education, innovation and skills development	
Improved quality of life	
Sustainable rural development	
Build Social Cohesion	
Good governance	

**Refer to individual drivers of the PGDS per Pillar*

7. Provincial Spatial Development Framework (PSDF)

Key determinants of successful land-use planning and management is the extent to which all spheres of government co-operate and co-ordinate their activities. Accordingly, the PSDF is based upon and gives effect to the concept of integrated development planning, which is understood as a participatory planning process aimed at integrating sectoral strategies, in order to support the optimal allocation of scarce resources between sectors and geographic areas and across the population in a manner that promotes sustainable growth, equity and the empowerment of the poor and marginalised (Forum for Effective Planning and Development, 1995)

An integrated and holistic approach to land-use planning and management implies that the interrelationships between economic activities and other development dimensions such as social, financial, demographic, institutional, infrastructural, and environmental aspects are carefully considered in terms of a standard framework and at all applicable spheres of planning ranging from the international to the local level.

Accordingly, the PSDF supports and is premised upon the principle that the Province should be managed as an integral part of South Africa and the global biosphere in terms a holistic integrated structure or 'package' of plans that have a common vision of sustainability. In terms of the bioregional planning approach as adopted for the PSDF the various 'layers' of the 'package' of plans express the place-specific characteristics and idiosyncrasies of the places to which the relevant layer applies and illustrate land-use proposal for that specific place.

The Figure Below illustrates the integrated structure or 'package' of plans. In short, this structure relates to the national sphere (i.e. the National Development Plan and the NSDP), the provincial sphere (i.e. the PGDS and the PSDF), the district sphere, i.e. the IDP (Integrated Development Plan) and SDF (Spatial Development Framework) of the district municipality and the local sphere, i.e. the IDP and SDF of the local municipality. All of these have to comply with the applicable international agreements and conventions and the relevant national and provincial legislation and policy. The entire structure or 'package' of plans is to be recorded and managed in terms of a standard Spatial Planning Information System (SPISYS).

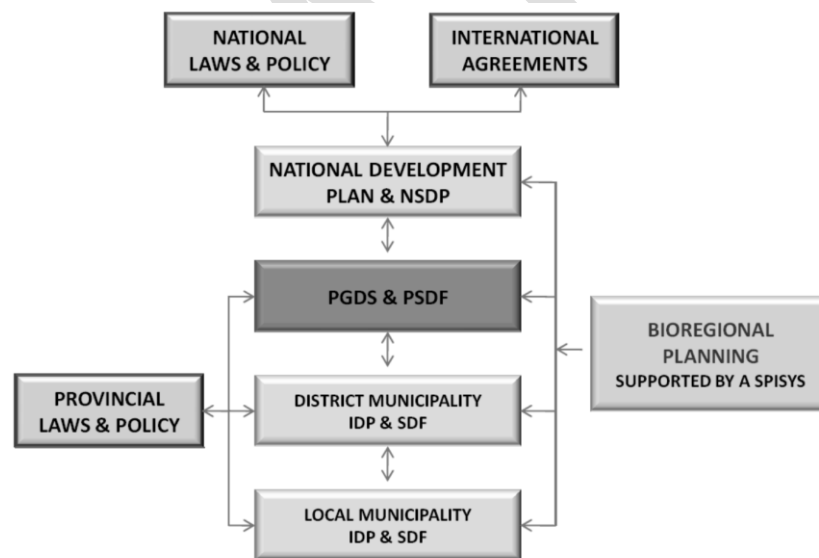


Figure 7: Structure of Plans working within Government

8. Integrated Development Planning Projects

Table 44: List of all the Projects linked to the IDP

PRIORITY	PROJECT SPECIFICATIONS	FUNDING DETAILS		PROJECT TIME FRAMES		
		FUNDING SOURCE	ESTIMATED AMOUNT	2010/2011	2011/2012	2012/2013
Roads and Storm water	Town/Area					
Water Provision	Town/Area					
Electricity Provision	Town/Area					
Waste Disposal	Town/Area					

Hyperlink to Project Location and Project Reporting in **SPISYS**

PRIORITY	PROJECT SPECIFICATIONS	FUNDING DETAILS		PROJECT TIME FRAMES		
		FUNDING SOURCE	ESTIMATED AMOUNT	2010/2011	2011/2012	2012/2013
Housing	Town/Area					
Town Planning	Town/Area					
LED and Agriculture	Town/Area					
	Town/Area					
Tourism Growth	Town/Area					



PRIORITY	PROJECT SPECIFICATIONS	FUNDING DETAILS		PROJECT TIME FRAMES		
		FUNDING SOURCE	ESTIMATED AMOUNT	2010/2011	2011/2012	2012/2013
Safety and Security	Town/Area					
Disaster Management	Town/Area					
Environmental Care and	Town/Area					
Sports and Recreation	Town/Area					
	Town/Area					
Sports, Arts and Culture	Town/Area					



PRIORITY	PROJECT SPECIFICATIONS	FUNDING DETAILS		PROJECT TIME FRAMES		
		FUNDING SOURCE	ESTIMATED AMOUNT	2010/2011	2011/2012	2012/2013
Cemeteries	Town/Area					

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H. SECTOR ALIGNMENT



1. Alignment with Sector Plans

The law is emphatic on the need for local government to cooperate with other spheres of governance. The Municipal Systems Act states that municipalities must exercise their executive and legislative authority within the constitutional system of co-operative government. It further places an obligation on provincial and national spheres of government to exercise their executive and legislative authority in a manner that does not compromise or impede a municipality's ability or right to exercise its executive and legislative authority.

For these reasons, the law requires that the planning undertaken by a municipality must be aligned with, and complement, the development plans and strategies of other affected municipalities and other organs of state so as to give effect to the principles of co-operative government. As such utmost care would be taken ensure that the IDP would be aligned with national and provincial governments' plans – as well as other neighboring municipalities' plans. Key development plans such as the National Development Plan and the Free State Growth and Development Strategy have been reviewed in order to ensure alignment with national and provincial development priorities.

2. Sector Involvement

Effective local government is a cornerstone of democratic government in South Africa, central to the realization of a better life for all. Municipalities provide basic services (such as electricity, municipal services that range from beaches, cemeteries, refuse removal, etc.) and perform other functions that have a direct impact on the sustainability of life, livelihoods, and economic development within our area of jurisdiction. In 2004, government committed itself to key objectives and a number of targets. Key elements related to,

- Reducing unemployment by half through new jobs, assistance to small business, opportunities for self employment and sustainable community livelihood;
- Reducing poverty by half through economic development, comprehensive social security, land reform and improving household and community assets;
- Creating a compassionate government service to the people, national, provincial and local representatives who are accessible; and citizens who know their rights and insist on fair treatment and effective service;
- Accelerating the delivery of basic services and increasing access to services became core priority for the term of government.

Table 45: Sector Responsibilities for the compilation of a credible IDP

SPEHERE OF GOVERNMENT	ROLES AND RESPONSIBILITIES
LOCAL	
Local Municipality	<ul style="list-style-type: none"> • Prepare and Adopt IDP • Prepare an IDP • Adopt an IDP • Provide Support to poor capacitated Local Municipalities • Facilitate the compilation of a framework to ensure integration between local IDP's
District	
Metropolitan Municipalities	<ul style="list-style-type: none"> • Prepare and IDP • Adopt an IDP
PROVINCIAL	
Cogta	<ul style="list-style-type: none"> • Coordinate Training on the IDP • Provide financial support • Provide general IDP guidance • Monitor the IDP compilation process • Facilitate the District Wide alignment of the IDP's • Facilitate Disputes between Municipalities • Facilitate alignment of IDP's with Sector Department policies, projects and programmes • Assess IDP's
Sector Departments	
NATIONAL	
DCoG	<ul style="list-style-type: none"> • Issue Legislation and Policy support of the IDP's • Issue IDP guidelines • Financial assistance • National Training framework • Establishment of a Planning and Implementation Management support system
Sector Departments	
<ul style="list-style-type: none"> • Provide relevant information and data pertaining to the Sector Department's policies, programmes and budgets • Contribute sector expertise and guidelines documents • Be guided by Municipal IDP's in the allocation of resources at Local Level. 	

Sectoral departments/agencies are in charge of checking sector alignment requirements and compiling consolidated sector programmes. The IDP Steering Committee should do the necessary desk work to check all project proposals before they are discussed in the IDP Representative Forum. The IDP Representative Forum is the arena in which the integration process under consideration of compliance and harmonisation requirements takes place. Thereby, the inter-sectoral negotiation process for scarce funds will be closely related to the compliance and the relevance of project proposals in the context of overall principles, priorities and strategies. It is important to ensure professional facilitation of the workshop of the IDP Representative Forum in which project proposals are commented on. To enable the municipal management, financing organisations, politicians, various stakeholders and an interested public to do a consistency check with regard to cross-cutting aspects, such as financial feasibility, spatial effect, economic, social and environmental impact.

The following table shows the core components of the IDP required in terms of Section 26 of the Municipal Systems Act 32 of 2000. The table gives an indication of whether these components or investigations or policies have been done, what their status are and where to access the information.

Table 46: Core components of the IDP required in terms of Section 26 of the Municipal Systems Act 32 of 2000

CORE COMPONENT	YES/ NO	STATUS
<i>Municipal Council's Vision</i>	<i>Verification by Municipality</i>	
<i>Assessment of existing level of development</i>		
<i>Development Priorities and Objectives</i>		
<i>Development Strategies</i>		
<i>Spatial Development Framework (SDF)</i>		
<i>Water Services development Plan (WSDP)</i>		
<i>Integrated Transport Plan</i>		
<i>Housing Sector Plan</i>		

<i>HIV , AIDS Health Plan</i>		
<i>Environmental Management Plan</i>		
<i>Tourism Plan</i>		
<i>Operational Strategies</i>		
<i>Disaster Management Plan</i>		
<i>Financial Plan (Budget, MTREF, SDBIP)</i>		
<i>Key Performance Indicators (KPIs)</i>		
<i>Institutional Organogram</i>		
<i>Investment / Development Initiatives</i>		

3. Department of Health

This Section looks at the integration required from the Health Sector, most of the information is within *Spisys* and could be linked to the IDP.

Table 47: Verification whether Project Proposals for each Sector are aligned to the outputs and strategies of the Project Proposals of the IDP

SECTOR:	HEALTH (HIV AND AIDS SECTOR PLAN)
Addressing IDP analysis and objectives	<i>Verification by Municipality</i>
Compliance with the Sectoral Guidelines	
Approach of Sector Plans/Projects addressed in IDP	
Sector Plan presented to IDP Representative Forum	
Recommendations addressed in final IDP	

Sector Programmes linked to Budget/IDP Projects				
Projects Captured into Spisys to enable spatial integration				
Critical issues and priority projects/ areas that requires urgent intervention				
SECTOR SPECIFIC PROJECTS IN THE MUNICIPAL IDP				
PROJECT NAME	PRIORITY	BUDGET	LINKED IN SPISYS	LINKED TO IDP BUDGET – REF NR

Hyperlink to Project Location and Project Reporting in **SPISYS**

Challenges faced by Department of Health in a municipality.

The challenges may include the following:

- Lack of access to water and sanitation which results in diarrheal conditions.
- Lack of funds to pay community caregivers (DOTS and HCBC)
- Lack of funds to procure nutrition packs.
- Lack of funds to procure home based kits.
- Lack of funds to procure scooters/bicycles for HCBC.
- Lack of skilled paramedics with PDP.
- Economic empowerment of people infected with HIV & AIDS.
- Lack of water and sanitation in schools.
- Increase in rabid and bites.
- Lack of funds for healthy lifestyle projects.
- Lack of waste removal facilities in rural areas.

The Health department’s plan in the current financial year in the municipality:

The plan may include the following:

- Procurement of Home Based Care kits
- Training of HCBC and NGOs’.
- Increasing community awareness of health issues.
- Conducting youth awareness events.
- Women’s health awareness campaign.
- Strengthening support to support groups.



- Increasing ART step down facilities.
- Increasing of ART accredited site.

4. Department of Social Development

The Social Development Program may be aimed at the implementation of projects focused on poverty alleviation, employment and social integration. In most cases activities which are done by this department may be duplicated between the District Municipality, the Department of Agriculture, the Department of Economic Development and Tourism and others. Therefore it is important to call for the greater coordination of activities and coordination of funding allocations between the various departments and institutions.

Table 48: Verification whether Project Proposals for each Sector are aligned to the outputs and strategies of the Project Proposals of the IDP

SECTOR:	SOCIAL DEVELOPMENT
Addressing IDP analysis and objectives	
Compliance with the Sectoral Guidelines	
Approach of Sector Plans/Projects addressed in IDP	
Sector Plan presented to IDP Representative Forum	
Recommendations addressed in final IDP	
Sector Programmes linked to Budget/IDP Projects	
Status of CDW workers, interventions required	
Critical Projects , or areas for prioritization by the Municipality	
Projects Captured into Spisys to enable spatial integration	

SECTOR SPECIFIC PROJECTS IN THE MUNICIPAL IDP				
PROJECT NAME	PRIORITY	BUDGET	LINKED INTO SPISYS	LINKED TO IDP BUDGET – REF NR

Hyperlink to Project Location and Project Reporting in **SPISYS**

5. Department of Sports and Recreation

The implication of the Department may be to promote sport and recreation and ensure mass participation and delivery in the municipality with a view to enhancing community life through sport. In terms of this mission the goals of the department may include:

- To ensure that sport is placed in the forefront of efforts to enhance economic development and reduce levels of crime and disease;
- To ensure gender equity in sport and recreation activities;
- To ensure redress in the provision of sport and recreation facilities;
- To promote indigenous or traditional sport and games.

Table 49: Verification whether Project Proposals for each Sector are aligned to the outputs and strategies of the Project Proposals of the IDP

SECTOR:	SPORTS AND RECREATION
Addressing IDP analysis and objectives	
Compliance with the Sectoral Guidelines	
Approach of Sector Plans/Projects addressed in IDP	
Sector Plan presented to IDP Representative Forum	
Recommendations addressed in final IDP	
Sector Programmes linked to Budget/IDP Projects	
Projects Captured into Spisys to enable spatial	



integration				
Urgent Priority or project interventions to be addressed				
Major Backlogs in the Municipality				
SECTOR SPECIFIC PROJECTS IN THE MUNICIPAL IDP				
PROJECT NAME	PRIORITY	BUDGET	LINKED INTO SPISYS	LINKED TO IDP BUDGET – REF NR

Hyperlink to Project Location and Project Reporting in **SPISYS**

6. Department of Transport

Road infrastructure affects development in sectors such as tourism, agriculture and general migration. Whilst streets in previously disadvantaged areas have been receiving much attention, the upgrading has been of poor standard and communities are dissatisfied. The road network within previously advantaged centres has deteriorated drastically over the past few years and in some areas road markings are no longer visible.

Tourism is one of the main economic drivers in the Municipality and it is therefore crucial that roads, signage and markings be of acceptable standard and are maintained properly.

Many rural gravel roads throughout the District are in a very poor state of repair. According the District Roads Hierarchy the road network is made up as follows:

Table 50: Municipal Roads Network

SANRAL ROADS (km)	DISTRICT ROADS (km)	MUNICIPAL ROADS (km)	TOTAL km in the MUNICIPALITY

Table 51: Verification whether Project Proposals for each Sector are aligned to the outputs and strategies of the Project Proposals of the IDP

SECTOR:	INTEGRATED TRANSPORT PLAN
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Addressing IDP analysis and objectives				
Compliance with the Sectoral Guidelines				
Approach of Sector Plans/Projects addressed in IDP				
Sector Plan presented to IDP Representative Forum				
Recommendations addressed in final IDP				
Sector Programmes linked to Budget/IDP Projects				
Projects Captured into Spisys to enable spatial integration				
Existing Roads Status (poor, fair, good) & Paved and Unpaved				
Transport Plan Status				
Priority Corridors, routes requiring upgrades				
SECTOR SPECIFIC PROJECTS IN THE MUNICIPAL IDP				
PROJECT NAME	PRIORITY	BUDGET	LINKED INTO SPISYS	LINKED TO IDP BUDGET – REF NR

Hyperlink to Project Location and Project Reporting in **SPISYS**



7. Department of Human Settlements

Table 52: Verification whether Project Proposals for each Sector are aligned to the outputs and strategies of the Project Proposals of the IDP

SECTOR:				
Addressing IDP analysis and objectives				
Compliance with the Sectoral Guidelines				
Approach of Sector Plans/Projects addressed in IDP				
Sector Plan presented to IDP Representative Forum				
Recommendations addressed in final IDP				
Sector Programmes linked to Budget/IDP Projects				
Projects Captured into Spisys to enable spatial integration				
Total Low Cost housing backlog for the Municipality				
Total Medium income housing backlog				
Social / Rental Housing Projects in the Municipality				
SDF Future Development areas sufficient to address backlogs				
SECTOR SPECIFIC PROJECTS IN THE MUNICIPAL IDP				
PROJECT NAME	PRIORITY	BUDGET	LINKED INTO SPISYS	LINKED TO IDP BUDGET – REF NR

Hyperlink to Project Location and Project Reporting in **SPISYS**

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8. Department of Public Works

Table 53: Verification whether Project Proposals for each Sector are aligned to the outputs and strategies of the Project Proposals of the IDP

SECTOR:				
Addressing IDP analysis and objectives				
Compliance with the Sectoral Guidelines				
Approach of Sector Plans/Projects addressed in IDP				
Sector Plan presented to IDP Representative Forum				
Recommendations addressed in final IDP				
Sector Programmes linked to Budget/IDP Projects				
Projects Captured into Spisys to enable spatial integration				
SECTOR SPECIFIC PROJECTS IN THE MUNICIPAL IDP				
PROJECT NAME	PRIORITY	BUDGET	LINKED INTO SPISYS	LINKED TO IDP BUDGET – REF NR

Hyperlink to Project Location and Project Reporting in
SPISYS

9. Department of Water Affairs

Table 54: Verification whether Project Proposals for each Sector are aligned to the outputs and strategies of the Project Proposals of the IDP

SECTOR:		WATER SERVICES DEVELOPMENT PLAN (WSDP)		
Addressing IDP analysis and objectives				
Compliance with the Sectoral Guidelines				
Approach of Sector Plans/Projects addressed in IDP				
Sector Plan presented to IDP Representative Forum				
Recommendations addressed in final IDP				
Sector Programmes linked to Budget/IDP Projects				
Current Blue Drop Status				
Current Green Drop Status				
Projects Captured into Spisys to enable spatial integration				
Water Services Authority status				
Bulk Infrastructure Projects affecting Municipal Area				
WSDP Status				
SECTOR SPECIFIC PROJECTS IN THE MUNICIPAL IDP				
PROJECT NAME	PRIORITY	BUDGET	LINKED INTO SPISYS	LINKED TO IDP BUDGET – REF NR

Hyperlink to Project Location and Project Reporting in **SPISYS**

10. Land Reform

The Area Based Land Sector Plans were to identify opportunities for land reform in rural areas and to ensure that municipalities incorporate land reform into their planning and work. Municipalities are not required to assume full responsibility for land reform, but with the new area-based planning approach, it is clear that municipalities will have an important role to play in: ensuring that issues related to land, poverty relief and economic development are addressed through land reform programmes; ensuring that land reform projects tie in with the developmental vision of the municipality (i.e. to create synergy between local and national programmes); ensuring that land reform is addressed in spatial planning (e.g. ensure that settlement projects relate to the SDF, and that land earmarked for land reform is not encumbered by competing aspirations); and in ensuring that where land reform projects require support from municipalities in the form of service provision for instance, such support is reflected in the IDP and budget cycles in particular.

The following provide a basis for addressing these critical areas and developing it into strategic objectives and projects, developing appropriate institutional capacity, allocating budgets and integrating it with the monitoring and performance management system.

The need for security of tenure for rural people was highlighted throughout the process of formulating the Area Based Plans. Access to housing for rural people will therefore ensure that the need and quality of life of the rural people are also addressed and will align to strategic objectives such as the creation of integrated human settlements and the provision and maintenance of basic services.

Critical actions required in terms of providing access to housing for rural people include:

- Identification of beneficiaries
- *Land Reform Strategies*

Three land reform strategies are outlined in this section. The following provide a basis for addressing these critical areas and developing it into strategic objectives and projects, developing appropriate institutional capacity, allocating budgets and integrating it with the monitoring and performance management system.

a) Access to Housing for Rural People

The need for security of tenure for rural people was highlighted throughout the process of formulating the Area Based Plans. Access to housing for rural people will therefore ensure that the need and quality of life of the rural people are also addressed and will align to strategic objectives such as the creation of integrated human settlements and the provision and maintenance of basic services. Critical actions required in terms of providing access to housing for rural people include:

- Identification of beneficiaries
- Identification of land
- Provide access to land
- Provide support services

b) Access to Opportunities for Viable Commercial Scale Projects

Small scale farming provides opportunities for people to address their *basic needs* for food and income, to improve their quality of life and to free the potential of each person. The need to access land for small scale farming has clearly emerged through the process of formulating the Area based Plan. In the light of the current massive hikes in food prices being experienced, the need to ensure food security takes on an urgency that cannot be ignored by municipalities if it wants to address the basic needs of the community.

c) Access to Opportunities for Small Scale Farming

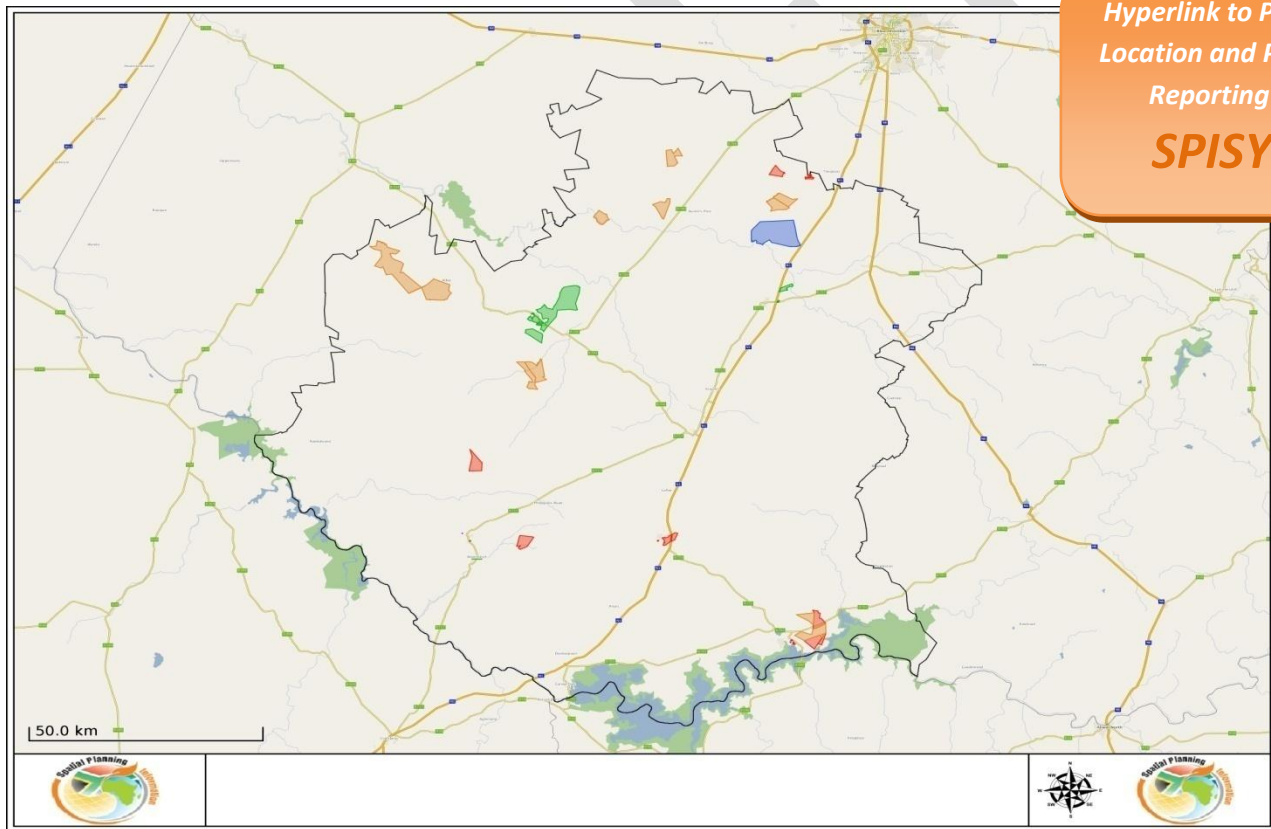
Commercial farming, including land reform projects that entail ventures of a commercial scale, makes a significant contribution to the economy of the municipality, especially with regards to employment. It is regarded as important that the municipality supports commercial agriculture in its area, in order to contribute to a healthy and stable economy that can provide for the basic needs of people.

Table 55: Verification whether Project Proposals for each Sector are aligned to the outputs and strategies of the Project Proposals of the IDP

SECTOR:	
Addressing IDP analysis and objectives	
Compliance with the Sectoral Guidelines	
Approach of Sector Plans/Projects addressed in IDP	
Sector Plan presented to IDP Representative Forum	
Recommendations addressed in final IDP	
Sector Programmes linked to Budget/IDP Projects	
Projects Captured into Spisys to enable spatial integration	

CRDP Projects affecting Municipal area				
SECTOR SPECIFIC PROJECTS IN THE MUNICIPAL IDP				
PROJECT NAME	PRIORITY	BUDGET	LINKED INTO SPISYS	LINKED TO IDP BUDGET – REF NR

Map 32: Existing Land Reform and Land Restitution Projects in the Municipality



Hyperlink to Project Location and Project Reporting in **SPISYS**

11. Department of Agriculture

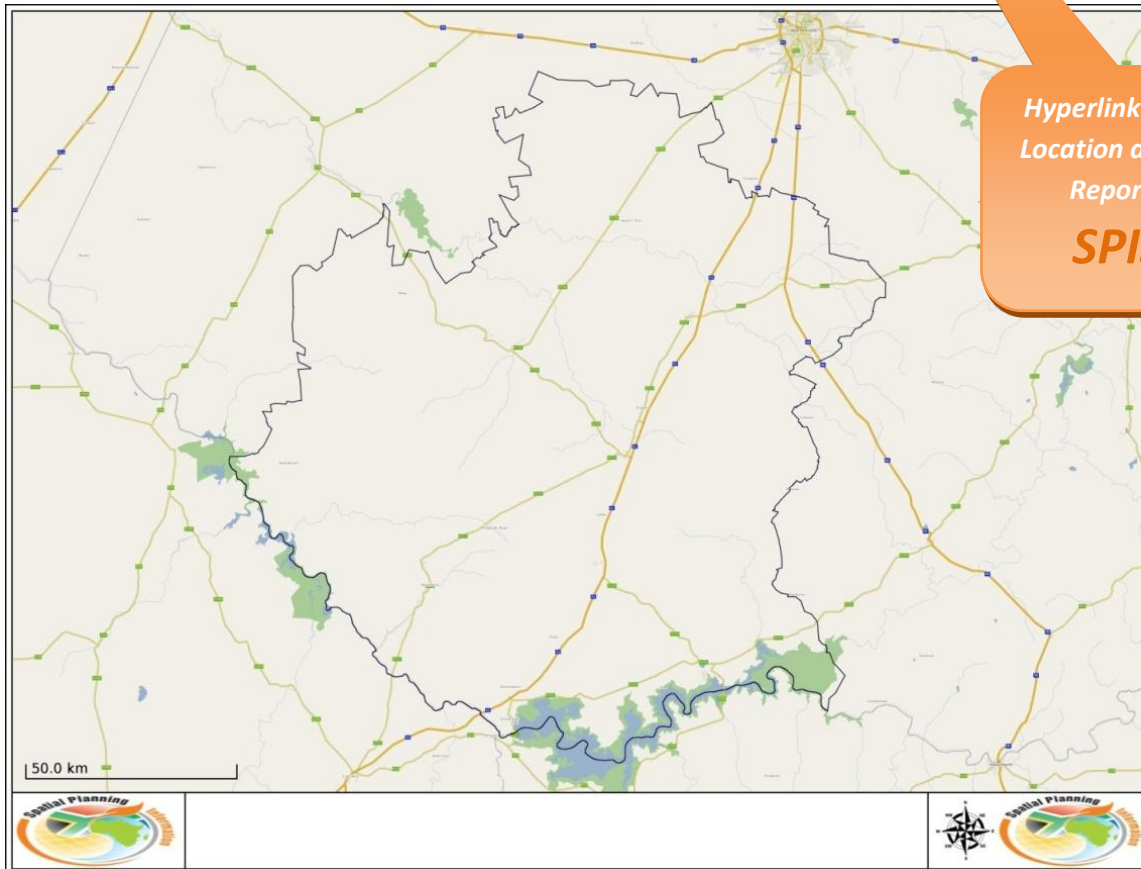
The intention of this department in a municipality maybe to assist those who acquired land through land and agrarian reform processes to use it effectively. This program offers support services to previously disadvantaged land-owners to promote and facilitate farming. Other programs maybe to provide relief to households affected by food security, in the form of agricultural help: seedlings, equipment, fertilizers, etc. The aim can be to give beneficiaries the equipment they need to produce their own food. Groups or individuals, who want to start a small-scale garden, and subsistence farmers in rural or urban areas, can apply with the department. This department may also encourage small-scale agriculture because it can play a major role in food security and poverty alleviation. The revitalisation of under-utilised irrigation schemes and the development of new irrigation schemes in areas where adequate water is available can contribute to enhancing the livelihoods of rural communities.

Table 56: Verification whether Project Proposals for each Sector are aligned to the outputs and strategies of the Project Proposals of the IDP

SECTOR:				
Addressing IDP analysis and objectives				
Compliance with the Sectoral Guidelines				
Approach of Sector Plans/Projects addressed in IDP				
Sector Plan presented to IDP Representative Forum				
Recommendations addressed in final IDP				
Sector Programmes linked to Budget/IDP Projects				
Projects Captured into Spisys to enable spatial integration				
Land Restitution Project status				
Land Reform Project status				
SECTOR SPECIFIC PROJECTS IN THE MUNICIPAL IDP				
PROJECT NAME	PRIORITY	BUDGET	LINKED INTO SPISYS	LINKED TO IDP BUDGET – REF NR

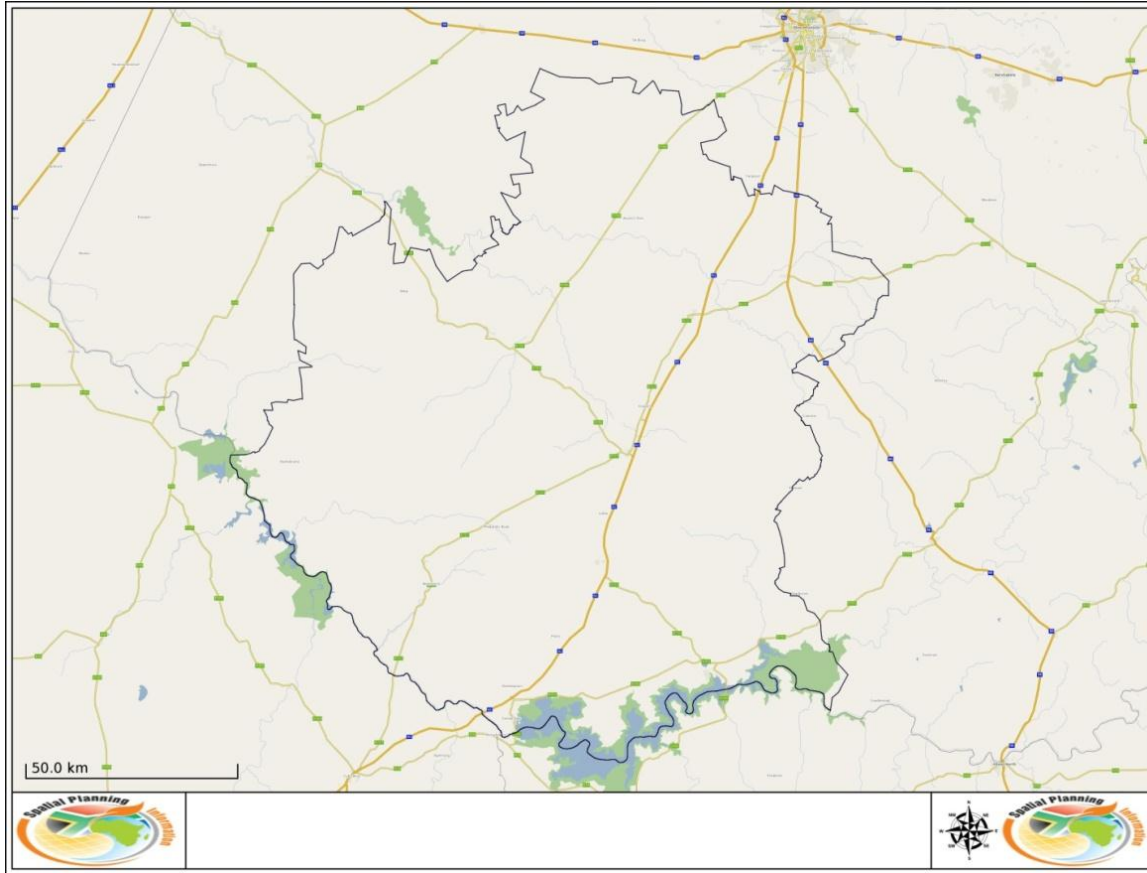
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Map 33: Map of Agricultural Potential of the Municipality



Hyperlink to Project Location and Project Reporting in **SPISYS**

Map 34: Map of the Land Cover of the Municipality



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I. FINANCIAL PLAN

1. Capital Budget Estimates

The five year financial plan includes an Operating Budget and the Capital Investment Programme per source of funding for the Medium Term Revenue and Expenditure Framework (5 years). The estimates are guided by a National Treasury Gazette and Priorities from IDP.

Below is the Capital Budget Estimate for a five year period

Table 57: Capital Budget Estimate

DESCRIPTION	BUDGET YEAR 1	BUDGET YEAR 2	BUDGET YEAR 3	BUDGET YEAR 4	BUDGET YEAR 5
CAPITAL EXPENDITURE					
Governance and administration					
Executive and council					
Budget and treasury office					
Corporate services					
Community and public safety					
Community and social services					
Sport and recreation					
Public safety					
Housing					
Health					
Economic and environmental services					
Planning and development					
Road transport					

Environmental protection					
Trading services					
Electricity					
Water					
Waste water management					
Waste management					
Other					
TOTAL CAPITAL EXPENDITURE					

2. Grants

Some of the Municipality's objectives are funded in the form of grants and subsidies. The Division of Revenue Bill outlines the equitable division of revenue raised nationally among the national, provincial and local spheres of government.

3. Financial Framework

Table 58: Operating budget: revenue

DESCRIPTION	2011/12 Medium Term Revenue & Expenditure Framework			
	Budget year 1	Budget year 2	Budget year 3	Budget year 4
<i>(R Thousands)</i>				
OPERATING BUDGET: REVENUE				
• Property Rates – penalties imposed and collection charges				
• Service charges – electricity revenue				
• Service charges – refuse revenue				
• Service charges - other				
• Rental of facilities and equipment				
• Interest earned – external investments				
• Interest earned – outstanding debtors				
• Fines				

<ul style="list-style-type: none"> • Licenses and permits • Transfers recognized – operation 				
Other revenue				
Gains on disposals of PPE				
TOTAL REVENUE				
OPERATING BUDGET: EXPENDITURE				
<ul style="list-style-type: none"> • Standard Classification • Executive and council • Budget and treasury office • Corporate services • Community and social services • Sport and recreation • Public safety • Health • Planning and development • Road transport • Electricity • Waste management 				
TOTAL EXPENDITURE				
SURPLUS/DEFICIT FOR THE YEAR				

Table 59: Capital budget:

BUDGET DESCRIPTION	CURRENT YEAR MTEF			
	<i>Budget year 1</i>	<i>Budget year 2</i>	<i>Budget year 3</i>	<i>Budget year 4</i>
Grant funding/ Public contributions				
Internal Funding (Council Funding) and External Funding (Loans) (list them)				
Other Funding Source (list them)				
TOTAL CAPITAL BUDGET				

4. Asset Management Strategies

The objective of the asset management policy is to prescribe the accounting and administrative policies and procedures relating to property, plant and equipment (PPE), which are fixed assets of the municipality. The Municipality must ensure that the asset management system is fully implemented and functional. There is a need for the municipality to identify all the unutilised assets so that they can be disposed of.

5. Financial Management Strategies

Revenue Protection Unit to ensure the municipality's revenues is collected to its maximum ability. The following are some of the more significant programmes that have been identified.

a) Budget

National Treasury published draft budget regulations in accordance with the relevant provisions of the MFMA. This informs the organogram, especially on the finance directorate in order to effectively deal with these budget regulations. A municipality should comply with the National Treasury Budget and Regulation format on its budget.

b) Financial Statements

A municipal financial year has to fully comply with the standards of GRAP. In order to show effective compliance with these and other standards will also necessitate an amendment to the finance organogram. A municipal Finance department should appoint well experienced financial personnel (CFO) to allow full compliance to GRAP standards.

c) Borrowing Costs

This should indicate the maximum average borrowings ratio inclusive of projects for the next three years. The list of projects the fund is earmarked for should also be indicated. It must also show the total amount of external loans for a certain period of years.

6. Financial Management and Revenue Raising Policies

a) Indigent Policy

The criterion for benefits under this scheme is part of the credit control policy. An indigent is kept up to date in a form of a monthly register and a separate indigent policy has been developed in line with this. The survey forms to qualify for the indigent support must be completed annually. The Municipality may annually as part of its budgetary process, determine the municipal services and

levels thereof which will be subsidized in respect of indigent customers in accordance with the national policy but subject to principles of sustainability and affordability. An indigent customer shall automatically be deregistered if an audit or verification concludes that the financial circumstances of the indigent customer have changed to the extent that he/she no longer meets the qualifications. The indigent customer may at any time request deregistration.

b) Budget policies

The annual budget is the central financial planning document that embodies all operating revenue and expenditure decisions. It establishes the level of services to be provided by each department. The accounting officer shall incorporate the municipality's priorities in the formulation of the draft and the 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. Adequate maintenance and replacement of the municipality's capital plant and equipment will be provided for in the annual budget. The budget shall balance recurring operating expenses to recurring operating revenues. The budget will have Revenue plans based on realistically expected income and expenditure figures.

c) Credit control and debt collection policy

This policy together with the relevant work procedure manuals provides direction in areas of credit control, collection of amounts billed to customers, procedures for recovery of arrear accounts.

d) Investment policies

Every municipal council and its body is in terms of Section 13(2) of the Municipal Finance Management Act(MFMA) no 56 of 2003 is required to draft the Municipal's investment regulations. The primary objective of the investment policy is to gain the highest possible return, without unnecessary risk, during periods when excess funds are not being used. For this to be achieved, it is essential to have an effective cash flow management program. Before any monies can be invested, the Chief Financial Officer or his/her delegate must determine whether there will be surplus funds available during the term of the investment. The term of the investment should be fixed and in order to do this it is essential for the cash flow estimates to be drawn up. Investment shall be made with care, skill, prudence and diligence.

Investment officials are required to adhere to written procedures and policy guidelines, exercise due diligence and exercise strict compliance with all legislation.

e) Tariff Policy

The purpose of this policy is to ensure that a uniform tariff is applied to the municipal area of jurisdiction.

f) Rates Policy

This has been implemented in line with the Municipal Property Rates Act of 2004 and has to be reviewed annually when the draft budget is submitted.



g) Free Basic Services

This indicates the list of income group which is excluded from any municipal payment. In most cases owners of properties below a certain value receive a 100% rebate.

h) Payment points

This indicate how payments should be made .In most cases, payments can be made electronically by debit orders, internet and stop orders. Payments can be made at any point where there is an easy - pay sign.

7. Financial Resources

- a) National Government
- b) Provincial Government
- c) External Loans
- d) Own Funding
- e) Public Private Partnerships

8. Supply Chain Management

Section 111 of the Local Government Municipal Finance Management Act (MFMA) requires municipalities to develop and implement the supply chain management policy. The principle objective of the legislation has been to comply with Section 217 of the Constitution, which among other things states that when contracting for goods and services the system must be fair, equitable, transparent, competitive and cost effective. The supply chain management system is applicable for the:

- Procurement by the municipality of all goods and services works.
- Selection of contractors to provide assistance in the provision of municipal services.

J. PERFORMANCE MANAGEMENT



Performance management is a systematic process by which a municipal organisation involves elected representatives, residents and communities and its employees in improving organisational effectiveness in the accomplishment of legislative mandates and strategic imperatives. Performance Management System is a system that is intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. It is a system through which the municipality sets targets, monitors, assesses and reviews the organisational and individual's employees performance, based on municipality's priorities, objectives and measures derived from the municipal integrated development plan. A Performance Management System enables the municipality to conduct a proper planning, measuring, monitoring, reviewing and reporting on its performance

The principles of Performance Management System are that it should:

- Drive change and improve the performance of the organisations
- Focus the organisations work on its priorities
- Measure the organisations overall performance against set objectives
- Align strategic objectives and priorities with individual work plans
- Identify success as well as failure and ,
- Identify good practice and learning from other successes.

1. Accounting Policies

The Constitution of the Republic of South Africa, Chapter 7 of Act 108 (1996), deals exclusively with the local sphere of government and lists the objects and developmental duties of municipalities. The Municipal Structures Act Section 19(1) states: "A municipal council must strive within its capability to achieve the objectives set out in Section 152 of the Constitution" and Section 19(2) of the same Act stipulates: "A municipal council must annually re overall performance in achieving the objectives referred to in subsection (1)". The way that local government can manage and ensure that its developmental objectives have been met, is thus through the performance management system. Government, within this governance framework, gives us the tools to execute the above objects and developmental duties. The White Paper on Local Government, March 1998, refers: "Integrated development planning, budgeting and performance management are powerful tools which can assist municipalities to develop an integrated perspective on the development in their area. It will enable them to focus on priorities within an increasingly complex and diverse set of demands. It will enable them to direct resource allocation and institutional systems to a new set of development objectives." It

is thus an integrated system that is best described in Chapter 6 of the MSA, which specifically emphasizes that the municipality must implement a performance management system that is in line with the priorities, objectives, indicators and targets contained in the IDP. The saying “what you measure you become” is appropriate because it is only in the course of performance management that a municipality will know whether it achieves its priorities through an integrated planning and implementation process. Thus, Chapter 6 of the MSA requires local government to:

- Develop a performance management system.
- Set targets, monitor and review performance based on indicators linked to the Integrated Development Plan (IDP).
- Publish an annual report on performance management for the councilors, staff, the public and other spheres of government.
- Incorporate and report on a set of general indicators prescribed nationally by the Minister responsible for local government.
- Conduct an internal audit on performance before tabling the report.
- Have the annual performance report audited by the Auditor-General.
- Involve the community in setting indicators and targets and reviewing municipal performance.

Furthermore, the MFMA obligates a Service Delivery and Budget Implementation Plan (SDBIP) to be based on specific targets and performance indicators derived from the IDP, thus linking the IDP, the performance management system and the budget. Section 67 of the MSA regards the monitoring, measuring and evaluating of performance of staff as a platform to develop human resources and to develop an efficient and effective culture. In other words, good corporate citizenship is all about how the municipalities set their priorities through the performance management system as per the IDP, conduct their business as per the SDBIP and relate to the community they serve through community input and public participation. The purpose of the IDP is to ensure that the resources available to the municipality are directed at the delivery of projects and programmes that meet agreed municipal development priorities.

Once a municipality starts to implement its IDP it is important to monitor that:

- The delivery is happening in the planned manner
- The municipality is using its resources most efficiently
- It is producing the quality of delivery envisaged

To comprehend the relationship between IDP review and performance management, the following quotation from the Performance Management Guide for Municipalities, DPLG, 2001 (draft 2, page 16) becomes relevant: “The IDP process and the performance management process should appear to be seamlessly integrated. Integrated development planning fulfils the planning stage of performance management. Performance management fulfils the implementation management, monitoring and evaluation of the IDP process”. Although the IDP is a five-year plan, it has to be renewed annually as

prescribed in Section 34 of the MSA. The IDP has to be handled at the highest level, hence the allocation of the responsibility to the mayor to manage the IDP process and to assign responsibilities to the municipal manager. As head of the administration, the municipal manager in turn is responsible and accountable for the formation of an efficient and accountable administration to give effect to the IDP. The SDBIP is a key management, implementation and monitoring tool, which provides operational content to the end-of-year service delivery targets, set in the budget and IDP. It determines the performance agreements for the municipal manager and Section 57 managers, whose performance can then be monitored through Section 71 monthly reports, and evaluated through the annual report process.

Municipal Performance Regulations for Municipal Managers and Managers directly accountable to the Municipal Manager, published in 2006 seeks to set out how the performance of municipal managers will be uniformly directed, monitored and improved. The regulations address both the employment contract of a municipal manager and the managers directly accountable to the municipal manager (Section 57 managers). A good performance management model will therefore align the processes of performance management to the IDP processes of the organization. It will ensure that the IDP is translated into scorecards and performance plans that will be monitored and reviewed.

The categories of key performance areas provided by a model should relate directly to the identified priority areas of the IDP. The departments respond to the priorities and strategies through the development of business plans and detail project plans as facilitated by the PMS unit. After the interrogation of both business and project plans, a draft IDP and budget is put through a transparent consultative process before submission to and approval by Council. The approval of the IDP and budget initiates the development and submission of a SDBIP that culminates into a monitoring and reporting process on a monthly, quarterly and annual basis.

2. Overview of Policies Guiding Performance Management

a) Policy Framework

The council should adopt a Performance Management Framework regulating the performance management system in the municipality. The framework provides guidelines on the development and implementation of the organizational performance management system.

b) Planning for Performance Management

In planning for performance management and in the process of municipal policy, each municipality should aimed to ensure that the system complies with all the requirements set out in legislation with specific reference to the 2001 Regulations. Amongst others the municipality aims to:



- Show how it is going to operate and manage the system from the monitoring up to the stages of performance reporting evaluation and review;
- Indicate how the various stakeholders and role players including the community will be included in the implementation and functioning of the system;
- Clarify how it will implement the system within the framework of the IDP process, including any procedures to be followed;
- Address the matter of how often reporting will take place and to whom; and
- Link the organizational performance management system to the employee performance management system.

c) Priority Setting

Through consultation with the community and other key stakeholders, the IDP process helps to define:

- What the delivery priorities and objectives are. The institution should expand on the roll-out plan in the SDBIP to ensure that it is tangible and measurable;
- What transformational initiatives will be undertaken by the institution;
- Which strategic projects will be implemented to achieve the delivery priorities and objectives;
- What financial resources will be used to realize the priorities?
- How the municipality will measure the achievement of the objectives through clear indicators.

The National Key Performance Indicators are prescribed in Section 43 of the MSA and must therefore be included in municipality's IDP.

They include:

- The percentage of households with access to basic level of water, sanitation, electricity and solid waste removal
- The percentage of households earning less than R1100 per month with access to free basic services
- The percentage of the municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of its IDP.
- The number of jobs created through the municipality's local economic development initiatives including capital projects.
- The number of people from employment equity target groups employed in the three highest levels of management in compliance with municipality's approved employment equity plan.

- The percentage of the municipality's budget actually spent on implementing its workplace skills plan.
- Financial viability which looks at debt coverage, outstanding debtors to service revenue, and cost coverage

It is important for the municipality to review its other key performance indicators annually as part of the performance review process. This is initiated through the review of the IDP, SDBIP and budget annually, and filters through to the individual performance plans.

d) Setting Targets

The municipality should continuously aim to ensure that its targets comply with the Performance Management Regulations (Chapter 3, Regulation 12, 2001). Therefore the targets set in the IDP have to:

- Be practical and realistic;
- Measure how effective and efficient the Municipality is, as well as what the impact it is making;
- Clearly indicate who (which department) will deliver a target;
- Have corresponding resources;
- Include the budget;
- Relate to the priorities and objectives for development as in the IDP; and
- Update targets against achievement, community priorities, available resources and the national

e) Performance monitoring

Monitoring is the regular observation and recording of activities taking place in a project or a programme, or of a key performance indicator. It is a process of routinely gathering information on all aspects of the strategic objective, key performance areas, programme or project. Monitoring also involves giving feedback about the progress of the project to the donors, implementers and beneficiaries of the project. Once a municipality has developed outcomes, outputs, targets and performance indicators in the IDP, SDBIP and Individual Performance Plans, it must set up mechanisms and systems to monitor the extent to which objectives, projects and processes are realized.

The 2001 Regulations Chapter 13 reads:

(1) A municipality must, after consultation with the local community, develop and implement mechanisms, systems and processes for the monitoring, measurement and review of performance in respect of the key performance indicators and performance targets set by it

(2) The mechanisms, systems and processes for monitoring in terms of sub regulation (1) must: (a) Provide for reporting to the municipal council at least twice a year. (b) Be designed in a manner that enables the municipality to detect early indications of underperformance, and (c) Provide for corrective measure where underperformance has been identified.

The performance monitoring is an ongoing process that runs parallel to the implementation of the agreed IDP. A municipality must develop a monitoring framework that identifies the responsibilities of the different role-players in monitoring and measuring its performance and allocate specific tasks in respect of the gathering of data and submission of reports.

- It is an ongoing process that runs parallel to the implementation of the approved IDP. It identifies the roles of the different role players in monitoring, reporting and evaluating the municipality's performance measurement.
- Ensures that specific tasks are allocated to the gathering of data and submission of reports
- Ensures that procedures are in place to collect, store, verify and analyze data and to produce reports.
- Provides for reporting to the municipal council as per legislative requirements
- Is designed in a manner that enables the municipality to detect early under-performance (organizational and employee performance management)
- Provides for corrective measures where underperformance has been identified (organizational and employee performance management).
- Compares current performance with performance during the previous financial year and baseline indicators
- Re-directs the performance management system to make available accessible management information data for better decision-making

f) Conducting Performance Reviews

A municipality must review its performance management system annually in order to identify the strengths, weaknesses, opportunities and threats of the municipality in meeting the key performance indicators and performance targets set by it, as well as the general key performance indicators prescribed by the Municipal Systems Act 32 OF 2000, Section 43.

g) Reporting on Performance

Reporting requires that the municipality takes the priorities of the organization, its performance objectives, indicators, targets, measurements and analysis, and presents this information in a simple and accessible format, relevant and useful to the specific target group, for review. The Service Delivery and Budget Implementation Plan (SDBIP) is the basis for the Municipality's reporting. Generally four reports are submitted per annum to Council. Spisys Management Reports (dashboards can be used as a Performance management Tool which can be used as a live system indication project progress and up to date statistics for reporting)

Table 60: Performance Reporting

Report Type	Description
Quarterly IDP and SDBIP reporting	<p>The SDBIP is a key management, implementation and monitoring tool, which provides operational content to the end-of-year service delivery targets, set in the budget and IDP. It determines the performance agreements for the municipal manager and all top managers, whose performance can then be monitored through Section 71 monthly reports, and evaluated through the annual report process.</p> <p>The SDBIP information on revenue will be monitored and reported monthly by the municipal manager in terms of Section 71(1)(a) and (e). For example, if there is lower than anticipated revenue and an overall cash shortage in a particular month the municipality may have to revise its spending downwards to ensure that it does not borrow more than anticipated. More importantly, such information requires the municipality to take urgent remedial steps to ensure it improves on its revenue collection capacity if the municipality wants to maintain its levels of service delivery and expenditure.</p> <p>Section 1 of the MFMA, Act 56 of 2003 states that the SDBIP as a detailed plan approved by the mayor of a municipality in terms of service delivery should make projections for each month of the revenue to be collected, by source, as well as the operational and capital expenditure, by vote. The service delivery targets and performance indicators need to be reported on quarterly (MFMA, 2003).</p>
Mid-year budget and DPLG report	<p>Section 72 of the MFMA requires the accounting officer to prepare and submit a report on the performance of the municipality during the first half of the financial year. The report must be submitted to the mayor, National Treasury as well as the relevant Provincial Treasury. As with all other reports this is a crucial report for the Council to consider mid-year performance and what adjustments should be made, if necessary.</p>
Performance report	<p>Section 46 of the Municipal Systems Act states that a municipality must</p>

Annual report

prepare for each financial year, a performance report that reflects the following:

- The performance of the municipality and of each external service provided during that financial year;
- A comparison of the performances referred to in the above paragraph with targets set for and performances in the previous financial year; and
- Measures to be taken to improve on the performance

The performance report must be submitted at the end of the financial year and will be made public as part of the annual report in terms of chapter 12 of the MFMA. The publication thereof will also afford the public the opportunity to judge the performance of the municipality against the targets set in the various planning instruments.

Every municipality and every municipal entity under the municipality's control is required by Section 121 to prepare an annual report for each financial year, which must include:

- the annual financial statements of the municipality or municipal entity as submitted to the Auditor-General for audit (and, if applicable, consolidated annual financial statements);
- the Auditor-General's audit report on the financial statements;
- an assessment by the accounting officer of any arrears on municipal taxes and service charges;
- particulars of any corrective action taken or to be taken in response to issues raised in the audit reports;
- any explanations that may be necessary to clarify issues in connection with the financial statements;
- any information as determined by the municipality, or, in the case of a municipal entity, the entity or its parent municipality;
- any recommendations of the municipality's audit committee, or, in the case of a municipal entity, the audit committee of the entity or of its parent municipality
- an assessment by the accounting officer of the municipality's performance against the measurable performance objectives for revenue collection and for each vote in the municipality's approved budget for the relevant financial year;
- an assessment by the accounting officer of the municipality's performance against any measurable performance objectives set in terms the service delivery agreement or other agreement between the entity and its parent municipality;
- the annual performance report prepared by a municipality; and
- any other information as may be prescribed.

Section 127 prescribes the submission and tabling of annual reports. In terms of this section:

Oversight report

- The accounting officer of a municipal entity must, within six months after the end of a financial year, submit the entity's annual report for that financial year to the municipal manager of its parent municipality.
- The mayor of a municipality must, within seven months after the end of a financial year, table in the municipal council the annual report of the municipality and of any municipal entity under the municipality's sole or shared control.
- If the mayor, for whatever reason, is unable to table in the council the annual report of the municipality, or the annual report of any municipal entity under the municipality's sole or shared control, within seven months after the end of the financial year to which the report relates, the mayor must:
 - submit to the council a written explanation setting out the reasons for the delay, together with any components of the annual report that are ready; and
 - submit to the council the outstanding annual report or the outstanding components of the annual report as soon as may be possible

The council of a municipality must consider the municipality's annual report (and that of any municipal entity under the municipality's control), and in terms of Section 129, within two months from the date of tabling of the annual report, must adopt an oversight report containing the council's comments, which must include a statement whether the council:

- has approved the annual report with or without reservations;
- has rejected the annual report; or
- has referred the annual report back for revision of those components that can be revised.

In terms of Section 132, the following documents must be submitted by the accounting officer to the provincial legislature within seven days after the municipal council has adopted the relevant oversight report:

- the annual report (or any components thereof) of each municipality and each municipal entity in the province; and
- all oversight reports adopted on those annual reports. It is important to note that the oversight committee working with these reports should be chaired by the opposition party.

h) Individual Performance

The best type of performance management system adopts a cascading or “rolling-down” of performance objectives from top to bottom. The Department of Cooperative Governance and Traditional Affairs (COGTA) Performance Management Guidelines for Municipalities (2001)(par.5.9) states: “The performance of an organization is integrally linked to that of staff. If employees do not perform an organization will fail. It is therefore important to manage both at the same time. The relationship between organizational performance and employee performance starts from the review of the IDP that also correlates with the review of individuals on how well they have performed during the course of the different performance management phases.”

The Local Government: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers (2006) sets out the parameters on how the performance of Municipal Managers and their managers directly accountable to them (Section 57 Employees) will be directed, monitored and improved. Firstly, an employment contract has to be concluded between the Council and the S57 Managers on appointment and secondly, a separate Performance Agreement and Plan also has to be concluded annually.

3. Phases of a Successful Performance Management system:

a) PHASE 1 – Performance Planning

This is about jointly identifying individual performance expectations and gaining the employee’s commitment in achieving these expectations. This also entails the identification of KPA’s and indicators, the establishment of year-end targets and the planning for the phasing in of the year-end target into quarterly targets (cumulatively and quarterly).

Setting of appropriate key performance indicators (KPI’s)

During the performance management process key performance indicators (KPI’s) must be identified for each of the Municipality Key Performance Areas (KPA’s). They are statements of measurement in terms of e.g. a percentage, a number, an index or any other recognizable unit. Indicators are used to indicate whether progress is being made in achieving the CKPA’s. Indicators should be measurable, simple, precise, relevant, adequate and objective. The choice of an indicator must be guided by the availability of data for its measurement and the capability to collect it. These indicators must be translated to the Performance

Plan's of top management. The performance agreement provides for the method upon which the performance of the employee must be assessed. The Performance Plan consists of two components and the employee must be assessed against both components. These components are the Key Performance Areas (KPA's) and the Core Competency Requirements (CCR's). KPA's covering the main areas of work will account for 80% and CCR's will account for 20% of the final assessment. The national KPA's which need to be measured and to which the KDM Objectives and KPA's subsequently need to be aligned. It is however important to note that 80% of the performance covered in the Section 57 contract (performance plan) must relate to the IDP of the municipality.

Setting of measurable performance targets

Performance targets are the planned level of performance or the milestones an organization sets for itself for each identified indicator – it is the desired level of service delivery for the current financial year or specified period. Baseline measurements, which are the measurement of the chosen indicator at the start of the period, must be set. Baseline information defines the status quo. It is important to know how the organization is performing at the current moment in order to determine, after a period of time, if any positive progress was made. This step also tests whether the chosen indicator is in fact measurable and whether there are any problems. The targets need to be realistic, measurable and be commensurate with available resources and capability.

The setting of targets entails a two-way communication: *The councilors need to give clear direction as to the importance of the target and how it will address the public need. Targets should be informed by the development needs of communities and the development priorities of the municipality. Line managers need to advise as to what a realistic and achievable commitment for a target is, given the available resources and capability. Managers will need to advise on seasonal changes and other externalities that should be considered in the process of target setting. There must be clear timelines related to the set targets.*

Planning for performance is directly related to resources; therefore performance targets can only be set once the available resources, especially the approved budgets, have been identified. Planning for best performance is therefore directly related to the budget, IDP and SDBIP. However, constraints, risks and standards must also be taken into consideration and must be well documented in advance. The targets identified in the IDP and SDBIP must be translated to the Performance Plans of Top Management The documented information must be taken into consideration during the reviewing phase of the performance management cycle.

b) PHASE 2 – Performance Coaching

This is the phase of continuously tracking and improving performance, through feedback and reinforcement of key results and competencies. This is done with a view to timeously detect performance relapses and to simultaneously introduce speedy remedial actions. A prescribed record sheet is used to record evidence and remedies. During this phase, on a quarterly basis, the actual performance must be determined and be judged against the quarterly obligation as well as the cumulative performance as well as other standards that have been set in advance. During this phase it is also important to document any evidence proving performance. Although actual measurements are done each quarter, formal coaching only has to be done half yearly provided the documented performance in the first and third quarter is satisfactory.

c) PHASE 3 – Reviewing

This phase involves jointly reviewing actual performance against expectations at the end of the performance cycle to review and document planned vs. actual performance.

The following guidelines are applicable for conducting a performance review:

- The Executive Director to prepare ratings of his performance against key performance indicators. The rating is done by considering actual cumulative organizational achievement as well, the portfolio of evidence which was documented during the coaching cycle, as well as any other relevant input. For an exposition of the five points scale and set criteria see the glossary of terms.
- Manager/supervisor to ask employee to prepare for formal appraisal by rating him/herself against the agreed key performance indicator
- Manager/supervisor and employee to meet to conduct a formal performance rating with a view to conclude a final rating. The employee may request time to consider the rating. A second meeting may then be necessary. In the event of a disagreement, the manager/supervisor has the final say with regard to the final rating that is given.
- After the ratings have been agreed upon the scores are calculated.
- The manager/supervisor should make his/her own notes during the formal review meeting. All the criteria that have been specified must be taken into consideration. Only those KPI's relevant for the review period in question should be rated according to a five point scale.
- Only after the year-end review, do the manager/supervisor and employee prepare and agree on an individual learning plan.
- The setting of new key performance areas which will link up to the Municipality KPA's and the identification of the concomitant indicators for the next financial year need to be concluded by the end of June of the current year. However the identification of KPA's

forthcoming from the learning plans and the setting of targets, weights and dates can only be done after the year-end review has been concluded.

The total score is determined once all the output and input KPI's have been rated and scored. This is done with a view to establish if an employee is entitled to a notch increase or an accelerated salary progression or a non-financial award. Should an employee not be achieving the KPA's in his/her performance agreement the manager/supervisor should assist the employee by managing his/her performance more closely. It is not appropriate that the first time an employee hears about his/her non-performance is at the formal performance review. Employees must be coached and given feedback throughout the year.

d) **PHASE 4 – REWARDING**

A performance bonus ranging from 5%-14% of the all inclusive remuneration package can be paid as follows:

- A score of 130%-149% is awarded a bonus of 5%- 9%; and
- A score of 150% and above is awarded a bon us of 10%-14%.
- Rewarding of performance for Section 57 employees is to be done after the tabling of the annual report.

4. Challenges

There is a need to report achievement against a “fixed” target as opposed to the Municipality’s administrative reality of moving targets – this is best explained against an indicator such as % of households with access to basic or higher levels of service (NKPI). The households in a Municipality are not static and are continually increasing – therefore within a restricted resource allocation towards service delivery, it might look as if eradication of service delivery backlogs is slow – however the backlog might be growing as a result of unplanned for growth due to migration etc. When the number of households is annually increased as per growth figures, it creates tension on the reporting side. Targets are set in line with the established need in departmental business plans, which are to be included in the IDP. When the budget is finalized, however, the resource requests are not granted due to budgetary constraints – the impact of this is that sometimes the targets are not changed in the IDP.