



INTEGRATED DEVELOPMENT PLAN 2024 -25



LETSEMENG LOCAL
MUNICIPALITY

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COUNCILLOR MOCWALEDI RBI
MAYOR LETSEMENG LOCAL MUNICIPALITY

MAYORS FOREWORD

The Integrated Development Plan (IDP) is a critical strategic process and document of the municipality that outlines the strategic path and direction of the municipality and enlighten the operational planning fundamental focus areas. Through the development and the review of the IDP, a municipality visualises the desired state of the municipality and provides for identification of preferred options and mechanisms to progressively move towards the sought state.

This review of IDP is guided by Municipal Systems Act 32 of 2000 section 34 that states that a municipal council must review its integrated development plan annually in accordance with an assessment of its performance measurements in terms of Section 41 and to the extent that changing circumstances so demand; and may amend its integrated development plan in accordance with a prescribed process.

We are tabling this reviewed IDP in a difficult local economic environment and the institution itself has gone through a lot in this current financial year. Locally, load-shedding has become more persistent and prolonged, impacting on service delivery and threatening the survival of many businesses. Households are under pressure from the rising cost of living, and unemployment remains stubbornly high as a result. We however in all trying situations should acknowledge coordinated efforts our government is putting to recover and stabilise the economy. The municipality is under immense financial pressures and constrained to meet the ever-increasing development needs of the community. Over the years, the financial pressures have been the decrease in municipal revenue sources that limits the capacity to deliver on the expansion of services. We call all those who can pay for municipal services to do so and those who cannot to come register for indigent subsidy. Coordinated efforts are made to ensure that our budget is funded and used mainly for service delivery programmes and initiatives. Cognisance should be taken that we are a grant reliant municipality with limited resources as such all our needs and desires will never be fulfilled.

During this review, the municipality's IDP process enabled consultation with all seven (7) wards across Letsemeng with stakeholders, commonage farmers and communities. Through this process, our stakeholders and residents were given the opportunity to reflect on the municipality's performance and effectiveness and were encouraged to extensively participate in planning its strategy. Thus, we need to find solutions to some of the developmental challenges faced by our municipality. In our meetings with the members of the community we have emphasised the importance of paying for services. As Councillors we need to play a pivotal role in encouraging people to pay for municipal services and encourage communities to refrain from illegal connections and theft of electricity. Our great responsibility as the Council of Letsemeng is to continue on the progress to ensure a better life to our people.

Letsemeng will strive to apply sound financial discipline and good governance practices in order to provide quality services despite the constraints in resources and budget limitations.



For Letsemeng Local Municipality to succeed, we need to enhance service delivery through innovative technologies, enable a safe, healthy community and environment, promote local economic development and tourism.

Letsemeng Local Municipality will embark on a challenging journey towards excellent local government. The journey consists of five steps, each representing a level of achievement. I believe however, that we cannot progress to a next more fulfilling level before the needs of the existing level have been met.

The five steps are:

- Providing excellent, democratic, transparent, and open government with zero tolerance for corruption at any level.
- Getting the basics and provide for the most fundamental needs of our citizens by getting the basic service delivery right.
- Putting heart into our communities to make them vibrant and safe. Provide excellent community facilities efficiently and effectively in order to provide places and services through which citizens can utilise their opportunities.
- Helping our citizens to be successful by enabling opportunities and driving local economic growth.
- Creating a better future for all by taking a firmly sustainable approach.

From Letsemeng Local Municipality's side we will commit to:

1. A professional service to every town, settlement and to the rural area.
2. Create a platform for local economic development that can result in job creation.
3. Create opportunities so that ordinary citizens can take responsibility and break free from the cycle of poverty.
4. Good financial planning and control, free of any form of corruption.
5. The spending of municipal funds in a responsible and transparent manner; and a productive workforce with a high work ethic and a high standard of customer care.

I would like to take this opportunity to thank all the citizens, all political parties, NGOs, NPOs and stakeholders who participated in the IDP/Budget review process that commenced in April in Luckhoff.

I wish to invite all Councillors, officials, citizens, businesses, government and non-government organisations to become part of this journey. Join hands with us for together we can BUILD BETTER COMMUNITIES for all our people!

I thank you, **baie dankie, ke a leboga bagaetsho!**



COUNCILLOR MOCWALEDI RBI
MAYOR LETSEMENG LOCAL MUNICIPALITY

VISION

Maximized quality service to local communities

To achieve this vision Letsemeng Local municipality strives to:

- Enhance service delivery
- Enable a safe, healthy community and environment
- Promote local economic development and tourism
- Adopt clean
- Build strong partnerships, and
- Be a people-centred, compassionate institution.

MISSION

Letsemeng Local Municipality is committed to :

Providing the best resource management capability at our disposal

VALUES

Values reflect the core guidelines of the organisation and by following them ensures, we remain on the right path. Letsemeng's Local Municipality values are as follows:

- Commitment
- Innovativeness
- Creativity
- Integrity

MOTTO

To be a Municipality that Sparkle in Pursuit of Service Excellence

DEVELOPMENT OBJECTIVES

Strategic objectives of Letsemeng Local Municipality are informed by strategic objectives of National Government(Key Performance/Priority Areas), Provincial Priorities, National Development Plan, Free State Growth and Development and they 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
- Improving skills development to raise productivity

Letsemeng Local Municipality's vision, mission, values, and political promises culminate in development priorities and objectives set out in the municipality's KPAs. Each KPA is specifically crafted to address the main strategic objectives of the municipality.

CHAPTER 1: SITUATION ANALYSIS

1.1 SPATIAL ANALYSIS

The municipality of Letsemeng consists of Koffiefontein (the municipal headquarters), Jacobsdal, Petrusburg, Luckhoff and Oppermansgronde. The size of these municipalities is significantly larger than the municipalities in the arid areas of the Northern Cape, Western Cape and Eastern Cape. Letsemeng's spatial area consists of 9 826 km². Its population of 43 101 is 74% urbanised. Letsemeng's population is growing at a rate of 1.1%.

Letsemeng borders on the Orange River, and there is significant irrigation farming along the Orange, Modder and Riet Rivers. In particular, Jacobsdal is an important producer of wine, sunflower, maize and wheat. Communal farming is undertaken on the periphery of all the towns, and there is a growing focus on land redistribution in Letsemeng. But the current decline in agriculture has reduced jobs for farm workers. Mining centres on Koffiefontein's diamond mine. Petrusburg mines produce gravel, clay and salt. Letsemeng's economy is based primarily on agriculture, with a lesser role for mining and tourism.

1.2 DEMOGRAPHIC OVERVIEW

Our Municipality is situated in the Southwestern part of the Free State Province and forms part of the smallest district namely Xhariep District Municipality, a rich agricultural area with natural economic resources. The local municipality area measures 10 192 square kilometers in surface area and comprises of five towns; Koffiefontein (which is the head office), Petrusburg, Jacobsdal, Oppermansgronde and Luckhoff.

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 Northwest and links Kimberley and Bloemfontein via Petrusburg.

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 northsouth direction. The R704 links Koffiefontein, Fauresmith and Jagersfontein with one another. Koffiefontein 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.

In this regard, Luckhoff serves as a general agricultural service centre and is situated approximately 45 km south of Koffiefontein. Access to the town is gained from the R12 route between Koffiefontein and De Aar. Jacobsdal also serves as an economic growth and tourism development node and is situated approximately 45km northwest of Koffiefontein. Access to the town is gained from the R705 route between Koffiefontein and Modder River. It serves as a general agricultural service centre and is situated approximately 32 km west of Koffiefontein. Access to the town is gained from the S647 route between Koffiefontein and Luckhoff.

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 near the area. The Riet River drains through the area in a westerly direction while the Orange River is the border west of the area. Although there are ample water sources available near 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. Petrusburg 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 figure below shows the Letsemeng area with its main towns and neighbouring municipalities of the Xhariep District.



Figure 1: Regional Context

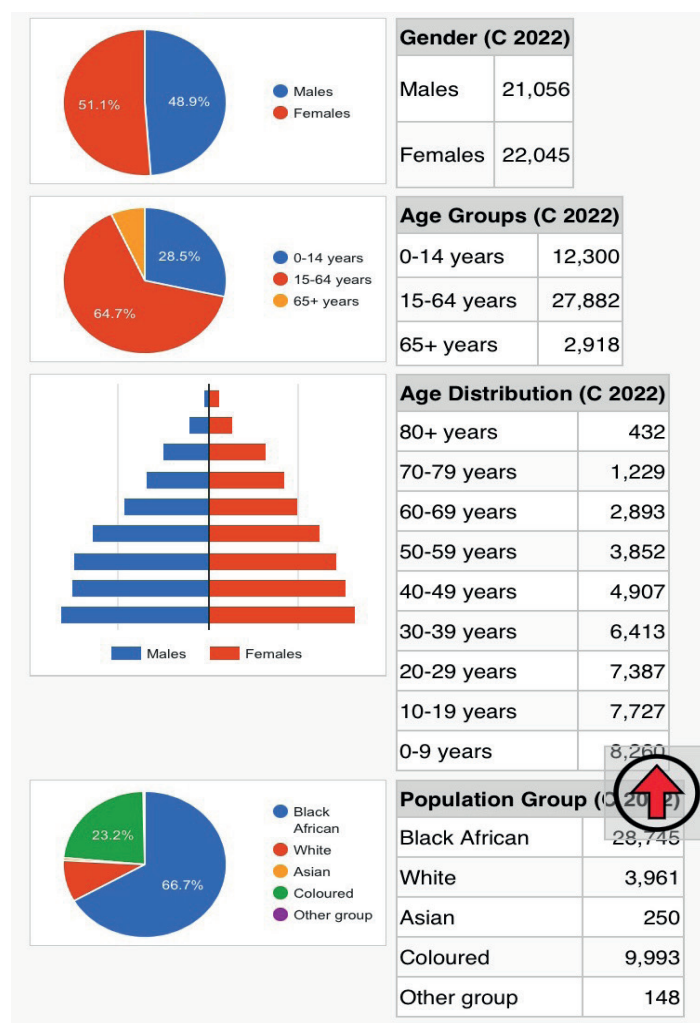
1.3 DEMOGRAPHIC ANALYSIS

The total population of Letsemeng Local Municipality as counted in Census 2022 increased by 1.1%, from 38 628 more than a decade ago in Census 2011 to almost 43 101 in the latest population and housing census. This was the fourth highest population change among all municipalities in the Free State Province. Letsemeng, the only municipality in the Xhariep District that showed a significant increase than Kopanong and Mohokare that increased by 0.5 and 0.8 respectively. Overall, the Xhariep District Municipality increased by 0.8 from a total population of 121 945 in 2011 to a total population of 131 901 in 2022.

Name	Status	Population Census 2022-02-02
Letsemeng	Local Municipality	43,101
Letsemeng		
● 43,101 Population [2022] – Census		
○ 9,826 km² Area		
● 4.386/km² Population Density [2022]		
📈 1.1% Annual Population Change [2011 → 2022]		

Almost 66.7% of the population in the municipality is black African; 9.2% is white; 23.2% is coloured; and Indian/

Asian and other groups comprises less than one percent of the population in the municipality.



Source: Statssa

Some key variable that need to be noted in the census report is average household size. The average household size in the Letsemeng Local Municipality was 3.4 persons in Census 2011, which increased to 3.9 in Census 2022. There were also decrease in the number of formal dwellings of 9 358 in 2011 to 9 279 in 2022, informal dwellings declined from 1 812 to 1 586 the same period, an increment of flushed toilets connected to sewerage from 8 492 in 2011 to 9 031 in 2022, weekly refuse disposal service (53.3%), while the electricity provisioning decline from 9 896 in 2011 to 8 739 in 2022.

However, there has been an increase in the usage of gas from 293 in 2011 to 1 336 in 2022.

The economic output of mining in Letsemeng / Kopanong was far more 20.6% than the employment contribution of this sector 1.3%. The mining sector has mechanised over the past two decades, and diamond mining (practiced in this area) is less dependent on low-skilled workers and easier to mechanise than, for example, the gold mines.

1.3.2 Population Pyramids

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

Table 2: Population by age group

Age group	DC 16: Xhariep	FS 161: Letsemeng
0-4	12 086	4 100
5-15	24 885	8 200
15-34	43 230	14 569
35-59	36 569	11 677
60+	15 128	4 554
Total	131 898	43 101

Data source: Statistics South Africa, Census 2022.

For 2011, Letsemeng local municipality population pyramid shows that males were more than females in age groups (20-24, 25-29, 30-34, and 35-39). For age group 0-4 and 5-9 years, females had highest proportion than males whereas females had highest proportion in age group 15-19 years. Census 2011 indicates that males' population declined from 25-29 age group and females' population declined from 20-24 age group. Females outlive the males in the older age groups starting from 40 years.

1.3.3 Population Categorised By Sex, Population Group and Functional Age Group

The total population of a region is the total number of people within that region measured in the middle of the year. Total population can be categorised according to the population group, as well as the sub-categories of age and gender. The population groups include African, White, Coloured and Asian, where the Asian group includes all people originating from Asia, India and China. The subcategories of age groups are (0-4 children, 15-34 youth, 35-64 adult and 65+ elderly) and sex is male or female.

Table 3: Population distribution of Letsemeng Local Municipality by gender and sex ratios

	Gender		Total	Sex ratios (Males per 100 Females)
	Male	Female		
Census 2022	21 056	22 045	43 101	95.5
Census 2011	19 852	18 777	38 628	105.7
CS 2016	21 140	18 904	40 044	111

Data source: Statistics South Africa, Census 2011&22 and Community Survey 2016

Table 3 above shows the distribution of total population in Letsemeng local municipality by gender as well as sex ratio for Census 2011 and CS 2016. The males population has increased from 19852 in 2011 to 21 140 in 2016 and as for females, it has slightly increased from 18 777 in 2011 to 18 904 in 2016. In both 2011 and 2016, the number of females was found to be less than those of males as the sex ratios were 105 and 111 in both 2011 and 2016 respectively. Overall; the results indicate that the population is predominantly male.

Table 4: Distribution of population by province, municipality, functional age group and sex

Province, District and Local Municipality	0-14 (Children)			15-34 (Youth)			35-64 (Adults)			65+ (Elderly)			Total			Dependency Ratio
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	
Free State	397502	399763	797265	530743	528205	1058948	355678	377185	732863	96042	149596	245638	1379965	1454749	2834714	58.2
DC16: Xhariep	20074	20511	40585	28926	28775	57701	18943	18709	37652	5984	8758	14743	73927	76754	150681	58.0
FS161: Letsemeng	4930	5025	9955	8744	7050	15794	5718	4938	10656	1747	1892	3639	21140	18904	40044	51.4

Data source: Statistics South Africa, Community Survey 2016

Table 4 above shows comparison regarding the distribution of total population between males and females of the Free State, district and letsemeng males, females, functional age groups and its dependent ratios.



Table 5: Distribution of population by functional age group and gender Population Group and Sex

Province, District and Local Municipality	Black african			Coloured			Indian/asian			White			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Free State	1225180	1289810	2514990	35042	37052	72095	4700	2596	7296	115042	125291	240333	1379965	1454749	2834714
DC16: Xhariep	58318	60539	118857	9022	9010	18032	216	37	253	6371	7167	13539	73927	76754	150681
FS161: Letsemeng	14134	12339	26473	4557	4037	8593	43	-	43	2406	2529	4935	21140	18904	40044

Data source: Statistics South Africa, Community Survey 2016

Figure 5: Distribution of population by municipality, sex and functional age group

Figure 5 above illustrates that age group of 15 – 34 which is mostly youth, contributes a large population number of Letsemeng municipality, while the male population is slightly higher than that of the female.

1.3.4 Employment

The labour force of a country consists of everyone of working age (above a certain age and below retirement) that are participating as workers, i.e. people who are actively employed or seeking employment. This is also called the economically active population (EAP). People not included are students, retired people, stay-at home parents, people in prisons or similar institutions, people employed in jobs or professions with unreported income, as well as discouraged workers who cannot find work. The economically active population (EAP) is defined as people (aged between 15 and 64 years) who are able willing and willing to work, and who are actively looking for work.

Employment Status	Gender		Total	Unemployment rate
	Male	Female		
Employed	5928	3236	9164	22.3
Unemployed	1170	1454	2624	
Not economically active	6036	7227	13263	

Data source: Statistics South Africa, Census

Table 6 above indicates the distribution of unemployment status, gender as well as unemployment rate of population aged between 15 and 64 years in Letsemeng local municipality for Census 2011. 9 164 thousand people were employed in 2011, 2 624 thousand were unemployed whereas 13 263 thousand were not economically active. The overall municipal unemployment rate it was found to be 22.3%. (Based on the official definition of unemployment)

Table 7 Distribution of employed population aged between 15 and 64 years by type of sector and gender in Letsemeng Local Municipality

Type of sector	Gender		Total
	Male	Female	
In the formal sector	3100	1930	5030
In the informal sector	2119	764	2883
Private household	513	448	960

Data source: Statistics South Africa, Census 2011

Table 8 above indicates the distribution of employed population aged between 15 and 64 years in Letsemeng local municipality by type of sector and gender. The overall municipal employed people were found to be in formal sector with 5 030 employed people. The informal sector was found to be more than that of private



households with 2 883 employed people whereas private household had 960 employed people.

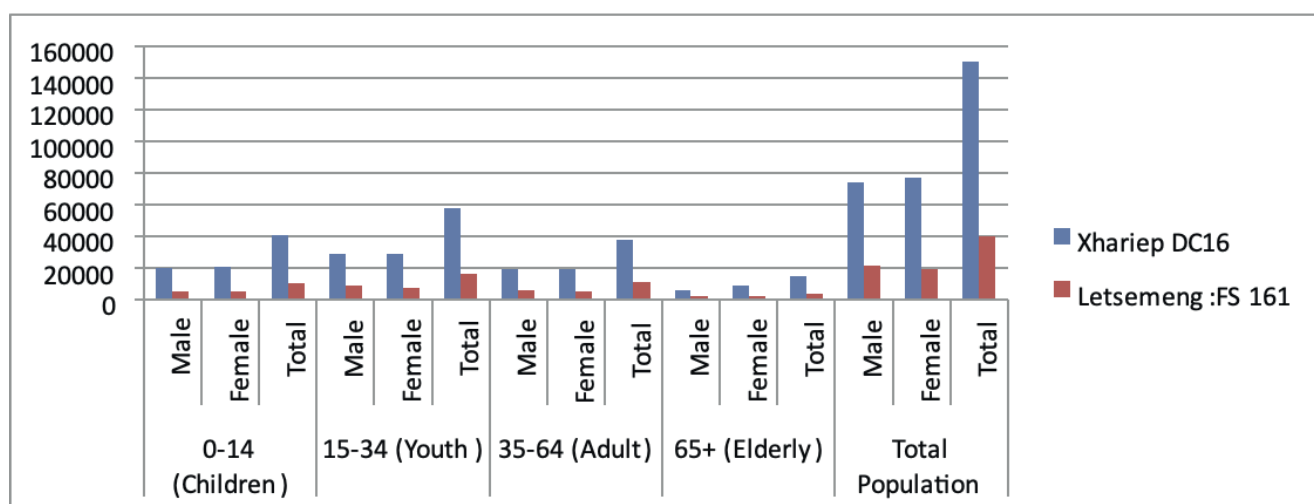


Table 8: Population Group and Sex

Province, District and Local Municipality	Black African			Coloured			Indian/Asian			White			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Free State	122510	128980	251490	35042	37052	72095	4700	2596	7296	115042	125291	240333	1379965	1454749	2834714
DC16: Xhariep	58318	60539	118857	9022	9010	18032	216	37	253	6371	7167	13539	73927	76754	150681
FS161: Letsemeng	14134	12339	26473	4557	4037	8593	43	-	43	2406	2529	4935	21140	18904	40044

Data source: Statistics South Africa, Census 2011 and Community Survey 2016

Table 8 above shows the population group between male and female individual, particularly within the vicinity of Letsemeng Local Municipality with the overall population of 40044 for both male and female. The number of Black African males was found to be high compared to female individuals and to other population groups and sex within the area of Letsemeng followed by females of the same group.

Table 9: Household Dynamics

Province, District and Local Municipality	Main dwelling that household currently lives in											
	Formal dwelling/house or brick/concrete block structure on a	Traditional dwelling/hut/s structure made of traditional	Flat or apartment in a block of flats	Cluster house in complex	Townhouse (semidetached house in a complex)	Semidetached house	Formal dwelling/house/flat/room in backyard	Informal dwelling/shack in backyard	Informal dwelling/shack not in backyard (e.g. in an	Room/flat on a property or larger dwelling/servants quart	Caravan/tent	Other
Free State	704511	15509	16142	2659	6515	2395	55569	56447	76001	3692	109	7028
DC16: Xhariep	44134	199	316	-	429	142	1701	2598	2934	328	-	341
FS161: Letsemeng	11545	10	-	-	131	17	120	674	1327	71	-	74

Data source: Statistics South Africa, Census 2011 and Community Survey 2016

Table 9 above indicates the comparison between numbers of main dwelling that household currently lives in. Of particular note, the formal dwelling /concrete block structure has been found to be the highest followed by informal dwelling/shack not in backyard within the vicinity of Letsemeng.

Table 10: No of Household

Province, District and Municipality	Households
Free State	946638

DC16: Xhariep	53146
FS161: Letsemeng	13969

Data source: Statistics South Africa, Census 2011 and Community Survey 2016

Table 10 above indicates the total number of households between Letsemeng Local Municipality, Province and District. The municipality is sitting with 139659 total number of households within the area of Letsemeng.

Figure 5: No. of Households

Table 11: Distribution of population by Letsemeng Local Municipality and broad age groups, CS 2016

	0-14		15-59		60+		Total	
	N	%	N	%	N	%	N	%
DC 16: Xhariep	33 355	26,5	80 338	63,8	12 191	9,7	125 884	
FS161: Letsemeng	9 955	24,9	26 450	66,1	3 639	9,1	40 044	100,0

Data source: Statistics South Africa, Census 2011 and Community Survey 2016

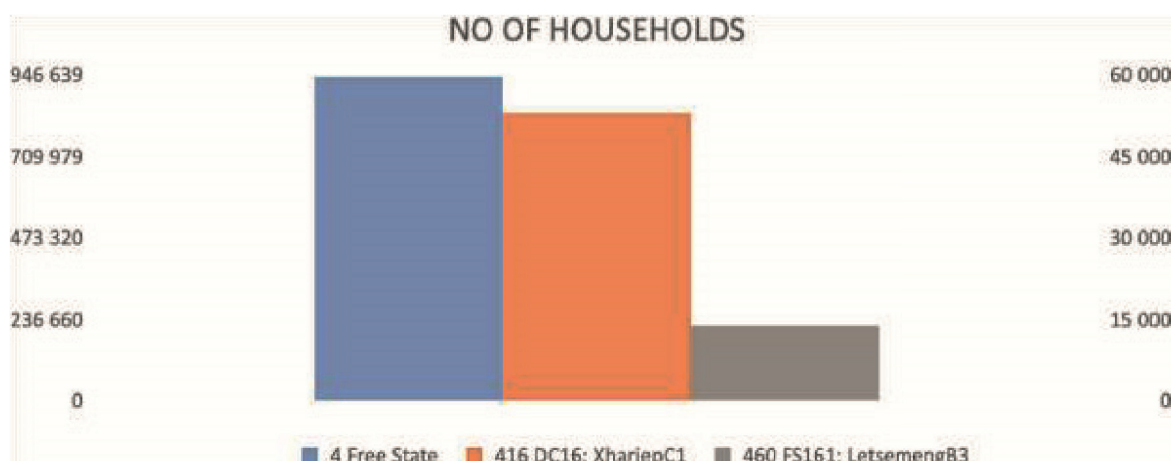
Table 11: The results presented in the above-mentioned table show the population in broad age groups of children aged 0-14, working age and elderly persons within Letsemeng area.

1.3.5 Parental Survival

This section focuses on the survival status of parents for children aged 0-17 years within the vicinity of Letsemeng. Although the question on parental survival was asked of everybody in Letsemeng, the focus of this table below is on children aged 0-17. Loss of a parent in the absence of family support leaves many children vulnerable and has significant policy implications. This report basic analysis is presented for children that reported to have lost one or both biological parents.

1.3.5 Orphanhood

Table 12: Distribution of Orphan hood by Letsemeng Local Municipality per category



Municipality	Maternal orphans	Parental orphans	Double orphans
DC 16	3 712	4 164	1 236
FS161	1206	1035	328

Data source: Statistics South Africa, Census 2011 and Community Survey 2016

Table 12 presented above show a high number of maternal orphans compared to paternal orphans. This is observed across the area of Letsemeng.



1.4 ECONOMIC ANALYSIS

The socio-economic development of the municipality is centred on agriculture. The municipal area also has mining activities, with diamonds being the major natural resource that helps with employment creation.

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



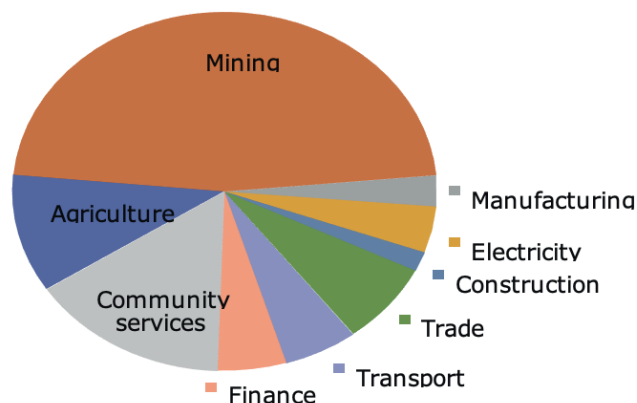
Table 14: gross value added (gva) by broad economic sector - Letsemeng local municipality, 2016 [billions, current prices]

Letsemeng		Xhariep	Free State	National Total	Letsemeng as % of district municipality	Letsemeng as % of province	Letsemeng as % of national
Agriculture	0.2	0.8	9.4	94.4	23.2%	1.92%	0.19%
Mining	0.8	0.9	19.7	304.4	92.0%	4.05%	0.26%
Manufacturing	0.0	0.2	22.5	517.4	26.7%	0.21%	0.01%
Electricity	0.1	0.1	9.1	144.1	55.7%	0.78%	0.05%
Construction	0.0	0.2	4.8	154.3	16.1%	0.62%	0.02%
Trade	0.1	0.7	27.4	589.7	18.2%	0.46%	0.02%
Transport	0.1	0.5	20.7	389.2	19.7%	0.46%	0.02%
Finance	0.1	0.5	33.0	781.7	16.8%	0.27%	0.01%
Community services	0.3	1.8	49.5	894.2	14.7%	0.53%	0.03%
Total Industries	1.7	5.6	196.2	3,869.5	30.2%	0.86%	0.04%

Source: IHS Markit Regional eXplorer version 1070

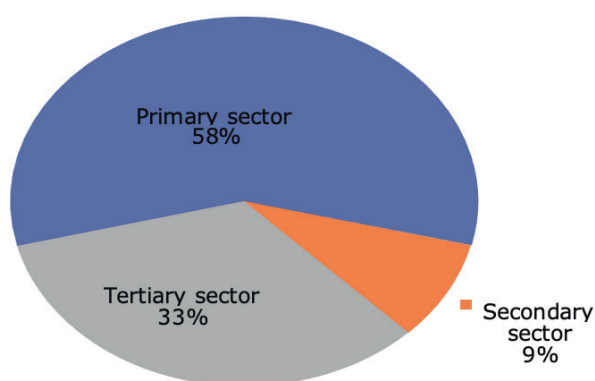
In 2016, the mining sector is the largest within Letsemeng Local Municipality accounting for R 798 million or 47.1% of the total GVA in the local municipality's economy. The sector that contributes the second most to the GVA of the Letsemeng Local Municipality is the community services sector at 15.3%, followed by the agriculture sector with 10.7%. The sector that contributes the least to the economy of Letsemeng Local Municipality is the construction sector with a contribution of R 29.9 million or 1.76% of the total GVA.

Figure 6: Gross Value Added (GVA) by broad economic sector Letsemeng Local Municipality, 2016



(Source: IHS Markit Regional eXplorer version 1070)

Figure 7: Gross Value Added by aggregate sector



(Source: IHS Markit Regional eXplorer version 1070)

1.4.1 Primary

Between 2006 and 2016, the agriculture sector experienced the highest positive growth in 2008 with an average growth rate of 12.6%. The mining sector reached its highest point of growth of 19.5% in 2010. The agricultural sector experienced the lowest growth for the period during 2015 at -23.2%, while the mining sector reaching its lowest point of growth in 2009 at -19.8%. Both the agriculture and mining sectors are generally characterised by volatility in growth over the period.

1.4.2 Secondary Sector

The secondary sector consists of three broad economic sectors namely the manufacturing, electricity and the construction sector. Between 2006 and 2016, the manufacturing sector experienced the highest positive growth in 2015 with a growth rate of 6.8%. The construction sector reached its highest growth in 2009 at 16.0%. The manufacturing sector experienced its lowest growth in 2013 of -17.4%, while construction sector reached its lowest point of growth in 2013 with a -7.1% growth rate. The electricity sector experienced the highest growth in 2015 at 4.0%, while it recorded the lowest growth of -20.7% in 2008.

1.4.3 Tertiary Sector

The tertiary sector consists of four broad economic sectors namely the trade, transport, finance and the community services sector. The trade sector experienced the highest positive growth in 2011 with a growth rate of 5.4%. The transport sector reached its highest point of growth in 2015 at 5.4%. The finance sector experienced the highest growth rate in 2009 when it grew by 6.6% and recorded the lowest growth rate in 2013 at -9.8%. The Trade sector had the lowest growth rate in 2008 at -11.6%. The community services sector, which largely consists

of government, experienced its highest positive growth in 2009 with 6.0% and the lowest growth rate in 2008 with -8.7%.

Letsemeng Local Municipality is less diversified in terms of its economic activity spread than the province's economy as a whole. The Letsemeng Local Municipality has a very high concentrated mining sector.

Letsemeng Municipal economy is characterised by the following:

- Mining and agricultural sector are the largest contributor 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.
- Petra Diamond Mines contributes major part to the local economy.

1.5 LEGISLATIVE ANALYSIS

Section 40 of the Constitution of the Republic of South Africa, 1997, states that the three spheres of government are distinctive, interdependent and interrelated. They are autonomous but must co-exist and have to co-operate on decision-making, and co-ordinate budgets, policies and activities, particularly for those functions that cut across the government spheres.

Co-operative governance means that national, provincial, and local government should work together to provide citizens with a comprehensive package of services. They have to assist and support one another, share information, and co-ordinate their efforts.

Implementation of policies and government programmes particularly require close cooperation between the three spheres of government.

A number of policies, strategies and development indicators have been developed in line with the prescriptions of legislation to ensure that all government activities are aimed at meeting the developmental needs of local government.

The following sections outline the national, provincial and district policy directives, sector plans and legislation, which set the strategic direction to which LLM must align for coherent planning, budgeting and implementation of programmes and projects.

1.5.1 The 2030 Agenda for Sustainable Development - Sustainable

Development Goals

In 2015 all member states of the United Nations adopted the 2030 Agenda for Sustainable Development. The 17 Sustainable Development Goals (SDGs) are a call for action by all countries developed and developing in a global partnership.

The SDGs recognise that ending poverty and other deprivations must go hand in hand with strategies that improve health and education, reduce inequality, and spur economic growth including addressing the effects of climate change and working to preserve our natural assets. The figure that follows highlights the SDGs that must be used as a guideline for all planning directives in South Africa.



1.5.2 Agenda 2063: The Africa We Want

The African Union, in its effort to transform Africa into a global powerhouse, has developed the Agenda 2063. The Agenda 2063 is a strategic framework for the continent to achieve inclusive and sustainable development and a Pan African drive for unity, selfdetermination, freedom, progress, and collective prosperity pursued under Pan-Africanism and the African Renaissance. The Agenda 2063 encompasses aspirations for the Africa we want, which are:

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

The Agenda 2063 captures Africa's aspirations for the future and identifies key flagship programmes which can boost Africa's economic growth and lead to the rapid transformation of the continent. Agenda 2063 outlines key activities to be undertaken in its ten-year implementation plans which will ensure that Agenda 2063 delivers both quantitative and qualitative transformational outcomes for Africa's people.

1.5.3 National Development Plan

The South African Government through the Presidency published the NDP 2030 in 2012. The plan aims to eliminate poverty and reduce inequality by 2030. The plan has the target of developing people's capabilities to improve their lives through education and skills development, healthcare, better access to public transport, jobs, social protection, rising income, housing and basic services, and safety.

It proposes the following strategies to address the above goals:

- Creating jobs and improving livelihoods;
- Expanding infrastructure;

- Transition to a low-carbon economy;
- Transforming urban and rural spaces;
- Improving education and training;
- Providing quality healthcare;
- Fighting corruption and enhancing accountability; and
- Transforming society and uniting the nation.

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

More importantly for efficiency in local government, the NDP 2030 proposes eight targeted actions listed as follows:

- Stabilise the political-administrative interface;
- Make public service and local government careers of choice;
- Develop technical and specialist professional skills;
- Strengthen delegation, accountability, and oversight;
- Improve interdepartmental co-ordination;
- Assume a proactive approach in improving national, provincial, and local government relations;
- Strengthen local government; and
- Clarify the governance of state-owned enterprises (SOEs).

1.7.4 Medium Term Strategic Framework

The Medium Term Strategic Framework (MSTF 2019–2024) is the implementation plan for the NDP 2030, highlighting the national development priorities for the sixth administration. This is built on three fundamental pillars: a strong and inclusive economy, capable South Africans, and a capable developmental state.

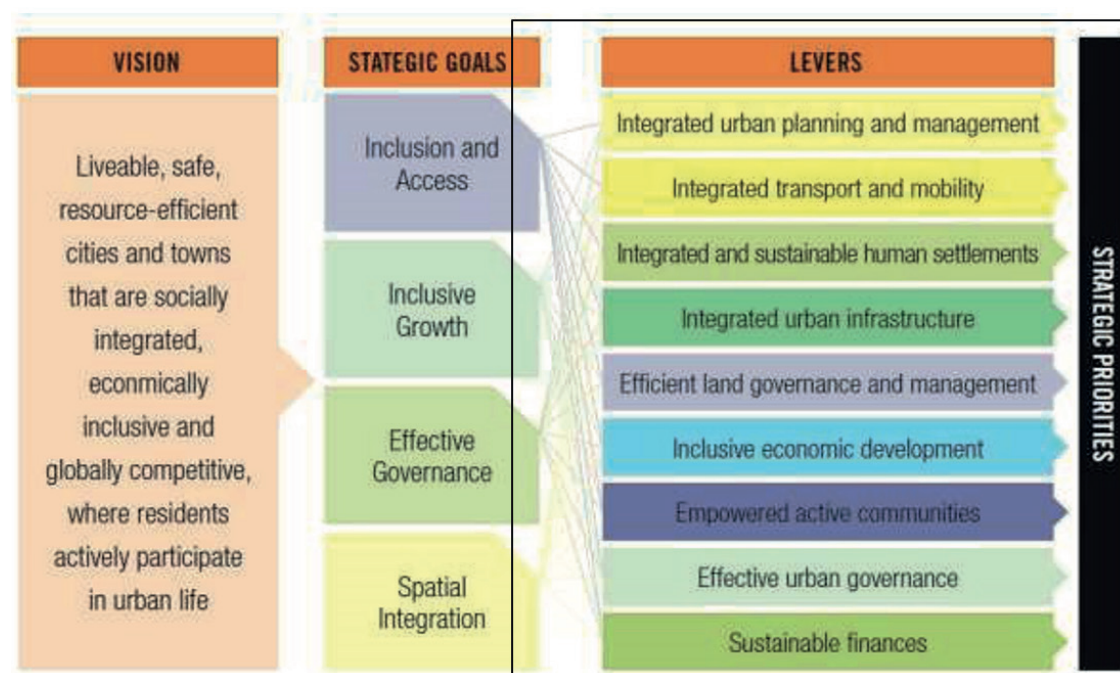
The framework aims to address the triple challenges of poverty, inequality, and unemployment through seven priorities highlighted as follows:

- Priority 1: Building a capable, ethical, and developmental state
- Priority 2: Economic transformation and job creation
- Priority 3: Education, skills, and health
- Priority 4: Consolidating the social wage through reliable and quality basic services
- Priority 5: Spatial integration, human settlements, and local government
- Priority 6: Social cohesion and safe communities
- Priority 7: A better Africa and world

1.7.5 Integrated Urban Development Framework

The Integrated Urban Development Framework (IUDF) responds to the post 2015 SDGs, in particular to Goal 11: Making cities and human settlements inclusive, safe, resilient and sustainable.

It also builds on various chapters of the NDP 2030 and extends Chapter 8: Transforming human settlements and the national space economy and its vision for urban South Africa. The vision, strategic goals and policy levers are listed in the figure that follows:

Figure 9: Integrated Urban Development Framework (IUDF) – Vision, Strategic

Three cross-cutting IUDF priorities are intended to be included in the conceptualisation and implementation of the IUDF policy levers.

Rural-urban interdependency: This concept recognises the need for a more comprehensive integrated approach to urban development that responds to both the urban and the rural environments.

Urban resilience: This describes urban environmental sustainability as well as disaster risk reduction and mitigation interventions in the planning and management of urban areas.

Urban safety: This refers to the importance of people's safety in public spaces, which is an essential ingredient for creating liveable and prosperous cities.

Karoo small town regeneration initiative

The purpose of the Karoo Small Town Regeneration Program (KSTRI) is to highlight the role of small towns in the Karoo region as places of significant economic and social opportunity. The working problem statement for the Initiative is as follows:

- The Karoo is a water stressed biologically diverse and sensitive bio-region requiring a careful weighing up of development options
- Individual municipalities have limited resources (human, financial, technical) in order to deal with factors that affect the entire region; such as, shale gas and uranium mining, renewable energy investment, climate change and adaption, poverty and unemployment.
- Developing a strategic response to the development challenges will have limited impact, without considering the area as a region.

The Karoo Region Small Town Regeneration and Regional Economic Development Conference was convened by the SALGA in partnership with district and local municipalities from the Western Cape, Eastern Cape, Northern Cape and Free State that are located in the Karoo biophysical region, and led to the development of the KSTRI.

Table 17: Districts and Local Municipalities will be affected by the KSTRP in the Free State

DISTRICT	MUNICIPALITY	TOWN
XHARIEP	Xhariep DM	Trompsburg, Gariep Dam, Springfontein, Phillipolis, Jagersfontein, Fauresmith, Edenburg & Reddersburg
	Mohokare LM	Zastron, Smithfield & Rouxville
	Letsemeng LM	Koffiefontein, Jacobsdal, Luckhoff, Oppermansgronde, Petrusburg & Farmland

FREE STATE PROVINCIAL GROWTH AND DEVELOPMENT STRATEGY (PGDS), 2012

The Free State Provincial Government has developed the Free State Provincial Growth and Development Strategy (FSGDS), Free State Vision 2030. The PGDS is the fundamental policy framework for the Provincial Government. It is a critical instrument to shape and coordinate the allocation of national, provincial and local resources, and private sector investment to achieve sustainable development outcomes based on provincial development needs and priorities.

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

The Strategy has identified six priority areas of intervention by the Province, namely:

- Inclusive Economic growth and sustainable job creation;
- Education innovation and skills development;
- Improved quality of life;
- Sustainable Rural Development;
- Efficient Administration and Good Governance.
- Building social cohesion.

Importantly, the FSGDS provides a situational analysis of the province, which includes the opportunities and challenges, identify drivers, strategies and measurable performance targets (5 year, 10 year, 15 year and 20-year targets) to ensure the implementation of the identified six priority areas.

DISTRICT RURAL DEVELOPMENT PLAN

The "District Rural Development Plan" and the "District Rural Development Implementation Plan" as developed by the Department of Rural Development and Land Reform and the Department of Agriculture and Rural Development has been considered and serves in the IDP as a separate Rural Development sector plan for the Municipality.

The plan identified the following for Letsemeng: attributes of the **REGION OF DIVERSE OPPORTUNITIES (SDF, 2016/17):**

Table 20: Region of diverse opportunities

DESCRIPTION	ATTRIBUTES
The area includes Letsemeng Local Municipal area with the north western and south western sections of Kopanong Local Municipal area	<ul style="list-style-type: none"> ▪ The socio-economic growth of the municipality is centred on agriculture. ▪ The municipal area also has mining activities, with diamonds being the major natural resource that helps with employment creation. ▪ The area north-east of Reddersburg and the area around Petrusburg has the highest concentration of land with a grazing capacity of 0-33ha. This is in correlation with the irrigation belt which lies within the Letsemeng Local Municipality and Land capability in this region ranges between 30% - 80%. The region around Oppermans and the area north and west of Smithfield are least capable agricultural land, as they <30% strategically located. ▪ Pivots area largely located in the western parts of the district in the Letsemeng Local Municipality as well as along the western boundary, with a significant number of pivots found in and around the town of Jacobsdal. The location of the critical biodiversity areas, formal conservation areas and protected areas is in correlation with the location of canals, irrigated land and high agricultural land within the district. ▪ There is a need for effective development and beneficiation of agricultural produce, creation of decent jobs on farm and establishing Agri-villages for local economic development. A developmental approach to the settlement of restitution claims will be taken ▪ The data indicates that the Letsemeng Local Municipality has a greater affinity to the successful farming of irrigated land ▪ The Xhariep district is a semi-arid area with extensive farming, mainly sheep. The district comprises of open grasslands with small widely dispersed towns.
	<ul style="list-style-type: none"> · The availability of Adelaide and Eccia precisely supports the mining activities occurring in the Jagersfontein and Koffiefontein since the rocks type is associated with essential minerals. Mining activities have potential of attracting people and other economic activities.
	<ul style="list-style-type: none"> · A number of game farms have been identified in Petrusburg, Luckhoff, Phillipolis and Bethulie.
	<ul style="list-style-type: none"> · Large portion of the available agricultural land is suitable for livestock production.
	<ul style="list-style-type: none"> · The areas north of Koffiefontein, east of Jacobsdal and around Petrusburg have the highest concentration of land suitable for Lucerne. Furthermore, Lucerne suitable areas are mostly found around the region of Jacobsdal, Koffiefontein, Luckhoff, Fauresmith and Smithfield.
	<ul style="list-style-type: none"> · Agricultural commodities have been identified for the Xhariep district. They are venison, aquaculture and livestock (beef and mutton)
	<ul style="list-style-type: none"> · Agricultural diversity in the Jacobsdal area supported by;
	<ul style="list-style-type: none"> · Two-thirds of the district, mainly the region between the towns of Petrusburg, Luckhoff, Fauresmith, Jagersfontein, Philippolis, Springfontein, Trompsburg, Edenburg, Reddersburg, is not suitable for the production of vegetables.
	<ul style="list-style-type: none"> · The area around Petrusburg, Jacobsdal and Zastron has the highest concentration of suitable land for the production of Fats and Oils.
	<ul style="list-style-type: none"> · Irrigation scheme to grow irrigated field crops – potato, vegetables; pasture crops Lucerne and permanent crops like pecan nuts
	<ul style="list-style-type: none"> · Petrusburg area represents a combination of cattle, small stock and cereal farming
	<ul style="list-style-type: none"> · Koffiefontein and Oppermansgronde with small stock farming inclusive of potential diversification of crops
	<ul style="list-style-type: none"> · Irrigation scheme along the Orange river at Vanderkloof Dam with associated tourism activities in Rolfontein Nature Reserve (northern cape)
	<ul style="list-style-type: none"> · Existing mining activities at Koffiefontein and Jagersfontein
	<ul style="list-style-type: none"> · Historical and cultural experiences at Phillipolis with its own character. The area surrounding Petrusburg and along the N8 to Kimberley is also rich in historical



	<ul style="list-style-type: none"> • Tourism route emanating from Jacobsdal to Philippolis.
	<ul style="list-style-type: none"> • Strong linkages with Kimberly
	<ul style="list-style-type: none"> • Renewable Energy project in proximity to Jacobsdal (Pulida Solar Park – 82.5 MW)
Heritage sites	<ul style="list-style-type: none"> • Historical buildings & Monuments of 2nd World War Kanonkop (Koffiefontein);
	<ul style="list-style-type: none"> • Voortrekker Memorial Anglican Church used in the Boer War (Petrusburg);
	<ul style="list-style-type: none"> • The cairn of commander Ds Lubbe (Jacobsdal);
	<ul style="list-style-type: none"> • Stone Church and Ossewa Tracks (Luckhoff);
	<ul style="list-style-type: none"> • Battle of Driefontein Graves of English soldiers (rural areas)

DISTRICT DEVELOPMENT MODEL

The main problem is that the current system is reliant on each sphere to align their plans with the other spheres especially in respect of strategic infrastructure investment, whereas a more efficient approach is to have all three spheres of government work off a common strategic alignment platform. A district development model provides such a platform.

In seeking to provide a solution for the misalignment the model therefore extends beyond the current approach which relies solely on the “discretionary” alignment of planning between and amongst the three spheres of government, through joint planning. Joint planning is specifically focussed on strategic and long-term issues where agreements between the three spheres are critical and necessary for cohesion and impact, and where these agreements help to shape short, medium and long-term plans and actions of all three spheres of government in context of their own planning and implementation responsibilities.) The Model is not top-down but rather based on the outcome of joint planning which determines the best or most appropriate interventions and actions according to the differentiated circumstances of different district and metropolitan areas.

The manifestation of the current situation is a highly inefficient utilization of funds and resources and even wastage. Government is not getting the outcomes it would like to see on the ground where the investment is impacting at the right scale and quality for communities. There is no clear spatial logic and outcomes that enable better integrated place-making but often sector/silo-based outputs. In this manner apartheid spatial logics are often being perpetuated, rather than being broken down. However, provincial Cogta has not yet finalised the DDM 2020 for Xhariep District. All the planned capital projects will be outlined in the IDP document when finalised.

XHARIEP DISTRICT ECONOMIC RECOVERY PLAN 2020

The challenges in the South African Economy have overtime been worsened by sustained low levels of investment and growth. The economy has also experienced a series of downgrades. This has impacted adversely on the cost of borrowing. In addition, low levels of growth and challenges related to revenue leakages have also impacted negatively on resource mobilization.

The outbreak of the Covid – 19 Pandemic in March 2020, has profound negative effect on the local economy that still persist to this day. LLM supports DDM as a model to improve service delivery efficiencies, focused planning and budgeting process, and monitoring of projects/ programmes implemented.

1.7 Community Participation Assessment

Section 16(1) and Section 29(1) of the Local Government: Municipal Systems Act (No. 32 of 2000) outline the processes and procedures to be adhered to in terms of community participation.

Based on the legislative requirements, public participation forms an integral part of the Letsemeng IDP process. Communities were afforded the right to make representations and engage on the drafting of the IDP considering the needs of their communities.

Between May and June 2023, the municipality conducted public engagements with communities to ensure its planning is aligned to community needs to budget accordingly.

The municipality had separate public engagements in terms of stakeholders and community participation.

Table 23: Public Engagements (Community and stakeholders)

WARD	COUNCILLOR	STAKEHOLDER/COMMUNITY	DATE	VENUE
1	Itumeleng Ramohlabi	Commonage Farmers Business,NPOs&NGOs	05/04/2024	Ebenezer Church
		Community meeting	05/04/2024	Ebenezer Church
2	Vuyani Stuurman	Commonage Farmers Business,NPOs&NGOs	08/04/2024	Recreational Centre
3	Molahlehi Lebaka	Business, commonage farmers Ward Committee	11/04/2024	Petrusburg Library
4	Xolani Mthukwane	Commonage Farmers Business,NPOs&NGOs Community Meeting	10/04/2024	MPCC
5	Thato Khumalo	Commonage Farmers Business,NPOs&NGOs Community Meeting	10/04/2024	MPCC
6	Mokgobo Molosi	Business, commonage farmers Ward Committee	11/04/2024	Petrusburg Library
7	Semakaleng Lichaba	Commonage Farmers Business,NPOs&NGOs Community Meeting	12/04/2024	Oppermansgronde

1.9 Identify Areas of need

The core services that local government provides (clean drinking water, sanitation, electricity, shelter, waste removal, and roads) are basic human rights, and essential components of the right to dignity as enshrined in our Constitution and Bill of Rights, and according to the Back-to-Basics Programme.

LLM strive to provide each resident with the same level of services irrespective of their standing in society.

SUMMARY: Ward Based Community Needs Analysis

Ward 1 – Luckhoff, Relebohile, Teisesville

Ward 2 – Jacobsdal and Ratanang

Ward 3 – Bolokanang

Ward 4 – Khayelitsha and Diamanthoogte

Ward 5 – Dithlake and Koffiefontein

Ward 6 – Bolokanang (portion) and Petrusburg

Ward 7- Phambili, Oppermansgronde and Sanderhoogte

Table 28: Community needs analysis

The community needs as raised during the IDP consultations have been included and are marked as annexure A2.



CHAPTER 2: INTRODUCTION

2.1 BACKGROUND, LEGISLATIVE & MANDATE

A municipality is compelled by legislation, the Local Government: Municipal Systems Act (No. 32 of 2000), to prepare an Integrated Development Plan (IDP) after the establishment of a newly elected Council for a five-year electoral term.

Letsemeng Local Municipality (LLM) adopted a 5-year IDP in June 2022 that provided detail on how it will manage and administer its affairs to meet the service delivery needs of its communities during the 2022-2027 term. The Act further stipulates that the municipality shall review the IDP on an annual basis as changing circumstances deem necessary. Therefore, this version of the IDP culminates in the 2024/2025 IDP review.

Communities have lost hope in the ability of municipalities to deliver services due to poor governance, corruption, and maladministration. The Auditor-General of South Africa highlights these challenges on an annual basis but the situation has deteriorated with some municipalities indebted, unable to render services, owing service providers and unable to pay salaries.

It is within this context and status quo that the 5th Generation IDP should be a beacon of hope to disgruntled and destitute communities. The IDP needs to introduce innovative and creative means and ways to render service delivery while improving the living conditions of these communities. The programmes and projects introduced should be labour-intensive and create sustainable job opportunities while also intensifying employment efforts of the Expanded Public Works Programme (EPWP) and Community Work Programme (CWP).

The 4th Industrial Revolution presents the opportunity to take advantage of technology to improve service delivery, communication and digitisation of systems and processes. LLM needs to ensure that it creates an environment conducive for business to thrive by reducing red tape and improving the ease of doing business. To leverage partnership and collaboration, the municipality should build strong stakeholder relationships and interventions to attract new investments and retain existing investments. It is important for the municipality to remain people-centred, ensure continuous communication and further involve communities in decision-making. Given the challenges above, it is important that the 5th Generation IDP give hope and instil confidence in the communities that municipalities can improve their socioeconomic conditions, grow the economy, and create jobs.

2.2 POWERS AND FUNCTIONS OF THE MUNICIPALITY

Section 156(1) (a) of the Constitution provides that a municipality has authority over the local government matters listed in Schedules 4B and 5B. Thus, Letsemeng Local Municipality has derived these original powers from the Constitution itself.

A municipality also has the right to exercise any power concerning a matter reasonably necessary for, or incidental to, the effective performance of its Schedules 4B and 5B functions. The municipality has a policy on Delegation of Powers in terms of Section 59 of the Municipal Systems Act, 32 of 2000. These delegations were adopted by the Council during in June 2022. Section 59 of the Municipal Systems Act provides that a Municipal Council may in accordance with its system of delegation, delegate appropriate powers to any of the Municipality's political structures, political office bearers, Councilors, or staff members.

Section 60 of Municipal Systems Act No. 32 of 2000 provides that powers may, within a policy framework determined by the municipal council, be delegated to an executive committee or mayor only:

- a) Decisions to expropriate immovable property or rights in or to immovable property; and
- b) The determination or alteration of the remuneration, benefits, or other conditions of service of the municipal manager or managers directly responsible to the municipal manager.

The Municipal manager as head of administration of a municipality is, subject to the policy directions of the municipal council, is responsible for—

- a) The formation and development of an economical, effective, efficient and accountable administration
- b) Equipped to carry out the task of implementing the municipality's integrated development plan in
 - i) Accordance with Chapter 5.
 - ii) Operating in accordance with the municipality's performance management system in accordance with Chapter 6; and
 - iii) Responsive to the needs of the local community to participate in the affairs of the municipality.

The management of the municipality's administration in accordance with this Act and other legislation applicable to the municipality;

- The implementation of the municipality's integrated development plan, and the monitoring of progress with implementation of the plan;
- The management of the provision of services to the local community in a sustainable and equitable manner;
- The appointment of staff other than those referred to in section 56 (a), subject to the Employment Equity Act, 1998 (Act No. 55 of 1998);
- The management, effective utilisation and training of staff;
- The maintenance of discipline of staff;

The promotion of sound labour relations and compliance by the municipality with applicable labour legislation; Advising the political structures and political office bearers of the municipality;

- Managing communications between the municipality's administration and its political structures and political office bearers;
- Carrying out the decisions of the political structures and political office bearers of the municipality;
- The administration and implementation of the municipality's by-laws and other legislation;
- The exercise of any powers and the performance of any duties delegated by the municipal council, or sub delegated by other delegating authorities of the municipality, to the municipal manager in terms of section 59;
- Facilitating participation by the local community in the affairs of the municipality;
- Developing and maintaining a system whereby community satisfaction with municipal services is assessed;
- The implementation of national and provincial legislation applicable to the municipality; and
- The performance of any other function that may be assigned by the municipal council. As accounting officer of the municipality, the municipal manager is responsible and accountable for—
 - All income and expenditure of the municipality;
 - All assets and the discharge of all liabilities of the municipality; and

Proper and diligent compliance with the Municipal Finance Management Act

2.3 PROCESS FOLLOWED TO DEVELOP THE IDP

The Local Government: Municipal Systems Act 32 of 2000 prescribe that the council of a municipality to encourage the involvement of the local community and to consult the local community about:



- The level, quality, range and impact of municipal services provided by the municipality, either directly or through another service provider and
- The available options for service delivery.

It instructs municipalities to promote gender equity in the exercise of the municipality's executive and legislative authority. The law further accords members of the local community the right to:

- Contribute to the decision-making processes of the municipality and
- Submit written or oral recommendations, representations and complaints - to the municipal council or to another political structure or a political office bearer or the administration of the municipality.

Letsemeng Local Municipality has made every effort to ensure participation by members of the local community in the development of the IDP. The process included the interaction with communities at ward levels and interactions with other groups (rural communities, business and communage,etc) which represented all towns of our municipality.

Letsemeng Local Municipality has strived to develop the IDP in an effective manner and ensuring the inclusion of all strategic plans and alignment. It is crucial to note that the IDP is the single inclusive planning process within which other processes must be located. Through the IDP process the municipality is informed about the problems affecting its municipal area and is also guided by information on other sources.

The municipality adopted the IDP/Budget Process Plan on the 3rd of November 2023 . To assist in understanding our IDP, it is important to have knowledge of the process that we followed to compile and review our IDP.

The Process Plan was adopted with due cognizance of the IDP District Framework Plan adopted by the district which seek to guide Integrated Development Planning for the District as a whole. During this time the process involved councillors, officials, and other structures.

During all the this phases the Letsemeng Local Municipality has done everything in its power to ensure support for the implementation of the IDP by all stakeholders involved or affected by it. All stakeholders must have access to the draft IDP and allowed to articulate their comments to avoid that the process becomes an endless exercise. The Municipality must adopts the final IDP and in terms of the Municipal Systems Act, a copy of the IDP as adopted by Municipality must be submitted to the MEC for Local Government within ten (10) days.

The MEC for Local Government may, within 30 days of receiving the IDP, request the municipality to amend or adjust the IDP in accordance with the MEC proposals.

A municipality must, within 14 days of the adoption of its IDP in terms of subsection (1) or (3) Municipal Systems Act:

- Give notice to the public: of the adoption of the plan, and that The copies of the plan are available for public inspection/read at specified places. E.g. all municipal offices, Libraries and the website
- Publicise a summary of the plan.

The IDP/BUDGET public participation meetings conducted by letsemeng local municipality.

The Municipal Systems Act of 2000 indicates that Council has the duty to encourage the involvement of the local community, consulting the community about the level of quality, range and impact of municipal services provided. Community members have the right to contribute to the decision-making processes of

the municipality and to be informed of all decisions and affairs of the municipal Council. The Act further encourages the community members to participate in the development and review of the IDP including other developmental issues through various mechanisms and concepts such as Community Based Planning. Communities are afforded the opportunity to identify their developmental needs.

The Importance of conducting Public Participation

The following are some of the key reasons:

- Active participation of local residents is essential to improved democratic and service delivery accountability
- It enhances social cohesion as communities recognize the value of working in partnership with each other and with the municipality,
- It enhances effectiveness as communities bring understanding, knowledge, and experience essential to the regeneration process
- It enables government policies and programmes to be relevant to local communities
- It gives residents the opportunity to develop the skills and networks that are needed to address social exclusion and criminality
- It promotes sustainability as community members will have the ownership of all issues raised

Process followed

Formal invitations to other relevant stakeholders were issued beforehand and load hauling was done on the day of the public participation. Public participation engagements were conducted as per the schedule except in Jacobsdal where the community meeting did not take place due to the weather and was conducted by the Ward Councillors. Members of the community have been encouraged to attend all municipal meetings. A community-based approach is employed in order to solicit as much inputs from the community as possible.

The following is a schedule that the municipality had developed of community engagements with dates and venues:

WARD	COUNCILLOR	STAKEHOLDER/COMMUNITY	DATE	VENUE
1	Itumeleng Ramohlabi	Commonage Farmers Business, NPOs & NGOs Community Meeting	05/04/2024	Ebenezer Church
2	Vuyani Stuurman	Commonage Farmers Business, NPOs & NGOs Community Meeting	08/04/2024	Recreational Centre
3	Molahlehi Lebaka	Commonage Farmers Business, NPOs & NGOs	11/04/2024	Petrusburg Library
4	Xolani Mthukwane	Commonage Farmers Business, NPOs & NGOs Community Meeting	10/04/2024	MPCC
5	Thato Khumalo	Commonage Farmers Business, NPOs & NGOs Community Meeting	10/04/2024	MPCC
6	Mokgobo Molosi	Commonage Farmers Business, NPOs & NGOs	11/04/2024	Petrusburg Library
7	Semakaleng Lichaba	Commonage Farmers Business, NPOs & NGOs Community Meeting	08/04/2024	Recreational Centre



IDP/ BUDGET PROCESS PLAN 2024/25

Letsemeng Council only adopted the IDP/ Budget process plan 2024/25 in October 2023 due to the instability that the municipality was in for a period of a month in September 2023. The process plan indicates how the IDP will be implemented, the roles and responsibilities of all stakeholders, timeframes, milestones to be achieved, and alignment with the budget processes.

Schedule of the Planned Activities to Align With IDP, Budget and PMS Process Management Plan for 2024/25 Financial Year:

ACTION	LEGISLATION	RESPONSIBILITY	ACTION DATE	TO WHOM
PREPARATION PHASE				
Presentation of the Draft IDP Process Plan for 2024/25 to the IDP/ Budget Steering Committee		IDP Manager/CFO	August 2023	Mayor, Councillors and Management
Tabling of the schedule of key deadlines regarding the budget process for 2024/25 MTREF	MFMA - Section 21(1)(b)	Mayor	August 2023	Council
Submission of draft IDP Review Process to Council for approval		Mayor	August 2023	Council
Submission of adopted 2024/25 IDP/ Budget Review Process Plan to the District and COGTA		Accounting Officer	September 2023	District Municipality and COGTA
IDP/Budget Process Plan advertisement in newspapers and public places		IDP Manager	September 2023	Accounting Officer
Coordination of annual budget and IDP review process plan	MFMA - Section 21, 22, 35,36 & 53	Mayor and Accounting Officer	September 2023 - June 2024	Council
PHASE 1: REVIEW ANALYSIS				
Assessment of IDP sector plans		IDP Steering Committee	September - November 2023	IDP & Sector Managers
Review of information to be added or amended to draft IDP		IDP Steering Committee	September - November 2023	Accounting Officer and all Heads of Departments
PHASE 2: STRATEGIC ANALYSIS				
Determination of strategic objectives for Key Performance Areas and 3year budget	MFMA -Section 21, 22, and 53	Mayor and Accounting Officer	January 2024	Council
1st IDP AND Budget Steering Committee Meeting Development/ Review of Key Performance Areas, Key Performance Indicators and Targets		Accounting Officer	January 2024	Mayor
Submission of Department Plans for 2023/2024 FY		Senior Managers	January 2024	CFO
1st IDP AND Budget Representative Forum Meeting		Accounting Officer	January 2024	Mayor

Ward Based Consultation process on IDP and Budget related Policies – Ward 1-7	Municipal Systems Act – Sections 16-22	Ward Councillors	Ward 1 February 2024 Johannes Mokopane Ebenezer Church	Council
		Ward 2 & 7 February 2024 Jacobsdal Recreational centre		
		Ward 7 February 2024 Phambili School		
		Ward 3 & 6 February 2024 Petrusburg Ipetleng School Hall		
		Ward 4&5 February 2024 Koffiefontein Walter Sisulu Community Facility		
Tabling of the 2023/24 midyear budget performance review Audit Report and Annual Performance	MFMA - Section 72 (1)(a) MSA - Section 46	Mayor	January 2024	Council

Report to Finance Committee and Council				
Assessment of IDP implementation status		Accounting Officer Heads of Departments	January 2024	Council
Tabling of the 2023/2024 Adjustment Budget	MFMA - Section 69 (2)	Mayor	February 2024	Council
Publishing of Public Hearings Dates on the Annual Performance Report	MFMA - Section 129	MPAC Chair	February 2024	Public
Review of Draft Budget related policies for the 2024/25 FY	MSA - Section 74&75 MFMA - Section 24 (2)(v)	Mayor with Accounting Officer, CFO and BTO	March 2024	Council
Review of tariffs (rates and service charges for 2024/25 FY)	MSA - Section 74 & 75 MFMA - Section 24 (2)(v)	Section 80 Finance BTO	March 2024	Council

PHASE 3: PROJECT IDENTIFICATION (REVIEW OF PROJECTS)

Review existing Project Template		IDP Steering Committee	January – March 2024	Accounting Officer
Review Development Strategies		IDP Steering Committee	October 2023 – March 2024	Accounting Officer
Ward Consultation Process on Project prioritization through Sectoral Meetings targeting Rate Payers Associations		Mayor	March 2024	Council



Establish preliminary budget for each project		CFO and Heads of Departments	January 2024	Accounting Officer
Finalize Sector Plans		Heads of Departments	March 2024	Accounting Officer
Update 3-year Financial Plan, list of projects and 3 years Capital Investment Programme; to integrate with IDP to inform Strategic		Heads of Departments	February 2024	Accounting Officer
Municipal Budget aligned with IDP				
Preparation of the 2024/25 Financial Year's: Capital budget Operational budget Salaries Budget Tariff charges Revised Budget Draft SDBIP		Chief Finance Officer	March 2024	Finance Committee
Draft Operating and Capital Budget to Management		CFO and Municipal Manager	March 2024	Finance Committee
Submission and presentation of all Capital projects for 2024/25 and the 3-year capital plan		Heads of Departments	February 2024	Council
IDP 2nd Representative Forum Meeting		Mayor	March 2024	Council
PHASE 4: PROJECT INTEGRATION				
Screening of projects		IDP Steering Committee	February 2024	Section 80 Committee Planning and Development
Integration with Municipal Budget/ SDBIP		Accounting Officer CFO and Manager Development Planning	February 2024	Section 80 Committee Planning and Development
Submission of draft Operating and Capital Budget to Council	MFMA - Section 16, 22, 23, 87 MSA – Section S34	Mayor	March 2024	Council
Submission of the draft SDBIP to the Mayor		Accounting Officer	March 2024	Mayor
Submission of 2023/24 Draft IDP to Council		Mayor	March 2024	Council
Submission of Oversight Report on the 2022/23 Annual Performance Report		MPAC Chairperson	March 2024	Council
Submission of draft IDP to COGTA for Provincial IDP Assessment		Accounting Officer	April 2024	MEC for COGTA
Provincial IDP Analysis			April 2024	COGTA
Submission of the tabled Annual budget to National Treasury and Provincial Treasury and publication of the tabled budget	MFMA - Section 22(b)	Accounting Officer	April 2024	National Treasury and Provincial Treasury

Schedule of the planned activities to align with IDP, Budget and PMS process management plan for 2023/24 financial year

MONTH	ACTIVITIES	ACTIVITIES		ACTIVITIES
	IDP	PMS		BUDGET
August 2023	<p>Submit Draft IDP Process Plan 2024/25 to Council and COGTA.</p> <p>Submit Draft 2024/25 Process Plan to COGTA</p> <p>Ensuring alignment of the Section 56 Managers individual Scorecards with the IDP strategies</p> <p>Input into targets and deadlines on the SDBIP.</p>	<p>Signing of new performance contracts for Section 56 Managers and submission to EXCO (Section 69 of the MFMA and Section 56 of the MSA).</p> <p>Prepare Departmental Business Plans SDBIP (Component 3) for the next financial year. Previous year S56 Managers' Performance Assessments</p> <p>Noting of 2023/24 SDBIP</p> <p>Submit Chapter 3 of the Annual Performance Report (APR)</p>	<p>IDP and Finance to discuss the 2024/25 Budget planning issues</p> <p>Prepare budget process plan and timetable for the 2024/25 Multiyear budget.</p> <p>Submit Draft Annual Financial Statement</p>	August 2023
September 2023	<p>IDP to review comments received from the MEC on the previous year's IDP COGTA submission. This to be done with Senior Managers / steering committee / task team</p> <p>IDP Review Process approved</p> <p>Revision or initiation of new sector plans.</p> <p>Place advertisement for public participation programme</p> <p>Confirm composition of Steering Committee / Task team official representatives</p> <p>Circulate IDP process Plan to sector departments for input</p> <p>Prepare for Public Participation meetings</p> <p>COGTA feedback on IDP submission.</p>	<p>Quarterly Project Implementation Report (for last quarter of previous year) MPPR Reg. 14.</p> <p>Quarterly Audit Committee meeting (for the last quarter of previous year) MFMA Sect 166 & MPPR Reg. 14(3) (a).</p> <p>Performance evaluation panel (for evaluation of Sect 56 Managers final assessments) MPPR Reg. 14(3) (b).</p>	<p>Compile the 2024/25 Multiyear Budget.</p> <p>Complete Budget Evaluation</p> <p>Submit checklist to National Treasury.</p> <p>Obtain Council's approval for 2024/25 Multi-year budget process and timetable.</p> <p>Review external mechanisms affecting the medium-term budget forecasts.</p> <p>Assess Council's 2022/23 Financial Statements and current year's revised results and capacity, to determine the impact on future strategies and budgets</p> <p>Assess the funding policies including the tariff structures.</p>	September 2023



October 2023	<p>Commence Public Participation meetings</p> <p>IDP, Steering committee /Task team to formalise Council's Vision, Mission, objectives and strategies Consultation & alignment with Sector Departments / Service Providers and local municipalities.</p> <p>Cross Border alignment meetings. Feedback from MEC assessment panel. Feedback to the Steering Committee/Task team regarding MEC's assessment</p> <p>Review and update of departmental sector plans.</p> <p>Revise prioritisation in terms of performance</p> <p>Ward councillors and ward committees submit community request for budget consideration.</p>	<p>Approval of 1st Quarter SDBIP report</p> <p>Approval of 1st Quarter Section52 (d) report</p>	<p>Address various budget assumptions, internal budget processes, policies etc.</p> <p>IDP and Senior</p> <p>Management reviews the prioritisation to compile the capital budget</p> <p>Public information meetings (divided) into the established clusters), reviewing and strategizing the current IDP</p> <p>Strategic Budget Meeting with Senior Managers/ Managers</p> <p>Budget information meeting regarding operational support and capacity building Budget information session with Mayor</p>	October 2023
November 2023	<p>Public Participation meeting</p> <p>Integration of information from adopted Sector Plans into the IDP Review document</p> <p>Review and updating of the IDP Vision, Mission and Objectives</p> <p>Cross border municipal alignment</p> <p>Formulate Strategies with the Task Team</p> <p>Feedback from Senior Managers on Priorities – Projects – as well as Budget inclusions</p> <p>Information sharing meeting/session with all sector departments/ service providers and neighbouring local</p>	<p>- Auditor General Audit of performance measures (MFMA Sect 55(2)). Sect 56 Managers' quarterly assessments (for first quarter).</p>	<p>Ensure draft budget processes are informed by the IDP</p> <p>National regulators and external mechanism entities to give notification of their pricing strategies for the next 3-5 years</p> <p>National Government to provide Council with their Medium-Term Expenditure Framework Plans</p> <p>Obtain confirmation of financial allocations to municipalities from National and Provincial Governments in terms of the Division of Revenue Bill</p> <p>Budget information meeting regarding operational support and capacity building</p>	November 2023

<p>December 2023</p>	<p>Consultation & alignment with Sector Departments / Service Providers and local municipalities</p> <p>Municipalities to ensure that synergy occurs on all levels between the various local IDP documents and to align with the IDP Review document of the District Municipality to achieve more support on the regional scale</p> <p>Host IDP Representative Forum meeting.</p> <p>Review and drafting of initial changes to IDP</p> <p>Participate in the District IDP and Budget Roadshows</p> <p>Follow up with the Steering Committee and the Task Team</p> <p>Participate in the Budget information session with Mayor</p> <p>Forward community request to various department</p> <p>Submission of Public Participation Report.</p> <p>Municipalities to ensure that synergy occurs on all levels between the various local IDP documents and to align with the IDP Review document of the District Municipality to achieve more support on the regional scale</p> <p>Host IDP Representative Forum meeting.</p> <p>Participate in the Budget information session with Mayor.</p>	<p>Quarterly Project Implementation Report (for first quarter) MPPR Reg. 14.</p> <p>Quarterly Audit Committee meeting (For the first quarter) MFMA Sec 166 & MPPR Reg.14 (3)(a).</p>	<p>Submission of the Draft Operating estimates for the 2024/25 multi-year budget, analysed according to activities aligned to Council's strategic objectives, as set out in the draft IDP</p> <p>Submission of the Draft Capital projects for the 2024/25 multi-year budget and revised prioritisation model according to Council's strategic objectives, as set out in the draft IDP</p> <p>Discussions with Senior Managers/Managers on the draft Capital projects for the 2024/25 multi-year budget. Budget information session with the Mayor represented by the various departments</p> <p>Alignment of the Draft Operating estimates to the IDP</p> <p>Finalise detailed budget</p> <p>Budget information session with Mayor</p> <p>Mid-Year Review by National Treasury</p> <p>Submission of the Draft Capital projects for the 2024/25 multi-year budget and revised prioritisation model according to Council's strategic objectives, as set out in the draft IDP</p> <p>Budget information session with Mayor</p>
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March 2024	<p>Conclusion of Sector Plans initiated and integration into the IDP Review re integration into the IDP Review report</p> <p>Finalise outstanding MEC assessment issues</p> <p>Draft IDP & Budget - Prioritization & Budget allocation</p> <p>Participate in the review of the Midyear visit Report by National Treasury and implementation of any recommendations</p>	<p>Quarterly Project Implementation Report (for second quarter) MPPR Reg. 14</p> <p>Quarterly Performance Audit Committee meeting (for the second quarter) MFMA Sect 166 & MPPR Reg. 14(3)(a).</p> <p>Approval of the Oversight Report of the APR for 2022/2023 FY</p>	<p>Adjustment budget for financial year 2023/24 to be considered if necessary</p> <p>Make public the adjustment budget and supporting documentation within 10 working days after being approved by Council (Section 26)</p> <p>Submit to National Treasury and Provincial Treasury in both printed and electronic form the adjustment budget, supporting documentation and the adjusted service delivery and budget implementation plan (SDBIP) within 10 working days after the mayor has tabled in adjustment in budget in Council (Section 24)</p> <p>Table 2024/25 multi-year Budget together with the IDP for consideration to Finance Portfolio</p> <p>Submit 2024/25 SDBIP to Council for consideration</p> <p>Review of the Mid-Year visit report by National Treasury and implementation of any recommendations</p>
April 2024	<p>Alignment with the Local Municipalities IDPs</p> <p>Council workshop of final draft IDP & budget - Prioritization & Budget allocation</p> <p>Council to adopt the final draft Budget & IDP and resolve to advertise for public comment</p> <p>Draft IDP submission to COGTA by end of March 2024</p>	<p>Set performance objectives for revenue for each budget vote (MFMA Sect 17)</p> <p>Annual Customer Satisfaction survey (to be consolidated to annual report) MSA Sect 40</p> <p>3rd Quarter SDBIP and Section 52 (d) Reports</p> <p>Publicise Annual Report - MFMA Sec 129(3)]</p> <p>Submit Annual Report to Provincial Legislature/MEC Local Government [MFMA Sec 132(2)].</p>	<p>Submit 2024/25 multi-year budget and IDP submitted to Executive Committee and Council for approval</p> <p>Submit 2024/25 Service Delivery and Budget Implementation Plans submitted to Executive Committee and Council for approval</p> <p>Submit 2024/25 multi-year budget, IDP and Service Delivery and budget implementation plan in both printed and electronic format forwarded to National and Provincial Governments, including National Treasury within 10 working days after being approved by Council</p> <p>Make public the tabled budget and supporting documentation within 10 working days after being approved by Council</p> <p>Ward Committee meeting highlighting involvement of members in the Budget Public Participation process</p> <p>Undertake a 4-week community consultation process of the budget</p>

May 2024	<p>Publish draft Budget & IDP for comment</p> <p>Assess & incorporate comments – adjust the IDP& budget where necessary</p> <p>Attend assessment week by COGTA</p> <p>Report back on the results of the Assessment Feedback</p>	<p>Strategies, Objectives, KPA's, KPI's and targets and inclusion into IDP</p> <p>Review report on Section 56 Managers Quarterly Performance Assessments</p>	<p>Undertake a 4-week community consultation process of the budget</p> <p>Revision of the budget and IDP from inputs received from the community, Government departments and National Treasury, if required</p>
June 2024	<p>Final approval of IDP& Budget by Council</p> <p>Submission of approved IDP to COGTA</p> <p>Report on progress as per SDBIP</p> <p>Prepare IDP Process</p> <p>Plan for the IDP Review 2024/25</p>	<p>Implementation Report (for third quarter) MPPR Reg. 14</p> <p>Quarterly Audit Committee meeting (for third quarter) MFMA Sect 166 & MPPR Reg. 14(3) (a)</p> <p>Annual review of organisational KPIs (MPPR Reg 11)</p> <p>Review annual organisational performance targets (MPPR Reg 11)</p>	<p>Publish tariffs and budget for the 2024/25 financial year</p> <p>Assessment of the progress of the 2023/24 budget by National Treasury</p> <p>Submission of the draft SDBIP to the Mayor within 14 days of approval of the budget</p> <p>Approved 2024/25 Multiyear budget, IDP in both printed and electronic form at forwarded to National and Provincial Governments, including National Treasury within 10 working days after being approved by Council</p> <p>Make public the approved budget and supporting documentation within 10 working days after being approved by Council</p> <p>Publish Council's budget and IDP on its website</p> <p>Establish and complete performance evaluations for functional outcomes based on operational plans and the IDP</p> <p>Approval of the SDBIP within 28 days after approval of the budget and completion of the annual performance contracts in accordance with Sec 57(2) of the MSA</p> <p>Make public the SDBIP within 10 working days after being approved by Council</p> <p>The Service Delivery and budget implementation plan in both printed and online</p>



ALIGNMENT OF MUNICIPAL IDP WITH NDP and FSGDS

Through public consultation and engagement with communities, different stakeholders, interaction with employees and an analysis of the conditions of the services in the municipality and identified all the challenges and interventions required for each service provided by the municipality.

For each and every Key performance Area the municipality developed the strategic objectives in line with the National Development Plan (NDP) and Free State Growth and Development Strategies (FSGDS) to give a clear guideline of the municipal strategic direction on the level of service delivery in all the areas. From the process followed the municipality identified the developmental objectives which will inform the municipal performance planning and risk management. These objectives are developed in line with the SMART principle (specific, measurable, Achievable, realistic and time bound)

KEY PERFORMANCE AREA	PRIORITY AREA	NDP OBJECTIVE	FSGDS OBJECTIVE	STRATEGIC OBJECTIVES	DEVELOPMENT OBJECTIVES
Basic service delivery and infrastructure Development	Water and Sanitation services	Ensure that all people have access to clean, potable water. There is enough water for agriculture and industry, recognizing the trade-offs in the use of water	Maintain and upgrade basic infrastructure at local level Provide. Upgrade bulk services Improve technical capacity of local municipalities for sustainable local infrastructure	To provide quality and sustainable water and sanitation services to all the households, schools, clinics, public facilities, and businesses.	To ensure access to clean, quality, and sustainable water services to households, public facilities and businesses. To ensure access to safe and sustainable sanitation services to households, public facilities and households.
	Waste management	Environmental sustainability and resilience. Absolute reductions in the total volume of waste disposed to landfill each year	Maintain and upgrade basic infrastructure at local level	To provide regular and sustainable refuse removal services to the households, schools, clinics, public facilities, businesses etc. Maintain adequate and effective waste management to ensure compliance with applicable laws when finalised	To ensure access to regular and sustainable refuse removal services to all household, public facilities and businesses. Ensure proper waste management through promotion of recycling schemes and adequate landfill management.
	Electricity and Energy	The proportion of people with access to the electricity grid should rise to at least 90 percent by 2030, with non-grid options available for the rest. The country would need an additional 29 000MW of electricity by 2030. About 10 900MW of existing capacity is to be retired, implying new build of more than 40 000MW. At least 20 000MW of this capacity should come from renewable sources. At least 20 000MW of this capacity should come from renewable sources	Provide new basic infrastructure at local level (Water, Sanitation, and electricity). Provide and upgrade bulk services. Implement alternative electricity infrastructure	To provide and maintain sustainable and improved capacity of electricity services to all households, schools, clinics, public facilities, and businesses	To ensure provision of sustainable electricity services to all household, public facilities and businesses.

	Roads and storm water services	Transforming Human Settlement	Develop and maintain an efficient road, rail and public transport network	To provide and maintain accessible road infrastructure and increased life span through proper construction and maintenance of roads and storm water infrastructure.	To ensure accessible road infrastructure and increased life span through proper construction and maintenance of roads and storm water drainages.
	Human Settlement	Strong and efficient spatial planning system, well integrated across the spheres of government. Upgrade all informal settlements on suitable, well-located land by 2030.	Accelerate and streamline township establishment processes and procedures to ensure sustainable settlement. Ensure that municipalities, councilors, officials, the community at large and private sector role players are capacitated to accelerate sustainable human settlement development. Promote and support integrated, inclusive, sustainable human settlement development.	To ensure the provision of formal settlement for the poorest of the poor with the intention to eradicate informal settlement and promote better life for all.	To ensure access to formal settlement for the poorest of the poor with the intention to eradicate informal settlement and promote better life for all.
Public participation and good governance	-Internal audit. -Audit committee. -Oversight committee. -Ward committee -Council committee -Supply chain committees. -Management and operational systems.	Nation building and social cohesion. Develop an integrated planning framework for the province (including municipalities). Establish appropriate integrating and intergovernmental relations planning structures at all levels in line with the framework. Reconfigure the planning unit in line with national directives and best practice to render an efficient integrated planning service including research and policy coordination.	Effective and efficient governance and Administration. Improve community communication structures and feedback mechanisms Implement complaint management systems that includes rapid response on municipal level Improve the level and quality of political oversight by strengthening the capacity and role of the oversight structures. Evaluate and reconfigure coordinating structures such as clusters, Premier's Coordinating Forum (PCF) and other intergovernmental relations structures.	To promote and improve effective linkage between the community, stakeholders and the municipality to ensure accountability and responsive governance structures.	To promote and improve effective linkage between the community, stakeholders, and the municipality to ensure accountability and responsive governance structures.



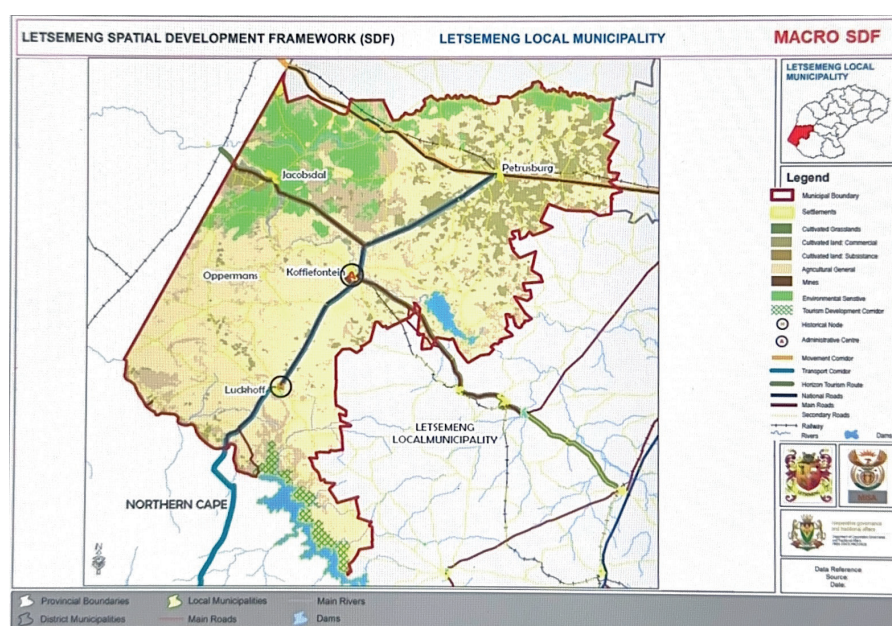
Institutional Development and Transformation	<p>Information Technology</p> <p>Availability of skilled staff</p> <p>Organizational structure</p> <p>Vacancy rate</p> <p>Skills development plan</p> <p>Human resource management strategy</p> <p>Individual performance and organizational management systems</p> <p>Monitoring, evaluation and reporting processes and systems.</p>	<p>Developing a capable and Development State Expansion, modernisation, access and affordability of our Information and communications infrastructure ensured.</p>	<p>Social and Human Development</p> <p>Municipalities recruit and develop skilled and competent personnel who are responsive to citizens priorities and capable of delivering quality services.</p> <p>Municipalities demonstrate quality management and administrative practices.</p>	<p>To promote corruption free environment, enhance responsiveness to citizen's priorities and capabilities of delivery of quality services, quality management and administrative practices</p>	<p>To promote corruption free environment, enhance responsiveness to citizen's priorities and capabilities of delivery of quality services, quality management and administrative practices</p>
Financial Viability	<p>Tariff policies.</p> <p>Rates policies</p> <p>SCM policies</p> <p>Staffing of the Finance and SCM units</p> <p>Payment of creditor</p> <p>Auditor – General report</p> <p>Financial management Systems</p>	<p>Municipalities demonstrate good financial governance and management.</p>	<p>N/A</p>	<p>To enhance the revenue base of the municipality, improved audit outcome, promote sound financial governance and management.</p>	<p>To enhance the revenue base of the municipality, improved audit outcome, promote sound financial governance and management.</p>
Local Economic Development	<p>Local economic development strategy</p> <p>Unemployment rate</p> <p>Level of current economic activity</p> <p>Job creation initiatives by the municipality</p>	<p>Economy and employment. Macroeconomic conditions support employment-creating growth.</p>	<p>Economic growth, development and employment</p> <p>Public employment schemes provide short-term relief for the unemployed and build community solidarity and agency.</p> <p>Reduced workplace conflict and improved collaboration between government, organized business, and organized labour.</p>	<p>Create an environment that promotes development of the local economy and facilitate job creation.</p>	<p>Create an environment that promotes development of the local economy and facilitate job creation</p>

CHAPTER 3: SPATIAL ECONOMIC AND DEVELOPMENT RATIONALE

3.1 PURPOSE OF THE SPATIAL DEVELOPMENT FRAMEWORK

The main purpose of the SDF is to guide the form and location of future physical development within a municipal area in order to address the imbalances of the past. The urban environments of South Africa are characterized by unsustainable urban forms, which have been shaped by Apartheid planning that was integrally linked to blueprint or “master” planning.

Government realized that these inequalities needed to be addressed and adopted a new system of spatial planning. The new system requires every municipality to have an indicative plan (SDF) showing desired patterns of land use, directions of growth, may delineate urban edges, indicate special development areas and conservation-worthy areas as well as a scheme (Land Use Management System) recording the land use and development rights and restrictions applicable to each erf in the municipality. The former has a legal effect of guiding and informing land development and management and the latter has a binding effect on land development and management.



Letsemeng Local Municipality is situated in the south-west of the Free State province within the Xhariep District Municipality, a rather agriculturally rich area with limited natural economic resources. The area of the Local Municipality measures approximately 10 192km². The Local Municipality consists of the towns Koffiefontein (municipal head office), Jacobsdal, Petrusburg, Luckhoff and Oppermansgronde. There are no major centres within the municipal area and the closest cities are Bloemfontein and Kimberley.

The socio-economic development of the municipality is centred on agriculture. The municipal area also has mining activities, with diamonds being the major natural resource that helps with employment creation. It is bordered by Tokologo Local Municipality in Lejweleputswa District to the north, Mangaung Metro Municipality to the east and Kopanong Local Municipality in the southeast.

Other borders are the Pixley ka Seme District Municipality (Sol Plaatjie Local Municipality) in Northern Cape Province to the west and Frances Baard District Municipality (Siyacuma, Thembalihle and Renoster Local Municipalities) in Northern Cape Province to the south-west.

The N8 route crosses 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 Bloemfontein/Cape Town railway line to continue in an easterly direction towards Port Elizabeth. Letsemeng forms the gateway to the Free State from the Northern Cape. The N8 introduced new possibilities to Letsemeng, where major traffic is generated on a daily basis between Bloemfontein and Kimberly National Road (N8). The access route between Trompsburg and Koffiefontein, via Fauresmith is a major regional administrative distributor that provides access to the District and N1.

A major linkage between Jacobsdal and Bloemfontein, via Koffiefontein and Petrusburg provide a gateway to the vineyards to Jacobsdal located along the Riet River. (Letsemeng SDF, 2016/17) Koffiefontein/Ditlhake/Diamanthoogte This modest country town in the southwestern Free State is home to some of the best quality diamonds in the world.

The name Koffiefontein is said to come from transport riders who often stopped at a spring in the area to enjoy a cup of coffee. When one of them discovered a diamond in 1870 growth started and this prompted the usual diamond rush and by 1882 Koffiefontein was a booming town with four mining companies. It was however only in 1892 that the town was proclaimed.

It is therefore suited for visitors to be greeted by a huge coffee pot at the entrance of the town that, according to its citizens, is a symbol of the hospitality. In addition, it is probably the only town in South Africa that has maintained its rural character despite of blooming mining activities, and it is situated 146 km east of Bloemfontein.

Jacobsdal / Ratanang / Sandershoogte

This green idyllic town lies on the R705, 154km west of Bloemfontein and only 15km east of the Northern Cape Provincial border and 45 km northwest of Koffiefontein.

In 1858 Christoffel Jacobs gave his name to the town laid out on his farm Kalkfontein. The first residential stands were sold on 7 March 1859 and municipal status was granted in July 1860.

The original house of Mr Jacobs, which will be used as an information bureau and museum, is now being restored into its original state. Apart from being home to the first wine cellars outside the Cape Province, Jacobsdal also has an irrigation scheme that supplies water to crops over a huge area. About 160 000 tonnes of crops, such as Lucerne, groundnuts, potatoes and grapes are produced in this area annually.

The Riet River irrigation settlements start about 3km west of the town and extent 15km up to the confluence of the Riet and Modder River at Ritchie.

Petrusburg / Bolokanang

This is a rich agricultural centre which is situated 80km west of Bloemfontein on the N8. It was named after Petrus Albertus Venter whose estate provided the money to buy the farm Diepfontein, on which the town was laid out in 1891 as a church and commercial centre for an extensive farming area.

Mixed farming is practiced in the 3000 square km which was excised from the Fauresmith district in 1863. The main activity is sheep farming. The main crops are maize and potatoes. Modest quantities of wheat are harvested in the rare season when enough rain falls in winter and early spring. There are numerous salt pans in the district.

Luckhoff/Relebohile/Teisesville

This agricultural town lies on the R48, 50km south of Koffiefontein. This town was established on the farm Koffiekuil in 1892 and named for the Rev H.J. Luckhoff, Dutch Reformed minister of Fauresmith, when the new congregation was formed. The Dutch Reformed Church was built out of stones from the area. In front of the City Hall stands a “gaslamp” that was used as a streetlight in earlier years. An important source of income in the Luckhoff district is merino sheep farming.

Oppermansgronde

This is a land reform project. In the course of the 19th century, the region north of the Orange River became the dwelling place of a variety of people. The Oppermansgronde family was dispossessed of their rights of the land claimed in 19 June 1913. The dispossession was affected to further the objective of the previous government's segregation policies. Through intensive facilitation by Letsemeng Council and the Department of Land Affairs, the land was transferred back to the Oppermansgronde Family on 26 July 2003.

3.2 DISTRICT DISASTER MANAGEMENT STRATEGY

The National Disaster Management Framework requires each District Municipality to establish a Disaster Management Centre (DMC). Xhariep District has also through their planning initiatives also identified the critical need for the establishment of such a centre.

Disaster Management is identified as Key Performance Area with the objective to manage and prevent occurrence loss of lives due to disasters. The following are the supporting projects identified include:

- Prepare the review of integrated Disaster Management Plan and implementation of it.
- Lobby funding for the Establishment of the Disaster Management Centre.
- Procure at least one 4X4 van for disaster management

For the municipality to achieve the above objective, the following requirements have been identified:

- Include the Disaster Management unit in the organogram
- Establish a DMC to facilitate the coordination and communication between role player during an incident.
- Provide adequate facilities for the operations of disaster management for daily activities and during emergency situations
- Storage facilities for emergency equipment and relief measures.
- Joint operations centre to be activated and utilised during major incidents.

3.4 LINK BETWEEN THE SDF AND THE IDP

The Spatial Development Framework is not an isolated document that guides development within a Municipality however it is aligned with the Integrated Development Plan and the Budget of a municipality.

The integrated development plan phases its projects and dynamics of Municipal planning and compliance on an annual basis whereby the Spatial Development Framework is 5year spatial planning that guide and the planning, growth and development therefore the Spatial Development framework becomes the spatial vision and representation of the Integrated Development Framework.

Letsemeng Local Municipality's Integrated Development Plan is also aligned with relevant sector plan / frameworks that deals holistically with the development and infrastructure pattern that are linked with the annual budget as well as development project of the Municipality.



It is crucial that the Integrated Development Plan and the Spatial Development Framework be aligned not only with the development of the Municipality but also with the strategic document of the district, Provincial and National government in order to impact meaningfully on future and planned development patterns.

Free State Provincial Growth Development Strategy

The Free State PGDS records the provincial mandate as “a prosperous province and that fulfils the social needs of all of the people” (PGDS).

Highlights include:

- 10.6% of national land area
- 6.4% of national population (2.95m – 3m)
- 4.9% of GDP (underperforming relative to population share)
- 1980 – 9%
- 1990 – 6%
- 2002 – 5%

This decrease is attributed to the decline in mining on the Free State gold fields.

- Key economic activities include:

- Agriculture
- Tourism
- Agro processing
- Mining.

Important indicators include: 52

- Unemployment - 39% (SA 41%)
- Poverty - 49%
- HDI - 0.67 (SA 0.69)
- Functional Literacy - 69.2%
- Population Growth - 1.12% - 0.76 (declining) population
- Urbanised – 71.7%

GDP Employment Economy

- Mining 21.5% 18.2 – 20.1%
- Manufacturing 18.7% 19.5 – 9.7%
- Agriculture
- All population groups are migrating out of province especially white and black youth (p.96 PGDS)
- HIV rates highest in SA.
- Casual / informal sector only opportunity for many of the urban poor.

3.5 DISTRICT RURAL DEVELOPMENT PLAN

The “District Rural Development Plan” and the “District Rural Development Implementation Plan” as developed by the Department of Rural Development and Land Reform and the Department of Agriculture and Rural Development has been considered and serves in the IDP as a separate Rural Development sector plan for the Municipality.

The plan identified the following for Letsemeng: attributes of the **REGION OF DIVERSE OPPORTUNITIES (SDF, 2016/17)**:

Region of diverse opportunities:

DESCRIPTION	ATTRIBUTES
The area includes Letsemeng Local Municipal area with the north western and south western sections of Kopanong Local Municipal area	<ul style="list-style-type: none"> The socio-economic growth of the municipality is centred on agriculture. The municipal area also has mining activities, with diamonds being the major natural resource that helps with employment creation. The area north-east of Reddersburg and the area around Petrusburg has the highest concentration of land with a grazing capacity of 0-33ha. This is in correlation with the irrigation belt which lies within the Letsemeng Local Municipality and Land capability in this region ranges between 30% - 80%. The region around Oppermansgronde and the area north and west of Smithfield are least capable agricultural land, as they <30% strategically located. Pivots area largely located in the western parts of the district in the Letsemeng Local Municipality as well as along the western boundary, with a significant number of pivots found in and around the town of Jacobsdal. The location of the critical biodiversity areas, formal conservation areas and protected areas is in correlation with the location of canals, irrigated land and high agricultural land within the district. There is a need for effective development and beneficiation of land reform beneficiaries, creation of decent jobs on farm and establishing Agri-villages for local economic development. A developmental approach to the settlement of restitution claims will be taken The data indicates that the Letsemeng Local Municipality has a greater affinity to the successful farming of irrigated land. The Xhariep district is a semi-arid area with extensive farming, mainly sheep. The district comprises of open grasslands with small widely dispersed towns. The availability of Adelaide and Eccia precisely supports the mining activities occurring in the Jagersfontein and Koffiefontein since the rocks type is associated with essential minerals. Mining activities have potential of attracting people and other economic activities. A number of game farms have been identified in Petrusburg, Luckhoff, Phillipolis and Bethulie. Large portion of the available agricultural land is suitable for livestock production. The areas north of Koffiefontein, east of Jacobsdal and around Petrusburg have the highest concentration of land suitable for Lucerne. Furthermore, Lucerne suitable areas are mostly found around the region of Jacobsdal, Koffiefontein, Luckhoff, Fauresmith and Smithfield. Agricultural commodities have been identified for the Xhariep district. They are venison, aquaculture and livestock (beef and mutton). Agricultural diversity in the Jacobsdal area supported by; Two-thirds of the district, mainly the region between the towns of Petrusburg, Luckhoff, Fauresmith, Jagersfontein, Philippolis, Springfontein, Trompsburg, Edenburg, Reddersburg, is not suitable for the production of vegetables. The area around Petrusburg, Jacobsdal and Zastron has the highest concentration of suitable land for the production of Fats and Oils. Irrigation scheme to grow irrigated field crops – potato, vegetables; pasture crops Lucerne and permanent crops like pecan nuts



	<ul style="list-style-type: none"> • Petrusburg area represents a combination of cattle, small stock and cereal farming • Koffiefontein and Oppermansgronde with small stock farming inclusive of potential diversification of crops • Irrigation scheme along the Orange river at Vanderkloof Dam with associated tourism activities in Rolfontein Nature Reserve (northern cape) • Existing mining activities at Koffiefontein and Jagersfontein • Historical and cultural experiences at Phillipolis with its own character. The area surrounding Petrusburg and along the N8 to Kimberley is also rich in historical • Tourism route emanating from Jacobsdal to Philippolis. • Strong linkages with Kimberly • Renewable Energy project in proximity to Jacobsdal (Pulida Solar Park – 82.5 MW) Historical buildings & Monuments of 2nd World War Kanonkop (Koffiefontein); • Voortrekker Memorial Anglican Church used in the Boer War (Petrusburg) • The cairn of commander Ds Lubbe (Jacobsdal) • Stone Church and Ossewa Tracks (Luckhoff) • Battle of Driefontein Graves of English soldiers (rural areas)
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CHAPTER 4: STATUS QUO ASSESSMENT

Letsemeng Local Municipality comprises of the 5 towns namely; Koffiefontein which is the municipal head office and its economic hub. Letsemeng is known for diamond-mining activity. The municipality includes the towns of Jacobsdal, Koffiefontein, Luckhoff, Oppermansgronde, Petrusburg.. The municipality performs some of the functions outlined in Schedules 4 and 5 of the Constitution of the Republic of South Africa Act.

The demographic profile of the municipality according to the most recent information available is shown in the table below:

Description	Stats SA : 2001	Stats SA : 2011	Stats SA : 2022
No. of households	11 949	11 242	
Average people	3.5	3.3	
Total population	42 847	38 628	43 101

Letsemeng Local Municipality is a Collective Executive Committee System and it consists of the Council, which is the highest decision-making body. Letsemeng Local Council is constituted of 13 Councillors (7 ward councillors and 3 Proportional Representative Councillors). Below is the names of councillors and constituencies Ward Councillors

WARD	WARD COUNCILLORS
Ward 1	Cllr. Itumeleng Ramohlabi
Ward 2	Cllr. Vuyani Stuurman
Ward 3	Cllr. Molahlehi Lebaka
Ward 4	Cllr. Xolani Mthukwane
Ward 5	Cllr. Thato Khumalo
Ward 6	Cllr. Mokgobo Molosi
Ward 7	Cllr. Semakaleng Lichaba

Proportional representative Councillors:

Cllr. Reamogetse Bonolo Mocwaledi
Cllr. Nikiwe November Prince
Cllr. Mariska Potgieter
Cllr. Thabo Nthapo
Cllr. Mbulelo Lehare
Cllr. Darlene Potgieter

Significant progress with regard to service delivery in the municipality has been recorded over the past years. The municipality since its inception has been providing basic services as mandated by the Constitution, White Paper on Local Government and this was done in consultation with the communities as mandated by the chapter 4 of Municipal Systems Act 2000.

The following are some of the services that have been rendered to the communities within municipal area:

- Water and Sanitation
- Road & Storm water
- Electricity
- Waste Management

Much of the projects implemented within the municipal area in the past years were funded by MIG, WSIG, INEP this is mainly due to the municipality being unable to collect enough revenue to finance projects.

4.1 MUNICIPAL SWOT ANALYSIS

The Strategic plan of any organization can only be developed once a proper environmental scanning and analysis has been conducted. One of the best-known strategic tools for the detailed analysis is the SWOT analysis.

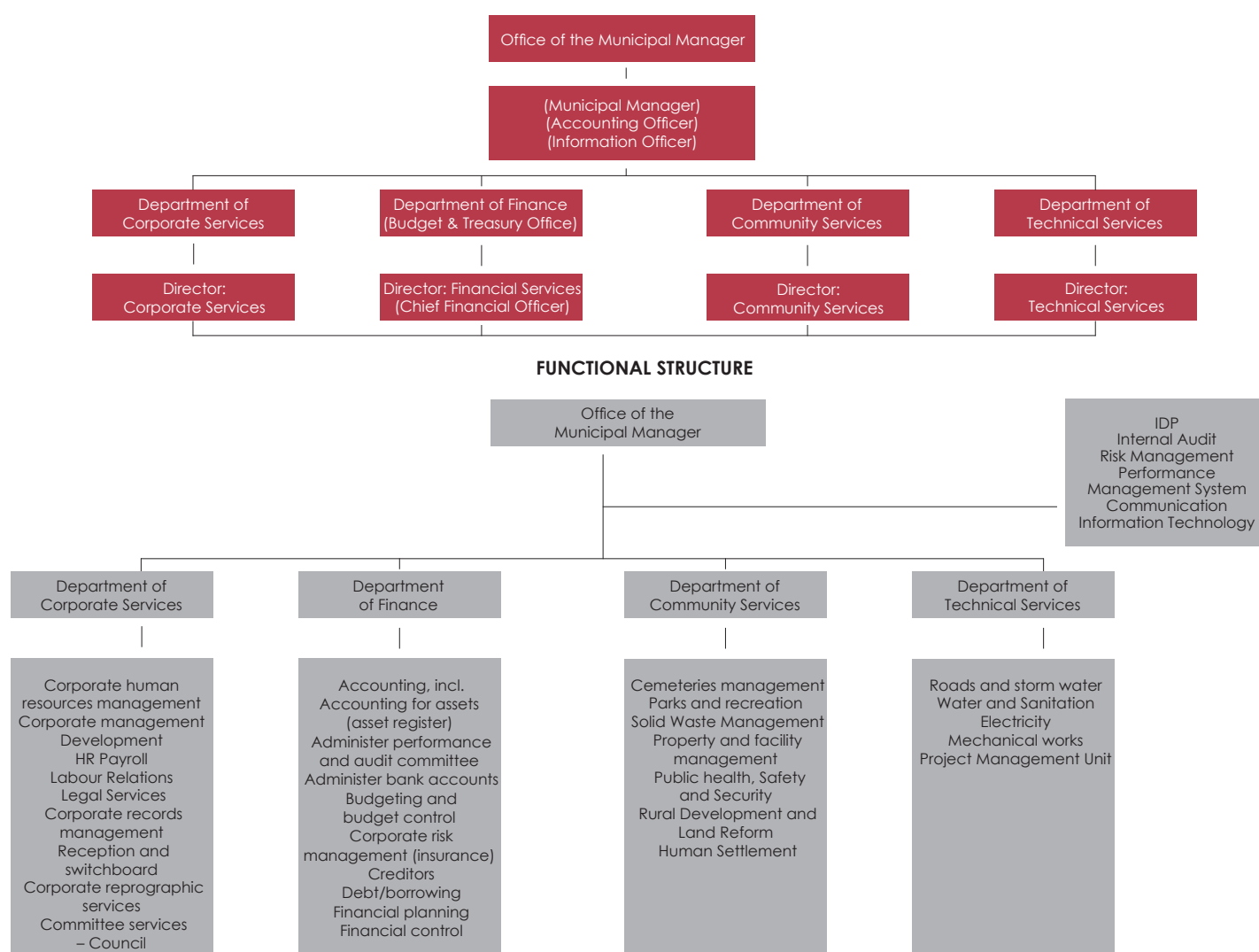
The SWOT analysis focuses on the internal environment by determining the Strengths and Weaknesses within the organization. When analysing the external environment, the focus is on identifying Opportunities, and Threats facing the organization.

AN OVERVIEW OF CHALLENGES, DEVELOPMENT PRIORITIES, OPPORTUNITIES AND THREATS

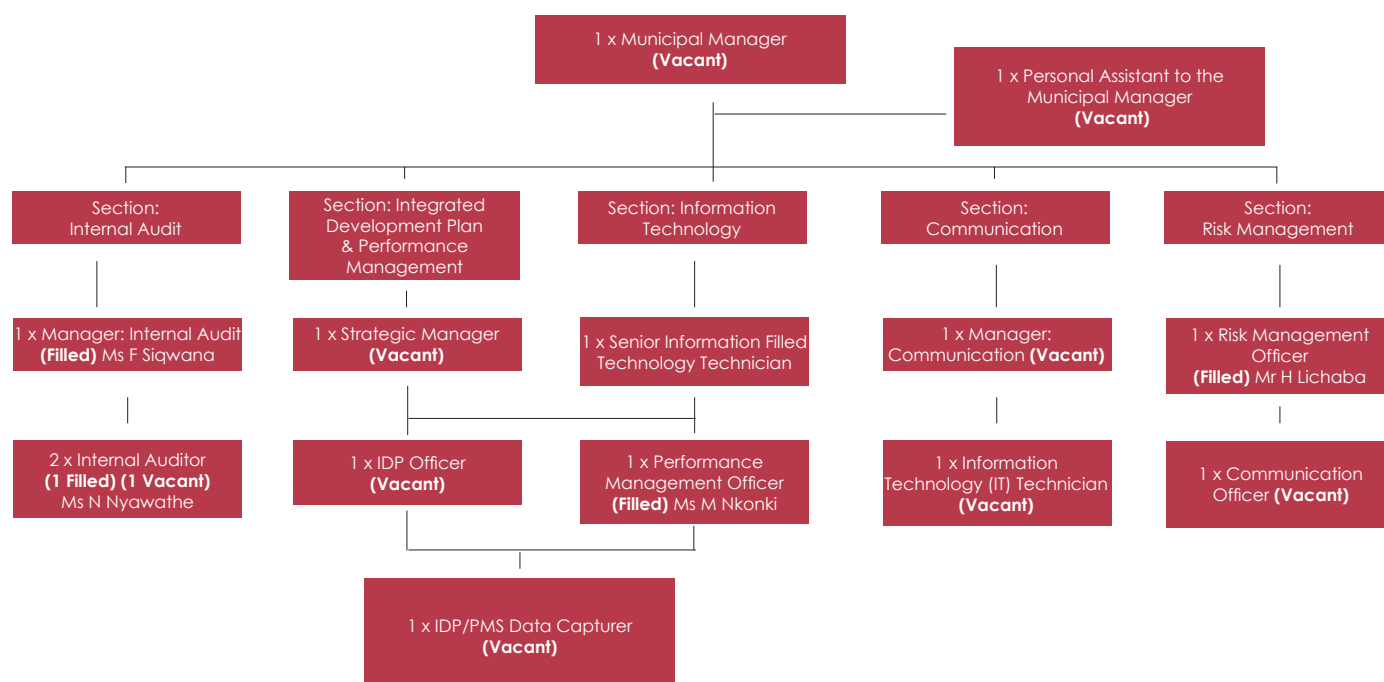
KEY FOCUS AREA	CHALLENGES	PRIORITIES	OPPORTUNITIES	THREATS
Service delivery & basic services	Deteriorating infrastructure, possible shortage of water in the long term. Lack of personnel and assets to deliver services Developing of Bi-laws	Regular maintenance of infrastructure, implement the infrastructure master plan for long term investment. Filling of vacancies and procurement of fleet	Sustainable infrastructure & economic growth	Natural disasters, community protests & population growth resulting in uncontrollable informal settlements
Local Economic Development	Inadequate land/resources to promote job creation, poverty, inequality & underdevelopment. Under capacitated LED unit	Develop a clear LED Strategy for medium to long term investment and create a conducive economic environment	Sufficient water resources, rich agricultural activities & proximity to mining areas	Inadequate education, skills and expertise
Municipal Transformation & organisational development	Retention of key personnel for institutional memory or lack of succession plans Development of a HR system with job title, description, employment contract, performance agreement and quarterly performance	Develop and Implement the HR Strategy with emphasis on Skills Development, Employee wellness, planning capacity and succession plans.	Skilled personnel with institutional memory will assist in achievement of objectives and development of sustainable programmes/legacy	Poaching of skilled personnel by bigger institutions
Municipal Financial viability & management	Non-payment of services, poverty, financial & records management, revenue injection capacity and irrecoverable debt Not having service level agreement with our creditors	Develop & implement a financial plan with emphasis on revenue enhancement & management, obtain clean audit Enter into a service level agreement with all our creditors	Additional funding to realise unfunded projects, provision of sustainable services which will in turn attract investors and residents who can pay for services.	Decreasing of grants, planning & budgeting capacity, poaching of skilled personnel and court orders for non-payment of creditors.
Good governance & public participation	Limited resources Financial support of ward committees Under capacitated MPAC functionality	Develop & implement a public participation plan, support the work of ward committees & CDW. Development of UIF reduction strategy and plan for MPAC to monitor and report on. MPAC workplan and capacity training	Political leadership & stability realised through informed decisions.	limited resources to support functionality of council committees and subsequently resulting to poor decision making



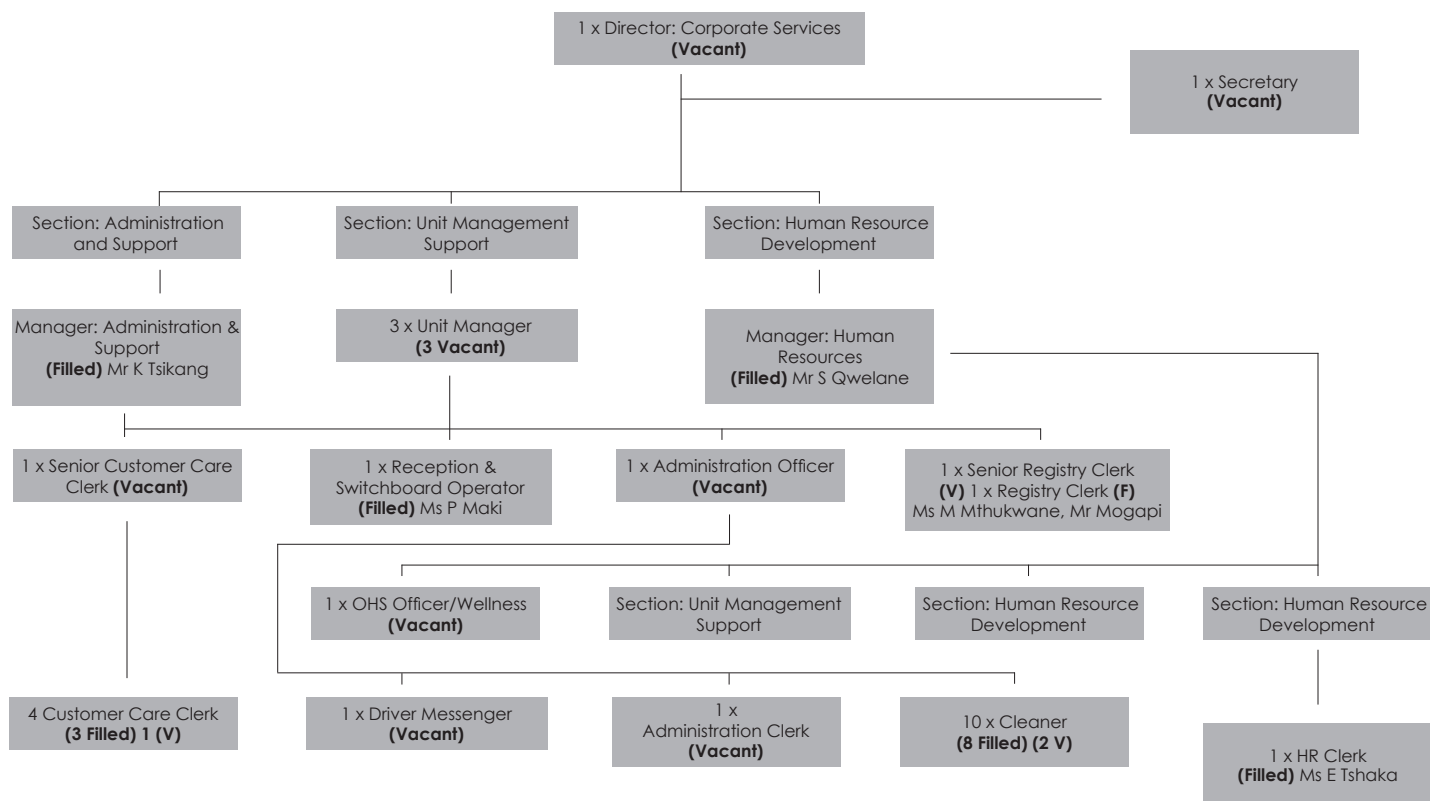
LETSEMENG LOCAL MUNICIPALITY (MACRO - STRUCTURE)



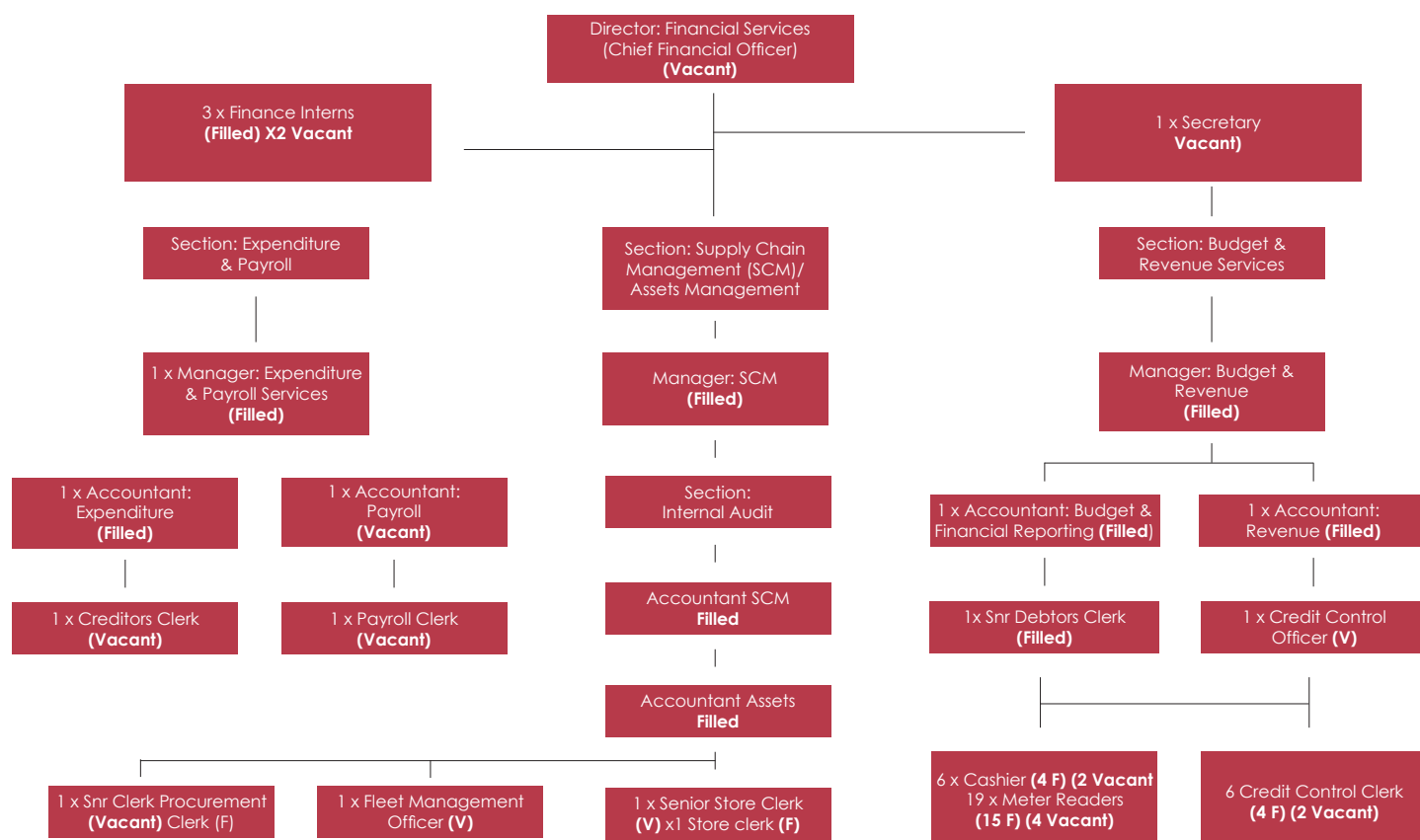
OFFICE OF THE MUNICIPAL MANAGER



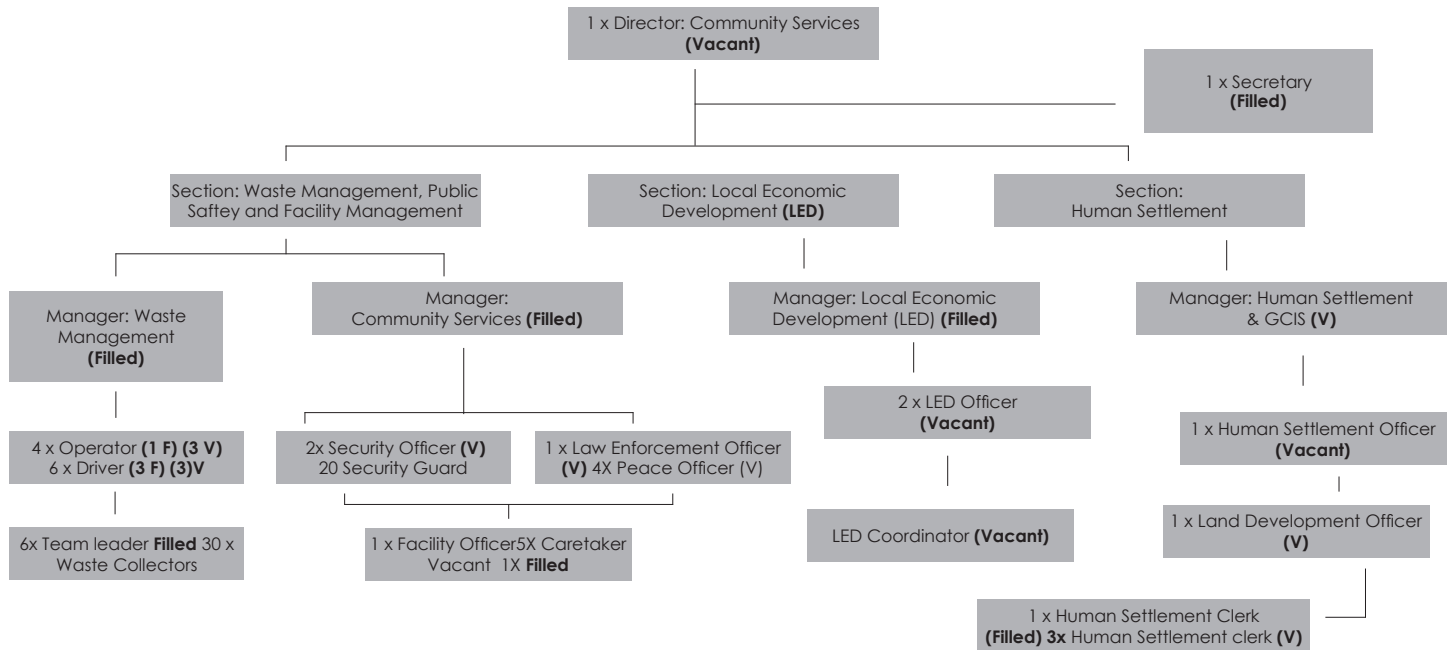
DEPARTMENT OF CORPORATE SERVICES



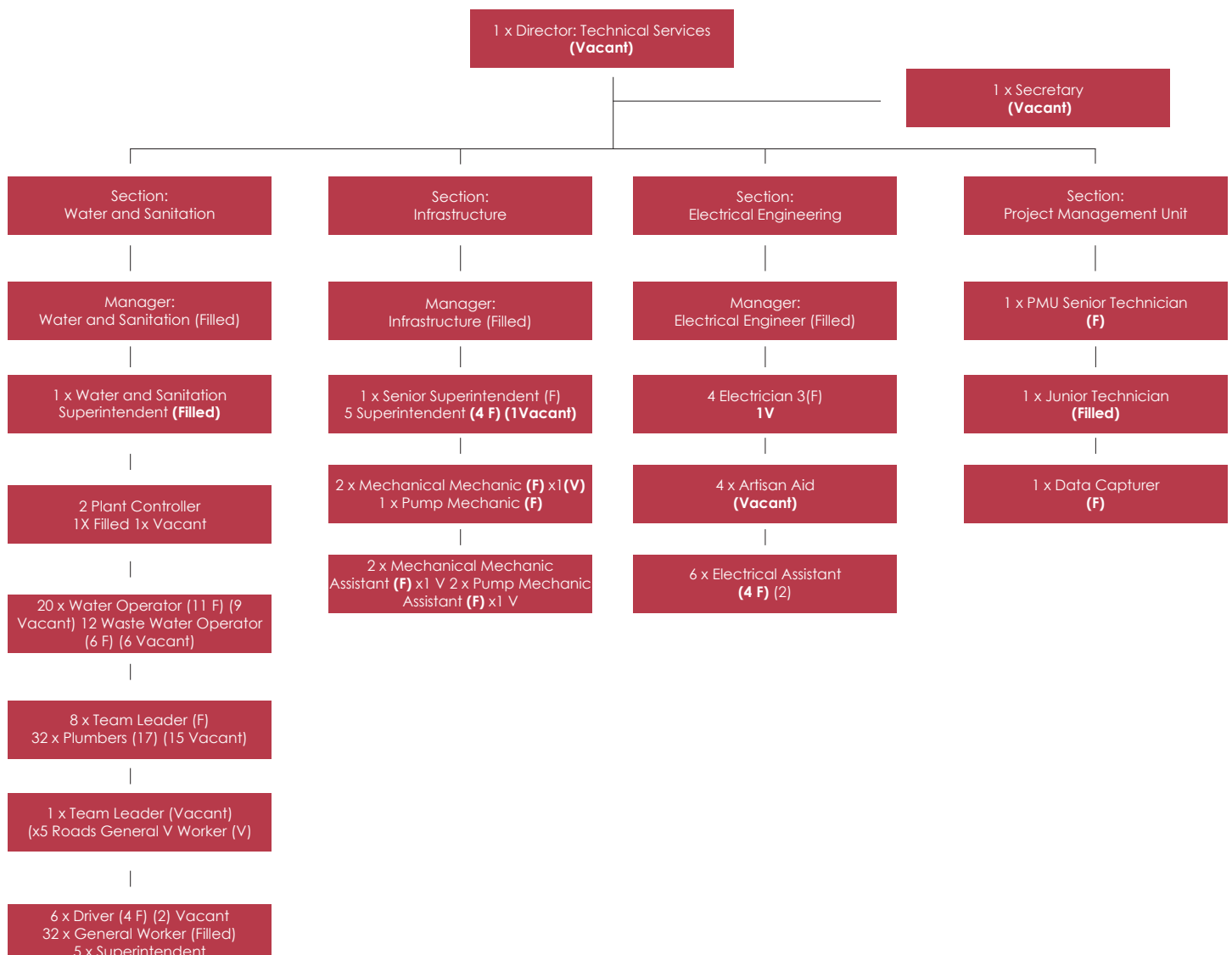
DEPARTMENT OF FINANCE (BUDGET & TREASURY OFFICE)



DEPARTMENT OF COMMUNITY SERVICES



DEPARTMENT OF TECHNICAL SERVICES



4.2 CONSOLIDATED COMMUNITY PRIORITIES

Water

Due to the increasing of the population, meeting the demand of water versus the supply is a challenge to the municipality as a result water interruption strategy is implemented in all areas in Letsemeng . Leakages from the water canals, boreholes, toilets, in all areas in Letsemeng leads to high water losses.

Most of the fundamental challenge ranges from continuous pipe bursts and blockage, water leakages, replacement of water meters, connection to individual dwellings and water tanks for informal settlements.

Consumption billing in Letsemeng is still a challenge due to water meters that are not working and leakages however in the 2024/25 financial year the municipality will ensure that if not all most of the residents are billed correctly for consumption.

Sanitation

The main problem under sanitation is sewer spillages and leaking toilet cisterns. There is operations and maintenance plan for municipal properties and the budget allocation for maintenance is minimal thus funding for this financial year will be sourced through collection of revenue to deal with operation and maintenance of the sewer infrastructure

Electricity

Cable theft and meter tempering also contributes to high electricity losses. The challenges during the 2023/24 financial year had ranged from electrification of newly formalized settlement particularly Ext 7 in Bolokanang, Petrusburg , fixing of streetlights, erection of high mast lights and maintenance of the existing ones.

Roads and stormwater

Roads in the municipality remain a concern as raised by a consistent number of people. Challenges range from potholes, resealing of roads, need for paving, tarred roads and mostly blading and graveling of streets.

Waste management

Lack of adequate specialized equipment and machinery for waste management for landfill site management. Use of unconventional and aged equipment that poses both health and safety and environmental risks and lack of enforcement to eradicate illegal dumping which comes as of townships growing in size whilst municipal resources are not adjusted accordingly and ever emerging informal settlements.

Human Settlements

Challenges in this area of priority are formalization of informal settlements, land grabs, connection of service to settlements, title deeds transfer and the need for RDP housing in all wards.

There is a need for deregistration of sites with untraceable owners and registration of sites as well availing municipal sites with services.

The other challenge raised is the transfer of land and properties to creches,NGOs,NPOs as when they apply for assistance (Financially) the donor would request that the property should be in their registered names .

LED (Local Economic Development)

There is a need for business sites and development of stalls for SMMEs in Koffiefontein. Renewal of

business licenses and payment and formalising of business particularly the wholesale and retail sector thereof remains a great challenge. Unemployment also contributes to poor local economic conditions, each ward should be given equal temporary employment opportunities.

See attached Annexure A1 for communities identified LED projects per town, Annexure A2 for non-municipal competency and Annexure A3 municipal competency.



CHAPTER 5: KEY PERFORMANCE AREA

The Letsemeng Local Municipality has aligned its IDP with the top – level Service Delivery Budget Implementation Plan to achieve the Strategic Objectives as set out in the IDP. The Service Delivery and Budget Implementation Plan (SDBIP) is defined in Chapter one of the MFMA as “a detailed plan approved by the Mayor of a Municipality in terms of Section 53(1)(c)(ii) for implementing the municipality's delivery of municipal services and its annual budget”. Essentially the SDBIP is the Council's operational business plan and is an integral part of the planning, implementation and reporting processes. Although the SDBIP only needs to be approved by the Mayor 28 days after approval of the budget, its preparation occurs in tandem with the IDP and MTREF process.

The SDBIP of Letsemeng Local Municipality is aligned with the:-

IDP Strategic Objectives: this is the primary alignment of the SDBIP and serves as the bases of the Annual Performance Report and informs Chapter three of the Annual Report;

- IDP Pre-determined Objectives
- National Outcomes
- National Key Performance Areas
- National Development Plan; and
- Provincial Strategic Outcomes

The various objectives, plans and outcomes are contained within the IDP as follows and covers the following six

Key Performance Areas of Local Government:-

1. Service Delivery and Infrastructure Development
2. Financial Viability and Management
3. Local Economic Development
4. Public Participation and Good Governance
5. Municipal Transformation and Institutional Development
6. Spatial Development Framework

The municipality has set itself the following developmental objectives for the next 5 years ahead:

- Accelerated and improved basic service delivery to communities
- Financial viability and sustainability
- Good governance and Public Participation
- 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

The SDBIP is utilised as the basis of Council's Performance Management System (PMS) and has the following objectives and uses:

- To facilitate strategy (IDP) deployment throughout the municipality, and ensure alignment of strategic objectives
- To transform the Strategic Objectives; Vision; Mission; and the IDP as a whole into clear and measureable deliverables
- To create an organisational performance culture (culture of best practices)
- To provide early warning signals

- To promote accountability
- To develop open and constructive relationship between customers, leadership and employees
- To manage and improve poor performance; and
- To link performance to skills development and career planning, therefore encourage learning and growth.

SERVICES DELIVERY AND INFRASTRUCTURE DEVELOPMENT

WATER SERVICES AND SANITATION SERVICES

Strategic Objective

To provide quality and sustainable water and sanitation services to all the households, schools, clinics, public facilities and businesses.

Intended Outcome

Access to quality and sustainable water and sanitation services by households, schools, clinics, public facilities and businesses.

Water service development plan

The municipality have a water service development plan which dates back to 2018 and needs to prepare another water service development plan to be in-line with the current development system-based water service development planning by DW. Operations and maintenance plan.

The municipality does have an operations and maintenance plan for water infrastructure plan. NDP objectives, actions and Free State growth and development strategy and LLM

OBJECTIVES	ACTIONS	MUNICIPAL ACTIONS
NDP objectives, actions		
Ensure that all people have access to clean, potable water and that there is enough water for agriculture and industry, recognising the trade-offs in the use of water	A comprehensive management strategy including an investment programme for water resource development, bulk water supply and wastewater management for major centres by 2022, with reviews every five years.	The municipality must review the water service development plan and send a letter to the Department of Water and Sanitation to assist in reviewing the water service development to be in-line with the current development system-based water service development planning
Free State growth and development strategy		
Maintain and upgrade basic infrastructure at local level	Develop water and sanitation master plans for municipalities	<p>The municipality must review the water service development plan and send a letter to the Department of Water and Sanitation to assist in reviewing the water service development to be in-line with the current development system-based water service development planning</p> <p>The council has approved the request for new funding methods to Infrastructure South Africa focusing on water and sanitation</p>
Improve technical capacity of local municipalities for sustainable local infrastructure	Provide training on compliance, operations and maintenance in line the terms of the relevant Act.	All the relevant officials working on water and sanitation needs to be subjected to training on compliance, operations and maintenance.



Provide and upgrade bulk services	Ensure compliance of waste- water treatment (new and upgraded) with the Green Drop standards in all towns and new developments.	The municipality has upgraded the waste- water treatment works in Petrusburg and Koffiefontein and must ensure that it complies with the requirements of the Green Drop standards.
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Access to Portable Water and Adequate Sanitation

Letsemeng Local Municipality is both water services authority and water services provider. Bulk water is supplied by Water user association Oranjeriet and Kalkfontein. The municipality supplies clean drinking water to all five towns and still enforcing water restrictions due to the challenge of water shortages.

Statistics for basic water services

AREA		HOUSEHOLDS		
	Piped (tap) inside dwelling/yard	Piped (tap) water on community stand	No access to piped (tap) water	Total
Koffiefontein	3180	8	15	3203
Ratanang	1105	1	6	1112
Jacobsdal	646	354	3	1003
Petrusburg	2400	154	85	2639
Oppermansgronde	230	-	-	230
Luckhoff	1004	0	3	1007
TOTAL	9987	788	243	11242

New developments and informal settlements

AREA	NO OF HOUSEHOLDS IN AREA	WATER	SANITATION	VIP TOILETS	BUCKET TOILETS	ELECTRICITY
Jacobsdal Phambili	230	8 JoJo Tanks within a 200m walking distance	0	0	0	None
Petrusburg Bolokanang New Development Extension 7	1000	6 Communal standpipe at some point where there is reticulation and 10 JoJo Tanks within a 200m walking distance	None	0	0	None
Jacobsdal Reimvasmaak and Donkerhoek	538	9 JoJo Tanks within a 200m walking distance	0	0	252	None
Luckhoff Relebohile	4	1 Communal standpipe at some point where there is reticulation	None	0	0	0
Oppermansgronde	11	11	11	0	0	0

Challenges and interventions required

Water status quo:

AREA	STATUS	INTERVENTIONS REQUIRED
Koffiefontein	Unreliable Water supply due to low capacity of the water treatment works	Complete the Koffiefontein and Dithlake Bulk Water Storage (4.5 Ml Reservoir) and Refurbishment of Water Treatment Plant
Petrusburg	Low- capacity boreholes Boreholes not sustainable source of water for Petrusburg Feasibility study is needed to for alternative source of water	Construction of a pipeline spanning 2.5km connecting it from borehole 14 and 15 to the Bolokanang reservoir (100% Progress) DWS to finalize with the Municipality the feasibility study for Petrusburg through RBIG funding.
Jacobsdal	Correction of Water Reticulation in Donkerhoek and Reimvasmaak Water Losses at the Canal	Donkerhoek connected to the line form elevated tanks. Community services to Continuously clean raw water canal and ensure that there are water usage Bi-laws in the 2024/25 financial year
Luckhoff	Inadequate capacity to cater for the demand, Storage capacity to be increased	Bulk water project prioritised in the master plans. Request funding to increase capacity of the WTW for phase 3
Oppermansgronde	Challenging, canal maintenance (Dry weeks twice a year)	Water storages was upgraded to 5ML
Informal Settlements (Phambili)	Water trucked and stored in JoJo tanks.	Formalise the areas or relocate them to formalised areas. <ul style="list-style-type: none"> • Social Facilitation: Done • Contour/Aerial survey: Done • Conveyancer Certificate: Received • EIA: Draft submitted to DESTEA for evaluation pending Fina submission • Geotech report: Completed • TIA: Draft report • Services report: Draft report • Layout design: Application made to South African National Park through its Corporate Social Investment to provide a borehole in the area for access to clean and reliable water supply.

Sanitation status quo:

AREA	STATUS	INTERVENTIONS REQUIRED
Koffiefontein	Continuous sewer spillages from the main pump stations as a result of frequent vandalism and cable theft. WWTW is vandalized A legal case has been opened by the department of Water and Sanitation for non-compliance and polluting the Riet River	Security to be appointed to monitor PS. Refurbish WWTW in order to meet the necessary standards of compliance. Council to do vandalism awareness campaign Municipality has applied for funding for the refurbishment of the 4 sewer pump station through MIG and is currently busy preparing a business plan that will be submitted to DWS to source funding for the refurbishment of the vandalized WWTW.
Petrusburg	Frequent blockages on the main lines, reticulation being upgraded, and the WWTW is not fully functional. VIP Toilets as form of basic sanitation, due to the water shortages in Petrusburg No sanitation at Ext 7 Bolokanang.	Refurbishment of Petrusburg WWTW (completed) DWS to assist the Municipality with the feasibility study for Petrusburg through RBIG funding. Funding from Department of Human Settlement approved for 2024/25 for Water reticulation and sewer connections of 1000 households.



Jacobsdal	There is a challenge of sewer pipeline (household-connection and main-pipeline) as a result of the size-diameter and construction of manhole in the entire reticulation Bucket system as a form of basic sanitation.	Upgrading of the outfall sewer pipeline in Jacobsdal (30% progress) Request funding from relevant sector department for construction of sewer reticulation. Refurbishment of WWTW project
Luckhoff	The WWTW vandalized/non functional	Request funding from relevant sector department for construction of a new WTW
Oppermansgronde	Non-compliant of the WWTW as it does not have fencing and a facility for process controllers	Refurbishment of the WWTW project is needed for the WWTW to be compliant with the Green Drop requirements.
Informal Settlements (Phambili)	No acceptable form of sanitation	Formalise the areas or Relocate them to formalised areas. <ul style="list-style-type: none"> • Social Facilitation: Done • Contour/Aerial survey: Done • Conveyancer Certificate: Received • EIA: Draft submitted to DESTEA for evaluation pending Fina submission • Geotech report: Completed • TIA: Draft report • Services report: Draft report • Layout design: Done (Yielded approximately 250 stand) ISUP Grant through the Department of Human Settlement has been approved for 2024/25 financial year

ELECTRICITY AND ENERGY

Strategic objective

To provide and maintain sustainable and improved capacity of electricity services to all households, schools, clinics, public facilities and businesses.

Intended Outcome

Access to sustainable and improved capacity of electricity services by all households, schools, clinics, public facilities and businesses

Electrical Master Plan

- The municipality have a water service development plan which dates back to 2018 and needs to prepare another water service development plan to be in-line with the current development
- system-based water service development planning by DW.
- Electrical Operations and maintenance plan
- The municipality does have an Electrical operations and maintenance plan.

NDP objectives, actions and Free State growth and development strategy and LLM:

OBJECTIVES	ACTIONS	MUNICIPAL ACTIONS
NDP objectives, actions		
<p>The proportion of people with access to the electricity grid should rise to at least 90 percent by 2030, with non-grid options available for the rest.</p> <p>The country would need an additional 29 000MW of electricity by 2030. About 10 900MW of existing capacity is to be retired, implying new build of more than 40 000MW.</p> <p>At least 20 000MW of this capacity should come from renewable sources.</p> <p>At least 20 000MW of this capacity should come from renewable sources</p>	<p>Ring-fence the electricity distribution businesses of the 12 largest municipalities (which account for 80 percent of supply), resolve maintenance and refurbishment backlogs and develop a financing plan, alongside investment in human capital.</p>	<p>The municipality with source funding in order to implement the current electricity operations and maintenance plan.</p> <p>The municipality will request assistance from DOE, MISA and CoGTA with technical expertise to conduct investigation for alternative renewable energy sources.</p>
Free State growth and development strategy		
Maintain and upgrade basic infrastructure at local level	Develop electricity master plans for municipalities. Dedicate funding for maintenance of current infrastructure.	The municipality with source funding in order to implement the current electricity operations and maintenance plan.
Implement alternative electricity infrastructure	Promote and facilitate solar water heating and areal/ street lighting for energy saving.	The municipality will request assistance from DOE, MISA and CoGTA with technical expertise to conduct investigation for alternative renewable energy sources.
Provide and upgrade bulk services	Address electricity bulk infrastructure backlog.	<p>Formalised households, public facilities and businesses have access to electricity in the municipality.</p> <p>Electrification of 1000 households currently at 90 % completion</p> <p>Pre-electrification of 170 houses in Phambili is completed.</p> <p>Business plan for Phambili submitted to DOE using draft lay out</p>

Access to electricity services.

- **Letsemeng Local Municipality** and Eskom are jointly supplying electricity in Letsemeng vicinity, electricity is currently the main source of income for LLM, LLM have reached universal access in terms of electricity supply. The aging infrastructure is taking its toll on LLM's side of the supply.
- LLM supplies Koffiefontein, Petrusburg town, Extension 7 in Bolokanang and part of location in Luckhoff, and newly established area in Jacobsdal, Oppermansgronde and the rest are entirely supplied by Eskom, and LLM is only responsible for public lighting, sewer and water plants.
- Access to public lighting

There is still a backlog in the provision of public lighting on some roads and in some of the previously disadvantaged areas.



The Public Lighting infrastructure consists mainly of the following:

Number of Street lights:

- Koffiefontein: 247
- Luckhoff: 70
- Jacobsdal: 102
- Petrusburg: 119
- Oppermansgronde: 0

Number of High mast lights:

- Koffiefontein: 21
- Luckhoff: 15
- Jacobsdal: 19
- Petrusburg: 18
- Oppermansgronde: 7

Challenges

1. Aging of electricity infrastructure
2. Tempering of electricity meters and theft of electricity, irregular usage and electrical theft
3. The curbing of infrastructure (cable) theft leads to huge financial losses and power failures.
4. Provision of sufficient capital or funds for network and public lighting maintenance, upgrading and additions in new developments
5. Electricity networks in Koffiefontein and Petrusburg are partially unstable during windy weather conditions.
6. Shortage of capacitated electricity vehicles per town and high lifting equipment (Crane or Cherry picker)
7. Electrification of approximately 250 households in Phambili
8. Shortage of staff personnel

Interventions

1. Implementation of credit control measures for illegal connections, theft and non-payment of electricity;
2. Development of electricity By-laws in this financial year 2024/25
3. Implementation of electricity smart meters
4. Implementation of the operation and maintenance electricity plan
5. Source funding to address the aging electrical infrastructure, and upgrade Electricity networks with security features.
6. Submit business plan to Department of DMRE for funding of about 250 households in Phambili using the draft layout plan.

Electricity status quo:

AREA	STATUS	INTERVENTIONS REQUIRED
Koffiefontein	<p>Bulk Feeder lines aged causing cut-offs windy or rainy days.</p> <p>Cable theft at pump stations</p> <p>Old metering system/ Bypassed and unmetered municipal own usage.</p> <p>Limited supply (Notified Maximum Demand) during winter season</p>	<p>Request funding to replace all aged power lines</p> <p>Upgrade security in substations and pump stations</p> <p>Municipality currently conducting systematic filed assessment looking for irregular connections/meter audit. Municipality has started to introduce split meters to avoid electrical theft.</p> <p>Improve revenue collection and request relevant sector department to intervene.</p>

Petrusburg	Aging infrastructure in town Completion of the 1000 households' backlog in Bolokanang Extension 7	Request funding to relevant sector department to replace the aged infrastructure in town 1000 Households project under construction projected completion is June 2024, however the first batch of the households have been energized at Transformer 1,2&7
Jacobsdal	538 Households Electrification in Jacobsdal is completed.	Project under construction for 2020/2021-2021/22 Financial Year Project completed
Luckhoff	Reliable supply	None.
Oppermansgronde	Reliable supply	None

ROADS AND STORMWATER

Strategic objective

To provide and maintain accessible road infrastructure and increased life span through proper construction and maintenance of roads and storm water infrastructure.

Intended outcome

Accessible roads and properly maintained roads and storm water infrastructure.

Status of integrated Transport plan

The municipality had an integrated transport plan which was developed with the assistance of provincial department of roads and transport. The plan will be updated to state the current developments and subjected to the public participation process in line with IDP processes.

Roads and Stormwater service levels

- **LLM** has about 209.56km or Streets in 5 Towns. The table below shows the length of the existing roads per Town. Out of the 78.81km paved roads, 70% of them are in a poor condition if not very poor.
- The Municipality was able to improve the paved roads in Koffiefontein and Luckhoff during the 2016/17 and 2017/18 financial year respectively, even though LLM towns are not completely paved.
- The condition is deteriorating at a fast pace since the existing potholes and cracks are not being attended as soon as they surface.
- Further to that some of the blocked storm water channels are being attended by the use of EPWP participants and technical department will be embarking on a potholes repair programme, and this activity will be ongoing as a short term.

Council has approved request to request funding from Infrastructure South Africa to deal with roads and storm water drainage for financial year 2024/25 and outer years.



TOWN	PAVED ROADS (KM'S)	GRAVEL ROADS (KM'S)
Jacobsdal	13	22.6
Luckhoff	10.6	20.6
Petrusburg	15.5	47,249
Oppermans	2.5	16.2
Koffiefontein	23.7	24.1
TOTALS	78.81	130.7

Roads and stormwater status quo:

AREA	STATUS	INTERVENTIONS REQUIRED
Koffiefontein	<p>Poor condition of roads with about 6000m² pot holes</p> <p>Some of the roads require resurfacing.</p> <p>Available storm water v-drains not serving any purpose since the don't deliver to any main or major drains</p>	<p>Repair all the existing potholes,</p> <p>Resurface all the dilapidated roads,</p> <p>Where possible, replace the tar road with a block paving</p>
Petrusburg	<p>Poor condition of roads with about 2500m² pot holes</p> <p>Some of the roads require resurfacing.</p> <p>Available storm water v-drains not serving any purpose since the don't deliver to any main or major drains.</p> <p>No proper roads with infrastructure at Bolokanang Ext 7</p>	<p>Repair all the existing potholes,</p> <p>Resurface all the dilapidated roads,</p> <p>Where possible, replace the tar road with a block paving.</p> <p>Gravel all earth roads</p> <p>Department of Human Settlement has approved designs of gravel roads & in-situ stormwater for 2024/25 financial year</p>
Jacobsdal	<p>Poor condition of roads with about 2000m² pot holes</p> <p>Some of the roads require resurfacing.</p> <p>Available storm water v-drains not serving any purpose since the don't deliver to any main or major drains</p>	<p>Repair all the existing potholes,</p> <p>Resurface all the dilapidated roads,</p> <p>Where possible, replace the tar road with a block paving.</p> <p>Gravel all earth roads</p>

Luckhoff	<p>Poor condition of roads with about 700m2 pot holes</p> <p>Some of the roads require resurfacing</p> <p>Available storm water v-drains not serving any purpose since the don't deliver to any main or major drains</p>	<p>Repair all the existing potholes,</p> <p>Resurface all the dilapidated roads, Where possible, replace the tar road with a block paving.</p> <p>Gravel all earth roads</p>
Oppermansgronde	<p>Poor condition of roads with about 150m2 pot holes</p> <p>Some of the roads require resurfacing.</p> <p>Available storm water v-drains not serving any purpose since the don't deliver to any main or major drains</p>	<p>Close the existing potholes,</p> <p>Request the provincial Roads department to repair the dilapidated Jacobsdal Road to Oppermansgronde</p> <p>Gravel all earth roads</p>

WASTE MANAGEMENT

Strategic objective

To provide regular and sustainable refuse removal services to the households, schools, clinics, public facilities, businesses etc. And maintain adequate and effective waste management to ensure compliance with applicable laws.

Intended Outcome Access

To regular and sustainable refuse removal services to the households, schools, clinics, public facilities, businesses etc. And maintained licenced land fill sites.

Integrated waste management plan

The IWMP was developed in 2017 with an assistance of MISA by funding it and was developed by Aurecon. in- house by the municipality. Its primary objective was to promote recycling and recovery of waste within Letsemeng.

NDP objectives, actions and Free State growth and development strategy and LLM:

OBJECTIVES	ACTIONS	MUNICIPAL ACTIONS
NDP objectives, actions		
Absolute reductions in the total volume of waste disposed to landfill each year	Carbon price, building standards, vehicle emission standards and municipal regulations to achieve scale in stimulating renewable energy, waste recycling and in retrofitting buildings	The municipality is assisting the local recyclers to collect recyclable waste by providing transport and storage facility.

Refuse removal

The municipality removes refuse once a week in every town as follows;

TOWN	DAYS
Petrusburg and bolokanang	Mondays
Jacobsdal and Ratanang	Tuesdays



Luckhoff, Relebohile and Oppermansgronde	Wednesdays
Koffiefontein	Thursdays
Ditlhake	Fridays

Landfill sites.

TOWNS	STATUS
Petrusburg	Licensed
Luckhoff	Not Licensed
Koffiefontein	Not licensed
Jacobsdal	Not licensed
Oppermansgronde	The municipality uses a private landfill sites and business plans have been submitted for the development of all new landfill sites

Challenges

1. Illegal dumping
2. The challenge with all the landfill sites is non-maintenance as a result of lack of heavy machinery.

Interventions.

1. Submit a business plan for funding for new landfill site and fleet.
2. Avail a site for a new landfill in Luckhoff.
3. Education campaign for the community to keep the environment tidy.
4. Turn dumping sites into food gardens.
5. Trace residents that have not occupied their residential sites given to them by the municipality.

4.5 HUMAN SETTLEMENTS

Strategic objective

To ensure the provision of formal settlement for the poorest of the poor with the intention to eradicate informal settlement and promote better life for all.

Intended outcome.

Access to formal settlement for the poorest of the poor, eradicated informal settlement and better life for all.

NDP objectives, actions and Free State growth and development strategy and LLM:

OBJECTIVES	ACTIONS	MUNICIPAL ACTIONS
NDP objectives, actions		
Strong and efficient spatial planning system, well integrated across the spheres of government. Upgrade all informal settlements on suitable, well-located land by 2030.	Introduce spatial development framework and norms, including improving the balance between Location of jobs and people.	The municipality must revise the Spatial Development Framework in line with the provisions of SPLUMA with the assistance of CoGTA and ensure that it is approved by council.

Free State growth and development strategy		
Accelerate and streamline township establishment processes and procedures to ensure sustainable settlement.	Improve the quality of Spatial Development Frameworks to include master planning in areas of interest, town planning schemes, availability of services.	The municipality must revise the Spatial Development Framework in line with the provisions of SPLUMA with the assistance of CoGTA and ensure that it is approved by council.
Ensure that municipalities, councillors, officials, the community at large and private sector role players are capacitated to accelerate sustainable human settlement development.	<p>Increase awareness amongst officials, councillors and other social partners on the New Comprehensive Plan for Sustainable Human Settlements.</p> <p>Improve the quality of contractors through effective training programmes, grading and ranking of contractor performance and contractor registration with the National Home Building Regulatory Council.</p> <p>Enhance opportunities for capacity building in town planning, project management, engineering, urban design and property management.</p>	Council had approved an Integrated human settlement sector plan in 2018 and it needs to be revised and councillors and management needs to be workshopped management.
Promote and support integrated, inclusive, sustainable human settlement development	<p>Put emphasis on densification of new developments, to improve overall settlement efficiency and resource utilization.</p> <p>Improve access to the basic social and economic amenities programme.</p> <p>Facilitate the implementation of the communal land right programme.</p> <p>Intensify the informal settlements upgrading programme.</p>	The municipality with the assistance of the department of human settlement and CoGTA must review the SDF to identify areas for new development, communal land and improve access to basic social and economic amenities as outlined in the human settlement sector plan.

Backlog information and identified housing needs.

The municipality maintains a waiting list for all housing and statistical information for the number of households in the informal settlements as the basis for determination of the housing backlog in the municipality. Included in the Human settlement sector plan in the detailed information pertaining to the informal settlements per ward and the level of services accessible to the settlements.

MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

Strategic Objective

- An effective administration capable of sustainable service delivery.



- Intended outcome
- To create an efficient, effective and accountable administration.

Institutional Arrangements

The municipality has its Human Resource Management Policy Manual that encompasses all aspects that pertain to Human Resources Management as well as Human Resources Development. The Municipality is in the process of finalising the review of Human Resources Management Policy Manual. The Human Resources Policy Manual is used in conjunction with Local Government: Regulations on appointment and conditions of employment of Senior Managers.

The current Municipal Organizational Structure was tabled before Council for approval in 2015/16 financial year. Municipality is in the process of reviewing the organisation structure, it is anticipated that the structure will be approved by August 2024. There are few positions that must be filled as a matter of urgency as the vacancies impedes the Municipality to deliver effective and quality services to the communities.

The Municipality has a Workplace Skills Plan which was conducted in consultation with relevant Stakeholders. The programmes in the Training Plan which are part of the WSP are being planned in anticipation to address the skills gaps that were revealed during the Skill Audit that was conducted. The municipality conducted a skills audit to identify the skills gaps amongst the employees of the municipality. Thereafter the Skill Development Facilitator consulted with all relevant stakeholders and collectively identify training needs that will address those identified skills gaps

Performance Management System

The Performance Management System of the municipality is currently confined to Senior Managers reporting directly to the Accounting Officer as well as that of the Accounting Officer. This has caused a high level of complacency and underperformance in the municipality and the municipality is currently in the process of cascading the Organisational Performance Management System to each and every individual employee of the Municipality.

Human Resource Management

The municipality has functional Human Resource Management Unit consisting of the following sub-components;

- Recruitment and Selection
- Training and Development
- Labour Relations
- Occupational Health and Safety
- Leave Management
- Remuneration and Benefits (Employee Wellness).

Recruitment and Selection are being remunerated in accordance with the collective agreement. The municipality is assisting employees on their well-being and programmes are initiated based on the number of employees who experience social problems. However, such employees are referred to the rehabilitation centres.

Information technology Network Infrastructure

Due to the work done by many service providers over the years, the network infrastructure has been done

without any standard, this affecting everyday computing whether over the network and/or internet. A tender was advertised for the work and will probably start working before the end of June 2019. The work that will be covered during this project includes that is not limited to: to design, implement and install a network infrastructure for the Head Office, Mayor's Office, Store Building, Community Service and the Technical Service building. Renovations to the server room will also be covered during the project.

- ICT Policies and ICT Governance Framework

Total of 11 Policies and an ICT governance framework have been developed but have not yet been approved by council. The 11 policies will form one document called the 'ICT POLICIES'

- Business Continuity Plan

Financial year of 2019/20 the Municipality will develop a Business continuity plan, the plan is of most importance as it will guide the municipality through all different phases during any event of a disaster that may disrupt everyday computing whether on our local network and internet.

* The plan will need assistance and expertise externally, therefore it has been budgeted for.

• **ICT Strategic Objectives of ICT Three years Master Plan**

These documents are also being planned for development during the 2019/20 financial year. To plan for the future growth of the municipality this documents will be essential in order to accommodate this future growth.

*** The documents have been budgeted for in order to get professional expertise in developing them.**

- Software Licensing

By law the Municipality is supposed to use licensed software (Operating Systems, Microsoft Office, etc) on all its workstation. For the 2019/20 financial year we intend to procure a volume license for these software.

*** Budget will be made available for the Procurement of software.**

- Access Forms, Systems Change Documentation and Manual Backup Register

To have access to the Municipal financial systems and Services like a telephone and an email account, an employee is supposed to fill in a form to request access to these systems. By filling in any of the forms the employee agrees to be liable for the use of these services. The forms, document and register have been developed, however they have not yet been approved by management.

- Capacity in the IT unit

It remains difficult for the IT Technician to execute most of his daily tasks. This daily tasks include but are not limited to technical issues:

- Workstations
- Servers
- Telephone system
- Emails
- Telephones
- Internet connection
- Access to financial systems
- Network related issues
- Computer Literacy

The issue of the lack of basic computer literacy continues to be problematic for the municipality.



Reason being it has the effect to affect everyday business and can also be a security threat to financial systems. The majority of the people who struggle with basic computer skill have access to the municipal's financial systems and again these employees many of them were not trained on either financial system

* It remains the responsibility of both management and the skills development unit to address the issue.

- Training (Financial Systems)

Employees need to be properly trained on both financial systems. Only a hand full of employees were trained on the systems and a few of them are doing well.

The major concern is that some on the very employees who received training on these systems especially sage evolution are struggling with some tasks which they are supposed to execute on a daily basis on the system.

Now the concern with this issue is that the first person to be called in order to assist will be the IT Technician who himself only has the administrative training on the system not on what users are trained to do.

*** It remains the responsibility of both management and the skills development unit to address this issue.**

Policy Development and Implementation

- The Administration Unit is assigned to coordinate and monitor the implementation of policies within the respective departments.

Customer-Oriented Services/Customer Care

The municipality has centralised compliments and complaints management system, both manual and electronic. The municipality is currently in the process of developing Standard Operating Procedure (SOP) to effectively monitor service delivery orientated complaints.

Over and above this, the municipality has also developed Draft Customer Care Policy, Service Charter and Service Standards to curb complaint management in relation to Batho Pele initiatives. However, the municipality has erected comments boxes to curb on customer satisfaction.

FINANCIAL VIABILITY

Strategic objective

To enhance the revenue base of the municipality, improved audit outcome, promote sound financial governance and management.

Intended outcome

Enhanced revenue base of the municipality, improved audit outcome, sound financial governance and management

Medium Term strategic Framework

OBJECTIVES	ACTIONS	MUNICIPAL ACTIONS
NDP objectives, actions		
Municipalities demonstrate good financial governance and management	<p>Assist municipalities to improve own revenues by putting in place measures to improve property valuation rating and levying of user charges.</p> <p>Targeted support provided to municipalities to develop, implement and monitor action plans to address previous audit outcomes.</p> <p>Monitor in-year financial reports and address deficiencies.</p> <p>Ensure spending on repairs and maintenance as a proportion of operational expenditure is in line with percentage prescribed by NT.</p> <p>Review municipal costing and pricing of core services to reflect cost reflective tariffs with appropriate cross-subsidisation to eligible households.</p> <p>Ensure all municipal SDBIPs gives effect to IDP and meets requirements as per the MFMA in terms of service delivery targets by top manager and by ward & ultimately is linked to budgets.</p>	<p>The municipality has developed and adopted the funding plan which encompasses all the revenue enhancement measures. This plan will be monitored on a monthly basis and reported to Council.</p> <p>The municipality has developed audit action plan in response to the issues raised by the AG and will be monitored on monthly basis by management and internal audit.</p> <p>The in-year reports are monitored through the SDBIP and progress is reported to the management, audit committee and the council</p> <p>The municipality has budgeted 1% of the total Assets for repairs and maintenance.</p> <p>The municipal budget is prepared in line in the MBRR and is cost reflective with appropriate cross-subsidisation to eligible households.</p> <p>The 2024/25 SDBIP will be in line with the municipal IDP and Budget and is communicated to all relevant stakeholders.</p>
Free State growth and development strategy		
Support Local SMMEs	Providing support for small, medium, and micro-enterprises to stimulate local economic growth and job creation	Municipality has budgeted for LED projects which will support our Local SMMEs, furthermore, all contractors that are operating within the Municipality must subcontract a portion of their contract to our SMMEs.
Water and Sanitation	Ensuring access to clean water and adequate sanitation facilities for all residents.	Over 50% of Municipal's capital is made up of projects that addresses water and sanitation challenges.
Good Governance	Promoting transparency, accountability, and public participation in governance processes.	Municipality has a number of Committees that promotes good governance, furthermore, Municipality is continuously consulting communities through public participation process on pertinent issues that affect the Community.

FINANCIAL FRAMEWORK

The budget and Treasury office of Letsemeng Local Municipality is responsible for the financial management of the municipality as a whole. The mandate of finance directorate is to ensure that all directorate are provided with the resources to enable them to perform their functions and that the Municipality is financially sustainable. In order to fulfil this mandate, the finance department comprises of the following five units each performing a specific function, and which collectively seek to enhance the financial viability of the municipality and they are:

Billing

The billing unit is responsible for ensuring that the consumers of LLM get billed for basic services, consumption, rates and taxes. This ensures that the municipality receives an income to deliver services to the community and run the administration of the municipality.

Financial management

The financial management unit is the custodian of the assets registers, investments, bank accounts and loans



of the municipality and is also responsible to ensure that the service providers of the municipality as well as its employees are paid on time.

Revenue

The revenue unit is responsible for the collection of funds due to the municipality, and it includes the debt collection, credit control, client's services and finalization of accounts.

Supply Chain Management

The supply chain management unit is responsible for ensuring that all goods and services procured by the municipality is in accordance with applicable legislation. The unit is also responsible for contract management including reporting on commitments and ensuring that the new contracts are entered into to prevent irregular expenditure.

Budget and Reporting

The budget and reporting unit is responsible for the management of the municipality's budget including the approved budget, virements and assisting with the adjustment budget. The reports include Section 71 & 72 monthly report and annual financial statements.

The following have been identified as the major operational issues impacting on the financial stability of Letsemeng Local Municipality:

- Deteriorating debtor's collection rate due to the economic downturn and culture of non-payment of services by residents, businesses, and farmers
- Weak controls / implementation compliant supply chain management process resulting in increased irregular expenditure.

System and billing challenges

Lack of cash reserves to fund capital projects and other operational activities.

Inadequate use of technology to achieve efficient and effective operations smart metering and billing.

Unfunded positions on the organizational structure

The critical factors towards enhanced financial sustainability are identified as follows:

- Cost containment measures to curb spending on non-core services (Expenditure)
- Credit control must be intensified to improve LLM cash flow.
- Debt collections must be implemented to improve LLM cash flow and build up reserves.
- Short- and long-term debt facilities to be considered in order to protect funding so that LLM accelerate service delivery.
- Capacitate all units particularly in different towns.
- Training of staff

STAFFING OF THE FINANCE DEPARTMENT

- The department is headed by the Acting Chief Financial officer, and currently consists of three divisions which are:
- Budget and Revenue management.
- Supply chain management and Expenditure; and
- Assets and Payroll Management.
- Even though there is currently reasonable capacity in the finance department, there is a need to

add Annual Financial unit to the department and Compliance (Financial Reporting); and will embark in a process of recruiting new staff in the new/ vacant positions to ensure improved capacity in the department.

- All the relevant officials in the finance department completed the Municipal Finance Management Programme with various registered institutions in order to meet the requirements of minimum competency regulations issued by National Treasury.

The municipal organisational structure will be reviewed and approved in during this 2024/25 financial year to make provision for the establishment of a separate division in the finance department for the purpose of separating the responsibilities. This will assist the municipality to improve the effectiveness of financial controls in the department and segregation of duties.

FREE BASIC SERVICES

LLM is keeping a register of all indigents. As of May 2024, a total number of 4400 have been registered on the indigents register. The approach of letting persons walk in and register has not yielded the intended results hence the public participation per town.

Indigent Policy

The key purpose of an indigent subsidy policy is to ensure that households with no or lower income are not denied a reasonable service, and on the contrary the Municipality is not financially burdened with non-payment of services.

Basic services are generally regarded to be access to electricity, access to clean water within a reasonable distance of one's dwelling, basic sanitation, solid waste removal and access to and availability of roads. The consumer, in order to qualify as an indigent, needs to complete the necessary documentation as required and agree to regulations and restrictions stipulated by Letsemeng Local Municipality.

Criteria used for identification to qualify for indigent support.

To qualify for the rebate the head of the family must:

- Occupy the property as his/her normal residence.
- Not be older than 18 years of age.
- Still be a student or jobless.
- Be in receipt of a total monthly income from all sources not exceeding an amount to be determined annually by the Municipality.

The current entry level is determined as R 4 500 per month. All applications must be verified by an official. The relevant Ward Councillor must be involved during the evaluation process and must verify the application together with the relevant officials or ward committee. If an application is favourably considered, a subsidy will only be granted during that municipal financial year and the subsequent twelve (12) month budget cycle. The onus will rest on the approved account holders to apply for relief on an annual basis.

Maintenance of an indigent register

The Chief Financial Officer will be responsible for compiling and administering the database for households registered in terms of this policy. Registration will take place on dates and at times and places determined by the administration with the office of the Council Speaker but shall generally be undertaken during February to June each year.



The Municipal Manager or his/her delegates will provide assistance to people who cannot read or write, at such times and places as are specified in the notices published to indicate that the registration programme is to take place.

Services to be subsidised - Water

All consumers will receive the first 6 kiloliters of water fully subsidised and then charged in accordance with the approved tariff. A subsidy, determined at the beginning of every financial year and not more than the applicable tariff for that year, will be applied for the duration of that particular financial year. The amount of the subsidy will be determined and approved as part of the tariff policy applicable for the financial year.

Sewerage

All registered indigents shall be subsidized 100% for sewerage as provided for by the Council in the annual budget from time to time. A subsidy, determined at the beginning of every financial year and not more than the applicable tariff for that year, will be applied for the duration of that particular financial year. The amount of the subsidy will be determined and approved as part of the tariff policy applicable for the financial year.

Refuse Removal

All registered indigents shall be subsidized 100% for refuse removal services. A subsidy, determined at the beginning of every financial year and not more than the applicable tariff for that year, will be applied for the duration of that particular financial year. The amount of the subsidy will be determined and approved as part of the tariff policy applicable for the financial year.

Electricity

Indigent consumers will receive 50 kwh of electricity per month fully subsidized.

Property Rates

All registered indigents shall be subsidised for property rates services to the maximum of R 70 000.00 per property value. A subsidy, determined at the beginning of every financial year and not more than the applicable tariff for that year, will be applied for the duration of that particular financial year. The amount of the subsidy will be determined and approved as part of the tariff policy applicable for the financial year.

PAYMENT OF CREDITORS

The management is committed in ensuring that all money owing by the municipality be paid within 30 days of receiving the relevant invoice or statement, unless prescribed otherwise for certain categories of expenditure in line with section 65 of the Municipal Finance Management Act. No. 56 of 2003.

FINANCIAL STRATEGIES

With the above framework as a background, strategies and programmes have been identified and form part of the financial plan to achieve the desired objective which is the financial viability and sustainability of the municipality.

Revenue raising strategies.

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

- The annual review and implementation of the credit control and debt collection policy. This policy and the relevant procedures detail all areas of customer care, credit control and debt collection of amounts billed

to customers, including procedures for non-payment.

- The annual review of tariff policy. This policy will ensure that fair tariffs are charged in a throughout the municipal area.
- The annual review and maintenance of an indigent policy. This policy defines the qualification criteria for an indigent household and the level of free basic services enjoyed by indigent households.
- The annual review and maintenance of a property rates policy. This will ensure that a fair rates policy and an updated valuation roll are applied to the entire municipal area and will aim to ensure that all properties are included in the municipality's records. Furthermore, the policy will ensure that valuations are systematically carried out for all properties on a regular basis.
- Prescribed debt will be considered for write-off on an annual basis.

Asset management strategies and programmes

The following are some of the more significant programmes that can be identified:

Implementation of an integrated asset management system. This programme involves the ongoing updating of a suitable integrated asset management system. It also includes the capturing of all assets on the system, the maintenance of this system and the production of a complete asset register in terms of the Generally Recognised Accounting Practice (GRAP).

The review and update of asset and risk insurance procedures and the renewal of the insurance portfolio. This programme will involve the identification of risks in conjunction with insurers and all heads of departments. It will also include the review of the existing insurance portfolio and the renewal of the insurance policy as per renewal terms.

Financial management strategies and programmes

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

The implementation of the MFMA Regulations – Municipal Standard Chart of Accounts (mSCOA).

The annual review of the entire organogram of the Finance Department, ensuring that adequate capacity exists to optimise service delivery.

Implementation of integrated development planning and budgeting using community consultation processes. Reviewing and updating of asset, budget and accounting policies and procedures.

Training and development of financial and other staff. The aim of this project will be to constantly ensure that the financial and other staff members receive the training they require to ensure a cost-effective and efficient service to the municipality and its customers and to ensure full compliance with the MFMA regulations on minimum competency levels.

Enhancing budgetary controls and timeliness of financial data and building the capacity of the Budget and Treasury Office to ensure that financial information for reporting purposes is generated timeously. It will also include the monitoring and reporting on budget variances.

Capital financing strategies and programmes

The following is more significant programmes that can/have been identified:

- The development of a capital investment framework.

General financial philosophy

- The financial vision of LLM is to provide a sound financial base and the resources necessary to sustain a satisfactory level of municipal services for the citizens of Letsemeng.
- It is the goal of the municipality to achieve a strong financial position with the ability to withstand local and regional economic impacts; to adjust efficiently to the community's changing service requirements; to effectively maintain, improve and expand the municipality's infrastructure; to manage the municipality's budget and cash flow to the maximum benefit of the community; to prudently plan, co-ordinate and implement responsible and sustainable community development and growth.

Based on the financial framework and the financial strategies the municipality must develop financial policies that support the above. LLM's financial policies shall also address the following fiscal goals:

- To keep the municipality in a fiscally sound position in both the long and short term.
- To maintain sufficient financial liquidity through regular reviews and adjustments to meet normal operating and contingent obligations.
- To apply credit control policies which maximise collection while providing relief to the indigent.
- To implement credit control policies that recognise the basic policy of customer care and convenience.
- To maintain and protect existing infrastructure and capital assets.
- To provide a framework for the prudent use of debt financing; and
- To direct the municipality's financial resources to meet the goals of the municipality's IDP.

Budget-related policies

The annual budget is the central financial planning document, directed by the IDP, which embodies all revenue and expenditure decisions. It establishes the level of services to be provided by each department. The budget will be subject to monthly scrutiny and reporting to Council with recommendations of actions to be taken to achieve the budget goals. The budget will be subject to a midyear review, which will result in an Adjustments Budget if required.

Adequate maintenance and replacement of the municipality's assets (property, plant, and equipment) will be provided for in the annual budget. It will be informed by Council's Asset Management Policy.

Capital infrastructure policies

The municipality will establish and implement a comprehensive three-year capital budget. This budget will be updated annually to ensure that bulk infrastructure services and internal infrastructure services together with the foreseen funding sources are planned in an integrated and co-ordinated manner.

Revenue policies

LLM will estimate annual revenues through a conservative, objective and analytical process based on realistically expected revenue to be collected. The municipalities will set tariffs at a level that balances the total direct and indirect costs of operations, and the affordability for the consumer.

LLM will maintain a valuation system based on market values of all properties within its boundaries as well as periodically review the cost of activities supported by user fees to determine the impact of inflation and other cost increases. The valuation roll will be reviewed every five years in light of the new review due in the next financial year. Fees will be adjusted where appropriate to reflect these increases. These principles and the raising of property rates are contained in the Property Rates Policy.

The municipality will continue to identify and pursue grants and appropriations from National and Provincial

province and other agencies, which are consistent with the municipality's goals and strategic plan and to eradicate unfunded mandates.

Credit control policies and procedures

LLM will follow an aggressive policy of collecting revenues from those who can afford to pay for their services. For this purpose, a Credit Control and Debt Collection Policy must be developed and adopted by Council. As the recoverability of all outstanding debt is questionable, the writing off of prescribed debt is considered by Council on an annual basis.

Supply chain management

The Supply Chain Management Policy will ensure that goods and services are procured compliant with legislative requirements in a fair, equitable, transparent, competitive and cost-effective way. It includes the disposal of goods or assets no longer needed for basic service delivery and must be read in conjunction with Council's Disposal of Assets Policy.

Asset management policies

The objective of the asset management policy is to prescribe the accounting and administrative policies and procedures relating to property, plant, and Equipment, which are immovable and movable assets of LLM and computer software and servitudes, which are intangible assets of LLM. The principles and policy statements must be embedded in the Asset Management Policy of Council.

Accounting policies

- The principles on which LLM operates with regard to the presentation, treatment, and disclosure of financial information forms part of the accounting policy adopted in the compiled annual financial statements.
- Financial Management Systems
- The municipality has appointed CCG to provide the municipality with the services of a financial system i.e. MSCOA compliant and there is a service level agreement signed to this effect.
- EMS advisory solutions was used for the preparation of the Annual Financial Statements

Issues raised by the Auditor General.

The office of the Auditor General (SA) has conducted an audit of financial statements and Annual Performance report and the municipality was qualified with findings. The municipality has developed an Audit Recovery plan to address the deficiencies identified by the Auditor General (SA) during the audit of 2022/2023 Financial Year.

The audit recovery plan will be monitored by the internal audit on a monthly basis and the progress thereof will be reported to the following:

- Municipal manager
- Audit committee
- Municipal public account committee
- Council.

BUDGET ASSUMPTIONS

The following budget principles and guidelines directly informed the compilation of the 2024/25 MTREF:

- Budgeting for a funded and credible annual budget compared to a balanced budget
- The 2023-24 Adjustments Budget priorities and targets, as well as the base line allocations contained in that



Adjustments Budget were adopted as the upper limits for the new baselines for the 2024-25 annual budget

- Tariffs on services and property rate increases should be affordable and should generally not exceed inflation as measured by the CPI, also as per guideline of Circular 128 except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the cost of bulk water and electricity
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act.

Budget Process

- Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget.
- In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e., in August 2023 a time schedule that sets out the process to revise the IDP and prepare the annual budget.
- The Mayor tabled the required IDP process plan and budget time schedule in November 2023. Adherence to these plans was not achieved as the processes were not undertaken exactly at the dates that were indicated in the plans. Budget and IDP were tabled before Council on the 18th April 2024.

TARIFF INCREASES

As a requirement from National Treasury, our budget is based on the concept of balanced budget, Municipalities are not supposed to budget for a deficit, in order to mitigate against this issue, decision was taken to increase our tariffs.

Property rates

Property rates tariffs for all properties will increase by 4.9 % including agricultural and all other properties. Municipality will be implementing a supplementary valuation roll in line with the provisions of Municipal Property rates act from **01 July 2024**.

Service charges.

- Sewerage tariffs to be increased by **4.9%**.
- Water tariffs to be increased by **4.9%**.
- Refuse removal services tariffs will be increased by **4.9%**
- Electricity tariffs: will be increased by **17.42 %** for the 2024/25 financial year, this percentage increase will mostly likely change as we are still awaiting NERSA feedback on our application.

GRANTS

Operating Grants	2024/2025	2025/2026	2026/2027
Equitable share	90 162 000	93 664 000	96 485 000
Finance Management Grant	3 000 000	3 000 000	3 000 000
Energy Efficiency and Demand Side Management Grant	4 000 000	3 000 000	4 000 000
Expanded Public Works Incentive	1 200 000	0	0
Capital Grants			
Municipal Infrastructure Grant	27 354 000	20 105 000	21 502 000
Water Service Management Grant	15 287 000	23 285 000	25 000 000



Integrated National Electrification Programme		3 300 000	5 500 000
Total			
Allocation in kind			
INEP	65 000	0	0
Total Grants	141 068 000.00	146 354 000	155 487 000

OVERVIEW OF THE BUDGET

Operating Revenue.

- Total operating revenue amount to **R 244 263 405** it has increased with **R13 782 424** from financial year 2023-24 adjustment budget of **R 230 480 981**. Operating revenue comprises of service charges, property rates and other revenue. We anticipate collecting **100%** on prepaid electricity, **70%** on property rates, **50%** on water services, refuse and sanitation services.
- Property rates amount to **R 28 755 189** it has increased from **R27 412 079**, electricity increased from **R 36 830 532** to **R 43 246 960**, water increased from **R 19 123 860** to **R 20 060 930**, waste water management increased from **R 14 786 642** to **R15 511 563**, and waste management increased from **R 14 443 741** to **R 15 151 756**. All the service charges were increased with an average inflation rate of **4.9%**. Operational revenue consists of administration costs, objection costs, photocopies costs and clearance certificate. Municipality is still awaiting **NERSA tariff approval for electricity**; we applied for an increase of **17.42%** on electricity tariffs.

Total operating expenditure

- Total operating expenditure amount to **R 244 145 864** it has decreased with **R10 775 286** from financial year 2023-24 adjustment budget of **R254 921 150**. Total operating expenditure for the 2024-25 financial year translates into a surplus of **R117 541**, there are non-cash items amounting to **R59 755 000**. The operating expenditure consist of employee related costs, remuneration of Councillors, bulk purchases, contracted services, and operational costs. Employee related costs increased from **R 79 081 000** to **R 82 955 514**.
- Remuneration of Councillors is increased from **R5 446 000** to **R 5 713 000** the increase is based on the salary and wage collective agreement based on the projected average CPI of **4.9%**. Bulk purchases were increased from **R38 000 000** to **R 39 862 000**. As per requirement from National treasury we are expected to budget for non-cash items i.e. Debt Impairment **R24 940 000** and Depreciation and Asset Impairment of **R 34 815 000**, as per circular 128 of MFMA depreciation needs to be funded.

Contracted services

- Contracted services increased from **R 16 708 000** to **R 17 771 000**, it comprises of EPWP job creation, supplementary valuation roll, Insurance for municipal assets, employee wellness, rental of photocopies machines, telephones and network, maintenance of financial system (MSCOA compliant) and compilation of annual financial statements. Operational costs decreased from **R 16 039 000** to **R 15 246 000**. Operational costs consist of human capital development, wastewater and water chemicals, accommodation, audit fees, printing and stationery, legal expenses, office furniture.

CAPITAL EXPENDITURE DETAILS

- The total capital expenditure budget of the municipality is **R 44 415 000**, and it is funded from the following funding sources:
- Municipal Water System Infrastructure Grant is allocated **R 15 287 000**
- Municipal Infrastructure Grant is allocated **R 27 354 000**
- Internally generated funds amount to **R 1 774 000**



- Planned projects for 2024/2025 funded by MIG.

Project	Allocation
Project Management Unit	R 1 367 700.00
Koffiefontein/Sonwabile: Upgrading of sports facility (Phase	R 1 230 205.00
Koffiefontein: Repairs of 4 Pump Stations	R 1 959 790.00
Petrusburg/Bolokanang: upgrading of sports facility	R 8 000 000.00
Luckhoff/Relebohile: Upgrading of Bulk Sewer Lines	R 1 400 053.50
Koffiefontein/Diamaandhoogte: Waterborne Sewer	R 3 096 251.00
Koffiefontein/Diamaandhoogte: Upgrading of 1,3km access	R10 300 000.00
Total	R 27 354 000

Planned projects for 2024/2025 funded by WSIG.

Project	Allocation
Jacobsdal: Upgrading of Wastewater Treatment Plant	R 6 114 800.00
Koffiefontein: Upgrading of Wastewater Treatment Plant	R 9 172 200.00
Total	R 15 287 000

Five Year Strategic Objectives

FIVE –YEAR STRATEGIC OBJECTIVE	FIVE-YEAR IDP PROGRAMME	SECTION CHANGED	REASONS FOR CHANGE
Availability of cost-effective capital finance to fund capital programmes	Pursue borrowing through DBSA grants and source capital funding through government grants	IDP sub programme	The municipality will be implementing MIG capital projects for upgrading infrastructure within the Municipality
Equitable and competitive tariff	Tariff Management Programme	Ensure compliance with reviewed tariff policy of the municipality.	Equitable and competitive tariff system that is informed by national inflation data and targets, comparable to local municipalities and circumstances of community to ensure affordability
Effective system that is informed by national inflation data and targets, comparable to local municipalities and circumstances of communities to ensure affordability	An evaluation of the tariff methodology to assess whether it is relevant to the current changes in the municipality and NERSA Revenue Enhancement Strategy	<ul style="list-style-type: none"> Ensure compliance with the reviewed tariff policy of the municipality. Maintain separate property rates tariffs per category of property Improve revenue collection rate to: <ul style="list-style-type: none"> 60% in 2024/25 75% in 2025/26 85% In 2026/27 	Equitable and competitive tariff system that is informed by national inflation data and targets, comparable to local municipalities and circumstances of community to ensure affordability
A budget system, structure and format that enables sound resources allocation and MSCOA seven segments	<p>Financial Management Programme of the municipality is currently on the implementation of version 6.8 of MSCOA.</p> <p>The department uses the MSCOA seven segments to determine the allocation of funding to each department</p>	<p>-Redevelop formats to ensure that they are in line with the National Treasury's requirements</p> <p>-Develop and determine Medium</p> <p>Term Budget Framework and long-term financial framework</p> <p>-Ensure that the budget system is maintained and upgraded to the latest version as issued by National Treasury</p>	A budget system, structure and format that enables sound resource allocation.

Challenges and Opportunities

CHALLENGES	OPPORTUNITIES
Placement of staff	Internal prepare Annual Financial statements by 2025/2026
Grading of the municipality resulting to lack of retention of competent staff and attraction of scarce skill	Dedicated BTO staff
Satellite offices operating manually	
Unreliable meter reading leading to inconsistent billing	
Lack of clear business process	
Shortage of BTO staff	

Strategic Priorities

KEY PERFORMANCE AREA	IMPLEMENTATION PLAN
Financial turnaround strategy	
Financial turnaround strategy	<ul style="list-style-type: none"> - Expenditure review and implementation recommendations - Implementation of Cost Containment measures - Revenue maximisation plan - Implementation of Credit control and debt collection policy. Improve implementation of billing - Increased collections levels - Implementation of fraud and anti-corruption strategy - Implementation of effective supply chain management - Increase in the number of households registered as indigent. - Payment plans with Key Creditors, i.e. Waterboard, Eskom - Implementation of Consequence management
Customer service	<ul style="list-style-type: none"> - Monitor turnaround time on query resolution. - Customer feedback on accounts - Introduce SMS and Email services for delivering Accounts. Introduce a dedicated WhatsApp number for query management
Overall financial oversight	<ul style="list-style-type: none"> - Attainment and maintenance of unqualified audit opinion - Improvement in cash coverage ratio - Reduction in total amount owing to creditors. - Functional MPAC - Functional DC Board

Financial Sustainability Sector Plan

FIVE-YEAR STRATEGIC OBJECTIVES	IDP PROGRAMME	DELIVERY AGENDA
Empowered customers enjoying highest standard of customer care and responsiveness	Responsive customer care Complaints vs. resolved.	Responsive customer care <ul style="list-style-type: none"> - Harness the single customer experience from optimisation of customer service centre. - Reduction in time taken to answer calls to an average of 60 seconds. - Sustain customer satisfaction
The municipality that creatively evolves its billing and expenditure system to ensure long-term fiscal stability and growth, and optimal spending to support accelerated and sustainable development	Maximise Revenue Collection and Billing Increase in average revenue collection to 75% (over MTREF)	Maximise Revenue Collection and Billing <ul style="list-style-type: none"> - Increase in revenue collection to acceptable levels, including indigents. - Address meter reading. - Install smart electricity meters. - Install pre-paid water meters



	Financial control and reporting Staff trained to respond to the NCA closely monitoring its effect on income	Financial control and reporting <ul style="list-style-type: none"> - 100% compliance with NCA - Support the implementation of MPRA
	Debtors book Analysis of the debtors' book	Debtors book <ul style="list-style-type: none"> - Encourage customers to utilize incentive schemes through operation patala. - Enlist the services of debt collectors from the relevant National Treasury Transversal contract
Sustained excellence in financial management	Completeness of revenue <ul style="list-style-type: none"> - Increase in number of matched accounts reaching more than 97%. - Fostering completeness of revenue partnering with poverty value chain 	Completeness of revenue <ul style="list-style-type: none"> - Realise all revenue maximisation projects under property valuation relating to the following areas: <ul style="list-style-type: none"> - Valuation roll - Reconciliation of property data - Overall completeness of data - Priority projects to raise additional revenue. - Return on investment of revenue maximisation. - Harness value add of property value chain. - Sustained incremental concise completeness of revenue project
	Refunds and clearance efficiencies <ul style="list-style-type: none"> - Increase of active customers receiving bills to 100 % - 98 % refunds issued within 30 days of - 100 % clearance certificates issued within 30 days. 	Refunds and clearance efficiencies <ul style="list-style-type: none"> - Accurate billing management - 93% to 97% clearance certificate and refunds issued within 30 days of application. - 97% of properties on the billing system metered and billed with accurate bills. - 97% increase in active customers receiving bills to minimum
A municipality with stable and growing revenue streams	Credit control enforcement. Expansion of credit control	Credit control enforcement. <ul style="list-style-type: none"> - Strengthened credit management. - Controls through reduction of areas where no credit control is taking place
	Capital Financing programme Where appropriate and within a policy framework raise project finance for specific infrastructure projects	Capital Financing Programme Strengthens relationship with businesses
A budget system, structure and format that enables sound resource allocation decisions	Budget reform programme <ul style="list-style-type: none"> - Revise the budget format to facilitate flexible programme based MSCOA budgeting. - As required by the MFMA, continue to build the system and practices enabling more effective and efficient budget tracking funded budget. 	Budget reform programme <ul style="list-style-type: none"> - Develop an expenditure review model on an annual basis. - Produce quarterly SDBIP reports in line with National Treasury regulations. - Review budget policies annually
Measurable improvements in unit cost and allocation efficiency on a key of set indicators	Expenditure review programmes <ul style="list-style-type: none"> - As part of the overall framework of performance tracking and strategic decision-making, build a system and practice of annual budget review that tracks trends and issues in personnel spending, unit cost efficiencies, allocative efficiencies of, and social, economic, and financial returns from, key service investments, and whether expenditure responsibilities are being adequately matched by resources. - - Develop methods for evaluating for evaluating unit cost efficient in expenditure on key service and conduct regular benchmark comparison studies with comparable to local municipalities 	Expenditure review programme <ul style="list-style-type: none"> - Develop an expenditure review document on an annual basis. - Review budget policies annually.

Conclusion

This financial viability, plan with its financial framework, financial strategies and financial policy framework will contribute to ensuring that LLM remains financially viable and sustainable and that quality municipal services are provided economically to all communities within its area of jurisdiction, the plan will be reviewed on an annual basis and tabled together with Budget and IDP of the Municipality.



CHAPTER 6: ALIGNMENT OF MUNICIPAL IDP WITH NDP AND FSGDS

Through public consultation and engagement with communities, different stakeholders, interaction with employees an analysis of the conditions of the services in the municipality and identified all the challenges and interventions required for each service provided by the municipality.

For each and every Key performance Area the municipality developed the strategic objectives in line with the National Development Plan (NDP) and Free State Growth and Development Strategies (FSGDS) to give a clear guideline of the municipal strategic direction on the level of service delivery in all the areas. From the process followed the municipality identified the developmental objectives which will inform the municipal performance planning and risk management.

These objectives are developed in line with the SMART principle (specific, measurable, achievable, realistic and time bound)

KEY PERFORMANCE AREA	PRIORITY AREA	NDP OBJECTIVE	FSGDS OBJECTIVE	STRATEGIC OBJECTIVES	DEVELOPMENT OBJECTIVES
Basic service delivery and infrastructure Development	Water and Sanitation services	Ensure that all people have access to clean, potable water. There is enough water for agriculture and industry, recognizing the trade-offs in the use of water	Maintain and upgrade basic infrastructure at local level Provide. Upgrade bulk services Improve technical capacity of local municipalities for sustainable local infrastructure	To provide quality and sustainable water and sanitation services to all the households, schools, clinics, public facilities, and businesses.	To ensure access to clean, quality, and sustainable water services to households, public facilities and businesses. To ensure access to safe and sustainable sanitation services to households, public facilities and households.
	Waste management	Environmental sustainability and resilience. Absolute reductions in the total volume of waste disposed to landfill each year	Maintain and upgrade basic infrastructure at local level	To provide regular and sustainable refuse removal services to the households, schools, clinics, public facilities, businesses etc. Maintain adequate and effective waste management to ensure compliance with applicable laws when finalised	To ensure access to regular and sustainable refuse removal services to all household, public facilities and businesses. Ensure proper waste management through promotion of recycling schemes and adequate landfill management.
	Electricity and Energy	The proportion of people with access to the electricity grid should rise to at least 90 percent by 2030, with non-grid options available for the rest. The country would need an additional 29 000MW of electricity by 2030. About 10 900MW of existing capacity is to be retired, implying new build of more than 40 000MW. At least 20 000MW of this capacity should come from renewable sources. At least 20 000MW of this capacity should come from renewable sources	Provide new basic infrastructure at local level (Water, Sanitation, and electricity). Provide and upgrade bulk services. Implement alternative electricity infrastructure	To provide and maintain sustainable and improved capacity of electricity services to all households, schools, clinics, public facilities, and businesses	To ensure provision of sustainable electricity services to all household, public facilities and businesses.
	Roads and storm water services	Transforming Human Settlement	Develop and maintain an efficient road, rail and public transport network	To provide and maintain accessible road infrastructure and increased life span through proper construction and maintenance of roads and storm water infrastructure.	To ensure accessible road infrastructure and increased life span through proper construction and maintenance of roads and storm water drainages.

	Human Settlement	Strong and efficient spatial planning system, well integrated across the spheres of government. Upgrade all informal settlements on suitable, well-located land by 2030.	Accelerate and streamline township establishment processes and procedures to ensure sustainable settlement. Ensure that municipalities, councilors, officials, the community at large and private sector role players are capacitated to accelerate sustainable human settlement development. Promote and support integrated, inclusive, sustainable human settlement development.	To ensure the provision of formal settlement for the poorest of the poor with the intention to eradicate informal settlement and promote better life for all.	To ensure access to formal settlement for the poorest of the poor with the intention to eradicate informal settlement and promote better life for all.
Public participation and good governance	-Internal audit. -Audit committee. -Oversight committee. -Ward committee -Council committee -Supply chain committees. -Management and operational systems.	Nation building and social cohesion. Develop an integrated planning framework for the province (including municipalities). Establish appropriate integrating and intergovernmental relations planning structures at all levels in line with the framework. Reconfigure the planning unit in line with national directives and best practice to render an efficient integrated planning service including research and policy coordination.	Effective and efficient governance and Administration. Improve community communication structures and feedback mechanisms Implement complaint management systems that includes rapid response on municipal level Improve the level and quality of political oversight by strengthening the capacity and role of the oversight structures. Evaluate and reconfigure coordinating structures such as clusters, Premier's Coordinating Forum (PCF) and other intergovernmental relations structures.	To promote and improve effective linkage between the community, stakeholders and the municipality to ensure accountability and responsive governance structures.	To promote and improve effective linkage between the community, stakeholders, and the municipality to ensure accountability and responsive governance structures.
Institutional Development and Transformation	Information Technology Availability of skilled staff Organizational structure Vacancy rate Skills development plan Human resource management strategy Individual performance and organizational management systems Monitoring, evaluation and reporting processes and systems.	Developing a capable and Development State Expansion, modernisation, access and affordability of our Information and communications infrastructure ensured.	Social and Human Development Municipalities recruit and develop skilled and competent personnel who are responsive to citizens priorities and capable of delivering quality services. Municipalities demonstrate quality management and administrative practices.	To promote corruption free environment, enhance responsiveness to citizen's priorities and capabilities of delivery of quality services, quality management and administrative practices	To promote corruption free environment, enhance responsiveness to citizen's priorities and capabilities of delivery of quality services, quality management and administrative practices
Financial Viability	Tariff policies. Rates policies SCM policies Staffing of the Finance and SCM units Payment of creditor Auditor – General report Financial management Systems	Municipalities demonstrate good financial governance and management.	N/A	To enhance the revenue base of the municipality, improved audit outcome, promote sound financial governance and management.	To enhance the revenue base of the municipality, improved audit outcome, promote sound financial governance and management.



Local Economic Development	Local economic development strategy Unemployment rate Level of current economic activity Job creation initiatives by the municipality	Economy and employment. Macroeconomic conditions support employment-creating growth.	Economic growth, development and employment Public employment schemes provide short-term relief for the unemployed and build community solidarity and agency. Reduced workplace conflict and improved collaboration between government, organized business, and organized labour.	Create an environment that promotes development of the local economy and facilitate job creation.	Create an environment that promotes development of the local economy and facilitate job creation
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CHAPTER 7: SECTOR PLAN

Section 26 of the Local Government Municipal System Act on Core components of the Integrated Development Plan provides for the development of a suite of sectoral plans to enhance the IDP. At a minimum the municipality is expected to develop the following sectoral plans as core components of the IDP.

SECTOR PLAN	STATUS QUO	DATE: COUNCIL ADOPTION
Spatial Development Framework	Adopted by Council	August 2018
Water Master Plan	Draft	
Sewer Master Plan	Draft	
Electricity Master Plan	Draft	
LED Strategy	Draft	
Tourism Sector Plan	Non – existent	
Integrated Waste Management Plan (IWMP)	Adopted by Council	August 2018
Integrated Human Settlements Plan	Adopted by Council	29 March 2019
Disaster Management Plan	Adopted by Council	
Fire Management Plan	Non – existent	
Workplace Skills Plan	Adopted by Council	August 2018
Human Resources Strategy	Adopted by Council	
Energy Master Plan	Non – existent	
Infrastructure Master Plan	Non – existent	
Housing Sector Plan	Non – existent	
Turnaround Strategy	Adopted by Council	August 2018
Risk Management Strategy	Adopted by Council	August 2018
Public Transport	Adopted by Council	



CHAPTER 8: PROJECTS AND PROGRAMMES OF OTHER SPHERES OF GOVERNMENT**THE DEPARTMENT OF COMMUNITY, SAFETY AND TRANSPORT IN LETSEMENG MUNICIPALITY FOR 2024/25 FINACIAL YEAR****PROJECT BACKGROUND**

- **R705** is situated at Letsemeng local Municipality in Xhariep region between Ja Nee to Northern Cape border, is currently under special maintenance .
- **Also R48** from Koffiefontein to havenga bridge is currently under special maintenance .
- **S1381** is secondary road linking Oppersmans Dorp and Koffiefontein and is in bid specification committe for special maintenance (nano Technology).

PROGRESS TO DATE

ROAD NUMBER	ROAD DESCRIPTION	ACTIVITIES	START DATE	ANTICIPATED END DATE	BUDGET
1.P35/1 AND P35/2 (R48)	Koffiefontein via Luckhoof to havenga bridge	Special maintenance	27/05/ 2022	27/01/2025	R 315,338,529.17
2.P8/1 AND P8/2 (R 705)	Ja Nee via Jacobsdal to Northern Cape Border	Special maintenance	19/01/2024	19/06/2026	R 204 941 518.20
3. S 1381	Oppersmans Dorp road	Special maintenance (Nano technology)	At Bid specification committe		

HUMAN SETTLEMENTS PROJECTS IN LETSEMENG LOCAL MUNICIPALITY

INFRASTRUCTURE PROJECTS							
NO.	PROJECT NAME	EMPLOYER'S AGENT / CONSULTANT	PRINCIPAL CONTRACTOR	PROJECT START DATE	COMPLETION DATE	PROJECT VALUE	PROJECT STATUS
1.	Construction of Water and Sewer Services for 450 sites in Luckhoff	Decprosa	Iceburg Group	Sep-21	Jun-23	R22,436,754.56	Project completed. currently under 12 months retention period.
2.	Construction of Water and Sewer Services for 1394 sites in Koffiefontein	Phethogo Consulting	Pakampho Electrical	Mar-21	TBC, once new contractor is appointed.	R31,819,225.33	Project not completed, currently at 80% completion. Contractor (Pakampho Electrical) terminated. In the process of appointing a new contractor to complete the incomplete works.



3.	Construction of Water and Sewer Services for 545 sites in Jacobsdal	Decprosa	Baile Trading	Sep-21	TBC, once new contractor is appointed.	R25,788,136.35	Project not completed, currently at 85% completion. Contractor (Baile Trading) terminated. In the process of appointing a new contractor to complete the incomplete works.
4.	Construction of Water and Sewer Services for 1000 sites in Bolokanang	605 consulting	Gap Infrastructure Corporation	October 2024	April 2026	TBC	Project still under procurement to appoint contractor.
5.	Phambili Township establishment	Gap Infrastructure Corporation					Provincial Informal Settlement Upgrading Programme Grant – Approved Project still under procurement to appoint contractor. Formalise the areas or relocate them to formalised areas. -Social Facilitation: Done -Contour/Aerial survey: Done -Conveyancer Certificate: Received -EIA: Draft submitted to DESTEA for evaluation pending Final submission -Geotech report: Completed -TIA: Draft report -Services report: Draft report -Layout design:

HOUSING PROJECTS

No.	PROJECT NAME	PRINCIPAL CONTRACTOR	PLANNED PROJECT START DATE	PROJECTED COMPLETION DATE	PROJECT VALUE	PROJECT STATUS
1.	Koffiefontein 9	Vharanani Properties	Feb-24	Mar-25	As per the current quantum amount of R183 257 per Unit.	Construction works to commence as per the planned start date.
2.	Petrusburg 24	Vharanani Properties	Feb-24	Mar-25	As per the current quantum amount of R183 257 per Unit.	Construction works to commence as per the planned start date.



DEPARTMENT OF AGRICULTURE

PROJECTS IN LETSEMENG FROM 2022/23-2024/25

PROJECT NAME	PROJECT DESCRIPTION	ACTIVITIES	TOWN	FINANCIAL YEAR	BUDGET
Petrusburg Commonage	Commonage project farming with livestock	<ul style="list-style-type: none"> CCTV Cameras Animal tracking collars. Mentorship program 	Petrusburg	2022/2023	R 1 Million
Luckhoff Commonage	Commonage project farming with livestock	<ul style="list-style-type: none"> Water reticulation 10 km Fence Handling facility 	Luckhoff	2023/2024	R 1.5 Million
African joy	Individual farming with livestock crop and wheat	<ul style="list-style-type: none"> Wheat Lucern Project Input 	Jacobsdal	2023/2024	R 3.8 Million
Jacobsdal commonage	Commonage project farming with livestock	<ul style="list-style-type: none"> CCTV Cameras Animals tracking collars 	Jacobsdal	2023/2024	R 1 Million
Pere Farming	Planning	<ul style="list-style-type: none"> Phase 1 Siting , drilling, ,testing, registration of boreholes storage shed 200m2,facing,water reticulations, camera security system-curb stock theft,fire-fighter-500 Peel, and nozzle include +20 m hose 70kw tractor Phase 2 10-15ha pivot(was already erected by themselves)- production inputs ,handling facility &scale,15ha grass mix,60mutton merino ewes , 2 rams 	Oppermansgronde	2024/2025	R 250 000.00
Koffiefontein commonage	Planning	<p>Fencing(standard fence with six stands) needs to be planned</p> <p>4 boreholes with windmills</p>	Koffiefontein	2024/2025	R 250 000.00
Matlhaba trust	Planning	<ul style="list-style-type: none"> Testing of water quality, testing of bore holes, fitment of boreholes, geo hydrological study etc, Irrigation system Development, Input costs (maize seed, fertilizer) mechanization 14x2,3 Dam Reservoir, John Deer Tractor LDV Bakke, Broiler Chicken House ,Layers Chicken House, off set Disc, Furrow Plough and Heavy Duty Ripper 	Petrusburg	2024/2025	R 250 000.00
Lizunite Matshora	Planning	<ul style="list-style-type: none"> Fencing, Cattle spay race, cattle electronic scale- equipment to existing handling facilities, fire fighter- 500 HP reel and nozzle included 20+ 20mhose 80 pregnant Bosmara bulls, Establishment of smuts finger and / ir bristle grass(+116ha) bookkeeper 		2024/2025	R 250 000.00
Honning Koppie	Planning		Petrusburg	2024/2025	R 250 000.00
Vaaldam Boerdery	Planning	<ul style="list-style-type: none"> Input costs for maize 20ha Drainage system for land 1 Micro irrigation system for 400 trees (4ha) Pump Solar pump 	Oppermansgronde	2024/2025	R 250 000.00

PROJECTS





SLP3 Brickmaking and Extra Support Projects

Blue Diamonds Mine



SLP3 BRICKMAKING PLANT PROJECT REPORT

ITEMS	ACTIVITIES	TIMELINES
Background	In January 2023, as part of the SLP3 LED section, the community of Koffiefontein decided to establish a brickmaking plant at the SENWES site. Following this decision, the Working Committee, composed of representatives from Koffiefontein Diamond Mines (KDM), the LED Manager, and eight community members, was formed to expedite the project's implementation..	Nov 2022 – January 2023
Governance	The Terms of Reference (TORs) were developed and signed by all parties, clearly outlining the role of each representative. Meetings were held to discuss and advance the project's implementation. .	February 2023 – March 2023
Achievements	<ul style="list-style-type: none"> Formulate the working committee to ensure transparency and enhance KDM's reputation. Investing 10 million in an interest-bearing account. Identify beneficiaries and conduct training through SEDA. Complete drawings, designs, and scope of work with the help of a consultant. Navigate community dynamics effectively 	
Challenges	<p>The project implementation was delayed due to a six-month pause from September 2023 to February 2024. The Working Committee sought intervention from the DMRE Regional Manager and Letsemeng Local Municipality (LLM) Council.</p> <ul style="list-style-type: none"> Community representatives demanding to assume role of Directors of the brickmaking plant project. Community representatives demanded compensation from the 10 million budget. 	September 2023 – February 2024
Stakeholder Engagement	The Regional Manager, DMRE and LLM Mayor intervened and guided the working committee to resume project implementation	March 2024 – May 2024
Flagg Consulting Engineers	<p>KDM engaged Flagg Consulting Engineers to assist with designing the brickmaking plant plan and the scope included for the following:</p> <ul style="list-style-type: none"> Designing Steel roof structure Warehouse Perimeter fence Concrete hard stands and guardhouse This also encompassed the preparation of a bill of quantities to assist with cost estimation. KDM shared the scope of works and designs with local SMMEs to obtain quotations 	March 2024 – May 2024
Risks	The risk lies in the Community Representatives' desire to select contractors exclusively from Koffiefontein. This could lead to delays, as Koffiefontein lacks local service providers capable of handling such a large contract.	
Key next steps	The following actions to be achieved: <ol style="list-style-type: none"> Receive completed bill of quantities from SMME's by 24 May 2024 Appoint SMME's (contractors) by 27 May 2024 Resume procurement process to secure PO's by 15 June 2024 Resume contraction work by 30 June 2024 	May 2024 – June 2024
<i>Ends.</i>		SLID E 2



TIMELINES



Key Milestones	March '24	April '24	May '24	June '24	July '24	Aug '24
Appoint an engineer						
Develop plans for steel structure, warehouse and guardhouse						
Develop scope of works for fence and concrete slab (survey for parameter fence, drawings, designs and scope)						
Procurement of machines, steel structure						
Engage stakeholders to provide progress report (LLM, candidates and community) and Cooperative Management training						
Advertise and appoint SMME for fence and concrete slap						
Procurement process to secure a PO's						
Build a guardhouse						
Erect fence, build concrete slaps						
Install a steel structure						
Connect plumbing and electricity						
Connect machines and provide training to candidates						
Open a bank account						
Handover the project to LLM and candidates						
Monitor and evaluate						
Exit the project						



FOOD NUTRITION AND FARMERS DEVELOPMENT

SCOPE AND IMPACT

The Food Nutrition and Farmers Development project is dedicated to bolstering food security in Letsemeng by empowering informal farmers. This is achieved through accredited business management training, technical farming skills development, facilitating market connections, and providing monitoring and mentorship over a 12-month period.

Impact:

KDM has provided infrastructure development to the project which includes drilling a borehole, providing vital water access to Reikaeletse and the wider Koffiefontein community, ensuring the project's success and sustainability.

SCHEDULE

Start Date	End Date	% Completion
1 January 2024	30 June 2024	80%

BUDGET

Budget (mil)

R1 300 000

KEY MILESTONES

- KDM has forged partnerships with Community Works Programme (CWP) and Reikaeletse High School in Koffiefontein to maximize the impact of the investment in the community.
- 25 Farmers received Agri-Seta-accredited NQF level 4 technical training, farming expertise, and ongoing mentorship.
- Register a Cooperative

KEY NEXT STEPS

- Register a Cooperative by 30 May 2024
- Complete the installation of the net frost by 30 May 2023
- Planting of vegetables on going
- Access to USAVE local market
- Monitor the progress on going
- Exit the project 30 December 2024

IN PICTURES

Farmers Development Training



CODE 14 DRIVERS LICENSES

SCOPE AND IMPACT

KDM is offering an opportunity to 100 community members to receive Code 14 learners and drivers' certificates as part of the portable training to the community.

Impact:

The portable skills training will offer an opportunity to access alternative employment outside mining.

BUDGET

Budget (mil)

R2 000 000

KEY MILESTONES

- Application: Total number of 733 application
- Group A – Intakes = 67 people
- Koffiefontein community – 90% applications
- Ex-employees currently in class for learners - 4
- Ex-employees with learners – booked for license - 3
- Community with learners – 11
- Community without learners – 49

SCHEDULE

Start Date	End Date	% Completion
03 April 2024	30 August 2024	50%

KEY NEXT STEPS

1. **Group A:** 67 people
 - Booking for learners: 6 May 24 – 36
 - Writing learners test on 9 May: 18 community members
 - Writing learners test 14 May: 18
2. **Group B** – 33 new intake – to book for learners licenses on 14 May 2024
 - Candidates with learner license to book for appointments on 14 May 2024

IN PICTURES

Code 14 Drivers Licenses Training



18 community members received learners certificates on 09 May 2024

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SCHOOLS SUPPORT PROGRAMME

SCOPE AND IMPACT

Project description: KDM is providing mathematics, science, and accounting weekend classes to learners in the Letsemeng Local Municipality's schools. The program's focus is to improve the pass mark of the mentioned subjects as well as increase the chances of accessing higher learning institutions.

Impact:
The aim is to enhance the pass rate and boost the number of students eligible for acceptance into university institutions.

SCHEDULE

Start Date	End Date	% Completion
1 September 2023	30 November 2024	40%

BUDGET

Budget (mil)
R2 500 000

KEY MILESTONES

- To recommence support for schools under the administration of an NPO by May 2, 2024.
- Enhance teaching through Saturday's tutoring sessions for learners.
- Organise a Careers Fair for grade 11 and 12 learners.

KEY NEXT STEPS

- Monitor the progress until the project concludes by November 2024.

IN PICTURES



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KDM EXTRA SUPPORT PROJECTS

Element	Project	Budget
Social Transition	Herbs Project	R 5 000 000
	Hub	R 1 480 000
	Lively Hood Project	R 2 000 000
	CSI	R 1 200 000
Totals		R 9 680 000



CONSTRUCTION OF THE SMME'S HUB

SCOPE AND IMPACT

KDM is constructing a Small, Medium, and Micro Enterprises (SMME) Hub in Koffiefontein.

Impact:

The main goal is to cultivate an entrepreneurial mindset among the residents of Koffiefontein by establishing a supportive atmosphere for the growth and longevity of SMMEs within the Letsemeng Municipality.

BUDGET

Budget (mil)

R1 480 000

KEY MILESTONE

- Appointed an Engineer
- Received drawings and designs
- Built the structure
- Fostered skills development

SCHEDULE

Start Date	End Date	% Completion
January 2024	30 June 2025	70%

KEY NEXT STEPS

- Landscaping is currently underway and scheduled for completion by May 3, 2024.
- The roofing structure will be installed by May 15, 2024.
- The interior construction tasks, including building interior walls, installing air conditioners, windows, and doors, as well as plastering interior walls and installing a kitchen unit, are anticipated to be finished by June 15, 2024.

IN PICTURES

Construction of an SMME HUB.



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CULTIVATION OF TURMERIC – PILOT PROJECT

SCOPE AND IMPACT

KDM is embarking on piloting herb cultivation with the goal of nurturing skill development, generating employment opportunities, and playing an active role in enhancing the entire herbs cultivation value chain.

Impact:

KDM, in collaboration with Global Africa Herbal, has facilitated skills development in organic herb farming, covering essential tasks such as land preparation, planting turmeric seeds with proper watering techniques, and maintaining meticulous recordkeeping to ensure accurate traceability of the organic herbs.

SCHEDULE

Start Date	End Date	% Completion
01 December 2023	30 June 2025	5%

BUDGET

Budget (mil)

R5 000 000

KEY MILESTONE

- KDM has offered temporary employment to 30 young individuals who were previously unemployed in Koffiefontein.
- They have been trained in turmeric farming to develop their skillset.

KEY NEXT STEPS

- April 30, 2024, ensure Frost Net is installed to shield the plants during the winter season.
- Assign a team of five employees to oversee plant maintenance throughout the winter.
- Plan for harvesting in March 2025, followed by drying the plants by April 30, 2025. The aim is to package the turmeric for the market by June 2025.

IN PICTURES

Farm 733



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CSI INITIATIVES: Construction of Ablution facilities

Total budget: R589 000

Project Description

BDM is presently constructing ablution facilities for the Koffiefontein daycares. Moreover, BDM has been actively supporting daycares in Koffiefontein by providing them with gym equipment, tables, chairs, and mobile classrooms.

Location:

The daycare centres are located in Dithlake Koffiefontein

Project beneficiaries

Approximately 300 toddlers will benefit from the project as they will have access to tap water for handwashing upon using the facility. Additionally, the ablution facilities will accommodate disabled children with their designated toilets. Overall, the ablution facilities will promote a hygienic environment conducive to teaching and learner development.

Project Impact:

This initiative aims to significantly enhance infrastructure development for local daycares, thereby positively impacting the community.



Replacement of Pit Toilets



CSI SMALL BUSINESS GRANT

SCOPE AND IMPACT

The main goal of this project is to provide assistance to informal traders by catering to their requirements in launching small businesses or securing financial aid (grant funding) to expand their current enterprises.

Impact:

Providing grants to SMMEs will have a positive impact on the livelihoods of the Koffiefontein community. It will stimulate economic growth, create employment opportunities, and foster entrepreneurship, ultimately leading to improved living standards and overall well-being for the community members

BUDGET

Budget (mil)

R2 000 000

KEY MILESTONES

- Applications for grant received by 30 February 2024
- 1st Adjudication process on requests received conducted on 12 April 2024
- 2nd of Adjudication process to place on the 19th of April 2024
- We currently sourcing quotations to evaluate the cost against the budget.

SCHEDULE

Start Date	End Date	% Completion
03 April 2024	30 August 2024	50%

KEY NEXT STEPS

1. To visit business to conduct the needs analyses by 15 May 2024.
2. Communicate results by 30 May 2024
3. Handover the goods by 01 June 2024.

IN PICTURES

CSI Grant Project



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