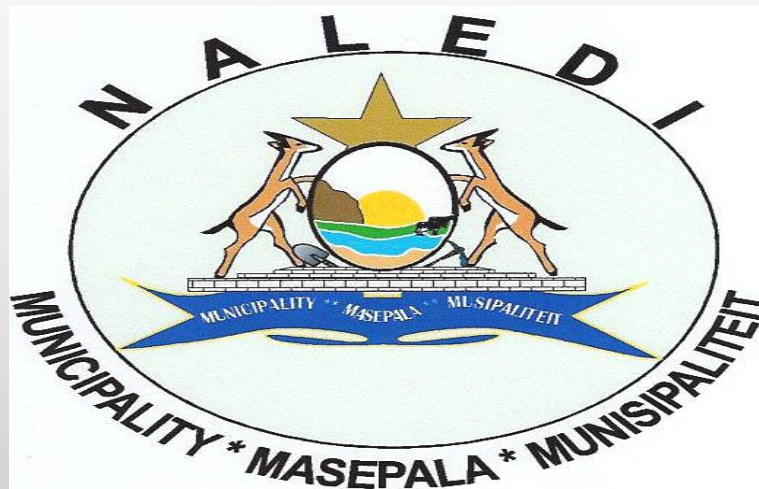


# **NALEDI LOCAL MUNICIPALITY**

## **(FS 171)**



## **FINAL IDP & BUDGET**

### **2011/2012**

**GENERAL SECTION**

**FS 171**

**Private Bag X01**

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## **MAYOR'S FOREWORD**



### **FOREWORD by the Mayor, Cllr John J Makitle**

We present this document, the Integrated Development Plan (IDP) Review 2010/2011, incorporating the Municipal Turn-Around Strategy (MTAS) as the recognition by all concerned that the level of service delivery in our municipality is below acceptable standard and that we require comprehensive integrated and coordinated approach in order to make a major impact on improving the lives of our community.

This year's IDP has broken new ground for us. It is the first time that we have put together a plan that encompasses every department in the municipality. Whilst in the past our IDP was just a Municipal Infrastructure Grant expenditure document, this year's document includes every facet of our anticipated operations for 2011/2012. Every Head of Director and second layer managers were involved in the process. It was hard as this is the first time we do this, but we were mostly impressed by the eagerness showed by this second layer of management. They were excited that they, too, are given a chance to determine our path as a recovering municipality.

We were also humbled by the involvement of the community in the preparation of this document. Starting with the Steering Committee Members and Representative Forum held in February 2011, the subsequent MTAS Task Team to the support given by Cogta. This document contains the aspirations of the community of Dewetsdorp, Wepener & Van Stadensrus . We have carved the road to recovery. For too long we have suffered lack of Vision and proper planning. With this IDP, we intend to change the situation.

We acknowledge that this is not going to be easy, but just like the gospel group, Mary Mary, we will walk along this road singing

***There will be mountains that I will have to climb;  
And there will be battles that I will have to fight  
But victory or defeat, it's up to me to decide  
But how can I expect to win If I never try.***

**Local Government is everybody's business.** This document tries to confirm that. It is your document. Interact with it, critic it and make the best of opportunities in it.

## 1.1 Introduction

This document is known as the reviewed Integrated Development Plan (IDP) for the Naledi Local Municipality. This review followed an institutional assessment of the municipality's performance in line with last reviewed Integrated Development Plan for 2010/11. The review process was thus aimed at addressing, amongst others, the following key issues:

- Comments received from the various role-players in the IDP process, the IDP hearing, the IDP analysis and engagement sessions;
- Areas requiring additional attention in terms of legislation;
- Areas of improvement identified through self-assessment;
- Identification of new projects;
- The continuation of the Sector Plans to be completed

This reviewed Integrated Development Plan therefore seeks to achieve developmental outcomes for the municipal area by:

- Aligning scarce resources behind agreed policy objectives and programmes
- Ensuring that actions are prioritized based on their urgency and strategic needs
- Providing the framework for integration national, provincial and district based policies.
- Serving as the means to communicate the municipality's strategic plans with other stakeholders
- Providing the basis for the necessary engagement between Council and its residents.

This document, therefore, once adopted by council, serves as the principal strategic planning instrument which guides and informs all planning and development, budgeting, annual performance review, management and development processes in the municipality.

## 1.2 This IDP's framework

As a result of continuous engagements between various other role-players and stakeholders in developmental planning, it was realized that it is important to re-consider the core components of the IDP as espoused in the IDP Framework Guide issued by the then Department of Provincial and Local Government. One of the critical aims of the Integrated Development Plan Framework Guide is to provide clarification on the packaging and contents in preparation of the 2011/12 reviewed IDP and beyond. It is our view that these guidelines are not meant to replace the core components of the IDP as contained in the Municipal Systems Act, 2000 and Performance Management

Planning Regulations, 2001, but to intensify understanding and clarification thereof. These core components are presented and briefly defined hereunder as follows:

**Section A: Executive Summary:**

This section is aimed at providing an overview of the municipality, its current situation, challenges, opportunities, priority strategies and targets to be achieved in order to improve the situation over the 5 year term of the IDP.

**Section B: Situational Analysis:**

This section presents a detailed status quo analysis of the municipal area which is updated annually.

**Section C: Development Strategies:**

This section includes the vision, mission, strategic objectives and strategies structured into the 5 KPA's of the 5 year Local Government Strategic Agenda.

**Section D: Spatial Development Framework:**

This section presents a high level Spatial Development Framework which reflects the text and maps and is reviewed on a 5 yearly basis.

**Section E: Sector Involvement:**

This section presents the extent of involvement of various sector departments as well as the private sector in general in term of developments in the locality and could be in the form of a Strategic Plan or Medium Term Expenditure Framework or Sector Plan information for that particular Integrated Development Plan period. This information should be current and as updated annually

**Section F: Implementation Plan:**

This section provides a schedule which envisages all projects over a period of 3 years and includes the responsible person / department for the project and funding allocations.

**Section G: Projects:**

This section provides comprehensive details of projects to be executed during the IDP duration; this section basically gives effect to the Implementation Plan.

**Section H: Financial Plan and Service Delivery and Budget Implementation Plan:**

This presents the municipality's budget overview and 3 year Financial Plan, budget implementation plan setting out performance indicators and respective targets to be achieved, linked to identifiable IDP objectives.



### **Section I: Organisational Performance Management System:**

This section presents the municipality's KPI's for each set objective and Annual Performance Report of the previous year.

### **Section J: Annexure;**

This section presents the municipality's Spatial Development Framework and Disaster Management Plan that have to be included as part of the IDP.

### **Section K: Appendices:**

This section presents a guideline of sector plans which are applicable to Naledi Local Municipality. The sector plans need not be included as part of the IDP, however, they should be listed in table format. On such table the municipality would indicate if it has / does not have the sector plan. The relevant authority could then enquire for a copy of the plan if required.

Furthermore, as indicated in terms of Section C above, for the duration of this reviewed Integrated Development Plan, the municipality has to consider the following 5 key performance areas for local government as determined by the National Government:

**KPA1: Municipal Transformation and Institutional Development;**

**KPA2: Financial Viability and Financial Management;**

**KPA3: Basic Service Delivery and Infrastructure Investment;**

**KPA4: Local Economic Development and**

**KPA5: Good Governance and Community Participation**

### **1.3 The Planning Methodology Followed.**

In terms of the Municipal Systems Act of 2000, all municipalities have to undertake an Integrated Development Planning process to produce Integrated Development Plan. The Municipal Finance Management Act of 2003 further stipulates that The Mayor of a municipality must at least 10 months before the start of the budget year, table in the Municipal council a time schedule outlining key deadlines for the preparation, tabling and approval of the annual budget and the annual review of the integrated development plan in terms of section 34 of the Municipal Systems Act.

#### 1.4 The IDP Process Plan of Naledi Local Municipality

The purpose of the municipality's IDP process plan is to outline and describe how, the municipality will approach planning for development for its area of jurisdiction. It further deals with the allocation of municipal capacity and resources in implementation support of the planning process. In essence, it is intended to serve as a management instrument in terms of which the municipality will carry out its mandate with regard to integrated development planning

The institutional arrangements are clearly outlined which provide a clear understanding of the organizational structure, the different role-players (internal and external), as well as distribution of their roles and responsibilities.

Firstly, since active involvement of the community and stakeholder organizations is at the centre of the Integrated Development Planning process, the Process Plan essentially makes provision for mechanisms and procedures for public participation. It contains several tools and principles for participation, roles and responsibilities and means of encouraging participation.

Secondly, in order to ensure parallel processes and effective co-ordination between this municipality and other spheres of government, this process plan is also informed by Motheo IDP Review Framework (2011/2012) which contains different procedures for alignment, which is a mutually aligned process highlighting agreement principles, communication mechanisms, joint events and time frames as well as organizational structures and mechanisms for solving disputes and amending the Framework where necessary

Lastly, it is intended to provide a detailed action programme with timeframes and responsible parties for implementation of all the planning activities as well as summary of all external-planning requirements to ensure a truly integrated process.

The following tables hereunder presents a programme specifying timeframes for different steps followed during the planning process:

## 1. Preparation [Pre-Planning] Phase

<b>DELIVERABLE</b>	<b>ACTION(S) TO BE TAKEN</b>	<b>RESPONSIBLE PARTIES</b>	<b>TIME-FRAME(S)</b>
Consider comments and/or proposals received from MEC, if any, MSA s 32	Convene an IDP Steering Committee and analyse MEC's comments and/or proposals, if any.	IDP Steering Committee	Aug - Sep 2010
Consider comments and/or proposals from Councillors, Ward Committees and other key-role players that may have been received	Convene an IDP Steering Committee and analyse comments and/or proposals, if any.	IDP Steering Committee	Aug - Sep 2010
Establish method(s) of gathering of data and processing into decision-making information	Convene an IDP Steering Committee	IDP Steering Committee	Aug - Sep 2010
Presentation on Constitutional obligation powers and functions of the district to Council.	Presentation on Constitutional obligation powers and function of the District to Council.	Provincial department/ Municipal Manager	Aug – Sep 2010

## 2. Phase 1: Analysis

<b>DELIVERABLE</b>	<b>ACTION(S) TO BE TAKEN</b>	<b>RESPONSIBLE PARTIES</b>	<b>TIME-FRAME(S)</b>
Obtain adoption of IDP Review Process Plan	Convene a Special Council Meeting	Acting Municipal Manager & Mayor	Sep – Oct 2010
Status Quo Analysis	Present status quo (incl Spatial Development Framework) report on Community and Municipal-wide issues	IDP Steering Committee	Sep – Oct 2010



Progress Report on 2010/2012 IDP Implementation	Present Outcome & Impact of 2010/2011 IDP Implementation	IDP Steering Committee	Sep – Oct 2010
Validation of existing level of development dynamics	Present existing level of development dynamics Representative Forum	IDP Steering Committee	Sep – Oct 2010
Document all Outputs	Deskwork	Manager: IDP & OPM Unit	Sep – Oct 2010

### 3. Phase 2: Strategies

DELIVERABLE	ACTION(S) TO BE TAKEN	RESPONSIBLE PARTIES	TIME-FRAME(S)
Review of Naledi Vision, Mission &, Values	Facilitate a meeting with IDP Steering Committee & Rep Forum	Manager: IDP & OPM Unit	Oct –Nov 2010
Review of Development Objective & Strategies	Facilitate a meeting with IDP Steering Committee & Rep Forum	Rep Forum Manager: IDP & OPM Unit	Oct – Nov 2010

### 4. Phase 3: Projects

DELIVERABLE	ACTION(S) TO BE TAKEN	RESPONSIBLE PARTIES	TIME-FRAME(S)
Review of IDP projects & programmes	Facilitate a meeting with IDP Steering Committee & Rep Forum	Manager: IDP & OPM Unit	Oct – Nov 2010
Designing of IDP projects & programmes	Establish Project/Programme and Sectoral Task teams and assign responsibilities to design projects /programmes with clear	IDP Steering Committee	Oct – Nov 2010

	deliverables		
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#### 5. Phase 4: Integration

DELIVERABLE	ACTION(S) TO BE TAKEN	RESPONSIBLE PARTIES	TIME-FRAME(S)
Integration & Alignment of IDP to Motheo IDP, Provincial and National Plans and Programmes	<p>1. Develop Financial strategies [Medium Term Expenditure Framework] including 2010/2011 Annual Budget</p> <p>2. Align to Spatial development framework (Motheo DM &amp; Free State)</p> <p>3. Align to Free State Growth Development Strategy</p> <p>4. Align to National Spatial Development Perspective</p>	IDP Steering Committee	February- March 2011
Document Output and Incorporate Budget Process as per applicable MFMA Circular	<p>Deskwork Internal</p> <p>Consultation External</p> <p>Consultation Adjust to Approved Budget Process</p>	Manager: IDP& OPM Unit	Feb - March 2011
Tabling of Draft IDP 2010- 2011 & 2010- 2011 Annual Budget for Final Approval.	Convene a Special Council Meeting	Municipal Manager & Mayor	March 2011

Publication of draft IDP 2011-2012 & Annual Budget 2011-2012 for Public Comment	Advertise through Express, Volksblad and Municipal Notice Boards for 21 Days	Manager : IDP & OPM Unit	March – April 2011
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#### 6. Phase 5: Approval

DELIVERABLE	ACTION(S) TO BE TAKEN	RESPONSIBLE PARTIES	TIME-FRAME(S)
Obtain approval of Draft IDP 2011/12 & 2011/12 Annual Budget for final Approval	Convene a Special Council Meeting	Municipal Manager & Mayor	30 March 2011
Development and submission of Service Delivery & Budget Implementation Plan & Annual Performance Agreements by Municipal Manager to the mayor for consideration	Develop and Implement support systems and Mechanisms, commit resources (Capital, Human and Physical) Build Capacity of Council and Officials	Municipal Manager	May 2011
IDP Implementation, Monitoring and Review	Constantly Implement , Monitor and Review Implementation of Naledi IDP then Report to Relevant Stakeholders and the Public	All	Immediately
			Ongoing

In order to give effect to the execution of the process plan, the following internal key role players as detailed hereunder, were identified during the establishment process and were distributed various roles and responsibilities in order to ensure efficient and effective management of the IDP drafting process. The following table also formed part of the process plan that was tabled to council for adoption.

## 1.5 Role players in the IDP process

### 1.5.1 Internal Role-Players

Role-player	Names	Responsibilities
Mayor & Council (Collectively)	1. Mayor JJ Makitle 2. Clr. M Tladi 3. Clr. M Sehloho 4. Clr. M Seoko 5. Clr. M Mahase 6. Clr. T Mziwakhe 7. Clr. B Van Heerden 8. Clr. P Tsoene	<ul style="list-style-type: none"> <li>- The ultimate decision making body</li> <li>- Consider &amp; adopt Process Plan.</li> <li>- Consider, adopt and approve IDP.</li> <li>- Decide on Process Plan</li> <li>- Delegate the overall management, coordinating and monitoring of the IDP process and drafting</li> </ul>
Ward Councilors	Ward 1 – Clr. M Sehloho Ward 2 – Clr. M Seoko Ward 3 – Clr. M Tladi Ward 4 – Clr. J Makitle	<ul style="list-style-type: none"> <li>- Ward councilors are the major link between the municipal government and the residents.</li> <li>- To link the planning process to their constituencies or wards.</li> <li>- Be responsible to organize public consultation and participation in conjunction with the municipal manager.</li> </ul>
Acting Municipal Manager	Mr. NW Tukani	<ul style="list-style-type: none"> <li>- The Senior Official being responsible to monitor the IDP process.</li> <li>- Ensure that all relevant actors are appropriately involved and Accountable</li> <li>- Nominate persons in charge of different roles</li> <li>- Ensure that the planning process is participatory, strategic and implementation-orientated and aligned with and satisfies sector-planning requirements.</li> <li>- Even with tasks delegated to Manager: IDP &amp; Organizational Performance Management Unit, will still be responsible and accountable</li> </ul>

		<p>for the IDP process.</p> <ul style="list-style-type: none"> <li>- Ensure that that the annual operational business plans [SDBIP's] and budgets are linked and based on the IDP.</li> </ul>
IDP Steering Committee	Councillors, Directors and Managers	<ul style="list-style-type: none"> <li>- Responsible for IDP processes, resources and outputs</li> <li>- Oversees the status reports received from departments</li> <li>- Makes recommendations to Council</li> <li>- Oversees the meeting of the Representative Forum</li> <li>- Responsible from the process of integration and alignment of the projects</li> </ul>
IDP Representative Forum	All relevant stakeholders including Ward Committee Members and Community Development Workers	<ul style="list-style-type: none"> <li>- Forms the interface for community participation in the affairs of the Council</li> <li>- Participates in the annual IDP review process</li> </ul>
Manager: IDP & Organizational Performance Management Unit	Mr. TM Tsekeli	<ul style="list-style-type: none"> <li>- Undertake the overall management and coordination of the planning process.</li> <li>- Be responsible for the day-to-day management and direction of the IDP process, Service Delivery &amp; Budget Implementation Plan(SDBIP) and PMS.</li> <li>- Ensure that the IDP process is participatory, strategic and implementation-oriented and is aligned with and satisfies sector-planning requirements.</li> <li>- Manage and co-ordinate the IDP process with the Municipal Manager.</li> <li>- Management of Consultants/Sector Specialists.</li> <li>- Prepare and finalize the process plan.</li> <li>- Chairing the Steering Committee, sub-committee(s) and relevant task-teams</li> <li>- Nominate persons in charge of different roles.</li> </ul>

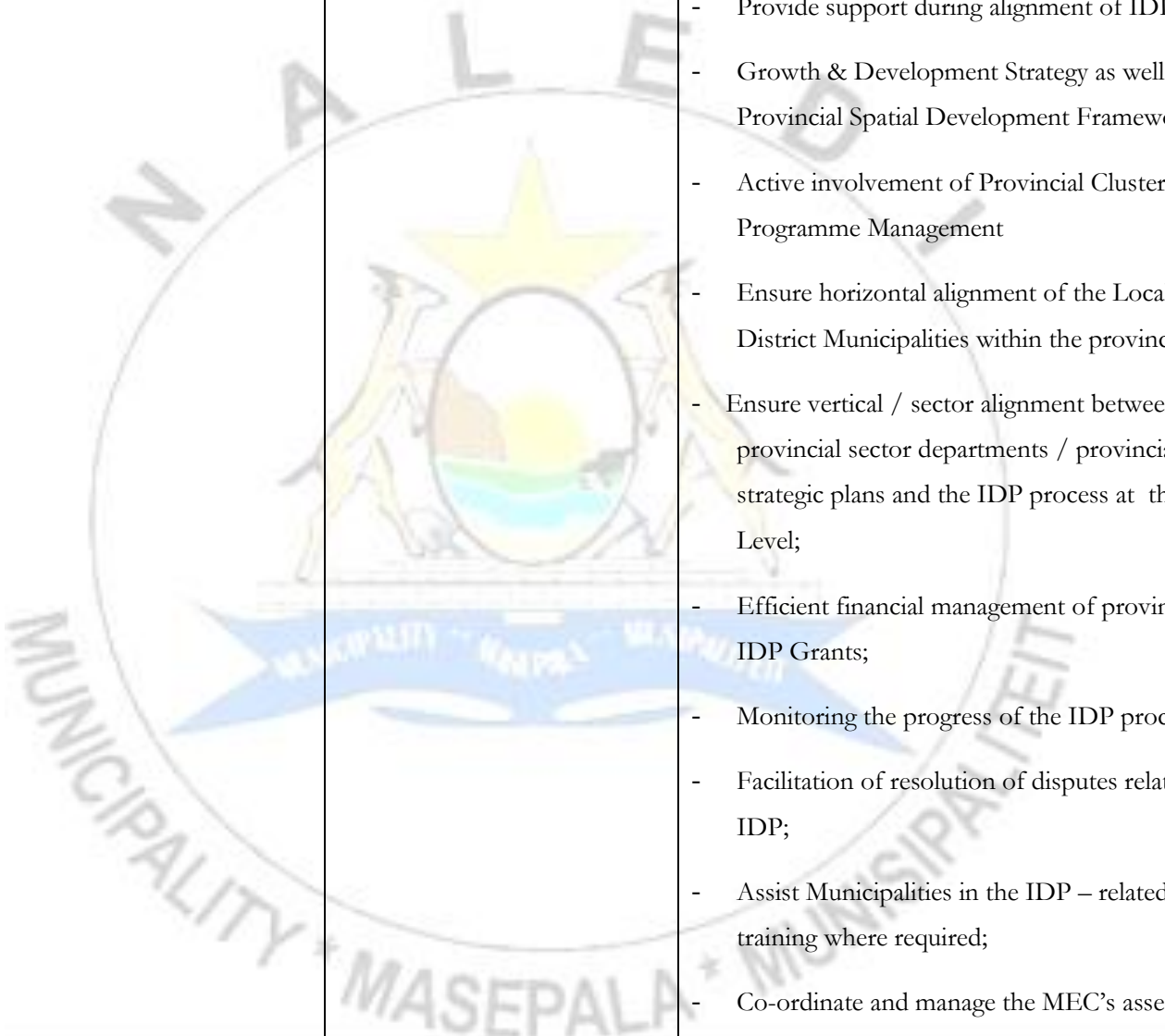


		<ul style="list-style-type: none"> <li>- Ensure that the timeframes are adhered to.</li> <li>- Respond to comments on the draft IDP from the Public and stakeholders,</li> <li>- Horizontal alignment and other spheres of government to the satisfaction of the municipal council.</li> <li>- Adjust the IDP in accordance with the MEC Local Government proposals.</li> <li>- Ensure proper documentation, circulation and submission of the IDP document to relevant stakeholders</li> </ul>
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### 1.5.2 IDP Steering Committee Structure

Name	Role	Responsibilities
Mr. TM Tsekeli	Chairperson	<ul style="list-style-type: none"> <li>- Defined under responsibility of the Manager: IDP &amp; Organizational Performance Management Unit</li> </ul>
Other Steering Committee Members	Secretariat	<ul style="list-style-type: none"> <li>- To perform administration duties.</li> <li>- Process and document output</li> <li>- Prepare, facilitate and document meetings.</li> <li>- Logistics of workshops, dissemination of information and invitations.</li> </ul>
Municipal Directorates		<ul style="list-style-type: none"> <li>- To perform sectorial tasks on other delegated tasks</li> <li>- Be fully involved in the planning process</li> <li>- Provide relevant technical sector and financial information for analysis to determine priority issues.</li> <li>- Provide relevant technical sector and financial information for analysis to determine priority issues.</li> </ul>

		<ul style="list-style-type: none"> <li>- Contribute technical expertise in the consideration and finalization of information for analysis to determine priority issues.</li> <li>- Provide directorate’s operational and capital budgetary information.</li> <li>- Be responsible for the preparation of project proposals, the integration of projects and sector programmes.</li> <li>- Ensure that directorate’s annual operational business plans(SDBIP) and budgets are linked and based on the IDP and form part of PMS</li> </ul>
Motheo District Municipality		<ul style="list-style-type: none"> <li>- Co-ordinate a district-wide IDP planning process</li> <li>- Facilitate district-wide alignment sessions.</li> <li>- The District Municipality has the same responsibilities as Local Municipalities related to the preparation of a District Council area;</li> <li>- Ensuring horizontal alignment of the IDPs of the Local Municipalities in the District Council area;</li> <li>- Ensuring vertical alignment between District and Local Planning</li> <li>- Facilitation of vertical alignment of IDP’s with other spheres of Government; and</li> <li>- Preparation of joint strategy workshops with Local Municipalities, Provincial and National role- players</li> </ul>

Professional Providers Centre & Service PIMSS		<ul style="list-style-type: none"> <li>- Provide professional assistance where and when needed.</li> <li>- Provide capacity-building to Manager: IDP &amp; Organizational Performance Management in the IDP process.</li> <li>- Provide support during alignment of IDP and Growth &amp; Development Strategy as well as Provincial Spatial Development Framework.</li> <li>- Active involvement of Provincial Cluster Programme Management</li> <li>- Ensure horizontal alignment of the Local and District Municipalities within the province;</li> <li>- Ensure vertical / sector alignment between provincial sector departments / provincial strategic plans and the IDP process at the Local Level;</li> <li>- Efficient financial management of provincial IDP Grants;</li> <li>- Monitoring the progress of the IDP processes;</li> <li>- Facilitation of resolution of disputes related IDP;</li> <li>- Assist Municipalities in the IDP – related training where required;</li> <li>- Co-ordinate and manage the MEC’s assessment of IDPs;</li> <li>- Provide relevant information on provincial sector department’s plans, programmes, budgets, objectives, strategies and projects in a concise and accessible manner;</li> </ul>
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## **1.6. Public Participation Process – (Ensuring ownership by the community)**

The Municipal Systems Act 2000 forms the pedestal for community participation at local government. This piece of legislation explicitly entail in Chapter Four, section 16, the notion of community participation and mechanisms for development. Moreover, this legislation requires that all municipalities develop a culture of participatory governance by putting in place mechanisms and procedures that allow for public participation in the affairs of the municipality. Central to this is the need for community members to be well informed about the governance issues of the municipality at all times and to take part in the decision-making processes of the council.

As part of consultation process for the review of this IDP, the municipality embarked on community participation process at various platforms within its area of jurisdiction since the inception of the planning process. The participation process was conducted on ward basis and in the form of public debate on what priority issues are and what appropriate ways and means are of dealing with these priority issues.

Ward councillors and ward committee members played a crucial role in convening community meetings and communicating with the community about various municipal governance issues. In general, the public participation process in all wards within the municipality depended largely on the involvement of ward councilors.

### **1.6.2 IDP Representatives Forum - (Ensuring equitable representation)**

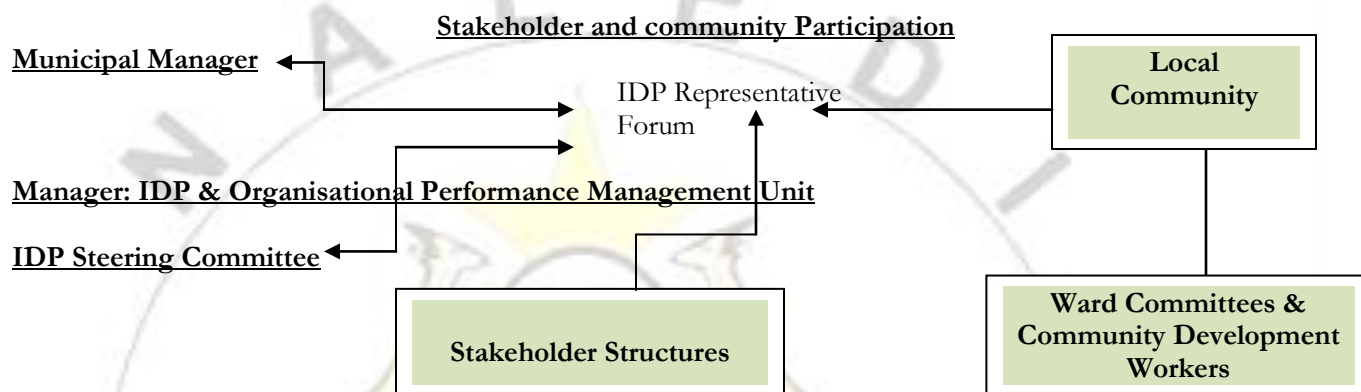
The IDP Representative Forum is a structure that institutionalizes and ensures a representative participation in the IDP process. This structure further ensures that all residents have equal right to participate in the planning process. The representative forum represents the interest of its constituents in the IDP process, and is thus required do give feedback to its constituents.

The selection of members to the forum is based on criteria which ensure equitable geographical and social representation.

#### **The Forum's responsibilities include:**

- Representing the interests of their constituencies in the IDP process;
- Providing and organizing mechanisms for discussion, negotiation and decision making between the stakeholders representatives; and
- Monitoring the planning and implementation process

The figure hereunder depicts stakeholder and community participation structure formulated by the municipality, which gives effect to the formation of IDP Representative Forum.



### 1.7 Binding National and Provincial Plans, Planning Requirements.

The following , but not limited to, serve as a base of list of national legislation applicable to the functions of Local Government and Provincial and National Sector Plans, Programmes and Policies, which informed the legislative context of the IDP review process undertaken.

- 1) Municipal Structures Act
- 2) Municipal Systems Act
- 3) Municipal Finance Management Act
- 4) Water Services Development Plan
- 5) Public Transport Plan
- 6) Integrated Transport Plan
- 7) Integrated Waste Management Plan
- 8) National Spatial Development Perspective
- 9) Free State Growth & Development Strategy
- 10) Spatial Development Framework
- 11) Housing Strategies and Targets
- 12) Local Economic Development Strategies



- 13) Integrated Infrastructure Planning
- 14) Integrated Energy Planning
- 15) National Environment Management Act principles
- 16) Environmental Implementation Plans; and
- 17) Environmental Management Plans
- 18) Area-based Planning

## **SECTION A: EXECUTIVE SUMMARY**

Naledi Local Municipality was established in terms of Section 14 of the Local Government: Municipal Structures Act, Act No 117 of 1998 and was published in Provincial Gazette No 109 dated 28 September 2000. This Local Municipality is a category B municipality with a plenary executive system as contemplated in Section 3(b) of the Determination of Types of Municipality Act, 2000 (Act No 1 of 2000).

The municipality is located within Motheo District Municipality and covers an estimated area of 11 933.24 square kilometers, 64% of which is farmland. The major towns within the Naledi areas of jurisdiction include Dewetsdorp / Morojaneng, Wepener / Qibing, Van Stadensrus / Thapeleang and Farmland (rural areas).

According to Statistics South Africa 2007 Community Surveys, the population size within the entire municipal area is estimated at 25 443 people and 8 271 estimated households.

The Council of Naledi local municipality consists of a total of 8 councillors, 4 of which are Ward councillors and 4 Proportional Representative Councillors. Only the mayor/speaker is full-time. On the other hand, the administrative wing of the municipality consists of the following core administrative components: The Office of the Municipal Manager (Headed by the Municipal Manager, Corporate Services & Social Development Directorate; Financial Services Directorate and Technical Services Directorate.

Like many other small and developing municipalities in the country, Naledi Local Municipality faces a number of developmental challenges, including limited financial resources, high unemployment rate among the communities and poverty. The unemployment rate in Naledi is estimated at 11.9% and the total of persons who are not economically active is estimated at 25.6%. From this analysis, it is evident that this socio-economic plight experienced by the communities of Naledi people, has a negative effect on the overall financial sustainability of the municipality as more and more people are unable to pay for their municipal services and thus have to rely on subsidized municipal services.

The resultant effect of this eventuality is evidenced by the following summarized service delivery backlogs for major categories of services as outlined hereunder, measured on the basis of number of households:

Ward	Service Delivery Backlog			Relative Weight	
	Housing	Water	Sanitation		
1	271	271	30		
2	727	727	382	Housing	40%
3	386	386	283	Water	20%
4	866	866	187	Sanitation	40%
<b>Total</b>	<b>2250</b>	<b>2250</b>	<b>2890</b>	<b>Total</b>	<b>100%</b>

Source: Naledi Local Municipality Comprehensive Infrastructure Plan: 2008

Despite the many challenges we face, we however remain focused on ensuring that we continue to provide services to our community in a sustainable manner. One of the key focal areas of this IDP is, therefore, to serve as means to provide a framework for improved capital expenditure and maximum utilization of Municipal Infrastructure Grants (MIG) and thereby improving service delivery provision thus enabling universal access of services by communities in general and free basic services to indigent households, in particular.

Our vision is to strive to be a constantly progressive municipality where quality services and a healthy and safe environment empower the harmonised community to develop their own economic security in a sustainable local future for all. Naledi Local Municipality is committed to work with all relevant stakeholders at all levels in an endeavour to advance its vision and mission. Our sustainable development strategies are focused on exploitation and support of key local economic sectors to stimulate employment and growth, intensive capital investment in basic infrastructure to attract investment and create sustainable communities. These will be realised through the creation and maintenance of systems and governance structures to ensure accountability to the community.

The planning undertaken in developing this IDP was aligned with, and complements Governments Policy Priorities for 2010/2011 Medium Term Revenue and Expenditure Framework (MTREF) and other development plans of other organs of state so as to give effect to the principles of co-operative government contained in section 41 of the Constitution.

## SECTION B: SITUATIONAL ANALYSIS

### 3.1 Overview of Naledi Local Municipality

Naledi Local Municipality is situated in the south eastern Free State, and forms part of Motheo District Municipality area. The local municipality area measures 11 933.24 km<sup>2</sup> and comprises the former TLCs of Dewetsdorp, Wepener, Van Stadensrus, as well as a part of the former South East, Central South and Bloemfontein District TRCs. The individual sizes of these areas are indicated in the table below:

Table 1.1 Composition and size of municipal area

COMPONENT	SIZE (km <sup>2</sup> )
Dewetsdorp	2 511.43
Wepener & Van Stadensrus	1 749.15
Farmland	7 672.66
<b>TOTAL</b>	<b>11 933.24</b>

Source: Naledi Local Municipality: SDF, 2005

The spatial issues relating to the three major towns of the area of jurisdiction of Naledi Local Municipality are analysed hereunder as follows:

#### 3.1.1 Dewetsdorp

The following restrictions are applicable to Dewetsdorp / Morojaneng:

- ↳ Physical barriers such as natural characteristics (especially to the South and South East), roads (e.g. The R702 between Bloemfontein and Wepener), poor geological conditions to the north, etc.
- ↳ Development on existing vacant land towards the North West will not conform to sound development principles and will eventually lead to “urban sprawl”.
- ↳ The provision of services to the north and west will be problematic and expensive due to the topography and slope.

#### 3.1.2 Wepener

The following restrictions are applicable to the entire Wepener area:

- ↳ Topography and slope to the north would make construction and provision of services an unviable and expensive option.

- ↪ Development on existing vacant land towards the south will not conform to sound development principles and will eventually lead to “urban sprawl”.
- ↪ The sand river (currently under tremendous silting) causes large parts of the inner urban areas to be undevelopable and to the south-east of Wepener; numerous erven had to be cancelled due to the expansion of flood line over these sites as a result of silting.

### **3.1.3 Van Stadensrus**

The following restrictions are applicable to the entire Van Stadensrus area:

- ↪ The main limiting factor in guiding urban development in the areas is the shortage of land.
- ↪ Due to the relatively small area available to the Local Municipality, the entire area is focused on urban development and the urban fringe follows the outer boundary of the jurisdiction area.
- ↪ Apart from space, the unfavourable topography to the north and north east of Thapelang further limits expansion. This shortage of developable land as well as the availability of vacant, though un-serviced, erven to the western parts of Van Stadensrus, results in the logical expansion of Thapelang towards this area by means of redevelopment and densification.

## **4. Analysis of existing level of development**

This section deals with the current situation within the Naledi Local Municipality’s area of jurisdiction. It aims at providing a comprehensive view of the municipality’s acknowledgement and understanding of its own internal operations, strengths and weaknesses as well as the problems faced by the community of Naledi Local Municipality at large.

The municipality acknowledges that it is important to understand the real causes of the problems affecting the community in order that informed decisions are made for appropriate solutions needed to address these problems. Because of the inherent lack of resources at the municipality’s disposal, the municipality, in consultation with the community and other stakeholders weighs the identified problems according to their urgency and / or importance and come up with those to be addressed first.

#### 4.1 SWOT Analysis

Naledi Local Municipality's SWOT analysis highlights the positive aspects surrounding the municipality and where improvements have to be made within the municipality and its sphere.

The municipality understands its SWOT as follows:

**STRENGTHS:** The Municipality's strengths are those variables, inherent to the Municipality that distinguishes it from other municipalities. It represents the views, opinions, evidence and beliefs of the participants in the planning process regarding the positive attributes of the Municipality, activities the Municipality is particularly good at and the specific capacities, resources and abilities that it has.

**WEAKNESSES:** The Municipality's weaknesses are those variables, inherent to the Municipality that distinguishes it from other municipalities. It represents the views, opinions, evidence and beliefs of the participants in the planning process regarding the negative attributes of the Municipality, activities the Municipality is not particularly good at and the specific capacities, resources and abilities that it lacks.

**OPPORTUNITIES:** Opportunities represent the opinions, beliefs, views and evidence of participants in the planning process about the external environment of the Municipality. Opportunities are specific current or foreseeable factors external to the Municipality that it can use to achieve to achieve its specific objectives.

**THREATS:** Threats represent the opinions, beliefs, views and evidence of participants in the planning process about the external environment of the Municipality. Threats are specific current or foreseeable factors external to the Municipality that may hamper achievement of its specific objectives.



Hereunder follows the SWOT analysis of Naledi Local Municipality as outlined in the municipality’s Strategic Plan for 2007 - 2011:

<b>SWOT Analysis</b>	
<b>STRENGTHS:</b>	<b>WEAKNESSES</b>
<ul style="list-style-type: none"> <li>↪ Ability to implement capital projects and meeting national timelines for service delivery</li> <li>↪ Commitment and enthusiasm of management team</li> <li>↪ Business planning capacity</li> <li>↪ Willingness and ability to change – pragmatic orientation</li> <li>↪ Commitment of councillors</li> <li>↪ Fair relationship between councillors and officials</li> <li>↪ “Crisis management” capacity</li> </ul>	<ul style="list-style-type: none"> <li>↪ Poor accountability to communities/ poor communication with local communities</li> <li>↪ Councillors and officials lack of appropriate skills</li> <li>↪ Poor inter-departmental communication</li> <li>↪ Poor understanding of IDP and PMS</li> <li>↪ Poor departmental strategic planning</li> <li>↪ Lack of appropriate policies</li> <li>↪ Inappropriate organisational culture</li> <li>↪ Poor “corporate brand/identity”</li> <li>↪ Weak middle management and poor supervision/ lack of supervisory staff</li> <li>↪ Poor and lack of equipment</li> <li>↪ Reliance on grants</li> <li>↪ Poor debt collection and payment of creditors</li> <li>↪ Poor commitment/ discipline of workers</li> <li>↪ Lack of key systems, e.g. delegation, records management, reporting, public participation, weak performance management, human resources management and administration (e.g. attendance system)</li> <li>↪ Poor role definition of political structures, political office-bearers and administration</li> <li>↪ Negative audit reports</li> <li>↪ Poor job planning</li> <li>↪ Favoritism of some employees</li> <li>↪ Poor response time to service problems (poor customer care), linked to lack of service standards</li> </ul>

	<ul style="list-style-type: none"> <li>↪ Compliance with legislation and collective agreements, e.g. ORA</li> <li>↪ Low alignment of IDP with district IDP, PGDS and sector plans</li> <li>↪ Underinvestment in maintenance and repair of assets</li> </ul>
<b>OPPORTUNITIES</b>	<b>THREATS</b>
<ul style="list-style-type: none"> <li>↪ Relationship with Motheo in terms of administrative and technical support</li> <li>↪ DBSA Development Fund</li> <li>↪ Possibility of being nominated as a beneficiary under DWAF's project regarding water services bylaws (phase 2)</li> </ul>	<ul style="list-style-type: none"> <li>↪ Declining capacity of Motheo to make grants to the Municipality</li> <li>↪ Low level of participation of national/provincial sector departments, parastatals, public enterprises and Motheo in development planning</li> <li>↪ Migration of skilled local people to Bloemfontein/ other cities</li> <li>↪ "Equitable share" inadequate</li> <li>↪ Pollicisation of municipal issues/ "competition" between towns within the Municipality for resources etc</li> <li>↪ Questionable financial viability</li> <li>↪ High poverty level within local communities and lack of real local economic growth</li> </ul>

#### 4.2 Basic Service Delivery Analysis

The service delivery analysis that follows hereunder is presented under the following 5 Key Performance Areas of local Government which provides strategic framework development and sustainability:

KPA1: Basic Service Delivery and Infrastructure Investment;

KPA2: Municipal Transformation and Institutional Development;

KPA3: Financial Viability and Financial Management;

KPA4: Good Governance and Community Participation and

KPA5: Local Economic Development

## KPA1: Basic Service Delivery and Infrastructure Investment

### 1. Water provision

Currently the municipality is in a process completing a constructing of water Reservoir in Wepener. The completion of this project will see the holding capacity in this area increasing to 1.5 ML. The project was jointly funded by MIG and Motheo District Municipality.

**Table: Distribution of households by type of water sources**

Naledi Local Municipality (FS 171)	Piped water inside the dwelling	Piped water inside the yard	Piped (tap) water to community stand: distance less than 200m from dwelling	Piped (tap) water to community stand: distance greater than 200m from dwelling	No access to piped (tap) water
<b>Total</b>	<b>1,020</b>	<b>4,794</b>	<b>866</b>	<b>808</b>	<b>199</b>

Source: Statistics South Africa, Community Survey 2007

Although it is evident from the table above that more people have access to water at least to the level of RDP standard, the community survey indicates that about 199 household within the municipality do not have access to piped water, and this may also mean that these households have no access to water borne sanitation system.

### 2. Sanitation provision

**Table: Distribution of households by type of toilet facilities**

Naledi Local Municipality (FS 171)	Flush toilet (connected to sewerage system)	Flush toilet (with septic tank)	Chemical toilet	Pit latrine with ventilation (VIP)	Bucket latrine	None
<b>Total</b>	<b>4,207</b>	<b>127</b>	<b>8</b>	<b>271</b>	<b>1,316</b>	<b>1,055</b>

Source: Statistics South Africa, Community Survey 2007

Although the table above provide that bucket latrine within the municipality is estimated at 1 316, in terms of the internal reports from Technical Services Directorate reflects that all bucket latrine have been eradicated in the urban areas within the municipality, which consequently mean that the estimated number could be less that stipulated, and may well relate to bucket latrine in rural areas.

However, the total sanitation backlog according to the municipality's CIP data of 2008 stands at 2 890 as opposed to 1 055 of the 2007 Community Surveys.

### 3. Electricity provision

**Table: Distribution of households by type of energy/fuel used for lighting**

Naledi Local Municipality (FS 171)	Electricity	Gas	Paraffin	Candles	Solar	Other
<b>Total</b>	<b>5,985</b>	<b>6</b>	<b>367</b>	<b>1,293</b>	<b>20</b>	<b>15</b>

Source: Statistics South Africa, Community Survey 2007

Statistics South Africa, Community Survey 2007 estimates that there are 8 271 estimated households in Naledi Local Municipality. From the above table it can be deduced that approximately 72% of the households use electricity for lighting as compared to 21% that uses other energy types such as gas, paraffin, candles, etc.

### 4. Housing provision

**Table: Distribution of households by type of main dwelling**

Naledi Local Municipality (FS 171)	Formal	Informal	Traditional	Backyard	Other	Institution
<b>Total</b>	<b>5,596</b>	<b>1,579</b>	<b>297</b>	<b>78</b>	<b>25</b>	<b>111</b>

Source: Statistics South Africa, Community Survey 2007

From the above table, it is evident that there is a significant number of formal household types within the municipality as compared to informal and other types of main dwellings. According to the table above, formal dwelling type constitute a

proportion of 73% of the dwelling types while informal dwellings constitute 21% of the dwelling types. A total housing backlog according to the municipality's CIP data of 2008 is estimated at 2 250, distributed as follows in terms of the four wards within the municipality:

- ◆ Ward 1: 271
- ◆ Ward 2: 727
- ◆ Ward 3: 386
- ◆ Ward 4: 866

## 5. Summary of Service Delivery Backlogs

The table hereunder presents a summary of service delivery backlogs for major and dominant priority needs within the municipality. The table provides a comparative snapshot of 2001 and 2008 of estimated backlogs based on RDP; it further provides a reflection of the extent to which these backlogs are planned to be eradicated.

Deliverable	>RDP 01	>RDP 08	Planned
Housing	73%	73%	100%
Water	87%	73%	100%
Sanitation	34%	65%	92%
Electricity	65%	75%	75%
Roads	80%	80%	80%
Institutional	60%	60%	60%

Source: Naledi Local Municipality: Comprehensive Infrastructure Plan 2008

## KPA2: Municipal Transformation and Institutional Development

### 1. Organizational Structure

Naledi Local Municipality has revised its organizational structure to ensure effective and efficient implementation and achievement of the priorities, objectives and targets set in the IDP, Service Delivery and Budget Implementation Plan. The revised organogram is set to be:

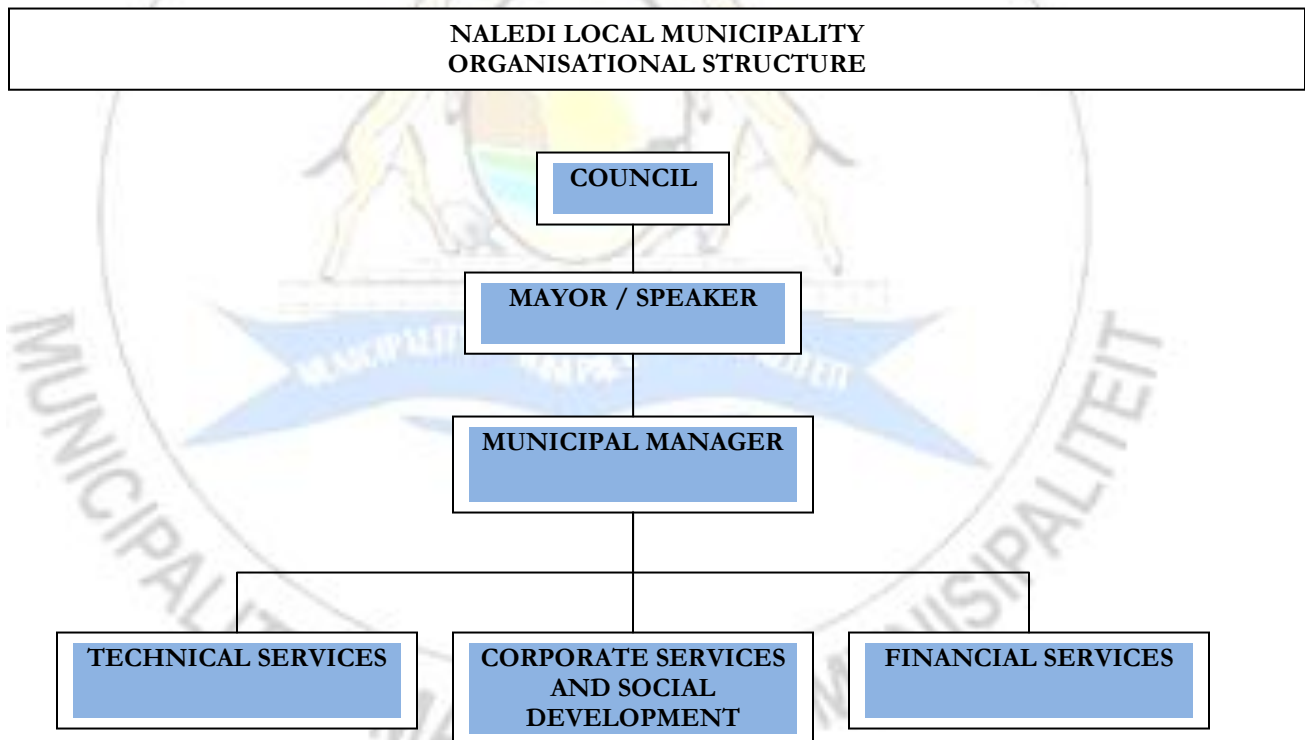
- ◆ Aligned to the mandate to the municipality
- ◆ Re-organized around common service delivery objectives
- ◆ Promote integration and consistency of job levels
- ◆ Improve internal co-ordination

The current organisational structure makes provision for 196 total staff complement, 192 of these are filled positions. All vacant positions are already budgeted for and will be filled in 2009/10 financial year.

At the political level, the council of Naledi local municipality consists of a total of 8 councillors, 4 of which are Ward councillors and 4 Proportional Representative Councillors. Only the mayor/speaker is full-time.

On the other hand, the administrative wing of the municipality consists of the following core components as depicted in the table hereunder. The responsibilities for each administrative unit is in terms of the 5 Key Performance Areas of Local Government are distributed and analysed as follows hereunder:

### 1.1 Macro-Organisational Structure





## 1.2 Core Components of the Administrative wing of the municipality

Component	Key Performance Area
<b>Municipal Manager's Office</b>	<ul style="list-style-type: none"> <li>◆ Basic Service Delivery and Infrastructure Investment;</li> <li>◆ Municipal Institutional Development and Transformation;</li> <li>◆ Local Economic Development;</li> <li>◆ Municipal Financial Viability and Management; and</li> <li>◆ Good Governance and Public Participation.</li> </ul>
<b>Corporate Services and Social Development</b>	<ul style="list-style-type: none"> <li>◆ Municipal Institutional Development and Transformation</li> <li>◆ Basic Service Delivery and Infrastructure Investment;</li> <li>◆ Local Economic Development</li> </ul>
<b>Technical Services</b>	<ul style="list-style-type: none"> <li>◆ Basic Service Delivery and Infrastructure Investment;</li> </ul>
<b>Financial Services</b>	<ul style="list-style-type: none"> <li>◆ Municipal Financial Viability and Management</li> </ul>

## 2. Performance Management System

The municipality has Performance Management System (PMS) in place, though it still needs to be fully implemented. The main purpose of the Performance Management System is to serve as an active management tool whereby the performance of the municipality can be measured in terms of:

- ◆ The achievement of its IDP priorities and objectives
- ◆ The achievement of its strategic and organisational objectives

Due to shortcomings relating to its maximum implementation, the system is unable to allow the council to implement a system of accountability by measuring the performance and effectiveness of its council and administration and take corrective action if targets are not met.

However, the municipality acknowledges and understands that it is a legislative imperative that a municipality must establish a PMS that is:

- ↪ Commensurate with its resources
- ↪ Best suited to the circumstances
- ↪ In line with the priorities, objectives
- ↪ Promoting a culture of performance management
- ↪ Enabling the administering of affairs in an economical, effective, efficient and accountable manner.

The following objectives have been adopted by Naledi Local Municipality to guide the implementation of the PMS:

- ↪ Be able to measure effective service delivery and access to services
- ↪ Be able to measure the performance of effective administration
- ↪ Be able to measure and improve the financial viability of the municipality
- ↪ To improve the weaknesses of the municipality by taking corrective action and monitor progress
- ↪ To measure and improve the effectiveness of council
- ↪ To instill a culture of accountability amongst all employees and political office bearers

### **3. Workplace Skills Plan**

The municipality has an implementable training program in place for its entire work force. Training needs analysis is done by different departmental heads in co-operation with their staff. Due to limited financial resources and prioritization of critical service delivery needs, the municipality is unable to roll out its training program to the desirable effect. However the municipality complies with relevant legislative requirement relating to Workplace Skills Plan.

The most recent plan was submitted to Local Government Sector Education and Training Authority (LGSETA) on June 2008. As at April 2009, the plan was not yet implemented and will be fully implemented June 2010. Implementation reports are tabled to council for adopted at regular intervals. The Workplace Skills Plan is reviewed annually according to LGSETA requirements.

### **4. Employment Equity Plan**

An Employment Equity Plan is in place in the municipality and there are gradual achievements in its implementation process. The municipality's Employment Equity Plan has the following as its key objectives:

- To eliminate unfair discrimination in employment
- To implement positive measures in order to remedy the effects of unfair discrimination experienced by previously disadvantaged individuals and vulnerable groups such as women, people with disabilities (collectively called designated groups by the Employment Equity Act)
- To achieve a diverse workforce broadly representative of the people of the country.
- To promote economic development and efficiency within the workforce.
- To actively train, develop, promote and recruit suitably qualified people from designated groups

In order to give effect to the above objectives, the plan has the following activities and processes as outlined hereunder as its core strategies:

In terms of reporting, the municipality is able to meet time frames for submission of required reports for employment equity plan implementation to the authorities including Statistics South Africa. The most recent report was submitted to the Department of Labour in June 2008.

### **KPA3: Financial Viability and Financial Management**

#### **1. IDP, Budgets, SDBIP, Financial Statements and Annual Reports**

The municipality has developed its IDP during the first cycle of IDPs and its subsequent reviews. The IDP processes are informed by internally developed and council approved process plans and the development and review process of the IDPs were informed by public participation processes as stipulated by legislation. After final approval, the IDPs are made public by the municipality and serves as a tool to guide development within the municipality.

The 2009/10 operating and capital budgets were approved by council before the start of the financial year as required by Municipal Finance Management Act and indicated only fully funded projects. The budget corresponding Service Delivery and Budget Implementation Plan (SDBIP) including the relevant Key Performance Indicators (KPI's) and Key Performance Areas (KPA's) were publicized after being developed. The budget is strictly controlled through appropriate financial systems and controls and is monitored regularly to ensure that funds are committed for appropriated expenditure and that income is generated as projected. Monthly budget reports are generated reviewed and authorised the Chief Financial Officer on a monthly basis in line with section 71 of the MFMA. These reports are then approved by the Municipal Manager and overseen by the Executive Mayor before being submitted to the Provincial and National Treasuries for reporting.

The last audited Annual Financial Statements were prepared IMFO standards. Implementation plan for conversion to GRAP/GRAMAP accounting standards have been prepared and submitted to the Provincial Treasury. This plan outlines appropriated and mandatory standards that have to be complied with each new financial year and also time-frames linked to specific deliverable towards compliance.

In order to strengthen the municipality's financial viability, action plans were drawn and executed in order to address going concern challenges raised by the Auditor-General in his audit report. Amongst others, the plan outlines strategies for appropriate and timely response to previous audit queries (including internal audit queries)

and documenting of internal controls, supported by an effective internal audit function and independent Audit Committee.

#### **KPA 4: Good Governance and Community Participation**

##### **1. Internal Audit and Audit Committee**

Because of the political instability that was experienced in the municipality in the past, the internal audit units as well as the Audit committee were not established. But, currently Audit Committee meeting are held and there is an internal auditor in place.

##### **2. Community participation**

Since the active involvement of the community and stakeholder organizations is a key feature in the IDP, the municipality's Process Plan also makes provision for mechanisms and procedures for public participation. However, a public participation strategy is to be prepared which will contain several tools and principles for participation, roles and responsibilities, means of encouraging participation and logistical arrangements.

##### **3. Community Needs Analysis**

The 2006-2011 adopted Integrated Development Plan clearly illustrated the priority needs as raised by communities within Naledi Local Municipality area of jurisdiction. However, legislation requires that community must be consulted annually during development and/or review of integrated development plan, and accordingly their participation should permit their views to be considered and inform the IDP. This would then allow the municipality to re-engineer the strategies (where relevant) and to accommodate the newly identifies needs for implementation.

These needs were thus considered accordingly and served as the basis for service delivery planning in this Integrated Development Plan. Furthermore, the identified priority issues are incorporated in this IDP in a form of action plan and where appropriate, are addressed in a form of projects (*refer to Section G*) to the extent that the municipality has available funding to be allocated to address such issues.

#### **KPA5: Local Economic Development**

##### **1. Economic Analysis**

### **1.1 Gross geographic product (“GGP”)**

GGP comprises the value of all goods and services produced during a year within the boundaries of a specific area.

GGP is usually used to measure the level of economic activity in a specific area. The main economic sectors, in terms of contributing to provincial GGP, are the agricultural and construction sectors.

### **1.2 Economic structure and functions**

Naledi is composed of largely farmlands and agriculture serves as a base of employment (for both males and females) for many households. Alternatively males seek employment as migrant labour in the neighbouring towns of the province and elsewhere which accounts for the number of female-headed households. However there is a significant growth in female headed households as it is a trend with all part of the country; this can be credited to different factors such as death, divorce, choice or migrant labour.

### **1.3 Socio-economic characteristics**

There is a general balance in male/female-headed households in the local area. This can largely be ascribed to the geographic location and nature of the Municipality. A large section of the population is composed of present and former farm labours hence the low levels of education especially among those from the age of +45 years. Illiteracy creates a significant problem and impact on the local economic development. The percentage of the population with no education accounts for more than 55% of the total population.

There is a significant proportion of the population, especially in the farms and townships areas where the population only has a primary level of education. In addition, the majority of the population of the local area (approximately 25% - 45%) did complete their secondary education. The highest level of households with tertiary education qualifications is concentrated within the three main towns. However, due to limited job opportunities in the local area few of those with tertiary education qualifications remain in the Municipality.

Several other factors influence the level of skills and education within the municipality, the:

- ◆ Out migration of skilled workers in search of jobs outside the Municipality / Province
- ◆ Out migration of students to universities who do not return to the area once their degrees are attained.
- ◆ Increasing death rate as a consequence of the spread of HIV/AIDS.
- ◆ Declining employment opportunities resulting in unskilled and semi-skilled to move to larger urban centers outside the Municipality/and or Province.



Consequently, large number of the local household are registered as indigent further straining the Municipal resources.

#### 1.4 Agricultural Development

The Naledi rural areas are relatively dry and consequently the agricultural sector is biased towards hardened livestock rather than rain fed crops. Although some maize and wheat production exists, agricultural income is mainly generated from beef, dairy and to some extent mutton production. Since the agricultural sector is experiencing a long term decline, resulting in migration of farm-workers towards the urban areas, emphasis should be placed on commonage development and management in Wepener and Van Stadensrus because Dewetsdorp already has commonage available.

#### 1.5 Core economic issues

The underlying causes of the abovementioned realities as well as the resulting core issues that need to be addressed are summarized below.

1.	<b>Very little value adding taking place.</b>	Value adding agricultural enterprises have the potential of becoming major contributors to the generation of local income and employment opportunities. Although these are usually private enterprises, infrastructural and promotional support could ensure that it develops into thriving local industries with far reaching economic growth potentials to all residents.
2.	<b>Agriculture potential is not optimally explored.</b>	The soil conditions in the area are good and the climate, together with the availability of water holds a strong agricultural potential for the area. The proper co-ordination and accessibility of these enterprises and resources should however be systematically developed and managed.
3.	<b>Lack of support to emerging farmers.</b>	The backbone of the local economy is still based in agriculture and emerging farmers are entering this market constantly. Effective development of these farmers will depend on the availability of land, support services and proper management.
4.	<b>Outflow of income</b>	There are no centers that allow for the circulation of money in the area. The main centers of expenditure remain Bloemfontein for high order expenditure and values
5.	<b>Potential to develop agro-</b>	Even though the agricultural industry is in decline, there can still be value



	<b>based manufacturing activities - not realised</b>	adding services provided to the current industry in the form of leather making industry, cheese production plants etc. the value addition process will ensure that jobs are created for every item that is exported out of the area.
6.	<b>Lack of Marketing and Branding</b>	There is a need for the branding of the municipality as a form of communication and awareness creation effort. This will create a strong symbol of communication and identity for the municipality. This in turn, will create better prospects for investment in the area both nationally and internationally.
7.	<b>Cost of infrastructure and services</b>	The revenue base in the area as well as the low budgets provided by the municipality is an impediment to updating current infrastructure as well as responding to the identified need for new infrastructure.
8.	<b>Lack of support to strengthen Potential of SMME's</b>	Another area with great potential for Naledi is its small-medium businesses which is comparatively strong and supports the basic demands of the local consumer. It is however not sufficient to stop the hemorrhage of the local income to neighboring municipalities. Idealistically existence of large businesses would therefore contribute towards further growth of small-medium businesses in terms of outsourcing of services and in curbing the out-flow of income. The strengthening of the business support structures will further provide capacity for SMMEs to grow
9.	<b>Maluti Gateway Tourism Development</b>	The establishment of the tourism body should be supported with the establishment and running costs. This is an opportunity for a public-private partnership.
10.	<b>Mobility of local labour market</b>	The well established center of Bloemfontein remains a threat to all efforts to train and develop local human resource because of perceived lack of opportunity in the area. People move on to look for work as soon as they feel equipped to compete on the open labour market.
11.	<b>Localised Industrial Areas</b>	Industrial development areas' focus is to create a competitive environment for industry and manufacturers to locate in an area within a favourable environment created by the municipal tariff structures while at the same time developing employment opportunities for local labour. The success of this often depends on the ability of the municipality to attract industry which has linkages to each other. The industry should support products developed by others in the same location in order to maximise the benefit

		of their location decision. The Municipality needs to look at a programme that will create incentives for industry. This is linked to the branding of the municipality and coordination of the marketing function within the municipality. We have also established a Local Business Service Centre with the help SEDA.
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## 2. Demographic Analysis

According to Statistics South Africa's 2007 Community Survey, the total combined urban and rural population of the Motheo District is estimated at 837 379, and accordingly, the Naledi Local Municipality accounts for an estimated 3 % (i.e 25 443) of the total regional population. Based on the survey results, this municipality is the least populated area within the Motheo Region after Mantsopa Local Municipality.

### 2.1 Population Estimates

	2001	2007
Black	24784	23081
Coloured	936	637
Asian	94	148
White	1666	1575
<b>Total</b>	<b>27479</b>	<b>25443</b>

Source: Statistics South Africa (CS 2007)

The above table indicates a significant decrease of the first two population group (Black Africans and Coloured people) and a subsequent increase of Asians with a total number of 94 to 148. The Municipality has further experienced a decrease of White population group by a total number of 91. In totality, there has been a decrease of 2 036 people (all the groups) since 2001 and 2007 as per Statistics South Africa. The above stated declines may be attributed to deaths and migration to bigger towns for better opportunities.

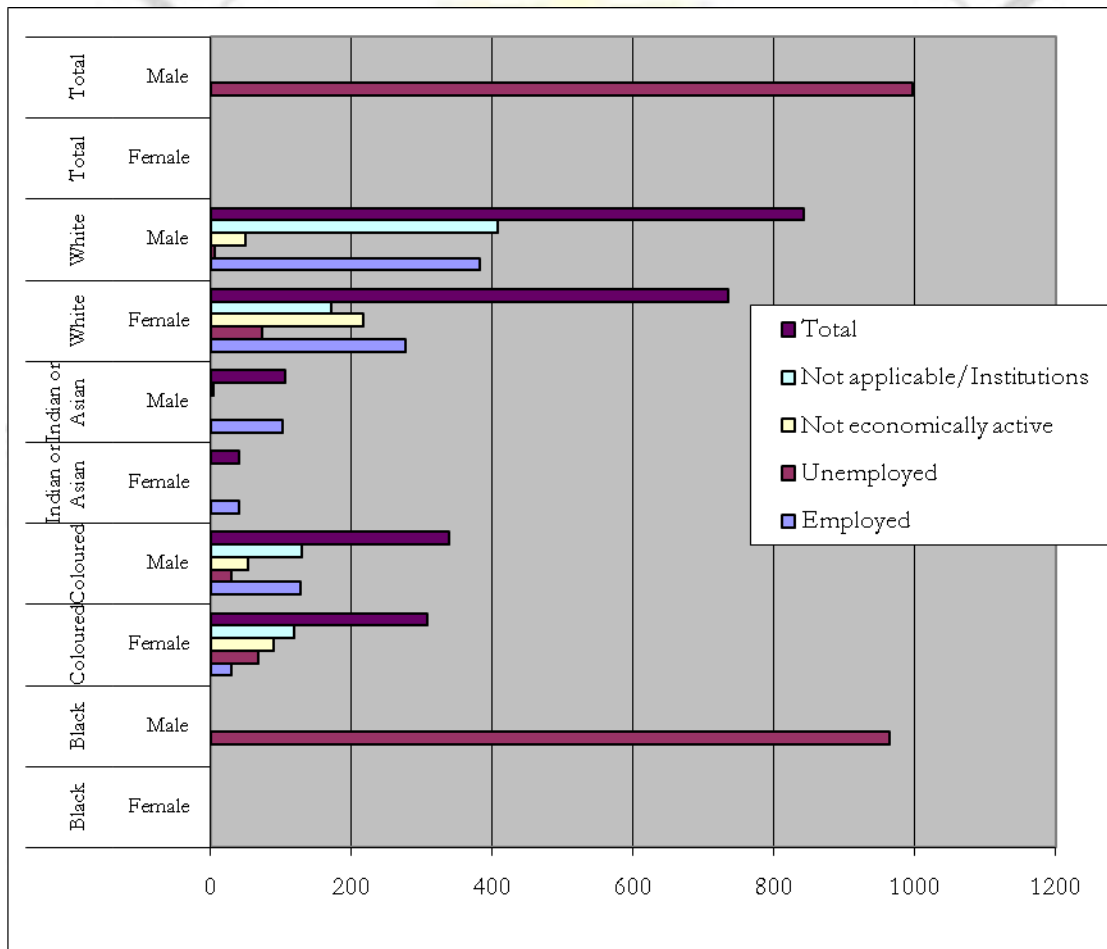
From the above it is evident that the black population constitutes 91% of the total population of the area followed by white population at 7%, who may mainly be found in the farmland due to dominance of agricultural activities in this area.

## 2.2 Socio-Economic Analysis

### 2.2.1 Unemployment rate

According to the Statistics South Africa Community Survey 2007, and estimated 26% of the population in the Motheo district is in formal employment. Accordingly the employment rate in Naledi represents 0.4% of the total employment rate of the region (i.e 26%), which is a significantly low proportion.

According to Statistics South Africa's Community Survey: 2007, the unemployment rate in Naledi Local Municipality is as follows:



From the above presentation, it is evident that black male constitute the highest proportion of employed people, followed by white male and white female. In general, females represents the lowest proportion of employed people

in the municipality which will suggest that specific focus and attention should be paid towards developing ways and means to get more and more women employed and participating in the main stream economy.

## 2.2.2 Monthly Income Distribution

The income distribution of individuals follows much the same pattern across the province, with the majority of people not earning a formal income at all, or falling within the lower income brackets. Accordingly, 7 % of people with income earning potential in Naledi earn no income, 10 % earned between R1 and R4 800 per month. (Source: Stats SA Community Survey, 2007).

Naledi Local Municipality	Monthly Income Categories						
	None	R1 – 4800	R4801 – 9600	R9601 - 19200	R19 201– 38400	> R38401	Response not given
	714	798	970	2 200	1 895	1479	217
%	51.89	11.63	4.09	11.35	4.13	11.80	2.70

## 2.3 Environmental Analysis

Cutting across the various development issues to be addressed by the municipality during the implementation of the IDP, is the physical environment of the area. There was a serious need to ensure that all the strategies and projects take into consideration the existing environmental problems and threats as well as the environmental assets which require protection and controlled management. The Representative forum therefore identified the various environmental assets, issues and sensitive areas to be considered during the IDP formulation process.

### 2.3.1 General environmental indicators

#### (i) Topography and drainage

The terrain morphology indicates that the Naledi area mainly consists of lowlands with hills. Slightly irregular undulating plains and hills characterize a narrow area close to Dewetsdorp. Between Van Stadensrus and the Lesotho border lays a small area of irregular undulating lowlands with hills.

## **(ii) Climate & Geology**

The whole Naledi area lies in the 500mm – 650mm mean annual rainfall region and is classified under the Grassland biome.

Temperatures are extreme, and the area experiences hot mid-summer conditions and very cold winters. The Naledi municipality's geology is dominated by Tarkastad geological formation. There is only a small area, near Dewetsdorp, that consists of Adelaide formation.

## **(iii) Mining Activity**

A considerable sand-mining activity occurs in Wepener seeing that the land uses are mainly sheep, wheat and maize farming. However, at present only the previously advantaged individuals and/or groups have benefit from a large amount of abundant sand, and this needs to be corrected as a matter of urgency.

# **SECTION C: DEVELOPMENT STRATEGIES**

## **1. Background**

Section 26 (a) of the Municipal Systems Act (Act 32 of 2000) provides for the recognition and inclusion of the Municipal Council's vision with special emphasis on the critical development and internal transformation needs. The municipality's developmental strategy phase focuses on the future through the setting of objectives and appropriate strategies to achieve these objectives.

## **2. Vision**

The municipality views the vision and mission statements as critical component for development. This is because certain steps were to be followed to have a credible vision and mission statements developed. The vision developed by the municipality reads as follows:

**“A constantly progressive municipality where quality services and a healthy and safe environment empower the harmonised community to develop their own economic security in a sustainable local future for all.”**

### 3. Mission

To work as a committed team towards achieving the municipality's objectives by means of the following:

- ↪ Improve our capacity in terms of resources
- ↪ Ensure effective communication and consultation between all stakeholders
- ↪ Absolute commitment towards the implementation of our plans, programmes and strategies
- ↪ Strengthening our institutional capacity
- ↪ Develop a clear understanding, interpretation and implementation of Local Government Legislation and Policies
- ↪ Ensure proper accountability relating to clear roles and responsibilities.

### 4. Values

The above stated vision and mission will be attained through the following set of core values.

- ↪ Democratic values
- ↪ Good governance
- ↪ Transparency
- ↪ Honesty
- ↪ Trust
- ↪ Equity
- ↪ Commitment
- ↪ Accountability
- ↪ Professional approach

### 5. Constitutional Powers and Functions of Naledi Local Municipality

Chapter 3 of Municipal Systems Act, 2000 states that a municipality has all the functions and powers assigned to it in terms of the Constitution, and must exercise them subject to Chapter 5 of the Municipal Structures Act, 1998. Furthermore, a municipality is empowered by legislation to do anything reasonably necessary for, or incidental to, the effective performance of its functions and the exercise of its powers.



Against this legislative directive, we understand and interpret our powers and functions aligned with objects of local government as set out in section 152 of the Constitution as follows:

Table: Functions and Powers of Naledi Local Municipality

OBJECT OF LOCAL GOVERNMENT	OUR FUNCTIONS AND POWERS
<ul style="list-style-type: none"> <li>↪ To provide democratic and accountable government for local communities</li> </ul>	<ul style="list-style-type: none"> <li>↪ Developmental municipal planning</li> </ul>
<ul style="list-style-type: none"> <li>↪ To ensure the provision of services to communities in a sustainable manner</li> <li>↪ To promote a safe and healthy environment</li> </ul>	<ul style="list-style-type: none"> <li>↪ Building regulations</li> <li>↪ Municipal airports</li> <li>↪ Storm water drainages</li> <li>↪ Cemeteries</li> <li>↪ Local amenities</li> <li>↪ Municipal roads</li> <li>↪ Water and sanitation services</li> <li>↪ Street lighting</li> <li>↪ Traffic and parking</li> <li>↪ Refuse removal and refuse dumps</li> <li>↪ Cleansing</li> <li>↪ Municipal health services</li> <li>↪ Fire fighting</li> <li>↪ Licensing of dogs</li> <li>↪ Pounds</li> <li>↪ Local sport facilities</li> <li>↪ Municipal parks and recreation</li> </ul>
<ul style="list-style-type: none"> <li>↪ To promote social and economic development</li> </ul>	<ul style="list-style-type: none"> <li>↪ Local tourism</li> <li>↪ Street trading</li> <li>↪ Trading regulations</li> <li>↪ Sell food to the public</li> <li>↪ Public places</li> </ul>
<ul style="list-style-type: none"> <li>↪ To encourage the involvement of communities and community organizations in the matters of local government.</li> </ul>	<ul style="list-style-type: none"> <li>↪ Community participation</li> <li>↪ Fair, equitable and transparent supply chain practices</li> </ul>

### **3. Alignment Procedure followed**

The Municipal Systems Act states and requires that development strategies must be aligned with national and provincial sector plans as well as their planning requirements. It also establishes that a single inclusive and strategic plan must be adopted which links, integrates and coordinates plans. This municipality therefore acknowledges and recognizes the importance of ensuring alignment between its IDP, various national and provincial sector departments' plans and the Motheo District Municipality IDP.

#### **3.1 The Free State Growth and Development Strategy (FSGDS)**

The FSGDS aims to provide a framework for sustainable growth and economic development for the Province over a ten years period (2004 – 2014). As with the FDDGDS, the FSGDS establishes the basis from where the Provincial Programme of Action is negotiated through consultations with both internal and external stakeholders. It further forms a yardstick from which progress and achievements are monitored and evaluated at the provincial level.

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

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

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

In order to give effect to these developmental objectives, the Province has identified the 11 areas that need to be addressed by 2014:

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

In order to achieve the above-mentioned targets, the province needs to focus on the following Key Priority Areas and Strategies:

**(i) Economic Growth, Development and Employment**

The Free State aims to optimize and broaden the province's current economic profile by placing more emphasis on the key economic sectors such as tourism, agriculture and manufacturing. In our commitment to bridge the gap between the first and second economies the province will focus on developing and expanding the SMME sector, facilitating greater access to capital and creating opportunities for Broad Based Black Economic Empowerment.

**(ii) Social and Human Development**

The Free State provincial government seeks to confront the challenges of poverty and under development. In order to meet the needs of the under-privileged and address the backlogs, the Free State province will embark on the improvement of the provision of social security, social infrastructure, free basic services, education, health care services, housing and participation in sport and cultural activities.

### **(iii) Justice, Crime Prevention and Security**

The Free State is largely a peaceful and stable province. However, there are safety and security challenges that still need to be addressed. The reduction of crime levels, the issue of social crime prevention and the creation of a safe and secure environment are amongst others fundamental to the provincial strategy. The province will embark on an integrated disaster management to safeguard against both natural and crime-related disasters. Road incident management is another area of focus given the geographical location of the province.

### **(iv) Effective and Efficient Governance and Administration**

In order to strengthen government's ability to deliver services for the people of the Free State, the province need to improve the effectiveness and efficiency of governance and administration. The Free State province will promote integrity within government by combating fraud and corruption and promoting ethical behaviour.

## **3.2 National Spatial Development Perspective (NSDP)**

### **3.2.1 National Spatial Development Vision**

The Government's National Spatial Development vision is as follows: **“South Africa will become a nation in which investment in infrastructure and development programmes support government's growth and development objectives”**

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

### **3.2.2 Normative Principles**

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

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

In localities with low development potential, government spending beyond basic services should focus social investment, such as human resource development, labour market intelligence and social transfers, so as to give people in these areas better information and opportunities. This will enable people to become more mobile and migrate, if they choose to, to localities that are more likely to provide sustainable employment or other economic opportunities. The further concentration of people in need in areas of low potential should therefore not be encouraged.

### **3.2.3 NSDP Categories of Development Potential**

Categories of development potential proposed by the NSDP are:

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

Based on the above development potential towns are classified as having a High Combined Development Potential, Above Average Combined Development Potential, Below Average Combined Development Potential and Limited Combined Development Potential.

### **3.3 National Service Delivery Targets**

In planning for service delivery, developing objectives and strategies for 2009/10 and beyond, the municipality aligned its service delivery targets with the following national service delivery targets as set out by the National Government in the following manner:



Table: Institutionalized National Service Delivery Targets

Deliverable	National Target	Naledi Local Municipality Targets and Plans
Access to potable water	2008	
Access to Sanitation	2010	
Infrastructure for FIFA World Cup	2010	
Universal access to Electricity	2012	
Roads and Storm water channels	2013	
Solid Waste Disposal	2013	
Sports and Recreation facilities	2013	
Public Facilities	2013	
Upgrading of Informal Settlement	2014	

Source: Free State Province: Local Government Circular 1 of 2007  
 3.4 National Government Policy Priorities (2009/10 MTREF)

The national government's 2009 Budget is framed by five the following objectives that guide government's policy response to the global economic crisis over the medium term:

Priority No.	Priority	Strategy
1	<b>Protect the poor:</b>	Government will continue to expand programmes that alleviate poverty and strengthen the social safety net.
2	<b>Build capacity for long-term growth</b>	Investment in infrastructure will be accelerated. This includes ensuring that public utilities can finance their capital investments and that the development finance institutions play a greater role in lending for infrastructure investments, sharing risk with the private sector.
3	<b>Sustain employment growth:</b>	Government will increase public investment spending, expand labour intensive employment programmes, and work with



		business and organised labour to protect work opportunities and accelerate skills development.
4	<b>Maintain sustainable debt level:</b>	While public debt is set to rise, this expansion must be kept in check so as to reduce the space to finance development in the longer term.
5	<b>Address sectoral barriers to growth and investment:</b>	Microeconomic and regulatory reforms are needed to ensure that a more competitive, labour absorbing economy emerges from the current global crisis.

This municipality further acknowledges that where relevant funding has been allocated by the National Treasury to it to achieve the above set objectives, particularly in relation to infrastructure and the expanded public works programme. Therefore Naledi Local Municipality has a direct responsibility to ensure that the objectives for which this funding has been allocated will be achieved.

## SECTION D: SPATIAL DEVELOPMENT FRAMEWORK

### 1. Legislative Context

This section provides a high level Spatial Development Framework which reflects the text and maps and is reviewed on a 5 yearly basis. In terms of Section 26(e) of the Municipal Systems Act (Act 32 of 2000), a municipality's integrated Development Plan must reflect a spatial development framework which must include the provision of basic guidelines for a land use management system for the municipality.

The Spatial Development Framework of Naledi Local Municipality as abridged within this IDP is formulated in such a manner that it gives effect to the general principles on land development contained in section 3 of the Development Facilitation Act, 1995. These principles indicate that in managing land use and new land development, the municipality's policy, administrative practice and laws should: -

- ✎ Provide for urban and rural land development and should facilitate the development of formal and informal, existing and new settlements.
- ✎ Discourage the illegal occupation of land, with due recognition of informal land development processes that constantly happen within the municipality's area of jurisdiction

- ↳ Promote efficient integrated land development that may promote the integration of the social, economic, institutional and physical aspects of land development
- ↳ Ensure the best possible use of existing infrastructure and resources and contribute to the correction of historically distorted spatial patterns of development.
- ↳ promote the availability of residential and employment opportunities in close proximity to or integrated with each other
- ↳ Encourage members of communities affected by land development to actively participate in the process of land development
- ↳ encourage environmentally sustainable land development practices and processes

## 2. Application of Spatial Development Concepts

The aim of the future Spatial Development Framework (SDF) is not to identify and or propose possible new or alternative land uses for all the involved erven. As clearly defined in the Manual for preparing IDPs, the aim of the SDF is to provide general direction guiding decision-making and action over a multi-year period aiming at the creation of integrated and habitable cities, towns and residential areas. Creating a strategic framework for the formulation of an appropriate land-use management system, thereby:

- informing the decisions of development tribunals, housing departments and relevant development committees; and
- creating a framework of investment confidence that facilitates both public and private sector investment.

In view of the above it follows naturally that it is impossible to determine future land use changes per property in advance. The normal needs of property owners and developers to subdivide, consolidate and to rezone properties as a result of a specific development need can therefore not be indicated on the SDF. Where information of future developments and possible land use changes are available, it will be reflected in the SDF. It is imperative to take cognizance of the fact that the SDF does not intend to restrict future developments relating to existing properties in the developed areas where it implies subdivision, consolidation and rezoning.

## 3. Localised Spatial Development Principles

From the national and provincial legislation the community identified localised objectives and principles. These principles serve as a statement of the community, which should be adhering to when future development is done. The objectives are set out in the table hereunder:

- ↳ To ensure the availability of land for the various land uses and in specific for future residential extensions.
- ↳ To enhance the economic base of the region through the optimal utilization of agricultural land.
- ↳ All future development should be accessible to the larger community, to promote the accessibility of employment opportunities from residential areas.
- ↳ Future development should promote the development of compact human settlements, and low intensity urban sprawl should be combated.
- ↳ Plans of neighboring municipalities and regions should relate positively to each other.
- ↳ Promote mixed use development.
- ↳ Land use and development decisions must promote harmonious relationships between the built and natural environment.
- ↳ Land development and planning should protect natural, environmental and cultural resources.
- ↳ Land used for agricultural purposes may only be reallocated to another use where real need exists, and prime agricultural land should as far as possible remain available for production.
- ↳ Land use regulators and planning authorities must ensure that previous disadvantaged communities and areas receive benefit and opportunities flowing from land development.
- ↳ Appropriateness of land use must be determined on the basis of its impact on society as a whole rather than only the applicant or immediate neighbours.
- ↳ Special focus will be placed on rural development, especially where service delivery is not up to standard.
- ↳ Incentives should be reinstalled to promote the development of valuable riparian properties in the urban and rural areas,

#### **4. Local Key Spatial Issues**

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

SPATIAL KEY ISSUE	BRIEF DESCRIPTION
<b>Access to land</b>	The issue of access to land relates the local municipality as well as individuals and groups. As far as individuals and groups are concerned, the burning issues are access to residential land in urban areas and to agricultural land for emerging farmers. The municipalities experiences a shortage of land for residential expansion and other social functions
<b>Land development</b>	Land Development relates to the availability, preparation and funding of certain key land uses such as sites for housing developments, land for needed social amenities and economic activities. The key issues requiring attention in this regard include: the generation of proper information of projected land development needs, funding, co-operation and local capacity to evaluate development applications.
<b>Spatial integration</b>	Spatial integration has to focus on both a macro and a micro level. On a macro level there need to be more focused development initiatives at key nodal points to develop the municipality within its region strategically within current resource constraints. On a micro level, most town areas are still geographically segregated and direct intervention within former buffer strip areas will be required to integrate communities.
<b>Sustainable land management</b>	The long term sustainability of all land development practices will be the key factor in the environmental and economic future of this predominantly mining and agricultural region. Specific attention will have to be given to the building of capacity amongst especially emerging land users (both miners and farmers) and the provision of a management framework to all land users within the municipality.
<b>Proper distribution network</b>	The vast distances between the various towns in the province make all communities dependent on the regional distribution roads for social as well as economic functioning. A number of these roads are however in a state of disrepair and especially the routes falling within corridor areas will have to be upgraded and maintained as a matter of urgency.

<b>Land reform and restitution</b>	The land restitution cases within the municipality still need to be finalized and will require infrastructural intervention to provide proper infrastructure not presently available due to past neglect. The further land redistribution effort within the region will also have to be coordinated proactively in order to ensure legal and systematic address of the land shortage within the area.
<b>Land Conservation</b>	Various areas adjacent to the rivers are well suited for tourism and agricultural development alike. These areas are however sensitive to over utilization and pollution and will have to be protected and conserved to ensure long term benefits thereof.

## 5. Spatial Development Framework

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

### 5.1 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 the re-addressment of past imbalances
Objective 4	To create a sustainable local land use management system
Objective 5	Support Local Economic Development Opportunities
Objective 6	Manage Informal settlements
Objective 7	Manage development to ensure environmental sustainability.
Objective 8	Promote regional connectivity

The outcomes of the above objectives are indicated in the table hereunder:

## 5.2 Outcomes

Sustainable Environment	Accessible municipality	An efficient city
<ul style="list-style-type: none"> <li>▪ The responsible use of natural resources</li> <li>▪ A sustainable rates base</li> <li>▪ Focused investment</li> <li>▪ Safety and security</li> <li>▪ Sustained economic growth</li> <li>▪ Sustainable neighborhoods</li> <li>▪ Cultural heritage</li> </ul>	<ul style="list-style-type: none"> <li>▪ A physical city structure that promotes accessibility</li> <li>▪ Equity within the urban system</li> <li>▪ Diversity within the urban system</li> </ul>	<ul style="list-style-type: none"> <li>▪ Form and structure that lead to greater efficiency</li> <li>▪ Protection of existing investments</li> <li>▪ Open space system</li> <li>▪ Focused activities and investment</li> <li>▪ Infrastructure viability</li> <li>▪ Managed growth</li> </ul>

## 6. Structuring Elements

The Spatial Development Framework needs to be indicative and therefore the need to adopt a set of structuring elements that can give future structure to the urban and rural form of the municipal area. Four spatial structuring elements were identified. The following gives a short explanation to the terminology used:

In order for the SDF to achieve the desired urban form:

- ↳ It needs to link spatial objectives with clear implementation strategies;
- ↳ Ensure that infrastructure is carefully planned;
- ↳ Policy and institutional instruments are in place;
- ↳ Growth is appropriately managed;
- ↳ Ensure that all relevant sectors are aligned to the plan.

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



## SECTION E: SECTOR INVOLVEMENT

### SECTION F: IMPLEMENTAION PLAN FOR PROJECTS

#### LOCAL ECONOMIC DEVELOPMENT

**OBJECTIVE:** To reduce the outflow of consumer spending and investing capital from the Naledi Region

To develop SMME's with access to resources such as skill and finance

#### STRATEGIES:

**LED:** Develop relevant plans and strategies to co- ordinate all local economic development efforts directed towards relevant marks

**LED:** Functioning economic development forum to co-ordinate efforts and stimulate communication between consumers and business

**LED:** Encourage existing successful SMMEs to expand (marketing of local business centre)

PROJECT NO.	PROJECTS	Budget	FY 10/11	FY 11/12	FY 12/13
LED 2007.01	Review of the Local Economic Development Strategy	R126 129.60	x		
LED 2007.03	Urban Renewal Strategy and Rural Development Programme (Link to PMS)			x	
LED 2007.04	Investment & Marketing Plan				x
LED 2007.05	Establish Naledi Local Economic Development Forum			x	
LED 2009.01	Support and Establishment of Cooperatives	R 500 000	x		
LED 2009.02	LED/Business support and capacity building	R 550 000	x		
LED 2009.03	Development of 8 farms in Naledi	R 1 500 000	x		
LED 2008.01	Establishment of goat dairy farm in Van Stadensrus	R 350 000	x		

**OBJECTIVE:** To develop and promote the local tourism potential throughout the area, and within regional context

**STRATEGIES:**

**LED:** To develop support infrastructure and services in order to improve any local tourism experience

**LED:** To add value to existing attractions and products, in order to increase tourism related employment

**LED:** To establish a well co-ordinate local tourism forum

Project no.	Projects	Budget	FY 10/11	FY 11/12	FY 12/13
LED 2007.07	Upgrading of Tourism support Infrastructure				x
LED 2007.02	Tourism Sector Plan			x	
LED 2007.08	Construction of taxi rank in Wepener	DPWR & T	x		

**TECHNICAL SERVICES  
STREETS AND STORM WATER**

**OBJECTIVES:** To provide sufficient access and distribution roads in Naledi areas

**STRATEGIES:**

**STR:** Provision and maintenance of roads storm water and sidewalks through proper Planning

**STR:** Apply for funding from different Sources

**STR:** Liaise with all sphere of government for planning of roads and storm water and sorting out responsibilities

Project no.	Projects	Budget	FY 10/11	FY 11/12	FY 12/13
STR 2006.01	Construction of 2.98 km paved road at Morojaneng	R 2 000 000	x		
STR 2006.02	Paving of internal streets(Kanana, Sophiatown, Qibing & Ebenhaeserhoogte)			x	
STR 2009.02	Paving of internal streets ( Vanstadesrus)	Operation Hlasela	x		
STR 2006.04	Paving of access roads & construction of Culvert Bridge in Wepener			x	
STR 2006.08	Re-sealing of roads in identify of Van stadensrus	Operation Hlasela	x		

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**TECHNICAL SERVICES  
STREETS AND STORM WATER**

**OBJECTIVES:** To maintain a good quality standard in all roads and stormwater infrastructure

**STRATEGIES:**

**STR:** Develop a proper stormwater, roads maintenance and construction plan for all areas in Naledi Local Municipality.

**STR:** Use Expanded Public Works programme methods for procurement, planning, construction and maintenance.

Project no.	Projects	Budget	FY 10/11	FY 11/12	FY 12/13
STR 2006.05	Pedestrian Bridges in (Van stad)				x
STR 2009.03	Upgrading of 2km gravel roads and storm water in Dewetsdorp	R1 500 000	x		
STR 2009.06	Upgrading of 1km gravel road and storm water in Wepener	R1 500 000	x		
STR 2009.04	Paving of sidewalks (Naledi)				x
STR 2009.05	Paving of access roads & construction of Calvert Bridge (Dewetsdorp)			x	

**TECHNICAL SERVICES  
WATER**

**OBJECTIVES:** To provide sufficient water to the highest affordable level to all communities

**STRATEGIES:**

**STR:** Ensure that all town areas have sufficient and purified bulk water supply

**STR:** Apply for external funding and Grants

**STR:** Embark on extensive campaign on saving water

**STR:** Proper financial and credit control to provide financial viability for bulk water supply in order to provide Free Basic water

**STR:** Formulate and implement the Local Water Service Development Plan

**STR:** Provide individual connections through the implementation of an approved water tariff structure on formal sites

Project no.	Projects	Budget	FY 10/11	FY 11/12	FY 12/13
WAT 2007.01	Resuscitation of 4 Dysfunctional Boreholes in Wepener	R370 00	x		

WAT 2007.02	Resuscitation of 7 Dysfunctional Boreholes in Dewetsdorp	R647 000	x		
WAT 2007.03	Resuscitation of 2 Dysfunctional Boreholes in Van stadensrus	R185 000	x		
WAT 2009.04	Install 0.5ml elevated water tank in Dewetsdorp	R3 000 000	x		
WAT 2009.02	Upgrade water infrastructure in Wepener			x	
WAT 2009.03	Upgrade water infrastructure in Van stadensrus			x	
WAT 2009.06	Development of the Water Master Plan			x	
WAT 2009.05	Upgrade water infrastructure in Dewetsdorp			x	
WAT 2006.02	Household water connections (Van stad, Wepener & Dewetsdorp) (*same method as previous ones)			x	

**TECHNICAL SERVICES  
WATER (continues)**

Project no.	Projects	Budget	FY 10/11	FY 11/12	FY 12/13
WAT 2006.02	Household water connections (Van stad, Wepener & Dewetsdorp) (same method as previous ones)			x	
WAT 2006.03	Community water awareness campaign and strengthened communication strategy			x	
WAT 2006.04	Installation of water meters (Urgent for Naledi)	R3 000 000	x		
WAT 2009.04	Upgrading of bulkwater supply line for Dewetsdorp & Wepener			x	

**TECHNICAL SERVICES****WATER (Continues)****OBJECTIVES:** To maintain a good quality standard in all water related infrastructure and services**STRATEGIES:** Sufficient provision for maintenance in Operational Budget

Project no.	Projects	Budget	FY 10/11	FY 11/12	FY 12/13
WAT 2007.04	Naledi WSDP (Update)				x
WAT 2007.05	Regular maintenance of infrastructure				x

**TECHNICAL SERVICES****SANITATION****OBJECTIVES:** To continuously provide sufficient fullwaterborne sanitation in Naledi urban Areas.

To maintain a good quality standard in all sewerage related infrastructure and services.

**STRATEGIES:****SAN:** Ensure the provision of sufficient bulk sewerage infrastructure first**SAN:** Apply for external funding and grants**SAN:** Phase out buckets systematically by making use of alternative technologies where viable and accepted**SAN:** Create community awareness through communal structures

Project no.	Projects	Budget	FY 10/11	FY 11/12	FY 12/13
SAN 2007.01	Maintenance of bulk sewerage oxidation ponds (Van stad)			x	
SAN 2007.02	Maintenance of bulk sewerage plant (Wepener)				x
SAN 2007.03	Waterborne Sanitation Provision – Dewetsdorp	R1 500 000	x		
SAN 2007.04	Waterborne Sanitation Provision – Wepener	R1 500 000	x		
SAN 2007.06	Community awareness campaign			x	

**TECHNICAL SERVICES  
SANITATION (Continues)**

**OBJECTIVES:** To provide basic sanitation services to all Naledi rural communities.

**STRATEGIES:** To ensure provision of basic sanitation to all rural areas in Naledi through external funding

Project no.	Projects	Budget	FY 10/11	FY 11/12	FY 12/13
SAN 2009.01	Installation of sewer reticulation network in Van stard			x	
SAN 2007.07	Internal capacity building programmes through Siyeza Manje			x	

**TECHNICAL SERVICES  
ELECTRICITY**

**OBJECTIVES:** To provide sufficient electricity and areas lighting to the highest affordable level to all communities

**STRATEGIES:**

**ELC:** To make affordable electricity connections available in conjunction with ESKOM to ensure that the less privileged are uplifted at a faster rate

**ELC:** To request ESKOM to install flood lights in townships and rural areas as part of their poverty alleviation programmes

**ECL:** By giving priority to lighting on major access roads

Project no.	Projects	Budget	FY 10/11	FY 11/12	FY 12/13
ELC 2006.01	Household installation of electricity to remaining Masakhane, RDP house and all informal structures on proclaimed land X 3 Towns			x	
ELC 2006.02	Installation of street lighting in identified areas				x
ELC 2008.01	Transfer of electricity meter from shack to formal structures in Dewestdorp			x	
ELC 2008.02	Transfer of electricity meter from shack to formal structures in Wepener			x	
ELC 2008.03	Transfer of electricity meter from shack to formal structures in Van stadestus			x	



## TECHNICAL SERVICES

### ELECTRICITY

**OBJECTIVES:** To maintain a good quality standard in all electricity related infrastructure and services.

To provide free basic electricity to poor households within Naledi

### STRATEGIES:

**ELC:** To compile a maintenance manual to ensure proper maintenance of networks

**ELC:** Develop and implement free Basic Policy that is in line with the National Department

**ELC:** To promote the distribution and management of electricity by one single agent (eg CENTLEC) in preparations for the REDs

Project no.	Projects	Budget	FY 10/11	FY 11/12	FY 12/13
ELC 2006.04	Electricity masterplan for Naledi (URGENT)			x	
ELC 2006.06	Review and implementation of Free State basic services policy			x	
ELC 2006.07	Provision of additional vending points in Naledi			x	
ELC 2009.01	Electrification of outstanding households in Van stadensrus	R100 000	x		
ELC 2009.02	Electrification of outstanding households in Wepener	R100 000	x		
ELC 2009.03	Electrification of outstanding households in Dewetsdorp	R100 000	x		

## SOCIAL SERVICES

### WASTE MANAGEMENT

**OBJECTIVES:** To provide sufficient refuse removal and waste disposal facilities to the highest affordable level to all urban areas

To capacitate all urban communities regarding the functioning of all services and infrastructure

### STRATEGIES:

**WST:** Ensure sufficient and safe land-fill sites in all areas

**WST:** Provide refuse removal service on regular basis (PMS)

**WST:** Create community awareness through communal structures

Project no.	Projects	Budget	FY 10/11	FY 11/12	FY 12/13
WST 2006.01	Formalization of the Land fillsite (Dewetsdorp & Van stadensrus)	R 5000.00	x		
WST 2009.02	Purchase, repair or hire of compressor trucks or tractor and trailers for collection of refuse	R1 000 000	x		

WST 2006.02	Community service awareness Campaign	R2 300 000	x		
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## SOCIAL SERVICES

### WASTE MANAGEMENT (continues)

**OBJECTIVES:** To maintain a healthy quality standard in all waste management Infrastructure and services.

### STRATEGIES:

**WST:** Community participation in land-fill management in order to ensure the reduction of waste stream volumes through recycling is essential

**WST:** Policy to give guidance on environmental conservation

Project no.	Projects	Budget	FY 10/11	FY 11/12	FY 12/13
WST 2006.03	Community basic Project (Recycling)			x	
WST 2009.01	Monitor the implementation of the Integrated Waste Management Plan			x	
WST 2006.06	Sec 78 study on waste Management possibility of external mechanism			x	
WST 2009.01	Fencing of Land fill sites in Naledi			x	

## SOCIAL SERVICES

### HOUSING

**OBJECTIVES:** To eradicate the housing backlog

### STRATEGIES:

**HSN:** Ensure pro-active provision of sites

**HSN:** Subsidies to existing even without proper housing first

**HSN:** Transfer state-owned land to needy areas

**HSN:** Establish a Municipal housing support unit

Project no.	Projects	Budget	FY 10/11	FY 11/12	FY 12/13
HSN 2009.04	Construction of 100 houses in Van stadensrus	Operation Hlasela	x		
HSN 2009.01	Land development and management			x	
HSN 2009.04	Formalization of 87 households in Van stadensrus	R1 000 000	x		

HSN 2006.04	Development of the Housing Sector Plan	R300 000	x		
HSN 2009.02	Land acquisition			x	
HSN 2006.02	Building of municipal rental stock				x

## SOCIAL SERVICES

### HOUSING (continues)

**OBJECTIVES:** To ensure the proper co-ordination and management of housing projects.

### STRATEGIES:

**HSN:** Pro-actively project future housing needs and geographical areas where intervention is required

Project no.	Projects	Budget	FY 10/11	FY 11/12	FY 12/13
HSN 2006.03	Completion of incomplete housing projects (RDP/PHP)			x	

## SOCIAL SERVICES

### SAFETY AND SECURITY

**OBJECTIVES:** To reduce the overall crime rate across the municipality

### STRATEGIES:

**SAF:** Create effective SAPS/community partnership

**SAF:** Facilitate provision of satellite stations with adequate resources in the areas where there are no police stations

Project no.	Projects	Budget	FY 10/11	FY 11/12	FY 12/13
SAF 2006.01	Establishment of Sector Policing Forum			x	
SAF 2006.02	Facilitate the provision of additional Police Stations through intervention with DPSS & L (Morojaneng, Qibing)				x

## DISASTER MANAGEMENT

**OBJECTIVES:** To promote a safe living Environment to all residents protected against natural disasters

### STRATEGIES:

**SAF:** To have effective disaster management unit

**SAF:** To encourage personal preparedness amongst all farm dwellers through which individuals can take responsibility for their own safety

**SAF:** To review the DMP (framework) and develop programmes supporting the implementation of the (Motheo) DMP

Project no.	Projects	Budget	FY 10/11	FY 11/12	FY 12/13
SAF 2006.03	Establish a well functioning disaster management unit			x	
SAF 2006.04	Awareness Campaign on Safety and Security (to be linked with PMS) incorporate key role players			x	
SAF 2006.05	Development Disaster Management Plan			X	

## SOCIAL SERVICES

### SPORTS AND RECREATION

**OBJECTIVES:** To develop, upgrade and maintain sports and recreational facilities

To safe-guard through communal structures the existing infrastructure and Facilities

### STRATEGIES:

**SPT:** Apply for external funding and support

**SPT:** Make provision for the upgrading and maintenance of existing sports Facilities

**SPT:** Public awareness on the prevention of Vandalism

Project no.	Projects	Budget	FY 10/11	FY 11/12	FY 12/13
SPT 2006.01	Multipurpose Sports Complex (Van stad)	R7 000 000	x		
SPT 2006.02	Upgrading and Maintenance of existing Main and Communnity hall in Wepener.			x	
SPT 2006.03	Anti Vandalism Campaign (incorporate relevant key role players i.e. Local Sports Council)			x	

## SPORTS AND REGREATION (continues)

**OBJECTIVES:** To establish a proper sport centre this will accommodate various local sports and be accessible to the members of the public

To promote culture and moral development and tolerance amongst all residents

### STRATEGIES:

**SPT:** Promote and assist in the establishment and functioning of the local sports committee as part of the provincial sports council

**SPT:** By promoting the establishment and support of culture diversity and Expression

**SPT:** By supporting moral regeneration and education campaign aimed at the positive expression of culture identity and diversity

**SPT:** By ensuring the establishment of sufficient facilities for arts and cultural practices

Project no.	Projects	Budget	FY 10/11	FY 11/12	FY 12/13
SPT 2006.04	Establishment of Sports and Recreation Forum (to be linked With PMS)				x
SPT 2006.06	Facilitate the establishment of Arts, Recreational and Cultural Facilities				x
SPT 2006.05	Local Moral and cultural regeneration campaign (refer to IGR Structures)			x	
SPT 2006.07	Construction of Public Library in Wepener			x	

## OFFICE OF THE MAYOR

### EDUCATION & TRAINING

**OBJECTIVES:** To promote a local education system which will ensure an increase of the overall matric pass rate to 90%?

### STRATEGIES:

**EDU:** Strict discipline and control of learners and educators as fundamental to improving education

**EDU:** To integrate the efforts of all education role players for more strategic cohesion

**EDU:** Reducing the learner/ educator ratio for more personal attention

**EDU:** Increase the involvement of parents in school activities and programmes

Project no.	Projects	Budget	FY 10/11	FY 11/12	FY 12/13
EDU 2006.01	Re-enforcement of SGB's through partnership with relevant structures (to be linked with PMS)			x	
EDU 2006.03	Facilitate Availability of Bursaries to Naledi Learners in conjunction with the Department of education and other key			x	



	role players – urgent				
EDU 2006.04	Facilitation of establishment and upgrading of schools (Kanana)				x
EDU 2006.05	Facilitate provision of pre –Schools				x

### EDUCATION & TRAINING (continues)

**OBJECTIVES:** To promote the further education and training of the entire community with the focus on production and technical skills

**STRATEGIES:**

**EDU:** Ensure an efficient, adult base training programme in order to improve the productivity and the literacy levels in the rural areas

**EDU:** Promote the accessibility of local residents to tertiary training programmes and satellite services (academic and technical)

Project no.	Projects	Budget	FY 10/11	FY 11/12	FY 12/13
EDU 2006.05	Adult literacy program Van stadensrus				x
EDU 2006.06	Facilitate the establishment of FET satellite centres				x
PPR 2009.04	Establish effective Ward Committees in Naledi	R250 000	x		
PPR 2009.05	Training of Elected Councillors in Naledi	R350 000	x		

### YOUTH DEVELOPMENT

**OBJECTIVE:** Promote youth development and youth service programmes

**STRATEGIES:**

**YDV:** To effectively advocate and implement programmes aimed at advancing youth development

**YDV:** Promote youth services programmes

Project no.	Projects	Budget	FY 10/11	FY 11/12	FY 12/13
YDV 2009.01	Capacity building programme for youth structures	R50 000	x		
YDV 2009.02	Moral regeneration programme	R250 000	x		
YDV 2009.03	Facilitate establishment of youth structures and forum			x	
YDV 2009.04	Facilitate establishment of youth cooperative to reduce unemployment			x	



YDV 2009.09	Support youth Activities	R15 000	x		
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## SOCIAL SERVICES

### HEALTH & WELFARE

**OBJECTIVES:** To improve the functioning, maintenance and accessibility of local and regional health facilities and services according to the needs of the community

#### STRATEGIES:

**HLW:** Permanent clinics at strategic place which are well – equipped and managed

**HLW:** Facilitate efficient emergency health care facilities, which can provide 24- hours service to all residents

**HLW:** Empower the health forum to address issues such as 24-hours service, finance, housing, performance agreements etc

**HLW:** Increase the involvement and capacity of the entire community with regards to preventative care in order to reduce pressures on health facilities and services

Project no.	Projects	Budget	FY 10/11	FY 11/12	FY 12/13
HLW 2006.02	Construction of a 24 Hour Clinic in Morojaneng				x
HLW 2006.03	Construction of a 24 Hour Clinic in Thapelong				x
HLW 2006.05	Environmental health awareness campaign			x	
HLW 2006.06	Health Promotion Campaign			x	
HLW 2006.04	Establishment of health forum			x	

## SOCIAL SERVICES

### HEALTH & WELFARE (continues)

**OBJECTIVES:** To address the HIV and AIDS epidemic in a proactive and integrated manner aimed at reducing local prevalence rate

#### STRATEGIES:

**HLW:** Plan systematically for HIV and AIDS epidemic

**HLW:** Implement National and Provincial HIV and AIDS strategies in terms of Education Support and Care

Project no.	Projects	Budget	FY 10/11	FY 11/12	FY 12/13
HLW 2002.05	Establishment of the local AIDS forum			x	
HLW 2006.02	AIDS awareness (care) programmes			x	

## SOCIAL SERVICES

### HEALTH & WELFARE (continues)

**OBJECTIVES:** To improve accessibility of clinic health care services to each rural household

#### STRATEGIES:

**HLW:** Ensure that mobile clinic are functioning properly with a high frequency and are also well equipped

Project no.	Projects	Budget	FY 10/11	FY 11/12	FY 12/13
HLW 2002.07	Facilitation and improve mobile clinics to rural areas				x

## SOCIAL SERVICES

### CEMETRIES

**OBJECTIVES:** To provide sufficient cemeteries and burial services to all communities

#### STRATEGIES:

**CEN:** Upgrade and maintain public facilities at cemeteries

**CEN:** Monitor effective burial services in all areas

Project no.	Projects	Budget	FY 10/11	FY 11/12	FY 12/13
CEN 2006.01	Provision of public facilities in cemeteries			x	

CEN 2009.01	Fencing of cemeteries in Naledi			x	
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**OFFICE OF THE MUNICIPAL MANAGER  
COMMUNICATIONS**

**OBJECTIVES:** Promote institutional excellence that is responding to role players needs

**STRATEGIES:**

**COM:** Implementation of communication policy

**COM:** Effectively showcasing

**COM:** Implementation of the Customer care policy

**COM:** Implementation of the media strategy

**COM:** Facilitate the Implementation of language policy

**COM:** Institutional Events management

Project no.	Projects	Budget	F/Y 10/11	F/Y 11/12	F/Y 12/13
COM 2009.01	Public hearing/imbizo			x	
COM 2009.02	Development of Naledi news letter				x
COM 2009.03	Community satisfaction survey			x	
COM 2009.04	Review of language policy			x	
COM 2009.05	Public relations & corporate branding				x
COM 2009.06	Media road show				x
COM 2009.07	Development of Communication policy				x
COM 2009.08	Implementation of media strategy			x	
COM 2009.09	Implementation of call centre			x	

## SECTION G: PROJECTS

### 1. Operational Plan

In this section, a reflection of the projects and programmes of other development protagonists and partners such as the other two spheres of government will be recognised. This is a product of constant and meaningful participation of various role-players and stakeholders to operationalize Co-operative Governance requirement by Constitution of South Africa and the Intergovernmental Relations Framework Act.

The projects as listed herein, were compiled to address the identified priority needs and represent the possible future scenario. Not all the issues are addressed the project lists hereunder. Other projects will be identified through the course of this IDP and be reflected in the subsequent reviews.

The Operational Plan in this section provides details of one year (2011/12) project plans, which will be translating to SDBIP, and ensures that the municipality successfully implements its Action and Monitoring plans by getting all the municipality's directorates to:

- ↪ Use resources efficiently, to help allocate scarce resources to the most critical gaps and needs.
- ↪ Clearly define their capacity gaps and most critical resource requirements.
- ↪ Reduce risks where possible, and prepare contingency plans where necessary.
- ↪ Think about the long term future of the project, including how they will ensure sustainability of projects' targets and impacts.

### Current Projects in Naledi 2010/2011

IDP No.	Project Description	Source of fund
LED 2007.01	Local economic Strategy (review)	MDM
LED 2009.01	Support and establishment of corporative	MDM
LED 2008.01	Establishment of Goat Dairy Farm production in Van Stadsensrus	MDM
WAT 2007.01	Resuscitation of 4 dysfunctional boreholes in Wepener	MIG/MDM
WAT 2007.02	Resuscitation of 7 dysfunctional boreholes in Dewetsdorp	MIG/MDM
WAT 2007.03	Resuscitation of 2 dysfunctional boreholes in Van stadensrus	MIG/MDM
ELC 2009.01	Electrification of outstanding households in Van stadensrus	DoE
ELC 2009.02	Electrification of outstanding households in Wepener	DoE
ELC 2009.03	Electrification of outstanding households in Dewetsdorp	DoE
WST 2006.02	Community Cleaning campaign on preventing of illegal dumping	MDM
WST 2006.01	Formalization of landfill sites (Naledi)	MDM/Cogta
STR 2006.01	Construction of 2.98km paved road at Morojaneng	MDM
STR 2009.03	Upgrading of 2km gravel road and storm water in Dewetsdorp	MIG/MDM
STR 2009.06	Upgrading of 1km gravel road and storm water in Wepener	MDM
HSN 2009.04	Formalization of households in Van stadensrus	HS
HSN 2009.05	Construction of 100 houses in Van stadensrus	HS
PPR 2009.04	Establish effective Ward Committees in the Municipality	Cogta
PPR 2009.05	Training of Elected Councilors in Naledi	Cogta/MDM
YDV 2009.01	Capacity building programmes for youth structure	MDM

SPT 2006.01	Construction of Sports Facility in Thapelong	MDM
YDV 2009.09	Contraction of a Taxi rank in Wepener	Dept. PPR & T

**Projects identified through Community Participation (2010/2011)**

IDP no.	Project Description
LED 2010.01	Upholstery and woodwork
LED 2010.02	Piggery housing for breeding purpose
LED 2010.03	Sand Mining and distribution
LED 2010.04	Arts, crafts and information centre
LED 2010.05	Facilitation of Handwork factory in Dewetsdorp
SPT 2010.01	Development of parks, recreation places and gardens(Urban greening) in Naledi
SPT 2010.02	Construction of community Library in Qibing
HNS 2010.01	Construction of shelter/safe place for patients in Naledi.
WAT 2010.01	Bulk line water supply from Wepener to Van Stadensrus.
WAT 2010.02	Storm Water and flood control in Qibing.
STR 2010.01	Speed control in identified roads of Naledi (speed Humps)
STR 2010.02	Road signs and marking in Naledi



Action plan for 2010/11 to 2011/12 and 2013

MIG Reference Nr	Project Description	Planned MIG Expenditure for 2011/2012	Planned MIG Expenditure for 2012/2013
MIG/FS0149/R,ST/06/07	Paving of Road ( 2.98 Km) in Dewetsdorp Morojaneng	301 085,00	
MIG/FS0617/CF/08/10	Construction of sports facility in Thapelong Van stadensrus	6 222 384,50	
	Dewetsdorp (Morojaneng) connection of 150 households and pump station	1 115 709,65	
MIG/FS0544/W/10/10 – (W/FS/8086/10/10)	Naledi LM: Refurbishment and equipping of boreholes	56 405,00	
	Project management unit allocation	650 000,00	
MIG/FS0548/S/09/12 – S/FS/8123/09/12	Van stadensrus: Upgrading of waste water treatment works	4 277 315,00	
	Elevated tank and interlinking pipeline in Morojaneng (Dewetsdorp)	1 525 631,57	6 603 000,00
	Wepener low bridge and access road		5 000 000,00
	Instolation of 2000 water meters in Dewetsdorp		5 600 000,00
	TOTAL	14 148 530,72	17 203 000,00
		14 148 530,72	17 203 000,00

**SETION H: FINANCIAL PLAN AND SERVICE DELIVERY AND BUDGET IMPLEMENTATION  
PLAN**

**1. Medium Term Revenue & Expenditure Framework**

**FS171 Naledi (Fs) - Table A1 Budget  
Summary**

Description	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>R thousands</b>										
<b>Financial Performance</b>										
Property rates	2,739	3,041	3,002	2,355	2,355	2,355	–	2,547	2,590	2,690
Service charges	8,836	17,370	10,602	8,222	8,222	8,222	–	8,833	9,100	9,500
Investment revenue	–	–	–	–	–	–	–	–	–	–
Transfers recognised - operational	15,678	18,976	25,769	32,165	35,625	35,625	–	35,528	39,103	41,554
Other own revenue	4,534	1,621	7,781	2,205	2,190	2,190	–	1,882	1,976	2,080
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>31,787</b>	<b>41,008</b>	<b>47,153</b>	<b>44,947</b>	<b>48,392</b>	<b>48,392</b>	<b>–</b>	<b>48,789</b>	<b>52,769</b>	<b>55,824</b>
Employee costs	12,224	16,708	17,795	20,441	22,534	22,534	–	25,178	27,712	28,714
Remuneration of councillors	719	650	3,450	1,564	1,564	1,564	–	1,662	1,761	1,867
Depreciation & asset impairment	–	–	–	4,000	4,500	4,500	–	1,500	1,650	1,815
Finance charges	–	–	–	–	–	–	–	48	50	53
Materials and bulk purchases	4,989	3,735	5,346	2,000	4,721	4,721	–	6,000	6,600	7,260
Transfers and grants	–	–	–	–	–	–	–	–	–	–
Other expenditure	22,838	21,163	35,695	29,347	27,698	27,698	–	14,382	14,973	16,091
<b>Total Expenditure</b>	<b>40,770</b>	<b>42,257</b>	<b>62,286</b>	<b>57,352</b>	<b>61,017</b>	<b>61,017</b>	<b>–</b>	<b>48,769</b>	<b>52,747</b>	<b>55,801</b>
<b>Surplus/(Deficit)</b>	<b>(8,983)</b>	<b>(1,249)</b>	<b>(15,133)</b>	<b>(12,405)</b>	<b>(12,625)</b>	<b>(12,625)</b>	<b>–</b>	<b>20</b>	<b>22</b>	<b>23</b>
Transfers recognised - capital	–	–	13,433	12,634	12,634	12,634	–	15,598	17,203	18,150
Contributions recognised - capital & contributed assets	–	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(8,983)</b>	<b>(1,249)</b>	<b>(1,700)</b>	<b>229</b>	<b>9</b>	<b>9</b>	<b>–</b>	<b>15,618</b>	<b>17,225</b>	<b>18,173</b>
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) for the year</b>	<b>(8,983)</b>	<b>(1,249)</b>	<b>(1,700)</b>	<b>229</b>	<b>9</b>	<b>9</b>	<b>–</b>	<b>15,618</b>	<b>17,225</b>	<b>18,173</b>
<b>Capital expenditure &amp; funds sources</b>										
Capital expenditure	26	6	18,539	12,744	12,151	12,151	–	15,598	17,203	18,150

Transfers recognised - capital	26	824	20,267	12,634	12,634	12,634	–	15,598	17,203	18,150
Public contributions & donations	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	–	–	–	–	–	–	–	–	–	–
<b>Total sources of capital funds</b>	<b>26</b>	<b>824</b>	<b>20,267</b>	<b>12,634</b>	<b>12,634</b>	<b>12,634</b>	<b>–</b>	<b>15,598</b>	<b>17,203</b>	<b>18,150</b>
<b>Financial position</b>										
Total current assets	<b>(8,879)</b>	16,564	29,722	12,293	12,302	12,311	35,866	81,230	77,301	74,380
Total non current assets	–	34,320	34,452	46,252	46,252	46,252	46,252	57,252	69,452	82,452
Total current liabilities	<b>113</b>	29,519	47,397	32,523	32,523	32,523	63,889	32,803	22,873	17,909
Total non current liabilities	<b>879</b>	765	651	538	538	538	538	425	311	198
Community wealth/Equity	<b>4,992</b>	30,348	28,008	28,237	28,237	28,237	28,237	28,306	31,000	33,000
<b>Cash flows</b>										
Net cash from (used) operating	<b>(8,983)</b>	(1,249)	11,733	12,863	12,643	12,643	–	15,667	17,276	18,227
Net cash from (used) investing	–	–	(13,433)	(12,634)	(12,634)	(12,634)	–	(15,598)	(17,203)	(18,150)
Net cash from (used) financing	–	–	–	–	–	–	–	–	–	–
<b>Cash/cash equivalents at the year end</b>	<b>(8,983)</b>	(10,232)	(11,932)	12,161	12,170	12,179	12,161	12,230	12,303	12,380
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	<b>(8,879)</b>	<b>(10,232)</b>	<b>(11,809)</b>	12,293	12,302	12,311	124	12,230	12,301	12,380
Application of cash and investments	–	10,960	7,031	30,000	30,000	30,000	48,366	11,306	(28,005)	(35,009)
<b>Balance - surplus (shortfall)</b>	<b>(8,879)</b>	<b>(21,192)</b>	<b>(18,840)</b>	<b>(17,707)</b>	<b>(17,698)</b>	<b>(17,689)</b>	<b>(48,241)</b>	<b>924</b>	<b>40,306</b>	<b>47,389</b>
<b>Asset management</b>										
Asset register summary (WDV)	166,230	166,514	166,541	166,541	166,541	166,541	171,639	171,639	188,842	206,992
Depreciation & asset impairment	–	–	–	4,000	4,500	4,500	1,500	1,500	1,650	1,815
Renewal of Existing Assets	–	–	–	–	–	–	–	–	–	–
Repairs and Maintenance	646	1,137	1,800	1,395	–	–	878	878	930	986
<b>Free services</b>										
Cost of Free Basic Services provided	17,707	19,742	21,513	22,909	22,909	22,909	22,909	22,909	22,909	22,909
Revenue cost of free services provided	–	–	–	–	–	–	–	–	–	–
<b>Households below minimum service level</b>										
Water:	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Sanitation/sewerage:	2,371	2,371	2,371	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Energy:	1,701	1,701	1,701	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Refuse:	–	–	–	–	–	–	–	–	–	–

## SECTION I: ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM

The municipality has Performance Management System (PMS) in place, though it still needs to be fully implemented. The main purpose of the Performance Management System is to serve as an active management tool whereby the performance of the municipality can be measured in terms of:

- ◆ The achievement of its IDP priorities and objectives
- ◆ The achievement of its strategic and organizational objectives

Due to shortcomings relating to its maximum implementation, the system is unable to allow the council to implement a system of accountability by measuring the performance and effectiveness of its council and administration and take corrective action if targets are not met.

However, the municipality acknowledges and understands that it is a legislative imperative that a municipality must establish a PMS that is:

- ↵ Commensurate with its resources
- ↵ Best suited to the circumstances
- ↵ In line with the priorities, objectives
- ↵ Promoting a culture of performance management
- ↵ Enabling the administering of affairs in an economical, effective, efficient and accountable manner.

The following objectives have been adopted by Naledi Local Municipality to guide the implementation of the PMS:

- ↵ Be able to measure effective service delivery and access to services
- ↵ Be able to measure the performance of effective administration
- ↵ Be able to measure and improve the financial viability of the municipality
- ↵ To improve the weaknesses of the municipality by taking corrective action and monitor progress
- ↵ To measure and improve the effectiveness of council
- ↵ To instill a culture of accountability amongst all employees and political office bearers

## SECTION J: ANNEXURES

The following documents forms part of this IDP and it must be read together with these documents

- (a) Spatial Development Framework developed in 2006 and not yet reviewed.
- (b) Disaster Management Plan.

## SECTION K: APPENDICES

The Municipality undertook an exercise of integrating the various projects, strategies and objectives throughout the planning process of this IDP. The identified integrated programmes are presented hereunder, including and their status of development and/or review.

Table: Integrated Programmes

Critical Components	Available Yes/No	Last Reviewed in
Spatial Development Framework	Yes	2007
Comprehensive Infrastructure Plan (EPWP)	Yes	2008
LED Strategy	Yes	2009
Waste Management Plan	No	n/a
Land Use Management Framework/Strategy	No	n/a
Land Reform Strategy	No	n/a
Transport Plan	Yes	Not yet reviewed
Disaster Management Plan	Yes	Not yet

		reviewed
Environmental Management Plan	Yes	Not yet reviewed
Water Service Development Plan	No	n/a
Energy Master Plan	No	n/a
Electricity Master Plan	No	n/a
Housing Sector Plan	Yes	Not yet reviewed
Health Sector Plan (HIV/AIDS Plan)	Yes	Not yet reviewed
Organisational PMS	Yes	Not yet reviewed
Institutional Programme	Yes	Yes
Financial Plan	Yes	Budget review