

Letsemeng Local Municipality



Final Integrated Development Plan 2014/2015

INDEX

Contents

Page

Acronyms

1. Foreword by the Mayor

2. Situational Analysis
 - a. Introduction and Overview
 - b. What opportunities do we offer?
 - c. What are we doing to improve ourselves?
 - d. What could you expect from us over the next five years?
 - e. How will our progress be measured?

3. Organisational Development Overview
 - a. The Municipal Council & Political Governance
 - b. The Section 79 Committees of Council
 - c. The Municipal Administration
 - d. Vision
 - e. Mission
 - f. Values
 - g. Batho Pele Principles

4. Demographic Profile of the Municipality
 - a. Population distribution by Age, Gender and Geography
 - b. Socio-economic perspective

Social services

 - c. Housing
 - d. Education profile
 - e. Health Facilities
 - f. Community Facilities

5. Powers and Functions of the municipality

6. Process followed to develop the IDP

7. Alignment between IDP, Budget and PMS
8. Spatial Development Rationale
 - a. National Spatial Development Perspective
9. Key Performance Areas – Strategic Objectives, Programmes and Projects
 - 9.1 Service Delivery and Infrastructure Development
 - 9.2 Public Participation and Good Governance
 - 9.3 Financial Management and Viability
 - 9.4 Local Economic Development
10. Sector Plans
11. Project List

ACRONYMS

ABET	:	Adult Based Education and Training
ASGI-SA	:	Accelerated and Shared Growth Initiative of South Africa
CDW	:	Community Development Worker
COGTA	:	Cooperative Governance and Traditional Affairs
CRDP	:	Comprehensive Rural Development Programme
CWP	:	Community Works Programme
DARDLA	:	Department of Agriculture, Rural Development and Land Affairs
DBSA	:	Development Bank of Southern Africa
DME	:	Department of Minerals and Energy
DMP	:	Disaster Management Plan
DOE	:	Department of Education
DPRT	:	Department of Public Works Roads and Transport
DWA	:	Department of Water Affairs
EPWP	:	Expanded Public Works Programme
ESCOM	:	Electricity Supply Commission
FBS	:	Free Basic Services
FET	:	Further Education and Training
GDP	:	Gross Domestic Product
GIS	:	Geographic Information System
HDI	:	Historically Disadvantaged Individual
HRD	:	Human Resource Development
IDP	:	Integrated Development Plan
IGR	:	Inter – Governmental Relations
INSDF	:	Integrated National Spatial Development Framework
ISRDP	:	Integrated Sustainable Rural Development Program
KPA	:	Key Performance Area
KPI	:	Key Performance Indicator
LED	:	Local Economic Development
MDG	:	Millennium Development Goals
M&E	:	Monitoring and Evaluation
MFMA	:	Municipal Finance Management Act
MIG	:	Municipal Infrastructure Grant
MPCC	:	Multi-Purpose Community Centre

MSA	:	Municipal Systems Act
MSA	:	Municipal Structures Act
MSIG	:	Municipal Systems & Implementation Grant
MTEF	:	Medium Term Expenditure Framework
MTSF	:	Medium Term Strategic Framework
NEPAD	:	New Partnership for Africa's Development
NSDP	:	National Spatial Development Perspective
PDI	:	Previously Disadvantaged Individual
PPP	:	Public Private Partnership
PMS	:	Performance Management System
RDP	:	Reconstruction Development Programme
SAPS	:	South African Police Services
SASSA	:	South African Social Security Agency
SCM	:	Supply Chain Management
SDBIP	:	Service Delivery Budget Implementation Plan
SDF	:	Spatial Development Framework
SMME	:	Small Medium Micro Enterprises
SOPA	:	State of the Province Address
SONA	:	State of the Nation Address
SWOT	:	Strength, Weaknesses, Opportunity and Threat
WSDP	:	Water Services Development Plan

1. Foreword by the Mayor

The review of this IDP document coincides with a very important milestone in the South African history; the celebrations of 20 years of democracy. This creates the opportune time for the Letsemeng Local Municipality to reflect on the Service Delivery Achievements since the last 20 years in Government; it further compels us to conduct an assessment of the challenges that still confronts us on a day to day basis. The after effects of the apartheid regime which main characteristics were centuries of racial and economic oppression has left discernible scars of unemployment, inequality and poverty levels on our previously disadvantaged communities.

As the Letsemeng Local Council we ought and commit to align ourselves to the slogan of the ruling party in Government which reads that "Together we move South Africa Forward". We can only achieve the ideals of this slogan if we all brand ourselves to relieve the plight of the community who are exposed to the triple challenges as stated above and make it our priority. We all ought to make it an ideal which we all commit to life for and most definitely an ideal which we all commit to achieve against all odds. Implementing the National Priorities of Government and the strategic objectives of a developmental Local Government in practice through Integrated Development Planning across all spheres in Government in the municipal space of FS161 will indeed improve the lives of our citizenry and relieve their plight; we've got it within us to free them from the chains of unemployment, inequality and poverty. It's only a matter of living up to the service delivery mandate that has been renewed by the voters of the 5th democratic elections on 07th May 2014.

We acknowledge these triple challenges but we also wish to reiterate and applaud the achievements of the Government since the dawn of democracy, it was indeed not an easy 20 years of democracy in government but we indeed do have an absolute good story to tell. The Government of the day has achieved the following Socio – economic achievements on a national scale since the advent of democracy:-

- Over two and half million houses have been built for the poor giving shelter to over ten million people;

- Six million households have gained access to clean water since 1994 and electricity has been connected to nearly five million homes;
- In 1994, only 62% of households had access to clean drinking water, today 93% do;
- In 1994, only 50% of households had access to decent sanitation, today 77% do
- In 1994, only 36% of South Africans had access to electricity – today 84% do. Today the majority of our people are provided free basic services in water and electricity;
- By 2010, close to 15 million people were receiving social grants. Of those, nine point five million are children aged under 14 years, compared with just 2.4 million in 1996. This has contributed immensely to reducing poverty levels in many households;
- Our programmes have opened the doors of learning. More than eight million children at primary and secondary schools benefit from school-feeding schemes;
- We have offered more opportunities for the children of the poor. Student loans are now being converted into bursaries for qualifying final-year students;
- Students in further education and training colleges who qualify for financial aid are now exempted from paying fees;
- Crime statistics show a decrease in most crimes, including armed robberies, housebreakings and contact crimes. The murder rate, for example, has declined by 8, 6% in 2010;
- The implementation of the major infrastructure programmes over the years, government has helped create jobs and protected our communities from the worst effects of the global economic crisis. To date, R800 billion is being invested in infrastructure programmes that will change the socio-economic landscape of

the country, building dams, roads, bridges, schools, hospitals and two universities in the Northern Cape and Mpumalanga;

This is just a small tally of the overall achievements that we all ought to pride ourselves with, we all indeed relate and experience the effects of these service delivery achievements on our door steps. We today wake up to thousands of our neighbours who since 1994 acquired an RDP house which is part of the Government's programme of action to provide sustainable human settlements to our citizenry. We can once more pride ourselves as Letsemeng Local Municipality with the fact that 10211 of our households from the total number of 11242 households indeed has access to drinking water within their homes and yards which is defined as above RDP standards, we are now working on addressing the remaining 788 which receives their drinking water from communal taps and will move them from below RDP standards to above RDP standards.

We have dealt with the issue of bucket eradication extensively and we are only left with 202 bucket toilets which we will eradicate within the 2014/2015 financial year, we would then be at liberty to declare our achievement on one of the Millennium Development Goals.

Free Basic services in the form of water and electricity is one more area which we can pride ourselves with, we are now in the process of reaching out to deserving households to do their annual applications to benefit them from qualifying for free basic services in accordance with the prescripts of the Indigent Policy of Letsemeng Local Municipality.

Our community halls and townships has become the modern hype of economic activity when citizens in Koffiefontein, Luckhoff, Oppermans, Petrusburg and Jacobsdal access their social grants, the new payment method of SASSA has brought about the need for more ATM's in our local areas as thousands of people queue up during these pension days. The Letsemeng Local Municipality is currently busy planning on how to keep the circulation of these monies within the municipal area because it is evident that thousands of rands are leaving the municipal area during

pension days and we have defined it as a leaking bucket; to retain and circulate the flow of these monies within our communities is enormously high on our priority list.

We are taking the issue of skills development and further education and training quite seriously as it is one of the key priorities of Government, we indeed have a Motheo satellite FET college in Koffiefontein where children from all over the District are indeed benefitting from the bursary schemes of our Government. The municipality has also commenced to budget for registration fees of deserving students to institutions of higher learning and we encourage are learners to attain and improve academic accolades that will free them from the plight and poverty and enable them to become of the intellectual wealth of this country. Our local schools are in a good condition and we wish to applaud the Department of Public Works for building two of the new model schools in our municipality concurrently; one in Diamanthoogte and one in Luckhoff, it is contrary to déjà vu and has indeed never been seen the 1st of its kind in our area. It indeed deserves a standing ovation.

I deemed it important to just highlight a few achievements to show the correlation and our contribution to the overall Service Delivery achievements of Government, I wholeheartedly conquer that Local Government is at the coal face where we should see and feel the intended and planned changes of Government because it is where our constituencies are indeed residing.

I further wish to admit that we are quite aware of the prevailing challenges of service delivery across all three spheres of Government and we have taken it upon us to coordinate service delivery in Letsemeng Municipality in a coordinated manner. We have established a Local IGR which is chaired by myself as the Mayor of Letsemeng Municipality and we are indeed planning the future of our communities through this structure, it also serves as a reporting structure and an advisory body from the entrusted Public Servants to the elected Political office bearers who in turn accounts to constituencies.

We are indeed quite committed to take this municipality forward but we are also not blind to the institutional and overall challenges that our municipality is faced with; hence our quest to all Sector Departments, National Departments, Parastatals, Development Agencies and Partners, not forgetting the Private Sector to come on board and contribute our developmental agenda. We are motivated and devoted to turn Letsemeng Local Municipality into a developmental municipal area in pursuit of turning the "good story" we've got to tell in a "remarkable story" to tell, a story which impact our communities can feel and experience on a daily basis.

We wish to pledge our commitment to work with all spheres of Government and wish to assure the relevant leadership across all levels of Government:-

- Honourable President of the Republic, your Excellency President Jacob Zuma;
- Honourable Minister of Cooperative Governance and Traditional Affairs, Mr Provan Gordhan,
- Honourable Premier of the Free State Province, Mr Elias Magashule;
- Honourable MEC for Cooperative Governance and Traditional Affairs, Mrs Olly Mlamleli; and
- Honourable Executive Mayor of the Xhariep District, Mr Mongi Ntwanambi;

that you have put this municipality in safe hands when you entrusted me with the responsibility of steering this ship into the right direction, together with the cooperation from my colleagues in the Council of Letsemeng, the municipal administration and that of all Civil Servants we will make an impact in our communities lives.

To the most important stakeholder which are our communities from all five towns of Letsemeng Local Municipality, your efforts and contribution to the review of this document forms an integral part in the credibility of this document. We wish to commit to consult with our communities on a more than regular basis and pledge to uphold the principles of Public Participation which is:-

- Inclusivity;
- Diversity

- Transparency; and
- Accountability;

We have been doing quite good on this front and wish to improve even more on the methods and practices of Public Participation, we have taken a new approach of taking all Heads within Government in the local space on board and get them to account to communities during our public meetings.

I would be ungrateful if I don't express my thanks to my political party, the African National Congress which has entrusted me to provide political direction to this institution and I wish to guarantee my devotion and that of ANC Councillors to the developmental agenda of the party of choice; together we indeed will move South Africa forward. This serves as an open invitation to all my colleagues as Political office bearers in all Sector Departments to the warmth of Letsemeng Municipality and wish to say that we appreciate all the developments which took place in our area since the advent of democracy and we further wish to invite you to keep on improving service delivery to our constituencies by continuing to make allocations from your respective budgets to our municipality. This document serves as our principal planning instrument and reflects the needs as identified by the communities of our municipality and we trust that through Integrated Development Planning we will make the Letsemeng Municipality a destination of choice and a comfort zone to its communities.

I thank you and I am indeed looking forward to a harmonious working relationship with all spheres of Government.

**TI Reachable
Mayor/Speaker**

2. Situational Analysis

(a) Introduction and Overview

Letsemeng Local Municipal area comprises 5 towns and forms the western side of the Xhariep District. It borders the Northern (through Jacobsdal) and Western Cape Provinces and is renowned for diamond, salt and slate mining as well as irrigation farming along the Orange Riet Canal and Van der Kloof Dam.

The N8 route transgresses the area to the north and links Kimberley and Bloemfontein via Petrusburg. The Port Elizabeth railway line starts at Koffiefontein and connects at Springfontein with the Johannesburg/Cape Town railway line to continue in an easterly direction towards Port Elizabeth.

The five towns are connected with tarred road infrastructure via Koffiefontein. The R705 links Jacobsdal with Koffiefontein while the R48 links Petrusburg, Koffiefontein and Luckhoff in a north-south direction. The R704 links Koffiefontein, Fauresmith and Jagersfontein with one another.

The municipal area also accommodates Oppermansgronde, just west of Koffiefontein, which is part of a land restitution project. Several pans occur in the area while the Van der Kloof dam, Kalkfontein Dam and Wuras Resort are some of the more prominent water sources available in the area. Both the Riet River and Orange River drains through the area in a westerly direction. Although there are ample water sources available in the area, access to potable water in some of the towns remains problematic.

The northern parts of the municipal area surrounding Petrusburg are good cultivated agricultural land while the southern area is renowned for livestock farming.

KOFFIEFONTEIN

Koffiefontein / Dithlake serves as the municipal administrative seat within the Letsemeng Municipality and is situated approximately 125 km northwest of Trompsburg and an estimated 146 km east of Bloemfontein. Access to the town is gained from the R48 route between Petrusburg and Luckhoff. The main social and economic functions of the town are to serve as:-

- (a) Main local municipal administrative Centre;
- (b) Regional agricultural services Centre;
- (c) Diamond mining operations;
- (d) Regional social services centre;

The main spatial and/or land issues influencing the future spatial patterns and development of the town include:

- The need for commercial and social integration of the former separated town areas;
- The shortage of all forms of housing;
- The dilapidation of the bridge connecting the town to the surrounding towns;
- The shortage of municipal land surrounding the existing town and impeding expansion;
- Access to land by emerging farmers;
- Development and expansion of municipal buildings and functions, and
- Sustainable management of land.

PETRUSBURG

Petrusburg/ Bolokanang serves as a commercial and social service centre within the Letsemeng Municipality and is situated approximately 55 km northeast of Koffiefontein. Access to the town is gained from the N8 route between Bloemfontein and Kimberley.

The main social and economic functions of the town is to serve as:-

- (a) Main regional agro-processing centre;
- (b) Secondary agricultural service centre;
- (c) Social functions such as residence, education and medical services, and
- (d) Transport support services on major route.

The main spatial and/or land issues influencing the future spatial patterns and development of the town include:

- The shortage of especially lower income housing units;
- The shortage of municipal land surrounding the existing town and impeding expansion;
- Access to land by emerging farmers;
- Infill planning and development of the buffer area between the two town areas;

- Effective infrastructural development to areas where agri - processing is dominant;
- Sustainable management of land; and
- More direct benefit from major transport route;

JACOBSDAL

Jacobsdal/ Ratanang serve as an economic growth and tourism development node within the Letsemeng Municipality and is situated approximately 45km northwest of Koffiefontein. Access to the town is gained from the R705 route between Koffiefontein and Modder Rivier.

The main social and economic functions of the town is to serve as:-

- (a) Regional agricultural services Centre;
- (b) Key regional tourist destination;
- (c) Main regional agro-processing Centre; and
- (d) Social functions such as residence, education and medical services;

The main spatial and/or land issues influencing the future spatial patterns and development of the town include:

- The shortage of especially lower income housing units;
- Access to land by emerging farmers; Infill planning and development of the buffer area between the two town areas;
- Effective infrastructural development to areas where agri- processing is dominant;
- Land availability for social function such a community hall and cemeteries;
- Sustainable management of land, and
- Conservation of areas surrounding local rivers.

OPPERMANSGRONDE

Oppermansgronde serves as a general agricultural service centre within the Letsemeng Municipality and is situated approximately 32 km west of Koffiefontein. Access to the town is gained from the S647 route between Koffiefontein and Luckhoff.

The main social and economic functions of the town is to serve as:-

- (a) General Agricultural service Centre to surrounding farming areas, and
- (b) Social functions such as residence, education and medical services.

The main spatial and/or land issues influencing the future spatial patterns and development of the town include:

- The shortage of all forms of housing;
- Access to land by emerging farmers;
- Land availability for social function such a community hall and cemeteries' and
- Sustainable management of land.

LUCKHOFF

Luckhoff/Relebohile serves as a general agricultural service Centre within the Letsemeng Municipality and is situated approximately 45 km south of Koffiefontein. Access to the town is gained from the R12 route between Koffiefontein and De Aar.

The main social and economic functions of the town is to serve as:-

- (a) General agricultural service Centre to surrounding farming areas, and
- (b) Social functions such as residence, education and medical services.

The main spatial and/or land issues influencing the future spatial patterns and development of the town include:

- The need for commercial and social integration of the former separated town areas;
- The shortage of especially lower income housing units;
- Access to land by emerging farmers;
- Land availability for social function such a community hall and cemeteries;
- Sustainable management of land, and
- Conservation of areas surrounding local rivers.

The Letsemeng Municipality comprise of six newly demarcated wards which overlaps in certain wards, the wards are as follows:-

Ward 1 – Luckhoff and Oppermansgronde

Ward 2 – Ratanang and Sandershoogte

Ward 3 – Bolokanang (portion), Jacobsdal and Phambili

Ward 4 – Khayelitsha and Diamanthoogte;

Ward 5 – Dithlake and Koffiefontein;

Ward 6 – Bolokanang and Petrusburg;

All these wards includes the adjacent farming areas and surroundings as per the Municipal Demarcation Board determinations, which makes other wards more complicated than others.

This municipality consists of a total population of **38 628** residents which is dominant by a total of **19 852** male against the **18 777** female in the area. The level of unemployment stands at **22.8%** which is dominated a percentage of **31%** unemployed female against **16.5%** male; this compels the municipality to at this point in time pay special attention to gender equality in the formal employment sector and women economic empowerment in the enterprise development sector. There is also a high level of unemployment amongst the youth which poses another challenge to the municipality and all Sector Departments to pay special attention to the youth in terms of both employment and economic empowerment.

b) What opportunities do we offer?

Despite the challenges circumstances and trying economic conditions of the Municipality we also offer a number of positive opportunities, which our communities should ensure that they enjoy from the conducive environment created by the benefactor which is Government. It has once more been confirmed by the Auditor General that the financial position of the municipality is quite stable and healthy and is able to sustain the municipalities operations in the long run. This presents an opportunity to the municipality and its communities to commit to sustain the current financial position and to improve it on an annual basis through an increased revenue base which will come with downward investment into provision of sustainable services and investment into sustainable community economic development initiatives and programmes. The municipality has created a platform with its main partner in the Private Sector, Petra Diamonds to implement its financial commitments as contained in the Social Labour Plan which will not only boost the local economy but also bring sustainable community development programmes and enterprise development to the facade. The municipality further committed a dedicated budget towards the development of the LED Strategy in partnership with its development partner IDT which will not only create a local economic development enabling environment but also unlock the overall economic potential of the area, the diversification of the local economy is key and extremely high on the agenda.

This is the beginning of the intent to create a platform to shape the debate around the economy of FS161 through different platforms and engagement forums like the

Letsemeng LED Forum. Tapping into the current dominating economic sector which is Agriculture and forging partnerships through PPP's is one area which creates an opportunity for our emerging farmers to develop into subsistence farmers. Attracting inward investment and the development of other macro business in the local space is another opportunity presented by Letsemeng Local Municipality, this space will be worth watching; developmental local government in practice.

c) What are we doing to improve ourselves?

Letsemeng Local Municipality is taking practical steps to improve its operations in the administration in pursuit of providing better and improved services to its communities as well as to improve the lives of the poor and most poverty stricken households within its communities. The organogram of the municipality has been implemented at an enormous pace and the most critical skills required for efficient service delivery has been attracted to our local area. Specialized skills in the form of a registered professional Civil Engineer who heads the Technical Directorate with three more Civil Technicians who specializes in Roads and Infrastructure, Project Management and also the long awaited Water Technician. The Finance Department has also been equipped with the requisite skill to perform its functions in the Budget and Treasury office quite eloquently in accordance with the prescripts of the MFMA.

All these steps is in pursuit of rendering more efficient and more effective services to the people, about 92% of the Management positions are filled to have a fully-fledged organogram which will respond to the implementation of the IDP.

The Council has tightened its oversight role by playing a more active role in providing clear political direction to the administration in trying to achieve the electoral mandate put before Council by the voters of FS161. The Oversight Committee has also been established in accordance with the legislative pre-requisite and is expected to perform its role and responsibilities in the most efficient manner.

Ward Committees have now been compelled to work in close harmony with the different Ward Councillors and are compelled to have monthly Ward meetings and to submit monthly reports to the office of the Speaker who will then in turn report to Council. A Revenue enhancement sub-committee has also been established to ensure a rapid increase in the revenue base of the municipality which will be supported by the newly appointed Divisional Head of Revenue.

We have gone further and aligned ourselves to implementation of the following key strategies and programmes:

- The Anti – Corruption Strategy – our plight and commitment towards rooting out corruption in Government and has developed our institutional Anti – corruption Strategy;
- Objectives of Operation Clean Audit 2014;
- The 5 Year Local Government Strategic Agenda;
- The Municipal Turn Around Strategy;
- The Free State Growth and Development Strategy;
- The National Spatial Development Perspective;
- The National Development Plan;
- The Millennium Development Goals;
- Comprehensive Rural Development Programme;

As Letsemeng Municipality we have committed towards the effective alignment and implementation of the abovementioned strategies in accordance with national guidelines.

Letsemeng Municipality have successfully launched the following poverty and job creation initiatives in our municipality:-

- The War on Poverty Campaign launched by the Presidency in 2008 and reviewed in 2010;
- Operation Hlasela campaign launched by the office in Premier in 2012;
- The Working for Water Programme by the Department of Water Affairs;
- The Expanded Public Works Programme launched in 2011;
- NYS & DWA Learnership Programme on skills development;
- The Community Works Programme adopted and implemented by Council;
- The Green Works Programme;
- The Working on Fire Programme;
- NARYSEC Programme with Department of Rural Development and Land Affairs;

These initiatives have brought job creation opportunities and skills development especially amongst the local youth of the area. It has also given us an opportunity to contribute to the national priority of job creation especially amongst the youth.

Implementation of the abovementioned programmes have also created an opportunity for government to implement the principles of intergovernmental relations in pursuit of a more efficient public service.

d) What could you expect from us over the next five years?

- Redesigning and redeveloping our IDP to close the gaps as identified in the assessment report;
- Effective implementation of our IDP document as the principal strategic planning document of the municipality;
- A detailed, deep and rigorous analysis of the status quo of the municipality with respect to the internal and external environmental needs;
- Using the KPAs, while organised as they are to facilitate ease of all our planning and performance;
 - Spatial Analysis and Rationale (to serve as a sixth focal area)
 - Basic Service Delivery
 - Local Economic Development
 - Municipal Transformation and Organisational Development
 - Municipal Financial Viability and Management
 - Good Governance and Public Participation

We will further unpack our IDP as a five year strategic document and unpack the strategies into a five year programme of projects with definable outputs for implementation with budget projections. This will further be supported by a detailed project list with budget allocations over the MTREF period. Breaking it further down into a realistic, achievable and measurable annual plan which then becomes the Service Delivery and Budget Implementation Plan of each Directorate. The SDBIP will list the immediate available budget allocations from across all three spheres of government, parastatals and the private sector; the SDBIP will enable the following:-

- Setting of very detailed quarterly (monthly if possible) objectives, activities and outputs based on the five and three year plans;
- This objectives, activities and outputs should serve as the main source of the overall Organisational and Individual Performance Management on a quarterly basis;
- Review at the end of each financial year with community, intergovernmental and non-state actor input;

In further breaking down our planning down to the level of assessing Sustainability and Viability of our plans we would:-

- (i) Prioritise community needs per ward in accordance with the available budget;
- (ii) Align us with policy and strategy directives;
- (iii) Develop a brief profile of HIGH, MEDIUM and LOW priority areas;
- (iv) Conduct an institutional performance and financial viability assessment;
- (v) Do a detailed SWOT analysis;
- (vi) Assess existing and envisaged backlogs and service delivery status and come up with plans on how to eradicate backlogs and improve low levels of service delivery;
- (vii) Do a Spatial Analysis assessment and come up with recommendations for economic growth;
- (viii) Write a Problem statement and clear Recommendations and convert it into an Action Plan;

e) How will our progress be measured?

In measuring our progress and performance in terms of implementation of the abovementioned plans we would:

As required by Section 38 of the Local Municipal: Systems Act No. 32 of 2000, we will establish a Performance Management System that will, among other things be:-

- in line with priorities, objectives, indicators and targets contained in its IDP;
- develop an alignment model which will remain confined to the principles of a **Balanced Score-Card [BSC] PMS Methodology and Approach**;
- adapted and customised for Local Government Sector and, in particular, to unique challenges and circumstances of Letsemeng LM;
- Developing individual performance plans for all employees of the municipality;
- Electronic Performance Management System;
- Enforce submission of performance reports and assessment thereof;
- Conducive to reward good performance and intervene and address bad performance;

The Letsemeng Local Municipality has set itself a motto reading "in pursuit of service excellence" and we striving to the best of our ability to achieve this particular objective in all affairs of the municipality, whether we're living up to the challenges is yet to be determined. Aged infrastructure, etc.

The Letsemeng Local Municipality has set developmental objectives which are aimed at:-

- Accelerated and improved basic service delivery to communities;
- Financial viability and sustainability;
- Good governance;
- Facilitating economic development and job creation;
- Improving municipal infrastructure;
- Fighting poverty and building safe, secure and sustainable communities;
and
- Improving skills development to raise productivity.

In order to realise all of the above developmental objectives set by the municipality we have adopted the Integrated Development Plan as the key strategic planning document to achieve our electoral mandate. In contrast to the role planning has played in the past, Integrated Development Planning is now seen as a direct function of municipal management, as part of an integrated system of planning and delivery. The approach has since changed from it being a desktop document to an implementable, realistic and funded document with projects and programmes which derives from the respective Key Performance Areas.

The IDP process is meant to drive issues such as municipal budgets, land management, promotion of local economic development and institutional transformation in a consultative, systematic and strategic manner, hence the institutional alignment between IDP, PMS and Budget processes of the municipality. Letsemeng has come to the realisation that the IDP will not only inform the municipal management; but will also guide the activities of any other sphere of government, corporate service providers, NGOs and the private sector within the Letsemeng municipal jurisdiction.

3. Organisational Development Overview

(a) Municipal Council & Political Governance

The Council of Letsemeng Local Municipality comprises of 11 democratically elected Councillors from three different political parties. In terms of section 7 of the Municipal Structures Act, the municipality has a plenary system. The system limits the exercise of the executive authority to the Municipal Council itself. The Mayor of the Municipality is also the Speaker.

In addition to the foregoing, the municipality is part of the District's shared Internal Audit Unit. The Internal Audit Unit, which reports to the Audit Committee, provides the much needed review processes and recommendations on the municipality's financial processes and performances as well as comments to the Oversight Committee on the Annual Report. The Oversight Committee provides Council with comments and recommendations on the Annual Report. The Oversight committee's report will be published separately in accordance with the MFMA.

The council structure consists of 11 councillors, with 8 from the ruling party (ANC), 1 from COPE and 2 from the DA. The council is a plenary system meaning that the Speaker of the council also assumes the responsibilities of the Mayor. Section 79 committees have been established in 2011 and are still functioning effectively, Council has reshuffled Chairpersons of Section 79 Committees in 2013 in pursuit of effective and functional committees. The Speaker has also inculcated a culture of Joint Sitzings of Section 79 Committees which is very effective to improve service delivery, this platform provides the opportunity to the Management and Council to jointly report and assess the overall performance of the municipality.

Below herewith is the structure of Council, see next page

The Letsemeng Municipal Council consist of the following eleven (11) Councillors:-

Name & Surname	Position	Ward	Photograph	Political Party
Mrs Thandiwe Ivy Reachable	Mayor/Speaker PR Councillor	5		ANC
Mr Pudumo Jan Louw	PR Council Chief Whip of Ruling Party	4		ANC
Mr Michael Mosebi Tsiloane	Ward Councillor	1		ANC
Mr Mzingo Jantjies	Ward Councillor	2		ANC
Mrs Sibongile Lecoko	Ward Councillor	3		ANC
Mr Vuyisile Andries Mona	Ward Councillor	4		ANC
Mr Muso Albert Mpatshela	Ward Councillor	5		ANC
Miss Palesa Dibe	Ward Councillor	6		ANC
Mr Kempen Willem Nel	PR Councillor	2		DA
Mrs Vanita Coetzee	PR Councillor	2		COPE

(b) Portfolio Section 79 Committees

The municipality established Council Portfolio Committees in June 2011. The committees were established in line with Section 79 of the Municipal Structures Act.

Section (1) states that:

A Municipal Council may;

- (a) Establish one or more committees necessary for the effective and efficient performance of any of its functions or the exercise of any of its powers'
- (b) Appoint the members of such a committee from among its members;

The Councillors serving on the Section 79 Committees have been appointed from amongst the members of the Municipal Council. These Section 79 Committees are chaired by Councillors appointed by the Municipal Council and are delegated duties and powers for the effective and efficient performance of Council's functions or the exercise of its powers. Each Section 79 Committee is responsible for ensuring effective political oversight of departmental activities through the consideration of reports from the Municipal Manager and Directors and relevant Managers. Based on the said reports these committees make recommendations for consideration by the Municipal Council.

Below is a list of Portfolio Section 79 Committees and Councillors who serve on these committees.

Section 79 Committee	Chairperson	Members
Planning & Development Committee	Councillor P Dibe	<ul style="list-style-type: none">• Councillor TI Reachable• Councillor M Jantjies• Councillor K Nel
Technical & Infrastructure Committee	Councillor PJ Louw	<ul style="list-style-type: none">• Councillor P Dibe• Councillor V Coetzee
Finance Committee	Councillor MM Tsiloane	<ul style="list-style-type: none">• Councillor P Louw• Councillor K Nel
HR & Corporate Services Committee	Councillor M Jantjies	<ul style="list-style-type: none">• Councillor VA Mona• Councillor S Lecoko
Community Services & Public Safety and Security Committee	Councillor S Lecoko	<ul style="list-style-type: none">• Councillor M Mpatsehla• Councillor M Tsiloane

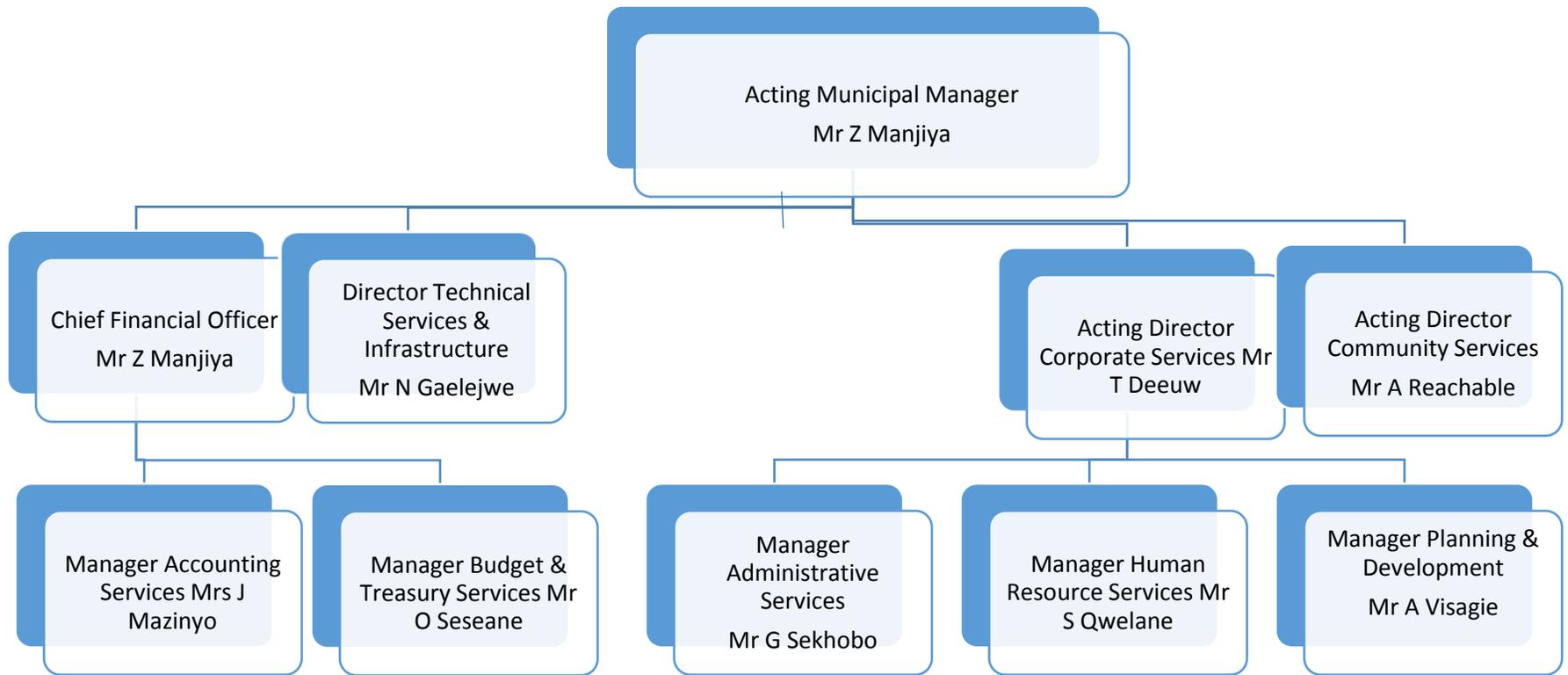
Health Committee	Councillor M Mpatsehla	• Councillor L Greef
Sport Committee	Councillor M Tsiloane	• Councillor L Greef

(c) The Municipal Administration

The Municipal Manager is the head of the administration and is assisted by four (4) Directors to manage the four Directorates within the municipal administration, which is preceded by the office of the Municipal Manager which accounts to the highest office within the institution, the office of the Mayor. Herewith the different Directorates within the municipal administration:-

1. Office of the Mayor
2. Office of the Municipal Manager
3. Finance Department
4. Corporate Services
5. Technical and Infrastructure Services
6. Community Services

Below herewith is a layout of the Management Structure of the Letsemeng Municipality, which is being headed by the Accounting Officer.



(d) VISION

“Maximized quality service to local communities”

(e) MISSION

“By providing the best resource management capability at our disposal”

(f) VALUES

- Innovative
- Creativity
- Integrity
- Honesty
- Loyalty
- Reliable
- Loyal
- Committed
- Open-minded
- Consistent
- Honest
- Efficient
- Motivated
- Optimistic
- Passionate
- Respectful

(g) We further commit ourselves to be compliant and obedient to the **Batho Pele Principles** of Government, which are:-

- 1. Consultation** – You can tell us what you want from us?
- 2. Service Standards** – Insist that our promises are kept;
- 3. Access** – One and all should get their fair share;

4. **Courtesy** – Don't accept insensitive treatment;
5. **Information** – You're entitled to full particulars;
6. **Openess and Transparency** – Administration must be an open book;
7. **Redress** – Your complaints must spark positive action;
8. **Value for money** – Your money should be employed wisely;

We wish to pledge our full commitment in making sure that we live up to our vision, realize our mission, be living testimonies of the values we have set for ourselves and ensure implementation of the Batho Pele principles at all times.

4. DEMOGRAPHIC PROFILE OF THE MUNICIPALITY

The demographic profile of the municipality is reflective of the following areas:-

(a) Population distribution by Age, Gender and Geography

The total population of the municipality stands at **38 628** persons and consists of **11 242** households, with an average density of **3.4** persons per household. There has been a decline since the **2001 Stats SA** survey which counted a total of **42 487** residents against the **2011** total of **38 628**

Figure 1: Population distribution by gender and geography

Geography	Gender		Total
	Male	Female	
DC16: Xhariep	71658	74600	146259
FS161: Letsemeng	19852	18777	38628
Ratanang	2052	2179	4231
Jacobsdal	1761	1743	3504
Riet Rivier	542	483	1026
Petrusburg	4101	4334	8435
Oppermans	427	444	871
Koffiefontein	5089	5313	10402
Luckhoff	1795	1904	3699

Data Source: Statistics South Africa, Census 2011

See the stats in figure 1 below:-

Figure 2: Population by gender, age and geography

Population distribution by Age, Gender and Geography																									
Age	FS: 161: Letsemeng			Koffiefontein			Ratanang			Oppermans			Luckhoff			Jacobsdal				Riet Rivier			Petrusburg		
	Male	Female	Total	Male	Female	Total	Male	Female	total	Male	Female	Total	Male	Female	Total	Male	Female	total		Male	Female	Total	Male	Female	total
0-4	2088	2114	4202	582	591	1172	236	261	497	30	32	62	221	234	455	189	178	367		61	61	122	393	442	835
9-May	1876	1808	3684	536	493	1029	234	229	463	44	48	92	233	220	453	164	166	330		48	50	97	424	439	863
14-Oct	1850	1741	3592	564	515	1079	259	229	488	52	62	114	240	211	451	167	170	337		37	57	94	427	386	813
15-19	1828	1791	3618	471	542	1013	236	204	440	49	43	92	197	205	402	218	199	417		58	38	96	409	386	795
20-24	1963	1684	3647	493	449	943	200	178	378	40	27	67	130	136	265	163	127	291		50	50	100	385	397	783
25-29	1911	1388	3299	388	365	753	147	155	302	32	27	59	131	126	257	157	126	283		43	37	80	364	300	665
30-34	1692	1330	3022	353	354	707	129	171	300	26	30	56	94	96	190	128	108	236		61	35	96	357	314	671
35-39	1409	1258	2667	317	357	674	115	142	257	31	38	69	87	120	207	110	121	231		46	42	88	238	259	497
40-44	1145	1186	2332	297	346	643	91	124	215	28	27	55	72	91	163	102	121	223		34	27	61	202	245	447
45-49	1027	1059	2086	275	320	596	80	105	185	34	20	53	73	103	176	87	108	195		28	23	51	182	231	413
50-54	915	927	1843	263	256	519	73	97	169	12	28	40	58	65	123	90	92	182		21	15	36	184	195	380
55-59	674	756	1430	173	247	420	62	76	138	12	15	27	57	54	111	60	62	122		18	21	39	142	188	329
60-64	568	573	1141	165	150	314	55	63	118	10	19	29	24	34	58	47	57	104		16	11	27	132	151	283
65-69	354	378	732	84	119	203	28	34	62	13	9	22	26	35	60	35	29	64		13	11	24	93	104	197
70-74	237	335	572	59	98	158	32	3	69	6	12	18	9	26	35	17	37	54		5	2	8	57	82	140
75-79	155	233	388	33	54	87	19	16	36	5	3	9	10	12	22	14	19	33		1	2	3	50	92	141
80-84	80	126	206	22	32	54	3	16	19	2	2	4	11	10	21	5	10	15		2	1	3	22	52	74
85+	78	125	203	13	25	38	8	8	15	-	2	2	-	4	4	47	13	21		0	1	1	40	69	110
Total	19852	18777	38628	5089	5313	10402	2052	2179	4231	427	444	871	1795	1904	3699	1761	143	3504		542	483	1026	4101	4334	8435

(b) SOCIO-ECONOMIC PERSPECTIVE

The status of the municipality's economy epitomizes the legacy of apartheid through its skewed development among former white areas and townships. All communities are affected in terms of poverty and development deficit. Upliftment of the local economy has therefore been a key area of focus for the Municipality.

Letsemeng Municipals economy is characterized by the following:

- Mining and agricultural sector are the largest contributors to the local economy;
- The decline in the agricultural sector over the recent years has had an adverse effect on the employment potential of the rural areas;
- Luckhoff has the highest unemployment rate;
- De Beers Mines contributes major part to the local economy before it was closed;

By virtue of its geographic location the Municipality provides itself as a natural transportation route for people travelling to destinations such as Bloemfontein since two of the major national roads, namely N12 and N8 passing through the Municipality.

EMPLOYMENT STATUS

Employment status refers to whether a person is employed, unemployed or not economically active. The two categories of employment and unemployment together constitute the economically active category. The category of not economically active constitutes all those who are currently not regarded as part of the labour force e.g. scholars, housewives, pensioners, disabled, those not wishing to work, etc.

UNEMPLOYMENT

Stats SA uses two definitions of unemployment. According to the (international) official or strict definition, the unemployed are those people within the economically active population who:

- Did not work in the seven days prior to census night;
- Wanted to work and were available to start work within a week of census night; and
- A person who fulfils the first two criteria above but did not take active steps to seek work is considered unemployed according to the expanded definition. This definition captures discouraged work seekers, and those without the resources to take active steps to seek work.

Unemployed persons are:

- Those who are unemployed and looking for work (strict definition of unemployment); or
- Those who are unemployed, not looking for work, but would accept work (expanded definition of unemployment).

Using the expanded definition, on average 22.3% of the population in Letsemeng is unemployed, with the highest rate of unemployment being in rural areas.

This high unemployment rate has serious repercussions on the ability of the residents of Letsemeng to pay for their daily needs. Unemployment is more than 21% in all of the areas and is the highest in Luckhoff at 32%.

Figure 3: Employment status of population aged between 15 and 64 years by gender and geography

Geography	Employed			Unemployed			Not Economically Active			Unemployment Rate		
	M	F	Total	M	F	Total	M	F	Total	M	F	Total
FS:161: Letsemeng	5928	3236	9164	1170	1454	2624	6036	7227	13263	16.5	31.0	26.8
Koffiefontein	1192	736	1928	331	396	726	1672	2255	3928	21.7	35.0	27.4
Ratanang	488	386	874	138	129	268	606	833	1439	22.0	25.0	23.5
Jacobsdal	474	292	766	151	138	289	537	691	1228	24.2	32.1	27.4
Riet Rivier	289	102	391	3	6	9	83	191	274	1.0	5.6	2.3
Petrusburg	1172	758	1931	357	492	848	1066	1417	2484	23.3	39.4	30.5
Oppermans	121	72	194	32	36	68	120	167	287	20.9	33.3	26.0
Luckhoff	327	201	528	126	133	259	578	797	135	27.8	39.8	32.9

HOUSEHOLD INCOME

Household income is a parameter which is, amongst others, also indicative of poverty levels within a community. A financially healthy community's household income usually displays a so-called "normal" income distribution pattern where the income is spread over a fairly wide range of income categories, and the income of the bulk of the community is situated more or less within the first half to two thirds of the income category range.

Females are more likely to be unemployed and looking for work than males. Poor communities are sometimes highly dependent on the environment for coping and survival purposes and, in this regard, almost always over-exploit the environment

Only 10.2% of households in the Letsemeng Municipal fall within the "No income" category. Of concern is that 7.4% of the households in Letsemeng have an income of less than R 10 000 and 23.9% of the households have an annual income of less than R19 601.00

b) SOCIAL SERVICES

This section addresses the levels and fields of health, education, and community facilities available to the people in the Letsemeng Municipal Area and its five urban settlements.

The main purpose is to present a profile of the social potential of the area's and its human resources and identify strength and weaknesses in respect of each area which could be of benefit to the communities.

The information used in this section is based on Census 2011 data provided by Stats SA.

The Tables below show a summary of the social indicators as defined by Stats SA.

Table 4: Households by type of dwelling and geography

Table 5: Households without access to electricity

Table 6: Households without access to water

Geography	Households					Percentages				
	Formal Dwelling	Informal	Traditional	Other	Total	Formal Dwelling	Informal	Traditional	Other	Total
FS: 161: Letsemeng	9358	1812	17	55	11242	83.2	16.1	0.1	0.5	100.0
Koffiefontein	2659	538	1	5	3203	83.0	16.8	0.0	0.2	100.0
Ratanang	861	240	2	10	1112	77.4	21.6	0.2	0.9	100.0
Jacobsdal	598	395	-	10	1003	59.6	39.4	-	1.0	100.0
Riet River	251	76	5	-	332	75.6	23.0	1.4	-	100.0
Petrusburg	2181	450	1	7	2639	82.6	17.1	0.0	0.3	100.0
Oppermans	229	1	-	-	230	99.5	0.5	0	0	100.0
Luckhoff	937	60	1	8	1007	93.1	6.0	0.1	0.8	100.0

Table 4: **Distribution of households by type of refuse removal and geography**

Geography	Households				Percentages			
	Electricity	Other	None	Total	Electricity	Other	None	Total
FS:161: Letsemeng	10430	796	17	11242	92.8	7.1	0.1	100.0
Koffiefontein	3157	41	5	3203	98.6	1.3	0.2	100.0
Ratanang	1068	44	-	1112	96.0	4.0	-	100.0
Jacobsdal	809	187	7	1003	80.6	18.7	0.7	100.0
Riet Rivier	258	74	-	332	77.7	22.3	-	100.0
Petrusburg	2524	112	2	2639	95.7	4.3	0.1	100.0
Oppermans	227	2	-	230	98.9	1.1	-	100.0
Luckhoff	919	88	-	1007	91.3	8.7	-	100.0

Table 5: **Distribution of households with access to electricity for lighting by geography**

Geography	Households				Percentages			
	Piped (tap) inside dwelling/yard	Piped (tap) water on community stand	No access to piped (tap) water	Total	Piped (tap) inside dwelling/yard	Piped (tap) water on community stand	No access to piped (tap) water	Total
FS:161: Letsemeng	10211	788	243	11242	90.8	7.0	2.2	100.0
Koffiefontein	3180	8	15	3203	99.3	0.3	0.5	100.0
Ratanang	1105	1	6	1112	99.3	0.1	0.5	100.0
Jacobsdal	646	354	3	1003	64.4	35.3	0.3	100.0
Riet Rivier	224	78	30	332	67.6	23.5	8.9	100.0
Petrusburg	2400	154	85	2639	91.0	5.8	3.2	100.0
Oppermans	230	-	-	230	100.0	-	-	100.0
Luckhoff	987	17	3	1007	98.0	1.6	0.3	100.0

Table 6: **Distribution of households with access to piped (tap) water by geography**

c) HOUSING

All urban areas are composed of various residential components varying from formal housing units to informal dwellings units as indicated in the table below. Within the Local Municipality, 83.2% of the households live in formal housing, 16.1% in informal housing and only 0.5% in traditional housing. This reflects that the housing backlog is not that huge but will drastically with the new development patterns in the municipality.

The following issues were highlighted regarding the housing delivery:

- Lack of funding for housing development;
- Access to land for sustainable human development;
- Construction of more RDP houses;
- Provision of services to new residential sites;
- Fast tracking land availability and transfer of land;
- Slow delivery of housing development;
- Lack of capacity at local municipal level;
- Low quality of RDP houses;

d) EDUCATION PROFILE

A major problem with the data collected in respect of the levels of education during Census 2011, is the fact that, in respect of school levels, it does not distinguish between learners (children and/or adults) busy with a grade and adults/school drop-outs whose highest educational level achieved is the specific grade. While the actual number of schools is generally satisfactory to standard, and acute shortage is experienced in the remote rural areas of the Municipality. Major concerns are the extremely high numbers of people with no education as well as the low numbers of individuals with post-matric qualifications found throughout the Municipality. It is rather encouraging to note the relatively high number of people who were either busy with or have already achieved Grade 12 (Matric) when the census was conducted.

The table below indicates the education facilities that are available in each town. According to a CSIR Report, illiteracy in the Municipality is also high. The Municipality has a small tertiary educated knowledge pool. The lack of skilled professionals places a constraint on development in the Municipality.

Education Facilities

Town	Primary	Secondary	Combined	Intermediate	Tertiary	Total
Koffiefontein/ Dithlake/ Diamanthoogte	1	1	2	-	1	5
Petrusburg/ Bolokanang	2	1	1	-	-	4
Jacobsdal/ Ratanang/ Sandershoogte	1	1	2	-	-	4
Oppermansgronde	-	-	-	1	-	1
Luckhoff/ Relebohile/ Teisesville	1	-	1	1	-	4
Letsemeng	5	3	6	2	1	17

Presently there are 5 primary schools in the municipality and they are mostly situated in low to medium density residential areas. The formal primary schools are established and run by Department of Education. The high number of established primary schools is an indication of how the Department of Education is committed to meeting the education needs of young children in the municipality and is still improving by building the latest model schools in Luckhoff and Diamanthoogte. These schools will be equipped with school libraries, school halls and computer labs on site, we also do have about 2 schools in our area with science labs. Petra Diamond Mines has embarked on a

school infrastructure development programme in conjunction with the municipality and has set aside a budget of R 1.8 million for improvements of one school per town.

Issues Identified:

- Insufficient education facilities for ECD;
- Availability and retention of qualified staff in Math's and Science;
- Introduction of Math's and Science into the curriculum;
- The medium of instruction be changed from Afrikaans to English;

e) HEALTH FACILITIES

The sectoral approach that was adopted to analyse the present health facilities of the Xhariep district revealed that the National Government has adopted a primary health care strategy that includes making such services available within walking distance of communities. The strategy also includes improvement in sanitation and drinking water supply. Thus the health care systems that presently exist in the District which includes the Letsemeng Municipality and consist of:

- Regional Hospitals;
- District Clinics;
- Municipal health centers or clinics;
- Mobile clinics;

The Table below shows the number of established health centers in the Municipality.

Town	Hospital	Health Care Facility	Clinic	Mobile Clinic	Grand Total
Koffiefontein/Dithlake/Diamantheogte	-	-	1	1	2
Petrusburg/Bolokanang	-	1	-	-	1
Jacobsdal/Ratanang/Sandershoogte	-	-	1	3	4
Oppermansgronde	-	-	1	-	1
Luckhoff/Teisesville/Relebohile	-	-	1	1	2
Letsemeng	-	1	4	5	10

Issues Identified:

- Insufficient health facilities – need for the building of proper clinics in Luckhoff and Jacobsdal;
- Life threatening response time of ambulances – tremendously slow;
- Availability of medical, especially Doctors as only one is servicing the municipal area;
- Aftercare facilities and support services to patients;
- Rendering of 24 hour health services and emergency services by converting our clinics into Health Care facilities;
- Hospice for terminally ill patients;
- Proper Aids Support;
- Waiting area for out - patients;

f) COMMUNITY FACILITIES

There is a reasonable high dependency level in the area. It would be important to watch the trend over a period of time to see if it would suggest a decline. This implies the population is still young enough to gear up resources to cater for the needs of this young population in terms of career opportunities in the area, provision of education facilities, which will allow for intellectual development as well as physical development in the form of sporting and recreational facilities as well as physical development in the area.

In this section the community services that the Municipality provide to the various communities within each town are discussed in brief.

The Table below provides a summary of all community facilities:-

Town	Library	MPCC	Cemeteries	Recreational Facilities Sports Complexes	Community Halls
Koffiefontein/Dithlake /Diamanthoogte	2	1	4	2	1
Petrusburg/ Bolokanang	1	-	2	2	2
Jacobsdal/Ratanang/ Sandershoogte	1	-	3	1	2
Oppermansgronde	1	-	-	-	-
Luckhoff/Teisesville/ Relebohile	-	-	3	2	2
Letsemeng	5	1	12	7	7

Issues Identified:

- Need for library in Luckhoff to replace the current one room library in town;
- Need for upgrade of Sport Complexes in Bolokanang and Dithlake and building of one in Oppermansgronde;
- Need for the building of a Community Hall in Oppermansgronde;

- Need for multi-recreational facilities with swimming pools and multi – sport codes in all towns;

5. POWERS AND FUNCTIONS OF THE MUNICIPALITY

The following functions have been identified as priority functional areas of Local Government in the amended IDP framework and Letsemeng Municipality has committed to ensure implementation and coordination of these functions:-

Function	Definition of function	MDB Prioritisation
Municipal roads	Construction, maintenance and control of a road used by members of the public, including streets in built up areas.	1
Electricity reticulation	<p>Bulk supply of electricity, which includes for the purpose of such the supply, the transmission, distribution, and where applicable the generation of electricity.</p> <p>Regulation, control and maintenance of the electricity reticulation network.</p> <p>Provision and maintenance of public lighting which includes street lights, high mast lights, etc.</p> <p>Tariff policies, monitoring of the operation of the facilities for adherence to standards.</p>	1
Water (Potable)	Establishment or procurement, operation, management, and regulation of a potable water system, including the services and infrastructure required for the regulation of water conservation, purification, reticulation and distribution	1

Sanitation	Establishment or procurement, where appropriate, provision, operation, management, maintenance and regulation of a system, including infrastructure for the collection, removal and disposal or purification of human excreta and domestic waste-water.	1
Cemeteries, and crematoria	The establishment conduct and control of facilities for the purpose of disposing of human and animal remains. This includes cemeteries, funeral parlours and crematoria.	1
Refuse Removal, Refuse dumps and solid Waste	Removal of any household or other waste and the disposal of such waste in an area, space or facility established for such a purpose. It further includes the provision, maintenance and control of any infrastructure or facility to ensure a clean and healthy environment.	1
Storm water	Management of systems to deal with storm water in built-up areas	1
Fire fighting	Fighting and extinguishing fires, the rescue and protection of any person, animal or property in emergency situations not covered by other legislations or powers and functions	1
Traffic and Parking	Management and regulation of traffic and parking, which includes control over speeding of vehicles on municipal roads.	1
Municipal Planning	Compilation of IDPs, preparation of the SDFs as a sectoral plan, development and implementation of a town planning scheme or	1

	land-use management scheme	
Local Sport and Recreational facilities	Provision and maintenance of sports and recreational facilities	3

6. PROCESS FOLLOWED TO DEVELOP THE IDP

- (a) Introduction and Legislative context
- (b) Institutional Arrangements and Roles and Responsibilities
- (c) Participants in the IDP Review Process and Terms of Reference
- (d) Public and Stakeholder Participation during the IDP Phases
- (e) Alignment between IDP, Budget and PMS
- (f) IDP Time Schedule and Budget
- (g) Schedule of activities and dates

(a) INTRODUCTION AND LEGISLATIVE CONTEXT

In accordance with Chapter 5 of the Municipal Systems Act No. 32 of 2000, all Categories of Municipalities in South Africa, ranging from Metropolitan, District and Local Municipalities are required to compile a five year strategic plan (IDP's) with the current one for the period of 2011 – 2016, which:-

- a) Links integrates and coordinates plans and takes into account proposals for the development of the municipality;*
- b) Aligns the resources and capacity of the municipality with the implementation of the plan;*
- c) Complies with the provisions of this Chapter; and*
- d) Is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation;*

In terms of the core components of the integrated development plan, Chapter 5 and Section 26 of the Municipal Systems Act (2000) indicates that:-

An integrated development plan must reflect:-

- The municipal council's vision for the long term development of the municipality with special emphasis on the municipality's most critical development and internal transformation needs;
- An assessment of the existing level of development in the municipality, which must include an identification of communities which do not have access to basic municipal services;
- The Council's development priorities and objectives for its elected term, including its local economic development aims and its internal transformation needs;
- The council's development strategies which must be aligned with any national and provincial sectoral plans and planning requirements binding on the municipality in terms of legislation;
- A spatial development framework which must include the provision of basic guidelines for land use management system for the municipality;
- The Council's operational strategies;
- Applicable disaster management plans;
- *A financial plan, which must include a budget projection for at least the next three years; and*

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

The annual review of the IDP process is a legislative requirement in terms of Section 34 of the Municipal Systems Act No. 32 of 2000. Section 34 stipulates that a municipality;

- (a) must review its integrated development plan—
 - (i) annually in accordance with an assessment of its performance measurements in terms of section 41; and
 - (ii) to the extent that changing circumstances so demand; and
- (b) may amend its integrated development plan in accordance with a prescribed process.

The preparation of the Process Plan is the legislative requirements of Section 28 of the Municipal Systems Act No. 32 of 2000 which reads as follows:-

Adoption of process-Section 28 (1) each municipal Council, within a prescribed period after the start of its elected term, must adopt a process set out in writing to guide the planning, drafting, adoption and review of its Integrated Development Plan.

The Process Plan should in detail include the following:-

- *Appropriate mechanisms, processes and procedures for consultation and participation of local communities, organs of state, and other role-players in the IDP drafting process; and*
- *the identification of all plans and planning requirements binding on the municipality in terms of national and provincial legislation.*

The Process Plan should fulfil the function of a business plan or an operational plan for the IDP process. It should say in a simple and transparent manner:-

- what has to happen when;
- by whom;
- with whom, and
- where, and it should include a cost estimate.

The Process Plan document will therefore deals with the following aspects:

- Consideration, inclusion of any relevant and new information;
- An overview of the IDP Review;
- The time and budget schedule for the planning process;
- Roles and responsibilities of different role players;

- An approach to public participation;
- Institutional structures to be established for management of the process; and
- Monitoring and evaluation of the process.

INSTITUTIONAL ARRANGEMENTS and ROLES and RESPONSIBILITIES

Role Players	Responsibilities
Municipal Council	As the ultimate political decision-making body of the municipality, the Municipal Council: <ul style="list-style-type: none"> • Consider and adopt a Process Plan; • Consider, adopt and approve the IDP;
Ward Councillors	Councillors are the major link between the municipal government and the residents. As such, their role is to: <ul style="list-style-type: none"> • Link the planning process to their constituencies and/or wards; • Be responsible for organising public consultation and participation; • Ensure the annual business plans, and municipal budget are linked to and based on the IDP.
Municipal Manager and IDP Manager	The Municipal Manager or a senior official being charged with the function of an IDP Manager on his/her behalf has to manage and co-ordinate to IDP process. This includes to:- <ul style="list-style-type: none"> • Prepare the Process Plan; • Undertake the overall management and co-ordination of the planning process; • Ensure that all relevant actors are appropriately involved, • Nominate persons in charge of different roles; • Be responsible for the day- to-day management of the drafting process; • Ensure that the planning process is participatory, strategic and implementation orientated and is aligned with and satisfies sector planning requirements; • Respond to comments on the draft IDP from the public, horizontal alignment and other spheres of government to the satisfaction of the municipal council; • Ensure proper documentation of the results of the planning of the IDP document; and • Adjust the IDP in accordance with the MEC for COGTA's proposals; <p>Even if the Municipal Manager delegates some of these functions to an IDP Manager on his behalf, he is still</p>

	responsible and accountable.
Heads of Departments and Officials	<p>As the persons in charge for implementing IDPs, the Heads of Departments have to be fully involved in the planning process to:</p> <ul style="list-style-type: none"> • Provide relevant technical, sector and financial information for analysis for determining priority issues; • Contribute technical expertise in the consideration and finalisation of strategies and identification of projects; • Provide departmental operational and capital budgetary information; • Be responsible for the preparation of project proposals, the integration of projects and sector programmes; • Be responsible for preparing amendments to the draft IDP for submission to the municipal council for approval and the MEC for COGTA for alignment.

PARTICIPANTS IN THE IDP REVIEW PROCESS and TERMS OF REFERENCE

IDP Steering Committee	
"Support the IDP Manager and ensure a smooth planning process"	
Composition	Terms of Reference
<p>Chair: Municipal Manager or IDP Manager</p> <p>Secretariat: Dedicated Municipal Official</p> <p>Members: Chairpersons of Section 79 Committees Heads of Departments Project Management Unit – Technician</p>	<ul style="list-style-type: none"> •Provides terms of reference for the various planning activities •Commissions research studies •Considers and comments on: <ul style="list-style-type: none"> - inputs from sub-committee/s, study teams and consultants - inputs from provincial sector departments and support providers •Processes, summarises and documents outputs •Makes content recommendations •Prepares, facilitates and documents meetings
IDP Representative Forum	
"Institutionalises and guarantees representative participation in the IDP Process"	
Composition	Terms of Reference
<p>Chair: Mayor of Letsemeng Council</p> <p>Secretariat: IDP Steering Committee</p> <p>Members: •Councillors •Ward Committee</p>	<ul style="list-style-type: none"> •Represent the interests of their constituents in the IDP process •Provide an organisational mechanism for discussion, negotiation and decision making between the stakeholders •Ensure communication between all the stakeholder representatives •Monitor the performance of the planning and implementation process •Participate in the process of setting up and monitoring "key

Chairpersons •Heads of Departments / Senior officials •Stakeholder representatives of organised groups •Resource people •Community Representatives	performance indicators" in line with the "Performance Management Framework of Letsemeng Municipality".
--	--

PUBLIC AND STAKEHOLDER PARTICIPATION DURING THE IDP PHASES

Planning phase		Participation Mechanisms
1	Analysis	<ul style="list-style-type: none"> • Community consultation meetings organised by councillors; • Stakeholder meetings in all wards; • Written submissions from the public domain;
2	Strategies	<ul style="list-style-type: none"> • District level strategy workshops, with representatives of all municipalities in the Xhariep District; • Sector Provincial and National departments; and selected representatives of stakeholder organisations; • IDP Representative Forum at local level; • Stimulation of public debates through public events;
3	Project planning a) Projects/ programmes with municipality-wide scale b) Localised community-level projects	<ul style="list-style-type: none"> • Technical sub-committees with few selected representatives of stakeholder organisations and civil society; • Intensive dialogue between technical subcommittees and affected communities;
4	Integration	<ul style="list-style-type: none"> • IDP Representative Forum;
5	Approval	<ul style="list-style-type: none"> • Broad public discussion/ consultation process within all community and stakeholder organisations; • Opportunity for comments from communities and stakeholder organisations;
6	Monitoring of Implementation	<ul style="list-style-type: none"> • IDP Representative Forum;

7. ALIGNMENT BETWEEN IDP, BUDGET AND PMS

In terms of the Municipal Systems Act, municipalities are required to prepare an organisational performance management system that must be linked to the IDP. Tremendous progress has been made with the process of aligning the IDP and the Budget; however more effort needs to be done with regard to alignment with the Performance Management System (PMS). It is very important to note that the SDBIP is currently being used as a measuring tool with regard to performance measurement of Senior Managers. It is the wish of Letsemeng to ensure an even greater alignment and process flow between the three main systems and processes in local government (IDP, Budget and PMS) during the 2011/2012 financial year to an even greater extent through the Process Plan

The PMS process will address the following issues:

- Alignment of the PMS, Budget and IDP processes;
- Implementation of individual performance management system at Senior Management and Middle Management level;

The IDP, performance management systems (PMS) and budget are all components of one overall development planning and management system.

The IDP sets out what the municipality aims to achieve and how its developmental objectives will be achieved.

The PMS enables the municipality to measure its performance against development objectives, strategies and targets set.

The Budget makes budgetary provision as needed in order to achieve the development objectives, strategies and targets set.

IDP TIME SCHEDULE and BUDGET

No	Activities	Budget	Time Frame
1	Phase 1: Development of IDP process plan	0	September 2013
2	Phase 2: Submission of IDP process plan to Council for adoption	0	September 2013
3	Phase 3: Information and data collection	20 000.00	September – October 2013
4	Phase 4: Public Participation and IDP review processes	30 000.00	October 2013 – February 2014
5	Phase 5: Adoption of draft IDP review	5 000.00	March 2014
6	Phase 6: Drafting of final IDP document and submission to Council for adoption	5 000.00	April 2014 – June 2014
Total Budget			R 60 000.00

SCHEDULE OF ACTIVITIES and DATES

Activities	Ward	Venue	Date
1st IDP Steering Committee Meeting		Municipal Managers Boardroom	03/10/2013
IDP Stakeholders meeting with Sector Departments and Parastatals		Municipal Managers Boardroom	04/10/2013
2nd IDP Steering Committee Meeting		Municipal Managers Boardroom	11/02/2014
2nd IDP Representative Forum Meeting		Auditorium	13/02/2014
Adoption of draft IDP		Koffiefontein Council Chambers	25/03/2014
Submission of draft IDP to COGTA			28/03/2014
Attendance of draft IDP Assessment by COGTA		Bloemfontein	22 April 2014
1st IDP Representative Meeting		Auditorium	21/05/2014
IDP Public Consultation Meeting & Stakeholders Consultations		Johannes Mokopane Community Hall	29/05/2014
		Oppermansgronde Lutheran Church	28/05/2014
IDP Public Consultation Meeting & Stakeholders Consultations	2	Kutlisiso Community Hall	10/06/2014
IDP Public Consultation Meeting & Stakeholders Consultations	3 & 6	Phambili School	04/06/2014
		Bolokanang Ipetleng School Hall	03/06/2014
IDP Public Consultation Meeting & Stakeholders Consultations	4	Walter Sisulu Community Facility	09/06/2014
IDP Public Consultation Meeting & Stakeholders Consultations	5	Daniel Moopela Community Hall	19/06/2014
IDP Representative Forum Meeting with Sector Departments, Parastatals and the Private Sector		Council Chambers	12/06/2014
Adoption of final IDP document by Council		Walter Sisulu Community Facility	24/06/2014
Submission of final IDP document to COGTA (10 days after adoption)			27/06/2014

8. SPATIAL ECONOMY AND DEVELOPMENT RATIONALE

Overarching guidelines for the LLMSDF are provided by the National Spatial Development Perspective (NSDP), in the context of the World Summit on Sustainable Development (WSSD) 2002, by other national and international commitments, the Provincial Growth and Development Strategy (PGDS) and is also informed by other local guiding policies and documents. The main principles pertaining to land development are captured in the following legislation:

- Development Facilitation Act (Act 57 of 1996);
- Environmental Management Act (Act 107 of 1998);
- Land Use Management Bill (2001).

LAND USE MANAGEMENT BILL, 2001

Letsemeng Municipality has completed its Land Use Management Scheme according to the Land Use Management Bill, Chapter 3 (2001), all Spatial Development Frameworks (SDF) must give effect to:

a) Directive principles

- Any national land use framework applicable in the area of the municipality, and
- Any national and provincial plans and planning legislation.

b) The main principles pertaining to land development are captured in the following legislation:

- Development Facilitation Act (Act 57 of 1996);
- Environmental Management Act (Act 107 of 1998);
- Land Use Management Bill (2001).

c) **The principles set out in above legislation can be divided into 4 main principles:**

- Principle of sustainability;
- Principle of equality;
- Principle of efficiency;
- Principle of integration.

The Letsemeng Municipality duly supports the principles set out in the above legislation; however significant community principles were identified during the IDP review and community workshops that were held.

MUNICIPAL DEMARCATION ACT 27 OF 1998

The Municipal Demarcation Act 27 of 1998 (DMA) provides criteria and procedures for the determination of municipal boundaries by an independent authority. In terms of the Act, the Municipal Demarcation Board is established to determine municipal boundaries.

Section 24 provides that when demarcating a municipal boundary, the Board must aim to establish an area that would enable the municipality to fulfil its Constitutional obligations, including the provision of services in an equitable and sustainable manner, the promotion of social and economic development and the promotion of a safe and healthy environment. The tax base must also be as inclusive as possible of users of municipal services in the municipality.

ORGANISED LOCAL GOVERNMENT ACT 52 OF 1997

The Organised Local Government Act 52 of 1997 (LGA) provides for the recognition of national and provincial organisations representing the different categories of municipalities and determines various procedures concerning local government, including procedures by which local government may consult with national and provincial government.

MUNICIPAL STRUCTURES ACT 117 OF 1998

The main object of the Municipal Structures Act 117 of 1998 (MSA) is to provide for the establishment of municipalities in accordance with the requirements relating to categories and types of municipality and to provide for an appropriate division of functions and powers between categories of municipality. It is one of a set of legislation that is aimed at the transformation of local government into a more financially sustainable and performance orientated sphere of government. The Act is aimed at creating the permanent structures mandated by the Constitution, which will replace the transitional structures created by the Local Government Transition Act. Municipalities are categorised either as A, B or C, depending on the level of development. Chapter 5 sets out the functions and powers of the municipalities in accordance with the Constitution.

MUNICIPAL SYSTEMS ACT NO. 32 OF 2000

The Municipal Systems Act 32 of 2000 (MSA) describes the core principles, mechanisms, and processes that are necessary to enable municipalities to move progressively towards the social and economic upliftment of communities and ensure access to services that are affordable to all. Its focus is primarily on the internal systems and administration of the municipality. The Act enables the process of decentralization of functions through assigning powers of general competence to local Government. Municipal by-laws are regulated to achieve harmony with national and provincial legislation.

As service authorities, municipalities remain responsible for the effective delivery of services and must provide an appropriate policy and regulatory framework. This can be achieved through the most appropriate service provider, ranging from internal departmental delivery to joint ventures to private sector delivery options.

Performance management systems are to be developed to measure and evaluate performance in priority areas, which are to be reported annually to citizens and other

spheres of government. The process to be followed in planning, drafting and adopting the Integrated Development Plan is set out.

THE DEVELOPMENT FACILITATION ACT 67 OF 1995

The Development Facilitation Act 67 of 1995 (DFA) sets out a planning and land development system, which ensures that national, provincial, and local government policies are implemented. Section 28 describes the requirements for Land Development Objectives, which must be developed by each local authority. One of the objectives of Land Development Objectives is to create a new system of planning that encourages sustained utilisation of the environment, particularly with regard to the environmental consequences of developments. Municipalities are encouraged to co-operate in order to develop the capacity of each municipality to exercise its powers and duties and manage its affairs.

NATIONAL ENVIRONMENTAL MANAGEMENT ACT 107 OF 1998

The National Environmental Management Act 107 of 1998 (NEMA) provides for co-operative governance by establishing principles and procedures for decision-makers on matters affecting the environment. An important function of the Act is to serve as an enabling Act for the promulgation of legislation to effectively address integrated environmental management. Some of the principles in the Act are –

- Accountability;
- Affordability;
- Cradle to Grave Management;
- Equity; Integration;
- Open Information;
- Polluter Pays;
- Subsidiary; Waste Avoidance and Minimisation;
- Co-operative Governance;
- Sustainable Development; and

- Environmental Protection and Justice.

A STRUCTURED APPROACH TO SPATIAL DEVELOPMENT

GUIDING PRINCIPLE: SUSTAINABLE DEVELOPMENT

THE LLMSDF takes as its starting point the goal of sustainable development. Although sustainable development is a much talked about and widely supported goal, in practice our development path, globally, nationally and in the LLM, is taking us in the opposite direction. Not everyone has the same interpretation and understanding of “sustainability”. This causes numerous problems between civil society, developers, conservationist and authorities. In the above view, development must only be acceptable and in the public interest if it is socially equitable, economically viable and environmentally sustainable. This means that the development need of present generations should be met without the ability of future generations to meet their needs, being compromised. Sustainable development encompasses the integration of social, economic and ecological factors into planning, decision-making and implementation so as to ensure that development serves present and future generations.

KEY SPATIAL ISSUES

A detail community and stakeholder analysis was done with all the respective communities at a day work session. The sessions were specifically to allow the communities to analyse the region and to provide their specific needs. The main issues identified by the communities are summarized as follows.

Community Spatial Issues

SPATIAL KEY ISSUE	BRIEF DESCRIPTION
Access to land	The issue of access to land relates the local municipality as well as individuals and groups. As far as individuals and

	groups are concerned, the burning issues are access to residential land in urban areas and to agricultural land for emerging farmers. The municipalities experiences a shortage of land for residential expansion and other social functions
Land development	Land Development relates to the availability, preparation and funding of certain key land uses such as sites for housing developments, land for needed social amenities and economic activities. The key issues requiring attention in this regard include: the generation of proper information of projected land development needs, funding, co-operation and local capacity to evaluate development applications.
Spatial integration	Spatial integration has to focus on both a macro and a micro level. On a macro level there need to be more focused development initiatives at key nodal points to develop the municipality within its region strategically within current resource constraints. On a micro level, most town areas are still geographically segregated and direct intervention within former buffer strip areas will be required to integrate communities.
	The long term sustainability of all land development practices will be the key factor in the environmental and economic future of this predominantly mining and agricultural region. Specific attention will have to be given to the building of capacity amongst especially emerging land users (both miners and farmers) and the provision of a management framework to all land users within the municipality.
Sustainable land management	
Land reform and restitution	Proper distribution network
Land Conservation	Various areas adjacent to the rivers are well suited for tourism

	and agricultural development alike. These areas are however sensitive to over utilization and pollution and will have to be protected and conserved to ensure long term benefits thereof.
--	---

LOCALISED SPATIAL DEVELOPMENT PRINCIPLES

From the above national and provincial legislation the community identified localized objectives and principles. These principles serve as a statement of the community, which should be taken in to consideration when future development is planned.

Localised Spatial Development Principles

- To ensure the availability of land for the various land uses and in specific for future residential extensions;
- To enhance the economic base of the region through the optimal utilization of agricultural land;
- All future development should be accessible to the larger community, to promote the accessibility of employment opportunities from residential areas;
- Future development should promote the development of compact human settlements, and low intensity urban sprawl should be combated;
- Plans of neighbouring municipalities and regions should relate positively to each other;
- Promote mixed use development;
- Land use and development decisions must promote harmonious relationships between the built and natural environment;
- Land development and planning should protect natural, environmental and cultural resources;
- Land used for agricultural purposes may only be reallocated to another use where real need exists, and prime agricultural land should as far as possible remain available for production;

- Land use regulators and planning authorities must ensure that previous disadvantaged communities and areas receive benefit and opportunities flowing from land development;
- Appropriateness of land use must be determined on the basis of its impact on society as a whole rather than only the applicant or immediate neighbours;
- Special focus will be placed on rural development, especially where service delivery is not up to standard;
- Incentives should be reinstalled to promote the development of valuable riparian properties in the urban and rural areas,

SPATIAL OBJECTIVES

The Spatial Development Framework (SDF) supports the Letsemeng Vision as indicated in the IDP document and is intended to promote an urban form that will deliver the long-term vision for Letsemeng. The main purpose of the SDF is to create a town that is sustainable, accessible and efficient. The following objective will ensure that the municipality succeeds in their main purpose.

Table for Spatial Objectives

Objective 1	To create sustainable human settlement with quality physical, economic and social environments;
Objective 2	To encourage land reform towards more intensive land uses;
Objective 3	To encourage urban and regional integration and rectification of past imbalances;
Objective 4	To create a sustainable local land use management system;
Objective 5	Support Local Economic Development Opportunities;
Objective 6	Manage Informal settlements;
Objective 7	Manage development to ensure environmental sustainability;
Objective 8	Promote regional connectivity;

The outcomes of the above objectives are indicated in the Table below

Outcomes

SUSTAINABLE ENVIRONMENT	ACCESSIBLE MUNICIPALITY	AN EFFICIENT TOWN
<ul style="list-style-type: none"> • The responsible use of natural resources; • Focused activities and investment; • Sustainable neighborhoods; • Infrastructure viability; • Managed growth; • Cultural heritage; 	<ul style="list-style-type: none"> • A physical town structure that promotes accessibility; • Form and structure that lead to greater efficiency; • A sustainable rates base; 	<ul style="list-style-type: none"> • Equity within the urban system; • Protection of existing investments; • Focused investment; • Safety and security; • Diversity within the urban system; • Open space system; • Sustained economic growth;

STRUCTURING ELEMENTS

The Spatial Development Framework needs to be indicative and therefore the need to adopt a set of structuring elements that can give future structure to the urban and rural form of the municipal area must be identified. Four spatial structuring elements were identified; the main purpose of these structuring elements is to:

- To ensure that the SDF achieves the desired urban form;
- It needs to link spatial objectives with clear implementation strategies;
- Ensure that infrastructure is carefully planned;

- Policy and institutional instruments are in place;
- Growth is appropriately managed;
- Ensure that all relevant sectors are aligned to the plan;

The above can be achieved by implementing an effective growth management approach, which steers development to achieve the desired spatial and developmental outcomes. Growth management is a multi-sectoral concept that should be reflected in an integrated management system which relies on the contributions of all service providers in the area.

a) NATIONAL SPATIAL DEVELOPMENT PERSPECTIVE

NATIONAL SPATIAL DEVELOPMENT VISION

Government's National Spatial Development vision can be described as follows:

"South Africa will become a nation in which investment in infrastructure and development programmes support government's growth and development objectives"

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

NORMATIVE PRINCIPLES

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

- (a) Government spending on fixed investment, beyond the constitutional obligations to provide basic services to all citizens, should be focused on localities of economic growth and/or potential for sustainable economic development in order to attract private sector investment, stimulate sustainable economic activities and/or create long-term employment opportunities. In these areas government's objective of both promoting economic growth and alleviating poverty will best be achieved.

- (b) In localities where there are both high levels of poverty and development potential, this could include fixed capital investment beyond basic services to exploit the potential of those localities. In localities with low development potential, government spending beyond basic services should focus on social investment, such as human resource development, labour market intelligence and social transfers, so as to give people in these areas better information and opportunities. This will enable people to become more mobile and migrate, if they choose to, to localities that are more likely to provide sustainable employment or other economic opportunities. The further concentration of people in need in areas of low potential should therefore not be encouraged.

DEVELOPMENT POTENTIAL

NSDP Categories of Development Potential

Categories of development potential proposed by the NSDP are:

- (a) Innovation and experimentation;
- (b) Production – high value, differentiated goods (not strongly dependent on labour costs);
- (c) Production – labour intensive, mass-produced goods (more dependent on labour costs and/or natural resource exploitation);
- (d) Public services and administration;
- (e) Retail and services;
- (f) Tourism.

Based on the above development potential towns are classified as having a high combined development potential, above average combined development potential, below average combined development potential and limited combined development potential.

FREE STATE PROVINCIAL GROWTH AND DEVELOPMENT STRATEGY

The following section is an extraction from the current Free State Provincial Growth and Development Strategy (2005 - 2014), in order to identify specific spatial outputs:

The aim of Chapter IV of the Provincial Growth and Development Strategy is to formulate a strategic development framework, which will provide broad guidelines for role-players at local level. This framework will serve as the basis from which activities and development interventions can be planned and implemented in the Free State.

The following subsections will address key areas of development planning in the province.

VISION 2014

Vision 2014 was recently adopted by the National Government of South Africa and is regarded by the FSGDS as one of the most important guiding documents for development in the Free State.

The combination of some of the most important targets and objectives making up Vision 2014 are as follows:

- Reduce unemployment by half through new jobs, skills development, assistance to small businesses, opportunities for self-employment and sustainable community livelihoods;
- Reduce poverty by half through economic development, comprehensive social security, land reform and improved household and community assets;
- Provide the skills required by the economy, build capacity and provide resources across society to encourage self-employment with an education system that is geared to productive work, good citizenship and a caring society;
- Ensure that all South Africans, including especially the poor and those at risk - children, the youth, women, the aged, and people with disabilities – are fully able to exercise their constitutional rights and enjoy the full dignity of freedom.;

- Compassionate government service to the people; national, provincial and local public representatives who are accessible; and citizens who know their rights and insist on fair treatment and efficient service;
- Massively reduce cases of TB, diabetes, malnutrition and maternal deaths, and turn the tide against HIV and AIDS, and, working with the rest of Southern Africa, strive to eliminate malaria, and improve services to achieve a better national health profile and reduction of preventable causes of death, including violent crime and road accidents;
- Significantly reduce the number of serious and priority crimes as well as cases awaiting trial, with a society that actively challenges crime and corruption, and with programmes that also address the social roots of criminality;
- Position South Africa strategically as an effective force in global relations, with a vibrant and balanced trade and other relations with countries of the South and the North, and in an Africa that is growing, prospering and benefiting all Africans, especially the poor."

In the case of the Free State, this implies an economic growth rate between 6% and 7% per annum up to 2014. Emphasis should be placed on development projects that are labour intensive. Skills development is also critical, especially medium-skilled workers, in realizing accelerated economic and employment growth in the Free State.

MANUFACTURING

In 2002 an article in Enterprise elaborated on the declining mining industry in the Free State, the high level of HIV and AIDS prevalence, and the consequent need for identification of new areas of economic growth. The decline of the agricultural sector, and the economy in the Goldfields, has raised the question of bringing in new industries, one of which might be mineral beneficiation. The Free State is experiencing a boom in manufacturing in various sectors, as it moves away from being a commodity economy.

HORTICULTURE AND FLORICULTURE

The floriculture industry in the Free State has a high-value export potential and is therefore considered viable. The cut-flower producers in the province are few in number and small in size, but they collectively export more than 1.2 million cut flowers per annum. The Free State has good soil conditions and excellent temperatures, which are extremely important for this sector. The scope for expansion in this industry is significant.

AGRICULTURAL DEVELOPMENT

There is a growing need to solve the host of problems faced by the agriculture sector in a more integrated manner within the framework of sustainable development. Agricultural sector strategies have veered between maximizing agricultural growth through promoting commercial crops and emphasizing food production / self-sufficiency and import substitution.

There are, however, various strategies to improve this sector:

- (a) Agriculture Diversification Farmers on a global scale have become increasingly diverse in their agricultural produce over the last few decades. This means that traditional crops, such as maize and wheat, became less important as a source of livelihood, whilst other farming practices, such as permanent crops, hydroponics, organic farming etc., have become more important and profitable. Some degree of diversification has always existed in the agricultural sector. After all, farming is grounded in the seasonality and risky nature of planted crops. Diversification is thus seen as a method to cope with risk and crop vulnerability;
- (b) Agriculture Beneficiation (Agribusiness) Agribusiness may be defined as all market- and private-business- oriented entities involved in the production, storage, processing and distribution of agro-based products, in the supply of production inputs, and in the provision of services. Agribusiness is an integral

component of rural development and forms part of the FSGDS to improve regional and local economic development and ensure food security.

TOURISM DEVELOPMENT

At present the Free State's main tourism product is its natural scenery. This is followed by a range of historical and cultural tourism products. Tourists need to be offered attractions of a significant caliber to stimulate the industry. Another tourism advantage of the Free State relates to the province's central location in South Africa. The province is well integrated with the rest of South Africa through its road and rail networks and serves as a popular tourist stopover destination.

The following recommendations were made by the tourism study, which were commissioned by the PEAC:

a) Develop a nature-based tourism focus in the rural areas

No destination can be all things to all tourists. The Free State has an abundance of scenic beauty and relatively few inhabitants. These characteristics should be used strategically. Within the realm of nature-based tourism, there is scope for a number of activity foci.

b) Develop tourism products as part of focused tourism routes in rural areas – particularly the Maloti Route

Many Free State towns have little to offer that might attract tourists, therefore route tourism promotion might be considered although the provincial government has to be realistic about what route tourism can achieve. There are already a number of tourism routes in South Africa, such as the Wine Route, Midlands Meander, Garden Route, and so forth. These routes have a relatively high density of tourism product providers. In the case of the Free State, the tourism products are much less concentrated and are not thematically focused. Free State tourist routes will have to package the distances between product

providers as integral to the routes' attractiveness versus their being seen as an impediment.

b) Develop routes within routes

The provincial government could encourage the development of tourism routes within routes. A key task is to generate new tourism products by linking those that already exist. A possibility is stringing together the tourism attractions in such a way that the resultant route could be traversed in a combination of hiking, quad-biking, horseback riding, river rafting and canoeing. The overall route should comprise subsidiary routes, which can be traversed over a weekend. Should the tourist have a larger time-budget, additional routes could be followed. The ultimate route would be one that links the Eastern with the Southern Free State. The strategy should be to develop routes that vary in focus or theme. Thus, the overall route might consist of a trail that connects Qwaqwa with Vanderkloof Dam. It could be billed as the world's longest uninterrupted nature-based trail using multiple modes of transport.

c) Tourism routes must have a focus and ancillary focus

It is very important that routes focused on natural scenery feature additional product foci. Thus, whilst the scenic attraction of the Eastern and Southern Free State route would serve as the main attraction, subsidiary routes might focus on adventure, cultural, or historical aspects, as appropriate.

9. KEY PERFORMANCE AREAS

9.1 Service Delivery and Infrastructure Development

Strategic Objectives: Eradicate backlogs in order to improve access to services and ensure proper operations and maintenance

Intended outcome: Sustainable delivery of improved services to all households

a) Water

The Municipality's objective remains that of ensuring at least 100% of its inhabitants have access to portable water. Measures are being implemented on a regular and on-going basis to ensure that this objective is achieved. We will continue to ensure that this is met and clean water is delivered to our communities. Where necessary and required, the municipality will engage the Provincial/National Government as well as other key stakeholders. Projects such as the Petrusburg one undertaken in the previous year is an example of such co-ordinated and joint efforts.

Approved Service levels:

- Yard connections in areas with 200metres density
- RDP connection in areas with 20metres density

WARD 1					
Name of settlement	Number of households	Service Level			Intervention required
		Above RDP	Below RDP	No service at all	
Relebohile	584	584	0	0	
Teisesville	517	517	0	0	
Luckhoff	166	166	0	0	

WARD 2					
Name of settlement	Number of households	Service Level			Intervention required
		Above RDP	Below RDP	No service at all	
Ratanang	990	990	200	0	Finalisation of provision of services to the 202 sites which has already been formally registered last year
Sandershoogte	408	408	0	0	

WARD 3					
Name of settlement	Number of households	Service Level			Intervention required
		Above RDP	Below RDP	No service at all	
Phambili	105		105		Final decision on whether can be registered as a town establishment or

					whether the current residents should be moved from the area. Hence we have no formal records of the households
Jacobsdal	273	273	0	0	
Bolokanang (portion)	1750	1750	0	0	

WARD 4					
Name of settlement	Number of households	Service Level			Intervention required
		Above RDP	Below RDP	No service at all	
Diamanthoogte	331	331	0	0	

WARD 5					
Name of settlement	Number of households	Service Level			Intervention required
		Above RDP	Below RDP	No service at all	
Dithlake	1867	1867	0	0	
Koffiefontein	710	710	0	0	

WARD 6					
Name of settlement	Number of households	Service Level			Intervention required
		Above RDP	Below RDP	No service at all	
Bolokanang	464	464	0	0	

The municipality has through its Turnaround Strategy and Outcome 9 identified a number of critical areas to be filled within its Service Delivery and Infrastructure

Planning which falls within the Technical Department. The most critical areas in need of urgent intervention is the provision of basic services to all areas in the municipal jurisdiction, including a very awkward area called Phambili which is situated in Ward 6 of Letsemeng Local Municipality which still needs a directive on whether the area should be registered as a residential area or not? Influx of residents into informal settlements has also become evident more especially in Jacobsdal and Petrusburg which contributes immensely to the challenges faced by the municipality because planning must now be re-directed to address the challenges that come with such tendencies. Another critical challenge in terms of service delivery is the lack of water provision in Petrusburg as it is currently reliant on boreholes more especially in Bolokanang, the latest possible solution identified is the erection of a water pipeline from De Brug to Petrusburg which at this stage looks like the only viable project is unfortunately quite costly and adequate funding has not been allocated as yet. A temporary solution which is the erection of a water pressure/elevation tank has been implemented to ease the burden though it will not solve the problem permanently. The latest interventions by DWA are also in implementation phase.

Letsemeng Municipality anticipate having a 100% bulk water supply to all wards in the municipal jurisdiction by December 2013 at a total volume of 4.64 mega litres per day. The current status of water reticulation in terms of provision stands at 73% and will reach its peak of 100% in 2014 in accordance with the municipal planning.

One fundamental area which requires the most urgent attention is the issue of floods that infiltrates our municipal area in particular Petrusburg because the situation becomes totally unbearable during serious rains and floods, not only does it impact negatively on the residents of Petrusburg and Bolokanang but even to the national road users who are using the N8 as a gateway between Kimberley and Bloemfontein. The development of a Comprehensive Infrastructure Plan and Operations and Maintenance Plan complemented by a disaster management plan will most definitely be prioritised in the new financial year.

b) Sanitation

The Municipality's continues to provide proper sanitation facilities to all communities. The municipality managed to eradicate all bucket system within the municipal area and this was achieved two years ago, earlier than the target dates set in National Standards.

c) Electricity

Electricity provision in the Municipality is jointly supplied by ESKOM and the Municipality. The Municipality is servicing all the five towns under its jurisdiction, which are Koffiefontein, Petrusburg, Oppermansgronde, Jacobsdal and Luckhoff. The municipality also sells prepaid electricity to some Koffiefontein and Luckhoff residents. There are townships where ESKOM is the supplier.

d) Refuse Removal

Waste Removal Services are provided to all the remote towns Koffiefontein, Petrusburg, Luckhoff, Oppermansgronde and Jacobsdal. The Municipality is in a process of developing an Integrated Waste Management Plan. In addition to this land fill sites that are currently used as transfer stations will be registered accordingly and be used fully as land fill sites.

e) Housing

The objective of the Municipality is to facilitate provision of adequate and affordable housing structures to the communities in its area of jurisdiction. Provision for houses is not the core competency of the Municipality, this objective is undertaken in partnership with the Provincial Department of Human Settlement which continues to allocate houses to residents on an on-going basis. This is mainly due to the fact that demand for housing remains a big challenge but remain committed to provide shelter to the communities we serve.

f) Roads and Storm Water

Another aim of the municipality is to facilitate the adequate and constant maintenance of access roads and to ensure regular maintenance of all internal roads. Every year, a lot more kilometres of internal roads have been repaired. To date more than 200 km’s of these roads have been repaired. Furthermore, there is an annual allocation of sufficient budget allocation to ensure that roads are maintained.

Herewith the annual operational plan of the Technical Department which is aimed to address the service delivery backlogs and to improve on the current levels of service provision for the 2014/2015 financial year.

SECTOR	PROPOSED ITEMS TO BE FUNDED	PRIORITY	ESTIMATED FUNDS REQUIRED	QTY	MOTIVATIONS
Electrical	1.Bulk Maintenance Material (Small)	High	R1.5m		The teams struggles during after-hours

	2.Electrical Meters including Accessories	Very High	R2.0m		work. This is Curb Electrical and increase revenue collection
	3.50mm & 75mm Electricity Cable	High	R0.75m		Replacement of stolen cable in Diamanthoogte
	4.Tools	Medium	R0.50m		Electricians do not have sufficient tools for all the teams
	5. Transformers and Breakers	Very High	R1.75m	9	
TOTAL			R6.5m		
Water	1.Bulk Maintenance Material (Small)	High	R2.0m		The unavailability of stock in stores results repair delays
	2.Pipe Clamps	Very High	R0.45m		Due to the unavailability in other town, Personnel have to go to Luckhoff
	3.Pipes	Medium	R1.75m		This will assist during emergency cases
	4.JOJO Tanks	Very High	R0.10m		This is a contingency plan during water shortages in all towns
	5. Water Metres (Bulk and Domestic)	High	R1.25m		To increase Revenue Collection
	6. Valves (Bulk)	Medium	R1.5m		To determine water loss
	7. Pumps	Very High	R1.25m		Spare Capacity to avoid Emergency Procurement

	8. Procurement of Filter Media for Koffiefontein Water Treatment Works	Very High	R0.75m		
TOTAL			R9.05m		
Sewer	1.Bulk Maintenance Material (Small)	High	R0.75m		
	2.Pipe Clamps	Very High	R0.50m		
	3.Pipes	Medium	R1.0m		
	4.Temporary Toilets	Medium	R0.35m		
	5.Drain Bluster	High	R0.4m		
	6. Pumps	Very High	R1.75m		
	7. Repairs to Bolokanang Toilets	Very High	R1.0m		
	8. Upgrading of Koffiefontein Sewer Works	Very High	R2.0m		
TOTAL			R7.75		
Roads	1. Road Emulsion	Medium	R0.5m		For road edge and pothole repairs
	2. Bulk 9mm & 13mm Crushed Stone	Medium	R0.5m		For road edge and pothole repairs
	3.Construction of Speed Humps in all Towns	Very High	R0.65m		Prevention of road accidents and protection of pedestrians
	4."STOP" Road Signs	High	R0.50m		Critical for road safety
	5.Information Signs	High	R0.25m		Necessary for giving directions to strategic facilities
	6.Painting of Road Marking	Medium	R0.75m		Road markings need to be rejuvenated
	7. Cold Mix asphalt for	High	R0.25m		

	Pothole Repairs				
	8. Employment/Hiring of "Jet Patcher"	Very High	R1.5m		
	9. Re-gravelling of Internal Gravel Roads in all Towns	High	R2.5		
TOTAL			R7.6m		
Mechanical and Vehicles	1. Hydraulic Lift	High	R0.15m	4	The lack of this tool puts the mechanical personnel in risk of injury
	2. Hydraulic Wheel Spanner	High	R0.05m	2	
	3. Tools	High	R0.5m		
	4. Waste Collection Truck	Medium	R1.35	1	
	5. Repairs to existing Vehicles and Plant	High	R1.5m		
	6. Procurement of TLB	High	R0.75m	1	
TOTAL			R4.3m		
Storm water	1. Cleaning and Covering of Storm Water Drain in Dithlake	High	R0.5m		The health of the local community is at risk also the safety youth children
	2. Construction of Stormwater Berm in Petrusburg	High	R0.75m		
	3. Upgrading of unlined stormwater channel in Bolokanang	High	R0.35m		
	4. General Maintenance e.g. Repairs to existing culverts etc. in all Towns	Medium	R1.5m		
TOTAL			R3.1m		
Cemeteries And Parks	1. Fencing of Diamanthooghte Cemetery	Very High	R0.75m		Livestock is destroying the Grave-stones and this is very saddening to the

	2.Construction of Guardhouse in Diamanthoogte Cemetery	Very High	R0.15m		families
	3.Upgrading of Sanitary Facilities in Diamanthoogte Cemetery	Very High	R0.10m		The existing facilities are in a very poor state due to vandalism
	4. General Repairs e.g. Fencings	Medium	R1.5m		
TOTAL			R2.5m		
Buildings	1.Completion of Sanitary Facilities at the Stores in Koffiefontein, Jacobsdal and Petrusburg	Medium	R0.15m		Maintenance staff does not have proper sanitation facilities and are disgrunted
	2.Repairs to Luckhoff Town Wall	High	R2.25m		The repair costs should not be borne the Municipality, clarity is needed on the Insurance payment
	3. Completion of repairs to Municipal Building in all Towns	High	R1.5m		
	4. Building of employee facilities at plant works i.e. Water Treatment and Sewer Works in all Towns	Medium	R0.25m		
	5. Repairs to Bolokanang Community Hall	High	R1.25m		
TOTAL			R5.4m		

Solid Waste	1. Upgrading of Internal Refuse Stations in all Towns	Medium	R0.75m		To discourage uncontrolled illegal dumping
	2. Procurement of Refuse Bins	Medium	R0.5m		
	3. Dumping Signs	Medium	R0.25m		
	4. Procurement of Telicon Machine and Bins	High	R1.5m		
TOTAL			R3m		
Other	1. Street Name Signs	Medium	R0.5m		The replacement of protective clothing is an annual requirement, it is now due For Compliance and Improved Service Delivery River was Contaminated by Sewer Spillages
	2. Provision of Operation and Maintenance Plans i.e. Electricity, Water & Sanitation, Roads & Stormwater, Buildings and Public Amenities	Very High	R4.5m		
	3. Cleaning and Conservation of Riet River in Koffiefontein	Very High	R0.5m		
TOTAL			R5.5m		
GRAND TOTAL			R54.7m		

9.2 Public Participation and Good Governance

Strategic Objective: Promote a culture of participatory and good governance.

Intended outcome: Entrenched culture of accountability and clean governance

a) Governance structures:

- **Internal audit function**

The Internal Audit function is operational and is currently being supported by an external service provider which is having a Service Level Agreement with the municipality.

- **Audit committee**

The municipality is making use of a Shared District Audit Committee with all other municipalities in the Xhariep District.

- **Oversight committee**

The Oversight Committee of Council's function has being established by Council is and is functional.

- **Ward committees**

All six Ward Committees have been established and is currently functional, a new monthly directive of compulsory Ward meetings has been adopted by Council and it is being supported by monthly Ward Committee reports which gets send to Council through the reports of the office of the Speaker.

- **Council committees**

All Section 79 Committees of Council have been established and is functional and is playing an active role in functioning and oversight.

- **Supply chain committees (SCM)**

All SCM have been established and is operational in accordance with the regulations and prescripts of the MFMA.

Below herewith the Operational Plan for the Corporate Services Directorate for the 2014/2015 FY:-

Area	Strategic Objective	Key Performance Indicator	FY		
			2014/2015	2015/2016	2016/2017
Department of Corporate Services	Filling of critical position.	Appointment of the following personnel:			
		- HR Officer	225 006. 24	-	-
		- Skill Development Officer	225 006. 24	-	-
		- Administration Officer	225 006. 24	-	-
		- Committee	136 746.12	-	-

		Clerk			
		- 1 x Records Management Clerk	136 746.12	-	-
		- ICT Officer	225 006.24	-	-
		- 78 General workers (absorption of temporary workers)	6 814 080	-	-
All Departments	Training of both councillors and employees.	Training of both councillors and employees in accordance with the Municipal WSP.	1 200 000	1 320 000	1 452 000
All Departments	Study Assistance	Provide financial assistance to employees who qualify and; who have applied for it.	500 000	-	-
Department of Corporate Services		Review and development of HR and ICT related policies.	600 000	-	-
Department	Purchase	Procurement of	250 000	-	-

of Corporate Services	furniture and equipment.	furniture and equipment.			
Municipal Buildings and assets	Upgrading of security equipment's	Upgrade and maintain CCTV cameras and access gates	200 000	200 000	200 000
Department of Corporate Services	Install I Cloud	Procure and set up I Cloud	350 000	-	-
Department of Corporate Services	Website maintenance and payment of ISP.	Pay the appointed service provider who provides ISP and maintain the Website.	100 000	110 000	121 000
All General Maintenance and Assistant Generals	Provide protective clothing to all aforesaid employees.	Purchase two pairs of protective clothing to the aforesaid employees in terms of different categories of their work.	600 000	660 000	726 000
Municipality	Purchase a pool car for administration.	Procure a pool car for administration.	210 000	-	-

9.3 Financial Management and Viability

Strategic Objective: To improve overall financial management in municipalities by developing and implementing appropriate financial management policies, procedures and systems.

Intended Outcome: Improved financial management and accountability.

Letsemeng Local Municipality has taken an approach of adopting the following budget principles during the drafting of the 2014/2015 budget:-

- Drafting a delivering a realistic and funded budget;
- Focusing on provision of basic services;
- Improving the revenue base and payment rate for services provided;
- Maintaining commitment to deliver quality services;
- Improving the cash reserves to increase future capital investment capacity of the municipality;

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Efficient revenue management, which aims to ensure a 10 per cent increase in revenue collection within the first six months;

- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Achievement of full cost recovery of specific user charges especially in relation to trading services and full implementation of the approved budget related policies of the municipality;

The revenue base of the municipality has increased and the municipality is currently in the process of improving on its revenue enhancement by implementing the Revenue Enhancement Policy and principles thereof.

The Council also approved a number of budget related policies which are as follows, which were effective from 01 July 2011 and has since being implemented:-

- Budget policy;
- Virement policy;
- Supply chain management policy;
- Credit control and debt collection policy;
- Indigent support policy;
- Property rates policy;
- Tariffs policy;
- Funding and reserves policy;

Budget policy

To set out the budgeting principles which the municipality will follow in preparing each annual budget and to secure sound and sustainable management of budgeting and reporting practices by ensuring compliance with norms and standards and other requirements as established by the National Treasury.

Virement policy

The purpose of this policy is to provide a framework whereby transfers between line items within votes of the operating budget may be performed with the approval of certain officials.

Supply chain management policy: To provide for effective systems for demand management, acquisition management, logistics management, disposal management, risk management and performance management and to ensure that the procurement processes are conducted in an effective, efficient, equitable, transparent and sustainable manner.

Credit Control and Debt Collection Policy

To ensure that all consumers pay for the services that are supplied and consumed according to the approved tariff structure of the municipality and to ensure that all consumer account related enquiries are attended to promptly and diligently.

Indigent Support Policy

To provide procedures and guidelines for the subsidisation of basic service charges to registered indigent households, using the Council's budgetary provisions received from National Government, according to prescribed policy guidelines.

Property Rates Policy

To determine criteria to be applied for the levying of differential rates for different categories of properties, exemptions, reductions and rebates, and rate increases.

Tariffs Policy

To comply with the provisions of section 74 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000); to prescribe procedures and guidelines in terms of tariff structure to be imposed on services provided by the municipality.

Funding and Reserves Policy

The objective of the policy is to set out the assumptions and methodology for estimating the projected billings, collections and all direct revenues; the provision for revenue that will not be collected; the funds the municipality can expect to receive from investments; the funds to be set aside in reserves and the proceeds the municipality can expect to receive from the transfer or disposal of assets;

Below herewith the objectives of the municipality with regard with to Financial Management and Administration:-

Area	Strategic Objective	Key Performance Indicator	FY		
			2014/2015	2015/2016	2016/2017
Municipal Financial viability and management	<ul style="list-style-type: none"> • Improvement of the revenue management and collection • Improvement of revenue management • Effective billing of consumers for service rendered • To identify and investigate inaccurate meter readings / consumption • Ensure transparent ,cost effective and economical procurement process • Ensure the transparent reporting on SCM processes • Ensure transparent ,cost effective and economical procurement processes • To ensure timeous payments of salaries • Conditional Grants used and utilized in line with the conditional 	<ul style="list-style-type: none"> • Compile a monthly cut-off list for non-paid / arrear accounts • Increase in payment rate for services by 80 % 2014/15 • A list of bad debts to be written off submitted to council • Number of consumers billed on a monthly basis to be at 95% and billed timeously • Monthly variance report on a monthly basis and variance investigated • Quarterly report on the implementation of the SCM policy • Register for irregular, unauthorized, fruitless and wasteful expenditure • Number of tenders within the BTO awarded 			

	<p>framework</p> <ul style="list-style-type: none"> • Maintain asset management 	<p>within 90 days from date of advertisement</p> <ul style="list-style-type: none"> • Payment of salaries to councilors and employees made on time (25th of each month or prior) • Grants spent by 30th June 2014 are on 100% • GRAP compliant asset register developed 			
--	--	--	--	--	--

9.4 Local Economic Development

Strategic Objective: Create an environment that promotes development of the local economy and facilitate job creation.

Intended Outcome: Improved municipal economic viability

The Constitutional Provisions

Section 152 (1) c states that one of the objects of local government is to promote social and economic development. Expanding on the developmental duties of municipalities, Section 153 goes on to state:

"A municipality must

- a) 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; and
- b) Participate in national and provincial development programmes."

These objectives are further articulated in the Municipal Systems Act 32 of 2000.

The stated priority function of this Act is *"To provide for the core principles, mechanisms and processes that is necessary to move progressively towards the social and economic upliftment of local communities..."* and more so *"to progressively build local government into an efficient, frontline development agency capable of integrating the activities of all spheres of government for the overall social and economic upliftment of communities"...*

The primary means to give effect to these developmental roles is by undertaking Developmentally-oriented municipal planning which should ensure progress towards *Section 152* and *Section 153* of the Constitution (*Chapter 5, sub-section 23, Municipal Systems Act*). Thus the Integrated Development Plan (IDP) of each municipality is intended to reflect a "single inclusive and strategic plan for the development of the municipality which links, integrates and co-ordinates plans and takes into account proposals for the development of the municipality".

Local Government has been identified as the primary institution for LED, however it is not exclusive; within this context Municipalities (Local Government) has *three* primary roles to play in LED:-

- To provide leadership and direction in policy making (by-laws and processes to regulate land in manner that reduces the costs of doing business and maximises the involvement of people in the local economy);
- To administer policy, programme and projects (the core function of anybody or structure responsible for LED is to co-ordinate and maximise the impact of programmes and projects with respect to growth and development);
- To be the main initiator of economic development programmes through public spending, regulatory powers, and (in the case of larger municipalities) their promotion of industrial, small business development, social enterprises and cooperatives.

What is LED?

LED is not one particular strategy or theory, but rather it is a wide range of activities that are implemented at the local level in response to local developmental needs and it can be described as a locally-driven process designed to identify, harness and utilise local resources to stimulate the economy and create new employment opportunities. It is therefore a process by which public, business and non-governmental sector partners collectively (or independently) work together to create better conditions for economic growth and employment creation

LED occurs best when a partnership between the local authorities, business, NGO's and most importantly, individuals is formed, and together they strive to improve the localities Economic development is the process of building strong, adaptive and sustainable local economies.

The development of Strategies which are driven by:-

- Local assets and realities;

- A diverse industry base; and
- A commitment to equality of opportunity and sustainable practices;

have emerged as those that will ensure a strong foundation for long-term stability and constant growth. Even within the parameters of these principles, what constitutes success in economic development and the specific strategies to accomplish it will look different from town to town, it is quite evident that the economy of Jacobsdal differs from the economy of Luckhoff for instance. Despite these differences, leadership is consistently identified as a critical factor in effective economic development.

Dedicated leadership is needed to:-

- Raise awareness;
- Help develop and communicate a common vision; and
- Motivate stakeholders into action;

Although leadership can come from many institutions within the community, local elected Councillors are particularly well-positioned to take on this role. The political influence of elected leadership is critical to helping communities stay the progression toward a vibrant economic future. From the podium to the design and coordination of public development strategies, the Mayor and Council members have opportunities every day to effect change and promote a strategic vision of economic growth for their respective communities.

The local economic trajectory of the Letsemeng Local Municipality is undergoing an improved way of "Shaping the debate" around LED in its municipal jurisdiction. It is essential for the municipality to create conditions under which the local economy can undergo swift growth. In attaining these swift growth patterns in the local economy of the FS161 municipal jurisdiction it is quite critical for the municipality's local economic development Unit and Council to contextualise and understand the following principles of its local economy.

1	The local economic strengths and weaknesses	To have a stronger understanding of its community's economic profile will help to create a realistic vision and strategies for economic development.
2	The community's place in the broader Regional, Provincial and National economy	To gain a firm grasp of how the Letsemeng community fits into the broader Regional, Provincial and National Economy we need to work very close with other spheres of Government to gain National economic success.
3	The community's economic development vision and goals.	Local Municipal officials in the LED Unit of Letsemeng Local Municipality should play a key role in building consensus for a vision and goals that provide clear direction for local economic development.
4	The community's strategy to attain its goals.	A strategic approach which means linking economic development goals to specific activities, allocating a budget and appointing or placing staff to these activities and evaluating performance based on measurable outcomes.
5	Connections between economic development and other Council policies.	When drafting economic development policies, it is essential to consider how other Council policies (e.g. SCM policies)

		affect your economic development goals.
6	The local economic stakeholders and development partners.	Municipal officials should think strategically on a project-by-project basis about who needs to be involved, the resources they bring to the table, and what it will take to get them engaged. Integrated Development Planning in practice in spirit.
7	The needs of our local business community.	Municipal officials should help create an environment that supports the growth and expansion of local businesses, primarily by opening lines of communication and encouraging partnerships amongst local business.
8	The community's economic development message.	Municipal officials must develop a clear, accurate and compelling message that reflects its local vision and that helps ensure broad support for economic development projects undertaken by the Municipality and its partners.
9	The economic development staff.	Councillors will be more effective in leading economic development activities to the extent that they forge strong relationships with staff members who work on these issues on a daily basis.

The goal of the abovementioned principles is basically to identify fundamental ways on how Council can become informed and strategic decision-makers who can connect the policy "dots," be effective communicators and take a leadership role in economic

development. It is based on the premise that Councillors can and should actively participate in and lead longterm development strategies that make sense for their community.

Assessing the Local Economy of Letsemeng Local Municipality

The community's strengths and weaknesses, such as quality-of-life amenities, infrastructure and workforce skills, determine the potential of the local economy to support economic growth. This economic profile lays the foundation for creating a realistic vision and strategic direction for economic success that is unique to each community.

Information about the local economy can also help engage and educate constituents and build community support for economic development decisions, on this note Letsemeng Local Municipality commits to undertake an in-depth diagnosis of its local economy as follows:-

Important Factors	Key Indicators
Economic conditions	Unemployment, types and sizes of business Sectors/industries, wages, income, new business starts, retail sales, housing prices, number of businesses closed.
Population characteristics	Population size and growth, age, education level.
Labour force characteristics	Labour force participation, occupations, skills, commuter characteristics, productivity.
Physical conditions	Land use, zoning, land values, condition of buildings, vacancy rates, building activity, parking facilities, condition and capacity of infrastructure, water quality
Business climate	Community attitudes, labour relations, business taxes and regulations, level and quality of municipal services, workforce training, access to and cost of capital, public and private Infrastructure
Knowledge-based	Industry incubators, colleges and universities, technical

resources	training schools and FET's, training and research institutes
Quality of life	Housing availability, public services, education system, crime rate, cultural and recreational activities, parks and other natural amenities

This exercise will assist the local economic development Unit to identify factors within and outside of the control of local government that impact and shape its local economy. It will further assist in identifying strengths and opportunities which are quite crucial, but local officials also should pay attention to weaknesses and potential threats.

For example:-

What industries in our community and region are growing or struggling?

What barriers and support services exist for local entrepreneurs and small businesses?

All of these factors should be understood in comparison to the respective communities and in the context of the broader economic trends. As a result of this process, we will have a stronger sense of our unique local assets, as well as what we can and should be doing to build on strengths and mitigate weaknesses.

Though the budget for Local Economic Development in the local space is still limited the municipality and its partners has made significant strides in trying to change the communities mind-set from a state reliance syndrome; to that of a making things possible to work with community members to take inventory of their local capacity (Human, Physical, Social, Environmental and Economic Assets) and to acknowledge their own potential and strengths.

Status Quo on Partnerships and Collaborations

The municipality in collaboration with Petra Diamonds and IDC has successfully managed to fund the development of the feasibility study and business plan of both the

brick making factory and the stone crusher plant, which both proved to be feasible projects. Subsequent to the outcome of the feasibility studies the municipality engaged Sector Departments in pursuit of acquiring funding for these projects, the Department of Rural Development responded positively to the call and committed to fund a huge percentage of the total project cost for the brick making factory. Petra Diamonds will also fund a certain percentage of the total project cost over a multi – year period in accordance with the SLP budget allocation. The Steering Committee is in the process of finalising the Memorandum of Agreement between all partners before commencing with the actual implementation of the project, a separate Memorandum of Understanding will then be signed with the IDT as the Implementing Agent of the brick making factory project. The principle of SMME development is quite a priority on this project as it intends to establish a number of primary cooperatives and a subsequent a secondary cooperative. The Steering Committee is also in the process of finalising the document on the establishment of a Community Trust from this particular project, the intentions of this project is advancing local economic development in the true sense of the word. This project is aimed at boosting the local economy and sustaining the economy after mine closure in about 15 years from now.

The Municipality has made budgetary provision for funding of the LED Strategy over a multi- year period Implementation Plan support and review thereof over a three year period. This project on the drafting of the LED Strategy has commenced because and is in phase 1 of the Implementation Plan. The municipality is an active participant on the Social and Labour Plan of Petra Diamonds for 2012 – 2017 which also focuses on local economic development projects within the municipal jurisdiction.

The Department of Rural Development in conjunction with Letsemeng Municipality has established a Council of Stakeholders in Jacobsdal which has been declared a CRDP site. The Council of Stakeholders (COS) consisting of members of community based organisations and forums, school government bodies, government (national, provincial and local), community policing forum, ward committees, etc.

The Council of Stakeholders must, inter alia:-

- Enforce compliance with national norms and standards for the State's support to the CRDP beneficiaries;
- Ensure compliance to agreed codes of conduct;
- Manage the implementation of the disciplinary codes; and
- Support the disciplinary panels in the implementation of the codes;
- Identify community needs and initiate project planning;
- Play an oversight and monitoring role;

The municipality has in essence aligned itself to the four key strategies which are:-

- Improving good governance, service delivery, public and market confidence in municipalities;
- Spatial development planning and exploiting the comparative advantage and competitiveness of Districts;
- Enterprise support and business infrastructure development; and
- Introducing sustainable community investment programmes focusing on organising communities for development and maximising circulation of public spend in local economies;

The municipality will over the next multi – year period of three years focus its energies and redirect its available financial resources aimed at local economic development on implementing the following strategic objectives.

Objective	Actions/Plans	Programme/Plans
To shift towards a more strategic approach to the development of our local economy and to overcome challenges and failures	Ensure that social and economic development are prioritised within the municipal Integrated Development Plans (IDPs);	Skills programmes to respond to business and government for greater productivity and efficiency;
To support the local economy in realising its optimal potentials and making local communities' active participants in the economy of the country.	Conduct local economic regeneration studies that form a core component of the IDPs; Identify and market new economic opportunities;	Business support programmes to retain existing businesses and encourage start-up or relocating businesses to enter the area;
To wage the local fight against poverty more effectively through local level debates, strategies and actions.	Improve the quality of life, and facilitate economic opportunities, of people living within the municipality by	Infrastructure development to increase access for businesses and households;

	<p>addressing infrastructure and service delivery backlogs;</p> <p>Create an 'enabling environment' for local businesses through efficient and effective service and infrastructure delivery;</p>	
<p>To improve community access to economic initiatives, support programmes and information.</p>	<p>Motivate and support individuals, community groups and local authorities to initiate and sustain economic initiatives;</p> <p>Mobilise civil society to participate in LED and encourage public participation;</p>	<p>Social development programmes to increase participation in the local economy and build better lifestyles for the community;</p>
<p>To improve the coordination of economic development planning and implementation</p>	<p>Network with key sectors and role players to create partnerships and projects; Promote interdepartmental collaboration across line departments; and</p>	<p>Promoting of multi-stakeholder participation in the local economy;</p>

	<p>Establish sector linkages and clustering of economic activity;</p> <p>Establish LED groups within the community to mobilise the efforts and resources of local stakeholders around a common vision;</p>	

The Letsemeng Local Municipality envisage achieving the following local economic strategies by implementing the following interventions to achieve its goals:-

Strategy	Aims	Interventions
Development and maintenance of infrastructure and services	<p>Create an enabling environment</p> <p>Save time, cost and Technology</p>	<p>The provision of:</p> <p>Reliable, cost effective municipal service delivery – choose a service delivery mechanism that targets the under-served</p> <p>Efficient infrastructure maintenance</p>

		<p>Municipal provision of social amenities and facilities (health, recreation and pre-school)</p> <p>Effective housing and settlements policy</p> <p>Appropriate zoning</p>
Retention and expansion of existing services	<p>Assist local businesses to improve their productivity and increase market share</p> <p>Graduate to higher value added levels of the production chain</p>	<p>Development of local business skills (training)</p> <p>Providing advice and technological support</p> <p>Developing under-exploited sectors that have comparative advantages</p> <p>Outreach programmes (identifying specific problems in local economy)</p> <p>Financial schemes and assistance packages (approach banks)</p> <p>Bulk buying</p> <p>Place and product purchasing</p> <p>Networking</p>
Increase spending on products of the	To stem the outflow of money from poor areas	Encourage communities to buy local (understanding the reasons for external purchasing)

local economy		Funding special events and festivals
		<p>Providing infrastructure using local labour and locally manufactured materials</p> <p>Promoting employee training within local businesses and communities</p> <p>Networking enterprises of all sizes in the local area</p>
Human capital development and productivity	Ensuring that economic development brings social benefits often requires explicit linkages between 'living wages', human capital development and productivity	<p>General and customised training within lead Sectors</p> <p>Basic and advanced skills development</p> <p>Targeted procurement policies</p>
Community economic development	Support poverty reduction in low income communities and organisations	Promote safe savings collectives and financial services, community based environmental management and maintenance schemes, urban farming projects

		Support SMME development by providing business infrastructure, technical support through business advice centres, opportunities for involvement of SMMEs in government procurement, network key sectors in which SMMEs dominate
Linkage of profitable growth to redistributive development/ financing	To ensure that businesses investment benefits disadvantaged communities and areas	Example: Banks or other financial institutions opening a branch in any municipal area in Letsemeng Municipality should invest some of their turnover in local small businesses (Corporate Social Responsibility of private Companies, e.g. FNB, Petra Diamonds, OVK)

Based on both the strategic goals and strategic objectives as stated above, Letsemeng Local Municipality will use the following scheduled projects and programmes which is aligned to the strategic goals and objectives in pursuit of excellent achievements.

MAIN ECONOMIC SECTORS

Agriculture

Agriculture is the largest contributor to the local economy, but does not dominate as much as in the other two local municipalities. The very sought after products of the Petra Diamond Mines contribute the major part to the local economy. The farming industry varies throughout the region. The irrigation scheme of Jacobsdal produce crops such as grapes, potatoes, maize, wheat, lucern and groundnut. Cattle and sheep

farming dominate farming practice in Luckhoff and Koffiefontein. Luckhoff is well known for its Merino sheep. In Petrusburg mixed farming pays the rent, with sheep farming as the main activity and potatoes and maize as the main crops. Other crops such as sunflowers and corn are also produced. In Oppermansgronde vineyards produce a major income for the town.

Letsemeng Municipality as a whole does not have industries that would ensure employment of our people. It is an agricultural area wherein the Government has really showed support in emerging farms for livestock farming, irrigation and other projects related to agriculture. The challenge existing is that this emerging farmers remains emerging forever and this blocks the cycle as the cycle should be completed in terms of growing and giving way and contributing largely on the economy of the country.

The department of agriculture has started a mentorship programmes that would assist the farmers in the long run. There is abundance of water in Jacobsdal area and on the irony, Petrusburg does not have a source of water.

Mining

Mining has a significant impact on the rural areas with diamonds being mined extensively in the area. You will find mainly mining, poultry farming and a Piggery in the Koffiefontein area. It is established as a service town for the mining industry. The following mining activities occur in the rural area. There is one Diamond mine that is situated southeast of Koffiefontein namely, Petra Diamond Mines Limited.

Tourism

The Municipal area has a significant weekend related tourism potential that could, in future, contribute to the GGP of the district and should be further exploited.

Light Industries

Letsemeng Municipality as a whole does not have industries that would ensure employment of our people. Projects have been identified to compliment and develop the industries that are currently operating. This includes a Tile making factory that will

support the recycling of the slimes dams of the Koffiefontein mines. Few industries are situated in Petrusburg. Existing industries include furniture manufacturers and “scrap yards”. Projects have been identified to compliment and develop the industries that are currently operating.

JOB CREATION INITIATIVES BY THE MUNICIPALITY:-

War on Poverty Campaign

This campaign was launched in 2008 by the then Deputy President of the Republic in Jacobsdal and was followed up in 2010 by the Deputy President, Mr K Motlanthe’. During the follow up Operation Hlasela was merged with the WoP and a number of interventions were reaped which benefitted the community of Jacobsdal. Special emphasis was given to the identified 50 poor households with specific household interventions in accordance with the needs of the respective households. The Department of Rural Development played a vital role and injected a few millions under the RID programme by completing a Sport Complex to the tune of 5.7 million; a further 9.4 million has further been allocated for the building of a Recreational facility in Jacobsdal.

Operation Hlasela

Operation Hlasela was joined with the War on Poverty Campaign in Jacobsdal and it has brought a Youth employment programme for 50 unemployed youth in Jacobsdal for a period of two years and the programme has now been carried over to the Department of Public Works under the Expanded Public Works Programme.

Expanded Public Works Programme

The Expanded Public Works Programme have been implemented in Letsemeng municipality since 2011 and is growing stronger by the year through the EPWP Incentive Grant from the National Department of Public Works. The municipality has registered the Social Sector and the Environmental Sector for the 2014/2015 financial year and will

make a meaningful contribution to the two mentioned sectors by employing beneficiaries in accordance with the EPWP policy and guidelines.

Local Cooperatives development

The municipality has taken all possible measures to promote and support SMME's and intends to appoint local Cooperatives on Security Services, Facility Maintenance and supply of goods and services in the 2014/2015 financial year. The municipality will however not be in a position to implement it in all towns concurrently but will phase it in over a multi –year period in accordance with the MTREF.

NARYSEC Programme

10 unemployed youth have been trained on the National Youth Service programme and 20 has been trained and employed during the 3rd intake. The municipality is also accommodating NARYSEC on some of its capital projects as part of their skills training. The Department of Rural Development aims to empower the NARYSEC youth of Letsemeng Municipality through enterprise development in the 2014/2015 FY.

Comprehensive Rural Development Programme

Jacobsdal has been declared a CRDP site and some high impact projects have been presented to the National Department of Public Works for implementation in the CRDP site, the municipality is still awaiting approval of the proposals.

Working on Fire Programme

The Working on Fire programme has also been by the District in conjunction with the municipality and has employed about 30 youth on the programme.

Green Works Programme

The Green Works programme has also been launched in the municipality and is employing youth all over the area which is employed on the programme, it contributes to the job creation of jobs in the municipal area.

These initiatives have brought about enormous changes in our endeavors to relieve the plight of the poor and to accelerate job creation opportunities. Some spheres of government have practically come to learn and experience that the one hand needs the other hand, and has the impact of this "modus operandi" which is a rather more effective and more visible way of rendering government services to the people. Putting the limited resources and rich diversity of minds and commitments into one basket has brought light at the end of the dark tunnel, indeed it has brought hope to those in despair and has provided to those in need. The municipality is however challenged with the continuous monitoring of the implementation of some of these programmes as some has never been evaluated neither monitored after it was launched.

Below herewith the Operational Plan for Local Economic Development:-

Area	Strategic Objective	Key Performance Indicator	FY		
			2014/2015	2015/2016	2016/2017
All Wards	Planning & Development Unit	To fill the following vacancies within the Planning and Development Unit:-			
		• Manager IDP	328,000.00	-	-
		• Land Officer	-	180,000.00	-
		• IDP Clerk	-	126,000.00	-
		• LED Clerk	126,000.00	-	
		• Tourism Officer	-	-	180,000.00

All Wards	Development of the Letsemeng LED Strategy	To develop the Letsemeng Local LED Strategy in partnership with the IDT as per the SLA signed in 2011 Activation of Implementation Support Plan (ISP)	320,000.00	240,000,00	64,000.00
All Wards	Establishment of Local LED Forum	Establishment of local LED Forums in all towns, including the Letsemeng LED Forum	5,000.00	-	-
All Wards	Establishment of LED Website	To establish a live municipal LED webpage to promote all LED activities and tourism in the municipal space To establish a partnership with the Tourism Sector and charge an annual subscription fee to established Tourism operators and businesses	150,000.00	-	-
All Wards	Promotion of Tourism	Establishment of a Letsemeng	5,000.00	-	-

		Local Tourism Forum			
		Development of Letsemeng Tourism Plan	100,000.00	50 000	-
		Establish a working relationship with established Tourism operators and business – annual subscription fee’	10,000.00	-	-
		Skills Development Training – Tour Guides	50,000.00	-	-
		Exhibition and marketing of Letsemeng Tourism at the Annual Tourism Indaba in KZN	45,000.00	-	-
Koffiefontein	Marketing and Advertisement	Activation of monthly subscription fee advertisement on municipal notice boards and electronic notice gadget	-	-	-
		Installation of electronic notice gadget	105,000.00	-	-

All Wards	Job Creation	Implementation of the Expanded Public Works Programme	1,000,000.00	1,000,000.00	1,000,000.00
		Implementation of the Community Works Programme	-	-	-
All Towns	Enterprise support and business infrastructure development	Registration of SMME's on the municipal database	-	-	-
		Provision of Business Start Up to SMME's	150,000.00	250,000.00	300,000.00
		Preference to local SMME's on procurement of goods and services in line with the SCM policy of the municipality	-	-	-
		Employment of local SMME's on infrastructure development projects in the municipal area	-	-	-
		Support funding applications of SMME's to different funding agencies and sector	-	-	-

		departments			
All Wards	Cooperative Development and support	Registration of Cooperatives in Letsemeng Local Municipality	15,000.00	10,000.00	20,000.00
		Appointment of 5 Cooperatives in the Security Cluster for safeguarding of municipal water treatment works and waste water treatment plants	579,600.00	579,600.00	289,900.00
		Appointment of 5 Cooperatives to do Cemetery maintenance and digging of holes	414,000.00	207,000.00	414,000.00
		Financial support to Youth Cooperatives	200,000.00	250,000.00	300,000.00
		Financial support to Women Cooperatives	150,000.00	90,000.00	120,000.00
		Register Cooperatives on the municipal website	-	-	-
		Develop Service Level	-	-	-

		Agreements between Letsemeng Municipality and Cooperatives			
		Lobby funding for medium and long term projects identified in the Local Area Plan	-	-	-
		Funding Quick Win projects in the Local Area Plan	250,000.00	200,000.00	150,000.00
All Wards	SMME and Cooperatives Support	Launching of the Letsemeng Local Economic Lekgotla	150,000.00	-	-
		Lobby sponsors for Letsemeng Local Economic Lekgotla	10,000.00	-	-
		Skills Development Training for Cooperatives in the different trades/fields through the WSP	-	-	-
		Technical Training – Tendering and Business Plan Processing	100,000.000	100,000.00	150,000.00
All Wards	Enterprise support	Coordination of high impact			

	and business infrastructure development	projects to boost the local economy			
		Letsemeng Brick Making Factory	350,000.00	400,000.00	-
		Letsemeng Crusher Plant	-	-	-
		One Stop Garage along the N8	-	-	-
		Solar Project	-	-	-
		Bozrah Project	-	-	-
		Establishment of Phambili Agro Village	-	-	-
		Establishment of One Stop Garage and Truck Stop in Luckhoff	-	-	-
		Support the local Ostrich project in Koffiefontein	30,000.00	-	-
		Support the local Bakery in Koffiefontein	20,000.00	-	-

		Support the local poultry project in Luckhoff	20,000.00	-	-
		Coordinate the establishment of the Youth Empowerment Centre in Jacobsdal	10,000.00	-	-
TOTAL BUDGET			R4,692,600.00	R3,682,600.00	R2,987,900.00

10. Sector Plans

Housing Plan: Requested the Department of Human Settlements to assist with the formulation of a Housing Plan

Environmental Management Plan: Non – existent

Institutional Development Plan: Organogram developed - attached

HIV/AIDS Sector Plan: Developed - attached

Transport Plan: Non – existent

Water Services Sector Plan: Non-existent but we however do have a WSDP in place, we are also in discussions with the Service Provider who is doing the unbundling of assets to look at the possibility of developing a Master Plan

Spatial Development Framework – Developed - attached but in the process to be reviewed

Energy Plan – Non – existent

11. PROJECT LIST - See project list below

Project No	Project Description	Area	Status Quo	Budget			
				Project Value/ Estimates	2013/2014	2014/2015	2015/2016
MIG/FS1020/ S/14/15	Upgrading of waste water treatment works: (MIS: 221659)	Luckhoff	Project funded by the MIG of the municipality and will commence in July 2014 over a multi – year period till 2015/2015 FY Adjudication phase	5,568,489.60	-	2,877,693.49 (Phase 1)	2,690,796.11 (Phase 2)
MIG/FS0940/ CF/12/14	Upgrading of Sports Facility (MIS:209539)	Luckhoff/ Relebohile	Project funded by the MIG of the municipality and is currently in construction phase and will be completed in the 2014/2015 FY	6,808,800.00	4,035,508.29 (Phase 1)	2,602,851.71 (Phase 2)	-
MIG/FS0996/ R,ST/13/14	Construction of paved road (0.8KM) (MIS 217348)	Petrusburg/ Bolokanang	Project funded by MIG and is currently in construction phase and will be completed in the 2014/2015 FY	6,148,608.00	5,039,191.72	1,109,416.28	-
MIG/FS1009/ CL/13/14	Provision of High-Mast Lights"	Koffiefontein Luckhoff Petrusburg Jacobsdal Oppermans	Project funded by MIG and is completed in terms of actual construction. Retention fees to be paid out in the 2014/2015 FY	3,500,617.38	3,348,300.93	152,316.45	-
	Construction of 0.65 km Access paved road.	Dithlake	Project funded by MIG and will commence in July 2014 and is currently in adjudication phase. Multi-year project	3,624,985.18	-	3,459,985.18	165,000.00
	Upgrading of Waste Water Treatment Works	Jacobsdal	MIG funded Project	5,998,886.91	5,998,886.91	-	-
	Upgrading of Recreational Parks in Letsemeng"	Koffiefontein Luckhoff Petrusburg Jacobsdal Oppermans	This project has been registered with MIG and is yet to be recommended by the Department of SACR. The project is supposed to commence in July 2014 and will run over a multi – year period	2,200,000.00	-	802,108.78	1,397,891.22

CRDP/01/2014-IDP	Phambili Agro – Processing Project converting primary Agricultural products into consumable commodities	Phambili	This project have been submitted to the Department of Rural Development and Land Affairs for funding under the Neighbourhood Development Programme Grant. The project is unfunded at this stage	7,00,000.00	-	-	-
CRDP/02/2014-IDP	Phambili Housing Development for 105 residents	Phambili	This project have been submitted to the Department of Rural Development and Land Affairs for funding under the Neighbourhood Development Programme Grant. The project is unfunded at this stage	8,190,000.00	-	-	-
CRDP/03/2014-IDP	Provision of Bulk Water Supply to Commonage Land Building of water reservoir dams and erecting boreholes on all communal land	Koffiefontein Luckhoff Petrusburg Jacobsdal Oppermans	This project have been submitted to the Department of Rural Development and Land Affairs for funding under the Neighbourhood Development Programme Grant. The project is unfunded at this stage	5,700,000.00	-	-	-
CRDP/04/2014-IDP	Bozrah Project	Letsemeng	Develop 2100 ha irrigation Install new pump, rising main, enlargement of 75 km canal and build new 7 km canal. The submission of the business plan for funding has been submitted to the National Department of Water Affairs and other relevant Departments. It has been identified as a HIGH impact project with maximum economic spin offs for the municipality. Project is currently unfunded	148,000,000.00	-	-	-
R,ST/01/2014-IDP	Paving of roads in the Rietrivier Irrigation Scheme. 117km's	Jacobsdal	This project has been identified as a HIGH impact project for road infrastructure development within the	100,000,000.00	-	-	-

			Agricultural Sector to create an infrastructure which will create investor friendliness into the area and a conducive environment for the most dominant Sector which is Agriculture. The project is unfunded at this stage and could be stretched over a period of 5 years.				
R,ST/02/2014 -IDP	Resealing of the R705 road	Jacobsdal	This project has been identified as part of road maintenance which connects Koffiefontein and Jacobsdal	20,000,000.00	-	-	-
R,ST/03/2014 -IDP	Rebuilding of the road between Jacobsdal to Ratanang	Jacobsdal	This road is connecting Ratanang with Jacobsdal and is in a bad state. It further connects to the Landboudal Agricultural and the surrounding farming areas	10,000,000.00	-	-	-
R,ST/04/2014 -IDP	Resealing of the road between Petrusburg and Koffiefontein to Lukchoff	Letsemeng	This road is connecting 3 towns of Letsemeng municipality and leads to the number of farms and economic hubs of the area. Road maintenance and upgrades are needed to ensure this road remains in a good state. Project is unfunded	50,000,000.00	-	-	-
R,ST/05/2014 -IDP	Building of proper gravel roads and paving of access roads to farms	Oppermans	The access roads to farms are in a bad condition and make it extremely difficult for farmers to access markets. Project is unfunded	50,000,000.00	-	-	-
ECONDEV/01 /2014-IDP	Establishment of a brick – making factory	Koffiefontein	This project has been identified as one of the HIGH impact projects to sustain the economy of Letsemeng municipality after mine closure. The project is in planning phase and the	8,700,000.00	4,000,000.00	4,000,000.00	700,000.00

			Department of Rural Development and Land Reform, Letsemeng Municipality and Petra Diamonds Mine is in the process of finalizing a MoU between the 3 parties. All parties have committed their funding and support to this project but can only be confirmed once the MoU has been signed by all 3 parties				
ECONDEV/01 /2014-IDP	Establishment of a Pottery plant	Koffiefontein	This project has been identified as one of the projects which must feed from the Brick making factory. Commencement thereof is subject to success rate of the Brick making factory and is thus unfunded	3,000,000.00	-	-	-
ECONDEV/02 /2014-IDP	Establishment of a One Stop garage along the N8	Petrusburg	This project has been identified as one of the HIGH impact projects in Petrusburg and interest has been shown by a Private Investor who been a piece of private land along the N8 for this establishment.	-	-	-	-
ECONDEV/03 /2014-IDP	Establishment of a Truck Stop and a weighbridge along the R48	Luckhoff	This project has been identified as a HIGH impact project for Luckhoff, especially with the high unemployment rate and poverty rate in the area. This project is unfunded	4,800,000.00	3,500,000.00	1,300,000.00	-
ECONDEV/04 /2014-IDP	Establishment of a potato factory	Petrusburg	This project is motivated by the high levels of potato production in the area. A potato processing and packaging factory would bring huge economic spin offs if a community factory could be	3,000,000.00	1,500,000.00	1,500,000.00	-

			established. This project is not funded				
ECONDEV/05 /2014-IDP	Establishment of a charcoal production	Jacobsdal	This project has been identified as a project with economic potential by using the trees along the river to press, produce and distribute charcoal. This project is unfunded	2,000,000.00	1,000,000.00	1,000,000.00	-