



Mayor Cllr, RBI Mocwaledi



INTEGRATED DEVELOPMENT PLAN FOR 2023/2024 YEAR

LETSEMENG LOCAL MUNICIPALITY

*"A responsive Municipality in pursuit of Service
excellence"*

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COGTA	Department of Corporate Governance and Traditional Affairs
CPI	Consumer price index
CWP	Community Work Programme
DDM	District development model
DoRA	Division of Revenue Act
EAP	Employee Assistance Programme
ECD	Early Childhood Development
EPWP	Extended Public Works Programme
LDS3	Letsemeng Integrated Development Plan & Growth & Development Strategy
GFST 2030	Growing Free State Together
GRAP	Generally Recognised Accounting Practice
GVA	Gross Value Added

HR	Human resources
HSP	Human Settlement Plan
ICT	Information and Communications Technology
IDP	Integrated Development Plan
IUDF	Integrated Urban Development Framework
IWMP-	Integrated Waste Management Plan
KFA	Key focus area
KPA	Key performance area
KPI	Key performance indicator
LED	Local Economic Development
MEC	Member of the Executive Council
MFMA	Municipal Finance Management Act
MMC	Member of the Mayoral Committee

LLM	Letsemeng Local Municipality
MPAC	Municipal Public Accounts Committee
mSCOA	Municipal Standard Chart of Accounts
MSTF	Medium Term Strategic Framework
MTREF	Medium Term Revenue and Expenditure Framework
NDP 2030	National Development Plan
NERSA	National Energy Regulator of South Africa
NKPA	National KPA
PCF	Premier's Co-ordinating Forum
PDO	Predetermined development objectives
PMS	Performance management system
PoE	Portfolio of evidence
SALGA	South African Local Government Association
SAPS	South African Police Service
SDF	Spatial Development Framework
SDGs	Sustainable Development Goals
SHEQ	Safety, health, environment and quality
SMME	Small, medium and micro enterprise
SOE	State-owned Enterprise
SPLUMA	Spatial Planning and Land Use Management Act
SWOT	Strengths, Weaknesses, Opportunities, Threats
TER	Township Economic Revitalisation



Message from the Mayor

The revision of 2023/2024 Integrated Development Plan (IDP) represents the 1st review of the 2022 – 2027 Integrated Development Plan that was approved by council in 2022. With the IDP being an enabler for mutual accountability towards the attainment of agreed development priorities; the constitute of a social contract between the Council and residents of the Letsemeng area is fundamental for development of the municipality

A significant large number of our citizens continue to live in a poverty trap inherited from past discriminatory policies, which must be corrected by all role-players, including this Council. Most of our poor, being young and old struggle with basic healthcare services for their families, often unaware of the basic services available to them. This calls for a direct intervention from this council to enhance its Indigent Outreach programme, focussed on registering as many as possible indigents on our Indigent register. This will enable most citizen to the entitled access to basic services to bring relief to destitute families.

The skills shortage makes it difficult to attract jobs to economically depressed areas which, in turn, deprives people of employment opportunities leaving most dependant on government grants. We must encourage our Tourism and Agricultural sectors to be open for partnerships between black and white owners to reflect the diversity of the Letsemeng Local Municipality, but more importantly expand an empowered black economic base. The concentrate on skills development in line with local industries must be prioritised by both this Council, the District Council and the Provincial Government of the Free State Province. I therefore expect more direct interaction between the different spheres of government to work towards the establishment of industry friendly skills centres within the parameters of the District Development Model (DDM)

As Honourable Mayor, I am aware of the numerous responsibilities bestowed on the Council to bring about fundamental changes to our Municipality that will have a positive effect on the livelihoods of all our people.

Local Government is both the most integral sphere of government and the one that influences most on the everyday lives of citizens and is evaluated by its ability to provide services, promote socio-economic development effective governance and responsiveness to public need.

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:

1. Providing excellent, democratic, transparent, and open government with zero tolerance for corruption at any level.
2. Getting the basics and provide for the most fundamental needs of our citizens by getting the basic service delivery right
3. 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.
4. Helping our citizens to be successful by enabling opportunities and driving local economic growth.
5. Creating a better future for all by taking a firmly sustainable approach.

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

- A professional service to every town, settlement and to the rural area;
- Create a platform for local economic development that can result in job creation;
- Create opportunities so that ordinary citizens can take responsibility and break free from the cycle of Poverty;
- Good financial planning and control, free of any form of corruption;
- 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; NGO's; NPOs and stakeholders who participated in the IDP/Budget review process that commenced on the 5th of May 2023 at Jacobsdaal and

concluded on the 27th of June 2023 at Phambili. This IDP is a product of a collective effort by various role players in the Letsemeng Local Municipality.

I would also like to thank my fellow Councillors, the Municipal Manager, all Directors and the IDP team and support staff who worked tirelessly in meeting the challenges of compiling this document in-house successfully.

I wish to invite all of you – 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!

Hon. Mayor

Councillor Reamogetse Bonolo Ingrid Mocwaledi

Message from Municipal Manager

Local Government is one sphere where the rubber meets the tar and we are at coal-face of service delivery. Service delivery should be certain, tangible. **ACTION IS REAL**

It is for this reason that the Honourable Mayor, Councillors and the entire Senior Management have embarked on a gruelling process of embarking on a rigorous **Integrated Development Plan (IDP)** and **Budget Consultation** with Communities, starting with NGO, Farmers, Businesses, SMMES and finally with communities in all wards of Letsemeng.

The primary purpose was for the Honourable Mayor and Councillors to solicit inputs, suggestions and valuable ideas that will help navigate the municipality to greater heights. And most importantly to enhance and improve service delivery.

The annual review of the Integrated Development Plan is a legislative requirement in terms of **Section 34** of the **Municipal Systems Act**. It stipulates that a Municipal Council must review its Integrated Development Plan annually in accordance with an assessment of its performance measurements in terms of **Section 41**, and to *the extent that changing circumstances so demand* and may amend its Integrated Development Plan in accordance with a prescribed process.

Therefore this emphasises the need to consult communities when such changes emerge. The annual Budget and the IDP are linked to one another as promulgated in the **Municipal Finance Management Act** in **2003**.

Given the precarious financial position of the municipality, greater efforts will be implemented in the new year in pursuance of revenue enhancement measures that would assist in progressively growing the collection rate of the municipality to 85% in the 2023/2024 FY

I, as the Acting Municipal Manager of Letsemeng wishes to acknowledge the political stewardship provided by all councillors and the unstinting commitment demonstrated by senior managements and all members of staff.

MR KJ MASEKOANE

ACTIN MUNICIPAL MANAGER

Chapter 1: Introduction

1.1 Background, Legislative Framework & Mandate

An IDP is the principal strategic planning instrument of the municipality which guides and informs all planning and development, and all decisions with regard to planning, management and development, in the municipality. It binds the municipality in the exercise of its executive authority and binds all other persons to the extent that those parts of the integrated development plan that impose duties or affect the rights of those persons have been passed as a by-law and it should be a product of intergovernmental and inter-sphere planning;

The plan should be a long term, covering a medium term revenue expenditure framework (MTREF). The projects in the IDP are also linked to the municipality's budget.

An IDP is a super plan for an area of that provides an overall framework of development and it also outlines resources coordinated to implement formulated objectives which are aligned to the environment of Letsemeng Local Municipality

The Integrated Development Plan objective is intended to link and coordinate sectoral mandates, strategies and interventions. Aligns strategic priorities with financial and human resources and integrates community inputs, priorities and resources.

1.2 Legislative context

1.2.1 The Constitution of the Republic of South Africa

The Constitution of the Republic of South Africa outlines the kind of local government needed in the country. According to the Constitution (sections 152 and 153), local government is in charge of the development process in municipalities, and notably is in charge of planning for the municipal area and describes the following objectives of local government;

- To ensure the sustainable provision of services;
- To provide democratic and accountable government for all communities;
- To promote social and economic development;
- To promote a safe and healthy environment;
- To give priority to the basic needs of communities; and;
- To encourage involvement of communities and community organisations in matters of local government.

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

1.2.2 Municipal Systems Act No. 32 of 2000

Provides for the core principles, mechanisms and processes that are necessary to enable municipalities to move progressively towards the social and economic upliftment of local communities and ensure universal access to essential services that are affordable to all and related matters.

The Municipal Systems Act (MSA) Act 32 of 2000, Chapter 5 of this act requires municipalities to develop the Integrated Development Plan and provides for its core components, guiding from the 5 year Council adoption to the annual review thereof

Section 25 (1) of the Municipal Systems Act, No 32 of 2000

Section 25 (1) of the Municipal Systems Act stipulates that "Each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality".

The Municipal Systems dictates that the IDP should:

- Link, integrate and coordinate plans; and
- Should take into account proposals for the development of the municipality;
- In addition the plan should align the resources and capacity of the municipality with the implementation of the plan.

Moreover, the plan must form the policy framework and general basis on which annual budgets must be based. Furthermore, the plan should be compatible with national and provincial development planning requirements binding on the municipality in terms of legislation.

Section 28 of the Municipal Systems Act (Adoption of process)

Each municipal council, within a prescribed period after the start of its elected term, must adopt a process set out in writing to guide the planning, drafting, adoption and review of its integrated development plan. The municipality must through appropriate mechanisms, processes and procedures established in terms of Chapter 4, consult the local community before adopting the process.

A municipality must give notice to the local community of particulars of the process it intends to follow.

Section 34 of the Municipal System Act

It should be noted that section 53 (1) (b) of the MFMA requires that the Mayor of the municipality and not the MM as the Accounting Officer, must coordinate the annual revision of the IDP and should determine to what extend the IDP must be revised or take into account for the purpose of the budget of the municipality.

Section 35 of the Municipal System Act

The IDP has a legislative status. Section 35 (1) of the Municipal Systems Act states that an IDP adopted by the Council of a municipality—

- ♦ Is the principal strategic planning instrument which guides and informs all planning and development, and all decisions with regard to planning, management and development, in the municipality;
- ♦ Binds the municipality in the exercise of its executive authority, except to the extent of any inconsistency between a municipality's integrated development plan and national or provincial legislation, in which case such legislation prevails; and

- ◆ Binds all other persons to the extent that those parts of the integrated development plan that impose duties or affect the rights of those persons have been passed as a bylaw.

In accordance with **above mentioned Chapter**, all Categories of Municipalities in South Africa, ranging from Metropolitan, District and Local Municipalities to review their five year IDP (2022-2027) if the circumstances in their localities have changed.

The Local Government Municipal System Act was amended in 2022 to amplify the following provisions:

- to provide for procedures and competency criteria for appointment of section 54A and 56 managers, and for the consequences of appointments made otherwise than in accordance with such procedures and criteria;
- to make further provision for the evaluation of the performance of municipal managers and managers directly accountable to municipal managers;
- to require employment contracts and performance agreements of municipal managers and managers directly accountable to municipal managers to be consistent with the Act and any regulations made by the Minister;
- to bar municipal managers and managers directly accountable to municipal managers from holding political office in political parties;
- to regulate the employment of municipal employees who have been dismissed;
- to provide for the approval of staff establishments of municipalities by the respective municipal councils;
- to prohibit the employment of a person in a municipality if the post to which he or she is appointed is not provided for in the staff establishment of that municipality;

The Local Government: Municipal Planning and Performance Management Regulations of 2001

The Local Government: Municipal Planning and Performance Management Regulations of 2001 set out the following minimum requirements for an Integrated Development Plan: Regulation 2 (1) states that the municipality's IDP must at least identify:

- The institutional framework, which must include an organogram required for the Implementation of the Integrated Development Plan and addressing the internal transformation;
- Any investment initiatives in the municipality;
- Any development initiatives in the municipality, including infrastructure, physical, social and institutional development;

1.2.3 Local Government: Municipal Structures Act, No 117 OF 1998

The abovementioned Act provides for the establishment of municipalities and defines the various types and categories of municipalities. Three categories of municipalities exist in South Africa after demarcation: Category A (Metropolitan), Category B (Local), Category C (District). Letsemeng Local Municipality is a Category "B" Municipality.

It further defines the types of municipalities that may be established within each category, to provide for an appropriate division of functions and powers between categories of municipalities; to regulate the internal systems, structures and office-bearers of municipalities and finally to provide for appropriate electoral systems.

Of particular note, the Act provides for the establishment of ward committees that will be assisting Council and elected representatives in deepening local democracy and facilitating the meaningful participation of communities in local government.

The Act elaborates institutional arrangements such as Section 79 Committees for provision of oversight and ensuring that municipal administration account to council and invariably to communities.

The Act was amended in 2021 and amplified the following provisions

- to remove all references to plenary executive system as a type of municipality;
- to provide for a minimum of 10 councillors per municipality;
- to provide for the prohibition of a councillor who was found guilty of a breach of the Code of Conduct for Councillors for a period of two years;
- to require the municipal manager to inform the MEC for local government in the province in addition to the Electoral Commission of ward vacancies;
- to provide that the MEC call and set the date for by-elections;
- to allow the MEC to designate a person to call and chair a meeting of the municipal council when the speaker, acting speaker or municipal manager refuses to call the meeting;
- to provide for additional functions of the speaker;
- to provide for a whip of municipal council;
- to provide for the establishment of a municipal public accounts committee;
- to amend the timeframe for the municipal manager to inform the chief electoral officer of vacancies;
- to allow for the MEC to inform the chief electoral officer of vacancies if the municipal manager fails to do so;
- to clarify the supplementation of party lists for local municipalities;
- to provide for a Code of Conduct for Councillors;



1.2.4 Local Government: Municipal Demarcation Act, 27 of 1998

The Local Government: Municipal Demarcation Act, Act 27 of 1998, provides a legal framework for defining and implementing a post-transitional system of local government.

The Act provides for the criteria and procedures for the determination of municipal boundaries by an independent authority; which in this case is the Municipal Demarcation Board. Thus far Letsemeng has not been affected by the resolution of the demarcation board.

1.2.5 Local Government: Municipal Finance Management Act, Act No 56 of 2003

This aims to secure sound and sustainable management of the financial affairs of municipalities and other institutions in the local sphere of government; to establish treasury norms and standards for the local sphere of government. It sets out the procedures for efficient and effective management of all revenue, expenditure, assets and liabilities. It establishes the duties and responsibilities of officials in charge of finances. The Act aims to secure transparency, accountability and sound financial management in local government.

Section 21 (2) of the Municipal Finance Management Act (Act 56 of 2003) (MFMA) states that, when preparing the annual budget, the Mayor of a municipality must:

- Take into account the municipality's Integrated Development Plan;
- Take all reasonable steps to ensure that the municipality revises the integrated development plan in terms of section 34 of the MSA, taking into account realistic revenue and expenditure projections for future years;
- Take into account the national budget, the relevant provincial budget, the national government's fiscal and macroeconomic policy, the annual Division of Revenue Act and any agreements reached in the Budget Forum; Consult
- The relevant district municipality and all other local municipalities within the area of the district municipality, if the municipality is a local municipality;
- The relevant provincial treasury and when requested, National Treasury and any National or Provincial organs of State, as may be prescribed and;
- Provide on request, any information relating to the budget.

1.2.6 Local Government: Municipal Property Rates Act, Act No. 6 of 2004

The Act is aimed at ushering uniform rating system of property in the Republic of South Africa. It further regulates the power of municipality to impose rates on property; to exclude certain properties from rating in the national interest; to make provision for municipalities to implement a transparent and fair system of exemptions, reductions and rebates through their rating policies; to make provision for fair and equitable valuation methods of properties; to make provision for an objections and appeals process; to amend the Local Government: Municipal Systems Act, 2000, so as to make further provision for the serving of documents by municipalities; to amend or repeal certain legislation.

1.2.7 Spatial Planning and Land Use Management Act (SPLUMA), Act No. 16 2013

SPLUMA has the following objectives:

- Provide for a uniform, effective and comprehensive system of spatial planning and land use management in the Republic,
- Ensure that the system of spatial planning and land use management promotes social and economic inclusion;
- Provide for development principles and norms and standards ;
- Provide for sustainable and efficient use of land;
- Provide for cooperative government and intergovernmental relations amongst the national, provincial and local spheres of government; and
- Redress the imbalances of the past and to ensure there is equity in the application of spatial development planning and land use management system.

Critically, the Act prescribes development principle and norms and standards to inform land use management and development. Importantly, the Act outlines envisaged inter-governmental support to be provided to municipalities in implementing the Act.

The Act, provides a guide on the preparation and content of municipal Spatial Development Framework and Land Use Management Scheme.

Furthermore, the Act provides for the following;

- Establishment and composition of Municipal Planning Tribunal (MPT), term of office of members of Municipal Planning Tribunals;
- Disqualification from membership of Municipal Planning Tribunals;
- Processes to be followed in approving land development applicants; and
- Provide for related land development this provision of the MFMA also link up with section 34 of the Municipal Systems Act, Act 32 of 2000 which requires that a municipal council must review its IDP annually and may then amend it according to a prescribes process. Such a review and amendment of the IDP should be based on the Municipality's performance measurements and the extent to which changing circumstances have demanded it.

1.3 Political Vision

The political vision is derived from the electoral promises made by the Mayor to the Letsemeng community during elections campaign. They are outlined as follows:

Promise 1: Water, Sanitation, Sewerage and Roads

- Maintain and develop water and sewerage infrastructure and drastically reduce water leaks.
- Increase the number of boreholes and water tanks in communities.
- Rehabilitate water pump stations and waste water equipment and improve reticulation.
- Fix roads, potholes, sewage spillages and broken water pipes.



- Increase the number of skilled personnel like engineers, process controllers and shift workers to maintain water, sanitation, and road infrastructure.
- Ensure all poor households receive the free water allocations they are entitled to

Promise 2: Electricity

- Secure the operational and financial stabilisation of Eskom.
- Significantly increase the contribution of renewable energy to the country's energy mix through a diversification of energy sources through a just energy transition that creates new economic opportunities for workers and communities.
- Ensure safe and reliable electricity supply in this process.
- Ensure all poor households receive the amount of free electricity allocations that they are entitled to.
- New energy generation will provide opportunities for public employment programmes in solar energy space, etc.

Promise 3: Land and Housing

- Continue to upgrade informal settlements and counter urban sprawl as it increases the amount of time and cost of travelling.
- Ensure communities are located on well-situated land.
- Link rural areas to urban markets and non-farm sectors, including making land available for cooperative communal food gardens, with municipal support where possible.

Promise 4: Choose the best people to run the municipality

- Ensuring that the municipal staff that are appointed have the necessary competence and expertise. Changing the composition and mandates of ward committees to overcome the problems they have experienced and enable residents to play their part as active citizens to build communities and hold councillors and staff accountable.

Improving the quality of induction of councillors and officials of municipalities to respect legislated boundaries.

Promise 5 Create jobs and drive economic development

- Accelerate implementation of the Economic Reconstruction and Recovery Plan, which was launched in October 2020 to rebuild our economy due to the COVID-19 pandemic.
- Revitalise cooperatives.

- Reduce red tape, especially for SMMEs and informal businesses, speed up approvals
- Utilise the District Development Model to drive local economic development, including townships and villages, based on comparative and strategic advantages and in consultation with district-based stakeholders.
- Expand the number of Wi-Fi hotspots in communities at libraries, hospitals, clinics, schools and elsewhere through the increasing rollout of network infrastructure
- Develop fresh produce markets and promote the sale of foodstuffs in townships in community owned Stores.
- Building the waste recycling economy and waste picker integration and revitalisation of buy-back centres and improved management of landfill sites.

Promise 7: Food security

- Ensure support for community and cooperative food gardens, making municipal land available for such projects, to support schools and the impoverished support programmes.
- Link food production to support small-scale farmers and local procurement.
- Integrate community food garden projects into the Community Work Programme.

Promise 8: Fight corruption and end wastage

- Deal decisively and immediately with corruption, mismanagement, waste, and under-performance.
- Ensure municipality is run by ethical leaders, managers, and workers.
- Remove from office those who fail to do what they are paid to do.
- Focus on ethics and corruption risk management and stronger protection of whistle-blowers.
- Insource functions that can be better performed by municipalities. • End the practice of labour broking in municipalities and support the creation of sustainable jobs.
- Act speedily against officials conducting business with municipalities and against those implicated in maladministration.

Promise 9: Make Letsemeng a financial viable municipality

- Strengthen measures to generate revenue and improve revenue collection.
Increase and ring-fence money for the maintenance of infrastructure.
- Strengthen the municipal finance recovery service function and simplify financial recovery plans in municipalities.



- Maintain a dedicated focus on the interdependence between asset management, revenue management and service delivery.
- Find a long-term solution to the restructuring of historical uncollectable debts and write-offs that have been on municipal debt books for a long time.
- Amend all relevant legislation and rules so that no public representative or state employee may be in municipal arrears for more than three months.
- Undertake effective campaigns to deal with the culture of non-payment for services, but ensure we are delivering the necessary free basic services.

1.4 Governance and Council Structure

The council performs both legislative and executive functions in terms of the provisions of the Local Government: Municipal Structures Act (No. 117 of 1998) and the Local Government: Municipal Systems Act (No. 32 of 2000), the council focuses on legislative, oversight, decision-making (policies and bylaws), budget and participatory roles. Its primary role is to debate issues publicly and to facilitate political debates and discussions. Apart from their functions as decision-makers, councillors are also actively involved in community development programmes and various social programmes in the municipal area. They are the interface between the municipality and its communities. The council comprises 13 councillors. Councillors per political party are listed in the table that follows.

Table 1: Councillors per political party

Political Party	Number of Councillors
African National Congress (ANC)	9
Democratic Alliance (DA)	2
Economic Freedom Fighters (EFF)	1
Freedom Front Plus (FF+)	1

EXECUTIVE COMMITTEE (EXCO)

1. Cllr Bonolo Mocwaledi - Mayor
2. Cllr Itumeleng Ramohlabi - Chairperson (Finance & Technical committee)
3. Cllr Thabo Nthapo - Chairperson (Corporate & Community committee)

Finance & technical Committee

1. Cllr Itumeleng Ramohlabi – Chairperson
2. Cllr Molahlehi Lebaka
3. Cllr Mariska Potgieter
4. Cllr Vuyani Stuurman

Corporate & Community service Committee

1. Cllr Thabo Nthapo – Chairperson
2. Cllr Kgomotso Molusi
3. Cllr Semakaleng Lichaba
4. Cllr Mbuselo Lehare

Municipal Public Account Committee (MPAC)

1. Cllr Jessy Kumalo – Chairperson
2. Cllr Nikiwe November
3. Cllr Dalene Terblanche

1.5 Process Plan

Section 28 of the Local Government: Municipal Systems Act (No. 32 of 2000), requires that each municipal council, within a prescribed period after the start of its elected term, adopts a process plan that would guide the planning, drafting, adoption and review of the IDP. The process plan should have clear and established mechanisms, procedures, and processes to ensure proper consultation with the local communities.

In August 2021, after a period of public consultation, the municipality adopted the 2022–2027 IDP Process Plan. 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.

Table 2 Process Plan

ACTION	LEGISLATION	RESPONSIBILITY	ACTION DATE	TO WHOM
<i>Preparation Phase</i>				
Presentation of the Draft IDP Process Plan for 2022/23 to the IDP/Budget Steering Committee		IDP Manager/CFO	August 2022	Mayor, Councilors and Management
Tabling of the schedule of key-deadlines regarding the budget process for 2022/23 MTREF	Section 21(1)(b) of the MFMA	Mayor	August 2022	Council
Submission of draft IDP Review Process to Council for approval		Mayor	August 2022	Council
Submission of adopted 2022/23 IDP Review Process Plan to the District and COGTA		Accounting Officer	September 2022	District Municipality and COGTA
IDP Process Plan advertisement in newspapers and public places		IDP Manager	September 2022	Accounting Officer
Coordination of annual budget and IDP review process plan	Section 21, 22, 53 of the MFMA and 35 and 36 of the MFMA	Mayor and Accounting Officer	September 2022 – June 2023	Council
<i>Phase 1: Review Analysis</i>				

Assessment of IDP sector plans		IDP Steering Committee	September-November 2022	IDP & Sector Managers
Review of information to be added or amended to draft IDP		IDP Steering Committee	September – November 2022	Accounting Officer and all Heads of Departments
Phase 2: Strategic Analysis				
Determination of strategic objectives for Key Performance Areas and 3-year budget	Section 21, 22, and 53 of the MFMA	Mayor and Accounting Officer	January 2023	Council
Determination of strategic objectives for Key Performance Areas and 3 year budget	Section 21, 22, and 53 of the MFMA	Councilors and Officials	January 2023	Council
1 st IDP AND Budget Steering Committee Meeting Development/Review of Key Performance Areas, Key Performance Indicators and Targets		Accounting Officer	January 2023	Mayor
Submission of Department Plans for 2023/2024 FY		Senior Managers	January 2023	CFO
1 st IDP AND Budget Representative Forum Meeting		Accounting Officer	January 2023	Mayor
Ward Based Consultation process on IDP and Budget related Policies – Ward 1 – 7		Ward Councilors	February 2023 Johannes Mokopane Community Hall – Ward 1	Council
			February 2023 Opperhans Lutheran Church – Ward 1	
			February 2023	

			Kutlwisiso Community Hall – Ward 2	
			February 2023 Phambili School – Ward 3	
			February 2023 Ipetleng School Hall – Ward 3	
			February 2023 Walter Sisulu Community Facility – Ward 4	
			February 2023 Daniel Moopela Community Hall – Ward 5	
			February 2023 Bolokanang Community Hall – Ward 6	
Tabling of the 2022/23 mid-year budget performance review to Finance Committee and Council	Section 72 (1)(a) of the MFMA	Mayor	January 2023	Council
Assessment of IDP implementation status		Accounting Officer Heads of Departments	January 2023	Council
Tabling of the 2022/2023 Adjustment Budget	Section 69 (2) of the MFMA	Mayor	February 2023	Council
Review of Budget related policies for the 2023/24 FY	MSA 74 and 75 and MFMA 24 (2)(v)	Mayor with Accounting Officer, CFO and BTO	March 2023	Council

Review of tariffs (rates and service charges for 2023/24 FY)	MSA 74 and 75 and MFMA 24 (2)(v)	Section Finance BTO 79	March 2023	Council
Phase 3: Project Identification (Review of Projects)				
Review existing Project Template		IDP Steering Committee	January – March 2023	Accounting Officer
Review Development Strategies		IDP Steering Committee	October 2022– March 2023	Accounting Officer
Ward Consultation Process on Project prioritization through Sectoral Meetings targeting Rate Payers Associations		Mayor	March 2023	Council
Establish preliminary budget for each project		CFO and Heads of Departments	January 2023	Accounting Officer
Finalize Sector Plans		Heads of Departments	March 2023	Accounting Officer
Update 3 year Financial Plan, list of projects and 3 year Capital Investment Programme; to integrate with IDP to inform Strategic Municipal Budget aligned with IDP		Heads of Departments	February 2023	Accounting Officer
Preparation of the 2023/24 Financial Year's: <ul style="list-style-type: none"> • Capital budget • Operational budget • Salaries Budget • Tariff charges • Revised Budget • Draft SDBIP 		Chief Finance Officer	March 2023	Finance Committee
Draft Operating and Capital Budget to Management		CFO and Municipal Manager	March 2023	Finance Committee
Submission and presentation of all Capital projects for 2023/24 and the 3 year capital plan		Heads of Departments	February 2023	Council
IDP 2 nd Representative Forum Meeting		Mayor	March 2023	Council

Phase 4: Project Integration				
Screening of projects		IDP Steering Committee	February 2023	Section 79 Committee Planning and Development
Integration with Municipal Budget/ SDBIP		Accounting Officer CFO and Manager Development Planning	February 2023	Section 79 Committee Planning and Development
Submission of draft Operating and Capital Budget to Council	Section 16, 22, 23, 87 MFMA MSA S34	Mayor	March 2023	Council
Submission of the draft SDBIP to the Mayor		Accounting Officer	March 2023	Mayor
Submission of 2023/24 Draft IDP to Council		Mayor	March 2023	Council
Submission of draft IDP to COGTA for Provincial IDP Assessment		Accounting Officer	April 2023	MEC for COGTA
Provincial IDP Analysis			April 2023	COGTA
Submission of the tabled Annual budget to National Treasury and Provincial Treasury and publication of the tabled budget	Section 22(b) of the MFMA	Accounting Officer	April 2023	National Treasury and Provincial Treasury
Phase 5: Approval				
Presentation of the Revised 2023/24 IDP (After the Provincial Assessment)		IDP Steering Committee	April 2023	Municipal Manager
Consideration of inputs received from external stakeholders on the annual budget and IDP		Mayor Management	May 2023	Council
Tabling of the annual budget and budget related policies	Section 24 (3) of the MFMA	Municipal Manager	May 2023	Council
Final approval of IDP, Budget and PMS by Council			May 2023	Council
Submission of Final Service Delivery and Budget	Section 69 of the MFMA and	Accounting Officer and Senior Manager	June 2023	Mayor

Implementation Plan (SDBIP)	Section 53 (1)(c)(ii)			
Submission of the budget in the approved format to the Provincial and National Treasuries	Section 24 (3) of the MFMA	Accounting Officer	June 2023	National and Provincial Treasury
Submission of the approved and adopted 2023/2024 IDP to the MEC for COGTA			10 days after date of adoption.	Municipal Manager

Chapter 2: Situational Analysis

2.1 Spatial Analysis

LLM (FS 161) is a Category B municipality as defined in the Municipal Structures Act (No. 117 of 1998). It comprises 7 wards and is one of three local municipalities which constitute the Xhariep District Municipality. The other two are Kopanong Local Municipality and Mohokare Local Municipality.

Letsemeng Local Municipalities Demographic Overview

Our Municipality is situated in the South Western 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 North West 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 north-south 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 neighboring municipalities of the Xhariep District.



Figure 1: Regional Context

2.2 Demographic Analysis

LLM is predominantly rural in nature with extensive farming constituting approximately 75% of the total area of jurisdiction. The municipality does not conduct demography surveys and relies on Stats SA as the official source of demographic data. The demographic data outlined in the Figure below are derived from the 2011 Census and 2016 Community Survey provided by Stats SA. The municipality acknowledges that the data are outdated and commits to providing updated demographic figures once the 2022 Census information is made available by Stats SA.

2.2.1 Population & Household Profile

As of 2016, Letsemeng has a population of 40044, from 38 628 in 2011. The number of households has also grown significantly from a base of 29 964 to 38 046 as of 2016.

Herewith a detailed breakdown of the population STATS per age groups and gender for our municipality: - Population density measures the concentration of people in a region. To calculate this, the population of a region is divided by the area size of that region. The output is presented as the number of people per square kilometre.

Table 3: Total population and area size by population density

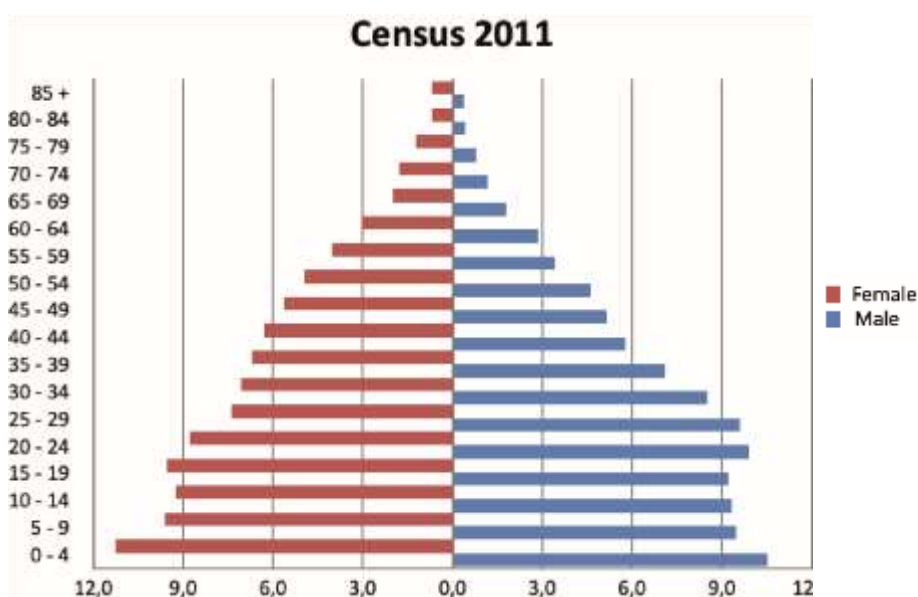
	Total Population	Area Size	Population density
CS 2016	40044	10 192	3.928963889

Data source: Statistics South Africa, Community Survey 2016

2.2.2 Population Pyramids

A population pyramid 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. The figures below show Letsemeng's population pyramid/structure of Census 2011 and CS 2016.

Figure 2: Population pyramid by age group and gender: Letsemeng Local Municipality 2011 and 2016



Data source: Statistics South Africa, Census 2011

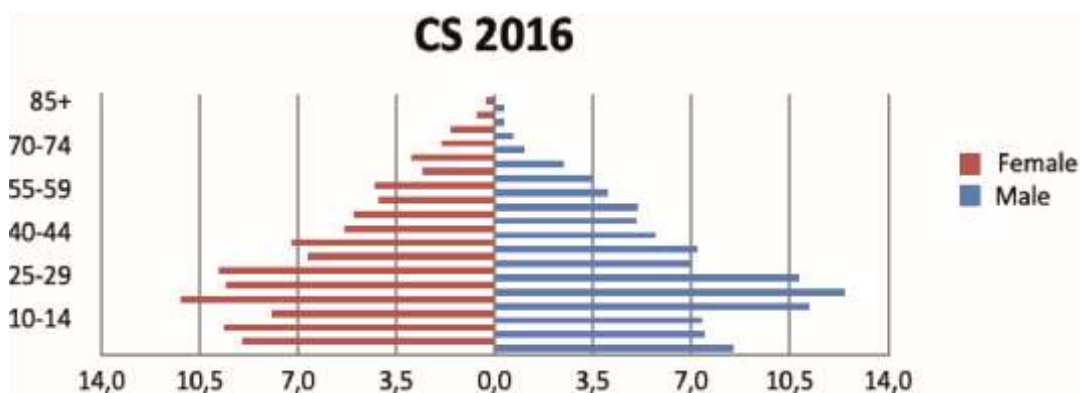
Table 4: Population by age group

Age group	DC 16: Xhariep	FS 161: Letsemeng
00-04	11 263	3501
05 – 09	11 796	3396
10-14	10 295	3058
15-19	14 021	4475
20-24	11 759	4449
25-29	12 207	4142
30-34	10 223	2727
35-39	8 263	2891
40-44	6 569	2223
45-49	6 257	2018
50-54	5 728	1863
55-59	5 311	1661
60+	12 193	3639
Total	125 885	40043

Data source: Statistics South Africa, Census 2011.

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.

Figure 3: total number of gender population and age group

Data source: Statistics South Africa, Community Survey 2016

Figure 3 above displays that, in 2016 Letsemeng local municipality males had highest proportions for age group 20-24 than females. As age increases the population decreases. Both males and females numbers started to decrease from age group 40-44 years. In 2016 municipality had lowest population in age group (0-4) for both males and females as compared to Census 2011 had the highest population proportion on age group 0-4 years. In 2016 pyramid shows that fertility rates decreased as 0-4 year's age group decreased and that more male children were born than female children.

2.2.3 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 5: Population distribution of Letsemeng Local Municipality by gender and sex ratios

	Gender		Total	Sex ratios (Males per 100 Females)
	Male	Female		
Census 2011	19 852	18 777	38628	105
CS 2016	21 140	18 904	40 044	111

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

Table 5 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 6: 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 6 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 7: 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 4: Distribution of population by municipality, sex and functional age group

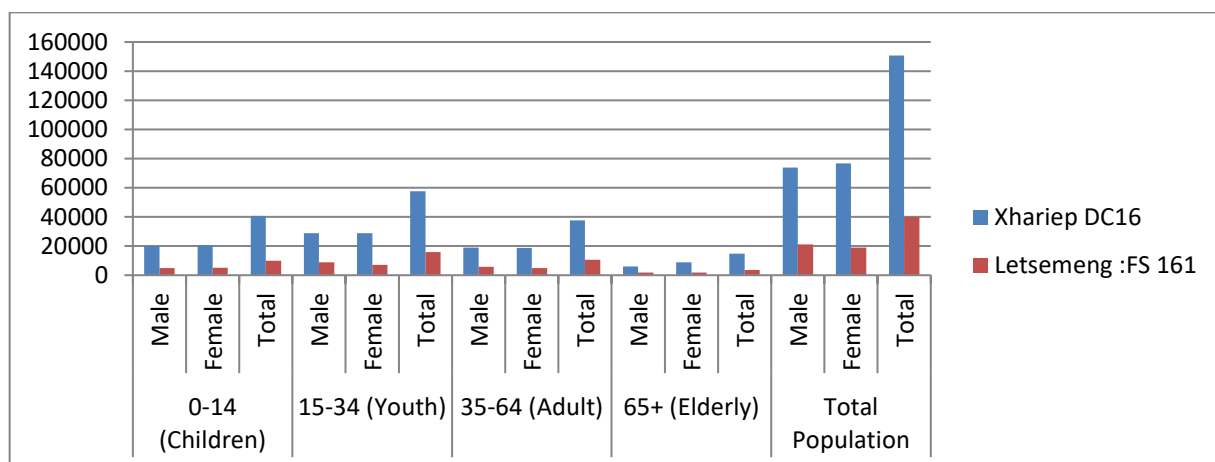


Figure 4 above illustrates that age group of 15 – 34 which is mostly youth, contributes a large population number of Letsemeng municipality, while the male population is slightly higher than that of the female.

2.2.4 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.

Table 8: Distribution of Letsemeng Local Municipality population aged between 15 and 64 years by employment status, gender and unemployment rate

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 2011

Table 8 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 9: 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 9 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 10: 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	1252913	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 10 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 11: 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/structure made of traditional	Flat or apartment in a block of flats	Cluster house in a complex	Townhouse (semi-detached 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/flatted 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

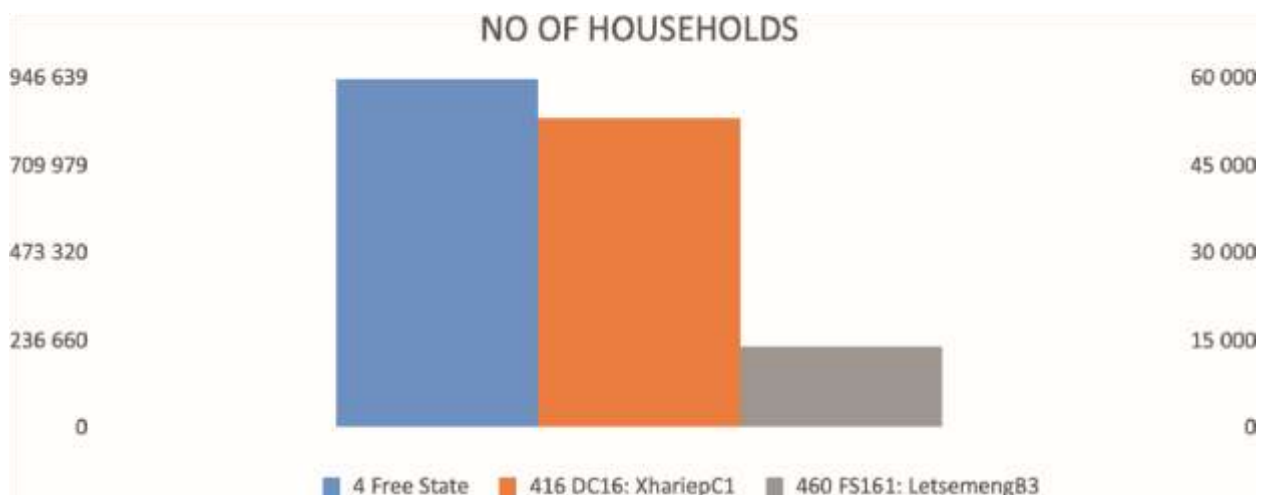
Table 11 above indicates the comparison between numbers of main dwelling that household currently lives in. Of particular note, the formal dwelling /concrete block structure has been found to be the highest followed by informal dwelling/shack not in backyard within the vicinity of Letsemeng.

Table 12: 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 12 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 13:** 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 13: 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.

2.2.5 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.

2.2.5 Orphanhood

Table 14: 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 14 presented above show a high number of maternal orphans compared to paternal orphans. This is observed across the area of Letsemeng.

2.3 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 15: gross value added (gva) by broad economic sector - Letsemeng local municipality, 2016 [billions, current prices]

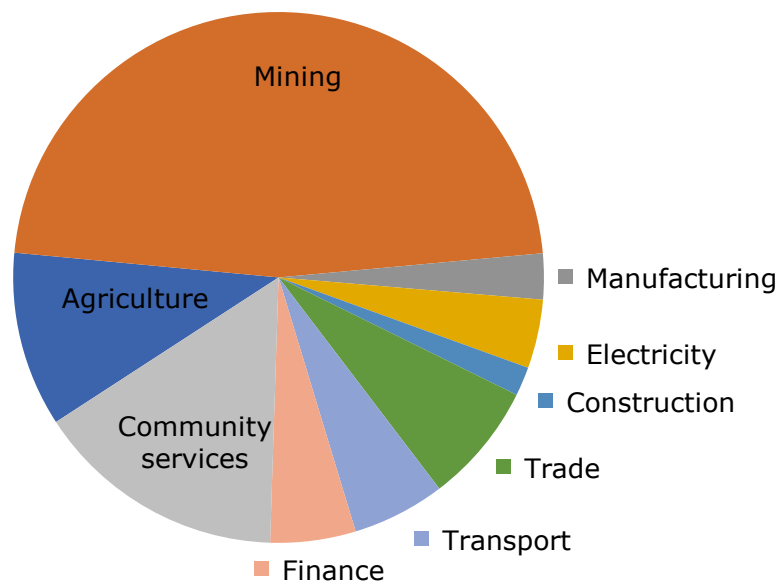
	Letsemeng	Xhariep	Free State	National Total	Letsemeng as % of district municipality	Letsemeng as % of province	Letsemeng as % of national
Agriculture	0.2	0.8	9.4	94.4	23.2%	1.92%	0.19%
Mining	0.8	0.9	19.7	304.4	92.0%	4.05%	0.26%
Manufacturing	0.0	0.2	22.5	517.4	26.7%	0.21%	0.01%
Electricity	0.1	0.1	9.1	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

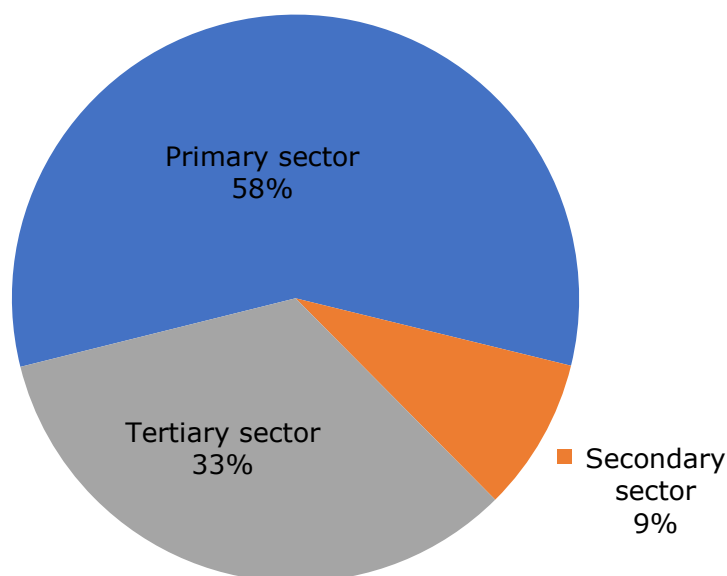
In 2016, the mining sector is the largest within Letsemeng Local Municipality accounting for R 798 million or 47.1% of the total GVA in the local municipality's economy. The sector that contributes

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)

2.3.1 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.

2.3.2 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 as with -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.

2.3.3 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.

2.4 Institutional Analysis

LLM is dedicated to improving as an institution by ensuring alignment and adherence to legislation as well as using innovation and technology to enhance operations. The following section highlights operational structures.

2.4.1 Committees

The Council has established two (2) Section 80 Committees in terms of the Municipal Structures Act and the Municipal Finance Management Act to assist the council in its legislative functions. The Committees are 1. Finance and Technical Committee and 2. Community and Corporate Services.

- Section 80 Committees

Section 80 committees are established to assist the Executive Committee (EXCO) and the Council. The Council elects the chairpersons of these committees and may delegate power to these committees. The Mayor is the Chairperson of the EXCO. The EXCO may change or revoke any decisions/recommendations taken by these committees. All Section 80 committees report to the EXCO

Table 16: Composition of the Section 80 Committees

Finance & Technical Services Committee	Corporate & Community Services Committee
1. Cllr Itumeleng Ramohlaba – Chairperson 2. Cllr Molahlehi Lebaka 3. Cllr Mariska Potgieter 4. Cllr Vuyani Stuurman	1. Cllr Thabo Nthapo – Chairperson 2. Cllr Kgomotso Molusi 3. Cllr Semakaleng Lichaba 4. Cllr Mbuselo Lehare

Municipal Public Accounts Committee

The Municipal Public Accounts Committee (MPAC) was established with specific terms of reference to assist Council with its oversight function. The MPAC functions as the oversight committee of Council in respect of the Annual Report, and its oversight report is submitted and published in accordance with the MFMA requirements and guidance.

Table 17: Composition of the MPAC

Finance & Technical Services Committee	
1.	Cllr Jessy Kumalo – Chairperson
2.	Cllr Nikiwe November
3.	Cllr Dalene Trablance

2.4.2 Management and Operational Systems

The Council has the following operational and management systems in place:

Management structure

The municipal administration is divided into many different directorates and sub-directorates, all of which deliver specific services. Some sub-directorates focus on service delivery, whilst others are more concerned with internal affairs, such as the Corporate Services.

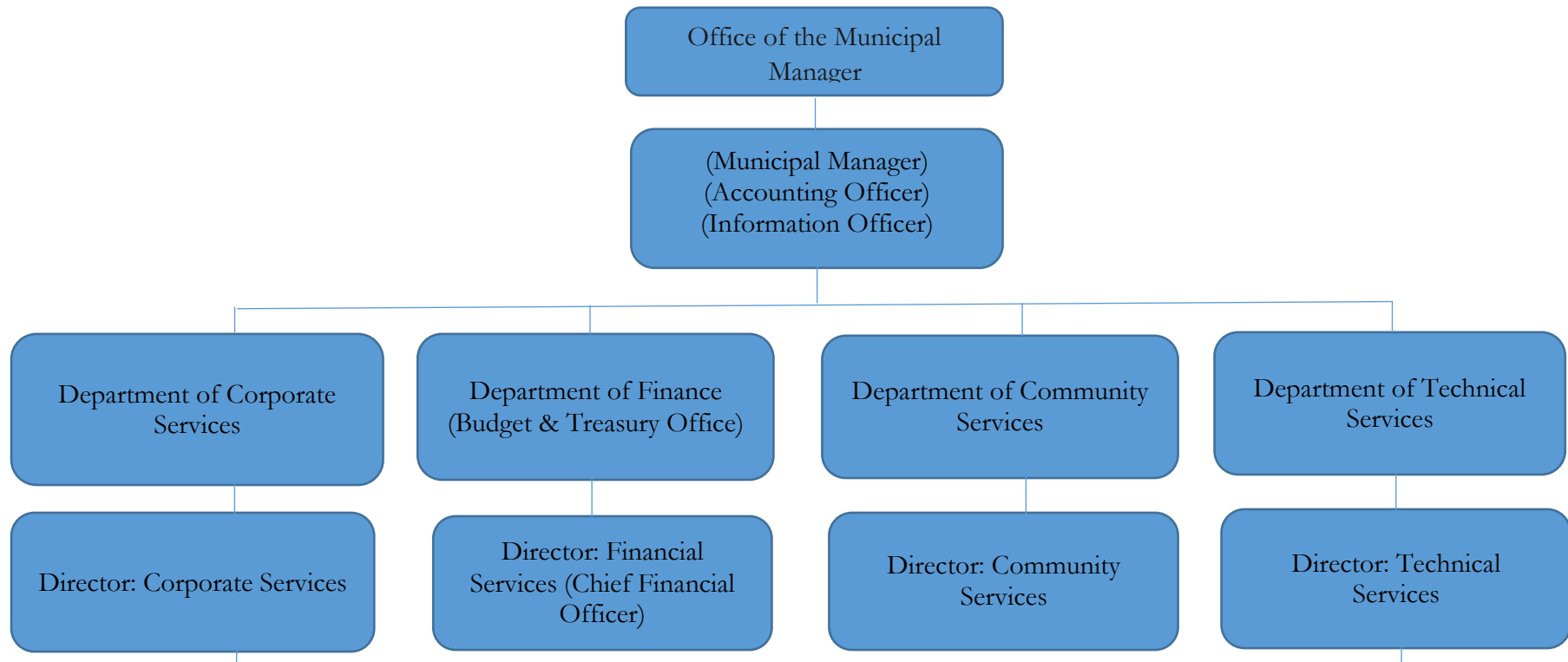
The administration of the Municipality is based on 4 directorates. These directorates are illustrated as per the structure below;

The administration is headed by the Municipal Manager as the Chief Accounting Officer. The day to day management of the municipality it's carried out by staff under the stewardship of the municipal manager and heads of directorates.

The top administration structure is made up of the following Directorates headed by members of the Senior Management Team:

- Acting Municipal Manager – Mr KJ Masekoane Acting Director: Finance – Mr S Tooi
- Acting Director: Technical Service – Mrs D Tsikang
- Acting Director: Community Services – Mr Isaac Bonani
- Director Corporate Services – Mr S G Qwelane (Acting)

MACRO - STRUCTURE



Risk Management

The municipality has a functional risk management unit in terms of Section 62 (1) (c) (I) and 95 (c) (1) of the Municipal Finance Management Act. The risk assessment is conducted on a continuous basis in order to assess issues relating to strategic operational and fraud risk. The aforesaid unit has developed Risk Management Strategy, Risk Management Policy, Anti-fraud & Corruption Strategy, Anti-fraud and Corruption Policy, Risk Management Charter and Risk Management Implementation Plan approved by the Risk Management Committee.

Risk Management Committee

Risk Management Committee has been established and is functional.

Internal Audit

The Internal Audit functional and operates in accordance with Section 165 of Municipal Finance Management Act, 56 of 2003. There is need for the appointment of the internal auditor and provision has been made in the revised organizational structure in order to strengthen internal audit unit.

The internal unit has developed Internal Audit Charter, Audit Committee Charter, Internal Audit Framework and Internal Audit Professional Standards.

Furthermore, the Internal Audit has developed annual risk based Internal Audit Plan which is rolled-out for two (2) outer years.

Customer-Oriented Services/Customer Care

The municipality has centralised compliments and complaints management system both manual and electronic. The municipality is currently in the processes 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 principles. However, the municipality has set up comments boxes to improve on customer satisfaction.

DCoG has developed GovChat as a primary platform for processing of service delivery complaints from communities and provide an account of all service and community amenities such as police stations, clinics, hospitals, halls within the municipality and it will be leveraged in this financial year (2023/2024)

2.5 SWOT Analysis

Table 18: SWOT Analysis

Strength	Weaknesses
Rigorous implementation of revenue enhancement to collect revenue	Non- functioning Waste Water Treatment Plants at Koffiefontein and Jacobsdaal
Functional accountability institutional arrangement	Rising service arrears crowding out resources for maintenance of service delivery infrastructure and utilities
	Ageing service delivery infrastructure mostly roads and storm-water drainage system
	Limited fleet for service delivery
	Water demands outstripping supply in all towns to the exception of Oppermansgronde
Opportunities	Threat
LLM is part Water Service Challenges Intervention Programme implemented at the behest of the Premier, DWS and BloemWater	Violent community protest and destruction of community facilities
Announcement by the Presidency for Xhariep Special Economic Development Project for Kopanong and other municipalities	Trust deficit between communities , elected leaders and the municipality
Leveraging of economic projects financed through SLP3 and SLP4 to ignite local economic development in the municipal	
Potential fostering of strategic partnership within the realm of DDM One Plan	

2.6 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 co-operation 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.

2.6.1 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.

Figure 8: Sustainable Development Goals



2.6.2 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, self-determination, 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:

1. A prosperous Africa based on inclusive growth and sustainable development
2. An integrated continent, politically united and based on the ideals of pan-Africanism and the vision of Africa's Renaissance
3. An Africa of good governance, democracy, respect for human rights, justice, and the rule of law
4. A peaceful and secure Africa
5. An Africa with a strong cultural identity, common heritage, shared values, and ethics
6. An Africa whose development is people-driven, relying on the potential of African people, especially its women and youth, and caring for children
7. 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.

2.6.3 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:

1. Creating jobs and improving livelihoods;
2. Expanding infrastructure;
3. Transition to a low-carbon economy;
4. Transforming urban and rural spaces;
5. Improving education and training;
6. Providing quality healthcare;
7. Fighting corruption and enhancing accountability; and
8. 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:

1. Stabilise the political-administrative interface;
2. Make public service and local government careers of choice;

3. Develop technical and specialist professional skills;
4. Strengthen delegation, accountability, and oversight;
5. Improve interdepartmental co-ordination;
6. Assume a proactive approach in improving national, provincial, and local government relations;
7. Strengthen local government; and
8. Clarify the governance of state-owned enterprises (SOEs).

2.6.4 Medium Term Strategic Framework

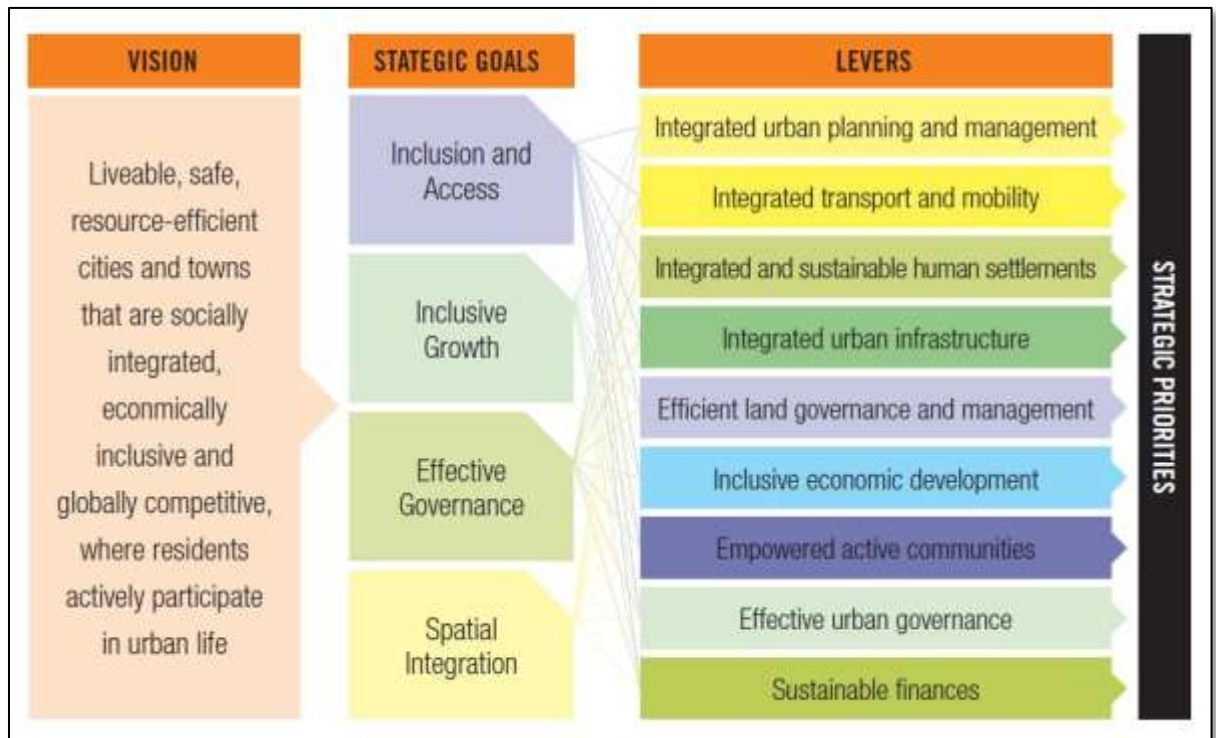
The Medium Term Strategic Framework (MSTF 2019–2024) is the implementation plan for the NDP 2030, highlighting the national development priorities for the sixth administration. This is built on three fundamental pillars: a strong and inclusive economy, capable South Africans, and a capable developmental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

2.6.5 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 Goals, and Policy Levers



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 KSTRP.

Table 19: 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.

	<ul style="list-style-type: none"> • 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. • The availability of Adelaide and Ecca 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.
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	<ul style="list-style-type: none"> • Irrigation scheme to grow irrigated field crops – potato, vegetables; pasture crops Lucerne and permanent crops like pecan nuts • 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)
Heritage sites	<ul style="list-style-type: none"> • 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)

• 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.

However, the District in collaboration with the Free State Provincial Cogta is embarking on the development of District Economic Recovery Plan in support of local economic development strategy of the municipality. The recent involvement of the Presidency in supporting the development trajectory of Kopanong Local Municipality in particular and that of the entire district in general is a welcome development to shore up the effort of the mentioned District Economic Recovery Plan or Xhariep DDM One Plan.

2.7. Letsemeng Local Municipality Catalytic Projects in DDM

Table 21 DDM Catalytic projects

Project Name	Project Description / Objectives	Timeframe / Duration	Funding Source	Region/Location	Total Project Budget
Lake Gariep Initiative	Cross-border Tourism promotion, Job creation & Investment. Tourism promotion, Job creation	Ongoing	Xhariep DM, DESTEA	Cross-Provincial Border	TBD

			and Key government departments	(Free State, Xhariep DM – Eastern Cape, Joe Gqabi – Northern Cape, Pixley Ka Seme)	
Provision of land to small scale farmers	Create a conducive environment for the development of small scale miners in the district	Ongoing	Local Municipalities	Letseme ng Local Municipalities	TBD
Development of small scale miners	Create a conducive environment for the development of small scale miners in the district	TBD	DESTE A & Funding agencies DMRE	Letseme ng Local Municipalities	TBD
N8 Transport & Logistics Hub	Create & Establish a business hub on the N8, Petrusburg, with Fuel Stations, SMME hub, Truck stop, Hospitality & creative arts opportunities & franchise opportunities	18 months	Funding agencies	Letseme ng, Petrusburg	TBD
Review – Xhariep Tourism Package	Review of the Xhariep Tourism package – Springbok route, re-branding of the district, install proper signage	3 months	DESTE A, funding agencies	District-wide: Letseme ng	TBD
Xhariep District Agro-Processing hub	Establishment, strengthening and promotion of Agro-Processing initiatives within the District, utilising existing facilities and vacant available land	TBD	XDM / Local Municipalities / Key departments /	District – wide: Letseme ng	TBD

			Investors / partnerships		
Wine tasting festival – Jacobsdal	Tourism and marketing promotion, Job creation, Product promotion, access to markets	TBD	Funding departments, Investors	Letsemeng LM, Jacobsdal	TBD
District Heritage Festival	Tourism promotion, Product promotion, Job creation, promotion of creatives	3 weeks – activities & main event	Funding departments, Investors	All Local Municipalities (Rotating Event)	R500 000.00
Letsemeng Brick Making and Crusher Plant	Job creation, business development	TBD	Petra Diamonds and other funding agencies / investors	Letsemeng LM, Koffiefontein	R10 million from Petra Diamonds
Services Master Plans – District	Proper planning and coordination	TBD	Funding departments, Investors	All Local Municipalities	TBD
Leaner Support Programme	Leaner support programme on Maths, Science and Accounting for till June 2025		Petra Diamonds and other agencies such as banks	All municipal areas	R2.5 million from SLP4
Food Security Project	Community food gardening projects for customers and fresh produce markets		Petra Diamonds and DARD	Jacobsdal	R5.5 million

					from SLP 4
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LLM supports DDM as a model to improve service delivery efficiencies, focused planning and budgeting process, and monitoring of projects/ programmes implemented.

2.8 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.

Notwithstanding the provisions of the act, LLM utilises several communication channels to convey information to the community. The approved traditional methods of communication have changed over time; however, LLM adheres as far as possible to the stated provisions of the act.

Between May and June 2022, 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 22: Public Engagements (Stakeholders)

WARD & MUNICIPALITY	STAKEHOLDERS	DATE/s	TIME	VENUE
JACOBSDAL	1. Farmers 2. Sector Departments 3. NPO's ,NGO's 4. Business Sector	04 APRIL 2023 06 APRIL 2023	10h00 14h00	Ratanang Recreational centre
PETRUSBURG	1. Farmers 1. NPO's ,NGO's and Business Sector	16 MAY 2023 17 MAY 2023	10h00 14h00	Petrusburg Library
LUCKHOFF	1. Farmers 2. NPO's ,NGO's Business Sector	07 JUNE 2023	14h00	Ebenezer Church
KOFFIEFONTEIN	1. Farmers 2. NPO's ,NGO's and Business Sector	19 JUNE 2023	14h00	MPCC

WARD & MUNICIPALITY	COMMUNITY	DATE	TIME	VENUE
Jacobsdal	Community	06 APRIL 2023	16h00	Recreational Centre, Ratanang
Petrusburg	Community	18 MAY 2023	16h00	Bolokanang community hall
Luckhoff	Community	08 JUNE 2023	16h00	Ebenezer Church
Oppermansgronde	Community/Stakeholders	22 JUNE 2023	16h00	Oppermans War Room/Church
Koffiefontein	Community	26 JUNE 2023	16h00	Phambili Combined School
Phambili	Community/Stakeholders	27 JUNE 2023	16h00	MPCC, Dithlake,

Table 23: Public Engagements (Community)

2.9 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

Priority No	Priority Issue	Needs Identified	Responsible Department	Affected Wards/Areas
1	Water	The municipality needs to ensure that water provided in/with Jojo tanks be fairly distributed amongst commonage farmers in Petrusburg	Community Services Department	Ward 1 – 6
		Unreliable water supply at all towns to the exception of Oppermansgronde		Ward 1 – 6
		Effective operations and maintenance of our bulk water resources (canal) and water reticulation infrastructure (water –leaks and non-revenue water		Ward 1 – Ward 7
		Development and implementation of a 5 year Water Conservation and Demand Management Plant		Ward 1 – Ward 7
		Incorrect readings/ estimates of water meters	Finance Department	Ward 1 – 7
		Water remain a serious challenge to commonage farmers	Community Services Department	Ward 1 - 7
		Repair of boreholes and supply of water to municipal commonage land	Community Services Department	Ward 1 – 7
		The municipality is requested to inform residents in time about water restrictions and dry-week schedules	Technical Services/Office of the Speaker	Ward 1- 7
		Prioritise and provide consistent clean water supply	Technical Services	Ward 1-7
		Water supply remains a challenge in some of the areas in Bolokanang	Technical Services	Ward 3 & 6
		Entering into partnerships (SLAs/MOU) for maintenance of service delivery infrastructure and utilities		Ward 1 – Ward 7

		Effective implementation of service delivery projects	Technical Services	Ward 1 – Ward 7
2	Sanitation	Improved service delivery, in terms of waste water and sanitation in some areas in Relebohile;	Technical Services Department	Ward 1
		Fencing of the sewer plant	Community Services Department	Ward 7
		Budget and prioritise the eradication of Pit-toilet systems	Technical Services Department	Ward 6

		Servicing of sewer drainage systems	Community Services Department	Ward 1 - 7
		Building of waterborne 'toilets in Bolokanang	Technical and Community Services Department	Ward 6
		Building and maintenance of ablution facilities at all our graveyards	Community Services Department	Ward 1 – 7
		Effective implementation of service delivery projects	Technical Services	Ward 1 – Ward 7
		Eradication of pit-toilets	Technical Services	Affected areas – Jacobsdaal Ext. 5 and Petrusburg Ext. 7
		Maintenance of basic sanitation throughout the municipal area	Technical Services	Ward 1 – Ward 7
3	Waste Disposal & Refuse Removal	Waste Disposal truck must improve their services	Community Services Department	Ward 1 - 7

		Dumping sites are not fenced and access is therefore not properly controlled	Community Services Department	Ward 1 - 7
		Illegal Dumping sites be cleaned and NO DUMPING sign boards be erected	Community Services Department	Ward 1 – 7
		Conduct labour intensive projects to clean the current dumping sites both legal and illegal	Community Services Department	Ward 1 – 7
		Proposed that dumping permits be issued by the municipality	Technical Services	Ward 1- 7
		Provide proper dumping sites, as current ones are not licenced	Community Services	Ward 1- 7
		Waste removal remains a challenge in townships	Community Services	Ward 1- 7
		Consider Waste recycling programmes for the youth in Letsemeng	Community Services	Ward 1- 7
		Effective operations and maintenance of land fill sites	Community Services	Ward 1- 7
		Explore the collection of garden refuse	Community Services	Ward 1- 7
4	Electricity	Regular maintenance on street lights	Technical Services Department	Ward 1 – 7
		High mast lights required in all wards and the existing ones should be maintained	Technical Services Department	Ward 1 – 7
		Restore streetlights in the townships	Technical Services	Ward 1-6
		Effective implementation of service delivery projects	Technical Services	Ward 1 – Ward 7

		Unreliable electricity supply due to Notified Maximum Demand (NMD) and ageing infrastructure	Technical Services	Ward 1 – Ward 7
		Effective maintenance of the electricity infrastructure	Technical Services	Ward 1 – Ward 7
5	Streets and Storm Water canals	Priorities storm-water drainage systems	Project Management Unit	Ward 1
		Provide a functional Storm-water drainage system	Project Management Unit	Ward 1 - 7
		Construction of paved roads in Letsemeng	Technical Services	Ward 1 - 7
		Prioritise Road Maintenance	Technical Services	Ward 1 - 7
		Erect directional signage in and around towns	Community Services	Ward 2
		Attend to storm-water flooded streets	Technical Services	Ward 1 - 7
6	Radical Economic Transformation & Economic Development	Distinguish business site from residential sites	Community Services Department	Ward 1-Ward 7
		Prioritize local SMME's for job creation of local people	Office of the MM - Planning & LED	Ward 1 – 7
		Avail business sites in all areas for local business people to create an enabling environment	Office of the MM - Planning & Development Unit	Ward 2
		Regulate foreign business owners thorough implementing the Business License Policy	Office of the MM - Planning & LED	Ward 1 and 7
		That Petra Diamonds be engaged on their SLP contribution to benefit the	Office of the MM - Planning & LED	Ward 1 – 7

		broader community of Letsemeng as a whole		
		Develop small contractors	Office of the MM - Planning & LED	Ward 1 – 7
		That SMME development opportunities and initiatives be categorized and opportunities be given accordingly	Office of the MM - Planning & LED	Ward 1 – 7
		local parks maintenance be outsourced to local SMME's	Office of the MM - Planning & LED	Ward 1 - 7
		Improve on Local economic development	Office of the MM - Planning & LED	Ward 1 – 7
		Prioritize Youth and skills development	Office of the MM - Planning & LED	Ward 1 – 7
		Conduct training to the youth of Letsemeng, in order to necessitate recycling	Community Services & LED	Ward 1 - 7
		The need to train local SMMEs and Contractors on bidding processes and procedures	Office of the MM –	Ward 1- 7
		Provide the necessary support to local SMMEs	Office of the MM – Development Unit	Ward 1- 7
		Request for the establishment of a Youth Support Centre in Oppermansgronde	Office of the MM – Development Unit	Ward 7
		Mine-dumps should remain available for community mining interest	LED – Department of Minerals and Energy	Ward 4 & 5
		Support the establishment of solar farm at Luckhoff and regenerate N8 Corridor Development	LED, Destea	Ward 1, 3 and 6
		Establishment of a taxi rank and attendant ablution facilities for Koffiefontein	LED, Destea, Department of Transport	Ward 4 and 5

7	Spatial Planning and Land Use Management	That land be availed for both residential and industrial use	Community Services & LED	Ward 1 - 7
		Provide proper land management and develop commonage policy	Office of the MM – Planning & LED Department of Land Affairs	Ward 1 – 7
		There is a challenge of access to commercial farming land for emerging farmers particularly local farmers	Department of land affairs/Office of the MM/LED and Community Services	Ward 1 & 7
		Supporting commonage farmers with their challenge such as stock theft, repairing of windmills, lease agreement to graduate into emerging and commercial farmers		
		Lack of service sites for human settlement		Ward 1- Ward 7
		Incomplete houses		Ward 1- Ward 7
		Ensuring that 42 land restitution beneficiaries at Jacobsdaal is attended		
		Municipality to ensure effective implementation of Human Settlement projects in the municipality		Ward 1- Ward 7
8	Job Creation	That skills development programs for Artisans be included in the SDF of the municipality to support the unemployed youth	Department of Corporate Services	Ward 1 – 6
		Youth Job Creation (Cooperatives and Projects)	Community Services Department	Ward 1 - 7

		Provide skills development that create job opportunities	Department of Corporate Services	Ward 1 – 7
		Effective and functional EPWP programs for residents	Department of Corporate Services & Technical Department	Ward 7
9	Crime	Improve on Policing service in Oppermansgronde	South African Police Services	Ward 7
		Satellite Police station in Townships	South African Police Services	Ward 1 - 7

		Combat drug and Alcohol abuse across the region	Office of the Mayor	Ward 1 - 7
		SAPS need to improve on visible policing in all areas	South African Police Services	Ward 1 – 7
		Provide interventions for drug and alcohol abuse in Letsemeng	SAPS – Department of Social Development	Ward 1 - 7
10	Health	Doctors be deployed to clinics in Letsemeng	Department of Health	Ward 1 – 7
		Improve medical services at local Clinics	Department of Health	Ward 1 – 7
		EMS need to improve on service delivery	Department of Health	Ward 1 – 7
		Provide more ambulances in Oppermansgronde	Department of Health	Ward 7
		Provide shelter (Bus Stop) for ambulance patients waiting area in (Jacobsdal/Luckhoff, Petersburg and Oppermans)	LLM and Department of Health	Ward 2, 3, 6 & 7

11	Education	Provide the Youth with training that is sustainable and accredited Learnerships	Office of the Mayor Department of Corporate	Ward 1 – 7
		That the municipality provide accredited Learnerships for the Youth	Office of the Mayor & Department of Education	Ward 1-6
		Provide a library in Sonwabile	LLM & Department of Education	Ward 4
12	Rural Development	There is a need for housing in Oppermansgronde	Community Services Directorate DHA & Human Settlements	Ward 7
		There is a need to construct low-cost houses in Letsemeng	Community Service – Department of Housing and Human Settlement	Ward 1-6
		Provide basic services and proper infrastructure for new developing residential sites.	Technical Services and Community Services	Ward 1 - 7
13	Social Development	Social Development and SASSA offices move closer to the people that they serve, as it is currently out of reach of the people	Department of Social Development Department of Public Works	Ward 4 and 5
		Provide a hospice for people with disabilities, and an proper old age home	Department of Social Development & Department of Health	Ward 1 - 7

14	Community Sport & Recreational Facilities	Prioritize building of a community hall and Youth development Centre in Oppermansgronde	Project Management Unit & Office of the MM	Ward 7
		Proper maintenance and Fencing of graveyards in Letsemeng	Community Services Department	Ward 1 - 7
		Upgrading of sports facilities	Project Management Unit Department of Sports	Ward 1, 2, 3, 6 & 7
		Proper maintenance of parks, recreational facilities, sports facilities and community halls, libraries and offices by local residents	Department of Community Services	Ward 1 – 7
		Appoint Security personnel for municipal properties, facilities and infrastructure	Community Services	Ward 1-7

Chapter 3: 5-Year Integrated Development Plan

3.1 Vision

"A responsive Municipality in pursuit of Service excellence"

3.2 Mission

"Providing sustainable quality services through partnering with Stakeholders and Communities".

3.3 Values

- Integrity
- Commitment
- Transparency
- Innovation
- Accountability

3.4 Development Priorities & Objectives

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.

Table 15: Municipal Key Performance Areas and Strategic Objectives

Key Performance Area	Strategic Objective
Service Delivery and Infrastructure Development	Eradicate backlogs in order to improve access to services and ensure proper operations and maintenance
Financial Viability and Management	To improve overall financial management in the municipality by developing and implementing appropriate financial management policies, procedures and systems
Local Economic Development	To create an environment that promotes development of the local economy and facilitate job creation.
Public Participation and Good Governance	Promote a culture of participatory and good governance.

Municipal Transformation and Institutional Development	An effective administration capable of sustainable service delivery.
Spatial Development Framework	Promote sustainable, functional and integrated human settlements; maximise resource efficiency and enhance regional identity and unique character of a place.

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.

3.5 SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Strategic Objective

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

Intended outcome

Sustainable delivery of improved services to all households

The municipality in its planning of the Technical Directorate and Community Services Directorate prioritizes the following areas of service provision with shared responsibilities in some of the overlapping functions to the Department of Community Services:-

- Basic residential infrastructure for water sanitation, roads, refuse removal, street lighting;
- Connector and bulk infrastructure;
- Municipal infrastructure like sport, recreation and community facilities;
- Electricity;
- Storm – water drainage systems;
- Water distribution networks;
- Cemeteries; and
- Safety and Security facilities;

3.6 STATUS QUO ANALYSIS

- **WATER INFRASTRUCTURE**

Important note

The municipality developed its water master plan through the support of Chell Engineering SA, CESA (Pty) Ltd appointed by Department of Cooperative Governance and Traditional Affairs to update the existing water master plan compiled in 2015 for Letsemeng Local Municipality (LLM). Most of the information entails the capturing of water infrastructure information, compiling of computer models for the water distribution systems in the different towns in Letsemeng, the assigning of water demand to the models, evaluation of the networks in terms of hydraulic functioning and master planning of the networks to accommodate anticipated future growth as per the Spatial Development Framework.

EXISTING SYSTEM

This report addresses the distribution of potable water within the Letsemeng Local Municipal area. Water quality aspects and the analysis of the bulk water (raw water) pipelines upstream of the WTP's and reservoirs are beyond the scope of this report. Please refer to the master plan for water purification works.

WATER SOURCES AND BULK SUPPLY

Jacobsdal

The Jacobsdal / Ratanang / Sandershoogte area is supplied with water from the Riet River canal, which forms part of the Kalkfontein canal scheme. Raw water from the canal is stored in two raw water storage dams, from where it is pumped to, and treated, at the Jacobsdal water treatment plant (WTP). The WTP consists of two package plants with a combined estimated capacity of 1 980 kℓ/d. The construction of a new WTP, with a capacity of 4 200 kℓ/d, is underway.

There are currently two distribution zones with one reservoir site, two tower sites, 1 reservoir, 4 towers, and three pump stations with 5 pumps in total. Jacobsdal is supplied from an 850 kℓ steel tank/reservoir as well as a 100 kℓ tower. There is an additional 85 kℓ tower that is not currently in use. The steel tank top water level (TWL) is higher than either of the towers, and the towers do not have the same top water levels. A new 5 000 kℓ concrete reservoir is recently completed but not yet in operation. Ratanang / Sandershoogte - There is a 200mm outflow from the steel tank and a 100mm outflow from

the tower. However, the zone cannot be closed off by closing valves on these two pipelines only, and therefore there is an additional unknown connection(s) to the network from the tank/tower.

Based on the above-mentioned challenges, the municipality managed to construct a new WTP at Jacobsdal to improve on water conditions of water supply system. The new WTP started to operate and the conditions of water supply improved for the better.

Koffiefontein

Koffiefontein / Diamanthoogte / Dithake obtains water from both the Riet River and Orange / Riet canals. The Riet River canal flows through Koffiefontein. The abstraction point and pump station are located approximately 300 m from the raw water dams. There are three pumps in the pump station, each with an estimated capacity of 45 l/s, based on manufacturers' specifications. This pump station also delivers water to the Koffiefontein sportsgrounds. An alternative source of water is from the Orange / Riet canal. Water is pumped approximately 9 km to a reservoir, then gravitates approximately 30 km to Koffiefontein. This option is seldom used to supply Koffiefontein of water. A third option to supply water to Koffiefontein is the pump station at the mine dam, which supplies water to the raw water storage dams. This supply is only used when water from the canals are unavailable. Raw water is treated at the Koffiefontein WTP. The WTP has a treatment capacity of 4 500 kℓ/d.

There are currently two distribution zones with two reservoirs sites, with 4 reservoirs and one pump station. Koffiefontein/ Diamanthoogte/Dithake - Treated water from the Koffiefontein WTP is stored in the 1 250 kℓ Koffiefontein reservoir adjacent to the WTP. Water is pumped from the WTP to the three 'Blinkdamme' with volumes 2 000 kℓ, 4 300 kℓ and 2 500 kℓ. Most of the network in Koffiefontein is supplied from both the Koffiefontein reservoir and the Blinkdamme, even though they are on different levels. A 250mm pipeline connects the Koffiefontein reservoir directly with the Koffiefontein town network. From the Blinkdamme there is a 250mm outlet to Dithake, with a connection to Koffiefontein, and a 200mm pipeline to Diamanthoogte and Dithake. Koffiefontein South - A section of the network to the south of the town is supplied from only the Koffiefontein reservoir. A 150mm pipeline connects the reservoir to the network.

Furthermore, the municipality discovered that the distribution of procured water supply is not equal to the water connected to the households. The municipality discovered that there is high possibility of illegal connections by the farmers from the main line. However, the municipality currently investigating the matter to eradicate this challenge.

Luckhoff

The Luckhoff / Relebohile / Teisesville is supplied with water from the Orange / Riet canal. Raw water is pumped approximately 6 km from the canal to Luckhoff WTP. The WTP consist of a conventional / package plant combination with an estimated treatment capacity of 990 kℓ/d.

Oppermansgronde

Oppermansgronde obtains water from the Orange / Riet canal. Oppermansgronde has a connection to the gravity pipeline between the reservoir filled by pumping from the canal and Koffiefontein. There are 2 boreholes near Oppermansgronde, but it is not currently in use. Raw water is treated at the Oppermansdorp WTP. The WTP has an estimated treatment capacity of 395 kl/d. 6.

There are currently two distribution zones with one reservoir site, two tower sites, one reservoir, one tower and one pump station. The network is supplied directly through a 110 mm outflow from the 1 885 kl concrete reservoir, located against the hill to the west of town. Water is pumped from the WTP to the reservoir. There is a 350 kl borehole feed tower located at the WTP, which is currently not in use.

Of particular note, Oppermansgronde School has its own 50 kl tower. The tower is filled under gravity from the Oppermansgronde reservoir through a 75 mm diameter, 390 m long pipeline connected to the reservoir outflow. Flow to the tower is not controlled.

Petrusburg

The Petrusburg / Bolokanang is supplied with water from 12 boreholes located in and around the town. There is no purification plant in Petrusburg and water from the boreholes is chlorinated before it is distributed to secondary storage facilities. Information on the borehole yields and abstraction licences could not be obtained. Therefore, no comments on the sufficiency of the existing water sources can be made.

There are currently two distribution zones with two reservoir sites with two reservoirs, two towers and two pump stations. Petrusburg Treated water from the Petrusburg WTP (chlorination only) is pumped to the 1 100 kl Petrusburg reservoir. From this reservoir, water is pumped into the 50 kl Petrusburg tower and the entire Petrusburg network is supplied from the tower. Bolokanang Treated water from the Petrusburg WTP (chlorination only) is pumped to the 375 kl Bolokanang reservoir. From this reservoir, water is pumped through two pump stations to the two Bolokanang towers. There is a 150 kl tower (new tower) located on the same site as the reservoir. The other 300 kl tower (old tower) is located to the south of Bolokanang and connected to the pump station through a 160 mm diameter, 2 440 m long pipeline. The Bolokanang network is supplied simultaneously from both the towers.

However, the municipality solicited funds through MIG to initiate and implement project of pipeline. The pipeline was connected from borehole 14 & 15 to the Bolokanang reservoir for the chlorination purposes. Subsequent to this process, the water is redirected to the Bolokanang new tower to increase water supply.

SYSTEMS AND OPERATIONS

The existing Letsemeng water supply system is discussed in this section. The water distribution systems layouts are shown on Figures LLM W2.1, with a separate figure for each area as follows: • a - Jacobsdal • b - Koffiefontein • c - Luckhoff • d - Oppermansgronde • e – Petrusburg

General description

This section provides a summary of the pipes, reservoirs, and pumps in the existing system within the 5 town of the municipality.

Jacobsdal/Ratanang/Sandershoogte distribution system

There are currently two distribution zones with one reservoir site, two tower sites, 1 reservoir, 4 towers, and three pump stations with 5 pumps in total.

Jacobsdal

Jacobsdal is supplied from an 850 kℓ steel tank/reservoir, as well as a 100 kℓ tower. An additional 85 kℓ tower is not currently in use. The steel tank top water level (TWL) is higher than either of the towers, and the towers do not have the same top water levels. A new 5 000 kℓ concrete reservoir was recently completed, but not yet in operation. There is a 200mm outflow from the steel tank and a 100mm outflow from the tower. However, the zone cannot be closed off by valves on these two pipelines only, and it is therefore accepted that there are additional unknown connection(s) to the network from the tank/tower.

Ratanang/Sandershoogte

The Ratanang/Sandershoogte area is supplied from two 200 kℓ towers located on the eastern edge of the settlement. Water is pumped from the Jacobsdal WTP to the towers, from where it is distributed to the network through a 300mm, 200mm and 75mm pipes.

Koffiefontein/Diamanthoogte/Dithlake distribution system

There are currently two distribution zones with two reservoirs sites, with 4 reservoirs and one pump station. Koffiefontein/Diamanthoogte/Dithlake Treated water from the Koffiefontein WTP is stored in the 1 250 kℓ Koffiefontein reservoir, adjacent to the WTP. Water is pumped from the WTP to the three 'Blinkdamme' reservoirs with capacities of 2 000 kℓ, 4 300 kℓ and 2 500 kℓ. Most of the network in

Koffiefontein is supplied from both the Koffiefontein reservoir and the Blinkdamme reservoirs, even though they are on different levels. A 250mm pipeline connects the Koffiefontein reservoir directly with the Koffiefontein town network. From the Blinkdamme, there is a 250mm outlet to Dithlake, with a connection to Koffiefontein, and a 200mm pipeline to Diamanthoogte and Dithlake. Koffiefontein South A section of the network to the south of the town is supplied from only the Koffiefontein reservoir. A 150mm pipeline connects the reservoir to the network.

Luckhoff/Relebohile/Teisesville distribution system

There are currently two distribution zones with one reservoir site, two reservoirs, one tower and two pump stations. Luckhoff high lying zone. The network east of Voortrekker Street is supplied through a booster pump station, which pumps from the 200 kℓ brick reservoir. The pumps were recently replaced to deliver at a higher head, leading to pipe failures in the network. This enabled operational staff to check the diameter and material of exposed pipes during repairs. It appears that the network consists mainly of 75mm dia. AC pipes. Luckhoff/Relebohile/Teisesville The remainder of Luckhoff, Relebohile and Teisesville is supplied from the 60 kℓ Luckhoff tower. Water is pumped from the 400 kℓ steel reservoir to the tower. The reservoir, pump station and tower are located on the same site as the brick reservoir and booster pump station. The network in this zone is a combination of information from operational staff and as-built drawings. Both the steel and brick reservoirs are filled through a 150mm dia. AC pipeline, 670 m long from the Luckhoff WTP.

Oppermansgronde distribution system

There are currently two distribution zones with one reservoir site, two tower sites, one reservoir, one tower and one pump station.

Oppermansgronde

The network is supplied directly through a 110 mm outflow from the 1 885 kℓ concrete reservoir, located against the hill to the west of town. Water is pumped from the WTP to the reservoir. The 350 kℓ tower is connected to the boreholes and located at the WTP, which is currently not in use.

Oppermansgronde School

The Oppermansgronde School has a 50 kℓ tower. The tower is filled under gravity from the Oppermansgronde reservoir through a 75 mm diameter, 390 m long pipeline connected to the reservoir outflow. Flow to the tower is not controlled.

Petrusburg/Bolokanang distribution system

There are currently two distribution zones with two reservoir sites with two reservoirs, two towers and two pump stations. Petrusburg Treated water from the Petrusburg WTP (chlorination only) is pumped to the 1 100 kℓ Petrusburg reservoir. From this reservoir, water is pumped into the 50 kℓ

Petrusburg tower and the entire Petrusburg network is supplied from the tower. Bolokanang Treated water from the Petrusburg WTP (chlorination only) is pumped to the 375 kℓ Bolokanang reservoir. From this reservoir, water is pumped through two pump stations to the two Bolokanang towers. There is a 150 kℓ tower (new tower) located on the same site as the reservoir. The other 300 kℓ tower (old tower) is located to the south of Bolokanang and connected to the pump station through a 160 mm diameter, 2 440 m long pipeline. The Bolokanang network is supplied simultaneously from both the towers. However, the municipality solicited funding from DWS to implement project on the construction of pipeline to the reservoir at Bolokanang.

FUTURE WATER DEMAND

The estimated future AADD of the towns served by the different distributions systems The anticipated future AADD increases in each town, are:

Jacobsdal

The future AADD represents an increase of $\pm 90\%$ over the potential fully occupied present AADD.

Koffiefontein

The future AADD represents an increase of $\pm 81\%$ over the potential fully occupied present AADD.

Luckhoff

The future AADD represents an increase of 47% over the potential fully occupied present AADD.

Oppermansgronde

The future AADD represents an increase of 38% over the potential fully occupied present AADD.

Petrusburg

The future AADD represents an increase of 73% over the potential fully occupied present AADD.

EXISTING OPERATION PROBLEMS

The operational staff indicated the following operational problems:

General

- No bulk meters in any of the towns are currently functional.

Jacobsdal

- The network in Jacobsdal cannot be isolated from the reservoir and tower, even when all known outflow pipes are shut-off. Any maintenance requires that the reservoir and tower is completely emptied through the network before work can commence.

Koffiefontein

- Maintenance of the canals from which raw water is supplied, may lead to extended periods of no-supply. • Filling the network after such periods also takes a long time and affects Diamanthoogte in particular.

Diamanthoogte experiences severe pressure problems during normal operation of the system.

Luckhoff

As previously indicated, the layout and diameters of the network are uncertain for the largest part of the Luckhoff network.

Luckhoff has no other source of raw water apart from the Orange/Riet canal. There are periods of no supply when the canal is undergoing maintenance.

• GENERAL WATER STATUS QUO

Letsemeng Local Municipality is the Water Services Provider and Water Service Authority. The municipality has developed Water Master Plan adopted by council October 2019.

Following South African President Cyril Ramaphosa's announcement of a national lockdown from midnight on Thursday (26 March 2020) to midnight on 16 April 2020 to help curb the COVID-19 pandemic which was declared accordance with the application of Section 57 of the Disaster Management Act, act No. 57 of 2002. Rest assured LLM and the communities needed to have joint efforts in ensuring that essentials, particularly on the supply of water are provided uninterruptedly to mitigate the impact of the COVID-19 pandemic with the support of Municipal Councilors, Senior Manager and stakeholders.

However, the Minister of Cooperative Governance and Traditional Affairs, Dr. Nkosazana Dlamini Zuma issued Directions and Regulations (Gazettes No. 43147 and 43148, respectively. The aforesaid department through the National Disaster Management Centre is administering the Disaster Grants

which may be accessed by organ of the state to prevent and combat the spread of the COVID-19 outbreak. The following are the goods and services to be provided by the LLM as per directions provided the Minister of Cooperative Governance and Traditional Affairs.

SUMMARY OF CURRENT LEVEL OF WATER SERVICES, DEMANDS AND BACKLOGS

Table 1: Levels of water services

SERVICE	MUNICIPALITY	
	Access	Backlog
WATER	12 956	1 013

Letsemeng Local Municipality is the Water Services Authority, and the objective remains to ensure 100% of its populace have access to potable water.

Measures regularly implemented to ensure that this objective is achieved. The Municipality has solicited assistance from Cogta regarding the development of the water master-plan and its operation and maintenance plan. The planning described above instruments were developed in 2019 through Cogta and approved by the Council in October 2019. It is also crucial to report that these water planning instruments are expected to address water-related challenges during its implementation phase.

It is safe to report that Letsemeng Local Municipality does not have any backlogs for both Domestic and Associated Services at this stage. However, it envisages falling into a backlog due to the newest development townships within all six Wards proposed additional ward seven shortly. All informal settlements supplied with water brought by trucks from the nearest towns with Jojo tanks located not more than 200m walking distance from the affected households over and above the declared National Disaster by the President. However, reticulations on stand-pipes done to improve and reduce the working length of the affected residents.

All schools and clinics in remote areas (farming areas) are regularly supplied with water through water tankering as and when there is a demand from the affected occupants as this is an ad – hoc arrangement.

Letsemeng Local Municipality is the Technical Directorate implementing both the WSA and WSP and both functions. Currently, the functions of WSA and WSP are not clearly defined. However, the Technical Directorate is overseeing all the responsibilities of the WSA and WSP.

Water user association Oranjeriet and Kalkfontein supplies bulk water. The Municipality supplies clean drinking water to all five towns and still enforces water restrictions due to the water challenge, i.e. high

water losses and ageing infrastructure. The Municipality is impractical to capture and calculate water losses as not all consumers have water meters.

- FREE BASIC SERVICES**

The Municipality is committed to assisting its communities by giving Free Basic Services to households that cannot afford to pay for services and are classified as Indigents.

Table 2: Provision of free Basic Services

Free Basic Services	Indigent Support/Subsidy	Indigents Household
Water	6kl	1666

All schools and clinics that are in remote areas (farming areas) are regularly supplied with water tankers as and when there is a demand from the affected occupants as this is an ad – hoc arrangement.

- UNRELIABILITY OF WATER SUPPLY**

THE STATUS QUO CONCERNING AREAS WITH UNRELIABLE WATER SUPPLY ARE AS FOLLOWS IN THE SEVEN (7) WARDS OF LETSEMENG LOCAL MUNICIPALITY:-

Table 3: Status Quo-unreliable water supply

Ward/s	Settlement/Areas	Status Quo	Potential Solution s
1 – 7	Private Farms	All private-owned areas/farming areas not supplied with water or any other services, and this is due to denied accessibility to private land owned farming areas by farmers, farmers (farm owners) refuse access to their land	The Municipality needs to mobilise private-owned areas or issue out notices that will inform them about an inability to access their land regarding essential services.
1	Luckhoff	Unreliable Water supply due to low capacity of the water treatment works	The Municipality has developed a water master plan to curb this deficiency

2 & 7	Ratanang and Sandershoogte	<ul style="list-style-type: none"> Unreliable Water supply due to low capacity of the water treatment works There is a need for a supply of potable water in Ratanang Clinic and Phambili. 	<ul style="list-style-type: none"> The construction of a New Water Treatment Works project is practically complete and handed over to the Municipality. Temporary arrangement with the Phambili Primary School to be put in place as a temporary measure for the supply of water for the duration of the project on Water Treatment Works
3	Jacobsdal Town	Unreliable sewer pipes which result in frequent spillages in Town	The Municipality has developed a master plan and Operation & Maintenance to curb this deficiency
4 and 5	Koffiefontein, Dithlake and Sonwabile	Unreliable Water supply due to low capacity of the water treatment works	The Municipality needs to upgrade WTW to work at the design capacity and add 48-hour storage capacity. Project to be implemented in the 2022/2023 financial year

The upgrade to the Water Treatment Works of the affected areas is high on the priority list of the Municipality. Therefore, it will be addressed over the MTREF period through our WSIG and MIG allocations as capital projects in the next ensuing financial year as part of priority development initiatives in all Wards.

LLM currently does not have approved service levels, but the Administration office is preparing a document to curb this deficiency. There are presently Operations and Maintenance Manuals in place,

and as a result, operation and maintenance are improving for the better. However, most of the existing infrastructure need does not adequately address the current demand of water supply.

There are plans to manage the Water Conservation and Water Demand (WCWD) strategies; however, several items are in the pipeline to reduce the losses. Among others, the Municipality has completed the installation of domestic water meters, Bulk Meters and Zonal meters around the four towns to reduce water revenue loss through funding from MIG for the 2020/21 financial year. Of particular note, WTW in all towns has become a priority except for Jacobsdal since upgrading and refurbishing WTW is completed. This initiative will also help the Municipality to address and reduce losses and improve on revenue collection rate. In addition, there are monitoring programmes in place, and water quality is checked every two weeks for compliance. If there are failures, the Technical department investigates the cause and applies remedial actions and then re-test the water. The results are loaded on the IRIS (Integrated Regulatory Information System) every month for proper monitoring by the relevant authorities. Furthermore, the Municipality registered in terms of the Blue Drop requirements of the National Certification Programme.

- **SEWER AND FUNCTIONALITY OF TREATMENT WORKS**

Important note

Chell Engineering SA, CESA (Pty) Ltd was appointed by Department of Cooperative Governance and Traditional Affairs to compile an updated master plan of the sewer system for the Letsemeng Local Municipality which included five towns, namely Jacobsdal, Koffiefontein, Luckhoff, Oppermansgronde and Petrusburg.

EXISTING SYSTEM

SYSTEM LAYOUT AND OPERATION

This section outlines each system is operated in a main drainage area with a WWTP, which in turn could be sub-divided into several sub-drainage areas.

In Jacobsdal area there is one pump station in the Jacobsdal system. The Jacobsdal PS drains the entire Jacobsdal town, as well as a section in the north east of Ratanang, before pumping directly to the Sandershoogte WWTP. Sandershoogte and the remaining sections of Ratanang drain under gravity directly to the Sandershoogte WWTP.

Jacobsdal town consists of a small-bore sewer system, where only the overflows from septic tanks is transferred through the network. There is a conventional gravity sewer system flowing from the industrial area surrounding the abattoir in Jacobsdal to the pump station, which pumps to the WWTP.

In Koffiefontein area there are four pump stations in the Koffiefontein system. The Donkerhoek PS drains the north western sections of Dithlake, before pumping to the central section of Dithlake. The Roselove PS drains the central sections of Dithlake before pumping to the Alfa PS drainage area. The Rooirant PS drains the south western section of Dithlake, before pumping to the Alfa PS drainage area. The Alfa PS drains the northern and central parts of Koffiefontein, before pumping directly to the Koffiefontein WWTP. The small southern section of Koffiefontein drains by gravity directly to the WWTP.

In Luckhoff area there is one pump station in the Luckhoff system. The Luckhoff PS drains a small southern section of the Luckhoff town before pumping into the northern Luckhoff system, which is drained by gravity to the Luckhoff WWTP. Teisesville and Relebohile drain by gravity to the Luckhoff WWTP.

Oppermansgronde area there is one pump station in the Oppermansgronde system. The Oppermansgronde PS drains the entire Oppermansgronde system and pumps directly to the Oppermansgronde WWTP.

Petrusburg area there is one pump station in the Petrusburg system. The Petrusburg PS drains the Petrusburg town system and pumps to the main gravity line near the WWTP. Bolokanang drains by gravity to the Petrusburg WWTP. The municipality is currently implementing a project on upgrading of waste water treatment plant to cater for the current and future capacity.

Distribution of households by main type of toilet facility used in Letsemeng Local Municipality Household Access to Ablution Facilities

Table 4: Distribution of households by main type of toilet facility

Toilet facilities	Census 2011		CS 2016	
	Households	Percentages	Households	Percentages
Flush toilet/Chemical toilet	8543	76.0	11692	83.7
Pit toilet	1783	15.9	1565	11.2
Ecological toilet (e.g. urine diversion; enviroloo; etc.)			-	-
Bucket toilet	256	2.3	336	2.4
Other	93	0.8	129	0.9
None	567	5.0	247	1.8

Total	11242	100.0	13969	100.0
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Data source: Statistics South Africa, Census 2011 and 2016 Community Survey 2016

The above table indicates distribution of households in Letsemeng local municipality by type of toilet facility being utilised. The table above, households with flush/chemical toilet facilities has increased from 76.0% in 2011 to 83.7% in 2016. Households without any toilet facilities have decreased from 5.0% in 2011 to 1.8% in 2016.

The Municipality continues to provide proper sanitation facilities to all communities. The Municipality managed to eradicate all bucket systems informal settlements within the municipal area and achieved earlier than the target dates set in National Standards. Although the Municipality operates the Waste Water Treatment Works (WWTW), there are plans to reuse the treated water and not yet done by the Municipality, and only Petra Mine has requested to divert the final effluent to their plants for reuse.

About 90% of the VIP toilets in Petrusburg are dilapidated due to poor quality, and the same VIP toilets are filled up, which makes it extremely difficult for them to be drained or sucked by a truck and some of the toilets are not accessible for this truck. Therefore, the Municipality appointed a service provider to supply chemicals and maintain the VIP toilets in the 2020/21 Financial Year to address the challenge mentioned above.

The overall judgement on our WWTWs is fair, although some are in a poor state and is not effectively operational due to damaged mechanical and electrical equipment at the affected WWTW's. However, the Municipality solicited funds to curb this deficiency and MIG allocated by DWS to upgrade and refurbish WWTW in Petrusburg, of which is at its completion stage, during this financial year 2022/23. In addition, the Municipality appointed a contractor for the Refurbishment of the Koffiefontein WWTW. These initiatives will assist the Municipality in reducing health hazard and non-compliance in terms of the Water Service Act and the discharge of final effluent.

There is progress made in ensuring that necessary measures are in place to improve the supply of water.

Table 5: The status quo concerning areas with unreliable sanitation system are as follows in the six (6) Wards of Letsemeng Local Municipality:-

Table 5: Status quo-unreliable sanitation system

Ward/s	Settlement/Areas	Status Quo	Potential Solution (s)
1	Luckhoff	There is a lack of functional Waste	There is a need to refurbishment and

		Water Treatment Works	appoint a dedicated Process Controller who will be in charge of the operations of WWTW daily. However, the Municipality need to prioritise permanent security personnel in the WWTW to avoid vandalism
2	Ratanang	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 area to reduce sewer spillages	There is a need to replace 40mm with 110mm for household connection and 40mm with 160mm for the main pipeline
3 & 6	Bolokanang	<ul style="list-style-type: none"> The WWTW is not fully functional, and there is a need for refurbishment and a lack of personnel (Both security and a dedicated Process Controller. 	<ul style="list-style-type: none"> There is a need to refurbish WWTW and the appointment of a Process Controller and Security personnel.

		<ul style="list-style-type: none"> • There is a need to replace all the dilapidated toilets. • VIP toilets need to be refurbished to meet the standard of waterborne toilets 	<ul style="list-style-type: none"> • Funding allocated by MIG for the refurbishment of the WWTW in this coming financial year 2022/23. • Service Provider appointed for the supply of chemicals and maintenance of VIPs
4 & 5	Ditlhake	<ul style="list-style-type: none"> • There is a need for the refurbishment of 4 sewer pump stations within the area. However, the Municipality managed to refurbish three (3) of the pump stations in the area. However, these pump stations were vandalised in less than two months. 	<p>The Municipality need to appoint a security company 24/7 to safeguard the municipal assets. In addition, there is a need to refurbish vandalised pump stations and refurbish WWTW to meet the necessary compliance requirements.</p> <p>NB! Water and Sanitation Master-plans are developed with</p>

			assistance from DBSA to address this problem.
3	Phambili	<ul style="list-style-type: none"> There is no proper provision of essential services since the area is not yet formalised to qualify for these significant services. However, the Municipality is engaging relevant authorities to address the matter. In addition, other means of supply of water tanks to the community are taking place. 	That the area should be formalised in order render essential services without any destructions

• ROAD INFRASTRUCTURE STATUS QUO

The road infrastructure of LLM varies in terms of the level of service within each road. Poor quality of some roads makes access difficult to the areas. A mixture of surfaced and gravel roads were evidenced. The condition varies from fair to poor and erosion is common, the surfaced roads have potholes and are showing deterioration. With good road infrastructure being one of the most important aspects for a community, the municipality is facing challenges in maintaining and possibly upgrading the roads to make vehicles of all classes' access possible. Pedestrians are not provided with sidewalks on some of the roads, which also contribute to issues of municipal infrastructure delivery.

Road Network in Koffiefontein

This section provides graphical representation of the paved and unpaved road network in Koffiefontein, respectively.

With good road infrastructure being one of the most important aspects in a CBD, the municipality is experiencing problems in maintaining and possible upgrading the roads. Most of the roads in the urban area are tarred and in a poor condition (deteriorated) with edge cracks, crocodile cracks and major potholes, although the municipality is doing some patching on some roads, they are mostly in a very poor state to be patched. Most of the roads need rehabilitation. Although some of the road have storm water pipes, v-drains or channels some roads do not drain properly. For roads with storm water pipes and channels, proper cleaning and maintenance will have to be periodically instituted to prevent road deterioration by storm water.

Koffiefontein Roads Conditions Summary

Table 6: Koffiefontein Road Conditions

Road Name	Road Type	Current Road Condition	Current Storm Water Condition
Rhode Street	Tarred	Fair Condition	No Provision
Kotze Street	Tarred	Poor	No Provision
Katz Street	Tarred	Poor	No Provision
Van der Post Street	Tarred	Poor	No Provision
Glasson Street	Gravel	Very Poor	Poor
Gordan Street	Tarred	Poor	No Provision
Prins Street	Block Paved	Good	Good
Groot Trek Street	Tarred	Poor	No Provision
Edward Street	Tarred	Poor	Poor
Mampimpi	Tarred	Poor	No Provision

Rhode Street

This street is tarred and is in a fair condition due to minor potholes, longitudinal cracks and silted street sections. This cambered street allows water to flow in both directions.

Kotze Street

This street is tarred and is in poor condition due to minor potholes, rutting and crocodile cracks on the street. This street has a cross fall gradient to allow water to flow.

Katz Street

This street is tarred and is in poor in condition due to major potholes, rutting and grass growing along the roadway. This cambered street allow water to flow in both directions.

Van der Post Street

This street is tarred and is in poor in condition due to major potholes, poor patching and crocodile cracks on the street. This cambered street allows water to flow in both directions.

Glassen Street

This street is in very poor condition, there are however some parts of the street with potholes which need average maintenance. There are no v-drains or channels in the road which has led to stagnation of water on the road creating potholes, erosion and grass growing along the roadside.

Gordan Street

The street is mostly in poor condition, there are however some parts of the street with potholes which need average maintenance. There are no v-drains or channels in the road which led to the creation of potholes, chipped edges and grass growing along the edges.

Prince Street

This street is in good condition and there is sufficient storm water drainage provided for this street even though it is silted in street sections.

Groot Trek Street

This is the main street in the medium density town which is tarred and it appears to be in poor conditions due to major potholes, poor patching and crocodile cracks on the street.

Edward Street

This street is tarred and it is poor in condition due to major potholes, poor patching, crocodile cracks and edge cracks on the street. This street has an inefficient storm water drainage system in certain road section.

Mampimpi Street

This street is tarred and it is poor in condition due to deteriorating and rutting sections along the street. This street needs to be resurfaced. A storm water drainage system is provided for this street.

Generally, it was observed that there are crocodile cracks, longitudinal cracks, edge cracks and major rutting forming in the surfaced roads. This is due to weather conditions. These cracks and any form of deterioration need to be sealed, to prevent road damage. There are newly blocked paved roads in the township which appear to be in very good condition. The gravel roads in the both the townships and the urban areas appear to be in poor condition, corrugation and potholes due to the lack of storm water infrastructure. Some roads do not drain storm water fast enough due insufficient cross fall, this might contribute to road failures if not properly dealt with.

Road Network in Luckhoff

This section provides graphical representation of the paved and unpaved road network in Luckhoff, respectively.

The main road in Luckhoff is a tarred road which is poor in condition, especially at the intersections areas. These intersections require rehabilitation. The gravel and earth roads which have no storm water pipes/v-drain provision, some of the asphalt roads deteriorating into gravel roads and gravel roads deteriorating into earth roads. Sufficient maintenance is required as means of maintaining the quality of the good roads.

Luckhoff Roads Conditions Summary

Table 7: Luckhoff Road Conditions

Road Name	Road Type	Current Road Condition	Current Storm water Condition
Rabie Street	Gravel	Poor	Good
Boven Street	Gravel	Poor	No Provision
Voortrekker Street	Tarred	Poor	Good
Phil Saunders Street	Gravel	Fair	No Provision
7895-7894 Street	Block Paved	Very Good	No Provision
Combrink Street	Gravel	Poor	No Provision
Du Toit Street	Gravel	Poor	No Provision
59-39-158 Street	Block Paved	Good	No Provision
Du Preez Street	Gravel	Poor	No Provision
Luckhoff Municipal Road	Gravel	Poor	No Provision

Rabie Street

This is a gravel road which has a storm water drainage system in one direction of the road. The street is fair in condition with mild corrugation along the roadway.

Boven Street

This road is in poor condition with corrugation and potholes along the roadway. There is a poorly installed storm water drainage channel bulging in the road.

Voortrekker Street

This is the main street in the low density town which is tarred and it appears to be in poor condition at certain intersections. The access roads are all gravel and earth roads which are in a poor to fair state with few tarred roads, which have potholes and are also in poor condition.

Phil Saunders Street

This is a street with a gravel and a block paved section. The block paved section is very good in condition and the gravel sections has corrugation. Overall this street is in fair condition. (7m wide).

7895-7894 Street

This street is in a very good condition and there is no storm water drainage provided for this street.

Combrink Street

The gravel street is in poor condition with corrugation and grass growing along the road. The road needs to be maintained. There is a storm water drainage system provided for this street.

Du Toit Street

The gravel street is in poor condition with corrugation along the road. The road needs to be maintained. There is no storm water drainage system provided for this street.

59-39-158 Street

This street is in good condition and there is no storm water drainage provided for this street.

Du Preez Street

This is a gravel street and is in poor in condition with visible potholes and rut, the lack of provision for storm water pipes and v-drains is a huge concern as the runoff comes to the roads causing erosion and loose gravel.

Luckhoff Municipal Road Street

The gravel street is in poor condition with corrugation along the road. The road needs to be maintained. A storm water drainage system needs to be provided for this street.

Generally, it was observed that there are potholes, crocodile and edge cracks forming in the surfaced roads. This is due to the weather conditions and insufficient road gradients. Rehabilitation of the intersection areas needs to be undertaken, to prevent further road damage and road safety concerns. The gravel roads are in poor condition and routine regravelling and reshaping are remedies which should be instituted. There are newly block paved roads in the township which appear to be in very good condition.

Road Network in Oppermansgronde

This section provides graphical representation of the paved and unpaved road network in Oppermansgronde, respectively.

The roads and storm water provided in this area are in a good to very poor condition. The municipality is experiencing problems in maintaining and possible upgrading the roads and storm water. Majority of the roads infrastructure problems can be directly linked to the lack of provision of efficient storm water infrastructure.

Oppermansgronde Roads Conditions Summary

Table 8: Oppermansgronde Roads Conditions

Road Name	Road Type	Current Road Condition	Current Storm water Condition
279-259 Street	Tarred	Poor	Good
267-294 Street	Block Paved	Good	No Provision
305-278 Street	Tarred	Fair	Good

260-299 Street	Tarred	Fair	No Provision
291-266 Street	Gravel	Poor	No Provision
275-272 Street	Gravel	Very Poor	No Provision
276-273 Street	Gravel	Poor	Good
280-284-286 Street	Gravel	Poor	No Provision
281 Street	Gravel	Poor	No Provision
274 Street	Gravel	Poor	No Provision

279-259 Street

This is a tarred road in the poor condition and deteriorating, has potholes and there are v-drains for storm water provided. There is water stagnation on the road which will continue to cause potholes.

267-294 Street

This street is in good condition and there is no storm water drainage provided for this street.

305-278 Street

This street is tarred and is fair in condition due to rutting and silted street sections. A storm water drainage system is provided for this street.

260-299 Street

This street is tarred and is fair in condition due to rutting and silted street sections. A storm water drainage system is not provided for this street.

291-266 Street

This is an earth street and is poor in condition with visible streams in the street and the lack of provision for storm water pipes and v-drains is a huge concern as the runoff moves along the street causing erosion.

275-272 Street

This is a gravel street and is very poor in condition; the storm water v-drains can sufficiently handle the storm water. The street must be regravelled and reshaped to properly direct the storm water to the channel to alleviate water stagnation resulting in erosion.

276-273 Street

This is a gravel street and is poor in condition; the storm water v-drains can sufficiently handle the storm water. The street must be regravelled and reshaped to properly direct the storm water to the channel to alleviate water stagnation resulting in erosion.

280-284-286 Street

This is an earth street and it is poor in condition with visible streams in the street, the lack of provision for storm water pipes and v-drains is a huge concern as the runoff moves along the street causing erosion.

281 Street

This is a 7.5m wide gravel street and it is poor in condition, the lack of provision for storm water pipes and v-drains is a huge concern as the runoff on the roads causes' erosion.

274 Street

This is a 7.5m wide gravel street and is poor in condition with visible streams in the street; the lack of provision for storm water pipes and v-drains is a huge concern as the runoff moves along the street causing erosion.

Generally, it was observed that the majority of the roads in this town are gravel, they are appeared to be in poor condition and are in need of regravelling and reshaping. The few paved roads witnessed, showcasing sings major map cracking and rutting. A second seal will the appropriate as a remedy for the road deterioration and increase the longevity of the road. Lack of provision of storm water infrastructure is the primary reason for the physical condition of the roads which have shown erosion and deterioration in some instances.

Road Network in Petrusburg

This section provides graphical representation of the paved and unpaved road network in Petrusburg, respectively.

The roads that are tarred are in a poor condition, deteriorating, having potholes as result of the lack of presences of storm water infrastructure providence. There is water stagnation on the road on the potholes which are caused by poor drainage. Gravel roads are in poor condition with potholes and corrugation.

Petrusburg Roads Conditions Summary

Table 9: Petrusburg Road Conditions

Road Name	Road Type	Current Road Condition	Current Storm water Condition
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Monument Street	Gravel	Poor	No Provision
Voortrekker Street	Tarred	Very Poor	No Provision
South Street	Gravel	Poor	No Provision
Alant Street	Tarred	Poor	No Provision
Brand Street	Gravel	Poor	No Provision
President Steyn Street	Tarred	Fair	No Provision
President Steyn Street	Gravel	Poor	No Provision
Plein Street	Gravel	Very Poor	No Provision
6665-6652 Street	Block Paved	Good	No Provision
R 48	Tarred	Poor	No Provision
Fountain Street	Tarred	Poor	No Provision

Monument Street

Monument Street is 7.0m wide and is in poor in condition and there is no storm water drainage provided for this road.

Voortrekker Street

Voortrekker Street is a 7.0 m wide street and is very poor in condition with major potholes along the roadway. The streets edge cracks needs to be repaired.

South Street

This is a 7.5m wide gravel street and is poor in condition with visible corrugation, the lack of provision for storm water pipes and v-drains is a huge concern as the runoff comes to the roads causing erosion.

Alant Street

This is a 7.5m wide tarred road in fair condition, but deteriorating, has potholes and there are no v-drains or storm water pipes provided. There is water stagnation on the road in the potholes which are caused by poor drainage.

Brand Street

This is a 7.5m wide gravel street and is poor in condition with visible potholes and rut, the lack of provision for storm water pipes and v-drains is a huge concern as the runoff comes to the roads causing erosion.

President Steyn Street

This is a 7m wide street with a tar and gravel section. The street has edge cracks, minor potholes on the tar sections and has corrugation on the gravel sections. Overall this street is fair in condition.

Plein Street

The gravel street is 3.5m wide and is very poor condition with grass growing along the street. The street needs to be maintained. There is no storm water drainage system provided for this street.

6665-6652 Street

The road is mostly good in condition, there are however some parts of the street with berms constructed by local residents to combat storm water flood problems. There are no v-drains or channels in the road which has led to stagnation of water on the road and local houses.

R48

This is a 7.7 m wide tarred road in poor condition and deteriorating, has potholes and there are no v-drains or storm water pipes provided. There is water stagnation on the road on the potholes which are caused by poor drainage.

Fountain Street

This is a 12m wide tarred road in poor condition that is deteriorating due to potholes and there are no v-drains or storm water pipes provided. There is water stagnation on the road in the potholes which are caused by poor drainage.

Generally, it was observed that there are crocodile and edge cracks forming in the surfaced roads. This is due to the weather conditions. These cracks need to be sealed, to prevent further road damage. There is water stagnation on the road on the potholes which are caused by poor drainage. The roads in the township are all gravel roads which are in poor condition with corrugation potholes. Intersections do not drain storm water fast enough or not at all, this causes structural damage to the roads. Large areas of the surfaced roads in the CBD are showing signs of structural road failure, due to pothole forming from water drainage inefficiencies.

Road Network in Jacobsdal

This section provides graphical representation of the paved and unpaved road network in Jacobsdal, respectively.

The majority of the roads in Jacobsdal are gravel roads which are in poor and very poor in condition and they need rehabilitation as some layers have rutted and worn away. The gravel and earth roads which have no storm water pipes/v-drain provision, the asphalt roads deteriorating into gravel roads and gravel roads deteriorating into earth roads.

Jacobsdal Roads Conditions Summary

Table 10: Jacobsdal Roads Conditions

Road Name	Road Type	Current Road Condition	Current Storm water Condition
Voortrekker Street	Tarred	Fair	No Provision
De Kok Street	Gravel	Poor	No Provision
Tshipo Street	Block Paved	Good	No Provision
Van Grann Street	Block Paved	Good	Fair
Sediti Street	Block Paved	Good	Good
Vetman Street	Tarred	Good	Good
Palier Street	Gravel	Poor	No Provision
Palier Street	Tarred	Poor	No Provision
De Wet Street	Gravel	Poor	No Provision
Lubbe Street (De Wet to Andries)	Tarred	Very Poor	No Provision
Lubbe Street (Andries to 1065)	Gravel	Very Poor	No Provision
Andries Pretorius Street	Tarred	Poor	No Provision

Voortrekker Street

This is the main street in low density town which is tarred and it appears to be in fair condition. There are however some parts of the street with map cracks and rutting need average maintenance.

De Kok Street

This is a gravel street and it is poor in condition with visible streams in the street, the lack of provision for storm water pipes and v-drains is a huge concern as the runoff moves along the street causing erosion.

Tshipo Street

This is a block paved street in good condition and there is sufficient storm water drainage provided for this street even though it is silted street sections.

Van Graan Street

This is a block paved street in good condition and there is sufficient storm water drainage provided for this street even though it is silted street sections.

Sediti Street

This is a block paved street in good condition and there is sufficient storm water drainage provided for this street.

Vetman Street

This is a tar paved street in good condition and there is sufficient storm water drainage provided for this street.

Palier Street

This is a gravel street and is poor in condition with visible streams in the street; the lack of provision for storm water pipes and v-drains is a huge concern as the runoff moves along the street causing erosion.

De Wet Street

This is a gravel street and is poor in condition with visible streams in the street; the lack of provision for storm water pipes and v-drains is a huge concern as the runoff moves along the street causing erosion.

Lubbe Street

This is a tarred road in very poor condition and deteriorating, has potholes and there are no vdrains or storm water pipes provided. There is water stagnation on the road which will continue to cause potholes.

Andries Pretorius Street

This is a tarred road in poor condition which has deteriorating sections with potholes and has longitudinal cracks and there are no v-drains or storm water pipes provided. There is water stagnation on the road which will continue to cause potholes.

Generally, it was observed that there are crocodile, edge cracks and potholes forming in the surfaced roads. This is due to the weather conditions. These cracks need to be sealed, to prevent further road

damage. Intersections do not drain storm water fast enough or not at all, this causes structural damage to the roads. There are block paved roads in the township which appear to be in very good condition. Large areas of the surfaced roads in the CBD are showing signs of structural road failure, due to pothole forming and major crocodile cracks.

- **STORM WATER – STATUS QUO**

The main storm water channels were identified for each town and the analysis per each town is provided below;

Koffiefontein Storm Water Network

Koffiefontein consists of lined and unlined storm water channels, with a few storm water pipes and culverts passing beneath the roads. The storm water system south of the R704 is mostly lined channels with a few unlined channels. A berm has been constructed along the outskirts of town to prevent storm water passing through town. The main storm water channels draining through the Boitumelong settlement are lined while the rest of the unpaved roads have no storm water lining.

Rooibult settlement has no storm water channels or any formalised drainage network.

Luckhoff Storm Water Network

Luckhoff mainly consists of lined side drains while Relebohile has very few channels, of which many are blocked. The main stream passing through town passes underneath Voortrekker road and is blocked and silted up. There are storm water pipes in Teisesville in Jakopregop Street which are silted up.

Oppermansgronde Storm Water Network

Oppermansgronde is the smallest of the towns within the LLM, and the town has a lined storm water channel west of the town which collects most of the storm water upstream of the town. Most of the streets are gravel roads in a poor condition due to insufficient storm water drainage system. The two main storm water channels exiting town are unlined and silted up and required formalisation.

Petrusburg Storm Water Network

Petrusburg consists of open v-shaped drains within the town. A main unlined channel is located west of Petrusburg outlining area. Bolokanang has a few lined channels in Monument road. Most of the streets are gravel roads are in a poor condition due to insufficient storm water drainage system.

REALITY AND OBSERVATIONS OF STORM WATER

Koffiefontein Storm Water Problems

The municipality has observed that there is inadequate drainage through the existing pipeline system which causes localised flooding in Koffiefontein area. It will be required that the culverts as well as exit channel be upgraded and maintained in order to address the storm water problem. There is inadequate drainage through the existing pipe system and causes localised flooding. There is no formal storm water channel located in this area. It is required that a storm water channel be constructed at this pointing time. There is a large storm water channel converging around the area. The storm water channel downstream is insufficient in size and capacity. Upgrading will be required to address this problem. The municipality need to solicit funding and conduct further assessment on storm water. The channel exiting the road must be upgraded and formalised in order to drain the runoff as efficiently as possible.

Luckhoff Storm Water problems

The municipality conducted an inspection on site with professional services and the officials from the municipality and problems were identified. The main storm water channel passing through town in blocked/silted up and requires Maintenance, as well as formalising to a lined channel. There is no storm water channel at this location and requires formalisation thereof. The existing storm water system is blocked/silted up and maintenance is required on a continuous basis.

The storm water system installed cannot work if it is not maintained regularly. The existing storm water system is blocked/silted up and maintenance is required. The storm water system installed cannot work if it is not maintained timeously. The existing storm water system is blocked/silted up and maintenance is required. The storm water system installed cannot work if it is not maintained. The existing storm water system is blocked/silted up and maintenance is required. The storm water system installed cannot work if it is not maintained. The existing storm water channel draining this area is silted up and must be reshaped and maintained in order to drain this area sufficiently. A new berm is proposed along the north eastern boundary of the undeveloped settlement so as to direct the storm water drainage system properly.

Oppermansgronde Storm Water problems

The municipality conducted assessments and discovered that the main storm water channel exiting town is blocked/silted up and requires maintenance as well as formalising to a lined channel.

The storm channel located at this area is insufficient and the municipality requires upgrading in order for the site to drain efficiently.

In some of the streets, the existing storm water channel is located above the road level and is in a poor condition. It has been further observed that the storm water drains within the gravel road and

has eroded some of the roads within the area and causing it to be in a poor state. The road and storm water channel must be upgraded in some of the parts of the area.

Petrusburg Storm Water problems

The Storm Water analysis within the area. The existing storm water channel exiting drains onto the gravel road which erodes the road surface. The storm water channels need to be extended past the developments boundary.

The main channel must be sized adequately for the amount of runoff for the catchment area. However, there is a need for a new channel to be constructed in this area to drain storm water and prevent even downstream from flooding within the area.

Boiketlo Street is the most critical road that had been identified with an inadequate storm water drainage system that collects most of the storm water upstream and damages most households located at the end of the street towards the graveyard.

- **ELECTRICITY AND ENERGY**

ELECTRICITY BULK SUPPLY AND CONDITIONS

The Letsemeng Local Municipality supported by the Municipal Infrastructure Support Agent (MISA) on developing the Energy Master Plan.

The master plan intended to analyse, identify technical issues concerning Letsemeng's ability to continue providing related energy/electricity requirements for the local community.

The municipality also needs to create appropriate and relevant improvement mechanisms.

There is a lack of Information on existing infrastructure, such as overhead conductor/underground cable types and length of lines/underground cables. However, the municipality is rolling out an Audit of all MV Infrastructure, Koffiefontein, Petrusburg and Luckhoff, and this initiative will assist the municipality with an up to date and accurate database of all equipment. The existing demand at Koffiefontein exceeds the current NMD of 3.2 MVA. The municipality is engaging ESKOM to assist with increase NMD to 4.2 MVA.

Of particular note, Koffiefontein is currently experiencing equipment overloading due to the addition of new RDP housing loads in Koffiefontein (if the housing development goes according to plans).

However, the municipality completed the project on upgrading the substation to cater for the new developments. The new substation is currently equipped with energy-efficient vacuum breakers. The substation mentioned above is equipped with bulk metering in each breaker. These developments will assist the municipality to measure how much power consumed in each breaker per town, location, including the mine area. These developments also confirm that the municipality should be able to measure distribution losses through a billing system.

The existing demand at Luckhoff exceeds the current NMD of 250 kVA.

There is a lack of Metering information and measuring and monitoring equipment at intake points, making it challenging to analyse LLM power flow and create a problem with Eskom billing.

The municipality needs to employ means to ensure an installation of bulk metering, including remote communication, to analyse power flow within the LLM Network and ensure accurate billing.

The Letsemeng Local Municipality has a slight demand for High Mast Lighting within its municipal boundaries.

Identification and Analysis of refurbishment projects in the municipality supplied towns

Table 11: Identification and analysis of refurbishment projects

Electricity Challenges	Possible Solutions
MS 8, a ground mounted transformer in Petrusburg was found to be in a poor state. Some of the findings included transformer oil leaks, undressed cables from transformer to DB, potentially rusty & faulty DB, no clearance of transformer from grass, bushes, fence, and no restricted access to live equipment; all of which show non-conformance to OHS Act regulations and standards.	The recommendation is to replace the Transformer & DB (or maybe repair if possible (i.e. tests have shown that the transformer integrity has not been compromised for further safe use). Test all cables and replace if need be including ground cables. General equipment yard maintenance is necessary.
MS 4, which is 315 kVA Ground Mounted transformer in Petrusburg is found to be in a poor state. Findings included severe transformer oil leaks and potentially rusty & faulty DB, no clearance of transformer from grass, bushes and fencing; all of which show	The municipality need to replace the Transformer & DB and perform Bush Clearing.

non-conformance to OHS Act regulations and standards.	
There is excess vegetation within the fencing of over 50 % of the ground mounted transformers in Petrusburg, Luckhoff, and Koffiefontein. There is also risk of overhead line faults especially in Petrusburg due to vegetation touching the lines.	Implement a bush clearing and vegetation maintenance program for all three towns.
The Medium Voltage Switchgear in Koffiefontein is in a poor state, with old technology breakers and relays.	A project has been completed regarding the upgrade of the switchgear equipment and substation building.

ELECTRICITY POWER SUPPLY

Letsemeng local Municipality is a licensed distributor of electricity.

The Municipality embarks on a systematic field assessment to look for unmetered supply, illegal Connection and irregular consumption. LLM electrical reticulation, despite ageing infrastructure, resulting in many technical losses, is still of quality, robust and reliable with little power failures/interruptions.

Fortunately, due to the filled assessment, the Municipality has no illegal electrical connection. The Municipality is improving the system reliability through maintenance and coordinating upgrades with replacement of equipment of latest technology (demand-side management) in terms of preventative maintenance.

Thus, building trust between the Municipality and the communities provides a reliable, safe and quality power supply.

Table 12: Electricity status quo per town

Electricity Status quo per Town		
Area	Status	Interventions required

Koffiefontein (Ward 4 & 5)	<ul style="list-style-type: none"> • Electrical feeder lines are aged, causing unreliable supply during rain and windy days. • Cable theft at pump stations • Old metering system/ Bypassed meters. 	<ul style="list-style-type: none"> • Request funding to relevant sector departments to replace all aged power lines and strengthening the reticulation • Upgrade security to safeguard substations and pump stations • The Municipality is currently conducting a systematic field assessment looking for irregular, unmetered supply and meter audit/ preferably on the verge of introducing split meters to avoid electrical theft.
Petrusburg (Ward 3)	<ul style="list-style-type: none"> • Ageing infrastructure in Town resulting in continuous breakdowns. • Reliable supply in Bolokanang 	<ul style="list-style-type: none"> • Request funding to replace the ageing infrastructure in Town
Luckhoff (Ward 1)	<ul style="list-style-type: none"> • Reliable supply • Ageing infrastructure 	<ul style="list-style-type: none"> • Request funding to replace the ageing infrastructure in Town • Reinvasmak location supply is reliable.
Oppermans	<ul style="list-style-type: none"> • Reliable supply 	<ul style="list-style-type: none"> • None

The analysis, as mentioned above, of the situation of the Letsemeng Local Municipality demonstrated an obligation by the institution to carry out the prescribed mandate of the local government. However, the municipality identified the following projects which could eradicate these challenges above and accelerate service delivery.

THE FOLLOWING ARE THE IDENTIFIED UNFUNDED INFRASTRUCTURE CAPITAL PROJECTS OF THE LETSEMENG LOCAL MUNICIPALITY TO BE IMPLEMENTED IN THE NEAR FUTURE

Table 13: Unfunded Infrastructure Capital Projects

Project Description
Water and Sanitation Systems
Refurbishment of the Wastewater Treatment Works <ul style="list-style-type: none"> a. Koffiefontein (Priority: 2023/24) b. Jacobsdal (Priority: 2023/24)
Upgrade of Bulk Sewer <ul style="list-style-type: none"> a. Bolokanang & Petrusburg (Priority: 2023/24) b. Ratanang & Sandershoogte (Priority: 2023/24)
Sewer Pump Station Replacement <ul style="list-style-type: none"> a. Koffiefontein Four Pump Station (Priority: 2023/24) b. Oppermansgronde New Pump Station (Priority: 2023/24)
Electricity Systems
Upgrading and Refurbishment of 11KV electrical Bulk Feeder Lines: 17km (Koffiefontein)
Roads Systems
Upgrading of existing road and construction of new road: <ul style="list-style-type: none"> a. Petrusburg (Priority: 2023/24) b. Jacobsdal (Priority: 2023/24) c. Koffiefontein (Priority: 2023/24) d. Luckhoff (Priority: 2023/24) e. Oppermansgronde (Priority: 2023/24)
Construction of new Road: <ul style="list-style-type: none"> a. Phambili (Priority: 2023/24)

Construction of New Stormwater Infrastructure in:

- a. Petrusburg (Priority: 2023/24)
- b. Jacobsdal (Priority: 2023/24)
- c. Koffiefontein (Priority: 2023/24)
- d. Luckhoff (Priority: 2023/24)

Table 14: Water and Sanitation

New Water Provision Infrastructures					
1	Construction of new pipeline from alternative source to Petrusburg Water Treatment Works (Priority: 2023)	Short Term	Grant/PPP	R100 000 000	Water Master Plan
2	Construction and Refurbishment of a Water Treatment Works in: a. Petrusburg (Priority: 2025)	Short Term	Grant/PPP	R115 000 000	Water Master Plan
3	Building a new tower and reservoir in: a. Petrusburg (Priority: 2026) b. Luckhoff (Priority: 2022) c. Oppermansgronde (Priority: 2024)	Medium Term	Grant/PPP	R26 443 200	Water Master Plan
	Installation of Water reticulation for New Developments in: a. Petrusburg (Priority: 2028)	Medium Term	Grant/PPP	R17 276 000	Water Master Plan
New Sanitation Provision Infrastructures					
17	Installation of Sewer Reticulation and Household Connection in: a. Petrusburg (Priority: 2028)	Medium/long term	Grant/PPP	R61 181 000	Sewer Master Plan

LAND AND ECONOMIC DEVELOPMENT PROJECTS**Extended Capital Projects: Community Services 2022/23**

1. Township establishment of erf 1671 in Dithlake ext 2 into an estimated 75 residential erven
2. Development of business erven in Koffiefontein town
3. Township establishment of Phambili informal settlement (R 708 000)
4. SLP 3 project for brickmaking and crusher plant in Koffiefontein
5. SMME Hub In Koffiefontein

- **LANDFILL SITES/ REFUSE AND WASTE REMOVALS**

CEMETRIES

Koffiefontein Cemetery

The Koffiefontein Cemetery is located to the north-east of Koffiefontein at the end of Robertson Road. The Cemetery is bounded by a fence but with sections of fence damaged and/or missing. The security of the cemetery is poor and signs of vandalism was observed.

There is ample parking for visitors at the gated entrance. A Visitor's Toilet structure is located at the Cemetery; however, it is not considered functional. The building is in a dilapidated condition, with a collapsed roof, no doors nor windows.

The toilets in the building are beyond repair. There is no electric connections have been noted in the building. This confirms that the building needs an undivided attention.

Although the facility is in a functional condition, the following work is proposed to improve the cemetery:

- Demolish dilapidated toilet building;
- Construct new toilet facility;
- Fix punctured fence;
- Plant indigenous trees on facility;
- Plant hedges along walkways to formalise cemetery.

Dithlake Cemetery

The Dithlake Cemetery is located on the north-eastern side of Dithlake. The facility is not secured and has no perimeter fence.

There are two buildings at the facility. One is for public toilets and the other for a store room. These buildings are in a dilapidated state and is considered to be non-functional.

Although the facility is in a functional condition, the following work is proposed to improve the cemetery:

- Demolish dilapidated toilet building;
- Construct new toilet facility;
- Install perimeter fence;
- Plant indigenous trees on facility;
- Plant hedges along walkways to formalise cemetery.

Chris Hani Park Cemetery

The Chris Hani Park Cemetery is situated to the east of Chris Hani Park in Koffiefontein. The cemetery is well secured with a steel palisade fence on its perimeter and a lockable gate. There are two buildings at the cemetery, both of which are in a seemingly good structural condition. The bigger building is well secured with burglar bars on the windows and lockable gates at the doors and houses the public toilets. The smaller building has a shear crack above the entrance which must be fixed. The building is locked and functions as a store room.

Although the facility is in a functional condition, the following work is proposed to improve the cemetery:

- Fix punctured fence;
- Plant indigenous trees on facility;
- Plant hedges along walkways to formalise cemetery.

Diamanthoogte Cemetery

The Diamanthoogte cemetery is situated to the north-western side of Diamanthoogte. The cemetery is well secured with a steel palisade fence on its perimeter. There is one unfinished building at the cemetery which will house the public restrooms. It is proposed that this building be completed and well secured. It is further proposed that additional trees be introduced to the cemetery.

Although the facility is in a functional condition, the following work is proposed to improve the cemetery:

- Complete the renovation of the public toilet facility;
- Fix punctured fence;
- Continue with the introduction of trees in the cemetery;
- Plant hedges along walkways to formalise cemetery

Luckhoff Cemetery

The Luckhoff cemetery is situated to the west of the town along Rabie Street. The cemetery has a steel palisade fence on its perimeter. The fence has some section missing and/or damaged. There is an old public restroom building which is in a dilapidated state. The building does not have any doors or windows. The roof has been completely stripped. There aren't any functional toilets or washbasins in the building anymore. The building is not considered to be functional.

Although the facility is in a functional condition, the following work is proposed to improve the cemetery:

- Demolish dilapidated toilet building;
- Construct new toilet facility;
- Fix punctured fence;
- Plant indigenous trees on facility;
- Plant hedges along walkways to formalise cemetery.

Jacobsdal Cemetery

The leafy Jacobsdal Cemetery is situated to the south of the town at the end of De Villiers Street. The cemetery is well secured with a perimeter fence and wall. A further steel palisade fence secures the public restrooms. The building is in a good condition and a good community ownership perception is established. This is proven by the fact that the community recently took it upon themselves to fix some of the toilets and paint murals on the exterior of the building. The building and the cemetery are well maintained. It is proposed that this leafy cemetery be held up as an example toward which all the other Letsemeng Municipal Cemeteries can be developed.

Ratanang Cemetery

The Ratanang Cemetery is located to the east of the suburb and to the north of Jacobsdal. Although the cemetery is well secured with a steel palisade fence, there are big sections open due to missing and/or broken palisade panels. There is an old public restroom at the cemetery. The building has no roof, doors or windows. None of the washbasins or toilets are working. The building is considered to be non-functional.

Although the facility is in a functional condition, the following work is proposed to improve the cemetery:

- Demolish dilapidated toilet building;
- Construct new toilet facility;
- Fix punctured fence;
- Plant indigenous trees on facility;
- Plant hedges along walkways to formalise cemetery.

Petrusburg Cemetery

The cemetery is in a good and functional condition. There are no buildings on the site.

Although the facility is in a functional condition, the following work is proposed to improve the cemetery:

- Construct new toilet facility;
- Fix punctured fence;
- Plant indigenous trees on facility;
- Plant hedges along walkways to formalise cemetery

Bolokanang Cemetery

The Bolokanang Cemetery is located to the north-western side of Bolokanang. The area is well secured with a steel palisade fence on the perimeter. The site has an old building which is in a dilapidated condition. The building is a ruin and would have to be reconstructed in its entirety to regain its functionality as a public toilet and store room.

Although the facility is in a functional condition, the following work is proposed to improve the cemetery:

- Demolish dilapidated toilet building;
- Construct new toilet facility;
- Fix punctured fence;
- Plant indigenous trees on facility;
- Plant hedges along walkways to formalise cemetery.

• SPORTS AND RECREATION FACILITIES

PARKS

Koffiefontein Park

The Locomotive Park is located at the entrance of Koffiefontein in De Beers Road. There aren't any buildings on the park. A memorial stone is bounded by a steel palisade fence.

The park is a cultural and tourism node of the town. Although no major work is proposed at this stage, the park must form part of a periodic maintenance schedule to assist in beautification and the promotion of tourism.

Kettle Park

The iconic Kettle Park is located opposite the Locomotive Park at the entrance to Koffiefontein. Although there are no buildings in the park, the entrance sign with cup and kettle is located in this park. The Koffiefontein town name sign is in a poor condition. It is proposed that limited remedial work be done on the sign.

The park is a cultural and tourism node of the town. Although no major work is proposed at this stage, the park must form part of a periodic maintenance schedule to assist in beautification and the promotion of tourism. It is proposed that some minor work be conducted to boost tourism and retain the heritage of Koffiefontein by renovating the:

- Town name sign;
- And kettle fountain

Dithlake Park

The Dithlake public park is located in the centre of Dithlake. The park is well secured with a steel palisade fence on its perimeter, but some sections are missing. The park is well lit with a solar light. There aren't any buildings on the erf. The park has children playground equipment and is considered to be in a good and functional state.

The park is in a good condition. The following action can be taken to improve the park further:

- Promote the planting of trees in the park during National Tree Planting Day (26 April);
- Repair punctured fence.

Diamanthoogte Park

The Diamanthoogte Park is a well-functioning children's' playground. Although the park's perimeter is fenced, there are a number of sections missing. It is proposed that the park be further developed by planting indigenous trees and installing rubbish bins.

The following action is proposed to improve the park:

- Introduce trees;
- Installation of rubbish bins;
- Fix punctured fence.

Luckhoff

Future spatial development planning processes will consider rezoning to accommodate adequate parks as main recreational facility within Luckhoff area. However, more updates regarding the restructuring elements are elaborated within the revised SDF of the municipality.

Jacobsdal**Sandershoogte Park**

The Sandershoogte community park is located on the corner of 4th Street and Hoof Street. The park has a steel palisade fence on its perimeter but with large sections missing and/or broken. No exterior lights are found in the park. The park is functional but there is an opportunity to further develop the park to improve it for the surrounding community.

The following works have been identified and is proposed:

- Improve park with vegetation, trees and play facilities;

- Fix punctured fence.

Petrusburg

Bolokanang Park

The Bolokanang Community Park is situated next to Boiketlo Street adjacent to the Bolokanang Sportsgrounds. The park is well secured with a steel palisade fence on its perimeter. There aren't any buildings on the erf. The park is in a good and functional condition.

There is a need to consider installing playground equipment and promoting the planting of trees in the park.

Bolokanang Park

This park is also situated in Monument Road to the south of the Community Centre. There aren't any buildings on the site. The park is well secured with a steel palisade fence on its perimeter. General maintenance is required on the palisade fence.

The following works have been identified and is proposed:

- Repair steel palisade fence;
- Provide rubbish bins;
- Consider the installation of playground facilities;
- Promote the planting of trees in the park.

WASTE DISPOSAL SITES

Jacobsdal

Sandershoogte

The Sondershoogte waste disposal area is unfenced and no buildings on the erf. The municipality need to construct fencing on property perimeter.

Koffiefontein

Diamanthoogte

The Diamanthoogte waste disposal area is unfenced and no buildings are found on the erf. The municipality need to secure the facility with a fence on its perimeter. The introduction of trees on the perimeter can improve the visual aesthetics for the community.

Luckhoff

Luckhoff waste disposal area have been assessed and it was discovered that most of the sections of fence are damaged. However, the municipality need to repair fence if its future plans remains in this position. If that will be the case, the municipality need to consider introducing trees around perimeter of site.

Oppermansgronde

Oppermansgronde waste disposal area has no buildings and no fence. However, there is a need to construct perimeter fence.

SPORTS GROUNDS

Koffiefontein Sportgrounds

The Koffiefontein Stadium and Sportsground is situated near the centre of town in Du Preez Street. The area is secured with steel palisades along the erf boundary. Various sections of the steel palisade are broken or missing. There are various buildings at the Sportsgrounds which are not in good conditions. There are signs of extensive vandalism inside in some of the buildings, such as, tennis club, tuck shop, stadium kitchen and changing rooms. These facilities need to be repaired as a result of their conditions, including public toilets behind the stadium.

Dithlake Sportsgrounds

The Dithlake Sportsgrounds is located on the north-western side of Dithlake next to Edwards Road. Access is obtained from Mosime Street. The facility well secured with a prefabricated wall along the perimeter. Currently access is obtained from a broken section of prefabricated wall at the entrance of the building.

The sportsgrounds have recently been refurbished during 2018/19 financial year. The sportsgrounds need permanent security services to secure the facility.

Chris Hani Park Sportsgrounds

The Chris Hani Sportsgrounds is situated in the centre of Chris Hani Park in Koffiefontein. The Sportsgrounds are well secured with a steel palisade fence which does have intermittent openings. However, the municipality solicited funding to refurbish the facility. The project is running and it will be handed over to the municipality after practical completion has been conducted. There is a need to appoint permanent security services so as to circumvent future vandalism.

Diamanthoogte

Currently there is no sports ground identified in this area.

Luckhoff

Luckhoff Sportsgrounds

The Luckhoff Sportsgrounds are situated on the eastern edge of the town next to the Municipal Offices. The erf is well secured with a fence and lockable gates on its perimeter. There are three buildings on the erf which include:

- Sport Stadium
- Changing rooms and Hall
- Store room

Although the buildings are old, they are still in a relatively good condition. The buildings are secure. Some windows are broken, but doors are well secured. Some of the toilets and washbasins do not work. Several seating planks on the Stadium are in a poor condition and would need to be replaced.

Luckhoff Sport Facilities (Tennis)

The old tennis club building has been renovated and currently a crèche operates from it. Various wooden doors are in a poor condition, causing the building to not be well-secured. Some of the windows are broken. The erf has a fence on its perimeter. However, the municipality need to replace all broken exterior doors and fix roof leaks. Furthermore, there is a need for refurbishment of the sports ground, including other related sports facilities in the sports ground.

Relebohile Sportsgrounds

The Relebohile Sportsground is situated on the western edge of Relebohile. The Sportsgrounds is well secured with a steel palisade fence on its perimeter. The building is functional, although there are signs of vandalism. The building is not well secured, with all windows broken. None of the toilets or washbasins is in a functional condition.

Jacobsdal

Ratanang Sportgrounds

The Ratanang Sportsgrounds are situated in the north of the suburb. The erf is well secured with a pre-fabricated wall on its perimeter and a lockable gate. All buildings are secured with burglar bars. At certain sections of the perimeter wall has collapsed and residents fixed it with a fence.

The site contains several buildings and there is a need for the refurbishment.

Oppermansgronde

Currently there is no information available relating to the sports ground in the area.

Petrusburg

Bolokanang Sportgrounds

The Bolokanang Community Sportsgrounds is situated behind a park in Boiketlo Street. The Sportsgrounds aren't visible from the street with the erf secured with pre-fabricated walls and steel palisade fences. This causes the facility to be hidden and an easy victim to vandalism.

There are six buildings on the grounds. All six buildings are in a severe dilapidated state due to vandalism and neglect. The buildings are not in a functional condition and would have to be rebuilt and renovated to make them functional again.

However, the municipality need to consider renovating some of the buildings to serve the community sports grounds. There is a need to ensure effective security to prevent future vandalism occurs.

3.7 FINANCIAL VIABILITY AND SUSTAINABILITY

Strategic Objective

To improve overall financial management in the municipality by developing and implementing appropriate financial management policies, procedures and systems.

Intended Outcome

Improved financial management and accountability.

Letsemeng Local Municipality has taken an approach of adopting the following budget principles:-

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

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

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

The revenue base of the municipality has declined drastically and the low revenue collection has put the municipality in a compromising position in terms of both its financial sustainability and its cash flow. The municipality has reviewed its Revenue Enhancement Strategy and has started the roll out a massive Operation Patala campaign.

The following budget related policies will be tabled together with budget of the Municipality and the two itilised policies were reviewed during the course of the year

- Budget policy;
- Banking and Investment policy;
- Virement policy;
- Supply chain management policy;
- Credit control and debt collection policy;
- *Indigent support policy;*
- Property rates policy;
- *Tariffs policy;*
- Funding and reserves policy;
- Petty Cash Policy
- Supply chain management and Infrastructure policy

Budget Policy

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

Virement Policy

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

Supply Chain Management Policy

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

Credit Control and Debt Collection Policy

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

Indigent Support Policy

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

Property Rates Policy

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

Tariffs Policy

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

Funding and Reserves Policy

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

The Letsemeng Local Municipality has undergone the necessary budget reforms and intends to implement the following principles with regard to budgeting:-

- A more strategic approach to budgeting and financial management;
- Promote sound financial governance by clarifying roles;
- Modernization of financial management;
- Promoting cooperative governance;
- Promoting sustainability

Some of the modernization initiatives the municipality has taken will be aimed at achieving the following:-

- Budgets get tabled 90 days before the start of the new year to deepen consultation and transparency;
- Integrate policy, planning and budgeting;
- Monthly reporting to promote in-year management and discipline;
- Implementation of accounting standards (GRAP), promoting comparability;
- Timely submission of financial statements;

The long term vision of the municipality is to promote:-

- Sound financial systems and processes;
- Transparent budgeting processes;
- Effective management of revenue, expenditure, assets and liabilities;
- Unqualified financial statements prepared on the accrual basis and on time.

Table 15: IDP/BUDGET PROCESS CYCLE

STEP – BY – STEP IDP/BUDGET PROCESS CYCLE		
No	Step	Process
1	Planning	Schedule key dates, establish consultation forums, review previous processes
2	Strategizing	Review IDP, set service delivery targets and objectives for the next 3 years, consult on tariffs, review all budget related policies, free basic services. Consider local, provincial and national issues, the prior year's performance and current economic and demographic trends

3	Preparing	Prepare budget, revenue and expenditure projections, draft budget policies, consult and consider local, provincial and national priorities
4	Tabling	Table IDP/Budget and budget – related policies before municipal council, consult and consider formal local, provincial and national inputs or responses
5	Approving	Council approves budget and budget related policies and any amendments to the IDP
6	Finalising	Approve SDBIP and publish with budget and annual performance agreements and indicators

The Finance Directorate is administering and managing all conditional and non – conditional grants received from the Division of Revenue Act, though the actual implementation responsibility lies upon the respective Directorates within the municipality.

The following grants are being received by the municipality with the following conditions which the municipality must comply with to ensure effective application and proper reporting of these grants

Table 16: Grants Received

Grant	Objective	National Financial Year		
		Column A	Column B	
			Forward Estimates	
		2023/2024	2024/2025	2025/2026
Local Government Financial Management Grant	To promote and support reforms in financial management by building capacity in municipalities to implement the Municipal Finance Management Act	R 3 000 000	R 3 000 000	R3 000 000
Expanded Public Works Programme Integrated	To incentivize municipalities to expand work creation efforts through the use of labour intensive delivery methods in the following identified focus areas, in compliance with the	R 950 00	-	-

Grant for Municipalities	Expanded Public Works Programme Guidelines: road maintenance and maintenance of buildings, low traffic volume roads and rural roads, basic services infrastructure, including water and sewer reticulation, sanitation, pipelines (excluding bulk infrastructure), other economic and social infrastructure, tourism and cultural industries, waste management, parks and beautification, sustainable land-based livelihoods, social services programme, health service programme and community safety programme			
Municipal Infrastructure Grant	To provide specific capital finance for eradicating basic municipal infrastructure backlogs for poor households, micro enterprises and social institutions servicing poor communities	R 19 688 000	R20 401 000	R21 143 000
Municipal Water Services Infrastructure Grant	To facilitate the planning, acceleration and implementation of various projects that will ensure water supply to communities identified as not receiving a water supply service	R 31 327 000	R20 287 000	R23 285 000
Equitable Share	To enable municipalities to provide basic services to poor households and to enable municipalities to afford administration and governance capacity to perform core municipal functions.	R 84 906 000	R90 748 000	R93 708 000
Integrated National Electrification Grant	To deal with energy challenges within the Municipality – Upgrading of electricity network within Letsemeng Local Municipality	R528 000	R7 418 000	R5 000 000

Energy Efficient and Demand Management Side	To save energy by retrofitting of public lightning and public building with LED lights	R 4 000 000	R5 000 000	-
Provincial Grant		R2 935 000	R3 082 000	-

3.8 LOCAL ECONOMIC DEVELOPMENT

Strategic Objective

To create an environment that promotes development of the local economy and facilitate job creation.

Intended Outcome

Improved municipal economic viability and Radical Economic Transformation.

The Constitutional Provisions

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

"A municipality must

- a) Structure and manage its administration, budgeting and planning processes, to give priority to the basic needs of the community and to promote the social and economic development of the community; and
- b) Participate in national and provincial development programmes."

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

The stated priority function of this Act is "To provide for the core principles, mechanisms and processes that are necessary to move progressively towards the social and economic upliftment of local

communities..." and more so "to progressively build local government into an efficient, frontline development agency capable of integrating the activities of all spheres of government for the overall social and economic upliftment of communities".

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

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

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

What is LED?

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

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

The development of Strategies which are driven by:-

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

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

Dedicated leadership is needed to:-

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

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

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

The local economic strengths and weaknesses

To have a stronger understanding of its community's economic profile will help to create a realistic vision and strategies for economic development.

ANALYSIS of the Strengths and Weaknesses of each town in Letsemeng Local Municipality
Table 23: Strength and Weaknesses

Letsemeng Local Municipality		
Town	Description	Spatial Issues
Koffiefontein	Koffiefontein/Dithlake serves as the municipal administrative seat within Letsemeng Municipality. It is situated approximately 125 km northwest of Trompsburg and an estimated 146 km east of Bloemfontein. Access to the town is via the R48 between Petrusburg and Luckhoff. The main social and economic functions of the town include: (a) main LM administrative centre, (b) regional agricultural services centre, (c) diamond mining operations, (d) regional social services centre.	<ul style="list-style-type: none"> ▪ Need for commercial and social integration of former separated town areas. ▪ Shortage of all forms of housing. ▪ Dilapidation of bridge connecting the town to the surrounding towns. ▪ Shortage of municipal land surrounding existing town and impeding expansion. ▪ Access to land by emerging farmers. ▪ Development/expansion of municipal buildings and functions. ▪ Sustainable management of land.
Petrusburg	Petrusburg/Bolokanang serves as a commercial and social service centre within Letsemeng Municipality. It is situated approximately 55 km northeast of Koffiefontein. Access to the town is via the N8 between Bloemfontein and Kimberley. The main social and economic functions of the town include: (a) main regional agro-processing centre, (b) secondary agricultural service centre, (c) social functions such as residence, education and medical services, and (d) transport support services on major route.	<ul style="list-style-type: none"> ▪ Shortage of especially lower income housing. ▪ Shortage of municipal land surrounding existing town, impeding expansion. ▪ Access to land by emerging farmers. ▪ Infill planning and development of the buffer area between the two town areas. ▪ Effective infrastructural development in areas where agri-processing is dominant. ▪ Sustainable management of land. ▪ More direct benefit from major transport routes.
Jacobsdal	Jacobsdal/Ratanang serves as an economic growth and tourism development node within Letsemeng Municipality. It is situated approximately 45 km northwest of Koffiefontein. Access to the town is via the R705 between Koffiefontein and Modderivier. The main social and economic functions of the town include: (a) regional agricultural services centre, (b) key regional tourist destination, (c) main regional agro-processing centre, and (d)	<ul style="list-style-type: none"> ▪ Shortage of especially lower income housing. ▪ Access to land by emerging farmers; Infill planning and development of the buffer area between the two town areas. ▪ Effective infrastructural development in areas where agri-processing is dominant. ▪ Land availability for social application such as community hall and cemeteries. ▪ Sustainable land management. ▪ Conservation of areas surrounding local rivers.

However, there are Developmental nodes identified at Jacobsdal & Koffiefontein. It should be noted that there is a need for the development in those towns to draw investment through working relationships with private and public sector.

The community's place in the broader Regional, Provincial and National economy

To gain a firm grasp of how the Letsemeng community fits into the broader Regional, Provincial and National Economy we need to work very close with other spheres of Government to gain National economic success.

The community's economic development vision and goals

Local Municipal officials in the LED Unit of Letsemeng Local Municipality should play a key role in building consensus for a vision and goals that provide clear direction for local economic development.

The community's strategy to attain its goals

A strategic approach which must link economic development goals to specific activities, allocating a budget and appointing or placing staff to these activities and evaluating performance based on measurable outcomes.

Connections between economic development and other Council policies

When drafting economic development policies, it is essential to consider how other Council policies (e.g. SCM policies) affect your economic development goals.

The local economic stakeholders and development partners

Municipal officials should think strategically on a project-by-project basis about who needs to be involved, the resources they bring to the table, and what it will take to get them engaged.

The needs of our local business community

Municipal officials should help create an environment that supports the growth and expansion of local businesses, primarily by opening lines of communication and encouraging partnerships amongst local business.

The community's economic development message

Municipal officials must develop a clear, accurate and compelling message that reflects its local vision and that helps ensure broad support for economic development projects undertaken by the Municipality and its partners.

The economic development staff

Councillors will be more effective in leading economic development activities to the extent that they forge strong relationships with staff members who work on these issues on a daily basis.

The goal of the abovementioned principles is basically to identify fundamental ways on how Council can become informed and strategic decision-makers who can connect the policy "dots," be

effective communicators and take a leadership role in economic development. It is based on the premise that Councillors can and should actively participate in and lead long term development strategies that make sense for their communities.

Assessing the Local Economy of Letsemeng Local Municipality

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

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

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

For example:-

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

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

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

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

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

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

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

3.9 STRATEGIC OBJECTIVES

Table 23: Strategic Objectives.

OBJECTIVE	PROGRAMME/PLANS	ACTIONS/PLANS
To shift towards a more strategic approach to the development of our local economy and to overcome challenges and failures	Skills programmes to respond to business and government for greater productivity and efficiency;	Ensure that social and economic development are prioritised within the municipal Integrated Development Plans (IDPs);
To support the local economy in realising its optimal potentials and making local communities' active participants in the economy of the country.	Business support programmes to retain existing businesses and encourage start-up or relocating businesses to enter the area;	Conduct local economic regeneration studies that form a core component of the IDPs; Identify and market new economic opportunities;
To wage the local fight against poverty more effectively through local level debates, strategies and actions.	Develop an effective poverty eradication strategy with clear targets and outcomes.(medium – long term)	Implement poverty eradication programmes and projects (establish two co-operatives)

To improve community access to economic initiatives, support programmes and information.	Social development programmes to increase participation in the local economy and build better lifestyles for the community;	Motivate and support individuals, community groups and local authorities to initiate and sustain economic initiatives; Mobilise civil society to participate in LED and encourage public participation;
To improve the coordination of economic development planning and implementation	Promoting of multi-stakeholder participation in the local economy;	Network with key sectors and role players to create partnerships and projects; Promote interdepartmental collaboration across line departments; and
		Establish sector linkages and clustering of economic activity; Establish LED groups within the community to mobilise the efforts and resources of local stakeholders around a common vision; (Investment summits / business breakfast)

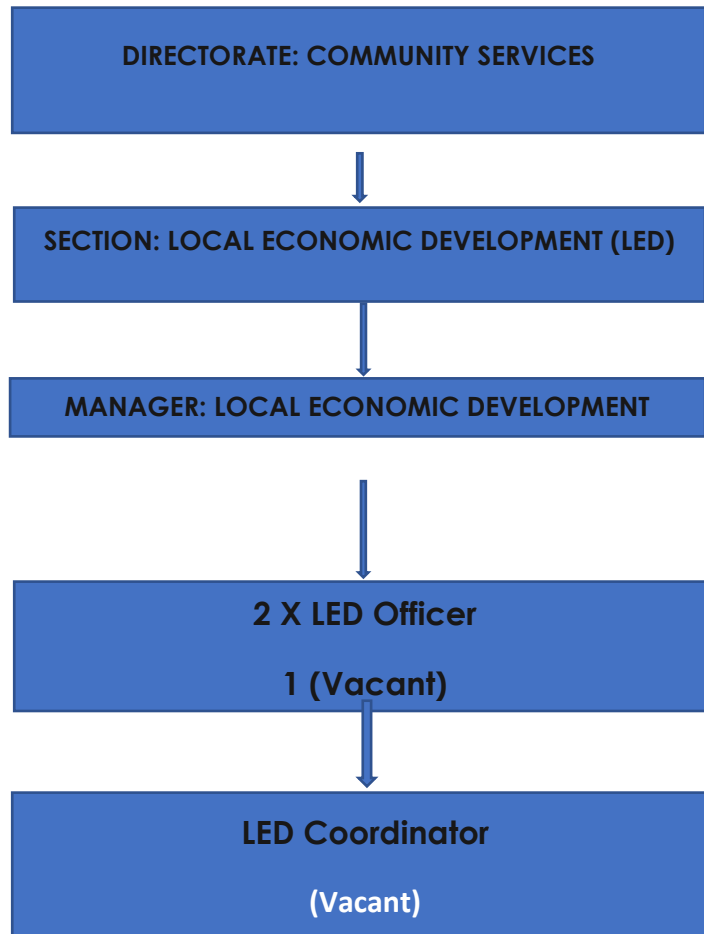
The Letsemeng Local Municipality envisages achieving the following local economic strategies by implementing the following interventions to achieve its goals:-

Table 24: Strategy, Aims and Intervention

STRATEGY	AIMS	INTERVENTIONS
Development and maintenance of infrastructure and services	Create an enabling Environment, Save time, cost and Technology	The provision of: Reliable, cost effective municipal service delivery – choose a service delivery mechanism that targets the under-served Efficient infrastructure maintenance Municipal provision of social amenities and facilities (health, recreation and pre-school) Effective housing and settlements policy Appropriate zoning
Retention and expansion of existing services	Assist local businesses to improve their productivity and increase market share Graduate to higher value added levels of the production chain	Development of local business skills (training) Providing advice and technological support Developing under-exploited sectors that have comparative advantages Outreach programmes (identifying specific problems in local economy) Financial schemes and assistance packages (approach banks) Bulk buying Place and product purchasing Networking
Increase spending on products of the local economy	To stem the outflow of money from poor areas	Encourage communities to buy local (understanding the reasons for external purchasing) Funding special events and festivals

		<p>Providing infrastructure using local labour and locally manufactured materials</p> <p>Promoting employee training within local businesses and communities</p> <p>Networking enterprises of all sizes in the local area</p>
Human capital development and productivity	Ensuring that economic development brings social benefits often requires explicit linkages between 'living wages', human capital development and productivity	<p>General and customised training within lead Sectors</p> <p>Basic and advanced skills development</p> <p>Targeted procurement policies</p>
Community economic development	Support poverty reduction in low income communities and organisations	<p>Promote safe savings collectives and financial services, community based environmental management and maintenance schemes, urban farming projects</p> <p>Support SMME development by providing business infrastructure, technical support through business advice centres, opportunities for involvement of SMMEs in government procurement, network key sectors in which SMMEs dominate</p>
Linkage of profitable growth to redistributive development/financing	To ensure that businesses investment benefits disadvantaged communities and areas	<p>Example: Banks or other financial institutions opening a branch in any municipal area in Letsemeng Municipality should invest some of their turnover in local small businesses</p> <p>(Corporate Social Responsibility of private Companies, e.g. FNB, Petra Diamonds, OVK)</p>

Based on the strategies provided above the management had joint efforts in ensuring that there is an additional personnel within the unit that will practically implement the aforementioned objectives. In accordance with the approved organizational structure of the municipality, provision in terms of personnel had been made from the overall organizational structure illustrated below;



The administration review the above mentioned structure and it should be noted that there were number of amendments made thereof. However the LED unit was initially located within the office of the municipal manager and was moved to the department of Community Services.

3.10 MAIN ECONOMIC SECTORS

Agriculture

Agriculture is the largest contributor to the local economy, but does not dominate as much as in the other two local municipalities.

The Petra Diamond Mines due operational losses incurred has resolved to move into care and maintenance and the net effect was loss of jobs that invariably will impact negatively on the revenue base of the municipality.

The farming industry varies throughout the region. The irrigation scheme of Jacobsdal produce crops such as grapes, potatoes, maize, wheat, Lucerne and groundnut. Cattle and sheep farming dominate farming practice in Luckhoff and Koffiefontein. Luckhoff is well known for its Merino sheep. In Petrusburg mixed farming pays the rent, with sheep farming as the main activity and potatoes and maize as the main crops. Other crops such as sunflowers and corn are also produced. In Oppermansgronde vineyards produce a major income for the town.

Letsemeng Municipality as a whole does not have industries that would ensure employment of our people. It is an agricultural area wherein the Government has really showed support in emerging farms for livestock farming, irrigation and other projects related to agriculture. The challenge existing is that this emerging farmers remains emerging forever and this blocks the cycle as it should be completed in terms of growing and giving way and contributing largely on the economy of the country. The department of Agriculture has started a mentorship programme that would assist the farmers in the long run. There is abundance of water in Jacobsdal area and on the irony; Petrusburg does not have a reliable water source.

Mining

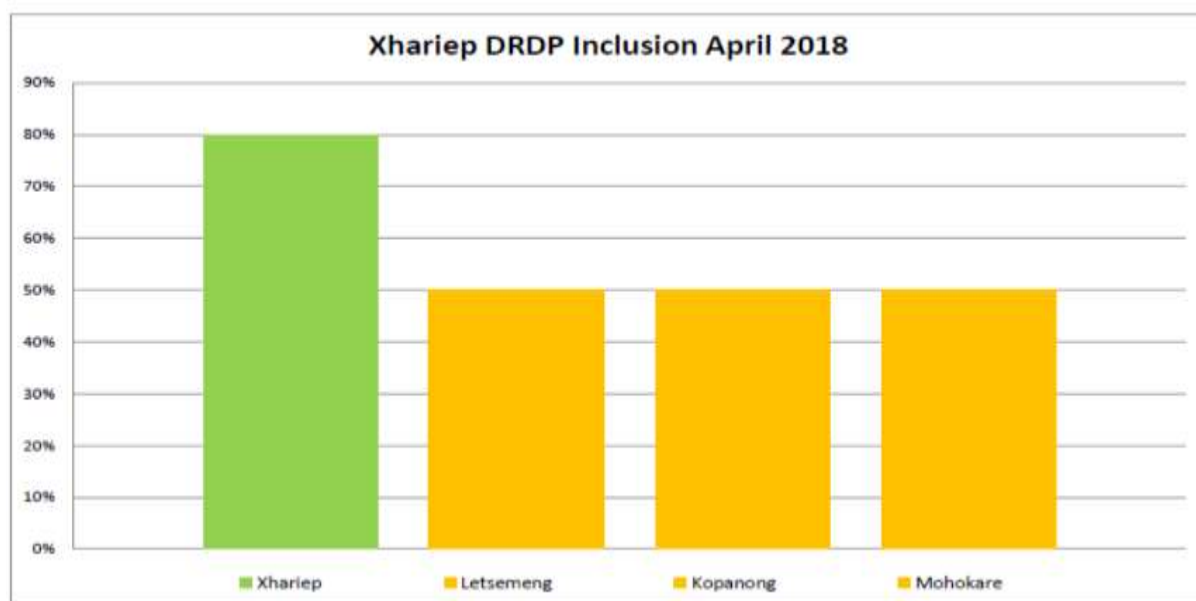
Mining has a significant impact on the rural areas with diamonds being mined extensively in the area. You will find mainly mining, poultry farming and piggery in the Koffiefontein area. It is established as a service town for the mining industry. There is one diamond mine that is situated in the south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

Tourism

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

Light Industries

Letsemeng Municipality as a whole does not have industries that would ensure employment of our people. Projects have been identified to complement and develop the industries that are currently operating. This includes a Tile making factory that will support the recycling of the slimes dams of the Koffiefontein mines. Few industries are situated in Petrusburg. Existing industries include furniture manufacturers and "scrap yards". Projects have been identified to compliment and develop the industries that are currently operating.



These initiatives have brought about enormous changes in our endeavours to relieve the plight of the poor and to accelerate job creation opportunities. Putting the limited resources and rich diversity of minds and commitments into one basket has brought light at the end of the dark tunnel. Indeed it has brought hope to those in despair and has provided to those in need. The municipality is however challenged with the continuous monitoring of the implementation of some of these programmes as some have never been evaluated nor monitored after their launch

LEGISLATIVE AND POLICY FRAMEWORK

The Constitution stipulates that all three spheres of governance are autonomous but Inter - dependent. This in essence calls for rather closer collaboration and effective implementation of intergovernmental relations between all these spheres of government. It is very important to note and take cognizance of the fact that most of our national and international policies have a particular bearing on the Provincial and Local spheres of government. A few critical ones relevant to LED development are highlighted below.

National Policy Guidelines for Local Economic Development Framework (2006-2011) states that:

Municipalities have a Constitutional mandate to promote local economic development (LED). Section 153 of the Constitution states that:

“A municipality must structure and manage its administration, and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community”.

The South African government has prioritised rural development and urban renewal as key strategies to counter the legacy of uneven development in the country. The aim of the LED programme within government is to support all municipalities in South Africa in implementing these strategies, and make them attractive places to live in, invest in and visit. This is to be achieved by focusing on addressing the needs of poor and marginalised people and communities.

Local stakeholders, such as government, business, labour and civil society organisations, should work together in order to enhance local economic development (LED). Local communities and authorities can play an active role in determining their own economic paths. LED involves identifying and using local resources to create opportunities for economic growth and employment. Successful LED depends on local partnerships as well as on national and regional structures to promote and support local initiatives.

Government has a particular role to play in LED, by ensuring that LED leads to job creation, sustainable rural development and urban renewal. LED interventions must benefit disadvantaged and marginalised people and communities within municipal boundaries through an inclusive and redistributive approach to economic development.

Local government structures have a particularly important role to play in harnessing national and regional resources to promote their areas and in facilitating strategic local partnerships to enhance and sustain economic growth.

Key principles underlying Local Economic Development

- Poverty and unemployment are the main challenges facing South Africa. LED strategies must prioritise job creation and poverty alleviation
- LED must target previously disadvantaged people, marginalised communities and geographical regions, black empowerment enterprises and SMMEs to allow them to participate fully in the economic life of the country
- There is no single approach to LED. Each locality may develop an approach that is best suited to its local context
- LED promotes local ownership, community involvement, local leadership and joint decision making
- LED involves local, national and international partnerships between communities, businesses and government to solve problems, create joint business ventures and build up local areas
- LED uses local resources and skills and maximises opportunities for development
- LED involves the integration of diverse economic initiatives in a comprehensive approach to local development
- LED relies on flexible approaches to respond to changing circumstances at local, national and international levels.

Key strategies for Local Economic Development

For local economic development to succeed, local government must become involved. The following LED strategies have been identified to assist municipalities to play a useful role:

- Facilitating community economic development
- Linking profitable growth to redistributive development and financing
- Linking 'living wages', human capital development and productivity
- Developing and maintaining infrastructure and services
- Preventing a drain of resources from the local economy, and
- Retaining and expanding existing businesses.

New Growth Path (2010)

The New Growth Path starts by identifying where employment creation is possible, both within economic sectors as conventionally defined and in cross-cutting activities. It then analyses the policies and institutional developments required to take advantage of these opportunities. In essence, the aim is to target our limited capital and capacity at activities that maximise the creation of decent work opportunities. To that end, we must use both macro and micro economic policies to create a favourable overall environment and to support more labour-absorbing activities.

The main indicators of success will be jobs (the number and quality of jobs created), growth (the rate, labour intensity and composition of economic growth), equity (lower income inequality and poverty) and environmental outcomes. To achieve profound changes in the structure of savings, investment and production, the government must steadily and consistently pursue key policies and programmes over at least a decade. Moreover, the state must coordinate its efforts around core priorities rather than dispersing them across numerous efforts, however worthwhile, that do not contribute to a sustained expansion in economic opportunities for our people. These are the core characteristics of a developmental state.

The requisite policy stability and coherence will be supported by effective social that helps establish a broad consensus on long-run policy goals and a vision for the country, and facilitates the necessary trade-offs and sacrifices by ensuring a visibly fair distribution of the benefits from growth. Engagement with stakeholder representatives on policy, planning and implementation at national, sectoral and local levels is central to achieving coherent and effective strategies that are realised without endless debates and delays. That, in turn, means government must both strengthen its own capacity for engagement and leadership, and re-design delivery systems to include stakeholders meaningfully.

Long-term structural change also requires phasing to establish the preconditions for success over time. In the case of employment, for instance, the steps that the state can take vary over time.

There is growing consensus that creating decent work, reducing inequality and defeating poverty can only happen through a new growth path founded on a restructuring of the South African economy to improve its performance in terms of labour absorption as well as the composition and rate of growth. To achieve that step change in growth and transformation of economic conditions requires hard choices and a shared determination as South Africans to see it through.

The Government is committed to forging such a consensus and leading the way by;

- Identifying areas where employment creation is possible on a large scales a result of substantial changes in conditions in South Africa and globally.
- Developing a policy package to facilitate employment creation in these areas, above all through:
- A comprehensive drive to enhance both social equity and competitiveness;
- Systemic changes to mobilise domestic investment around activities that can create sustainable employment; and
- Strong social dialogue to focus all stakeholders on encouraging growth in employment-creating activities.

The New Growth Path must provide bold, imaginative and effective strategies to the millions of new jobs South Africa needs. It must also lay out a dynamic vision for how we can collectively achieve a more developed, democratic, cohesive and equitable economy and society over the medium term, in the context of sustained growth. The strategy sets out critical markers for employment creation and growth and identifies where viable changes in the structure and character of production can generate a more inclusive and greener economy over the medium to long run. To that end, it combines macroeconomic and microeconomic interventions.

The shift to a new growth path will require the creative and collective efforts of all sections of South African society. It will require leadership and strong governance. It takes account of the new opportunities that are available to us, the strengths we have and the constraints we face. We will have to develop a collective national will and embark on joint action to change the character of the South African economy and ensure that all our people, particularly the poor, share the benefits more equitably.

Achieving the New Growth Path requires that we address key trade-offs. Amongst other decisions, government must prioritise its own efforts and resources more rigorously to support employment creation and equity; business must take on the challenge of investing in new areas; and business and labour together must work with government to address inefficiencies and constraints across the economy and partner to create new decent work opportunities.

Broad Based Black Economic Empowerment (BBBEE) Act 53 of 2003

Government has adopted the position that black economic empowerment (BEE) should aim to empower all historically disadvantaged people rather than only a small group of black investors. To this end, it adopted the Broad-Based BEE Act, which calls for expanded opportunities for workers and smaller enterprise, as well as ownership that is more representative and management. Current BEE provisions have, however, in many instances failed to ensure a broad-based approach, instead imposing significant costs on the economy without supporting employment creation or growth. The present BEE model remains excessively focused on transactions that involve existing assets and benefit a relatively small number of individuals.

The New Growth Path requires a much stronger focus on the broad-based elements of the BEE regulations – ownership by communities and workers, increased skills development and career pathing for all working people, and support for small enterprise and co-ops – as well as a new emphasis on procurement from local producers in order to support employment creation.

The following shortcomings have emerged in the implementation of BEE. First, ownership and senior management issues receive disproportionate emphasis. The unintended consequences of this trend

include “fronting”, speculation and tender abuse. Second, the regulations do not adequately incentivise employment creation, support for small enterprises and local procurement. The preferential procurement regulations aggravate this situation by privileging ownership over local production. Finally, the broad-based BEE regulations penalise public entities as suppliers. The democratic state owns public entities on behalf of our people yet the regulations do not count them as “black empowered”. A major re-think is needed of the BEE framework and policy to achieve South Africa's developmental and growth goals.

PROVINCIAL

FSGDS

The Provincial government of Free State has developed a seven-year development strategy; The Free State Provincial Growth and Development Strategy (PGDS). The PGDS is the fundamental policy framework for the Free State Provincial Government and it is the embodiment of the broad strategic policy goals and objectives of the FS 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 four priority areas of intervention by the FS Province, namely;

1. Economic Development and Employment Creation;
2. Social and Human Development;
3. Justice and Crime Prevention;
4. Efficient Administration and Good Governance

The expressed “overarching goal of the PGDS is to align the provincial policies with the national policies and to guide development in terms of effective and efficient management and governance to achieve growth and development.”

The FSGDS is guided by the National policy thrusts identified for the Millennium Development Goals (2004 – 2014). This document strives to balance development of economic sectors and spatial localities. The following are FSGDS principles:

- Apply the principles of sustainable development
- Acknowledge the ecological limitation of the environment
- Ensure alignment between all spheres of government
- Ensure integrated development planning and implementation
- Actively address economic and social inequalities

- Promote economic infrastructure investment and development spending in areas of potential and need according to the principles of the NSDP
- Acknowledge the importance of BEE, as well as the need to broaden access to the economy
- Promote labour intensive approaches to development.

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

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

During numerous consultations with different protagonists, the Province identified the following areas that need to be addressed by 2014:

- To achieve an annual economic growth rate at least equal to the national average economic growth rate
- To reduce unemployment from 38, 9% to 20%.
- To reduce the number of households living in poverty by 5% per annum.
- To improve the functional literacy rate from 69, 2% to 85%.
- To reduce infant mortality for children under five years to 65 per 1000 live births.
- To reduce the obstetrical maternal mortality rate from 65, 5% to 20, 06% per 100 000 women in the reproductive age group.
- To stabilize the prevalence rate of HIV and AIDS and reverse the spread thereof.
- To provide shelter for all the people of the province.
- To provide free basic services to all households.
- To reduce crime rate by at least 7% per annum.
- To provide adequate infrastructure for economic growth and development

Alignment of both FSPGDS and Letsemeng LM Key Priority Areas and Strategies:**Table 26: In order to achieve the above-mentioned targets, the province needs to focus on the following Key Priority Areas and Strategies:**

Economic Growth, Development and Employment	Human and Social Development	Justice, Crime Prevention and Security	Efficient Governance and Administration	Letsemeng Local Municipality
Expanding the manufacturing sector in key subsectors	Improving housing and basic services	Facilitate and improved and effective integrated criminal justices system	Improving integrated development planning and implementing	Identification and implementation of catalytic and strategic LED projects–leveraging resources for resourcing and implementing LED projects Fast-tracking services delivery, ensuring adequate maintenance of service delivery infrastructure

				<p>e and utilities and ensuring effective provision of municipal services</p> <p>Assisting with MPT sittings and land use application approval</p>
Focusing on diversification in agricultural development	Improving health-care services	Ensure effective and efficient police service	Ensuring effective communication with stakeholders and clients	Promote agricultural and agricultural diversification activities within the Municipality and assisting with implementation of Rural Development Plans
Developing tourism	Improving education and educational services and skills	Establish and effective disaster prevention and response capacity for disasters	Promoting Black Economic Empowerment	Develop the Tourism Master Plan to promote tourism

		throughout the Province		Develop/Review Disaster Risk Reduction Strategy
Develop and expand transport and distribution industry	Improving social development services	Improve traffic policing and road incident management in the Province	Ensuring effective Human Resource Development and Management	Stabilising the municipal administration – finalising placement and filling of critical vacancies and implementation of organisational performance management system; hold regular management meetings; Effective fleet management; Strengthen treasury and budget

				<p>office and shore-up internal audit ;</p> <p>Strengthening the ward committee system</p> <p>Assisting with ring-fencing of grant funding</p>
			<p>Ensuring improvement in financial management</p> <p>Promoting integrity in government</p>	<p>Evolving a sound and prudent financial management – cash flow management, clean audit, enhancing the credibility and transparency of</p> <p>Supply Chain Management;</p>

				<p>Implement revenue enhancement strategy –</p> <p>implementation of credit control measures;</p> <p>Effective provision of social services – libraries, Youth Development Centres, social amenities, etc.</p> <p>To create and facilitate an enabling environment for LED in the Municipality.</p>
Emphasizing SMME development				<p>Facilitate development for the SMME through training,</p>

				opening up of space, liaison with other protagonists Establishment of LED forums with strategic focus
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Alignment of both FSPGDS and Letsemeng LM Key Priority Areas and Strategies:

FREE STATE PROVINCIAL SPATIAL DEVELOPMENT FRAMEWORK (FSPSDF), 2013

The FSPSDF states that its role is to create an enabling, functional and statutory environment to promote sustainable socio-economic development with a focus on the following:

- “Providing direction and scope to province-wide development programmes and projects taking into consideration economic, political, social, and environmental constraints and opportunities;
- Enhancing human well-being (including social equity) and environmental integrity through the efficient use of the various forms of capital inherent, or available to the Free State;
- Serving as a framework for public and private-sector investment, indicating areas of opportunity and development priorities;
- Providing an environment of certainty and predictability critical for investment;
- Together with the FSGDS provide guidance to public and private infrastructure investment in the province, taking cognisance of the growth and development potential of the municipalities and settlements;
- Serving as a spatial and strategic vision and basis for common action amongst all social partners, both inside and outside government in a province;
- Spatially co-ordinate and direct the activities and resources of the provincial government departments; and,
- Put forward a spatial vision, objectives, policy, and strategic implementation guidelines for projects identified in the FSGDS.”

Spatial Planning Categories (SPCs) will form the basis for the overlaying of conceptual proposals of the Xhariep District SDF. In this regard, the Free State Spatial Planning and Land Use Bill states that all planning/development frameworks should be done according to prescribed spatial planning categories in order to have a system that will be interpreted in a similar manner across the different levels of development frameworks that are in relation to the province. These SPCs provide a framework to guide decision-making regarding land-use at all levels of planning and will ensure effective monitoring and evaluation at all levels of planning.

Alignment of the Letsemeng SDF and Xhariep District SDF with the Free State Provincial Spatial Development Framework (FSPSDF) is achieved by structuring the SDF document in accordance with the different Spatial Planning Categories (SPCs) as reflected in the Free State Spatial Provincial Development Framework 2014, as well as incorporating development proposals applicable to Xhariep district from the said framework.

Free State Master Plan for Agriculture (2015)

The Free State Master Plan for Agriculture identifies challenges facing the growth of the agricultural sector in the province including human, institutions, infrastructure and natural resource endowments. Agricultural development, according to the plan is one of the ideal vehicles through which poverty alleviation initiatives can be achieved due to the diverse natural resource base of the province. In relation to limiting factors at municipal level, the document highlights that strengthening capacities for effective local governance is needed, both through vertical relationships with other spheres of government and horizontal relationships with local grass- root communities, NGO's CBO's and the private sector. Development forums is one of the vehicles through which this can be achieved.

In relation to the Xhariep District and Letsemeng LM, the Free State Master Plan for Agriculture identifies nodes for specialisation in the Xhariep District, potential locations for implementing the proposed vegetable business plan such as carrots, cabbage, garlic, green beans, onions, potatoes, squashes & pumpkins and watermelon. Letsemeng is also identified as suitable for sheep and goat farming and the Xhariep District for wine grape, fig and pomegranate farming.

Node	Area of specialization	Specific initiatives that can be promoted
Bethany settlement	Agriculture: emerging farmers Agriculture: intensive (irrigation)	Fruit Irrigation schemes
Trompsburg	Tourism: Information Agriculture: Agro-processing Agriculture: Special produce Mining: exploration	Tourism information centre Spring water, Beer brewery, wool spinning, Angora rabbits
Gariepdam	Tourism: Information and Tourism: Attraction	Filling station, tourist information centre, Convention centre, Tri-district casino, Arts and crafts curio shops
Phillippolis	Tourism: Information and attraction	Tourist information centre Historic sites
Jagersfontein	Mining: Exploration and processing	Diamond mining and cutting
Koffiefontein	Mining: Exploration and processing Agriculture: Intensive (irrigation)	Diamond mining and cutting Irrigation scheme along Kalkfontein dam
Luckhoff	Agriculture: Intensive (irrigation) Agriculture: Special produce Agriculture: Agro-processing	Irrigation schemes Leather tanning Abattoir
Oppermans	Agriculture: Emerging farmers Agriculture: Special produce Agriculture: Intensive (irrigation)	Ostrich farming Grape and fruit farming
Jacobsdal	Agriculture: Intensive (irrigation) Agriculture: Agro-processing	Grape farming Wine produce
Petrusburg	Mining: Exploration and processing Agriculture: Agro-processing Agriculture: Intensive (irrigation)	Slate and salt mining Potato processing Potato farming
Reddersburg	Agriculture: Emerging farmers	Game farming Weigh bridge
Smithfield	Tourism: Information and attraction Agriculture: Special produce	Tourist information centre Game farming
Zastron	Agriculture: Special produce	Fish farming Game farming Trade with Lesotho
Bethulie	Agriculture: Special produce	Fish farming Game farming

nodes for specialisation in the Xhariep District

KOFFIEFONTEIN DIAMOND MINE, PETRA DIAMONDS SOCIAL IMPACT ASSESSMENT 2022

BACKGROUND TO THE SOCIAL IMPACT ASSESSMENT (SIA)

Petra Diamonds Southern Africa (PTY) LTD (Petra) commissioned a Social Impact Assessment (SIA) for its Koffiefontein Diamond Mine (KDM) from July 2021 to March 2022. Koffiefontein Diamond Mine is located in the town of Koffiefontein, Letsemeng Local Municipality within the Xhariep District Municipality in the Free State Province of the Republic of South Africa. The SIA is a deliverable in preparation for Petra's Social and Labour Plan 4 submission (2022-2027) to the Department of Minerals and Energy (DMRE). Findings from the SIA will also be used to inform Petra's Local Economic Development (LED) and Corporate Social Investment (CSI) programmes and projects. Social Surveys Africa conducted the SIA, with team members Dr Tara Polzer Ngwato, Thobile Disemelo, Lebogang Shilakoe, Musawenkosi Mhlanga and Dieketseng Semppe.

KDM has complied with MPRDA regulations by submitting its SLP every five years with annual progress reports to the regulatory authorities. KDM's 3rd SLP period was 2018-2022 (May) so the current SIA is feeding into the SLP 4 (June 2022-2027).

The Integrated SLP includes 3 levels of integration:

- Social equitability: Integration of stakeholder needs as identified through engagements.
- Government development plans: Integration of the SLP with local and provincial government development plans.
- Internal KDM integration: Integrating the SLP 4 to the internal operational plans of KDM such as linking the corporate social investment plan and environment plan with procurement opportunities to ensure the supplier development opportunities are identified to build a sustainable economy and positive community stewardship.

Employment Size and Areas of Origin

In January 2022, KDM had a workforce of 635 including 545 employees and 90 contractors. 454 (84%) of employees originate in Letsemeng Local Municipality, with 445 of these being from Koffiefontein, 5 from Jacobsdal, 5 from Oppermansgronde and 4 from Petrusburg. KDM is the largest mining employer in Letsemeng Municipality. The company thus plays a significant role in local and regional employment and economy overall.

Since the LoM is within the upcoming SLP4 period (2022-2027), the current SLP inputs are focused on preparing for a sustainable post-mining society and economy.

Civil society

The Department of Social Development's register of registered non-profit organisations in the Free State includes the following organisations based and operating in KDM's neighbouring communities (www.npo.gov.za/PublicNpo/Npo#). Several civil society organisations were consulted during the stakeholder engagement process, including

- Itireleng Old Age Group (Koffiefontein)
- Letsemeng Youth Centre (Koffiefontein Orphanage)
- Global Light Nutrition and Science Commission (Koffiefontein NPO)
- Sandershoogte Sopkombuis (Jacobsdal NPO)
- Oppermansgronde Development Agency (Oppermansgronde NGO)
- Letsemeng recycling cooperative project (Koffiefontein)
- Wanya Tsotsi policing group (Koffiefontein)
- Ministers Fraternal

Stakeholder groups and dynamics

KDM is concerned with the quality of its relationship with local stakeholders because it aims to be a good corporate citizen with a positive social impact. Furthermore, KDM and Petra Diamonds more broadly is aware of a range of challenges with its stakeholder relations, as described above, including:

- Consistent inability to implement SLP community projects on time and within budget
- Identifying the real community needs (not wants) from interested and affected stakeholders in the community that can get buy-in from most stakeholders
- Lack of optimal relationships with local municipalities and political leaders
- Unsatisfactory relationships with local communities
- Inadequate system for continuous community engagement

Social unrest in the mine communities that threaten mining operations Based on our stakeholder engagements in October/November 2021 and February 2022 and the Community Survey results, as described in the previous section, the underlying dynamics between KDM and local institutional and community stakeholders are characterised by the following:

A general lack of trust among and between stakeholders, including within communities, across communities (such as conflictual relationships between the Coloured and African township areas, as identified during SSI's first round of stakeholder engagements) and between communities and institutions like the municipality;

- A perception by many stakeholders that de Beers was more involved in community and stakeholder matters than Petra Diamonds and that local economic and social conditions and relationships with the mine have deteriorated since Petra bought the mine;
- Repeated statements by stakeholders, including community residents and local businesses that KDM does not communicate well and does not respond to communication and requests from stakeholders.

Nutrition

When asked to prioritise community challenges in the SIA Community Survey, hunger and nutrition were not included in the top three priorities for any of the settlements or any of the respondent sub-groups (by gender, age-group or mobility type). It was consistently ranked in the bottom half and often in the bottom third of concerns. Stakeholder engagements, however, did identify child nutrition as an area of concern, which we have addressed through a proposed project with ECD centres linked to a youth-focussed food security projects.

Health and Basic Wellbeing

The settlements in Letsemeng have functioning clinics but stakeholder engagements with some of the clinic managers identified significant maintenance needs. In the Jacobsdal clinic, for example:

- They have no electricity backup so when there is no power the clinic must shut down.
- They do not have consistent running water so in parts of the clinic they have to use buckets. The clinic relies heavily on the Jojo tank donated by Petra for water.
- The toilets in the clinic have been broken for months
- They do not have proper and consistent supply of cleaning materials
- There is only 1 security guard.

The IDP information on health care facilities notes that there are 10 health establishments in the district, of which none are fully fledged hospitals. The closest district hospital used is situated in Jagersfontein and the regional hospital is Pelonomi in Bloemfontein. The information from the District IDP indicates that:

- Fixed clinics are situated in all of the towns. Petrusburg has overnight and maternity facilities available.
- Access to health facilities for the communities is a major problem as people have to travel long distances for health needs that cannot be solved by clinics without properly trained staff.

Feel Safe When Working on the Street at Night

As described in the section on Governance, the police are trusted to resolve disputes in the community. This does not, however, mean that the police is generally considered effective in preventing or addressing crime. Stakeholder engagements with members of SAPS raised concerns about the capacity and integrity of the police services in the area. In terms of community-based security activities, there is a self-organised community policing group made up of unemployed volunteers called Wanya Tsotsi which operates in Lückhoff, Fourismith, Koffiefontein and Oppermansgronde. This group carries out visible crime prevention measures, community clean up campaigns and occasionally works with farmers requiring assistance with stock theft cases. In the stakeholder engagements, the group described requesting support from the municipality and KDM for offices, a dedicated phone line, transport, and training in gender-based violence response, rape sensitivity, child abuse identification and response and general security skills.

Skills

Conventional arguments about employment generation and training in mining areas revolve around whether community residents (and especially youth) have the skills required for being employed in the mining sector or to supply goods and services to mining as contractors or 81 through local SMMEs. However, in the context of mechanised mining that does not provide large-scale employment and in

the face of an approaching end of LoM, the aim should be to assess and build skills which are useful outside the mining sector. Furthermore, current skills building should relate to the future economy rather than the current economy. The SIA Community Survey therefore asked about a range of skills relating to the current as well as the future economy. The results show that there are currently very few digital skills but that caring and creative skills have a significant presence, along with farming and construction skills.

Households with Vegetable Gardens and Livestock Ownership by Settlement

Young people in Petrusburg and Jacobsdal expressed negative associations with agriculture, not least because many of the young people who live in the informal settlements were expelled from the farms where they were born and where their parents continue to work when they turned 18. Some of the social challenges related to the informal settlements, teenage pregnancy and substance abuse among youth is therefore directly related to the actions of commercial farmers in the area towards their farm workers and their families.

Stakeholder engagements with black farmers and youth who would like to farm¹¹ identified the following challenges:

- There is a lack of access to land. "We don't have land and people can't do anything on leased land. You waste your energy and can't progress."
- There is a lack of access to water. When irrigation equipment like pivots break, small farmers cannot afford to repair them and they do not receive any support from the municipality or the mine for such repairs. "We have broken pivots. We have no water. Fixing the pivots would help approximately 40 families."
- KDM is perceived to be buying up arable land and using it for game farming rather than to produce food or support local black small farmers. Farmers are therefore requesting at least 100 hectares of KDM-owned land to be reallocated for communal or small-farmer grazing
- Lack of permits allowing farmers to sell their produce in formal or informal street markets
- Stock theft is rife and small farmers cannot afford fencing
- Limited availability of training in animal husbandry, crop production, financial management
- There is indigenous knowledge about land management, animal husbandry, indigenous herbs and plants, but there is no opportunity to pass this knowledge on to the new generation and new farmers since there is no interest from youth and no structures through which to pass on this information.
- None of the small farmers in the area are able to fully make a living or support their families through farming, even though they would like to do so.

The projects most consistently identified as useful, based on the number of times they were mentioned in the top five across the surveyed settlements and their ranking within the top five were:

1. Training in digital skills to earn money through online work
2. Free public Wi-Fi
3. Improving the quality and services of clinics and community health workers
3. Litter collection and recycling
4. Provide skills training and shared equipment to artisans
6. Support and training for young people who want to grow food
5. Transport for emergencies
6. Improving ECD quality and providing food to children at ECD centres
7. Drop-in centres, homework assistance

Points 1, 2, 4, 5 and 6 relate in various ways to employment generation and small business support. As discussed below, we have proposed an approach to litter collection and recycling which also relates to broad-based income generation, through the existing EPWP programme.

PROJECT RANKING

Several priorities identified through the SIA Community Survey and Stakeholder Engagements are not included in the high level IDP priorities, although the IDP does include some specific suggested activities relating to them.

The proposed projects listed below therefore emerge directly from the composite high priority areas (combining IDP and Community-identified priorities) and in virtually all cases relate to broad-based employment and income generation in various ways.

We group the identified activity priorities in the following ways:

- **Digital Employment Bundle:** Training in digital skills and facilitating access to online employment opportunities is premised on the availability of reliable and affordable connectivity. We therefore recommend that any training and online employment linking programme be bundled with the provision of free public Wi-Fi. This may include using the mine's existing digital connectivity infrastructure or expending this outside the mine's operating areas and housing areas. It may also include planning to transfer this infrastructure to appropriate local ownership and maintenance at mine closure. We also note that this can be combined with training small local businesses to maintain and repair Wi-Fi installations and provide basic technical support (e.g. showing them

how to safely turn Wi-Fi off and on if there is a fault, etc.) to the public institutions where the hardware is installed (schools, clinics, community hall, etc.) so that service interruptions are minimal.

- Local Collective Enterprises Bundle:** conventional local enterprise development programmes train and support individual entrepreneurs who set up businesses for personal benefit and are then expected to compete with each other for very limited contracting opportunities at the mine and for a limited local market. Given the context factors described above, we recommend shifting to a collective enterprise development approach, which focusses on identifying both social needs and economic opportunities and addressing these through collaborative and collective community-based institutions. One such activity prioritized through the SIA Community Survey is the development of a hub for artisans that provides training as well as shared equipment. Best practice in community development, however, shows that such 'hardware' (a venue plus equipment inputs) plus individualized training is not effective unless coupled with a facilitated process where community residents collectively identify needs and design enterprises and are then supported through a practical experience of jointly establishing and running such enterprises (the Organisation Workshop approach).
- EPWP Technical Support:** Technical support to the existing municipal EPWP programme to improve the effectiveness of public employment in addressing service provision needs around refuse removal and road quality, as well as potentially building youth skills for the caring and creative economies (and therefore the Future Economy)
- Food System Bundle:** Activities relating to food can be bundled into an integrated local food systems programme, which includes training and supporting young people around farming and growing food (including running food gardens at ECD centres or other accessible community-based locations); making mine-owned land currently used for game 123 farming available for community farming (along with water and basic equipment); supporting existing small-scale farmers with equipment maintenance like pivot repair support, contracting local NPOs to provide cooked food at ECD centres (which can also serve elderly people and those who are caring for small children who are not attending ECD centres) with the food inputs being sourced through local small farmer off-take agreements.
- ECD Support:** ECD centre space expansions, feeding scheme and food gardens, supported through an ECD support network or franchise programme (such as SmartStart) with a focus simultaneously on the development of children and the stability of the social entrepreneurial ECD practitioners
- Municipal Scenarios Project:** A final project proposal relates to KDM's approaching End of Life of Mine. We propose that KDM initiate and (co)fund the facilitation of a Municipal Scenarios Process to catalyse a multi-sectoral process to generate a (post-mining) vision for 2030 with Letsemeng Local Municipality, the private sector (mining and agriculture) and community organisations,

which may include the establishment of a 'hometown association' of people who have left the area to work but are committed to contributing to its upliftment. In terms of Petra Diamond criteria such as scale, scope, timelines and affordability, the matrix below discusses scale (in terms of the number of direct and secondary beneficiaries and scalability) and scope. It also notes which programmes have implementing partners with existing capacity and knowledge and can so be started timeously. Affordability is not included in this SIA scope

New LED initiatives

Sector	Description	Town
Agriculture	1. Acquisition of the Jacobsdal Winery for possible revival and to explore the development of alternative job creation projects on the property	Jacobsdal
	2. Avail municipal land for high impact developmental job creation projects	
	3. Support for food security projects that can be used to create jobs through community gardens, the municipality will support the existing community gardens or develop ones where there is none	All Towns
	4. Support and Development of Agro Processing initiatives	All Towns
	5. Complete Value Chain Piggery Export Project	
	6. Exploration of possible cannabis projects	
	7. Xhariep Export Programme – a number of Public Private Partnership Projects	

Energy	<ol style="list-style-type: none"> 1. Make land available for alternative energy sources projects. 2. Letsemeng Community Solar Projects 3. Green Hydrogen production and ammonia project 	All Towns
Informal Economy	<ol style="list-style-type: none"> 1. Develop and Build dedicated spaces in our CBDs for informal sector entrepreneurs and hawkers 	All Towns
Manufacturing	<ol style="list-style-type: none"> 1. Brickmaking and Crusher Plant 	Koffiefontein
Mining	<ol style="list-style-type: none"> 1. Support for artisanal and Small Scale mining initiatives in our areas. 	All Towns
Smme Development Initiatives	<ol style="list-style-type: none"> 1. Annual SMME Compliance Workshops 2. Annual Technical Skills Workshops (Plumbing, Artisans, etc) 3. Letsemeng Pop Up Markets – To assist our local entrepreneurs to market and sell their products/services 4. Assist with availing business sites for youth to open small businesses such as Salons, Car Wash, Internet Café, Tyre Repair, Dry Clean Services 	All Towns All Towns All Towns All Towns

	<ol style="list-style-type: none"> 5. Avail business sites in all our areas for local business people that will create jobs 6. Establishment of a SMME Container Hub 7. Assisting our local SMMEs with Equipment and Tools to grow their businesses 8. Increase the number of local businesses that benefit from the municipal procurement 	<p>All Towns</p> <p>Koffiefontein</p> <p>All Towns</p>
Tourism	<ol style="list-style-type: none"> 1. Development of Emmaus, to be recognized officially as the centre of South Africa to encourage Tourism activities around the area. 2. Support of local tourism events that are aimed at increasing economic activities on our areas. 3. Upgrading and development of Heritage Sites and Historical Monuments in our towns to be used as tourism attractions 	<p>Petrusburg</p> <p>All Towns</p>
Waste Management	<ol style="list-style-type: none"> 1. Assist to form cooperatives that will be involved in recycling as a means of generating income while enhancing the cleanliness of the environment 	All Towns

	2. Development and Support of recycling initiatives that are aimed at creating new products from the waste material.	
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Priority Long term LED Projects

1. Brickmaking and Crusher Plant in Koffiefontein
2. Complete Value Chain Piggery Export Project earmarked for Luckhoff or Petrusburg
3. Acquisition of Jacobsdal Winery and for exploration of a possible economic activity that will create jobs

3.12 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 finalised 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 was approved in January 2019. 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.

The approved municipal organisational structure is illustrated in Chapter 2

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 compliance 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 and review performance management system policy to adequately address performance related deficiencies as enjoined by the Municipal Staff Regulations that should be implemented by all municipalities from the 1st of July 2023

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

The municipality is conducting recruitment and selection in line with the adopted human resource management policy.

Training and Development

The Municipality has conducted a skills audit to identify skills gap, and a training plan was developed and approved.

The workplace skills plan is the key strategic planning document relating to workplace training, career pathing, and employment equity for the Municipality. The workplace skills plan (wsp) relates to the critical municipal IDP objectives. The WSP outline the training planned by the Municipality in each financial year according to legislative framework herewith the following Acts

- Skills development act no. 97 of 1998 as amended:
- Skills development levies act no.9 of 1999
- Skills development amendment act no.31 of 2003

Consultation

Following the engagement with organised labour the developed Workplace Skills Plan was duly endorsed and signed by all stakeholders in April 2023 to be submitted to the Local Government Sector Education and Training Authority

Challenges

- When employees are supposed to attend trainings, the Municipality is faced with financial challenges.
- The recruitment of employees to attend training should be done transparently and promptly to accommodate all employees.
- Some employees failed to cooperate in terms of filling in the Skills Audit forms.

Labour Relations

The municipality has established Local Labour Forum in order to harmonise the relations between the employer and the employee. There is a need to expend efforts in the new financial year to optimise the functionality of the LLF

Occupational Health and Safety

The municipality has established Health and Safety Committee and safety representatives were trained on occupational health and safety issues.

Leave Management

The municipality has centralised leave management in the Human Resource Unit. Employees apply for leave and subsequently approved by the supervisor and Head of Department.

Remuneration and Benefits (Employee Wellness)

The municipality has developed processes for employee remuneration and benefits. Employees 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

The network infrastructure in the IT spectrum has improved to the extent that the IT server room of the municipality was revamped in accordance with relevant prescripts governing IT. It should be noted that the designs also covered the network installation in the following offices;

- Office of the Mayor
- Store Building
- Department of Community Services
- Department of Technical Services

The aforesaid project was successfully completed and reported.

- **ICT Policies and ICT Governance Framework**

There are 11 Policies and an ICT governance framework developed and approved by council, namely; ICT Backup, Email, Change Management, Disaster Recovery, Internet Usage, Mobile Devices, Network, Password, Patch Management, Security, Telephone Policy + One Governance Framework.

- **Software Licensing**

The municipality need to use licensed software (Operating Systems, Microsoft Office, etc) on all its workstation.

- **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 Senior 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,

Printers,

Taking daily manual backups.

The management has the responsibility to allocate resources it becomes more difficult when the issues are coming from remote sites (Petrusburg, Jacobsdal, Oppermans and Luckhoff) as I now need to travel to those sites.

- **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.*

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 processes 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.

3.13 PUBLIC PARTICIPATION AND GOOD GOVERNANCE

Strategic Objective

Promote a culture of participatory and good governance.

Intended outcome

Entrenched culture of accountability and clean governance

Governance structures:

Risk Management

The municipality has a functional risk management unit in terms of Section 62 (1) (c) (I) and 95 (c) (1) of the Municipal Finance Management Act. The risk assessment is conducted on a continuous basis in order to assess issues relating to strategic operational and fraud risk. The aforesaid unit has developed Risk Management Strategy, Risk Management Policy, Anti-fraud & Corruption Strategy, Anti-fraud and Corruption Policy, Risk Management Charter and Risk Management Implementation Plan approved by the Risk Management Committee.

Risk Management Committee

Risk Management Committee has been established and is functional.

Internal Audit

The Internal Audit functional and operates in accordance with Section 165 of Municipal Finance Management Act, 56 of 2003. There is need for the appointment of the internal auditor and provision has been made in the revised organizational structure in order to strengthen internal audit unit.

The internal unit has developed Internal Audit Charter, Audit Committee Charter, Internal Audit Framework and Internal Audit Professional Standards.

Furthermore, the Internal Audit has developed annual risk based Internal Audit Plan which is rolled-out for two (2) outer years.

Audit and Performance Committee

The municipality has established Audit and Performance Committee and is functional.

Oversight committee

The municipality has collapsed an Oversight and Section 32 Committees. The municipality has established Municipal Public Accounts Committee to replace the above mentioned committees. This Committee has developed schedule of meetings to ensure functionality of the structure.

Ward committees

The ward committee serve as a resource to the ward councillor, they are the consultative community structure whose purpose is to broaden participation in the democratic processes of council and to assist the ward councillor with organizing consultation, disseminating information and encouraging participation from residents in the wards.

Ward committees elections were successfully conducted through extensive consultations programmes implemented in all Wards within Letsemeng areas. The challenge that the municipality is currently experiencing with regard to the functionality of these committees. There is currently declared vacant sits within some of these ward committees. However, the municipality has plan in place to conduct necessary consultation in ensuring that these vacant positions are been filled in order to have functional ward committees.

Table 26: Priority issues, challenges and possible solutions

Priority Issue	Challenges	Solutions
1. Ward Committees	<ul style="list-style-type: none"> • Ward Committees are not fully-functional according to the required standard • Long-existing and declared vacant sits within all respective Wards • Non submission of reports by committee members 	<ul style="list-style-type: none"> • Provide supporting mechanism and ensure that schedule of meetings is adhered to meticulously. • Conduct stakeholder consultation for the election of committee members. • Provide refresher training for all ward committee members –develop systems to improve existing internal controls relating to payment of stipends.
Public Participation	<ul style="list-style-type: none"> • There is lack of capacity of personnel in the public participation unit 	<ul style="list-style-type: none"> • The review of the organizational structure and implementation

Council Committees/Portfolio Committees	<ul style="list-style-type: none"> • Non-sitting of Section 79 committees 	<ul style="list-style-type: none"> • Provide refresher training to all Councillors
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A new monthly directive of compulsory Ward meetings has been adopted by Council and it is being supported by monthly Ward Committee reports which are sent to Council through the reports of the office of the Speaker.

The elections of the newly established Ward Committees was done in accordance with the latest Ward Committee guidelines and was coordinated in conjunction with the Public Participation Directorate of the Department of Cooperative Governance and Traditional Affairs.

We are currently in the process of developing Ward-based Plans and Ward Operational Plans which are mainly derived, amongst others Service Delivery and Budget Implementation Plan (SDBIP) in close relation with the respective Ward Committees. This intend is to promote transparency, openness and fairness in relation to the developmental issues raised by the communities of Letsemeng.

The municipality does not have sufficient capacity in terms of personnel to execute functions within the ambit of public participation. However, the municipality has reviewed the organizational structure which it intend to table before council for adoption and implementation in order to address this deficiency.

Supply Chain Committees (SCM)

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

Schedule of Council Meetings

A schedule of Council meetings has been adopted by Council and all Ordinary Council sittings are convened in accordance with the adopted schedule. Special Council meetings are being convened as per the prerogative of the Speaker of Council.

The IDP and Public Participation

It can take the municipal council approximately six to nine months to develop a credible IDP. The main reason is that the IDP is interactive and participatory in nature and therefore it requires inputs from various role-players and stakeholders internally and also externally in order to improve strategic objectives which impact positively towards the actual municipal performance and the overall implementation of the budget of the municipality. As far as the community members of Letsemeng Local Municipality are concerned, the principle of public participation is crucial to ensure that the developmental needs of the community are also incorporated in the IDP.

To ensure that public participation in the IDP process is encouraged, the municipality must put appropriate structures in place. These structures include ward committees that should be established within the geographical area of the municipality and need to be closely monitored in ensuring that they meet the required standard of performance. The IDP should create a formal link between the municipality and the community through the implementation of ward of operational plans. This principle enables the community to gain the opportunity to monitor the implementation of IDP strategic objectives of the municipality.

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 compliance 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 and review performance management system policy to adequately address performance related deficiencies.

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- Skills development act no. 97 of 1998 as amended:
- Skills development levies act no.9 of 1999
- Skills development amendment act no.31 of 2003

Consultation

The skills audit conducted in all the municipal offices within Letsemeng and Unions Representative consulted on the 20th April 2021.

The WSP represented before the Special Local Labour Forum on the 20th of April 2021.

Challenges

- When employees are supposed to attend trainings, the Municipality is faced with financial challenges.
- The recruitment of employees to attend training should be done transparently and promptly to accommodate all employees.
- Some employees failed to cooperate in terms of filling in the Skills Audit forms.

Labour Relations

The municipality has established Local Labour Forum in order to harmonise the relations between the employer and the employee.

Occupational Health and Safety

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Leave Management

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3.14 SPATIAL ECONOMIC AND DEVELOPMENT RATIONALE

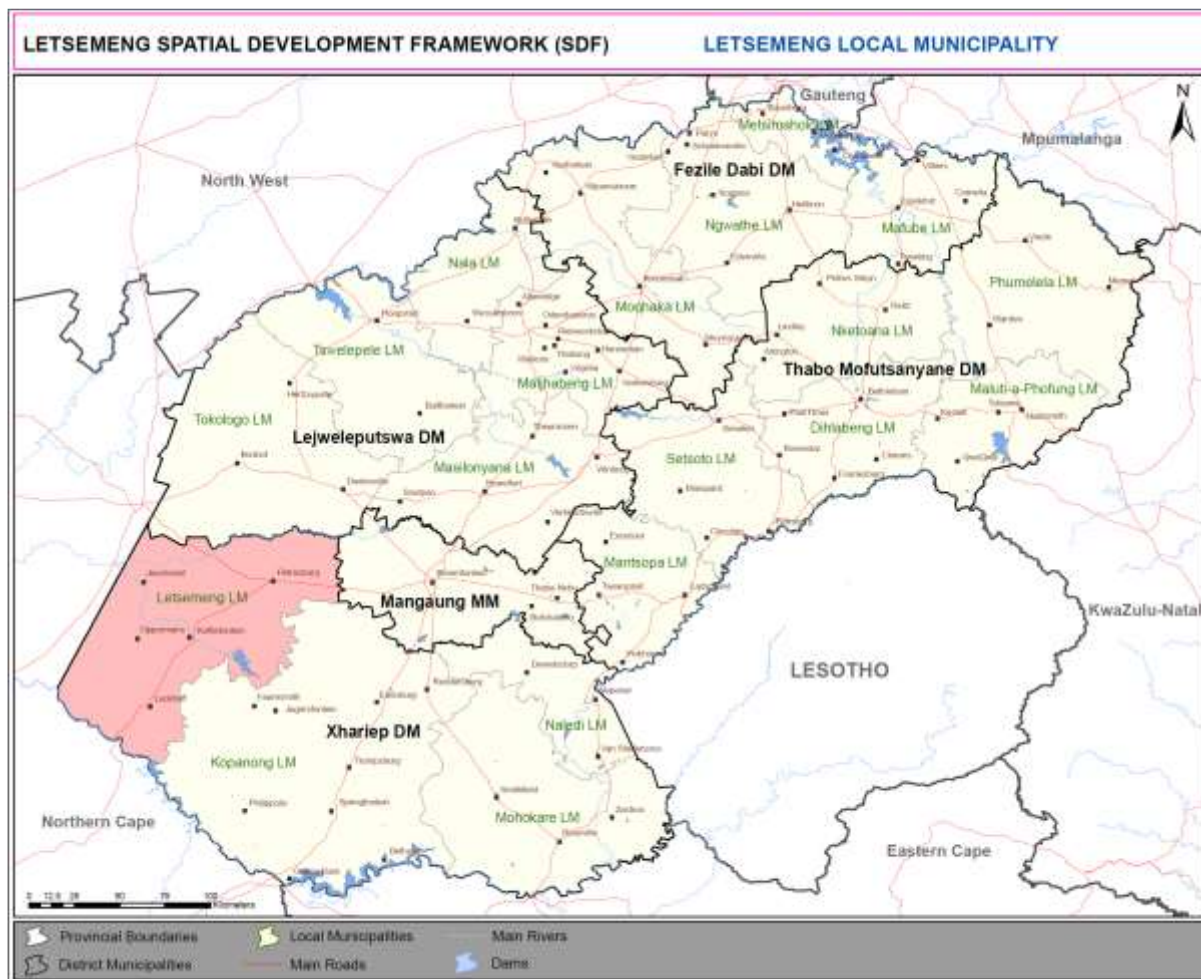
The Local Government: Municipal Systems Act (MSA) [32 of 2000 and as amended], introduced the concept of the Municipal Spatial Development Framework (MSDF) as a compulsory component of the Integrated Development Plan (IDP) that every municipality has to adopt.

The Spatial Planning and Land Use Management Act, (SPLUMA) [16 of 2013] provides national, provincial and municipal spatial development frameworks, sets basic principles that guide spatial planning, land use management and land development in South Africa, and provides for uniform regulation of land use management in the country.

The purpose of a Spatial Development Framework is to provide general direction to guide decision-making and action over a multi-year period and to give spatial expression to the built-environment, social-economic and biophysical aims of the Municipality. More specifically, the Spatial Framework aims at informing the decisions of different organizations of State as well as creating a framework of investor confidence that facilitates both public and private sector involvement.

A SDF also intends to guide decision-making; promote sustainable, functional and integrated human settlements; maximise resource efficiency and enhance regional identity and unique character of a place.

SPATIAL OVERVIEW



- **SPATIAL PLANNING AND LAND USE MANAGEMENT ACT (SPLUMA) [16 OF 2013]**

The Spatial Planning and Land Use Management Act (2013) puts forward principles to influence spatial planning, land use management and land development. It also provides for national and regional land use frameworks as well as provincial and municipal frameworks, implying that a package of plans will be undertaken from national to municipal level to direct land use management, while providing for uniform regulation of land use management. The general principles endorsed by SPLUMA is that spatial planning, land use management and land development must promote and enhance Spatial Justice, Spatial Sustainability; Efficiency; Spatial Resilience, and Good Administration as summarised below:

- **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. The Disaster Management initiatives have been included in the Xhariep District Municipality Integrated Development Plan (IDP) which detailed the necessity and requirement to establish a DMC for the district. Disaster Management is

identified as Key Performance Area with the objective to manage and prevent occurrence loss of lives due to disasters. 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 support to LMs;
- Support LMs and their Water and Sanitation Plans to plan and implement basic services policies.

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

- Implement a DMC to house all disaster management staff;
- Establish a DMC to facilitate the coordination and communication between role player during an incident;
- Establish a DMC to facilitate the implementation of the disaster management plan;
- Integration of systems to optimise service delivery;
- 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;
- Communication network to coordinate and facilitate early warning, response and relief actions;
- Implement a Disaster Management Information System, in accordance with the National, Provincial and District Disaster Management Frameworks to enable effective information systems to consolidate and disseminate information.

Section 43 of the Disaster Management Act requires, among others, that District Municipalities must establish a DMC's. It is therefore a legislative requirement that the Xhariep District Municipality establish a DMC. The Xhariep District Municipality is currently investigating the options available for the establishment of the shared service centre and have identified a site and facility for the establishment of such. Trompsburg is one of the towns where this shared services centre will be built. The proposed site is adjacent to the Trompsburg municipal buildings.

• **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 3: 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 centered 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 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

	<p>minerals. Mining activities have potential of attracting people and other economic activities.</p> <ul style="list-style-type: none"> • 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 • 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
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	<ul style="list-style-type: none"> • Tourism route emanating from Jacobsdal to Philippolis. • Strong linkages with Kimberly • 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); • 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)

• MUNICIPAL LAND USE PLANNING BY-LAW

The Letsemeng Local Municipality Planning By-laws were gazetted in the Provincial Gazette No. 82, 28 August 2015.

The Letsemeng Municipal Land Use Planning By-law applies to all land situated within the municipal area, including land owned by the state and by organs of state. The SDF must be represented spatially. In order to create a uniform system across the Province, the Draft Free State Provincial Spatial Development Framework (2014) illustrates the desired matrix of land uses through the six main Spatial Planning Categories (SPCs).

- A. Core Areas
- B. Buffer Areas
- C. Agricultural Areas
- D. Urban Areas
- E. Industrial Areas
- F. Surface Infrastructure and Buildings

The Letsemeng Municipal Land Use Planning By-law also give direction to the following:

- The procedures for the compilation, review or amendment of Municipal Spatial Development Framework;
- The establishment of the Project Committee to compile, review or amend the SDF and the functions and duties of the Project Committee;
- Procedures with/without an Intergovernmental Steering Committee;
- The alignment between the SDF and the LUS.

INTEGRATED HUMAN SETTLEMENT PLAN

The IHSP approved by council in the 2019/20 financial year. The aim of this document is to interpret the national and provincial human settlements policies; analyse the municipal human settlement status quo, needs and trends; and propose an integrated strategy towards addressing the said needs within a Five-year period. To this end the following will be required:

- The quantification of the human settlements need;
- The alignment of the IHSP with the National Human Settlement Master Plan, district municipality's infrastructure programme and Municipal IDP, SDF, SDBIP.
- Provide for accreditation and assignment processes revealing capacity constraints and requirements within the municipality.
- The identification of vacant land for future housing development. As the SDF is reviewed, so will this policy to ensure alignment between the two.

The plan has clearly stated objectives on:

- Spatial restructuring
- Increasing typologies; and
- Facilitating alternative and innovative construction.

LOCAL ECONOMIC DEVELOPMENT STRATEGY

The objective of the document is to assist the municipality, with the development of a strategy that will guide local economic development, integrate existing projects/programmes, align to the priorities of the IDP, identify ways in which the municipality can facilitate and assist economic development in collaboration with the private sector. The strategy will further provide guidance and suggestions regarding implementable projects with long-term sustainability.

To assist the municipality achieve its objectives and outcomes, the goals of this LED Strategy for Letsemeng are the:

- Development of a credible LED strategy
- Identification of competitive and comparative advantages and disadvantages, opportunities and threats to economic development based on a situational and Economic Analysis
- Identification of the strategic economic goals for the municipality

- Identification of possible projects and programmes with economic potential
- Recommendations outlining the interventions that the municipality should take regarding the implementation of the LED Strategy
- Implementation Plan
- Priorities for implementation of projects, quick wins and the partners to be involved. This too will be reviewed with the annual IDP review.

ALIGNMENT OF IDP, SDF AND LUS

All Municipalities are required to prepare Integrated Development Plans, which should include a Spatial Development Framework. A Spatial Development Framework is strategic and indicative in nature and prepared at a broad scale. The SDF of the municipality aimed at guiding and informing land development and management. It should contain the following components:

- Policy for land use and development;
- Guidelines for land use management (as proposed in the spatial Development Framework);
- A capital expenditure framework showing where the municipality intends spending its capital budget, and
- A strategic environmental assessment.

The purpose and function of the Letsemeng SDF are basically regarded as a general and indicative guide that spatially reflects the development vision and objectives of the Municipality. Because the SDF does not contain detailed proposals but broader objectives, it should not be revised annually but will guide IDP decision-making over many years. It is expected that the revision thereof be necessary when there is a shift in the Municipality's development vision and objectives. As the Land Use Scheme developed for Letsemeng, the SDF will need review.

Provision made to ensure that the SDF aligns with the principles and sections as set out by SPLUMA. The previous adopted SDF is not SPLUMA compliant and would, therefore, this is the requirement for reviewing the 2016/17 SDF.

VERTICAL AND HORIZONTAL ALIGNMENT

VERTICAL ALIGNMENT

The vertical alignment shows the relationship and alignment between the proposals and policies of the Free State PSDP; Free State Provincial Growth and Development Strategy and the Xhariep District SDF discussed earlier in this report. Of importance are:

- 5 Koffiefontein and Petrusburg are identified as service centres
- 6 Jacobsdal is identified as a Service Centre Manufacturing Node;
- 7 Luckhoff is identified as an Agricultural Industry;

- 8 N8 identified as a Transitional Development Corridor;
- 9 Opeermansgronde is identified as a land restitution area
- 10 Attention should be paid to education, health and social infrastructure in these areas.

HORIZONTAL ALIGNMENT

The horizontal alignment shows the relationship between the Letsemeng Municipality Local and the abutting municipal spatial development frameworks. The main proposals affecting the abutting and overarching mentioned policy instruments are:

- All urban settlements should be restructured according to the principles of walking distance;
- Protect existing intensive agriculture from demands to convert it to urban development, and biodiversity conservation including ecological river corridors beyond that proposed in this SDF;
- Priority tourism routes linking from surrounding municipalities to be carried through into the Letsemeng Municipality.

SPATIAL OBJECTIVES

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

Table 5: Spatial Objectives

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

BUILT ENVIRONMENT: HIERARCHY OF SETTLEMENTS

SENWES & TRANSNET

Draft LSDF: Letsemeng Public Participation (SENWES & TRANSNET)

Public participation process was followed as required. At the first public participation meeting, on the 29 October 2019 the meeting comprised of about 60-70 people who met along with one of the community members. A Letsemeng official, MISA Planning intern working at Letsemeng Municipality, MISA town planner and the COGTA spatial planning all attended. At the meeting, needs and desires were of the community were discussed and prioritised.

The second public participation meeting took place in Phambili on 19 February 2020 where the content of the plan was presented and the objective for this plan to feed into the work of Human Settlements. The processes and plans going forward were outlined, and the public had no issues or concerns with the plan presented and approved of everything that was proposed, meaning the document was ready to go to council as long as it is approved by the Project Committee, which is was on 10 March 2020.

L viability for developing the development site. Commercial uses in close proximity to residential areas are often reflected in higher property values, and therefore help raise local tax receipts. Development on gateway sites should contain land uses that contribute to the precinct intent and outcomes, specifically those related to tourism and local economic development uses.

Environmental Management: Soil

Phambili has short lands, sterkspruit, valsrivier soil types, Valsrivier soil type is associated with irrigation productivity, but it requires artificial drainage as the soil character consists of orthic A horizon, overlying a pedocutanic B horizon and deep clay loam etc. The amendable of the soil to handle physical intense development is minimum due to the hard setting and erodibility of the soil.

CHAPTER 4

FINANCIAL PLAN 2023/2024 Financial Year

BACKGROUND:

The Municipality's budget must be seen within the context of the policies and financial priorities of national, provincial and district government, Section 153 of the Constitution states that Local Government must participate in developmental priorities of Provincial and National Government, and furthermore, white paper on Local Government states that Local Government must be developmental in nature. The spheres of Government are partners in meeting the service delivery challenges faced by Letsemeng Local Municipality. The municipality alone cannot meet these challenges. It requires support from the other spheres of Government through the direct allocation of resources, both financial and non-financial as well as the achievement of their own policies.

The following budget principles and guidelines directly informed the compilation of the 2023/24 MTREF:

- (a) Budgeting for a funded and credible annual budget compared to a balanced budget;
- (b) The 2022-23 Adjustments Budget priorities and targets,
- (c) 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 123 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;
- (d) 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 2022 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 line with the applicable legislation. However, adherence to these plans was not achieved as the processes were not undertaken exactly at the dates that were indicated in the plans.

Consultations took place after the draft annual budget and revised Integrated Development Plan were tabled to Council in March 2023.

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 5.3 % for agricultural and all other properties. Municipality will be implementing a supplementary valuation roll in line with the provisions of Municipal Property rates act

Service charges

The tariffs for Water, Sanitation and Refuse will increase by an average of 5.3%.

Grants

Operating Grants	2023/24	2024/25	2025/26
Equitable share	84906000	90748000	93708000
Finance Management Grant	3.000.000	3.000.000	3.000.000
Energy Efficiency and Demand Side Management Grant	4.000.000	5.000.000	-
Expanded Public Works Incentive	950.000	-	-
Total	92.856.000	98.748.000	96.708.000
Provincial grant	2.935.000.00	3.082.000.00	-
Overall operational grant	95.791.000	101.830.000	96.708.000
Capital Grants			
Municipal Infrastructure Grant	19688000	20401000	21143000
Water Service Infrastructure Grant	31327000	20287000	23285000
Integrated National Electrification Programme	528000	7418000	5.000.000
Total	51.543.000	48.106.000	49.428.000
Allocation in kind:			
INEP	79000	98.000.00	97.000.00
Total grants	147.334.000.00	149.936.000.00	146.136.000.00
Total grants	147.334.000	149.936.000	146.136.000

OVERVIEW OF THE BUDGET

Total operating revenue amount to **R230 910 000** it has increased with R15 084 748 from financial year 2022-23 adjustment budget of **R 215 825 252**. 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 27 412 079** it has increased from **R 26 032 364**, electricity increased from **R 31 028 248** to **R 36 507 841**, water increased from **R 16 071 957** to **R 16 923 770**, wastewater management increased from **R 15 431 203** to **R16 249 056**, and waste management increased from **R 15 073 354** to **R 15 872 242**. All of the service charges were increased with an average inflation rate of 5.3%. Other revenue consist of administration costs, objection costs, photocopies costs and clearance certificate. Municipality applied for the electricity tariff of 15.10% as per the NERSA guideline and we are still awaiting for the approval.

Total operating expenditure amount to **R 276 156 000** it has increased with **R28 270 000** from financial year 2022-23 adjustment budget of **R247 886 000**. Total operating expenditure for the 2023-24 financial year translates into a budgeted deficit of **(R45 245 711, excluding capital grants)** which includes the non-cash items amounting to **R81 671 030**. **When non-cash items are removed, the budget of the municipality is on a surplus**. The operating expenditure consist of employee related costs, remuneration of Councillors, bulk purchases, contracted services and other expenditure.

Employee related costs increased from **R 73 053 000** to **R 79 080 566**. Remuneration of Councillors is increased from **R5 167 000** to **R 5 446 460** the increase is based on the salary and wage collective agreement based on the projected average CPI of 5.3%. Bulk purchases was increased from **R35 187 000** to **R 38 000 000**. Inventory consumed increased from **R10 236 000** to **R14 370 000** and **R 7 000 000** thereof is for water inventory.

Contracted services increased from **R 21 392 000** to **R 32 235 000**, it comprises of EPWP job creation, new general 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, water chemicals. Operational costs decreased from **R 16 317 000** to **R 15 904 000**. Operational costs consist of human capital development, accommodation, audit fees, printing and stationery, legal expenses, office furniture and etc.

As per requirement from National treasury we are expected to budget for non-cash items i.e., Debt Impairment **R27 588 600** and Depreciation and Asset Impairment of **R 54 082 429**, as per circular 123 of MFMA depreciation needs to be funded, this is the item that makes the budget of the Municipality to be unfunded.

Capital expenditure details.

The total capital expenditure budget of the municipality is **R 52 158 600**, and it is funded from the following funding sources:

- Municipal Water System Infrastructure Grant is allocated at **R 31 327 000**
- Integrated National Electrification Programme is allocated **R 528 000**
- Municipal Infrastructure Grant is allocated **R 19 688 000**
- Internally generated funds amount to **R 1 650 000**

Below are planned projects for the coming financial year 2023-24 under MIG.

- | | |
|---|------------------|
| • Project Management Unit | : R 984 400 |
| • Bolokanang High Mast lights (4) | : R 1 877 671.77 |
| • Dithlake High Mast Lights (4) | : R 1 877 671.77 |
| • Relebohile High Mast Lights (3) | : R 1 600 000.00 |
| • Oppermansgronde High Mast Lights (3) | : R 1 082 540.68 |
| • Ratanang High Mast Lights (4) | : R 1 677 671.77 |
| • Sonwabile Upgrading of Sports Facility (Phase 2) | : R 800 000.00 |
| • Luckhoff Closure of existing solid waste site and construction
Of new solid waste facility | : R 7 899 072.69 |
| • Bolokanang Upgrading of 1.72 km access paved road and
Storm water | : R 1 808 971.32 |

:

The following are budget projects under Integrated National Energy Programme

- | | |
|---|-------------|
| • Electrification of 170 households' connection in Phambili | : R 200 000 |
| • Electrification of 34 infills households' connection – Donkerhoek | : R 328 000 |

The following is the budgeted project for Water Service Infrastructure Grant:

- | | |
|---|----------------------|
| • Koffiefontein and Dithlake bulk water storage (4.9ML Reservoir) | : R31 327 000 |
|---|----------------------|

EXPLANATORY NOTES TO BUDGET

Table A1 is a summary of the budget of Letsemeng Local Municipality that gives an overview of the budget, it includes, the following key aspects

Financial Performance: This is a summary of income statement of the Municipality

Capital Expenditure and funding sources: This gives a brief overview of the capital expenditure and its funding sources

Financial Position: This is the balance sheet of Letsemeng Local Municipality

Cash Flow: This gives a brief overview of the Cash flow of the Municipality

Asset Management: This is the overview of the total assets of the Municipality

Free Services: This section gives the total amount of free basic services as provided by the municipality.

This is the most important as it gives users of the budget a “snapshot” of what is going to follow in the next ten (10) main tables

Explanatory Notes to Table A2

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per functional classification.
2. Total Revenue on this table includes capital revenues (Transfers recognised – capital) and so does not balance to the operating revenue shown on Table A4 as Table A4 exclude capital transfers.

Explanatory Note to Table A3

1. *Table A3 is an overview of the budgeted financial performance in relation to the revenue and expenditure per municipal vote.*
2. From the above it can be seen that all trading services are making surpluses, and this is attributable to the following.
 - a Council proposes an increase of 15.10% on electricity tariffs.
 - b An increase of 5.3% on refuse, sewerage, and water tariffs
 - c 5.3% Increase for Property rates

d Cut on non-priority spending.

3. Profits made on these services are used to subsidise non-trading services.

Explanatory note on table A4

- 1. Services charges relating to electricity, water, sanitation and refuse removal constitutes the biggest component of the budgeted revenue of Letsemeng Local Municipality*
- 2. Transfers recognised – operating includes the local government equitable share and other operating grants from national and provincial government.*
- 3. Major component of expenditure relates to employee costs.*

Explanatory note on Table A5

1. Table A5 is a breakdown of the capital Programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.

The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations.

Explanatory Notes to Table A6

1. Table A6 is consistent with international standards of good financial management practice and improves understanding ability for councillors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity, i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.

The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.

Explanation to Table A7

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.

Explanatory note to table A8

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.

Explanatory Note for Table A9

1. *Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.*

Explanatory notes to Table A10

1. *Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.*

Budget Tables

FS161 Letsemeng - Table A1 Budget Summary

Description	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousands										
Financial Performance										
Property rates	23;907	33;106	25;832	6;508	2;509	2;509	16;993	27;412	28;755	30;107
Service charges	47;558	35;989	60;350	67;023	77;605	77;605	36;075	85;553	91;430	94;178
Investment revenue	101	41	163	—	—	—	56	322	338	354
Transfer and subsidies - Operational	81;566	103;559	88;909	90;897	90;897	90;897	73;331	95;791	101;830	96;708
Other own revenue	19;542	23;276	34;102	17;263	21;291	21;291	28;311	21;832	22;860	25;802
Total Revenue (excluding capital transfers and contributions)	172;674	195;971	209;356	181;691	192;302	192;302	154;766	230;910	245;214	247;149
Employee costs	54;349	59;851	69;762	73;053	73;053	73;053	55;931	79;081	82;956	98;149
Remuneration of councillors	4;200	4;217	4;764	5;167	5;167	5;167	3;985	5;446	5;713	5;981
Depreciation and amortisation	53;537	15;841	(44)	51;360	51;360	51;360	24	54;082	56;732	59;399
Interest	2;513	7;872	11;008	6;770	8;974	8;974	8;731	9;449	9;912	10;378
Inventory consumed and bulk purchases	43;284	44;059	47;218	45;423	45;423	45;423	27;040	52;370	54;936	57;518
Transfers and subsidies	—	—	—	—	—	—	—	—	—	—
Other expenditure	68;178	99;035	117;326	66;618	63;909	63;909	31;005	75;727	78;532	82;220
Total Expenditure	226;062	230;876	250;034	248;391	247;886	247;886	126;715	276;156	288;781	313;646
Surplus/(Deficit)	(53;388)	(34;904)	(40;678)	(66;700)	(55;585)	(55;585)	28;051	(45;246)	(43;566)	(66;497)
Transfers and subsidies - capital (monetary allocations)	21;356	33;988	21;767	57;519	57;519	57;519	—	51;543	48;106	49;428
Transfers and subsidies - capital (in-kind)	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & contributions	(32;031)	(916)	(18;911)	(9;181)	1;934	1;934	28;051	6;297	4;540	(17;069)
Share of Surplus/Deficit attributable to Associate	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) for the year	(32;031)	(916)	(18;911)	(9;181)	1;934	1;934	28;051	6;297	4;540	(17;069)
Capital expenditure & funds sources										
Capital expenditure	9;601	38;472	11;071	56;944	57;265	57;265	1;476;720	52;209	22;941	26;064
Transfers recognised - capital	29;283	46;433	14;510	56;568	56;568	56;568	172;791	50;559	21;210	24;252
Borrowing	—	—	—	—	—	—	—	—	—	—
Internally generated funds	(19;682)	(7;961)	(3;439)	376	697	697	1;303;928	1;650	1;731	1;812
Total sources of capital funds	9;601	38;472	11;071	56;944	57;265	57;265	1;476;720	52;209	22;941	26;064
Financial position										
Total current assets	131;171	171;610	231;268	85;471	92;428	92;428	314;576	27;781	63;728	42;872
Total non current assets	781;177	769;781	747;596	839;286	839;607	839;607	776;713	1;583;833	1;629;613	1;708;388
Total current liabilities	207;925	236;902	291;940	267;019	230;639	230;639	376;301	18;357	24;143	25;352
Total non current liabilities	6;033	9;588	10;131	17;349	17;349	17;349	9;470	—	—	—
Community wealth/Equity	700;218	697;272	679;316	644;792	687;704	687;704	707;364	1;593;257	1;669;197	1;725;908
Cash flows										
Net cash from (used) operating	3;688	3;693	40;988	98;390	61;944	61;944	52;252	19;608	13;603	(7;495)
Net cash from (used) investing	—	—	—	56;944	57;265	57;265	—	(52;641)	(22;960)	(26;084)
Net cash from (used) financing	—	—	—	—	—	—	—	(860)	—	—
Cash/cash equivalents at the year end	3;688	3;693	40;988	155;334	120;369	119;209	52;252	(32;733)	(42;090)	(75;669)
Cash backing/surplus reconciliation										
Cash and investments available	2;163	1;843	18;946	941	5;324	5;324	42;866	(45;839)	(8;824)	(33;020)
Application of cash and investments	128;757	162;993	185;517	5;356	(5;527)	(5;527)	217;247	(4;893)	(9;990)	(10;973)
Balance - surplus (shortfall)	(126;593)	(161;150)	(166;571)	(4;415)	10;852	10;852	(174;382)	(40;946)	1;166	(22;047)
Asset management										
Asset register summary (WDV)	781;177	769;781	747;596	839;286	839;607	839;607	1;583;401	1;583;401	1;629;161	1;707;916
Depreciation	40;305	201	39	51;360	51;360	51;360	54;082	54;082	56;732	59;399
Renewal and Upgrading of Existing Assets	1;352;002	1;375;273	1;371;993	38;068	38;068	38;068	41;915	21;210	21;210	24;252
Repairs and Maintenance	40	770	893	6;584	5;815	5;815	3;550	3;550	3;724	3;899
Free services										
Cost of Free Basic Services provided	—	—	—	—	—	—	—	—	—	—
Revenue cost of free services provided	(1;842)	(11;229)	(1;959)	—	(13;664)	(13;664)	(13;128)	(13;759)	(14;401)	—
Households below minimum service level										
Water:	—	—	—	758	758	758	11;159	11;159	11;159	—
Sanitation/sewage:	—	—	—	—	—	—	—	—	—	—
Energy:	—	—	—	11	11	11	11	11	11	—
Refuse:	—	—	—	22	22	22	22	22	22	—

FS161 Letsemeng - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1									
Revenue - Functional										
Governance and administration		165;175	167;046	188;329	63;429	83;259	83;259	207;681	220;415	221;196
Executive and council		—	(10)	10	—	—	—	—	—	—
Finance and administration		165;175	167;056	188;319	63;429	83;259	83;259	207;681	220;415	221;196
Internal audit		—	—	—	—	—	—	—	—	—
Community and public safety		608	209	198	—	—	—	—	—	—
Community and social services		27	3	13	—	—	—	—	—	—
Sport and recreation		—	—	—	—	—	—	—	—	—
Public safety		—	—	—	—	—	—	—	—	—
Housing		581	206	185	—	—	—	—	—	—
Health		—	—	—	—	—	—	—	—	—
Economic and environmental services		993	993	1;124	20;092	20;092	20;092	20;638	20;401	21;143
Planning and development		1;000	1;000	1;124	1;073	1;073	1;073	950	—	—
Road transport		(7)	(7)	—	19;019	19;019	19;019	19;688	20;401	21;143
Environmental protection		—	—	—	—	—	—	—	—	—
Trading services		27;255	61;711	41;472	155;689	146;469	146;469	54;134	52;504	54;238
Energy sources		8;302	17;250	17;655	22;509	21;858	21;858	15;007	24;064	22;428
Water management		—	300	—	34;072	20;000	20;000	31;327	20;287	23;285
Waste water management		18;953	44;161	23;817	83;523	85;408	85;408	7;120	7;440	7;778
Waste management		—	—	—	15;586	19;203	19;203	680	714	747
Other	4	—	—	—	—	—	—	—	—	—
Total Revenue - Functional	2	194;031	229;960	231;122	239;210	249;821	249;821	282;453	293;320	296;577
Expenditure - Functional										
Governance and administration		155;559	164;991	167;394	165;503	163;779	163;779	191;480	200;857	221;589
Executive and council		21;819	19;799	17;991	18;453	15;316	15;316	19;806	20;772	21;746
Finance and administration		132;061	142;825	147;475	144;746	146;153	146;153	160;053	167;895	187;081
Internal audit		1;678	2;367	1;928	2;305	2;311	2;311	11;620	12;189	12;762
Community and public safety		3;868	1;256	3;555	4;281	3;693	3;693	2;960	3;105	3;251
Community and social services		4;085	1;258	3;308	3;816	3;253	3;253	2;000	2;098	2;197
Sport and recreation		(301)	—	62	105	50	50	300	315	329
Public safety		—	—	—	—	—	—	—	—	—
Housing		—	—	—	210	210	210	500	525	549
Health		83	(1)	184	150	180	180	160	168	176
Economic and environmental services		8;613	11;682	10;131	11;709	11;483	11;483	12;300	12;903	13;510
Planning and development		776	2;739	1;940	2;885	2;658	2;658	2;599	2;727	2;855
Road transport		7;837	8;943	8;191	8;825	8;825	8;825	9;701	10;176	10;655
Environmental protection		—	—	—	—	—	—	—	—	—
Trading services		58;023	52;947	68;954	66;898	68;185	68;185	69;416	71;916	75;296
Energy sources		36;763	39;418	45;432	47;191	46;988	46;988	45;578	47;811	50;059
Water management		10;133	125	9;275	9;110	10;710	10;710	9;139	9;587	10;038
Waste water management		11;122	13;116	14;181	10;450	10;245	10;245	14;658	14;476	15;156
Waste management		4	289	67	147	242	242	40	42	44
Other	4	—	—	—	—	—	—	—	—	—
Total Expenditure - Functional	3	226;062	230;876	250;034	248;391	247;140	247;140	276;156	288;781	313;646
Surplus/(Deficit) for the year		(32;031)	(916)	(18;911)	(9;181)	2;681	2;681	6;297	4;540	(17;069)

Reviewed Integrated Development Plan 2023/24

FS161 Letsemeng - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
Revenue by Vote	1									
Vote 1 - Executive & Council		–	(10)	10	–	–	–	–	–	–
Vote 2 - Finance & Administration		165;175	167;056	188;319	63;429	83;259	83;259	207;681	220;415	221;196
Vote 3 - Energy sources		8;302	17;250	17;655	22;509	21;858	21;858	15;007	24;064	22;428
Vote 4 - Environmental Protection		581	206	185	–	–	–	–	–	–
Vote 5 - Water Management		–	300	–	34;072	20;000	20;000	31;327	20;287	23;285
Vote 6 - Waste water management		18;953	44;161	23;817	83;523	85;408	85;408	7;120	7;440	7;778
Vote 7 - Road Transport		(7)	(7)	–	19;019	19;019	19;019	19;688	20;401	21;143
Vote 8 - Waste Management		–	–	–	15;586	19;203	19;203	680	714	747
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–
Vote 10 - Community & Social Services		1;027	1;003	1;137	1;073	1;073	1;073	950	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	194;031	229;960	231;122	239;210	249;821	249;821	282;453	293;320	296;577
Expenditure by Vote to be appropriated	1									
Vote 1 - Executive & Council		21;819	19;799	17;991	18;453	15;316	15;316	19;806	20;772	21;746
Vote 2 - Finance & Administration		130;953	141;877	143;883	140;243	142;850	142;850	156;465	164;132	180;903
Vote 3 - Energy sources		36;763	39;418	45;432	47;191	46;988	46;988	45;578	47;811	50;059
Vote 4 - Environmental Protection		2;066	2;365	2;112	2;664	2;700	2;700	13;280	13;931	14;585
Vote 5 - Water Management		10;133	125	9;275	9;110	10;710	10;710	9;139	9;587	10;038
Vote 6 - Waste water management		11;122	13;116	14;181	10;450	10;245	10;245	14;658	14;476	15;156
Vote 7 - Road Transport		7;837	8;943	8;191	8;825	8;825	8;825	9;701	10;176	10;655
Vote 8 - Waste Management		4	289	67	147	242	242	40	42	44
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–
Vote 10 - Community & Social Services		4;470	4;270	7;250	8;929	8;085	8;085	6;137	6;438	8;978
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	225;166	230;202	248;381	246;012	245;961	245;961	274;806	287;365	312;163
Surplus/(Deficit) for the year	2	(31;136)	(243)	(17;259)	(6;802)	3;860	3;860	7;647	5;956	(15;586)

FS161 Letsemeng - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1										
Revenue											
Exchange Revenue											
Service charges - Electricity	2	17,788	13,396	30,502	29,768	31,028	31,028	19,841	36,508	41,508	43,459
Service charges - Water	2	10,875	4,638	11,773	14,072	16,072	16,072	1,484	16,924	17,753	18,587
Service charges - Waste Water Management	2	9,665	9,188	9,196	11,605	15,431	15,431	7,489	16,249	16,699	17,477
Service charges - Waste Management	2	9,230	8,767	8,879	11,577	15,073	15,073	7,260	15,872	15,471	14,655
Sale of Goods and Rendering of Services		221	179	382	164	163	163	155	148	155	162
Agency services		-	-	-	-	-	-	-	-	-	-
Interest		-	339	16,066	266	306	306	-	-	-	-
Interest earned from Receivables		14,129	17,602	11,412	16,034	13,742	13,742	20,491	6,486	6,803	7,123
Interest earned from Current and Non Current As		101	41	163	-	-	-	56	322	338	354
Dividends		340	(6)	6	11	11	11	10	12	13	13
Rent on Land		-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		604	714	562	294	432	432	375	455	478	500
Licence and permits		-	-	-	5	5	5	-	6	6	6
Operational Revenue		269	375	68	470	355	355	-	132	138	144
Non-Exchange Revenue											
Property rates	2	23,907	33,106	25,832	6,508	2,509	2,509	16,993	27,412	28,755	30,107
Surcharges and Taxes		-	-	-	-	-	-	714	-	-	-
Fines, penalties and forfeits		22	7	8	18	18	18	7	19	20	21
Licences or permits		-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational		81,566	103,559	88,909	90,897	90,897	90,897	73,331	95,791	101,830	96,708
Interest		3,958	4,064	5,561	-	6,258	6,258	6,560	14,574	15,249	17,832
Fuel Levy		-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-
Other Gains		(1)	3	37	-	-	-	-	-	-	-
Discontinued Operations											
Total Revenue (excluding capital transfers and		172,674	195,971	209,356	181,691	192,302	192,302	154,766	230,910	245,214	247,149
Expenditure											
Employee related costs	2	54,349	59,851	69,762	73,053	73,053	73,053	55,931	79,081	82,956	98,149
Remuneration of councillors		4,200	4,217	4,764	5,167	5,167	5,167	3,985	5,446	5,713	5,981
Bulk purchases - electricity	2	32,025	33,824	38,809	35,187	35,187	35,187	22,805	38,000	39,862	41,736
Inventory consumed	8	11,259	10,235	8,409	10,236	10,236	10,236	4,235	14,370	15,074	15,783
Debt impairment	3	-	-	-	-	-	-	-	27,589	28,940	30,301
Depreciation and amortisation		53,537	15,841	(44)	51,360	51,360	51,360	24	54,082	56,732	59,399
Interest		2,513	7,872	11,008	6,770	8,974	8,974	8,731	9,449	9,912	10,378
Contracted services		13,731	15,819	13,904	22,423	21,392	21,392	12,949	32,235	32,913	34,460
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		38,650	30,288	31,602	26,200	26,200	26,200	38	-	-	-
Operational costs		14,533	48,181	66,620	17,995	16,317	16,317	18,018	15,904	16,678	17,459
Losses on disposal of Assets		1,433	4,752	5,267	-	-	-	-	-	-	-
Other Losses		(170)	(5)	(67)	-	-	-	-	-	-	-
Total Expenditure		226,062	230,876	250,034	248,391	247,886	247,886	126,715	276,156	288,781	313,646
Surplus/(Deficit)		(53,388)	(34,904)	(40,678)	(66,700)	(55,585)	(55,585)	28,051	(45,246)	(43,566)	(66,497)
Transfers and subsidies - capital (monetary	6	21,356	33,988	21,767	57,519	57,519	57,519	-	51,543	48,106	49,428
Transfers and subsidies - capital (in-kind)	6	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(32,031)	(916)	(18,911)	(9,181)	1,934	1,934	28,051	6,297	4,540	(17,069)
Income Tax		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		(32,031)	(916)	(18,911)	(9,181)	1,934	1,934	28,051	6,297	4,540	(17,069)
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(32,031)	(916)	(18,911)	(9,181)	1,934	1,934	28,051	6,297	4,540	(17,069)
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-	-
Intercompany /Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	1	(32,031)	(916)	(18,911)	(9,181)	1,934	1,934	28,051	6,297	4,540	(17,069)

Reviewed Integrated Development Plan 2023/24

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - Executive & Council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Finance & Administration		-	-	-	-	-	-	-	-	-	-
Vote 3 - Energy sources		-	-	-	-	-	-	-	-	-	-
Vote 4 - Environmental Protection		-	-	-	-	-	-	-	-	-	-
Vote 5 - Water Management		-	-	-	-	-	-	-	-	-	-
Vote 6 - Waste water management		-	-	-	-	-	-	-	-	-	-
Vote 7 - Road Transport		-	-	-	-	-	-	-	-	-	-
Vote 8 - Waste Management		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - Community & Social Services		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated	2										
Vote 1 - Executive & Council		(7;182)	799	748	-	-	-	-	-	-	-
Vote 2 - Finance & Administration		(4;491)	(13;967)	(3;909)	209	530	530	530	900	629	659
Vote 3 - Energy sources		5;410	8;257	3;788	18;500	18;500	18;500	18;500	8;844	210	220
Vote 4 - Environmental Protection		7	-	(611)	-	-	-	-	-	-	-
Vote 5 - Water Management		18;565	29;123	3;528	20;000	20;000	20;000	20;000	31;477	20;444	23;450
Vote 6 - Waste water management		4;550	11;288	7;906	1;254	1;254	1;254	1;254	-	-	-
Vote 7 - Road Transport		(6;049)	-	1;354	6;811	6;811	6;811	6;811	2;209	420	439
Vote 8 - Waste Management		-	-	540	5;832	5;832	5;832	5;832	7;899	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - Community & Social Services		(1;211)	2;972	(2;271)	4;339	4;339	4;339	4;339	880	923	967
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		9;601	38;472	11;071	56;944	57;265	57;265	57;265	52;209	22;626	25;734
Total Capital Expenditure - Vote		9;601	38;472	11;071	56;944	57;265	57;265	57;265	52;209	22;626	25;734
Capital Expenditure - Functional											
Governance and administration		(11;665)	(13;168)	(3;773)	209	530	530	1;306;073	900	944	988
Executive and council		(7;182)	799	748	-	-	-	(5;467)	-	-	-
Finance and administration		(4;491)	(13;967)	(3;909)	209	530	530	1;312;143	900	944	988
Internal audit		7	-	(611)	-	-	-	(604)	-	-	-
Community and public safety		3;460	1;245	(2;271)	4;339	4;339	4;339	11;685	880	923	967
Community and social services		3;460	1;245	-	3;489	3;489	3;489	13;956	-	-	-
Sport and recreation		-	-	(2;271)	850	850	850	(2;271)	880	923	967
Public safety		-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		(10;720)	1;726	1;354	6;811	6;811	6;811	9;057	2;209	420	439
Planning and development		(4;671)	1;726	-	-	-	-	3;497	-	-	-
Road transport		(6;049)	-	1;354	6;811	6;811	6;811	5;560	2;209	420	439
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		28;526	48;669	15;762	45;586	45;586	45;586	149;906	48;220	20;654	23;669
Energy sources		5;410	8;257	3;788	18;500	18;500	18;500	28;700	8;844	210	220
Water management		18;565	29;123	3;528	20;000	20;000	20;000	90;567	31;477	20;444	23;450
Waste water management		4;550	11;288	7;906	1;254	1;254	1;254	28;588	-	-	-
Waste management		-	-	540	5;832	5;832	5;832	2;051	7;899	-	-
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	9;601	38;472	11;071	56;944	57;265	57;265	1;476;720	52;209	22;941	26;064
Funded by:											
National Government		29;283	46;433	14;510	56;568	56;568	56;568	172;791	50;559	21;210	24;252
Provincial Government		-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	29;283	46;433	14;510	56;568	56;568	56;568	172;791	50;559	21;210	24;252
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		(19;682)	(7;961)	(3;439)	376	697	697	1;303;928	1;650	1;731	1;812
Total Capital Funding	7	9;601	38;472	11;071	56;944	57;265	57;265	1;476;720	52;209	22;941	26;064

FS161 Letsemeng - Table A6 Budgeted Financial Position

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand											
ASSETS											
Current assets											
Cash and cash equivalents		3,345	3,025	20,127	941	5,324	5,324	44,047	(32,733)	(8,824)	(33,020)
Trade and other receivables from exchange transactions	1	12,478	26,398	96,580	76,962	101,758	101,758	138,811	20,946	22,341	21,609
Receivables from non-exchange transactions	1	60,721	70,802	25,291	5,384	(16,838)	(16,838)	43,119	22,798	23,875	26,864
Current portion of non-current receivables		360	435	516	-	-	-	675	-	-	-
Inventory	2	2,754	2,181	1,760	2,181	2,181	2,181	2,518	7,550	7,829	7,788
VAT		51,489	57,926	75,226	-	-	-	85,535	22,326	18,507	19,630
Other current assets		25	10,843	11,768	3	3	3	(129)	-	-	-
Total current assets		131,171	171,610	231,268	85,471	92,428	92,428	314,576	40,887	63,728	42,872
Non current assets											
Investments		-	-	-	-	-	-	-	-	-	-
Investment property		77,825	66,425	66,425,069.00	77,119	77,119	77,119	66,425	2,937	3,081	3,226
Property, plant and equipment	3	702,958	704,752	682,590	761,797	761,996	761,996	711,302	1,415,624	1,453,164	1,523,647
Biological assets		-	-	-	-	-	-	-	-	-	-
Living and non-living resources		-	-	-	-	-	-	-	-	-	-
Heritage assets		1,022	1,022	1,022	15	15	15	1,022	164,790	172,864	180,989
Intangible assets		(628)	(2,418)	(2,442)	354	477	477	(2,036)	50	52	55
Trade and other receivables from exchange transactions		-	-	-	-	-	-	-	432	451	472
Non-current receivables from non-exchange transactions		-	-	-	-	-	-	-	-	-	-
Other non-current assets		-	-	-	-	-	-	-	-	-	-
Total non current assets		781,177	769,781	747,596	839,286	839,607	839,607	776,713	1,583,833	1,629,613	1,708,388
TOTAL ASSETS		912,348	941,391	978,863	924,757	932,035	932,035	1,091,289	1,624,720	1,693,341	1,751,260
LIABILITIES											
Current liabilities											
Bank overdraft		1,182	1,182	1,182	-	-	-	1,182	-	-	-
Financial liabilities		(445)	(323)	(339)	177,057	177,057	177,057	(280)	-	-	-
Consumer deposits		739	860	960	860	860	860	1,031	-	-	-
Trade and other payables from exchange transactions	4	128,757	162,993	185,517	61,455	28,058	28,058	217,247	14,831	10,784	11,598
Trade and other payables from non-exchange transactions	5	15,776	5,244	25,013	-	-	-	70,966	(9,000)	-	-
Provision		6,037	6,037	9,669	24,665	24,665	24,665	9,669	-	-	-
VAT		55,879	60,908	69,939	2,982	-	-	76,487	12,526	13,359	13,755
Other current liabilities		-	-	-	-	-	-	-	-	-	-
Total current liabilities		207,925	236,902	291,940	267,919	230,639	230,639	376,301	18,357	24,143	25,352
Non current liabilities											
Financial liabilities	6	338	307	767	-	-	-	106	-	-	-
Provision	7	3,867	6,908	6,840	12,946	12,946	12,946	6,840	-	-	-
Long term portion of trade payables		-	-	-	-	-	-	-	-	-	-
Other non-current liabilities		1,827	2,372	2,523	4,403	4,403	4,403	2,523	-	-	-
Total non current liabilities		6,033	9,588	10,131	17,349	17,349	17,349	9,470	-	-	-
TOTAL LIABILITIES		213,958	246,491	302,071	284,368	247,988	247,988	385,771	18,357	24,143	25,352
NET ASSETS		698,390	694,900	676,793	640,389	684,047	684,047	705,518	1,606,363	1,669,197	1,725,908
COMMUNITY WEALTH/EQUITY											
Accumulated surplus/(deficit)	8	715,632	712,687	694,731	644,792	687,704	687,704	722,778	1,606,363	1,669,197	1,725,908
Reserves and funds	9	(15,414)	(15,414)	(15,414)	-	-	-	(15,414)	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	10	700,218	697,272	679,316	644,792	687,704	687,704	707,364	1,606,363	1,669,197	1,725,908

FS161 Letsemeng - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	3,688	3,693	40,988	155,334	120,369	119,209	52,252	(32,733)	(42,090)	(75,669)
Other current investments > 90 days		(1,525)	(1,850)	(22,042)	(154,393)	(115,045)	(113,885)	(9,386)	(0)	33,266	42,649
Non current Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		2,163	1,843	18,946	941	5,324	5,324	42,866	(32,733)	(8,824)	(33,020)
Application of cash and investments											
Trade payables from Non-exchange transactions: Other		-	-	-	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	128,757	162,993	185,517	5,356	(5,527)	(5,527)	217,247	(4,893)	(9,990)	(10,973)
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		128,757	162,993	185,517	5,356	(5,527)	(5,527)	217,247	(4,893)	(9,990)	(10,973)
Surplus(shortfall)		(126,593)	(161,150)	(166,571)	(4,415)	10,852	10,852	(174,382)	(27,840)	1,166	(22,047)

FS161 Letsemeng - Table A9 Asset Management

Description		Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
CAPITAL EXPENDITURE											
Total New Assets		1	50;760	65;962	80;313	18;876	19;197	19;197	10;294	1;731	1;812
Roads Infrastructure			12;066	12;066	12;066	-	-	-	-	-	-
Storm water Infrastructure			-	-	-	-	-	-	-	-	-
Electrical Infrastructure			399	8;656	12;443	18;500	18;500	18;500	8;644	-	-
Water Supply Infrastructure			77	77	1;038	-	-	-	-	-	-
Sanitation Infrastructure			12;490	13;165	13;165	-	-	-	-	-	-
Solid Waste Infrastructure			430	430	730	-	-	-	-	-	-
Rail Infrastructure			-	-	-	-	-	-	-	-	-
Coastal Infrastructure			-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure			-	-	-	-	-	-	-	-	-
Infrastructure			25;462	34;394	39;443	18;500	18;500	18;500	8;644	-	-
Community Facilities			-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities			-	-	-	-	-	-	-	-	-
Community Assets			-	-	-	-	-	-	-	-	-
Heritage Assets			-	-	-	-	-	-	-	-	-
Revenue Generating			-	-	-	-	-	-	-	-	-
Non-revenue Generating			-	-	-	-	-	-	-	-	-
Investment properties			-	-	-	-	-	-	-	-	-
Operational Buildings			-	-	-	-	-	-	-	-	-
Housing			-	-	-	-	-	-	-	-	-
Other Assets			-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets			-	-	-	-	-	-	-	-	-
Servitudes			-	-	-	-	-	-	-	-	-
Licences and Rights			-	(1;588)	(1;572)	177	300	300	50	52	55
Intangible Assets			-	(1;588)	(1;572)	177	300	300	50	52	55
Computer Equipment			(5;041)	(13;796)	(4;949)	31	230	230	550	577	604
Furniture and Office Equipment			(13;759)	(2;971)	(4;284)	-	-	-	-	-	-
Machinery and Equipment			(61)	5;762	6;768	167	167	167	750	787	824
Transport Assets			82	82	830	-	-	-	300	315	329
Total Upgrading of Existing Assets		6	229;312	267;943	273;805	38;068	38;068	38;068	41;915	21;210	24;252
Roads Infrastructure			9;862	11;589	12;902	6;644	6;644	6;644	1;809	-	-
Storm water Infrastructure			-	-	-	-	-	-	-	-	-
Electrical Infrastructure			5;673	5;673	5;673	-	-	-	-	-	-
Water Supply Infrastructure			48;234	72;150	75;070	20;000	20;000	20;000	31;327	20;287	23;285
Sanitation Infrastructure			(9;551)	1;062	7;756	1;254	1;254	1;254	-	-	-
Solid Waste Infrastructure			1;081	1;081	1;321	5;832	5;832	5;832	7;899	-	-
Rail Infrastructure			-	-	-	-	-	-	-	-	-
Coastal Infrastructure			-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure			-	-	-	-	-	-	-	-	-
Infrastructure			55;300	91;554	102;721	33;729	33;729	33;729	41;035	20;287	23;285
Community Facilities			-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities			12;246	13;491	11;220	4;339	4;339	4;339	880	923	967
Community Assets			12;246	13;491	11;220	4;339	4;339	4;339	880	923	967

Total Capital Expenditure	4	1;402;762	1;441;235	1;452;306	56;944	57;265	57;265	52;209	22;941	26;064
Roads Infrastructure		1;116;078	1;102;458	1;098;878	6;644	6;644	6;644	1;809	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		9;199	17;456	21;244	18;500	18;500	18;500	8;644	-	-
Water Supply Infrastructure		48;594	72;510	76;390	20;000	20;000	20;000	31;327	20;287	23;285
Sanitation Infrastructure		13;912	25;200	31;894	1;254	1;254	1;254	-	-	-
Solid Waste Infrastructure		1;511	1;511	2;051	5;832	5;832	5;832	7;899	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		1;189;295	1;219;135	1;230;457	52;229	52;229	52;229	49;679	20;287	23;285
Community Facilities		2;647	2;647	2;647	-	-	-	-	-	-
Sport and Recreation Facilities		12;246	13;491	11;220	4;339	4;339	4;339	880	923	967
Community Assets		14;893	16;138	13;867	4;339	4;339	4;339	880	923	967
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		171;772	172;903	164;889	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		171;772	172;903	164;889	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		1;007	(581)	(565)	177	300	300	50	52	55
Intangible Assets		1;007	(581)	(565)	177	300	300	50	52	55
Computer Equipment		(5;041)	(13;796)	(4;949)	31	230	230	550	577	604
Furniture and Office Equipment		(13;759)	(2;971)	(4;284)	-	-	-	-	-	-
Machinery and Equipment		436	6;246	7;984	167	167	167	750	787	824
Transport Assets		82	82	830	-	-	-	300	315	329
Land		44;078	44;078	44;078	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		1;402;762	1;441;235	1;452;306	56;944	57;265	57;265	52;209	22;941	26;064

Reviewed Integrated Development Plan 2023/24

FS161 Letsemeng - Table A10 Basic service delivery measurement

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Household service targets	1									
Water:										
Piped water inside dwelling		-	-	-	13,608	13,608	13,608	13,608	13,608	13,608
Piped water inside yard (but not in dwelling)		-	-	-	11,608	11,212	11,212	11,212	11,212	11,212
Using public tap (at least min.service level)	2	-	-	-	3,082	2,686	2,686	2,686	2,686	2,686
Other water supply (at least min.service level)	4	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>					28,298	27,506	27,506	27,506	27,506	27,506
Using public tap (< min.service level)	3	-	-	-	311,121	311,121	311,121	4,471,200	4,471,200	4,471,200
Other water supply (< min.service level)	4	-	-	-	135,270	135,270	135,270	2,217,053	2,217,053	2,217,053
No water supply		-	-	-	311,121	311,121	311,121	4,471,200	4,471,200	4,471,200
<i>Below Minimum Service Level sub-total</i>					757,512	757,512	757,512	11,159,453	11,159,453	11,159,453
Total number of households	5	-	-	-	785,810	785,018	785,018	11,186,959	11,186,959	11,186,959
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		-	-	-	16,376	16,376	16,376	16,376	16,376	16,376
Flush toilet (with septic tank)		-	-	-	608	608	608	608	608	608
Chemical toilet		-	-	-	102	102	102	102	102	102
Pit toilet (ventilated)		-	-	-	2,370	2,370	2,370	2,370	2,370	2,370
Other toilet provisions (> min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>					19,456	19,456	19,456	19,456	19,456	19,456
Bucket toilet		-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>					-	-	-	-	-	-
Total number of households	5	-	-	-	19,456	19,456	19,456	19,456	19,456	19,456
Energy:										
Electricity (at least min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (min.service level)		-	-	-	11,000	11,000	11,000	11,000	11,000	11,000
<i>Minimum Service Level and Above sub-total</i>					11,000	11,000	11,000	11,000	11,000	11,000
Electricity (< min.service level)		-	-	-	11,000	11,000	11,000	11,000	11,000	11,000
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>					11,000	11,000	11,000	11,000	11,000	11,000
Total number of households	5	-	-	-	22,000	22,000	22,000	22,000	22,000	22,000
Refuse:										
Removed at least once a week		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>					11,000	11,000	11,000	11,000	11,000	11,000
Removed less frequently than once a week		-	-	-	11,000	11,000	11,000	11,000	11,000	11,000
Using communal refuse dump		-	-	-	11,000	11,000	11,000	11,000	11,000	11,000
Using own refuse dump		-	-	-	-	-	-	-	-	-
Other rubbish disposal		-	-	-	-	-	-	-	-	-
No rubbish disposal		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>					22,000	22,000	22,000	22,000	22,000	22,000
Total number of households	5	-	-	-	22,000	22,000	22,000	22,000	22,000	22,000
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		-	-	-	2,400	2,400	2,400	2,400	2,400	2,400
Sanitation (free minimum level service)		-	-	-	2,400	2,400	2,400	2,400	2,400	2,400
Electricity/other energy (50kwh per household per month)		-	-	-	2,400	2,004	2,004	2,004	2,004	2,004
Refuse (removed at least once a week)		-	-	-	2,400	2,004	2,004	2,004	2,004	2,004
<i>Informal Settlements</i>					-	-	-	-	-	-
Cost of Free Basic Services provided - Formal Settlements (R'000)										
Water (6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (removed once a week for indigent households)		-	-	-	-	-	-	-	-	-
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)										
Total cost of FBS provided	8									
Highest level of free service provided per household										
Property rates (R value threshold)		-	-	-	-	-	-	-	-	-
Water (kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (Rand per household per month)		-	-	-	-	-	-	-	-	-
Electricity (kwh per household per month)		-	-	-	-	-	-	-	-	-
Refuse (average litres per week)		-	-	-	-	-	-	-	-	-
Revenue cost of subsidised services provided (R'000)	9									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)		-	-	-	-	-	-	-	-	-
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA		(2,386)	(1,854)	(1,955)	-	(2,003)	(2,003)	(2,129)	(2,233)	(2,338)
Water (in excess of 6 kilolitres per indigent household per month)		-	(5,668)	0	-	(7,465)	(7,465)	(8,585)	(9,005)	(9,429)
Sanitation (in excess of free sanitation service to indigent households)		544	(1,877)	-	-	(2,100)	(2,100)	(2,414)	(2,521)	(2,634)
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	(7)	(4)	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)		-	(1,822)	-	-	(2,096)	(2,096)	-	-	-
Municipal Housing - rental rebates		-	-	-	-	-	-	-	-	-
Housing - top structure subsidies		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total revenue cost of subsidised services provided	6	(1,842)	(11,229)	(1,959)	-	(13,664)	(13,664)	(13,128)	(13,759)	(14,401)

Table 18: 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 loans 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 Effective system that is informed by national inflation data and targets, comparable to local municipalities and circumstances of communities to ensure affordability	<p>Tariff Management Programme</p> <p>An evaluation of the tariff methodology to assess whether it is relevant to the current changes in municipality and NERSA</p> <p>Revenue enhancement strategy</p>	<p>Ensure compliance with the reviewed tariff policy of the municipality</p> <p>Maintain separate property rates tariffs per category of property</p> <p>Improve revenue collection rate to</p> <p>85% in 2023/24</p> <p>90% in 2024/20225</p> <p>95% In 2025/2026</p>	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

Five -year Strategic objective	Five- year IDP Programme	Section Changed	Reasons for Change
A budget system, structure and format that enables sound resources allocation and MSCOA seven segments	<p>Financial Management Programme</p> <p>The municipality is currently on the implementation of version 6.4 of MSCOA.</p> <p>The department uses the MSCOA seven segments to determine the allocation of funding to each departments</p>	<p>Redevelop formats to ensure that they are in line with the National Treasury's requirements</p> <p>Develop and determine Medium Term Budget Framework and long-term financial framework</p> <p>Ensure that the budget system is maintained and is at par with the latest trends in the economy</p>	A budget system, structure and format that enables sound resource allocation

Table 19: Challenges and Opportunities

Challenges	Opportunities
Placement of staff	Internal prepare Annual Financial statements by 2024/2025
Grading of the municipality resulting to lack of retention of competent staff and attraction of scare skill	Dedicated BTO staff
Satellite offices operating manually	
Unreliable meter reading leading to inconsistent billing	
Lack of clear business process	

Shortage of BTO staff	
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Table below 20: Strategic Priorities	
Key Performance Area	Implementation Plan
Financial turnaround strategy	<p>Expenditure review and implementation of recommendations</p> <p>Stringent financial control municipal wide</p> <p>Revenue maximisation plan</p> <p>Credit control</p> <p>Improve implementation of billing</p> <p>Increased collections levels</p> <p>Implementation of fraud and anti-corruption strategy</p> <p>Implementation of effective supply chain management</p>
Customer service	<p>Monitor turnaround time on query resolution</p> <p>Customer feedback on accounts</p>
Overall financial oversight	Attainment and maintenance of unqualified audit opinion

Table 21: Financial Sustainability Sector Plan

The table below is an outline of the financial sustainability sector plan:

Five-year Strategic Objectives	IDP Programme and Key Achievements (accumulated to date)	Delivery Agenda
Empowered customers enjoying highest standard of customer care and responsiveness	Responsive customer care <ul style="list-style-type: none"> Complaints V/S resolved Embracing new business Demands MPRA aims 	Responsive customer care <ul style="list-style-type: none"> Harness the single customer experience from optimisation of customer service centre Address challenges related to technology improvements on the contact centre Further reduction in time taken to answer calls to an average of 60 seconds Sustain customer satisfaction despite forces of NCA, MPRA

		and credit control
The municipality that creatively evolves its resourcing/expenditure system to ensure long-term fiscal stability and growth, and optimal spending to support accelerated and sustainable development	Maximise Revenue Collection and Billing <ul style="list-style-type: none"> ▪ Increase in revenue collection to 85% 	Maximise Revenue Collection and Billing <ul style="list-style-type: none"> ▪ Increase in revenue collection to acceptable levels, including indigents ▪ Facilitate property value chain initiatives ▪ Address meter reading ▪ Reducing impact on refunds and clearance figures; ▪ Install smart electricity meters; ▪ Install pre-paid water meters
	Financial control and reporting <ul style="list-style-type: none"> ▪ 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 Encourage customers to utilise incentive scheme 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

		<p>revenue maximisation</p> <ul style="list-style-type: none"> ▪ Harness value add of property value chain ▪ Sustained incremental concise completeness of revenue project
	<p>Refunds and clearances efficiencies</p> <ul style="list-style-type: none"> ▪ Increase of active customers receiving bills to 100% ▪ 98% refunds issued within 30 days ▪ 100% clearance certificates issued within 30 days 	<p>Refunds and clearances efficiencies</p> <ul style="list-style-type: none"> ▪ Accurate billing management ▪ 93% to 97% clearance certificate and refunds issued within 30 days of application ▪ 97% properties on the billing system metered and billed with accurate bills ▪ 97% increase in active customers receiving bills to minimum
A municipality stable and growing revenue streams	<p>Credit control enforcement</p> <ul style="list-style-type: none"> ▪ Expansion of credit control 	<p>Credit control enforcement</p>

		<ul style="list-style-type: none"> Strengthened credit management controls through reduction of areas where no credit control is taking place
A municipality with stable and growing revenue streams	Capital Financing Programme <ul style="list-style-type: none"> Where appropriate and within a policy framework raise project finance for specific infrastructure projects 	Capital Financing Programme <ul style="list-style-type: none"> 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 	Expenditure review programme

	<p>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</p> <ul style="list-style-type: none"> ▪ 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 	<ul style="list-style-type: none"> ▪ Develop an expenditure review document on an annual basis ▪ Produce quarterly SDBIP reports in line with national treasury regulations ▪ Review budget policies annually
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CHAPTER 5**5.1 SECTOR PLANS****Table 30: Sector Plans**

SECTOR PLAN	STATUS QUO	DATE: COUNCIL ADOPTION
Spatial Development Framework	Adopted by Council	14 December 2022
Water and Sanitation Master Plan	Adopted by Council	August 2019
Electricity Master Plan	Draft	August 2019
LED Strategy	Draft tabled by Council	
Tourism Sector Plan	None	
Integrated Waste Management Plan (IWMP)	Adopted by Council	
Integrated Human Settlements Plan	Adopted by Council	28 August 2018
Xhariep District Disaster Management Plan	Adopted by Council in	2017
Fire Management Plan	None	
Workplace Skills Plan	Adopted by Council	April 2023
Human Resources Strategy	Review Phase	28 August 2018
Workplace Skills Plan	Adopted by Council	April 2023
Energy Master Plan	None	
Housing Sector Plan	None	
Turnaround Strategy	Adopted by Council	
Risk Management Strategy	Approved by the Accounting Officer	August 2019
Public Transport	Approved	
O & M : Water and Sanitation	Approved	August 2019
O & M: Electricity	Draft	
Climate Change Plan	Draft	

The municipality has developed Operation and Maintenance Manuals for Water and Sanitation Master Plan approved Electricity Master Plan

CHAPTER 6

6.1 LETSEMENG LOCAL MUNICIPALITY: PROGRAMMES AND PROJECTS

LETSEMENG LM: CAPITAL PROJECTS 2023/24 FINANCIAL YEAR

Municipal Infrastructure Grant

Total Budget – R19 million

AREA	PROJECT DESCRIPTION	BUDGET ALLOCATED
PMU		R 984,400.00
Koffiefontein/Sonwabile:	Upgrading of sports facility (Phase 2)	R 800,000.00
Luckhoff	Closure of existing solid waste site and construction of a new solid waste facility	R 7,899,072.69
Petrusburg/Bolokanang	Upgrading of 1.72km access paved road and storm water	R 1,808,971.32
Petrusburg/Bolokanang	Construction of 4 High Mast Lights	R 1,877,671.77
Koffiefontein/Ditlhake	Construction of 4 High Mast Lights	R 1,877,671.77
Luckhoff/Relebohile	Construction of 3 High Mast Lights	R 1,600,000.00
Oppermansgronde	Construction of 3 High Mast Lights	R 1,082,540.68
Jacobsdal/Ratanang	Construction of 4 High Mast Lights	R 1,877,671.77

Integrated National Electrification Program (INEP)

Total budget R528 000

AREA	PROJECT DESCRIPTION	BUDGET ALLOCATED
Phambili	Electrification of 170 Households connections	R 200,000.00
Koffiefontein (Donkerhoek)	Electrification of 34 Infills Households connections	R328,000.00

Water Service and Infrastructure Grant (WSIG)

Total budget R31 million

AREA	PROJECT DESCRIPTION	BUDGET ALLOCATED
Koffiefontein & Dithake	Bulk water storage (4,9 ML Reservoir)	R31 327 000

CHAPTER 7

7.1 PROJECT AND PROGRAMMES OF THE OTHER SPHERES OF GOVERNMENT

PLANNED CAPITAL PROJECTS FOR 2023/24 FY BY SECTOR DEPARTMENTS

DEPARTMENT OF PUBLIC WORKS AND INFRASTRUCTURE

PROJECTS	PROJECT DESCRIPTION	LOCATION/	TIME FRAMES	BUDGET
		TARGET AREA		
National Youth Service Program	To recruit 190 Young People from Jagersfontein Luckhoff, Fauriesmith, Edenburg and Smithfield	Jagersfontein, Luckhoff, Fauriesmith, Edenburg & Smithfield	2023 - 2024	Not indicated
EPWP Skills Training Program	The Department in partnership with relevant SETAs such as CETA, LGSETA and MerSeta will train 500 unemployed youth across the province to access skills	All Towns in the Free State	2023 - 2024	Not indicated
Community works, Cash for waste, Cleaning and Greening projects	Cleaning of streets, storm-water drainage systems, taxi ranks, and public areas	Targeted beneficiaries - 285 Participants for Xhariep District	2023 - 2024	Not indicated

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

PROJECTS	PROJECT DESCRIPTION	LOCATION/	TIME FRAMES	BUDGET
		TARGET AREA		
Supporting Projects 8	To support eight agricultural Projects (including two commonages in the district)	Luckhoff and Phillipolis	2023 - 2024	R16,8 million

DESTEA

PROJECTS	PROJECT DESCRIPTION	LOCATION/	TIME FRAMES	BUDGET
		TARGET AREA		
Manufacturing of Industrial Hemp	<p>Manufacturing of industrial hemp into commercial items such as hair products, skin products, textiles and animal feed.</p> <p>Destea will work with Department of Agriculture and rural development to develop a hemp production and processing facility</p>	Xhariep District Municipalities	2023 - 2024	Not indicated

PROPOSED PROJECT AND PRGRAMS FOR PETRA DIAMONDS SLP 3 & 4

PROJECTS	PROJECT DESCRIPTION	LOCATION/	TIME FRAMES	BUDGET
		TARGET AREA		
Brick Laying and Crusher Plant	Manufacturing of bricks to create employment opportunities and support business development	Koffiefontein	2023 - 2024	R10 million
Leaner Support Programme	Leaner support programme on Mathematics, Science and Accounting for till June 2025	All Towns of Letsemeng LM	Till June 2025	R2,5 million
Food Security Project	Community food gardening projects for customers and fresh produce markets		2023 - 2024	R5,5 million
PMU Support	Providing technical support to strengthen the PMU of the municipality	All Towns of Letsemeng LM	2023 - 2024	R1,2 million
Water Improvement Project	<p>Identify any gaps, inefficiencies, or areas of improvement in the current water pipeline network that may be causing water not to reach taps</p> <p>Conduct field assessments to validate the accuracy of the pipeline mapping data</p>	All areas in Letsemeng LM affected by unreliable water supply	2023 - 2024	R10,5 million

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DEPARTMENT OF HUMAN SETTLEMENT

Project Name	Project Description	Funder	Allocated Amount	ETD	Status of the Project	Social Impact and Remarks
Construction of water and sewer infrastructure - Koffiefontein - 1394 Erven	Construction of water and sewer infrastructure - Koffiefontein - 1394 Erven	HSS	R34, 509,615.85	R24 058 278,75	78% complete and the anticipated completion date was 31 of March 2023	24 males 17 females
Jacobsdal (Ratanang 545 Stands) Water & Sewer Infrastructure	Jacobsdal (Ratanang 545 Stands) Water & Sewer Infrastructure. Project started on 16 September 2021	HSS	R25,788 136.35	R17 182 111.00 (66.6%)	85% complete and the anticipated completion date was 31st of March 2023	12 males 20 females
Luckhoff (Ralebohile 450 Stands) Water & Sewer Infrastructure	Luckhoff (Ralebohile 450 Stands) Water & Sewer Infrastructure. Project Started on the 16th of September 2021 by enlisted Service Provider Messrs Iceburg Trading	HSS	R25,202,665.60	R21 583 086.84 (85.6%)	The project is on practical completion which started on the 10th of March 2023	21 males 13 females
Koffiefontein Bulk Water and Reservoir	Koffiefontein Bulk Water and Reservoir	WSIG	R 48 145 473.00	R 15 223 881.19	Construction .	14 Local labours EPWP 09- Men 05- Women

Reviewed Integrated Development Plan 2023/24

Upgrading of Outfall line and Sewer Pump Station Jacobsdal	Upgrading of Outfall line and Sewer Pump Station Jacobsdal	WSIG	R 5 000 000.00	R 319 394.86	Procurement Process	0
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