

THEMBELIHLE MUNICIPALITY



IDP 2023/2024



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Foreword by the Executive Mayor

We are pleased to present to the people of Thembelihle and our development partners, the Integrated Development Plan for our Municipality. This process for the Thembelihle Municipal Council started in 2021 until 2026, where we developed a vision for the next 5 Years and this vision, is ***“Providing quality services through good relations and sound management”***. A further breakdown of the vision reveals the following:

- ✓ We took special concern of the fact that the municipality needs to provide quality services to its residents and as such its customers or consumers
- ✓ We are also cognisant of the fact that we need to maintain good relations with our stakeholders and including our communities and employees
- ✓ We are also particularly interested in sound management and as such a municipality everyone can be proud of.

We went on further to say, this we will achieve by:

- i. Enhance stakeholder relations
- ii. Improving our revenue
- iii. Expanding sustainable infrastructure
- iv. Provide quality services
- v. Stimulating Local Economic Development

We electrified households through the Integrated National Electrification Programme (INEP). It is also imperative that we work closely with our ratepayers on the challenges of none payment of services and rates so as to be able to continue providing services to our residents.

We are pleased and satisfied that this document is a product of thorough and sufficient consultation. This document was canvassed with communities maximally. In this regard, we consulted with communities during the development and at the same time gave them feedback on what our priorities in terms of the alignment with the budget will be. We further took the pain to align our strategic objectives with the projects, something that has been rather a challenge for most municipalities. We are particularly aware that the audit process includes the assessment of the alignment of projects with objectives and thus the broader organizational vision.

It is our expectation that the engagement process that started as a result of this process will continue even during implementation. During this process we wish to assure a few things to you, the communities of Thembelihle. These are:

We will create jobs for local communities,

We will provide quality projects with the communities as our implementation partners

We will also be accessible and have reliable up to date information that is aimed at building confidence in our governance system and

Create a mechanism both in law and reality to realign these priorities as your reality changes.

Thembelihle council has taken it upon itself to champion the process and ensure that the IDP is taken to the people and that the people are in synch with our governance processes.

Dankie

Thank you

Siyabulela

Cllr. L. W Makenna

Mayor

Introduction by the Municipal Manager

This IDP is a legislative imperative as detailed in the Municipal Systems Act of 2000 and later revised. As a comprehensive planning tool, it is hoped that this document will live up to the purposes for which it was meant. As a five-year planning document, the IDP leaves us with considerable hope that the considerable developmental backlogs facing the municipality will be addressed over this period. This tool is not only an excellent learning exercise for the municipality and its staff; but also for the entire community and the other spheres of government.

It is also important to highlight that this document will and is reviewable on an annual basis and for now shall be treated as a clear development tool for the municipality over the next five years and starting with 2022/2026. We have taken into account, all 5 Key Performance Areas as highlighted in the local government planning sphere. We have also taken into account issues related to our audit outcomes and the local government back to basics programme.

We have for purposes of being able to realise our vision of ***Providing quality services through good relations and sound management***, looked at normalising our institution as a key service delivery point. In this regard, we are going to get the basics in place and these include:

- a. Improving our policies, especially human resources related policies
- b. Getting our staff placed properly, and a credible organisational structure
- c. Getting our staff the right contract and rationalising our staff compliment and
- d. Skilling them in order to get the best out of our human resources

Whilst we are going to transform our institution into an efficient service delivery point, we are also going to put in place specific measures to ensure that we are able to manage and account for municipal finances more accurately and within the law. In this regard, we are going to ensure that we have a functional consequence management mechanism.

We are also going to ensure that we make a very serious attempt and effort at getting our sources of income sturdier and at the same time improve the financial position of the municipality. In this regard, we have identified a few initiatives which we are excited about.

To the Mayor and council, we are pleased and welcome your leadership. We know that your presence can only take us to new heights.

MR. P. LESERWANE

Acting Municipal Manager

CHAPTER 1. The Planning Process

1.1 Institutional Arrangements / Roles and Responsibilities

The following management system has been put in place.

IDP MANAGER

The Council appointed the Municipal Manager as IDP Manager and would be tasked to manage the IDP and make sure that the IDP is implemented.

The IDP Manager would be responsible to ensure the:

- preparation of the Process Plan;
- day to day management of the planning process;
- chairing of the Steering Committee; and
- managing the consultants; and
- implementation of the IDP afterwards.

1.1.1 IDP STEERING COMMITTEE

The Steering Committee is a technical working team consisting of Departmental Heads and senior officials within the municipality. These individuals would be involved in preparing technical reports and info, formulation of recommendations and to prepare certain documents.

This committee would be chaired by the IDP Manager (Municipal Manager) and would also be responsible for the secretariat.

The following officials have been nominated:

- * IDP Manager - Mr. P. Leserwane (Acting Municipal Manager)
- * Corporate Service - Mr. P. Jafta (Acting Manager Corporate Services)
- * Technical Services - Mr. S. Marufu (Manager Technical Services)
Ms. Nolufefe
Ms. Basile
- * Tourism Officer - Mr. M. Makenna (IDP Process Facilitator)
- * Financial Services - Ms. N. Jaxa (Acting Chief Financial Officer)
- Mr L. Khapha (Manager: Financial Services)
- * Strydenburg Office - Mr. V. Mpamba (Office Head)
- * Administration – Ms. C. Mogalie (Chief Admin Officer)

1.1.2 IDP REPRESENTATIVE FORUM

This forum guarantees public participation and a consultative approach during the IDP process. The nomination of role players should be such that all levels and interested groups in the society are representative. Proper participation and communication should be guaranteed.

The Mayor should chair this forum or any individual councillor appointed in writing and the secretariat performed by the IDP Steering Committee. The following councillors have been nominated on the forum:

- Clr L.W Makenna
- Clr J. Mkosana
- Clr T. Yola

- Clr P. Van Niekerk
- Clr B. Mpamba
- Clr T. Dina
- Clr R. Jansen
- Clr E. Van Niekerk
- Clr F. Mans
- Clr V. Dolopi
- Clr D. Jonas

1.2 THE ADMINISTRATION

The Municipal Manager is the Accounting Officer of the Municipality and also the head of the Administration. His primary function is to serve as chief custodian of service delivery and the implementation of political priorities. He is assisted by the Strategic Management Team (SMT), which comprises of the Executive Directors of four departments. There are also three divisional managers reporting directly to the Municipal Manager as indicated in the structure below. The SMT is responsible for identifying and setting strategic interventions to improve service delivery; developing new initiatives based on feedback from political leadership, departments and the local community; and managing current priorities.

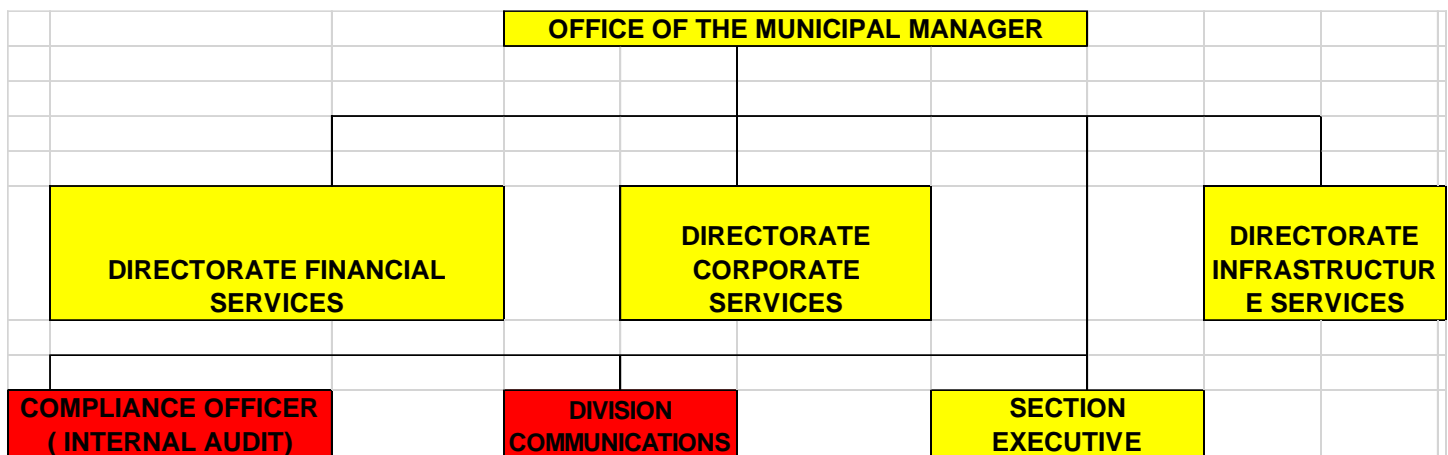


Figure 1

1.3 Thembelihle Vision

The Thembelihle Municipal vision is ***“Providing quality services through good relations and sound management”*** To achieve this vision and to realize the long- term vision of “Vision 2032” as discussed above, the Municipality has identified five (5) Key Performance Areas (KPA’s) and 9 Pre-determined Objectives (PDO’s). From these 9 PDO’s, projects, programmes and key initiatives have been developed. These will be discussed in further detail in Chapters 2 and 3 of the IDP. The table below provides details in respect of the Thembelihle Municipality’s Strategic Framework.

What is IDP?

The legislation requires each municipality to develop a plan for the development of its area of jurisdiction. The law mandates that the plan should be holistic and integrated in each its approach and content. The plan should be long-term, covering five years. The Integrated Development Plan (IDP) therefore is a five-year development blueprint for a municipality. According to the Municipal Systems Act, No 32 of 2000, the IDP is the principal strategic planning instrument which guides and informs all planning, budgeting, investment, development, management and implementation in the medium-term decision-making.

1.4 Legislative context

1.4.1. The Constitution of the Republic of South Africa

The Constitution of the Republic of South Africa outlines the kind of local government needed in the country.

According to the Constitution (sections 152 and 153), local government is in charge of the development process in municipalities, and notably is in charge of planning for the municipal area. The constitutional mandate gives a clear indication of the intended purposes of municipal integrated development planning:

- To ensure sustainable provision of services
- To promote social and economic development
- To promote a safe and healthy environment
- To give priority to the basic needs of communities; and
- To encourage involvement of communities

The Constitution also demands local government to improve intergovernmental coordination and cooperation to ensure integrated development across the neighbouring communities

1.4.2. The Municipal Systems Act, No 32 of 2000

Section 25 (1) of the Municipal Systems Act stipulates that Each municipal council must, within a prescribed period after the start of the elected term, adopt a single, inclusive and strategic plan for the development of the municipality”. The Act dictates that the plan should: integrate and co-ordinate plans and should take into account proposals for the development of the municipality. In addition, the plan should align the resources and capacity of the municipality with the implementation of the plan. Moreover, the plan must form the policy framework and general basis on which annual budgets must be based. Furthermore, the plan should be

compatible with national and provincial development planning requirements binding on the municipality in terms of legislation.

The IDP has a legislative status. Section 35 (1) states that an IDP adopted by the council of a municipality-

- (a) 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;
- (b) 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
- (c) 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 by a by-law.

1.4.3 Municipal Systems Amendment Act No 7 of 2011

The Municipal systems Amendment Act, No 7 of 2011 heralded a new era in the history of local government in South Africa. In principle, it sought to professionalise local governance by ensuring that incumbents holding senior positions (i) have the appropriate qualifications and (ii) there is no conflict of interest between political office and local government administration by barring political officer bearers from holding senior positions in local municipal offices.

Section 56A (1) states that "A municipal manager or manager directly accountable to a municipal manager may not hold political office in a political party, whether in a permanent, temporary or acting capacity. "A political office in relation to a political party or structure thereof, is defined as (a) "the position of chairperson, deputy chairperson, secretary, deputy secretary or treasurer of the party nationally or in any province, region or other area in which the party operates; or (b) any position in the party equivalent to a position referred to in paragraph (a), irrespective of the title designated to the position".

Another key amendment relates to the re-hiring of dismissed staff. Section 57A (1) states that "Any staff member dismissed for misconduct may only be re-employed in any municipality after the expiry of a prescribed period". The Act is much harsher on employees dismissed for financial misconduct. The Act stipulates that a staff member dismissed for financial misconduct, corruption or fraud, may not be re-employed in any municipality for a period of ten years (Section 57A (3)).

This Amendment Act contains proposals that are guaranteed to have profound impact on the governance of Thembelihle Local Municipality. Serious attempts will be made to accommodate these recommendations in the IDP.

1.4.4 The White Paper on Local Government

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

1.5 Policy context

The Constitution stipulates that all three spheres of governance are autonomous but interdependent. This therefore calls for closer collaboration between all these spheres of governance. Needless to mention, a number of national, including international, policies have a particular bearing on the provincial and local sphere of government. A few critical ones are highlighted below.

1.5.1 Medium Term Strategic framework

The Medium Term Strategy Framework (MTSF, 2021-2026) is a statement of government intent. It identifies the development challenges facing South Africa and outlines the medium-term strategy for improving living conditions of South Africans. The MTSF base document is meant to guide planning and resource allocation across all spheres of government. National and provincial departments need to develop their five-year strategic plans and budget requirements, taking into account the medium-term imperatives. Municipalities are also expected to adapt their integrated development plans in line with the national medium-term priorities.

The MTSF identifies the following five development objectives:

1. Halve poverty and unemployment by 2026
2. Ensure a more equitable distribution of the benefits of economic growth and reduce inequality
3. Improve the nation's health profile and skills base and ensure universal access to basic services
4. Build a nation free of all forms of racism, sexism, tribalism and xenophobia
5. Improve the safety of citizens by reducing incidents of crime and corruption

1.5.2 The Government 12 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

1.6.1. 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 to the following strategies to address the above goals:

1. Creating jobs and improving livelihoods
2. Expanding infrastructure
3. Transition to a low-carbon economy
4. Transforming urban and rural spaces
5. Improving education and training
6. Providing quality health care
7. Fighting corruption and enhancing accountability
8. 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. It is prudent for Thembelihle Municipality to take these issues into account when planning for development for the next five years.

1.7 Process overview : Steps and events

PROCESS PHASES AND PROGRAMME

The following process phase as stipulated was followed

Pre-planning phase (Process Plan)

A Process Plan serves as a guideline (step-by-step manual) for the Development of the IDP. The Process Plan deals with how the process of the development of an IDP should unfold. It further indicates when certain actions are expected and the responsible person attached thereto as well as the expected outcomes.

Analysis phase

During this phase certain information and data has been gathered relevant to the priority issues. The priority issues refer to certain problem areas identified in order to secure a better future. Public participation is the basis of this identification and a proper understanding of the problem areas (priority issues) was necessary. Information on available resources was also necessary.

Strategies phase

During this phase a vision was be formulated for the municipality and certain objectives set to address the abovementioned problems (what should be done). Thereafter strategies should be formulated on how the problems should be addressed.

Project phase

During this phase specific projects should be identified for implementation. These projects must address the goals specified in the previous phase. Indicators, outputs, targets, time schedules and budgets should be identified.

Integration phase

After project identification the authority must ensure that objectives and strategies comply with legal requirements. The necessary 5-year plans should be put in place as well as the spatial development framework.

Approval phase

A table top IDP framework is developed to give guidance to the shape and information content of the final document. The DRAFT document has been submitted and approved by council and it must as well be assessed by the Department of Cooperative Governance for relevance as well compliance.

The final plan (document) is to be approved by council after the public has been given the opportunity to comment on the plan and/or any amendments required by the council. Thereafter the plan should be submitted to the MEC for his assessment to ensure the document complies with the requirements of the Municipal Systems Act.

2. CHAPTER 2. SITUATIONAL ANALYSIS

2.1 INTRODUCTION

This chapter provides a situational analysis of the existing trends and conditions in the Thembelihle Municipality, in accordance with the requirements of the Municipal Systems Act for developing an IDP.

This chapter sets out to show the following; the status quo of the municipality with key statistics; a summary of the challenges faced; ward demarcation and profile; the public participation processes; as well as an analysis per PDO.

2.2 BACKGROUND

Thembelihle Local Municipality (formerly known as *Oranje-Karoo Local Municipality*) is a local municipality in the Pixley ka Seme District Municipality district of the Northern Cape province of South Africa. Thembelihle is a Xhosa name meaning “good hope”, the new emblem depicts the diversity of Thembelihle inhabitants and its surroundings.

2.3. GEOGRAPHY, HISTORY AND ECONOMY

The municipality covers a total square area of 8 023km². Thembelihle Local Municipality is a Category B municipality situated in the heart of the Karoo in the Pixley Ka Seme District of the Northern Cape Province. It is one of the smaller municipalities of the eight that make up the district, accounting for only 8% of its geographical area.



This mostly agricultural landscape is rich in natural resources. The first diamond was discovered in Hopetown and a great part of the Anglo-Boer War was fought in these parts. It is primarily made up of Hopetown and Strydenburg.

2.3.1 Hopetown

Hopetown was founded in 1850 when Sir Harry Smith extended the northern frontier of the Cape Colony to the Orange River. A handful of settlers claimed ground where there was a natural ford over the Orange River, and by 1854 a frontier town had developed. Hopetown was named after William Hope, Auditor-General and Secretary of the Cape Colony Government at the time, and is often mistaken for a town in the Freestate, South Africa, called Hoopstad. Hoopstad is a different town and should not be confused with Hopetown in the Northern Cape, South Africa.

Hopetown was a quiet farming area until several large diamonds, most notable the Eureka Diamond and the Star of South Africa, were discovered there between 1867 and 1869. The Cape Government Railways were founded in 1872, and the Cape government decided to run the main western line, between the Kimberley diamond fields and Cape Town on the coast, directly through Hopetown. The ford was upgraded to a railway bridge in 1884.

2.3.2 Strydenburg

Strydenburg is seventy-seven km north of Britstown, it was laid out by the Dutch Reformed Church on the farm *Roodepan* in 1892. It also lies on the N12, which separates the actual town from its township.

Strydenburg is 55km south-west of Hopetown and 75km north-north-west of Britstown. It was laid out in 1892 on the farm Roodepan and attained municipal status in 1914. Dutch for ‘town of argument’, the name refers to disagreement as to on which farm it should be situated.

Strydenburg is a typical semi-desert suburb which is quiet, peaceful and full of character. It is the ideal stop over for travelers as it is halfway between Cape Town and Johannesburg. Strydenburg offers tourists a complete relaxation time away from the city life. There are hiking trails nearby and the visitors enjoy canoeing and river rafting on the Orange River not far from Strydenburg.

Strydenburg is in the Northern Cape and enjoys a semi-desert climate with hot to very hot and dry summer months and warm winter days with cool winter evenings. Most rainfall is during the winter months.

2.3.3. Demographics of Thembelihle (Statistics SA)

	2016	2011
Population	16 230	15 701
Age Structure		
Population under 15	25.0%	30.9%
Population 15 to 64	68.5%	62.8%
Population over 65	6.5%	6.4%
Dependency Ratio		
Per 100 (15-64)	46.0	59.3
Sex Ratio		
Males per 100 females	104.6	103.3
Population Growth		
Per annum	0.75%	n/a
Labour Market		
Unemployment rate (official)	n/a	28.4%
Youth unemployment rate (official) 15-34	n/a	35.2%
Education (aged 20 +)		
No schooling	10.8%	15.1%
Matric	22.2%	19.9%
Higher education	5.0%	6.6%
Household Dynamics		
Households	4 736	4 140
Average household size	3.4	3.7
Female headed households	32.4%	32.3%
Formal dwellings	77.4%	77.5%
Housing owned	51.0%	51.4%

Household Services		
Flush toilet connected to sewerage	66.4%	60.0%
Weekly refuse removal	59.4%	68.4%
Piped water inside dwelling	39.9%	33.5%
Electricity for lighting	84.2%	75.2%

Table 5 Source: Stats SA

Population by sex

1996			2001			2011			2016		
Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
6 667	6 909	13 576	7 193	7 275	14 467	7 976	7 724	15 701	8 297	7 933	16 230

Table 6 Source: Stats SA

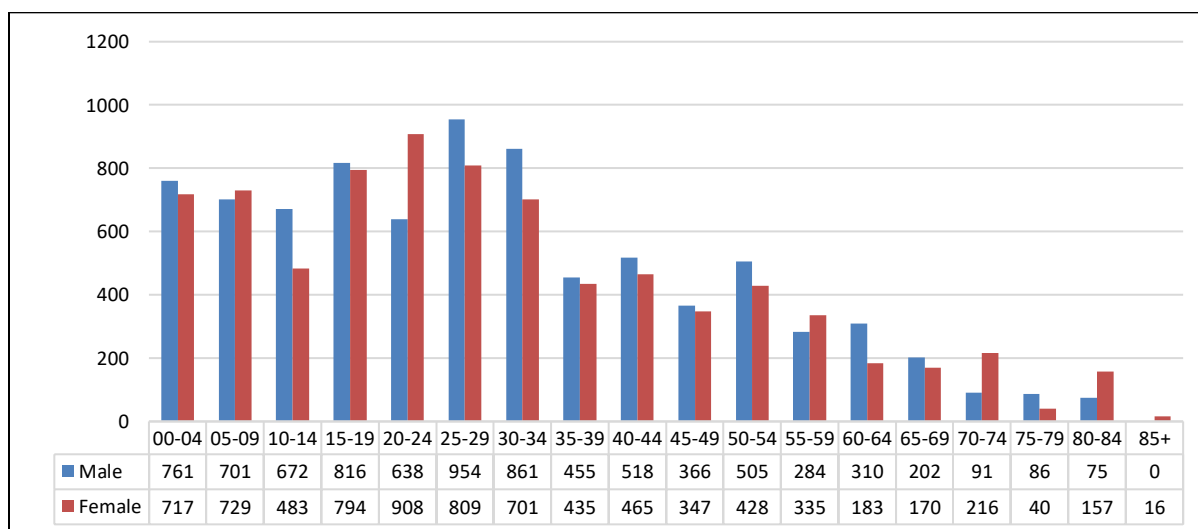


Figure 2 Source: Stats SA: Population by Sex

Figure 2 indicates that the greater proportion of the population in Thembelihle municipality is young, consisting mainly of children and youth. There is however a greater proportion of males compared to females for ages from 25 to 54 years, and the female population shows a slightly greater proportion in numbers compared to males for ages 75 and above. This signifies a greater life-span for females than males.

The Thembelihle Municipality has a largely youth population with the greatest age ranges in the population being ages 0-34. This is further differentiated by the majority age being in the ages 0-14. It is also worth noting that there is a great pensioner age, 65 and greater.

Population Growth 1996-2016

NC076: Thembelihle	1996	2001	2011	2016
Black African	1 346	1 863	2 391	2 258
Coloured	10 455	10 563	11 108	11 450
Indian or Asian	9	22	82	117
White	1 671	2 019	2 055	2 406
Other	-	-	65	-
Unspecified	94	-	-	-
Total	13 576	14 467	15 701	16 231

Table 7 Stats SA: Population Growth

The population in Thembelihle has been on the rise. From the graph above, the population of Thembelihle has increased from 14467 in 2001, 15701 in 2011 and 16231 in 2016. There is an ever-increasing trend in the population growth and therefore this means there is pressure on the infrastructure- the water, electricity and sewerage networks of the municipality. The municipality will be further, burdened if no proper planning is done . There is a possibility for the increase in the equitable share of the municipality and with proper planning even the grading for the municipality.

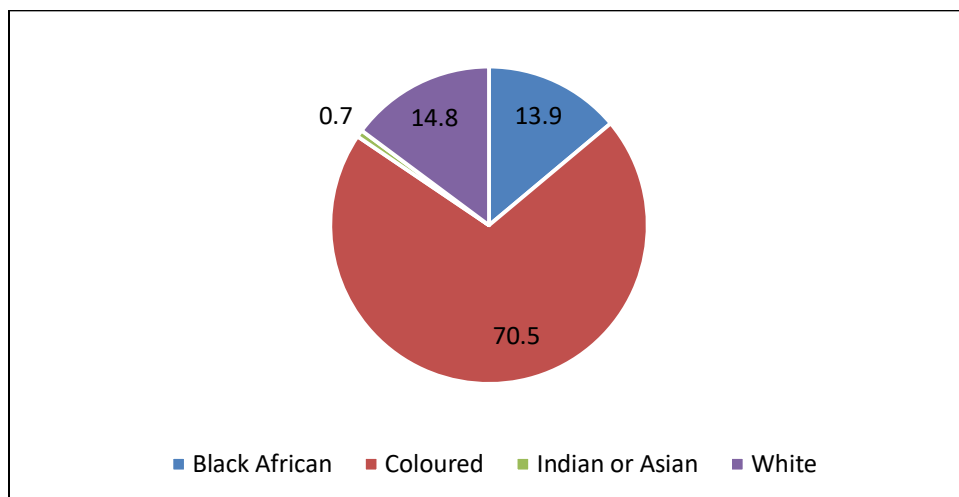


Figure 2 Stats SA: Population Growth

The Grap outlines the percentage distribution of the population of Thembelihle in 2016, where the Coloured population group accounts for 70.5% of the population in the municipality, followed by the White, Black African, and Indian/Asian population groups respectively.

It is also important to appreciate that there is a need to understand the population dynamics from the perspective of the coloured population being the majority and as such programmes aimed at social cohesion should move from that appreciation. There is a slowly rising Asian population which is undocumented and needs to be included in the proper channels for registering populations.

Distribution of persons aged 1 year and older by language spoken most often in the household, 2016

Language spoken in households	Number	Percentage (%)
Afrikaans	15 045	94.2
English	59	0.4
IsiXhosa	513	3.2
Sepedi	186	1.2
Setswana	47	0.3
Khoi; nama and san languages	27	0.2
Other	87	0.5
Total	15 964	100.0

Table 8 Stats SA: Languages

Table 8 represents the languages spoken in the area. This is key in understanding the community and assist in planning any community engagement. From the graph above, it can be noted that the most commonly spoken language in the area is Afrikaans and Xhosa a distant second and then English

Table 8 shows that the language spoken mostly by households in Thembelihle is Afrikaans, representing a total of 15 045 (94.2%) of households, followed by those who speak IsiXhosa (3.2%). The least spoken language in Thembelihle is English, Setswana and Khoi; nama and san languages at 0.4%, 0.3% and 0.2% 20tilization20.

Further research that sought to contextualize the findings above, has revealed that the majority of people who speak IsiXhosa do not speak English as a second language but rather, Afrikaans as a second language. English is spoken by 0,4 percentage of the total population in the municipal area.

Distribution of persons aged 18 years and older by marital status, 2016

Marital status	Number	Percentage (%)
Living together like husband and wife/partners	1 837	14.4
Divorced	221	1.7
Separated; but still legally married	105	0.8
Widowed	509	4.0
Single; but have been living together with someone as husband/wife/partner before	1 027	8.1
Single; and have never lived together as husband/wife/partner	5 495	43.2
Legally married (include customary; traditional; religious etc.)	3 529	27.7
Total	12 722	100.0

Table 9 Stats SA: Marital Status

Table 9 shows that 43.2% of the population of Thembelihle is single; and has never lived together as husband/wife/partner. This is followed by those who are legally married (27.7%) and those that are living

together like husband and wife/partners (14.4%). About 1.7% of the population is divorced, and 0.8% are separated but still legally married.

2.3.4. Education

Highest level of education for persons aged 20 years and above, 1996-2016

	No schooling	Some primary	Complete primary	Some secondary	Grade 12/Std 10	Higher	Total
Number							
1996	2 451	1 566	470	1 327	633	385	6 832
2001	2 093	2 216	672	1 808	1 009	507	8 305
2011	1 383	1 965	641	2 727	1 823	602	9 141
2016	1 140	1 700	854	3 522	2 346	533	10 095
Percentage %							
	No schooling	Some primary	Complete primary	Some secondary	Grade 12/Std 10	Higher	Total
1996	35.9	22.9	6.9	19.4	9.3	5.6	100.0
2001	25.2	26.7	8.1	21.8	12.1	6.1	100.0
2011	15.1	21.5	7.0	29.8	19.9	6.6	100.0
2016	11.3	16.8	8.5	34.9	23.2	5.3	100.0

Table 10 Stats SA: Educational Levels

Table 10 shows an improvement in the level of education in Thembelihle over the period from 1996 to 2016, where there was a decline in the number and proportion of persons aged 20 years and above with no schooling (from 35.9% to 11.3%). It shows the decline in the proportion of persons with higher education, from 5.6% in 1996 to 5.3% in 2016. There is an increase however observed in the number of persons having a matric qualification over the same period.

Highest level of education by population group type for persons aged 20 years and above, 2016

	No schooling	Some Primary	Complete Primary	Some Secondary	Grade 12/Std 10	Higher	Total
Number							
Black African	218	260	163	337	292	11	1 283
Coloured	921	1 440	691	2 621	1 146	112	6 932
Indian/Asian	-	-	-	27	27	-	53
White	-	-	-	537	881	410	1 829
Percentage (%)							
Black African	17.0	20.3	12.7	26.3	22.8	0.9	100.0
Coloured	13.3	20.8	10.0	37.8	16.5	1.6	100.0
Indian/Asian	-	-	-	50.9	50.9	-	100.0
White	-	-	-	29.4	48.2	22.4	100.0

Table 11 Stat SA Education Levels by population

Table 11 shows that a higher proportion of the Black African population in Thembelihle have no schooling when compared to other population groups (17.0%), followed by the Coloured population (13.3%). The Indian/Asian population group has a higher percentage of individuals who have a matric qualification

2.3.5. Household Information

Number of households by household size, 1996-2016

	1	2	3	4	5	6	7	8	9	10+	Total
1996	350	528	499	457	386	219	162	119	82	137	2 939
2001	526	749	634	587	428	274	174	118	57	126	3 673
2011	873	883	677	628	389	296	170	103	67	108	4 194
2016	832	1 192	532	789	654	333	192	49	83	81	4 737

Table 12 Stats SA Household size

Table 12 shows that the number of households in Thembelihle increased by 1 798 households over the period from 1996 to 2016, from 2 939 to 4 737 households. It shows a significant increase in the number of two-person households, from 528 in 1996 to 1 192 in 2016. There is a reduction in the number of households with 10 persons and above.

Percentage distribution of households by household size 1996-2016

	1	2	3	4	5	6	7	8	9	10+	Total
1996	12.5	18.8	17.8	16.3	13.8	7.8	5.8	4.2	2.9	4.9	100.0
2001	14.3	20.4	17.3	16.0	11.7	7.5	4.7	3.2	1.6	3.4	100.0
2011	20.8	21.1	16.1	15.0	9.3	7.1	4.1	2.5	1.6	2.6	100.0
2016	17.6	25.2	11.2	16.7	13.8	7.0	4.1	1.0	1.8	1.7	100.0

Table 13 Stats SA Household distribution

Table 13 shows that in 2016, there was a higher percentage for two-person households when compared to other household sizes at 25.2%. This is followed by single-person households at 17.6% of the total number of households in Thembelihle.

Household head by sex, 1996-2016

	1996	2001	2011	2016
Male	2 257	2 767	2 836	3 203
Female	671	885	1 348	1 533
Total	2 928	3 652	4 184	4 736

Table 14 Stats SA: Household by sex

Table 14 shows a more significant increase in the number of female-headed households when compared to male-headed households in Thembelihle over the period from 1996 to 2016. Female-headed households increased from 671 households in 1996 to 1 533 households in 2016, whilst those headed by males increased marginally from 2 257 in 1996 to 2 836 in 2016.

Type of dwelling occupied by households, 1996-2016

	Formal dwelling	Traditional dwelling	Informal dwelling	Other	Total
1996	86.0	0.9	12.9	0.2	100.0
2001	76.7	4.1	17.9	1.4	100.0
2011	77.5	0.3	21.1	1.1	100.0
2016	77.8	1.3	15.4	5.6	100.0

Table 15 Stats SA: Households by dwelling type

Table 15 shows a decrease in the proportion of households staying in formal dwellings in Thembelihle. Households occupying formal dwellings decreased by 8.2% from 86.0% in 1996 to 77.8% in 2016. There is an increase in the proportion in informal dwellings, from 12.9% in 1996 to 15.4% in 2016. The proportion of traditional dwellings has increased over the same period.

Tenure household 2001-2016

	Owned	Rented	Occupied rent-free	Other	Total
2001	42.4	16.6	41.0	-	100.0
2011	51.4	16.3	29.9	2.5	100.0
2016	52.4	13.4	25.0	9.2	100.0

Table 15 Stats SA: Household by tenure

Table 15 shows an increase of 10.0% in the proportion of dwellings owned by households in Thembelihle, from 42.4% in 2001 to 52.4% in 2016. It shows a decrease in the proportion of households that are occupied rent-free, 41.0% in 2001 to 25.0% in 2016.

2.3.5. Household Services

Household perceptions on difficulties facing the municipality, 2016

Difficulty facing the municipality	Number	Percent (%)
Lack of safe and reliable water supply	266	5.6
Cost of water	152	3.2
Lack of reliable electricity supply	215	4.5
Cost of electricity	125	2.6
Inadequate sanitation/sewerage/toilet services	324	6.8
Inadequate refuse/waste removal	268	5.7
Inadequate housing	303	6.4
Inadequate roads	628	13.3
Inadequate street lights	42	0.9
Lack of/inadequate employment opportunities	392	8.3
Drug abuse	41	0.9
Alcohol abuse	68	1.4
Lack of/inadequate healthcare services	25	0.5
Corruption	292	6.2
Other	376	7.9
None	1 220	25.8
Total	4 737	100.0

Table 16 Stats SA: Household perceptions

Table 16 shows that 13.3% of the households in Thembelihle are complaining about inadequate roads. This is followed by those who perceived that a lack of or inadequate employment opportunities was the major challenge facing the municipality (8.3%). About 2.6% feel that the cost of electricity charged by the municipality is too high, whilst 6.2% said corruption is a major problem in their municipality.

Type of refuse removal used by households, 1996-2016

	Removed by local authority at least once a week	Removed by local authority less often than once a week	Communal refuse dump	Own refuse dump	No rubbish disposal	Other	Total
1996	68.1	0.4	1.2	21.0	9.3	0.0	100.0
2001	57.3	0.4	3.4	29.5	9.3	0.0	100.0
2011	68.3	0.8	4.6	13.6	11.7	1.0	100.0
2016	59.4	2.5	13.0	19.3	5.0	0.7	100.0

Table 17 Stats SA : Refuse removal services

Table 17 shows a decrease in the proportion of households in Thembelihle municipality whose refuse is removed by the local authority at least once a week, from 68.1% in 1996 to 59.4% in 2016. It shows an increase in the proportion of households using a communal refuse dump

Type of sanitation facilities used by households, 1996-2016

	Flush or chemical toilet	Pit latrine	Bucket latrine	None of the above	Total
1996	55.0	10.2	10.6	24.2	100.0
2001	53.0	9.0	8.2	29.8	100.0
2011	65.9	22.6	0.3	11.2	100.0
2016	70.6	12.6	3.9	12.9	100.0

Table 18 Stats SA: Sanitation Services

Table 18 shows an increase in the proportion of households that use a flush or chemical toilet in Thembelihle, from 55.0% in 1996 to 70.6% in 2016. There is an increase in proportion of households using a pit latrine over the same period. There is also a decrease in the proportion of households using bucket latrines between 1996 and 2016.

Energy sources

Main source of energy used for lighting, 1996-2016

	Electricity	Gas	Paraffin	Candles	Solar	Other	Total
1996	64.8	0.3	13.3	21.7	0.0	0.0	100.0
2001	67.2	0.2	9.0	22.1	0.8	0.7	100.0
2011	75.5	0.2	2.4	20.7	1.1	0.0	100.0
2016	85.6	0.3	0.9	10.3	2.2	0.6	100.0

Table 29 Stats SA: Energy Services

2.3.6. Employment and Statistical Services

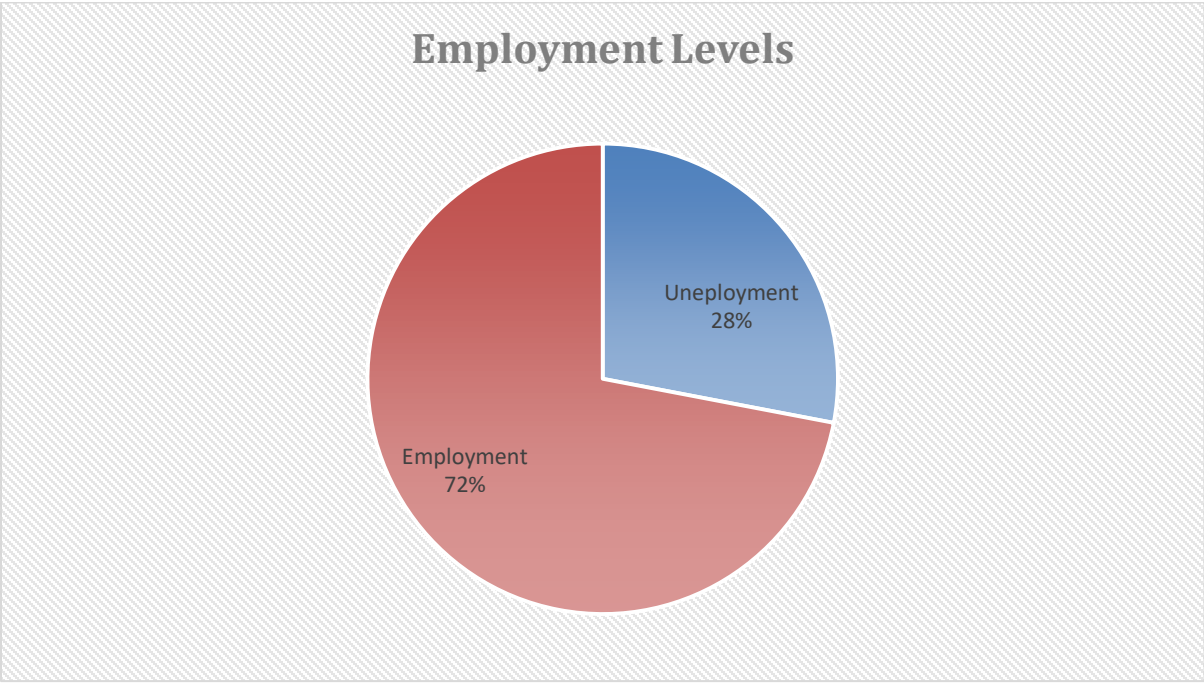


Figure 3 Stats SA: Employment Levels

Figure 4 depicts that of the economically active population, 72% of that section is employed and 28% unemployed. This was a very good variable in light of a 43% provincial unemployment figure. During the Covid Pandemic this situation could have decreased and will be reported on in due course once the census figures have been updated by STATS SA. Whilst this is a good reflection, more can be done and the efforts can be directed towards the ensuring sustainable jobs and skills development to reduce the effect that the Pandemic had on the employment within the Municipality.

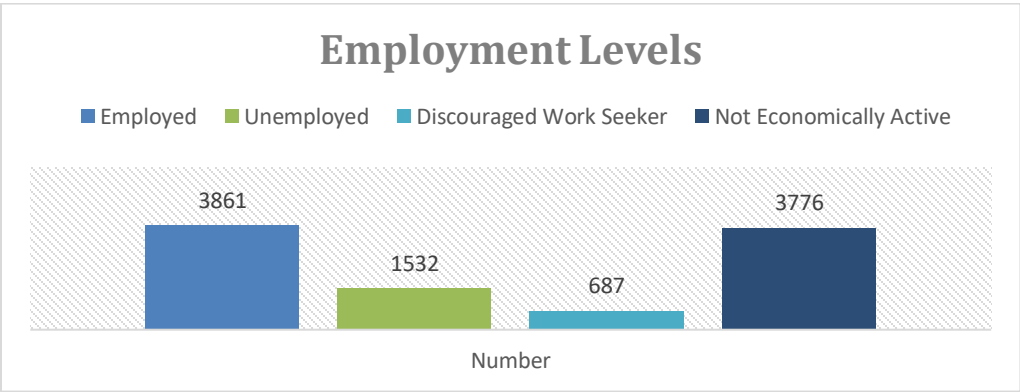


Figure 5 Stats SA: Employment levels

Figure 5 further supplements the employment situation above and further qualifies the definition of employment. From this graph, the total number of employed people is 3861 and the total number of unemployed people is 1532. The number of discouraged work seekers is 687. The combination of discouraged work seekers and the unemployed population is close to 2 200 workers.

2.3.7. Household Income and food security

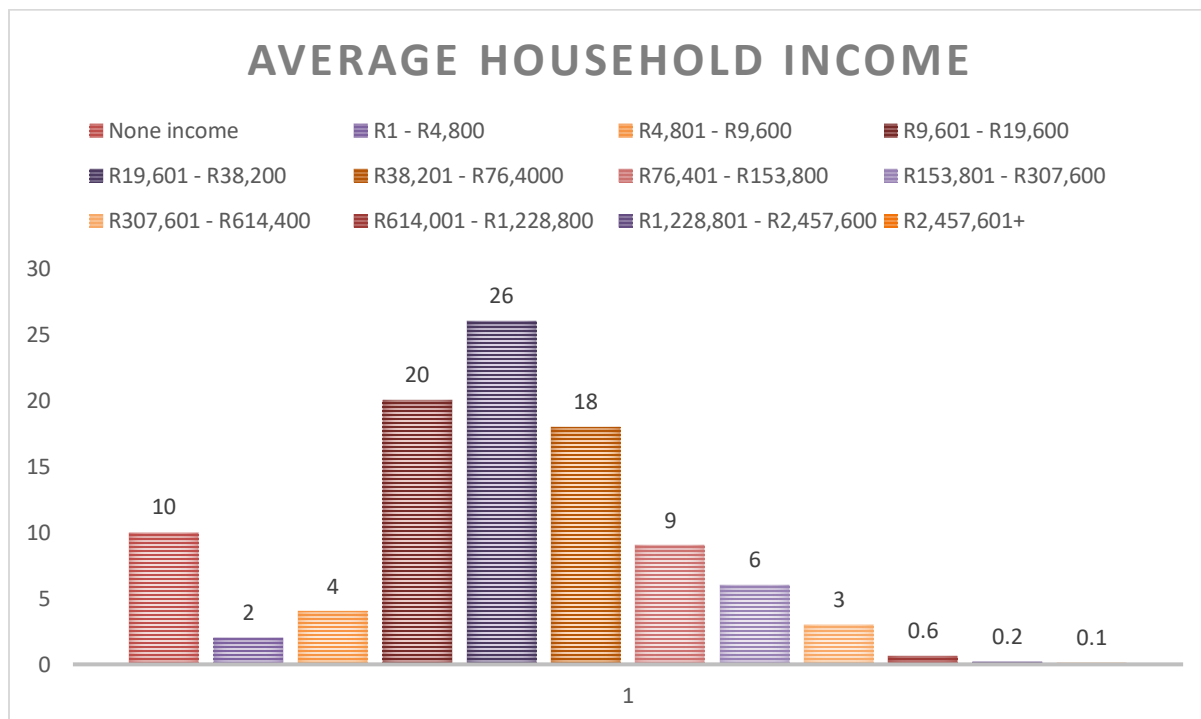


Figure 6 STATS SA: Average Household Income

Figure 5 above shows that the average income is within the range of R9 601,00 and R76 400,00 per annum, the highest number of households are in the middle to higher income strata. In this regard, they earn in the ranges of R307 614 400 to R 2 452 601. This means that there is a thriving middle class in the Thembelihle Municipal area. There is a 0,6% of earners in the above R 2 452 601 bracket.

Ran out money to buy food in the 12 months preceding the survey	Number	Percent (%)
Yes	1 139	24.0
No	3 597	76.0
Total	4 736	100.0

Table 30 Stats SA 2016: Ability to buy food

Table 30 shows that 76.0% (3 597) of the households in Thembelihle have ran out of money to buy food in the 12 months preceding the survey in 2016. This is slightly higher than people who are living below the poverty line based on an income of R9 600,00 per annum.

Ran out of money to buy food for 5 or more days in the past 30 days	Number	Percent (%)
Yes	549	48.2
No	590	51.8
Total	1 139	100.0

Table 31 Stats SA 2016: Ability to budget

Table 31 shows that from the total households that reported having run out of money to buy food in Thembelihle, 51.8% (590) have ran out of money to buy food for 5 or more days in the past 30 days preceding the survey in 2016. This shows that the community should be encouraged to create a culture of budgeting according to their need as almost 50% lives from hand to month.

Pixley ka Seme District Municipality	Indigent households registered with municipalities	Benefitting			
		Water	Electricity	Sewerage and sanitation	Solid waste management
Emthanjeni Local Municipality	3 422	3 422	3 422	3 422	3 422
Kareeberg Local Municipality	1 502	1 454	1 502	1 454	1 454
Renosterberg Local Municipality	1 208	1 208	1 208	1 208	1 208
Siyancuma Local Municipality	2 955	2 787	2 745	2 787	2 787
Siyathemba Local Municipality	2 752	2 752	1 988	2 752	2 752
Thembelihle Local Municipality	1 287	1 287	1 287	1 287	0
Ubuntu Local Municipality	1 823	1 823	1 823	1 823	1 823
Umsobomvu Local Municipality	2 613	2 613	2 613	2 446	2 613
Total	11 839	11 623	10 865	11 623	11 623

Table 32 Stats SA: Indigent Households

Table 32 shows that the number of indigent households registered in the Pixley ka Seme district for the year 2016 is 11 839 units, with the Emthanjeni municipality having the highest number of such households at 3 422 units, followed by Siyancuma, Siyathemba, and Umsobomvu municipalities with 2 955, 2 752, and 2 613 indigent households respectively. The municipalities with the least number of indigent households are Renosterberg, Thembelihle, Kareeberg, and Ubuntu local municipalities, with each having 1 208, 1 287, 1 502, and 1 823 indigent households respectively.

It is noted that not all indigent households across the respective municipalities are benefiting from free basic services from the municipality however, with the exception of households in Emthanjeni, Renosterberg, and Ubuntu municipalities, where all indigent households are receiving free basic services from the municipality.

2.3.8. Economic Activity

Households by type of agricultural activity, 2016

Type of agriculture activity	Number	Percentage (%)
Poultry production	456	9.6
Vegetable production	11	0.2
Fruit production	23	0.5
Livestock production	360	7.6
Other	10	0.2

Table 32 Stats SA: Agricultural Activity

Table 32 shows that from the total households in Thembelihle, 9.6% (456) of households are into poultry production, followed by those who partake in livestock production (7.6%) and fruit production (0.5%) respectively.

GVA-R Sectoral composition
NC076 Thembelihle, 2015

Figure 7 : Stats SA GVA Sectoral Composition

In 2015, the community services sector was the largest within Thembelihle Municipality accounting for R 269 million or 26.3% of the total GVA in the local municipality's economy. The sector that contributed the second most to the GVA of the Thembelihle Local Municipality was the agriculture sector at 21.4%, followed by the trade sector with 17.3%. The sector that contributes the least to the economy of Thembelihle Municipality is the electricity sector with a contribution of R 24 million or 2.34% of the total GVA.

The comparative advantage (CA) of a region indicates a relative competitive production function for a product or service in that specific economy compared to the aggregate economy. An indication of the CA of an economy is its location quotient. The location quotient is a calculated ratio between two economies. In the case of the Thembelihle Municipality, the location quotient was determined between the LM and the Pixley Ka Seme DM.

For 2015 Thembelihle Local Municipality had a very large comparative advantage in the agriculture sector. The transport sector also has a comparative advantage. The trade also has a comparative advantage when comparing it to the South Africa economy as a whole, although less prominent.

The Thembelihle Local Municipality has a comparative disadvantage when it comes to the mining and finance sector which has a large comparative disadvantage. In general mining is a very concentrated economic sector. The Thembelihle Local Municipality area does have some mining, but this is very limited and fairly unimportant

Most of the agricultural economy consists of extensive farming (sheep and goats), as well as a growing number of game farming operations. However, there is intensive agriculture along the Orange Riet Canal System, along

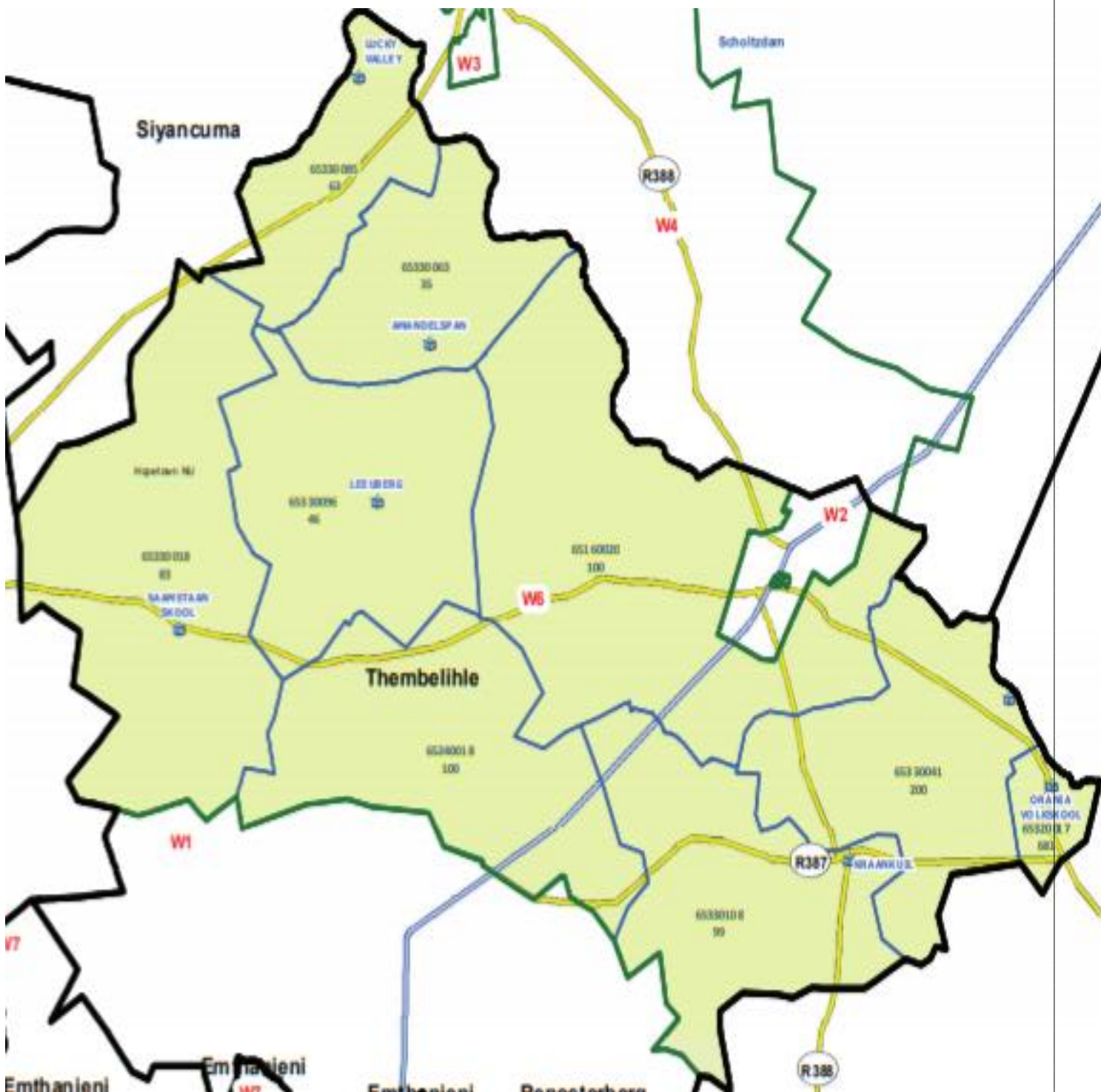
the upper Orange River (Colesberg-Hopetown area), and along the middle Orange River area. Hopetown is a centre of irrigation farming.

2.3.9. COVID 19 and the Thembelihle Municipal Response

In January 2020, an outbreak of the Coronavirus, named COVID-19, was reported in the City of Wuhan in China. During early March 2020, the World Health Organisation (WHO) declared the outbreak as a global pandemic, due to the effect of the spread of infections to other countries. South Africa has also been affected by the pandemic, with a National State of Disaster declared on 15 March 2020 and a National Lockdown declared on 23 March 2020. In response to the pandemic, the Thembelihle Municipality has identified the economic and social impact of the COVID-19 pandemic and has provided measures to mitigate this unprecedented situation by means of various initiatives and programmes. In respect of communication, the municipality has embarked on awareness campaigns around practicing hygiene, maintaining social distancing through pamphlet distribution, loud-hailing, social media posts and the local radio station in order to help “flatten the curve” of the spread of COVID-19 infections. All health protocols and hygiene measures are in place at municipal buildings including adhering to social distancing and the wearing of face masks. In addition, the Municipality screens individuals’ temperatures with a thermometer before entering, in line with national screening protocols.

The sanitizing of high-density areas is also in place to ensure a cleaner and safer environment. Communities face various challenges such as poverty, domestic violence and crime amongst others. The municipality collaborated with various stakeholders to provide water sources to informal settlements and farms, by distributing food parcels and food vouchers to vulnerable communities. The Disaster Management Act has Regulations to be adhered to during the national lockdown and Thembelihle Municipality, through its Disaster Management Plan has been collaborating with various stakeholders such as the Department of Health, Northern Cape District, South African Police Services (SAPS), provincial government, various Farm Watches and Neighbourhood Watches, municipal and traffic services. The municipality acknowledges the fact that this is an ongoing pandemic and that the municipal planning will have to accommodate the management of the impact of the virus whilst still fulfilling its legislative mandate in 2020/2021 and beyond.

2.3.10. Ward Demarcation



Maps 1 Demarcation Board: Wards of Thembelihle

Ward Profile:

In terms of section 18(3) of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998), the MEC responsible for local government has determined that the municipal council consists of 11 councillors. After having consulted the Independent Electoral Commission, The Municipal Demarcation Board has delimited the municipality into wards in terms of Schedule 1 of the Act.

The number of registered voters in each ward does not vary by more than fifteen percent from the norm. The norm was determined by dividing the total number of voters on the municipal segment of the national common voters roll, namely voters on 5 March 2019, by the number of wards in the municipality.

The ward numbers, the voting districts and voting stations in each ward, and the number of voters are as follows:

Ward Number	Voting District Number	Voting Station Name	Registered Voters
Ward 1	65240018	DR ESSOP COMMUNITY HALL	1711
Ward 2	65160053	FULL ARMOUR CHURCH OF GOD	404
Ward 2	65160020	MSC NUWE BIBLIOTEEKSAAL	1071
Ward 3	65160042	VUKASIZWE PRIMARY SCHOOL	342
Ward 3	65160019	STEYNVILLE COMMUNITY HALL	1310
Ward 4	65160020	MSC NUWE BIBLIOTEEKSAAL	200
Ward 4	65160031	STEYNVILLE HIGH SCHOOL	1215
Ward 4	65160053	FULL ARMOUR CHURCH OF GOD	200
Ward 5	65160019	STEYNVILLE COMMUNITY HALL	300
Ward 5	65160031	STEYNVILLE HIGH SCHOOL	1000
Ward 6	65330063	AMANDELSPAN	35
Ward 6	65330041	BOLAND FARM	200
Ward 6	65330108	KRAANKUIL	99
Ward 6	65330096	LEEUBERG	46
Ward 6	65330085	LUCKY VALLEY	63
Ward 6	65330018	SAAMSTAAN SKOOL	83
Ward 6	65240018	DR ESSOP COMMUNITY HALL	100
Ward 6	65320017	ORANIA VOLKSKOOL	681
Ward 6	65160020	MSC NUWE BIBLIOTEEKSAAL	100

Table 33 Municipal Demarcation Board 2020: ward profile

2.4 Public Participation

The IDP is about determining stakeholder and community needs and priorities which need to be addressed in order to contribute to the improvement of the quality of life of residents within the Municipal Area. IDP public meetings are conducted to ensure that people from all 6 wards are included in the planning of the Municipality as well as to assist the Municipality in achieving its long-term development objectives. It will also guide the ward in what it will do to take forward its own development programme with support from all role players. Ward Committees were elected and are in place to address the wards' priorities and needs.

2.4.1 Public Participation Process

The Municipality has various public participation processes and platforms to ensure integrated consultation on a continuous basis. These include:

- Ward committee meetings which take place quarterly and is deemed functional;
- IDP Roadshows in all wards
- IDP Representative Forum;

Mayor meets the people meetings – The purpose thereof to engage relevant municipal interest groups as part of ongoing public participation; and Open Days with communities relating to the Spatial Development Framework

LEGISLATION/ POLICY	PROVISION	
Constitution of the Republic of South Africa, 1996	“A municipality must structure and manage its administration, budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community.”	
National Development Plan; vision 2030	<p>On inclusive and integrated rural economy</p> <ul style="list-style-type: none"> • By 2030, South Africa’s rural communities should have greater opportunities to participate fully in the economic, social and political life of the country On an economy that will create more jobs • By 2030, the economy should be close to full employment; equip people with skills they need, ensure that ownership of production is less concentrated and more diverse and be able to grow rapidly; providing the resources to pay for investment in human and physical capital 	
National Framework for LED 2014- 2019	The vision as set out by the Framework is: “Competitive, sustainable, inclusive local economies world-class and dynamic places to live, invest, and work; maximizing local opportunities, addressing local needs, and contributing to national development objectives”	
1998 Local Government White paper	The paper introduced the concept of developmental local government; i.e. the “Local government committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs, and improve the quality of lives.”	
Municipal Systems Act (2000)	In this piece of legislation the Integrated Development Plan is seen as the key instrument to achieve organic, sustainable local economic development; as well as regulate municipal expenditure in respect of LED and build municipal partnerships for LED.	



Back to Basics	<ul style="list-style-type: none">• B2B Approach primary goal is to improve performance of the municipalities in line with the National and Provincial Development Plans.• To facilitate integrated planning and participation by sector departments in the various work streams for implementation of B2B.• To ensure that sector departments strategic plans are aligned with B2B and IDPs.• To enhance integrated service delivery support, monitoring and evaluation of support provided to municipalities	
Area	Legislation	Linkage/PROMOTION
Integrated planning	a) The Local Government: Municipal System Act, 2000 (Act 32 of 2000) as amended	<p>This act compels municipalities to draw up the IDP's as a singular, inclusive and strategic development plan. In terms of this Act, a municipality produces an IDP every five years comprising of the following components (i) A vision of the long-term development of the area.</p> <p>Municipality's development strategies which must be aligned with any national, provincial sectoral plans and planning requirements.</p>

		<p>Municipality's development priorities and objectives for the Council elected term.</p> <p>(iv) An assessment of the existing level of development which must include an identification of the need for basic municipal service.</p> <p>(3) Spatial development framework which must include the provision of basic guidelines for a land use management system.</p> <p>(vi) The key performance indicators as determined by COGTA and performing targets.</p>
Community safety	• Criminal procedure Act 51 of 1977	To make provision for procedures and related matters in criminal proceedings
	• National Road Traffic Act 93 of 1996	To provide for road traffic matters
	• South African police Service Act 68 of 1995	Establishment of municipal police and related matters
Waste Management	• National Environmental Management Act 107 of 1998	To provide for co-operative, environmental governance by establishing principles for decision making on matters affecting the environment, institutions that will promote co-operative governance and procedures for coordinating environmental functions exercised by organs of states, and to provide for matters connected therewith.
	• National Environmental Management Waste Act 59 of 2008	To reform the law regulation waste management in order to protect health and environment by providing reasonable measures for the prevention of pollution and ecological degradation and for securing ecological sustainable development and matters connected therewith

Cemeteries, Funeral parlours and Crematoria	Funeral, Burial and Cremation Services Act of 2002	To provide for establishment licenses and operation of funeral parlours, burials and cremations
Animal Pound	National Animal Pounds Bill of 2013	To establish National norms and standards in order to maintain consistency relating to pound and impounding of animals
Libraries	Libraries and information services Act 6 of 2003	To provide for the establishment of the administration and control of library and information services in the province
Roads and Storm Water	<ul style="list-style-type: none"> • The South African National Roads Agency Limited and National Roads Act 7 of 1998 	To ensure compliance on all roads standards
	<ul style="list-style-type: none"> • Infrastructure Development Act 23 of 2014 	To provide for the facilitation and coordination of public infrastructure development
	<ul style="list-style-type: none"> • National Land Transport Act 5 of 2009 	To provide further the process of transformation and restructuring the national land transport system
Electricity	Electricity Act 18 of 2015	To provide for continuity existence of electricity control board and for control of the generation and supply of electricity and for matters connected therewith



Budget Planning	Municipal Finance Management Act, 2003 (Act 56 of 2003)	<p>The MFMA provides for closer alignment between the annual budget and the compilation of the IDP. This can be understood as a response to the critique that IDP's took place in isolation from financial planning and were rarely implemented in full as a result. Specifically, section 21 (1) of the Act requires that a municipality co-ordinate the process of preparing the Annual Budget and the IDP to ensure that both the budget and IDP are mutually consistent. Key to ensuring the co- ordination of the IDP and Annual Budget is the development of the Service Delivery Budget and Implementation Plan (SDBIP). The SDBIP is a detailed plan approved by the Mayor of a municipality for implementation of service delivery and Annual Budget. The SDBIP should include monthly revenue and expenditure projections, quarterly service delivery targets and performance indicators.</p>
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Planning and Performance Management	The Municipal Planning and Performance Management Regulations (2001)	<p>This framework set out the following requirements:</p> <ul style="list-style-type: none">(i) An Institutional Framework for implementation of the IDP and to address the Municipality's internal transformation.(ii) Investment initiatives that should be clarified.(iii) Development initiatives including infrastructure, physical, social and Institutional development.(iv) All known projects, plans and programmes to be implemented within the municipality by any organ of state.
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National Developmental Plan	The National Development Plan (NDP) vision 2030	<p>The NDP outcome 9 which stating the responsive, accountable, effective and efficient developmental local government system. The NDP envisages that by 2030 South Africa will be a state that is capable of playing a developmental and transformative role in broad terms such a state intervenes to support and guide development in such a way that benefits society and particularly the poor. The NDP priorities to achieve the vision are as follows:</p> <ul style="list-style-type: none">(i) Members of society have sustainable and reliable access to basic services(ii) Sound financial and administrative management(iii) Intergovernmental and democratic governance arrangements for a functional system cooperative governance strengthened(iv) Promotion of social and economic development <p>Local public employment programmes expanded through the Community Works Programme</p>
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Special Programmes (SPU)	<p>National Youth Policy 2020 Children’s Act 38 of 2005</p> <ul style="list-style-type: none">○ White Paper on an Integrated National Disability Older Person’s Act 13 2006○ Women Empowerment and Gender Equality Act, 2014 <p>Military Veterans Act 18 of 2011</p>	<p>These policies provide guide for:</p> <ul style="list-style-type: none">● Consolidated and integrated youth development into the mainstream of government policies, programmes and the national budget● Strengthening of the capacity of key youth development institutions and ensuring integration and coordination in the delivery of youth services.● Building the capacity of young people to enable them to take charge of their own well-being by building their assets and 41tilizati their potential.● Strengthening of a culture of patriotic citizenship among young people and to help them become responsible adults who care for their families and communities.● Fostering a sense of national cohesion, while acknowledging the country’s diversity, and inculcate a spirit of patriotism by encouraging visible and active participation in different youth initiatives, projects and nation building-activities.
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		<ul style="list-style-type: none">• This prescribes on what can be contributed to the development of disabled people and to the promotion and protection of their rights.• The act aims to establish a society of the older persons who are content, dignified, possessed of a high sense of self-worth and tilizatio their potential as well as to ensure that they enjoy all opportunities besides being given the care and protection as members of a family, society and the nation.
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STRATEGIC ACTION PLAN FOR 2021-2025 FINANCIAL YEAR**ADMINISTRATION, MONITORING AND EVALUATION**

KEY OBJECTIVES	KEY ACTIVITIES	RISK	BASELINE ALIGNMENT	ACTION INTERVENTION	RESPONSIBLE MANAGER	BUDGET REQUIRED	TIME-FRAME
ORGANISATIONAL STRUCTURE REVIEW	> Job descriptions > Job evaluation > Norms and standards	High	> Norms and standards > Legislative compliance > Budget alignment > Consultation process	> Signed job descriptions from directorates > Adherence to legislation	Municipal Manager	Municipal Operating Budget	
INTEGRATED HR PLAN	> Succession Plan > Attraction and Retention	High	> Draft HR Plan in place to be reviewed > LG Regulations consideration consultation > Consultation > Aligned with the IDP and Organogram	> Consultative process > Tabling to LLF for recommendations > Tabling to Council for approval	HR Officer	Municipal Operating Budget	
RECRUITMENT AND SELECTION	> Review of recruitment policy > Annual Recruitment Plan	High	> R & S Policy adopted > Alignment with EE Plan > Alignment with budget (norms) > Legislative requirements	> Consultative process > Tabling to LLF for recommendations > Tabling to Council for approval	HR Officer	Municipal Operating Budget	
EMPLOYMENT EQUITY AND DIVERSITY MANAGEMENT	> EE Plan with EE targets (quality) > Submission of EE report > People with disability > EE Structure capacity and M & E > Women empowerment > Employee satisfaction survey	High	> EE Plan in draft need review > Legislative compliance > Development of a disability and designated groups strategy > Change management strategy	> Consultative process > Tabling to LLF for recommendations > Tabling to Council for approval	Municipal Manager	Municipal Operating Budget	
PERFORMANCE MANAGEMENT SYSTEM	> PMS Policy	High	> PMS Policy not in place	> Benchmarking with other municipalities > Consultative process > Tabling to Council > M & E	Municipal Manager / Shared Service from DM	Municipal Operating Budget	



SKILLS DEVELOPMENT AND CAPACITY BUILDING	<ul style="list-style-type: none">> Skills Audit exercise> Competency Assessment i.t.o. regulations> Well costed annual Training Plan> Training Committee (capacity and M & E role)	High	<ul style="list-style-type: none">> Alignment with budget and legislation> M & E mechanism> WSP compliance	<ul style="list-style-type: none">> Identification of skills for specialized areas> Implementation plan by committee	HR Officer	Operating Budget LGSETA
MONITORING AND EVALUATION	<ul style="list-style-type: none">> Development of the M & E Plan> Formulation / establishment of M & E unit> Establishment of M & E Committee	Medium	<ul style="list-style-type: none">> M & E resides with HR> No dedicated M & E Unit> Establish M & E Unit to be located in the MM's Office	<ul style="list-style-type: none">> Approved of structure by Council> Appointment of staff> Election of committee members	Municipal Manager	Municipal Operating Budget
COMMUNICATION AND PUBLIC PARTICIPATION	<ul style="list-style-type: none">> Finalization of the Communication Strategy> Implementation of the Comm Strategy> Development of the PP strategy> Conduct annual customer satisfaction survey	Medium	<ul style="list-style-type: none">> Draft Communication Strategy in place> Finalize the draft and adopt> Alignment with	<ul style="list-style-type: none">> Benchmark with other municipalities PP Strategy	Municipal Manager / Communication Officer	Municipal Operating Budget

KEY OBJECTIVES	KEY ACTIVITIES	RISK	BASELINE ALIGNMENT	ACTION INTERVENTION	RESPONSIBLE MANAGER	BUDGET REQUIRED
INFRASTRUCTURE, PLANNING AND DEVELOPMENT	Vision 2030 Municipal Development Plan	High	> No Municipal Development Plan (Vision 2030)	> Sector Departments should assist the municipality in the establishment of the plan	Manager Technical Services, Manager Corporate Service	Municipal Operating Budget
	Storm Water Master Plan	Low	> Draft Storm Water Master Plan for entire Municipality	> Draft Storm Water Master Plan to be tabled for adoption by Council	Manager Technical Services	Municipal Operating Budget
	CIP	Low	> The municipality should draft a CIP	> The CIP would quantify all infrastructure requirements incorporating the existing infrastructure master plans including capital and operational projects / programmes	Manager Technical Services	Municipal Operating Budget
	Municipal Infrastructure Investment Plan	High	> Challenge to maintain the new proliferated infrastructure > Inadequate capital funding to cater for current and future infrastructure development	> Create Infrastructure replacement fund	Manager Technical Services	Municipal Operating Budget
	Spatial Development Framework (SDF)	Low	> Review of SDF	> Outdated SDF in place > Advertise Draft SDF > Public Participation > Finalization and adoption by Council	Manager: Planning Shared Service Pixley Ka Seme	DRDAR is assisting financially Review
	Spatial Planning and Land Use Management Act (SPLUMA)	High	> Challenge in the implementation model of SPLUMA	> Municipality should consider shared services i.e. a joint tribunal between	Manager: Planning Shared Service Pixley Ka Seme	DRDAR is assisting financially
	Municipal Housing Sector Plan	High	> Reviewed and adopted the MHSP	> Update MHSP	Manager: Housing	Municipal Operating Budget
	Water Services Development Plan	Low	> Outstanding	> Compile WSDP	Manager: Technical Services	Municipal Operating Budget
BASIC SERVICES	Annual Operating Budget	High	<ul style="list-style-type: none"> - The municipality has a limited operating budget resulting into dilapidating infrastructure - The challenge is to maintain the new proliferated infrastructure 	<ul style="list-style-type: none"> - The municipality must increase the operating budget on an incremental basis to eventually subsidize the full cost of rendering the operation 	All managers	

				and maintenance services		
			-	-		
	3 Year Capital Plan	High	- Inadequate capital funding to cater for current and future infrastructure development	- Sector departments to be engaged by Thembelihle LM to assist in lobbying of capital funding for future resource and infrastructure development	All Managers	
	SDBIP Quarterly Progress Report	High	- The current SDBIP does not reflect measurable outputs - The SDBIP is not submitted quarterly to the MM and to the COGTA	- Set realistic and measurable KPI and outputs - Submit quarterly SDBIP	All Managers	
ELECTRICITY	Pre-paid meters to be implemented	High	- Inadequate funding for installation of meters	- Upgrading of present facilities in a phased fashion	Manager: Technical Services	Municipal Operating Budget
	Renewable Energy	Low	- mitigate the effect of load shedding	- Source investors to invest in the programme	Manager: Technical Services Manager: PMU	
	Solar Home System (500 units)	Low	- Improved Standards of living	- Compile a Business Plan	Manager: Technical Services Manager: PMU	
WATER	Water Conservation and Demand Management	High	- Municipality loses income due to water losses and unaccounted water and incorrect billing	- Implement water conservation and demand management initiatives. - Inspect and audit of water meter installations to ensure leak detection and correct billing of customers.	Manager: Technical Services	Municipal Operating Budget
	Equipping of two additional boreholes in Strydenburg	High	- Improve redundancy on bulk water infrastructure and water supply provide sustainable water to community.	- In Process	Manager: Technical Services DWA COGHSTA	DWA
	DWS ACIP Programme	High	- Service of 1500 new stands with water connections in Hopetown, Strydenburg, Steynville, Vergenoeg, Deetlefsville en Hillside	- Business plan need to be developed		DWA

	Pre-paid Water Meters	Low	- Purchase and installation of pre-paid water meters in the municipal area	- Improved Service Delivery. Determine proper water balance and generate revenue	MIG Technical Services	Municipal Operating Budget
	Water Pipeline	High	- Replacement of the A/C water pipeline from Thornville PS to Strydenburg to a full UPVC line	- Improve infrastructure - Improve Service delivery - Decrease water losses	In process	DWA
ROADS	Municipal Roads	High	- Upgrading of internal roads in Hopetown and Strydenburg	- Repair of potholes and resealing of roads - Improved infrastructure	Technical Services	Municipal Operating Budget & MIG
HOUSING	47tilization47	High	- Residents in need of 47tilization sites to access funding for basic services and electrical connections	- Formalize informal settlements to better the living conditions of residents. - Pre-planning of informal settlement	Town Planning	COGTA
	Provision of backlogged subsidy housing in all towns 350 Vergenoeg 200 Hopetown 150 Strydenburg 300 Hillside 350 Steynville 100 Deetlefsville	High	- Residents in need of services sites to build houses	Provide proper housing / shelter	Technical & Housing Service	COGTA

KPA 1 – MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT

ORGANISATIONAL STRUCTURE AND ESTABLISHMENT PLAN

Section 66 of the Municipal Systems Act (act No.32 of 2000) requires a Municipal Manager to develop a policy framework determined by the municipal council and subject to any applicable legislation, establish a mechanism, to regularly evaluate the staff establishment of a municipality and if the staff establishment requires amendment the approval of the Council shall be obtained. Thembelihle Local Municipality is divided into two levels namely; Political and Administrative structure. The administration is accountable to Political Structure.

Political Structure

- ❖ The municipality is governed by its council led by the Executive Mayor and chaired by the Speaker. The political seat is at Hopetown. There are section 79 committees established to assist council in governing the work of line functional administration and section 80 committees which assist the executive committee to function. The councillors signed a code of conduct on their first induction meeting in 2021 and the declaration is being signed annually in the beginning of each financial year. The Council also established the rules committee chaired by the Speaker which developed the rules of order for the council and its function which also enforces the implementation of rules in the council and adherence to the code of conduct by councillors. The municipality had established the following committees that assist the council in carrying out its responsibilities:
- ❖ Municipal Public Accounts Committee
- ❖ Audit committee

Section 80 committees are as follows:

- ❖ Corporate Services
- ❖ Finance
- ❖ Development & Technical Service

All the above committees are sitting every 2nd month.

Other Committees:

- ❖ Local Labour Forum
- ❖ Training Committee
- ❖ Employment Equity Committee
- ❖ Occupational Health and Safety Committee
- ❖ Sport Committee
- ❖ Risk Management Committee

Administrative Structure

The Political and administrative seat of Thembelihle Local Municipality is situated in Hopetown Main Offices. The municipality extends its services by having a functional staffed unit in Strydenburg except Orania. Thembelihle Local Municipality has a signed and an approved Organizational structure by the Council, which reflects 136 staff compliment. The total staff compliment is currently 97 and 39 vacancies. The recruitment processes for some of the vacant positions will commenced and all positions for senior managers are filled. The Municipal Manager of the institution is employed in terms of section 54, whilst the senior management is employed in terms of section 56.

- **Top Management (constituted by Senior Managers)**
- **Middle Management (constituted by Managers reporting to Senior Managers)**
- **Operational Management (constituted by Officers Supervisors Team leaders)**

Top Management is responsible for Strategic Planning of the institution, in doing that Middle Management forms part of the processes for Strategy Development. This is done to build capacity and to promote participation and innovation.

Administratively, the municipality consists of the following departments:

□ **MUNICIPAL MANAGER OFFICE**

- **Units Management**
- **Communications & Customer Care**
- **Strategic Planning & Performance Management**
- **Council Support**
- **Public Participation**
- **Legal & Risk Services**
- **Internal Audit**

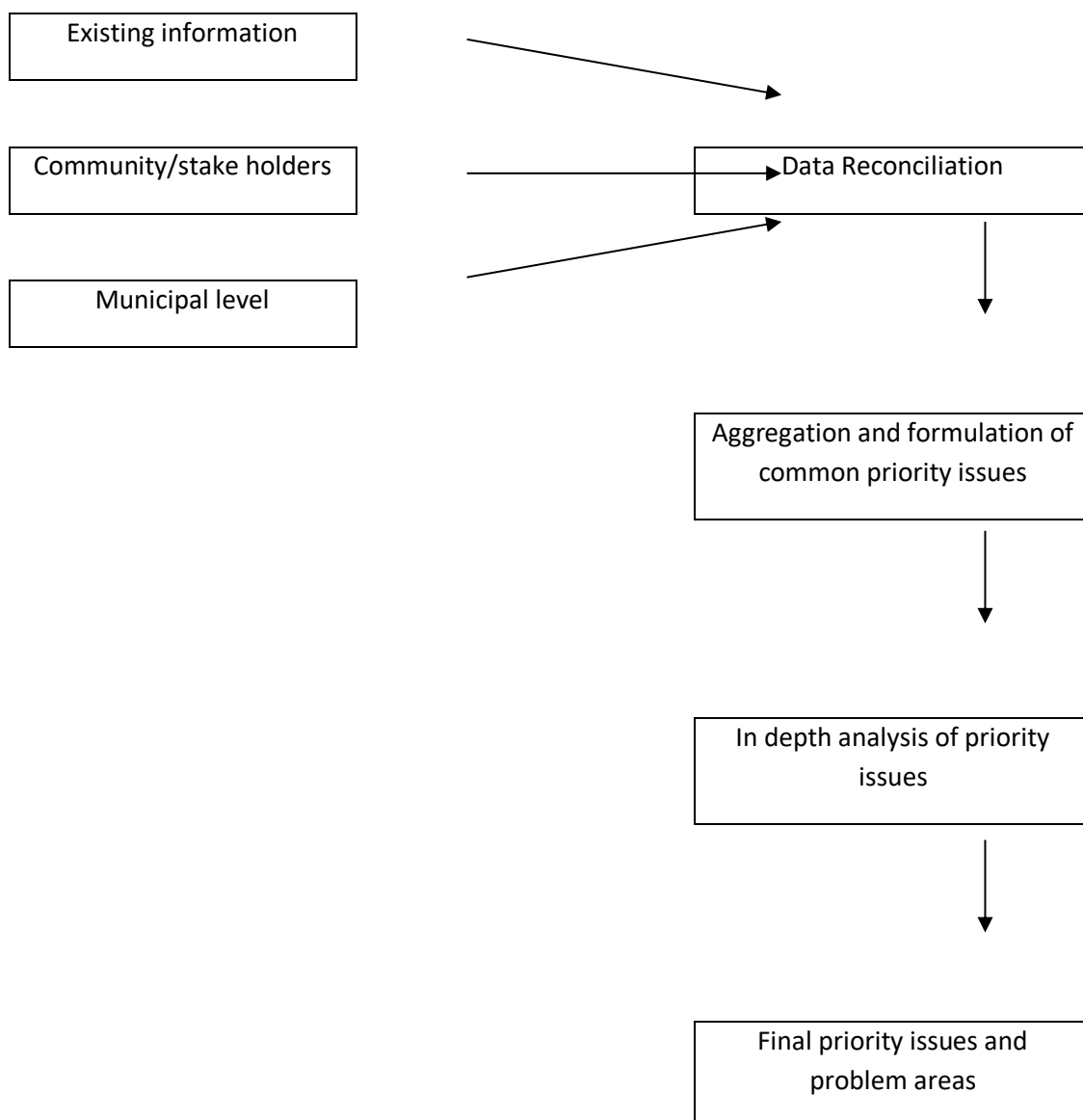
- **Human Resource Management**
- **Records Management**
- **Council Support**
- **Local Economic Development**
- **Land Use Management**
- **Human Settlements**
- **Property Management**
- **Building Controls**
- **Facilities**
- **Traffic Management & Law Enforcement**
- **Public Participation**
- **Payroll**

FINANCE

- **Budget Planning**
- **Expenditure Management**
- **Revenue Management**
- **Supply Chain Management**
- **Financial Reporting**
- **Asset Management**
- **Free Basic Services**

TECHNICAL DEPARTMENT

- **Roads & Storm water**
- **Electricity**
- **Civil & Building Works**
- **Mechanical Works**
- **Parks & Recreation**
- **Water & Sanitation**
- **Waste Management**
- **Expanded Public Works Programme**
- **Environmental Management**



4 The Situation

4.1 Summary of community and stakeholder Priority Issues

1. Solar Panels on Farm
2. Provision for Taxi services in Strydenburg;
3. Upgrading of entrances into the Townships;
4. Poor storm water drainage in all the areas;
5. Bad quality of driving/top surface of the streets especially in the lower income areas;
6. Poor quality of road signs and speed bumps within the urban & rural areas;
7. Lack of proper fencing on some roads;
8. Provision of roads for small holdings to be developed between the river and Hopetown;
9. Upgrading and re-opening of Orange River station in order to serve the surrounding hunter load.
10. Reduce speed on the N12 through the towns;
11. Research into the provision of taxi terminus;
12. Rehabilitation of all tarred streets especially in Hopetown;
13. Provision of proper sanitation within the Steynville and Deetlefsville informal areas;\phasing out of the bucket system if and where still in operation;
14. Upgrading of the sewer facilities of farm workers;
15. Research into the provision of a traffic test centre;
16. Need a Mobile Police Station in the rural area;
17. Urgent need to upgrade the electrical bulk supply and distribution system of the wider Hopetown and Strydenburg to make provision for investment;
18. Lack of facilities and equipment to do maintenance on electrical system;\electrification of small holdings to be provided between the Orange River and Hopetown;
19. Provision of more area lights & High Mass Lights
20. Provision of more pre-paid meters;
21. Upgrading of the bulk water supply system, purification and storage system as well as distribution;
22. On medium terms the development of Strydenburg bore hole supply system;
23. Provide sufficient water for present and future commercial and residential development;
24. Lack of sufficient water in the informal settlement areas within the wider municipal area;
25. Provision of water to municipal grazing camps used by informal farmers;
26. Stabilising and degradation of the commonage caused by overgrazing;
27. Improved refuse removal system and updating of present facilities;
28. Lack of refuse bins;
29. Rehabilitation of current dumping sites, closure thereof and registering of new sites;
30. Provision of a fire brigade service;
31. Provision of more fire extinguishing water points & equipment;
32. A demand for a multi-purpose sport facility to include a wide spectrum of facilities including a golf course
33. All facilities to be provided should be sustainable with possible use of re-cycled effluent water from the waste water treatment works;
34. Provision of sport facilities for the disabled;
35. Upgrading and maintenance of cemeteries & provision for toilets in Town;
36. Provision of health and medical facilities for the disabled;
37. Poor ambulance services to be upgraded;
38. Special provision to be made in ambulances for paramedics accidents on the N12;
39. Need for medical doctors at clinics;
40. Provision for bursaries for the youth; (in particular Engineers & Electricians)
41. Centre to care for people with AIDS (Hospice) & Old age Home;
42. Upgrading of mobile clinic services;
43. Building for Hospice is needed;
44. Need Town planner with Infrastructure skills;
45. Shopping Centre;
46. Allocation for Houses;

47. Stalls for Street hawkers/traders
48. Need to care for orphans;
49. Abuse of children and women;
50. Provide training and facilities to emerging business men/women;
51. Lack of capital for economic development;
52. Lack of developed tourism potential within the municipal area with consideration for facilities like (a)a nature reserve with a rest camp, (b)Picnic facilities on the Orange River;
53. Job creation;
54. Poor developed residential parks;
55. Market the Orange River as a tourist facility;
56. Technical and financial assistance to small farmers;
57. Demand for self-build erven;
58. Improved and more professional planning for future services;\increased need for church and business erven;
59. Upgrading of 2 room houses in Deetleffsville;
60. A lack of libraries and ancillary arranged activities;
61. A need for adult education (ABET) especially amongst farm workers;

4.2 Priority Issues from a Municipal Perspective

- 1 Solar Panels on Farm;
- 2 Upgrading of the N12 between Hopetown and Strydenburg;
- 3 Research into the provision of taxi terminus;
- 4 Poor storm water drainage in all the areas;
- 5 Provision of roads for small holdings to be developed between the river and Hopetown;
- 6 Maintenance and Upgrading internal streets to both towns;
- 7 Reduce speed on the N12 through the towns;
- 8 Rehabilitation of all tarred streets especially in Hopetown;
- 9 Provision of proper sanitation within the Steynville and Deetleffsville informal areas;\phasing out of the bucket system if and where still in operation;
- 10 Urgent need to upgrade the electrical bulk supply and distribution system of the wider Hopetown and Strydenburg to make provision for investment;
- 11 Provision of more area lights & High Mass Lights;
- 12 Poor quality of drinking water in Strydenburg;
- 13 Upgrading of the bulk water supply system, purification and storage system as well as distribution;
- 14 Improved refuse removal system and updating of present facilities;
- 15 Upgrading and maintenance of cemeteries & provision for toilets in Town;
- 16 Need Town planner with Infrastructure skills;
- 17 Allocation for Houses;
- 18 Poverty elevation and job creation;
- 19 Need for formal houses to address the housing backlog;
- 20 Need for townhouses in lower to middle income areas;\housing for farm workers;\request to develop small holdings between the river to the north and Hopetown to the north
- 21 Improved municipal facilities to provide better services

5 Economic Analysis : Major patterns and trends

LOCAL ECONOMIC DEVELOPMENT ANALYSIS

The purpose of this analysis is to raise awareness of economic potentials while dealing with potential limitations.

The following basic issues should be addressed:

- Basic economic data;
- Economic trends;
- Under utilised resources; and
- Major constraints;
- Spatial Development Framework

The following issues were addressed during the analysis phase.

Payment culture by the public of Thembelihle

At present the economic and cash flow situation of the municipality is under pressure and should be addressed during the strategy phase. The necessary steps and precautionary measurements should be identified and implemented.

The following % payment of municipal services was determined during this phase:

Suburb	%
Hopetown	80
Steynville	20
Strydenburg	70
Deetlefsville	20

Average rate – 48%

Basic employment sectors

During consultation processes stakeholders analysed the following sectors being the basic employment sectors within the municipal area:

- Agricultural sector: This sector includes the employment on farms as well as the three co-operations (retail outlets) in the two towns. 70 %
- Government employment: This sector includes all the teachers, government employees and workers. 25 %
- Business sector: Including all the private, retail, office and services provision sectors. 40 %
- Municipal sector: Includes the personnel in Hopetown and Strydenburg. 45 %
- Mining sector: All the people included in the small mining sector. 5 %
- Building and construction: At present some people are accommodated but in a decreasing phase. 20 %

Surrounding economic potential

The following economic potential within the surrounding area were identified:

- potential add on of value to agricultural products within the environment (factories related to specific products);
- stimulation and activate the transport sector;
- marketing and use of the Orange river and it's tourism potential;
- extension of intensive cattle and sheep feedlot potential in the area;
- leather and ancillary factories;
- marketing of the tourism industry with reference to the Orange river, De Bron, historical San resettlement; agricultural tourism, historical features in town;
- game farming and hunting;
- marketing and use of any potential income/potential from the N12 route;
- development of the mining sector with reference to precious and semi-precious stones;
- Marketing of the typical Karoo fauna and flora.
- Potential add on value to land reform and exploring the development of irrigation land for emerging farmers and more land for potential small stock farmers.
- Developing business and industrial sites for potential investors
- Potential Industries, Manufacturing & Engineering projects for BEE
- Retail businesses

Surrounding economic threats

The following issues were identified as economic threats:

- low rural population density;
- passenger trains that stop 3 days a week at any of the stations within our municipal jurisdiction;
- high health risk rate due to HIV/AIDS and TB;
- poor quality and standard of basic infrastructure with reference to the rural and urban areas;
- low average level of education;
- high unemployment rate;
- vandalism and littering;
- high crime rate;
- poor communication;
- poor marketing of the town;
- lack of funding for development;
- control straying animals.
- High level of alcohol abuse
- Shortage of qualified skills & artisans

Local Economic Development issues

The following shortcomings have been identified during the process:

- Implementation of Local Economic Development Strategy.
- Local Small Farmers Association is not well organised and needs to be capacitated to grow their initiatives.
- Over grazed farm-land
- The informal sector is limited to a few tuck shops in residential yards and informal street trading.
- Tourism potential of the environment needs to be developed.
- Need for a Local Economic Development study to identify all aspects of economic development within Thembelihle Municipal boundaries linked to available resources.
- Need to complete a Spatial Development Plan. (urgent)

Potential problems to be addressed

It is suggested that the following issues should be addressed during the following phases:

- stimulation of the informal sector.
- marketing and development of the tourism potential.
- formulation of a Tourism Sector Plan.
- Formulation of Spatial Development Framework
- Linking economic businesses to informal sectors as mentors

Summary

A detailed strategy and future solutions would be based on the above mentioned issues. Steps would be taken to stimulate the positive issues and to address the negative issues.

Social economic analysis

The purpose of this sector is to ensure that all activities sufficiently consider the needs of the previous marginalized groups and to provide for their upliftment.

This socio-economic analysis refers to the following sectors, population, health, educational, recreational and social issues.

6. Environmental Analysis : Major risks and trends

During the workshop certain environmental threats/risks and assets have been identified.

Environmental threats/risks or challenges

The following environmental issues, however, needs to be mentioned and advised in the environmental policy to be formulated:

This issue manifested out of the following needs:

- poor state and shortage of residential parks;
- poor maintenance on parks;
- poor condition of entrances into towns;
- dirty environment;
- lack of trees.
- limited water resources in rural area away from the river;
- environmental pollution because of toxic waste;
- increase in certain unwanted plants;
- overpopulation of some animals;
- dongas and other forms of erosion;
- pollution of the Orange river;
- air pollution due to crop spraying and other air pollution;
- people without electricity use sources from the environment for cooking purposes;
- misuse of boreholes (more than their potential);
- reeds at the river accommodate birds that destroy the farmers' crops;
- burrow pits destroy environment;
- pollution of ground water and bore holes; and
- increase in ant heaps.
- littering and dumping in illegal areas

Environmental assets

For many years the environmental issues and the impact of people thereon has been badly neglected. Environmental issues and nature conservation form an integral part of the IDP process. It is essential to be aware of environmental problems, threats but also potential thereof. These issues should be considered during the development process.

The following national resources, however, needs to be addressed:

- clean Karoo air and environment;
- certain birds of prey ; and
- typical Karoo fauna and flora.

Summary of potential problem areas

The most important problem to be addressed is to adopt an awareness drive within the community to understand the environment (all its facets) and the conservation thereof.

3.1 INTRODUCTION

This Chapter focuses on the development plan of the Thembelihle Municipality and its alignment to the budget, as well as the new five year Spatial Development Framework. The development plan has framework of five Key Performance Areas (KPA's), the nine (9) Pre-determined Objectives (PDOs) and the respective key initiatives, key programmes as well as capital projects formulated to achieve the developmental goals and vision of the Municipality.

3.2 ELEMENTS OF THE PLAN

3.2.1 Thembelihle Municipality Vision

At its strategic planning session comprising of Councillors and Senior Officials the Municipality has set its vision to be

“Providing quality services through good relations and sound management”

From this vision the following mission has been set out in order to conform to the vision.

3.2.2 Thembelihle Municipal Mission

During the term of office of the current council the municipality will focus on the following as their mission statement.

- Develop and build a skilled knowledgeable workforce
- Increase Financial viability
- Optimizing and sustaining infrastructure investment and services
- Increased Investment in the Thembelihle Economy
- Responsive, accountable, effective and efficient local government

3.2.3 Thembelihle Municipal Mission

Stemming from the mission that the municipality will be embarking on the following values have been identified and need to be subscribed to.

VALUES	
Integrity	We will communicate realness in our dealings with colleagues and clients and shall be upstanding at all times
Accountability	We will be accountable for all our actions, good or bad and deal with the consequences thereof
Professionalism	We are here to serve our stakeholders with the highest standards and beyond their expectations
Excellence	We are never satisfied with yesterday's way of doing things and are always looking for new ways to do our work better, faster, smarter and we do it best always
Empowerment	We will always seek to create an environment where our community may learn, grow and be fulfilled and reach their full potential
Honesty	We shall at all times ensure that we handle all matters like they are, without creating unrealistic expectations and at all times communicating the truth
Commitment	We shall be devoted with faithfulness to all our stakeholders and in particular the vision for the development of our organisation
Efficiency	We shall make the most of our resources within the shortest possible time and shall reach our targets thus converting our plans into action
Discipline	We shall at all times focus ourselves on the main goal and be willing to achieve that goal at the expense of our own comfort

3.3 STRATEGIC ANALYSIS

An analysis have been conducted and the following strengths and weakness were identified that would need to be addressed during the current term of office:

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none">- Provide basic services delivery to the community- Good quality of drink water (Blue drop & Green drop)- Commitment of senior management- Expanded Public Works Programme- Implementation of MIG Funds- Agricultural Sector- Basic Municipal By-Laws exist- Availability of Land- Basic Public facilities available in the municipality.	<ul style="list-style-type: none">- Inability to 63 utilize the strategic and economic 63utilization of municipal owned land and property- Ageing infrastructure and limited resources available for effective maintenance programmes- High level of inequality (wide gap between rich and poor)- High cost of water purchases- Loadshedding- Seasonality of the economy and employment- Limited progress with BBBEE at a local level- Limited support to SMME's- Scarce skills shortages in planning and development- Skills gap in basic business techniques- High cost of land and property- High rate of unemployment- High rate of poverty- Inconsistent understanding of economic development objectives- Increasing levels of drug related crime- Increasing levels of poverty induced crime- Increasing levels of violence against women and children- Increasing incidence of TB and HIV/Aids- High level of alcohol and substance abuse- Increase in substance and alcohol abuse amongst youth- Relatively high wage bill inside the municipality

The following opportunities and threats have also been identified.

OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> - Growth in both domestic and international tourism markets - Improved coherence amongst established and emerging businesses - Development oriented political and administrative leadership - Sound financial management and leadership - Optimal utilisation of municipal owned land properties - Commitment to strengthening local government sphere - Established effective intergovernmental relations - Effective communication platforms with the community - Good work ethics amongst staff and councillors 	<ul style="list-style-type: none"> - Dilapidated infrastructure - Decaying of council's assets i.e. public facilities, buildings - High level of inequality - Steep increase in land value - Fluctuations in the tourism, construction and fishing industry - High property and - Limited access to adequate resources to achieve strategic objectives - High levels of poverty and unemployment - Increase in alcohol and substance abuse

3.4 KEY STRATEGIC ISSUES

The Council has identified the following strategic issues that would be addressed during the term of office.

Issue	Implication if not addressed	Strategy to address issue
Lack of discipline among staff	No work ethic	Develop a policy to address staff discipline
	Decrease in staff morale	Initiate wellness programme for staff
	Negative image of the municipality	Monitor policy implementation and wellness programme through LLF
	No service delivery	
Low Skilled Staff	Poor quality of reports to government departments	Development of a Workplace Skills Plan (WSP)
	Poor quality of work	Implementing the WSP
	General non-compliance with norms and standards	Quality Control and Monitoring of WSP
Unfilled critical posts	Staff do work not in their job description	Develop recruitment policy
	Overtime and disputes	Review Organogram (in process)
		Employ staff in the vacant posts
High redundant staff	Increased salary cost	Review all employee contracts
	Municipality not getting value for money	Proper Placement of staff
	Employment of unskilled people	Initiate job evaluation process
	Increase in labour cost	

Poor alignment of key programmes	Non-compliance of government grants	Improving the capacity of officials to develop plans
	No clear plan to develop municipality	Training of councillors on IDP, PMS etc for better oversight
	Lack of efficiency in municipal operations	Annual Review of plans
Consequence Management	Fruitless and irregular expenditure will continue	Establish Financial Misconduct Committee
	Impression of a corrupt municipality will persist	Develop procedural manual
	Employees will continue to do as they wish	Quarterly and regular reporting on the activities of the Misconduct Committee
Communication with key stakeholders	Lack of trust	Develop a communications policy/strategy
	Wasteful expenditure	Appoint a communications officer
	Not addressing the needs of the community	Establish and train ward committees (done)
Ageing infrastructure	Increase in overtime	Develop an operations and maintenance plan
	Slow service delivery	Implement the O and M Plan
	Increase in maintenance cost	
Decrease in economic growth	Increase in the number of indigents	Develop an economic development strategy
	Decrease in revenue for the municipality	Design economic development projects (done)
	Increase in poverty	
Supply Chain Non-compliance	Increase in corruption	Training of staff on SCM

	Disadvantage local businesses	CSD and registration of SMME on database
	Negative audit report	Training of councillors on SCM
Revenue Enhancement	Cannot pay creditors	review and implement Credit Control Policy
	Cannot manage projects	Create a community awareness on the policy
	Create a culture of non-payment	Install Smart Metering

3.4.1 Strategies for development

Thembelihle Municipality engaged in the process of the development of its strategic plan. In the strategic plan, it identified critical strategies related to its development over the current term of council and by default the IDP term. In so doing the municipality identified the following strategic objectives which will need to be aligned to projects eventually

1. To ensure 100% service delivery planning within the municipality by developing all (100%) sector plans and thereby ensuring that the residents of the municipality are well serviced
2. To improve the Operations and Maintenance capacity of the municipality and its infrastructure through planning and implementation by ensuring 100% alignment of O & M Budgeting and implementation
3. To ensure a municipality that is stable and has organisational discipline through the review of the organisational structure, staff establishment, PMS and recruitment and selection strategy of the municipality
4. To improve low staff performance and the misalignment of the organisational structure with the strategic objectives through a wholesale organisational redesign process.
5. To improve poor performance and compromised service delivery thereby targeting low skills base within the municipality by developing and implementing a vibrant Workplace Skills Plan.
6. To create an economically conducive environment by implementing the LED Strategy of the municipality
7. To strengthen the service delivery budget by sourcing extra funds
8. To ensure that the municipality is self-sustainable and accountable financially by attaining a clean audit.
9. Improve the communication and liaison with communities and stakeholders in order to improve service delivery and harmony in the municipality

The following components need to be addressed:

3.3.1.1 **Rural roads**

PROPOSED SOLUTIONS TO PROBLEMS

- Improved maintenance on the storm water drainage and surface to travel on;
- Control of speed on roads;
- Control the weight of large vehicles;
- Privatised maintenance on roads.

ROLE PLAYERS IN PROCESS

- Department of Transport;
- Local Authority;
- District Municipality;
- Farm owners;
- Farmers union;
- Ward committees.

3.3.1.2 **Sanitation**

PROPOSED SOLUTIONS TO THE PROBLEM

- Planning for 750 new sites
- Awareness campaign to be launched;
- Alternative methods to be investigated;
- Apply for funding.

ROLE PLAYERS IN THE PROCESS

- Department of Water Affairs;
- Farmers unions;
- Farm workers;
- District municipality
- Local Authority.

3.3.1.3 **Electricity**

PROPOSED SOLUTIONS TO THE PROBLEM

- Alternative methods/source:
 - sun panels;
 - windmills.
- Training of farm workers;
- Pre-paid meters to be tried out;
- Upgrading of present facilities in a phased fashion (1& 2).

ROLE PLAYERS IN THE PROCESS

- Eskom;
- DME;
- District Municipality;
- Local Authority;
- Local co-operation;
- Farmers unions.

3.3.1.4 **Housing**

PROPOSED SOLUTIONS TO THE PROCESS

- Planning of 750 new sites
- Apply for and provision of housing subsidies;
- Provision of formal housing structures;
- Upgrading of present structures

ROLE PLAYERS IN THE PROCESS

- COGHSTA;
- Local Authority;
- District Municipality;
- Farm workers;
- Farmers unions;
- NGO 's

PROPOSED SOLUTIONS TO THE PROBLEM

- Upgrading of hospital
- Health awareness programmes with farm workers;
- Provision of mobile clinics more regular and better equipped;
- Better training of medical personnel;
- Improved management control.

ROLE PLAYERS IN THE PROCESS

- Department of Health;
- Department of Water Affairs;
- Farmers unions;
- District municipality;
- Local Authority;
- Health Committee.

3.3.1.6 **Safety and security**

PROPOSED SOLUTIONS TO THE PROBLEM

- Improved SAPS and SAPS forums activities;
- More intensified policing in the open;
- Mobile police stations to be provided;
- Fencing around residential area;
- Disaster management/action plan;
- Radio and communication plan;
- Training of farmers and workers.

ROLE PLAYERS IN THE PROCESS

- SAPS ;
- CPF
- Youth Against Crime
- Correctional services;
- SANDF;
- Farmers unions;
- Farm watch systems;
- Farm workers;
- Local authority
- District municipality;
- Private companies.

3.3.1.7 **Water**

PROPOSED SOLUTIONS TO THE PROBLEM

- Provision of boreholes/reservoirs;
- Upgrading of Purification plant;
- Bulk water supply to Stydenburg.
- Water points at houses
- Provision of clean water

ROLE PLAYERS IN THE PROCESS

- Farmers unions;
- Department of Water Affairs;
- Local Authority;
- District Municipality

3.3.1.8 **Recreation**

PROPOSED SOLUTIONS TO THE PROBLEM

- Upgrade existing facilities;
- Promote organised sports
- Construction of a swimming pool, cricket pitch;
- Central located upgrade higher quality facility;
- Affiliation to Sports Bodies

ROLE PLAYERS IN THE PROCESS

- Department of Sport, Arts & Culture ;
- Establishment of sport forum;
- District Municipality
- Farmers unions;
- Churches;
- Private funding.

3.3.1.9 Safety and Wellbeing of the Residents and Travellers

PROPOSED SOLUTIONS TO THE PROBLEM

- Reduce the speed on the road at critical areas;
- Upgrading & widening of bridges/low water bridges;
- Provide applicable road signs;
- Provide travelling surface for “karretjies” next to the road;
- Improved law enforcement;
- 4-way stops and pedestrian crossing;
- Speed bumps;
- Provision of street lights for the section that goes through the urban areas;
- Provide fencing on the road reserve boundary.
- Keeping roadsides clean and environment friendly

ROLE PLAYERS IN THE PROCESS

- Department of Transport;
- SANRAL;
- Local Authority;
- District municipality;
- Farmers unions

3.3.1.10 Local Economic Development

PROPOSED SOLUTIONS TO THE PROBLEM

- To establish and activate local business chambers;
- Establishment of a local economic development forum to be driven by the council;
- Develop a LED Strategy and Tourism plan
- Support and marketing of local business;
- Stimulation of the informal sector;
- Value to be added to local products and then the marketing thereof;
- Appointment of a consultant to conduct a detailed study in this regard.
- Development of land for irrigation
- Formulation of Business plans

ROLE PLAYERS IN THE PROCESS

- Local authority;
- Development forum;
- Business chambers;
- Consultant;
- Farmers unions;
- Informal and upcoming farmers;
- District municipality;
- LED.

3.5 IDENTIFICATION OF PROJECTS

According to the guidelines project task teams should be appointed to identify certain projects within their field(s) of speciality.

A different approach for the identification of projects was followed because of the small size of the municipality and the limited staff available to assist with the process.

The projects were identified in the following way:

- the **identification of projects** by the IDP representative Forum and the IDP Steering Committee during engagement sessions.
- the **technical preparation** and formulation of the project during discussion sessions with certain professional people in their specific fields:
 - civil engineer and technical representative of the city council;
 - electrical engineer and technical representative of the council;
 - IDP Manager;
 - AIDS expert;
 - CFO; plus
 - Facilitator.

During the identification of the projects, the following basic guidelines/directives were applied to every project:

- objectives of each project and indicators to achieve these objectives;
- project outputs to be achieved related to target groups and locations;
- major activities, people responsible and timing;
- costing, budgets and services of funding.

Other Programmes that also assist in Skills Development & Job Creating.

Nr	Programme	Activity	Place
1.	Learnership	Plumbing	Hopetown
2.	Learnership	Plumbing	Strydenburg
3.	Learnership	Civil Building & Construction	Hopetown
4.	Learnership	Building & Construction (2)	Hopetown
5.	Apprenteship	Civil (Water)	Hopetown
6.	Environmental Youth Corps	Environmental Awareness	Hopetown & Strydenburg
7.	EPWP	Cleaning & Paving	Hopetown
8.	CWP	Cleaning & Greening	Hopetown & Strydenburg

3.5 Summary list of identified projects



3.5.3 Infrastructure Projects over the next five years

The following projects have been earmarked for implementation during the term of office of the existing council.

Programme	Project
Sanitation(flush toilets)	<ul style="list-style-type: none">✓ Removal of bucket system across the municipality✓ Removal of pit latrine system across the municipality
Housing(housing list)	<ul style="list-style-type: none">✓ Development of (erven)✓ Building of houses in the area (all wards)
Roads and storm-water	<ul style="list-style-type: none">✓ Upgrading of roads across all wards (Strydenburg and Steynville priority for 23/26)✓ Paving of roads✓ Erection of speed humps✓ Improvement of traffic services✓ Development of taxi rank✓ Closure of furrows
Water	<ul style="list-style-type: none">✓ Treatment of Dam✓ Groundwater provision (Strydenburg Priority for 23/24)
Health care	<ul style="list-style-type: none">✓ Improvement of medication in clinic✓ Shortage of staff in clinic✓ Provision of extra ambulances✓ Building of a decent waiting area for ambulance
Public Facilities	<ul style="list-style-type: none">✓ Development of a skills development centre✓ Development of ECD Centres across all wards✓ Building of a school in Strydenburg

Infrastructure Priorities for 2023/24

Project Type	Project Name	Amount
Sanitation	Outfall Sewer Phase 2 (MIG 1367)	R 0
PMU	PMU Office Running	R 518 000.00
Electricity	Electrification of Hillside	R 0
Roads	Upgrading of roads and Stormwater in Dettlesville: Phase 2	R
Sanitation	MIG Phase 1: Refurbishment of Strydenburg Waste Water Treatment Works	R 9,861,000.00
EPWP	Upgrading of roads: Cleaning of Towns: Refurbishment of Hopetown Water Treatment Works Building	R 0
Capital Projects	Drought Relief Projects	R 12, 500,000.00
Traffic	Vehicle Testing Station	R 35, 000,000.00
Sanitation	WSIG: Refurbishment of Strydenburg Oxidation Ponds (WWTW)	R 11, 540 000.00

PROJECT LOGICAL FRAMEWORK APPROACH – Housing and Civil Services: Project H1.1.(b)

<u>OBJECTIVES</u> To provide new houses in 7de Laan	<u>INDICATORS FOR ACHIEVEMENT</u> <ul style="list-style-type: none">• 200 houses build• Funding for the construction of 200 houses.	
<u>PROJECT OUTPUT</u> 200 new houses in Sewende Laan, Steynville Town register Job creation and skills development	<u>TARGET AND TARGET GROUPS</u> Homeless individuals within the wider municipal area.	<u>LOCATION</u> As under “costing”.
<u>MAJOR ACTIVITIES</u> Town planning layout. Land survey & S.G. plan Design civil services & houses. Tender procedure. Construction	<u>RESPONSIBLE AGENCIES</u> Town planner; Land surveyor; Civil engineer; Contractor appointed. DH&LG Thembelihle Municipality	<u>NOTES</u> Primary objective
<u>COSTING</u> Costing @ R42 000/unit. Hopetown 200 = R10,400m Strydenburg <u>50</u> = <u>R2,600m</u> 250 = R13,000m	<u>BUDGET:</u> Budget year (2023/2024)	<u>SOURCES OF FUNDING</u> COGHSTA (NC)

PROJECT LOGICAL FRAMEWORK APPROACH – Housing and Civil Services: Project H1.1.(c)

<u>OBJECTIVES</u> To provide new houses in Deetlifsville	<u>INDICATORS FOR ACHIEVEMENT</u> <ul style="list-style-type: none">• 63 houses build• Funding for the construction of 63 houses.	
<u>PROJECT OUTPUT</u> 63 new houses in Deetlifsville to be build Town register Job creation and skills development	<u>TARGET AND TARGET GROUPS</u> Homeless individuals within the wider municipal area.	<u>LOCATION</u> As under “costing”.
<u>MAJOR ACTIVITIES</u> Town planning layout. Land survey & S.G. plan Design civil services & houses. Tender procedure. Construction	<u>RESPONSIBLE AGENCIES</u> Town planner; Land surveyor; Civil engineer; Contractor appointed. DH&LG Thembelihle Municipality	<u>NOTES</u> Primary objective
<u>COSTING</u> Costing @ R150 000/unit. Strydenburg <u>63</u> = <u>R9,450m</u>	<u>BUDGET:</u> Budget year (2023/2024)	<u>SOURCES OF FUNDING</u> COGHSTA (NC)

PROJECT LOGICAL FRAMEWORK APPROACH – Electrical Services in Hillside: Project E1.2(a)

<u>OBJECTIVES</u> Provision of electricity to 60 residential sites in Hillside.	<u>INDICATORS FOR ACHIEVEMENT</u> <ul style="list-style-type: none">60 sites electrified;60 electricity pre paid meters installed	
<u>PROJECT OUTPUT</u> 60 household with electricity services; Job creation	<u>TARGET AND TARGET GROUPS</u> Previously marginalized homeless people in Thembelihle municipal area.	<u>LOCATION</u> As stipulated under “costing”.
<u>MAJOR ACTIVITIES</u> Design and costing of project. Apply for funding. Put out on tender. Approve tender. Start construction.	<u>RESPONSIBLE AGENCIES</u> Electrical engineer; Eskom Local authority; Contractor.	<u>NOTES</u> Primary objective.
<u>COSTING</u> Hopetown R2, 500 000,00	<u>BUDGET:</u> Budget year (2023/2024)	<u>SOURCES OF FUNDING</u> INEP

PROJECT LOGICAL FRAMEWORK APPROACH – Provision of Pour Flush Toilets: Project: S.1.

<u>OBJECTIVES</u> Refurbishment of Waste Water Treatment Plant WWTW Phase 2	<u>INDICATORS FOR ACHIEVEMENT</u> <ul style="list-style-type: none"> • Healthier environment; • Cut in management cost. 	
<u>PROJECT OUTPUT</u> Improve the lifestyle of the residents.	<u>TARGET AND TARGET GROUPS</u> Ward 1 & Ward 2	<u>LOCATION</u> Thembelihle Area
<u>MAJOR ACTIVITIES</u> <ul style="list-style-type: none"> • Design and costing; • Tender procedure; • Construction. 	<u>RESPONSIBLE AGENCIES</u> <ul style="list-style-type: none"> • Civil engineer; • Local authority; • Contractor. • District Municipality 	<u>NOTES</u> <ul style="list-style-type: none"> • Primary objective
<u>COSTING</u> R 9 235 500.00	<u>BUDGET</u> Year (2022/2023/2024)	<u>SOURCES OF FUNDING</u> MIG

PROJECT LOGICAL FRAMEWORK APPROACH: INSTITUTIONAL FACILITY (VUKASIZWE SCHOOL) Project I.1

<u>OBJECTIVES</u> Provision of a Multi Purpose Community Centre for government services and information	<u>INDICATORS FOR ACHIEVEMENT</u> <ul style="list-style-type: none"> • Improved service provision; • Championed by Municipal Manager • Improved service delivery 	
<u>PROJECT OUTPUT</u> <ul style="list-style-type: none"> • Effective communication between community and government • A One stop government service centre that is accessible to the community 	<u>TARGET AND TARGET GROUPS</u> <ul style="list-style-type: none"> • Community • Government departments 	<u>LOCATION</u> Thembelihle municipal area.
<u>MAJOR ACTIVITIES</u> <ul style="list-style-type: none"> • Establish local inter sectorial committee. • Formal application to GCIS • Identification of suitable building. 	<u>RESPONSIBLE AGENCIES</u> <ul style="list-style-type: none"> • Municipal manager. • Technical Manager • CFO 	<u>NOTES</u> Secondary objective.
<u>COSTING</u> R6,000,000.00	<u>BUDGET YEAR</u> 2023/2024	<u>SOURCES OF FUNDING</u> District Stakeholders Premier's Office Investors

PROJECT LOGICAL FRAMEWORK APPROACH – ROADS , EPWP Road Maintenance: Project R1.3.

<u>OBJECTIVES</u> Roads infrastructure & Maintenance in Thembelihle.	<u>INDICATORS FOR ACHIEVEMENT</u> • Use of local labour;	
<u>PROJECT OUTPUT</u> ➤ Reseal of roads ➤ Job creation and skills development	<u>TARGET AND TARGET GROUPS</u> All Residents	<u>LOCATION</u> Thembelihle Area
<u>MAJOR ACTIVITIES</u> - Tender procedure. - Construction	<u>RESPONSIBLE AGENCIES</u> - District Municipality - Thembelihle Municipality	<u>NOTES</u> - Primary objective - Project Registration - Identification of Streets
<u>COSTING</u> R 1 077, 000. 00	<u>BUDGET:</u> Budget year (2023/24)	<u>SOURCES OF FUNDING</u> Thembelihle Municipality (EPWP)

PROJECT LOGICAL FRAMEWORK APPROACH: INSTITUTIONAL FACILITIES: Provision of a Drivers License Test Centre: Project L.1

<u>OBJECTIVES</u> Upgrading of offices and implementation of a Drivers License Test Centre & inspection bay for vehicles.	<u>INDICATORS FOR ACHIEVEMENT</u> <ul style="list-style-type: none"> • Effective service to surrounding towns • Increase in municipal revenue 	
<u>PROJECT OUTPUT</u> Survey, costing and planning. Financial income for municipality Traffic control officers appointed	<u>TARGET AND TARGET GROUPS</u> All residents within the municipal area.	<u>LOCATION</u> <ul style="list-style-type: none"> • Hopetown.
<u>MAJOR ACTIVITIES</u> <ul style="list-style-type: none"> • Negotiate with the necessary authorities; • Relocating of Vehicle Registration Department; • If viable, decide on: <ul style="list-style-type: none"> - locality; - costing; - planning. • Apply for funds; • Construction. 	<u>RESPONSIBLE AGENCIES</u> <ul style="list-style-type: none"> • Local Authority; • Provincial Department of Transport • Civil Engineers 	<u>NOTES</u> Primary objective.
<u>COSTING</u> R35,000 000.00	<u>BUDGET</u> Year (2022/2023) (2023/2024)	<u>SOURCES OF FUNDING</u> <ul style="list-style-type: none"> - Department Safety and Liason - Pixley Ka Seme District Municipality - Thembelihle Municipality - Private Sector

PROJECT LOGICAL FRAMEWORK APPROACH – Refurbishment of Hopetown & Strydenburg Waste Water Treatment Plant: Project W1.1.

<u>OBJECTIVES</u> Refurbishment of Hopetown & Strydenburg Waste Water Treatment Plant.	<u>INDICATORS FOR ACHIEVEMENT</u> <ul style="list-style-type: none">• Use of local labour;• Skilled workers	
<u>PROJECT OUTPUT</u> <ul style="list-style-type: none">➤ Refurbishment Waste Water Treatment Plant➤ Construction➤ Job creation and skills development	<u>TARGET AND TARGET GROUPS</u> All Residents	<u>LOCATION</u> Hopetown
<u>MAJOR ACTIVITIES</u> <ul style="list-style-type: none">- Design civil services- Tender procedure.- Construction	<u>RESPONSIBLE AGENCIES</u> <ul style="list-style-type: none">- Contractor appointed.- Thembelihle Municipality	<u>NOTES</u> <ul style="list-style-type: none">- Primary objective- Project Registration
<u>COSTING</u> Hopetown & Strydenburg - R9,861 000.00	<u>BUDGET:</u> Budget year (2023/2024)	<u>SOURCES OF FUNDING</u> MIG

PROJECT LOGICAL FRAMEWORK APPROACH – Refurbishment of Strydenburg Oxidation Ponds: Project Oxi1.1.

<u>OBJECTIVES</u> Refurbishment of Strydenburg Oxidation Ponds.	<u>INDICATORS FOR ACHIEVEMENT</u> <ul style="list-style-type: none">• Use of local labour;• Skilled workers	
<u>PROJECT OUTPUT</u> <ul style="list-style-type: none">➤ Refurbishment Oxidation Ponds➤ Construction➤ Job creation and skills development	<u>TARGET AND TARGET GROUPS</u> All Residents	<u>LOCATION</u> Hopetown
<u>MAJOR ACTIVITIES</u> <ul style="list-style-type: none">- Tender procedure.- Construction	<u>RESPONSIBLE AGENCIES</u> <ul style="list-style-type: none">- Contractor appointed.- Thembelihle Municipality	<u>NOTES</u> <ul style="list-style-type: none">- Primary objective- Project Registration
<u>COSTING</u> Hopetown - R11,34 000.00	<u>BUDGET:</u> Budget year (2023/2024)	<u>SOURCES OF FUNDING</u> WSIG

PROJECT LOGICAL FRAMEWORK APPROACH – Renewable Energy Projects: Projects Ec.1.2

<u>OBJECTIVES</u> Create an enable environment and improve the living conditions of the community.	<u>INDICATORS FOR ACHIEVEMENT</u> <ul style="list-style-type: none"> • Increase permanent employment • Stimulate the economy in the area. 	
<u>PROJECT OUTPUT</u> Generating Power for the area. Energy cost reduction Improve the lifestyle of the residents. Attract Local & Foreign investors	<u>TARGET AND TARGET GROUPS</u> Hopetown & Strydenburg.	<u>LOCATION</u> Thembelihle Area
<u>MAJOR ACTIVITIES</u> <ul style="list-style-type: none"> • Apply for funds; • Tender procedure; • Construction. 	<u>RESPONSIBLE AGENCIES</u> <ul style="list-style-type: none"> • Local authority; • Contractor. • District Municipality 	<u>NOTES</u> <ul style="list-style-type: none"> • Primary objective
<u>COSTING</u> Phase 1 - R25 000 000. 00	<u>BUDGET</u> Year (2023/2024)	<u>SOURCES OF FUNDING</u> Private Sectors

PROJECT LOGICAL FRAMEWORK APPROACH – Green Energy Projects: Projects G.E.1.2

<p><u>OBJECTIVES</u></p> <p>Create an enable environment and improve the working conditions of employees.</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Increase permanent employment • Stimulate the economy in the area. 	
<p><u>PROJECT OUTPUT</u></p> <p>Generating Power for office use.</p> <p>Energy cost reduction</p> <p>Improve the lifestyle of employees.</p>	<p><u>TARGET AND TARGET GROUPS</u></p> <p>Hopetown & Strydenburg.</p>	<p><u>LOCATION</u></p> <p>Thembelihle Area</p>
<p><u>MAJOR ACTIVITIES</u></p> <ul style="list-style-type: none"> • Apply for funds; • Tender procedure; • Construction. 	<p><u>RESPONSIBLE AGENCIES</u></p> <ul style="list-style-type: none"> • Local authority; • Contractor. • District Municipality 	<p><u>NOTES</u></p> <ul style="list-style-type: none"> • Primary objective
<p><u>COSTING</u></p> <p>Phase 1 - R650 000. 00</p>	<p><u>BUDGET</u></p> <p>Year (2023/2024)</p>	<p><u>SOURCES OF FUNDING</u></p> <p>Private Sectors</p> <p>Departments</p>

PROJECT LOGICAL FRAMEWORK APPROACH: SOCIAL UPLIFTMENT (HIV/AIDS) Project S.2

<u>OBJECTIVES</u>	<u>INDICATORS FOR ACHIEVEMENT</u>	
Reduce HIV/AIDS infection.	<ul style="list-style-type: none">• To reduce the infection rates of adults with 2% by 2026;• Reduce unborn babies with 5% by 2026;	
<u>PROJECT OUTPUT</u>	<u>TARGET AND TARGET GROUPS</u>	<u>LOCATION</u>
<ul style="list-style-type: none">• Awareness campaign;• Establish support groups on all levels;• Contact Provincial AIDS Council.• Revive Local AIDS Council• Ensure the implementation ARV treatment	<ul style="list-style-type: none">• Holistic approach;• Local community:<ul style="list-style-type: none">- churches, schools, NGO's, parents;• Department of Social Services;• Department of Health;• Private institutions;• District municipality	Wider municipal area (including the rural area).
<u>MAJOR ACTIVITIES</u>	<u>RESPONSIBLE AGENCIES</u>	<u>NOTES</u>
<ul style="list-style-type: none">• Establish co-ordinating committee and councillor to chair;• Prepare an manual based on local experience;• Approach on two levels: - prevention & assistance to AIDS victims;• Monthly monitor of process;• Change mindset of people.• Revive Local AIDS Council• Ensure the implementation ARV treatment	<ul style="list-style-type: none">• Mayor to chair Local AIDS Council ;• AIDS council to monitor implementation of ARV treatment• Nurses welfare people on voluntary base;• Council.	Primary objective.
<u>COSTING</u>	<u>BUDGET</u>	<u>SOURCES OF FUNDING</u>
<ul style="list-style-type: none">• To be prepared by Co-ordination Committee;• Submit to relevant sources.	R100,000.00	<ul style="list-style-type: none">• Government Depts.• District municipality;• Thembelihle municipality

PROJECT LOGICAL FRAMEWORK APPROACH – ECONOMIC FACILITIES – Project Ec 3:

<u>OBJECTIVES</u> To develop 800 hectares of land for irrigation purposes.	<u>INDICATORS FOR ACHIEVEMENT</u> <ul style="list-style-type: none"> • 800 hectares of irrigation land • Job creation for the unemployed • Agriculture development. • Economic growth 	
<u>PROJECT OUTPUT</u> <ul style="list-style-type: none"> • Empowerment of 40 families. • Infrastructure development • Job creation • Building of skills • 4000 hectares of water rights 	<u>TARGET AND TARGET GROUPS</u> Unemployed youth and women. Poorest of the poor	<u>LOCATION</u> Wider municipal area
<u>MAJOR ACTIVITIES</u> <ul style="list-style-type: none"> • Design layout of new infrastructure • Building of new pump station and of pipes for irrigation system • Setting up of pivots • Growing of crops 	<u>RESPONSIBLE AGENCIES</u> BVi Civil Engineers Department Land Affairs Thembelihle Municipality DWAF Local Cooperatives	<u>NOTES</u> Primary objective_
<u>COSTING</u> R164,000,M R200,000,M	<u>BUDGET</u> Budget year (2023/2024).	<u>SOURCES OF FUNDING</u> DWAF Dept Agriculture Land Reform Thembelihle Municipality

PROJECT LOGICAL FRAMEWORK APPROACH – ECONOMIC FACILITIES – Project Ec 4:

<u>OBJECTIVES</u> To create an enable environment for tourism initiatives	<u>INDICATORS FOR ACHIEVEMENT</u> <ul style="list-style-type: none"> • Tourism development plan • Increase permanent employment 	
<u>PROJECT OUTPUT</u> <ul style="list-style-type: none"> • Investment opportunities • Backpackers Hostel & Conference Facility • Job creation • Building of skills • Business opportunities for SMME's • Tourist attraction • Heritage protection • Nature reservoir with chalets • Picnic facilities on Orange River • Fishing facilities on Orange River 	<u>TARGET AND TARGET GROUPS</u> Unemployed youth and women. Poorest of the poor SMME's	<u>LOCATION</u> Wider municipal area
<u>MAJOR ACTIVITIES</u> <ul style="list-style-type: none"> • Source funding • Conduct tourism strategy • Local Tourism Indaba 	<u>RESPONSIBLE AGENCIES</u> Department Environmental Affairs & Tourism Thembelihle Municipality SMME's	<u>NOTES</u> Primary objective ₂
<u>COSTING</u> R1, 000 000.00	<u>BUDGET</u> Year (2023/2024)	<u>SOURCES OF FUNDING</u> Thembelihle Municipality Dept Economic Development & Tourism

PROJECT LOGICAL FRAMEWORK APPROACH: Study on the impact of the N12 on the municipal area: Other Project 1 (N12)

<u>OBJECTIVES</u> To determine the impact of the N12.	<u>INDICATORS FOR ACHIEVEMENT</u> <ul style="list-style-type: none"> Economic benefits of N12 to be developed; Lesser accidents. 	
<u>PROJECT OUTPUT</u> N12 development project.	<u>TARGET AND TARGET GROUPS</u> All residents and through traffic.	<u>LOCATION</u> <ul style="list-style-type: none"> Hopetown; Strydenburg.
<u>MAJOR ACTIVITIES</u> <ul style="list-style-type: none"> Address tourism potential; Width of bridges and quality of safety paint on Orange River bridge; Fencing along the reserve; Speed control; Sign posting; Economic/financial potential of through traffic. 	<u>RESPONSIBLE AGENCIES</u> <ul style="list-style-type: none"> Local Authority; Department of Transport; Assistance from civil engineer and town planner. 	<u>NOTES</u> <ul style="list-style-type: none"> Primary objective
<u>COSTING</u> Nil (to be done by officials and relevant Provincial Department.)	<u>BUDGET</u> Year 1 (2023/2024)	<u>SOURCES OF FUNDING</u> <ul style="list-style-type: none"> District municipality; Local authority; Dept. of Transport. Investors

FUNDED PROJECTS FOR THE FINANCIAL YEAR 2023/2024

PMU	PMU Office Running	R 518 000.00
Sanitation	MIG Phase 1: Refurbishment of Strydenburg Waste Water Treatment Works	R 9,861,000.00
Sanitation	WSIG: Refurbishment of Strydenburg Oxidation Ponds (WWTW)	R 11, 540 000.00

UNFUNDED PROJECTS FOR THE FINANCIAL YEAR 2023/2024

Roads	Upgrading of roads and Stormwater in Dettlesville: Phase 2	R 0
EPWP	Upgrading of roads: Cleaning of Towns: Refurbishment of Hopetown Water Treatment Works Building	R 1. 07 Mill
Capital Projects	Drought Relief Projects	R 12, 500,000.00
Traffic	Vehicle Testing Station	R 35, 000,000.00
Solar	Solar System for Municipal Buildings	R 650 000.00
Sanitation	Outfall Sewer Phase 2 (MIG 1367)	R 4 000 000.00
Plots	Residential & Business	R 0

4. CHAPTER 4. LONG-TERM FINANCIAL PLAN

4.1 INTRODUCTION

The purpose of this chapter is to outline a comprehensive multi-year financial plan that will ensure long-term financial sustainability for Thembelihle Municipality. The Financial Plan is essential to ensure that the Municipality continues to implement its mandate effectively without eroding its capital base and to move towards self-sufficiency in meeting the growing demands of service delivery.

This plan will also focus on the expansion of Thembelihle's revenue sources in relation to its costs to ensure that the Municipality stays a financially viable and sustainable going concern. Thembelihle must utilize available financial resources in an effective, efficient and economical way to ensure that outputs have the desired outcomes as set out in Chapter 5 of the IDP. The financial strategies detailed in this plan must contribute to the achievement of these objectives.

Budgets in terms of National Treasury's Municipal Budget and Reporting Regulations only need to cover a planning period of the next financial year and the two outer financial years thereafter. However, the MTREF and the multi-year sustainable financial plan will cover key budget focus areas over the next five years and the LTREF (Long term revenue and expenditure framework) even longer. It will also cover the current financial year's information as well as the previous three financial years' audited information.

A discussion will now follow on Pre-Determined Objectives consisting of a financial framework, financial strategies, financial policies, budget assumptions, operating revenue, operating expenditure, capital expenditure, capital expenditure funding, the Prioritization Model for Capital Asset Investment, long-term financial sustainability ratios and a concluding statement.

4.2 KEY INFLUENCES AND RISKS

This Long-Term Financial Plan (LTFP) generates information which is used to guide decisions about Council operations into the future. However, as with any long-term plan, the accuracy of this LTFP is subject to many inherent influences. These variables and risks can be divided into two main categories:

4.2.1 External Influences – items outside of the Municipality’s control:

Unforeseen political and economic changes or circumstances such as:

- **Interest rates fluctuations;**
- **Localized economic growth through residential development and new business;**
- **Consumer Price Index;**
- **Changes in levels of grant funding;**
- **Changes to tariffs and levies and their conditions (e.g. Eskom bulk tariff increases);**
- **Availability of essential resources such as fuel, electricity and water;**
- **Community needs and expectations;**
- **A change in the level of legislative compliance; and**
- **Economic changes due to health disasters.**

Variable climatic conditions such as:

- **Flooding;**
- **Fires; and**
- **Drought.**

4.2.2 Internal Influences – items that the Municipality can control:

Agreed service level review outcomes;

- Infrastructure asset management;
- Rates and other tariff increases;
- Performance management;
- Efficiencies in service delivery and administrative support; and
- Salaries and wages (vacancy rate).

4.3. FINANCIAL FRAMEWORK

It must be noted that not all municipalities are the same and this should be kept in mind when assessing the financial health and financial sustainability benchmarks for a municipality. A municipality can be categorized into a developed or a developing municipality. Thembelihle can be categorized as a developing or growing municipality.

Developing municipalities will require significant additional resources and funding to conduct the growth that is expected of them. With the demands for growth come risks that need to be managed. The priority from a financial risk perspective is the viability and sustainability of the Municipality. This financial plan and related strategies will need to address a number of Pre-Determined Objectives in order to achieve this goal. The areas which have been identified are discussed below.

4.3.1 Revenue adequacy and certainty

It is essential that Thembelihle has access to adequate sources of revenue from its own operations and intergovernmental transfers to enable it to carry out its functions. It is furthermore necessary that there is a reasonable degree of certainty with regard to the source, amount and timing of revenue. The latest DoRA has laid out the level of funding from National Government that will be received for the 2022/2023 to 2023/2024 financial years.

It is important to track the respective sources of revenue received by the Municipality as they can be quite different and can vary substantially depending upon the development phase that the Municipality is in. Knowledge of the sources of funding will illustrate the Municipality's position more accurately, its ability to secure loans relative to its income and its borrowing capacity.

4.3.2 Sustainability

Thembelihle needs to ensure that its operating budget is balanced and cash-funded through realistically anticipated revenue to be received/collected to cover operating expenditure. As there are limits on revenue, it is necessary to ensure that services are provided at levels that are affordable; and, that the full costs of service delivery are recovered. However, to ensure that households, which are too poor to pay for even a portion of their basic services; there is a need for the subsidization of these households through an indigent support subsidy. The operating budget should also generate reasonable and sustainable cash surpluses to assist with the financing of capital budget expenditure since Thembelihle infinitely cannot continue to finance capital projects with external borrowings. Net financial liabilities (total liabilities less current assets) as a percentage of total operating revenue (capital items excluded) should be below acceptable target levels to ensure long-term financial sustainability. Current assets should be maintained and renewed or replaced in time to ensure that services are rendered at the desired quality levels over the long-term. For this purpose, a Long-Term Financial Sustainability Policy with three critical financial sustainability ratios must be developed.

4.3.3 Effective and efficient use of resources

In an environment of limited resources, it is essential that the Municipality make maximum use of the resources at its disposal by using them in an effective and efficient manner. Efficiency in operations and investment will increase poor people's access to basic services. It is therefore imperative for the operating budget to be compiled on the zero-base budget approach to eliminate any "fat" usually built in a budget with an incremental approach.

4.3.4 Accountability, transparency, and good governance

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

4.3.5 Equity and redistribution

The Municipality must treat people fairly and justly when it comes to the provision of services. In the same way the Municipality should be treated equitably by national and provincial government when it comes to inter-governmental transfers. The “equitable share” from national government will be used primarily for targeted subsidies to poorer households. In addition, the Municipality will continue to cross-subsidize between high- and low-income consumers within a specific service or between services. Unfunded and underfunded mandates remain a financial burden to Thembelihle’s customer base due to national and provincial transfers not following the functions that Thembelihle perform on behalf of national and provincial government.

4.4 FINANCIAL STRATEGIES

With the above framework as a background, strategies and programmes have been identified and form part of this Long-Term Financial Plan to achieve the desired objective and that is the financial viability and sustainability of the Municipality.

The Municipality has introduced a revenue management, expenditure management and cost containment programme under the leadership of the Municipal Manager to raise and collect all revenue due to the municipality. Included in this programme is a focus on expenditure management and cost containment to ensure that available resources are optimized for quality service delivery.

4.4.1 Revenue raising strategies

The following are some of the more significant strategies that should be investigated for implementation during the lifespan of the IDP.

- The implementation of a new Credit Control and Debt Collection Policy and Indigent Support Policy. These policies and the relevant procedures detail all areas of customer care, credit control, indigent support and debt collection of the amounts billed to customers, including procedures for non-payment, etcetera. These policies also define the qualification criteria for an indigent household and the level of free basic services enjoyed by indigent households.
- The implementation of the reviewed Tariff Policy. This policy will ensure that fair tariffs are charged in a uniform manner throughout the municipal area.
- The implementation of the reviewed Property Rates Policy. This policy ensures that fair differential rates and an updated valuation roll are applied to the entire municipal area and will aim to ensure that all properties are included in the Municipality's records. Furthermore, the policy will ensure that valuations are systematically carried out on a regular basis for all properties.
- The implementation of the reviewed Writing-Off of Irrecoverable Debt Policy with special incentives to encourage outstanding debtors to pay a certain percentage of their outstanding debt and the Municipality to write-off a certain percentage of outstanding debt in terms of the approved policy.

- The review and implementation of an improved Payment Strategy. This strategy aims at implementing innovative cost-effective processes to encourage consumers to pay their accounts in full on time each month, including increasing the methods of payment and implementing on-line pre-payment systems. It includes a revenue protection unit that implement and see to it that credit control actions in terms of Council's policies are enforced vigorously to improve payment percentage levels.
- The implementation of revenue enhancement strategies to ensure that all the properties in Thembelihle Municipality are levied all the required services. These strategies will ensure that revenue gaps are closed and that the municipality bills consumers for all services rendered.

In addition to the above, the revenue management programme under the leadership of the Municipal Manager aims to raise and collect all revenue due to the municipality and has the following as focus areas:

- **Property rates:** Monitoring the compilation of the 2021/2022 - 2024/2025 general and supplementary valuation rolls, by the appointed independent valuer.
- **Electricity revenue:** Investigate the impact of illegal connections and develop ways to curb these losses.
- **Water revenue:** Investigate what measures can be implemented to curb water wastage in informal settlements as well as to reduce the high kilolitres consumed by indigent households.
- **Sanitation revenue:** Investigate the tariff structure, as the base on which the tariff is calculated (i.e. number of toilets/urinals) are open to error due to a lack of credible information (i.e. human error, building plans outdated/non-existent, illegal toilets installed).
- **Refuse removal revenue:** Investigate the tariff structure of multiple removals per week – revenue versus cost of providing service.
- **Housing rental:** Review of the base on which rentals are calculated, as unequal rent is currently levied.
- **Integration of GIS:** Report on the integration of GIS and spatial planning.
- **Traffic fines:** Monthly report on the monetary value of budgeted traffic fines revenue, actual traffic fines issued and actual cash received. Report of municipal officials and councillors with outstanding traffic fines. Report on officials driving municipal vehicles with outstanding traffic fines.
- **Funding options (Grants):** Investigate the possibility to obtain grants/funds from Provincial Government and other sources.
- **Utilization/alienation of land and buildings:** Identify sites not required for basic services to be sold.

• 4.4.2 Expenditure management and cost containment

The expenditure management and cost containment programme under the leadership of the Municipal Manager focuses on the following expenditure and cost containment aspects to ensure that available resources are optimized for quality service delivery:

- a) **Fleet management/vehicle hire:** Actions include:
 - Monthly monitoring and reporting on the vehicles undergoing repairs per department/division;
 - Monthly monitoring and reporting on driver behaviour offences and discussion of driver behaviour with applicable drivers where required.
 - Monthly reporting on driver accidents per department for the last twelve months;
 - Identification of vehicles that are uneconomical to repair to be auctioned.
- b) **Fuel and tyre management:** Actions include:
 - Monitoring of the monthly expenditure report on petrol/diesel/tyres;
- c) **Office furniture and equipment:** This includes monitoring that no additional furniture will be purchased, but rather that broken furniture should be repaired and re-used.
- d) **Telephone expenditure:** This includes reporting on a detailed level on telephone expenditure per department and per employee.
- e) **Photocopy expenditure:** Actions include:
 - Monthly monitoring and reporting of budgeted and actual photocopy expenditure; and
 - Placing of a moratorium on the leasing of photocopier machines.
- f) **Security services:** Actions include:
 - Monthly monitoring and reporting on budgeted and actual security services expenditure;
 - Implementation of alarm systems versus the reduction of armed bodies (security guards); and
 - Extra security measures includes beams, panic buttons etcetera.
- g) **Overtime:** This includes monthly monitoring and reporting on overtime.
- h) **Standby allowances:** This includes monthly monitoring and reporting on standby allowances.
- i) **Catering/refreshments:** This includes the review of budgeted funds for catering and refreshments.
- j) **Events:** This includes reducing event expenditure and rather providing in-kind support to events.
- k) **Consultants:** This includes monthly monitoring and reporting on budgeted and actual consultants' expenditure.

- l) **Rehabilitation/development of landfill sites:** This includes an investigation into the rehabilitation of landfill sites through development initiatives.

4.5 FINANCIAL POLICIES

4.5.1 General financial philosophy

It is the goal of the Municipality to achieve a strong financial position with the ability to withstand local and regional economic impacts; to adjust efficiently to the community's changing service requirements; to effectively maintain, improve and expand the Municipality's infrastructure; to manage the Municipality's budget and cash flow to the maximum benefit of the community; to prudently plan, coordinate and implement responsible and sustainable community development and growth.

Based on the financial framework, financial strategies and the general financial philosophy statement, the Municipality have to develop financial policies that support the above.

Thembelihle financial policies shall also address the following fiscal goals:

- a) To keep the Municipality in a fiscally sound position in both the long- and short-term;
- b) To maintain sufficient financial liquidity through regular reviews and adjustments to meet normal operating and contingent obligations;
- c) To apply credit control policies which maximize collection while providing relief to the indigent;
- d) To implement credit control policies that recognise the basic policy of customer care and convenience;
- e) To operate utilities in a responsive and fiscally sound manner;
- f) To maintain and protect existing infrastructure and capital assets;
- g) To provide a framework for the prudent use of debt financing; and
- h) To direct the Municipality's financial resources toward meeting the goals of the Municipality's Integrated Development Plan (IDP).

4.5.2 Budget- related policies

The annual budget is the central financial planning document, directed by the IDP that embodies all revenue and expenditure decisions. It establishes the level of services to be provided by each department. The budget will be subject to monthly control and be reported to Council with recommendations of actions to be taken to achieve the budget goals. The budget will be subject to a mid-term review, which will result, if needed, in a Revised Budget.

The **Virement Policy** allows the Municipal Manager and his administration to transfer funds from one program to another program within policy directives to improve effective and efficient service delivery.

Adequate maintenance and replacement of the Municipality's assets (property, plant and equipment) will be provided for in the annual budget as far as funding is available. It will be informed by Council's **Asset Management Policies**.

The budget shall balance recurring operating expenses to recurring operating revenues. The budget will have revenue plans based on realistically anticipated revenue to be collected and expenditure figures. Plans will be included to achieve maximum revenue collection percentages. More about this when the revenue raising policies are discussed below.

4.5.3 Capital infrastructure investment policies

The Municipality has established and implemented a comprehensive Capital Expenditure Framework (CEF). The CEF will be updated annually to ensure that bulk infrastructure services and internal infrastructure services together with the foreseen funding sources are planned in an integrated and coordinated manner.

This will include bulk and internal services for human settlement programmes. A comprehensive CEF will be compiled for the 2023/2024 financial year to be approved by Council. An annual capital investment budget will be developed and adopted by the Thembelihle Municipality as part of the annual budget.

The Municipality make all capital improvements in accordance with the CEF and IDP. This is done based on the developed Prioritization Model for Capital Assets Investment Policy.

The Municipality will maintain all assets at a level adequate to protect the Municipality's capital investment and to minimize future maintenance and replacement costs.

4.5.4 Revenue policies

The Municipality will estimate annual revenues through a conservative, objective and analytical process based on realistically anticipated revenue to be collected. The Municipality will consider market rates and charges levied by other public and private organizations for similar services in establishing rates, fees and charges.

Thembelihle will set fees and user charges at a level that fully supports the total direct (primary) and indirect (secondary) costs of operations. Tariffs will be set to reflect the developmental and social policies of Council. These principles are embedded in the reviewed **Tariff Policy**.

Thembelihle will implement and maintain a property valuation system based on market values of all properties within its boundaries as well as periodically review the cost of activities supported by user fees to determine the impact of inflation and other cost increases. Fees will be adjusted where appropriate to reflect these increases. These principles and the raising of property rates are contained in the **Property Rates Policy**.

The Municipality will continue to identify and pursue grants and appropriations from province, central government and other agencies that are consistent with the Municipality's goals and strategic plan and to eradicate unfunded and underfunded mandates.

4.5.5 Credit control policies and procedures

Thembelihle will follow an aggressive policy of collecting revenues from those who can afford to pay for their services. For this purpose, **the Credit Control and Debt Collection Policy** and the Indigent Support Policy was developed and reviewed

The **Writing-off of Irrecoverable Debt Policy** with incentives need to be developed to reduce the outstanding debt with the aim to get households and other consumers out of their spiral of debt over the next three financial years.

4.5.6 Supply Chain Management

The **Supply Chain Management Policy** will ensure that goods and services are procured compliant with legislative requirements in a fair, equitable, transparent, competitive and cost-effective way. It includes the disposal of goods or assets not needed anymore for basic service delivery and it must be read in conjunction with Council's **Assets Transfer Policy**.

Contract management should become a focus area of the municipality and a policy should be developed on how contracts will be managed in future to ensure that contracts awarded to service providers to render services are managed and monitored appropriately.

4.5.7 Investment policies

In terms of Section 13(2) of the Municipal Finance Management Act each Municipality must establish an appropriate and effective Cash Management and Investment Policy. Investments of the Municipality shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The portfolio shall remain sufficiently liquid to enable the Municipality to meet daily cash flow demands and conform to all state and local requirements governing the investment of public funds.

The preservation of principal is the foremost objective of the investment program. Thembelihle Municipality will continue the current cash management and investment practices, which are designed to emphasize safety of first, sufficient liquidity to meet obligations second, and the highest possible yield third. These principles are embedded in the **Cash Management and Investment Policy** of Council.

4.5.8 Debt management policies

Thembelihle shall issue debt only when necessary to meet a public need and when funding for such projects is not available from current revenues or other sources. Long-term borrowing will be used to finance capital improvements as approved in the Municipality's CEF. Capital projects financed through the issuance of debt shall be financed for a period not to exceed the expected useful life of the project. The Municipality will not incur debt to finance current operations. Lease-purchase obligations, capital outlay notes or other debt instruments may be used as a medium-term method of borrowing for the financing of vehicles, computers, other specialized types of equipment, or other capital improvements. All these principles are embedded in the **Borrowing Policy** of Council.

4.5.9 Asset management policies

The objective of the Asset Management Policies is to define the asset management intent of Thembelihle, including the life-cycle management, accounting and administrative policies and procedures relating to physical assets (immoveable and movable assets) and computer software (intangible assets) of Thembelihle Municipality. The principles and policy statements are embedded in the **Asset Management Policy (AMP)**.

4.5.10 Long-term financial sustainability policy

The Municipality need to embark on the development of the Long-term financial sustainability policy.

Financial sustainability over the long-term has to do with the maintenance of high priority expenditure programs, both operating and capital, to ensure program sustainability and desired quality of services to be rendered. There must also be rates and service charges stability and predictability in the overall rate burden by ensuring reasonable rates and service charges to fund programs. Fair sharing in the distribution of council resources and the attendant taxation between current and future ratepayers (intergenerational equity) must also be promoted to ensure that the current generation are not over-burdened for the use of infrastructure by future generations – in other words sound long-term financial management. Based on the above three elements financial sustainability by Thembelihle should be defined as follows:

“Thembelihle’s long-term financial performance and financial position is sustainable where long-term planning and budgeting as well as infrastructure levels and standards are met without any substantial unplanned increases in property rates and service charges or inconvenient disruptive cuts to services”

Three key financial indicators or ratios must be developed to influence long-term financial sustainability planning and budgeting. They are:

- An **operating surplus ratio** to influence financial performance planning and budgeting;
- A **net financial liabilities ratio** to influence financial position planning and budgeting; and
- An **asset sustainability ratio** to influence asset management performance planning and budgeting.

The entire above-mentioned should be embedded in the developed Long-Term Financial Sustainability Policy to be approved by Council.

4.5.11 Cost Containment Policy

The object of the Cost Containment Policy, in line with the MFMA and the Cost Containment Regulations, is to ensure that resources of Thembelihle Municipality are used effectively, efficiently and economically by implementing cost containment measures.

The Policy provides for the application of principles, as defined in the Cost Containment Regulations, to Thembelihle Municipality and is applicable to all officials and political office bearers. Included in the **Cost Containment Policy** are guidelines with regards to:

- Use of consultants
- Vehicles used for political office bearers;
- Travel and subsistence; Domestic accommodation;
- Sponsorships, events and catering;
- Communication;
- Conferences, meetings and study tours; and
- Other related expenditure items.

4.5.12 Accounting policies

The principles on which Thembelihle operate with regard to the presentation, treatment and disclosure of financial information forms part of the Accounting Policy adopted in the compiled yearly annual financial statements.

4.6 BUDGET ASSUMPTIONS

4.6.1 Introduction

Thembelihle Municipality has prepared its financial plans and forecast on the basis of sound historical income and expenditure trends, and based upon latest forecasts and knowledge to date. Future years forecasts are neither worst case scenario, or overly optimistic, and as such it is seen as little value to artificially revise these estimates to create a significant negative or positive variance that is not anticipated, as this could simply be misleading to the reader of this LTFP.

Below the LTREF budget projection issues are depicted for the current financial year.

4.6.2 Budget Highlights

The 2023/2024 MTREF budget has been developed with an overall planning framework and includes programmes and projects to achieve the municipality's strategic objectives. Municipal revenues and cash flows are expected to remain under pressure in 2023/24 due to the state of the economy; hence a conservative approach has been adopted when projecting expected revenues and receipts.

The challenge to produce a sustainable, affordable budget necessitated reductions to certain budgetary provisions. National Treasury MFMA Budget related Circulars and related correspondence clearly prescribe that a budget must be realistic, sustainable and relevant; and must be fully funded. To comply with these prescribes, it is a requirement that the municipality

must produce a positive cash flow budget for the 2023/2024 financial year. This was no mean feat to achieve which resulted in having to apply a very conservative approach during the budget process.

The MTREF is a financial plan that enables the municipality to achieve its vision and mission through the IDP Strategy which is informed by the development agenda and community/stakeholder inputs.

The budget serves to bring to light the current council developmental priorities as outlined below:

- Poverty reduction, job-creation, rural and economic development
- Financial sustainability
- Spatial development and the built environment
- Human settlements
- Social and community services
- Good governance

National Treasury's MFMA Circular No. 93 was used to guide the compilation of the 2022/23 MTREF. In addition, this budget format and content incorporates the requirements of the Municipal Budget and Reporting Regulations.

The following budgeting PRINCIPLES were applied in formulating the medium term budget:

- Sustainable, affordable, realistic and balanced budget
- Budget to contribute to achieving strategic objectives of the IDP
- Tariffs to be cost reflective, realistic and affordable
- Income/ Revenue driven budget: affordability i.e. if funds do not materialize review expenditure
- Realistic and achievable collection rates

The main CHALLENGES experienced during the compilation of the 2022/23 MTREF can be summarized as follows:

- The growing debt to Eskom;
- Limited resources and minimal growth in the rates base;
- Major strain on capital budget due to increased demand and eradication of backlogs.
- Unemployment: sustaining existing collection rates.

The MFREF-based revenue and expenditure projections assumed inflation-linked annual adjustments between 7% and 7,2% respectively for the 3-year budget period of 2022/2023, 2023/2024 and 2024/2025.

Further key parameters applied to the Municipality's financial framework included the following for the 2023/2024 financial year:

GDP is expected to grow by 0.9 per cent in real terms in 2023, compared with an estimate of 1.4 per cent at the time of the medium-term budget policy statement (MTBPS), recovering slowly to 1.8 per cent in 2025.

The economic outlook faces a range of risks, including weaker-than-expected global growth, further disruptions to global supply chains and renewed inflationary pressures from the war in Ukraine, continued power cuts and a deterioration in port and rail infrastructure, widespread criminal activity, and any deterioration of the fiscal outlook.

Government is taking urgent measures to reduce load-shedding in the short term and transform the sector through market reforms to achieve long-term energy security. Several reforms are under way to improve the performance of the transport sector, specifically freight rail and to improve the capability of the state. The following macro-economic forecasts must be considered when preparing the 2023/24 MTREF municipal budgets.

Macro-economic performance and projections, 2020-2025

Fiscal year	2020/21	2021/22	2022/23	2023/24	2024/25
	Actual	Estimate	Forecast		
CPI Inflation	2.9%	4.5%	4.8%	4.4%	4.5%

Source: MFMA Budget Circular 115

Further key parameters applied to the Municipality's financial framework included the following for the 2023/2024 financial year:

Revenue / tariff increases

• Rates	0%
• Electricity	15.10%
• Water	5.3%
• Sanitation	5.3%
• Refuse	5.3%
• Salaries and Wages adjustments	5.4%
• General Expenses	5.3%

Our major cost drivers reflect as follows:

• Employee Cost:	R 36 million
• Remuneration of councillors:	R4 million
• Operating Cost:	R 46 million
• Capital Cost:	R 21.4 million
• Depreciation:	R 16 million

Our Major Revenue Sources that we anticipate:

Unconditional Grant

• Equitable Share	R36 145 million
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Conditional Operational Grants

• Financial Management Grant	R3 100 million
• Library Provincial Grant	R1 043 million
• Municipal Infrastructure Grant (5%)	R 518 thousands
Transfers and subsidies (Operational) amounts to R40 806 million	

Conditional Capital Grants

• Municipal Infrastructure Grant (95%)	R9 860 million
• Water Services Infrastructure Grant	R11 540 million
Transfers and subsidies (Capital) amount to R21 400 million	

SUMMARY OF MAJOR TARIFFS

There following are changes in the municipal rates

- New tariffs for Mining properties have been introduced
- The municipality is engaged in discussion to introduce rebates for agricultural properties. No agreement has been reached at this point. A report will be submitted to council when engagements are concluded.

The electricity tariff increases are based on NERSA approval of Eskom application. NERSA indicated a tariff increase of 15.10%.

Sundry tariffs increases are in line with the CPI rate of 5.3%.

Our major cost drivers reflect as follows:

- Employee Cost: R 36 million
- Remuneration of councillors: R4 million
- Operating Cost: R 46 million
- Capital Cost: R 21.4 million
- Depreciation: R 16 million

Our Major Revenue Sources that we anticipate:

Unconditional Grant

- Equitable Share R36 145 million

Conditional Operational Grants

- Financial Management Grant R3 100 million
- Library Provincial Grant R1 043 million
- Municipal Infrastructure Grant (5%) R 518 thousands

Transfers and subsidies (Operational) amounts to R40 806 million

Conditional Capital Grants

- Municipal Infrastructure Grant (95%) R9 860 million
- Water Services Infrastructure Grant R11 540 million

Transfers and subsidies (Capital) amount to R21 400 million

4.6.3 Budget Process Overview (including consultation process and outcomes)

In terms of Section 24 of the MFMA, Council must at least 30 days before the start of the financial year consider approval of the annual budget. Section 53, requires the mayor of a municipality to provide general political guidance over the budget process and the priorities that must guide the preparation of the budget. In addition, Chapter 2 of the Municipal Budget and Reporting Regulations, gazette on 17 April 2009, states that the mayor of the municipality

must establish a budget steering committee to provide technical assistance to the mayor in discharging the responsibilities set out in section 53 of the Act.

The Municipal System Act (Act 32 of 2000) and the Municipal Finance Management Act (Act 56 of 2003) require all municipalities to adopt a process plan for the integrated development plan and budget that will harness the development process. It is within this context that this first process plan of the newly constituted council was annulled to particularly enable the municipality to meet the requirements spelled-out in section 27 (2) of the Municipal Systems Act (Act 32 Of 2000). The next sub-sections highlight the legislative frameworks to be complied with.

In Circular 123 Municipal Budget Circular for the 2022/23 MTREF, National Treasury aims to provide further guidance to municipalities with the preparation of their 2023/24 Medium Term Revenue and Expenditure Framework (MTREF) budgets and should be read together with the budget circulars that have been issued previously.

The grant allocations as per the 2023 Budget Review and the 2023 Division of Revenue Bill are also key focus areas in this circular. Municipalities are reminded to refer to the annual budget circulars of the previous years for guidance in areas of the budget preparation that is not covered in this circular.

National Treasury has released Version 6.7 of Schedule A1 (the PDF Format) which is aligned to version 6.7 of the mSCOA classification framework which must be used when compiling the 2023/24 MTREF budget. This version incorporates major changes (see Annexure A). Therefore, Thembelihle made use of this version for the preparation of their 2023/24 MTREF budget.

The process plan focusing on the IDP, PMS and Budget for 2023-2024 was tabled by the Mayor to Council during a Special Council meeting on 30 August 2022.

1.1 *Municipal Systems Act*

In terms of the Municipal System Act of 2000, all municipalities have to undertake an IDP process to produce the IDP. The Act further mandates municipalities to have a Performance Management System in place. These planning tools together with other planning instruments i.e. a municipal budget are designed to assist Municipalities to be developmentally oriented and to contribute meaningfully in improving the lives of their communities. As the aforementioned plans are the legislative requirements they have legal status and supersede all other plans that guide development at local government level.

Thembelihle Municipality has completed its 5 year IDP cycle. This was done in terms of chapter 5 and 6, of the Municipal System Act and of the Municipal Finance Management Act of 2003. In terms of Section 34 of the Municipal Systems Act:

Thembelihle Municipality is currently embarking on revising the IDP, the first one of the newly elected council, which will reflect the new planning. This plan will address, amongst others, the following:

- (a) Comments received from various role-players in the IDP process, especially the community, the IDP Representative Forum the IDP Hearings and the Engagement sessions.
- (b) Areas requiring additional attention in terms of legislation requirements;
- (c) Areas identified through self-assessment;
- (d) The review of KPI's (PMS) and alignment of budget;
- (e) The update of the 5 years' financial plan as well as the list of projects;
- (f) Identification of new projects,
- (g) The continuation of the Sector Plans to be completed
- (h) Implementation of existing projects
- (i) The update of the Spatial Development Framework (SDF); and
- (j) The preparation and update to the Sector Plans.

1.2 *Municipal Finance Management Act*

Chapter 4, section 16 (1) and (2) of the Municipal Finance Management Act states that-

- 1) *The Council of the municipality must of each financial year approve an annual budget for the municipality before the start of the financial year.*
- 2) *In order for the municipality to comply with subsection (1), the Mayor of the municipality must table the annual budget at the council meeting at least 90 days before the start of the budget year.*

The above section must be read in conjunction with section 24 (1) which states that Council must at least 30 days before the start of the new financial year approve the annual budget. It is clear that this Act provides very strict time frames within the budget process must be completed.

Adding to the above the Act states in section 21 (1) (b) that-

The Mayor of a Municipal must-

- (a) At least 10 months before the starts of the budget year, table in the municipal council a time schedule outlining key deadlines for-
- (b) The preparation, tabling and approval of the annual budget;
- (ii) the annual review of-
 - (aa) the integrated development plan in terms of section 34 of the municipal Systems Act and
 - (bb) the budget related policies;
- (iii) the tabling and adoption of any amendments to the integrated development plan and the budget-related policies; and
- (iv) Any consultative processed forming part of the referred to in subparagraphs (i), (ii) and (iii).

Considering this, it implies that the Mayor must table the budget process before Council, 10 months before the start of the new financial year.

4.6.4 MTRF Budget 2023 – 2024

NC076 Thembelihle - Table A1 Budget Summary

Description	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Financial Performance										
Property rates	–	–	–	12 621	15 358	15 358	15 358	15 451	12 944	12 944
Service charges	18 436	19 706	18 962	33 107	25 319	25 319	25 319	34 934	34 934	34 934
Investment revenue	302	27	47	2 549	212	212	212	2 549	2 549	2 549
Transfer and subsidies - Operational	32 362	39 145	33 277	39 633	39 633	39 633	39 633	40 808	42 055	42 328
Other own revenue	3 322	6 618	11 606	12 676	22 863	22 863	22 863	11 953	11 953	11 953
Total Revenue (excluding capital transfers and contributions)	54 423	65 497	63 892	100 586	103 386	103 386	103 386	105 696	104 436	104 709
Employee costs	30 882	33 774	33 047	39 033	39 023	39 023	39 023	35 948	35 948	35 948
Remuneration of councillors	2 578	3 055	4 409	4 248	4 248	4 248	4 248	4 258	4 258	4 258
Depreciation and amortisation	15 836	14 686	15 073	10 124	16 124	16 124	16 124	15 836	15 836	15 836
Interest	11 251	3 492	6 090	2 059	3 059	3 059	3 059	4 150	4 150	4 150
Inventory consumed and bulk purchases	17 300	13 484	16 549	15 418	16 025	16 025	16 025	15 987	15 993	15 993
Transfers and subsidies	1 342	519	20	11	11	11	11	12	12	12
Other expenditure	31 989	40 813	45 666	18 661	25 020	25 020	25 020	25 600	25 919	25 919
Total Expenditure	111 178	109 822	120 853	89 554	103 510	103 510	103 510	101 792	102 116	102 116
Surplus/(Deficit)	(56 755)	(44 326)	(56 961)	11 032	(124)	(124)	(124)	3 904	2 320	2 593
Transfers and subsidies - capital (monetary allocations)	13 233	13 246	13 527	20 627	20 627	20 627	20 627	21 400	29 180	29 452
Transfers and subsidies - capital (in-kind)	–	–	–	–	727	727	727	100	–	0
Surplus/(Deficit) after capital transfers & contributions	(43 522)	(31 080)	(43 434)	31 659	21 230	21 230	21 230	25 404	31 500	32 045
Share of Surplus/Deficit attributable to Associate	–	–	–	–	–	–	–	–	–	–
Capital expenditure & funds sources										
Capital expenditure	–	12 142	11 958	20 627	20 627	20 627	20 627	21 401	21 401	21 401
Transfers recognised - capital	–	12 142	11 888	20 627	20 627	20 627	20 627	21 401	21 401	21 401
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	–	737	46	–	–	–	–	–	–	0
Total sources of capital funds	–	12 879	11 933	20 627	20 627	20 627	20 627	21 401	21 401	21 401
Financial position										
Total current assets	6 784	10 361	16 288	9 767	26 883	26 883	26 883	9 015	7 187	7 189
Total non current assets	269 900	269 539	279 157	279 739	385 507	385 507	385 507	293 469	307 072	307 072
Total current liabilities	132 200	153 226	184 555	186 209	142 046	142 046	142 046	187 225	195 338	195 338
Total non current liabilities	8 189	8 815	7 595	9 461	27 224	27 224	27 224	2 389	2 476	2 476
Community wealth/Equity	132 811	146 159	87 135	95 420	242 966	242 966	242 966	107 474	111 271	111 272
Cash flows										
Net cash from (used) operating	63 379	(3 863)	(48 335)	21 440	17 487	17 487	17 487	23 550	31 148	31 148
Net cash from (used) investing	143	–	–	–	–	–	–	(21 400)	(28 401)	(28 401)
Net cash from (used) financing	(7 818)	–	–	–	–	–	–	(1 286)	(1 286)	(1 286)
Cash/cash equivalents at the year end	55 704	(3 863)	(48 335)	21 440	17 487	17 487	17 487	6 875	8 335	9 796
Cash backing/surplus reconciliation										
Cash and investments available	534	(180)	668	6 011	512	512	512	5 259	3 432	3 432
Application of cash and investments	147 221	165 089	188 977	191 788	135 309	135 309	135 309	192 463	199 963	201 955
Balance - surplus (shortfall)	(146 687)	(165 269)	(188 308)	(185 777)	(134 797)	(134 797)	(134 797)	(187 224)	(196 532)	(196 523)
Asset management										
Asset register summary (IMDV)	268 702	230 093	234 442	240 293	346 173	346 173		252 050	263 583	263 583
Depreciation	3 133	1 213	11 302	7 388	7 388	7 388		7 674	7 674	7 674
Renewal and Upgrading of Existing Assets	–	(688)	24	–	–	–		–	–	0
Repairs and Maintenance	2 195	1 190	1 468	3 406	3 404	3 404		5 414	5 414	–
Free services										
Cost of Free Basic Services provided	5 400	5 400	5 400	5 500	5 742	6 000		6 264	6 546	6 841
Revenue cost of free services provided	–	–	–	–	–	–		–	–	–
Households below minimum service level										
Water:	–	–	–	–	–	–		–	–	–
Sanitation/sewerage:	–	–	–	–	–	–		–	–	–
Energy:	–	–	–	–	–	–		–	–	–
Refuse:	–	–	–	–	–	–		–	–	–

NC076 Thembelihle - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Supporting Table 6 to Recommendation 1: Strategic Objectives and Budget (Capital Expenditure)												
Strategic Objective	Goal	Goal Code	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand												
Contribution to the creation of communities where residents and visitors can work, live and play without threat to themselves or their properties Contribution to the creation of communities where residents and visitors can work, live and play without threat to themselves or their properties The municipality to ensure accurate and professional reports as prescribed by the MFMA are submitted monthly (Section 71,72 and 46) and see to the implementation of MFMA. To effectively and efficiently manage transformation and institutional development in the municipality To ensure a municipality that is stable and has organisational discipline through the review of the organisational structure, staff establishment, PMS and recruitment and selection strategy of the municipality To ensure a municipality that is stable and has organisational discipline through the review of the organisational structure, staff establishment, PMS and recruitment and selection strategy of the municipality To ensure that the municipality is self-sustainable and accountable financially by attaining a clean audit. To ensure that the municipality is self-sustainable and accountable financially by attaining a clean audit.	To improve electrical infrastructure and related services of the municipality			–	–	46	1 000	1 000	1 000	–	–	0
	To improve water quality and continuity of water services to residents			–	49	5 711	10 000	10 000	10 000	11 540	11 540	11 540
	Budget and Financial Reporting			–	644	–	–	–	–	–	–	–
	Administration and Auxiliary services			–	11 353	–	–	–	–	–	–	–
	Monitoring and Reporting			–	(641)	191	–	–	–	–	–	0
	Administration and Auxiliary services			–	–	5 853	9 627	9 627	9 627	9 861	9 861	9 861
	Budget and Financial Reporting			–	–	158	–	–	–	–	–	0

To improve and provide basic services of good quality to the residents To support local SMME's. Under take the Tourism Development Plan. Seek support from Department for human capital	LED Strategy	J K L M N O P		-	737	-	-	-	-	-	-	-
	LED Strategy			-	-	-	-	-	-	-	-	0
Allocations to other priorities			3									
Total Capital Expenditure			1	-	12 142	11 958	20 627	20 627	20 627	21 401	21 401	21 401

4.6.4 Alignment Process

The Municipal Systems Act states that development strategies must be aligned with National and Provincial sector plans as well as planning requirements. It also establishes that a single inclusive and strategic plan must be adopted which links, integrates and coordinates plans.

The municipality realized early into the first round of IDPs that good effective alignment would result in successful implementation whilst a failure to align might result in a total collapse of the implementation of the IDP. The municipality tries to ensure alignment with the assistance of the PIMS-Centre, located at the Pixley ka Seme District Municipality and the involvement of the sector departments in the IDP Representative Forum.

Although alignment was not always reached fully in the previous IDP cycle the municipality takes the following documents into account in the IDP process:

- Integrated Sustainable Rural Development Programme (ISRDP)
- Northern Cape Provincial Growth and Development Strategy (PGDS)
- District Growth and Development (DGDS)
- National Spatial Development Programme (NSDP)
- IDP Hearings Comments

Besides the alignment with National, Provincial and district programmes and policies, internal alignment is also reached in the process plan, aligning the budget, the PMS and the IDP.

5. CHAPTER 5. PERFORMANCE MANAGEMENT

5.1 INTRODUCTION

The Thembelihle Municipality's Performance Management System (PMS) is the primary mechanism to monitor, review and improve the implementation of its Integrated Development Plan (IDP) and to measure the progress made in achieving the objectives as set out in the IDP.

Implementation of The Service Delivery and Budget Implementation Plan (SDBIP) in the IDP ensures that the Municipality implements programmes and projects based on the IDP targets and the approved budget. The performance of the Municipality is reported on in the Quarterly and Mid-yearly Performance Assessment Reports as well as in the Annual Report.

Two key internal combined assurance tools are internal performance audit and risk management. This ensure that all activities undertaken adequately address significant risks and put in place control mechanisms to mitigate said risks in order to attain set performance targets.

In addition to performance management legislation and regulations, the Performance Management Policy seeks to promote a culture of performance management within the Municipality. A conducive performance management culture will ensure that the developmental objectives as construed in the IDP gets relevance in the performance agreements of senior managers and consequence implementation thereof.

The Performance Management Policy of the Municipality was reviewed in January 2021 in an effort to streamline performance management processes to ensure that the new five-year IDP (2021-2026) becomes an implementable plan with measurable performance objectives and furthermore is in line with the secondary objective of Monitoring and Evaluation as well as Employee Efficiency.

The Performance Management Policy includes the following objectives that the Municipality's PMS should fulfil:

- ✓ The PMS should provide a mechanism for ensuring increased accountability between the local community, politicians, the Municipal Council and the municipal management team;
- ✓ The PMS should facilitate learning in order to enable the Municipality to improve service delivery;
- ✓ It is important that the PMS ensure decision-makers are timeously informed of performance related risks, so that they can facilitate intervention, if necessary; and
- ✓ The PMS should provide appropriate management information that will allow efficient, effective and informed decision-making, particularly on the allocation of resources.

As a result of the preceding, the Performance Management Policy clarifies the roles and responsibilities of each of the stakeholders involved in the PMS of the Municipality. This negates any confusion that might arise in the Municipality's pursuit to speed up delivery and to enhance the quality of services to its local constituents.

The Service Delivery and Budget Implementation Plan (SDBIP) is an implementation plan of the approved Integrated Development Plan (IDP) and Medium-Term Revenue and Expenditure Framework. Therefore, only projects that are budgeted for are implemented. The SDBIP serves to address the development objectives as derived from the approved IDP.

The format of the Service Delivery Budget Implementation Plan (SDBIP) is prescribed by MFMA Circular Number 13 issued by National Treasury. In terms of the said Circular Number 13 the Service Delivery Budget Implementation Plan (SDBIP) must provide a picture of service delivery areas, budget allocations and enable monitoring and evaluation.

MFMA Circular No. 13:

The SDBIP serves as a “contract” between the administration, council and community expressing the goals and objectives set by council as quantifiable outcomes that can be implemented by the administration over the next twelve months. The SDBIP provides the vital link between the mayor, council (executive) and the administration and facilitates the process for holding management accountable for its performance. The SDBIP is a management, implementation and monitoring tool that will assist the mayor, councillors, municipal manager, senior managers and community.

5.2 HIGH LEVEL SDBIP TARGETS AND INDICATORS

Quarterly projections of service delivery targets and performance indicators for each vote, is one of the five components of the top-layer SDBIP that must be made public as detailed in MFMA Circular 13. The top level of the SDBIP includes measurable performance objectives in the form of service delivery targets and performance indicators that are provided to the community, that is, what impacts it seeks to achieve. These are drawn from the IDP programmes, services and activities that are relevant to each specific directorate as well as the statutory plans that the Directorate are responsible for. The SDBIPs therefore are the key mechanisms for monitoring the different responsibilities and targets that each Directorate must fulfil in meeting service delivery needs provided to the community.

5.3 REPORTING ON THE SDBIP

Various reporting requirements are outlined in the MFMA, both the mayor and the accounting officer have clear roles to play in preparing and presenting these reports. The SDBIP provides an excellent basis for generating the reports required by the MFMA. The report then allows the Council to monitor the implementation of service delivery programs and initiatives across the Municipality’s boundaries.

5.3.1 Monthly Reporting

Section 71 of the MFMA stipulates that reporting on actual revenue targets and spending against the budget should occur on a monthly basis. This reporting must be conducted by the accounting officer of a municipality no later than 10 working days, after the end of each month.

5.3.2 Quarterly Reporting

Section 52(d) of the MFMA compels the mayor to submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality within 30 days of the end of each quarter. The quarterly performance projections captured in the SDBIP form the basis for the mayor's quarterly report.

5.3.3 Mid-year Reporting

Section 72 of the Local Government: Municipal Finance Management Act, Act No. 5 of 2003, determines that by 25 January of each year the accounting officer must assess the performance of the municipality and report to the Council on inter alia its service delivery performance during the first half of the financial year and the service delivery targets and performance indicators set in the service delivery and budget implementation plan.

5.4 MONITORING AND THE ADJUSTMENT BUDGET PROCESS

The section 71 and 72 budget monitoring reports required under the MFMA should provide a consolidated analysis of the Municipality's financial position including year-end projections. The Executive Mayor must consider these reports under s54 of the MFMA and then make a decision as to whether the SDBIP should be amended. The Adjustments Budget concept is governed by various provisions in the MFMA and is aimed at instilling and establishing an increased level of discipline, responsibility and accountability in the municipality's finances. In simple terms, funds can be transferred within a vote but any movements between votes can only be agreed by an adjustments budget.

5.5 IMPLEMENTATION MONITORING AND REVIEW – ONE YEAR PLAN

The Municipal Finance Management Act No 56 of 2003 (MFMA) requires that municipalities prepare a Service Delivery and Budget Implementation Plan (SDBIP) as a strategic financial management tool to ensure that budgetary decisions that are adopted by municipalities for the financial year are aligned with their strategic planning tool, the Integrated Development Plan (IDP). The SDBIP is a contract between Council, administration and the community. It gives effect to the IDP and budget of the municipality.

The municipal budget shall give effect to the Strategic Focus Areas as contained in the IDP. The Top Layer (TL) Service Delivery and Budget Implementation Plan (SDBIP) shall contain details on the execution of the budget and information on programmes and projects. Quarterly, half yearly and annual performance reports must also be submitted to Council as a means to monitor the implementation of the predetermined objectives is contained in the IDP.

The SDBIP is a one – year detailed implementation plan which gives effect to the IDP and Budget of the Municipality. It is a contract between the administration, Council and community expressing the goals and objectives set by Council as quantifiable outcomes that can be implemented by the administration over the next twelve months. This provides the basis of measuring the performance in service delivery against end year targets and implementing budget.

Indicators developed for the Thembelihle Municipality addresses the Strategic Focus Areas of the Municipality. The Municipality utilises the one-year TL SDBIP to ensure that it delivers of its service delivery mandate by indicating clear indicators and targets.

Note: This Chapter, the one-year Municipal Scorecard, will be updated in accordance with the approved Top Layer (TL) Service Delivery and Budget Implementation Plan (SDBIP) 2023/2024 during May 2023. The TL SDBIP 2023/24 must be approved by the Executive Mayor within 28 days after the adoption of the Municipal Budget to be tabled in Council in May 2023.