

MALUTI- A- PHOFUNG MUNICIPALITY

SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN REPORT 2012/2013 FINANCIAL YEAR: JULY- DECEMBER

LED AND TOURISM DEPARTMENT



VISION OF THE LED AND TOURISM

To create enabling environment that provides for economic growth and employment creation to improve the quality of life of our people and become a tourism destination and productive agricultural area

MISSION OF THE LED AND TOURISM

The Maluti a Phofung Local Municipality's LED is committed to promoting quality economic development facilitation and coordination services to its communities by:

- Facilitating opportunities for SMME's in procurement at MAP
- Facilitating Agriculture, Tourism, Manufacturing and SMME development value adding and market access opportunities
- Developing an Investment Attraction policy and Marketing Strategy for MAP
- Facilitating for finance, funds and resources from non-governmental, private and donor sectors
- Attract tourists and investors to the region.

DEPARTMENT

Local Economic Development And Tourism

DEPARTMENTAL OBJECTIVES STATED IN THE IDP

- SMME Promotion and support
- Export Promotion and International Trade
- Community Economic Development (self-reliance)
- Business Retention and Expansion
- Industrial Recruitment and Place Marketing
- Tourism

CORE FUNCTIONS

LED AND TOURISM DEPARTMENT

ECONOMIC EMPOWERMENT	SMME DEVELOPMENT
<ul style="list-style-type: none">• Infrastructural Development• Informal Trade Policies and By-laws• Rural Development	<ul style="list-style-type: none">• Trade Promotion• Economic Policy Formulation• Investment Promotion
TOURISM MARKETING & DEVELOPMENT	TOURISM MARKETING & DEVELOPMENT Cont.
<ul style="list-style-type: none">• Infrastructural Development• Identify, Upgrading and Establishment of Tourism facilities	<ul style="list-style-type: none">• Tourism Sector Plans and Promotion Policies• Marketing Plans, Events and Exhibitions

LED ACTIVITIES & OPERATIONS [JULY- DECEMBER 2012/2013]

Objective	KPI	Outcome	Progress report
Staffing of the division	Appointed additional competent staff members	No. of appointments made according to the proposed structure of the reviewed LED strategy.	The position of LED Manager has been filled. The contract of the Director has expired and the new Director has been appointed.
To draw new investment in the area	Reviewed LED Strategy.	Submission of final reviewed LED strategy	The strategy is at the implementation phase. However, shortage of staff in the department hinders efficient implementation of the strategy.
	Reviewed tourism sector plan	Submission of the final Tourism Sector Plan.	The final document was submitted to the department and it is due to serve at the Tourism Forum for implementation.
	Developed incentive policy	This service needs to be outsourced and terms of reference will be drafted for council approve.	Incentive policy is included in the LED Strategy.
	Established LED forum	The impact that the LED forum have on the different sectors to thrive the economy of the municipal area.	LED Forum has been established although it is not fully functional. The department is organising this structure in such a way that it will have the meaningful impact on the local economy.
	No. of engagements with investors	Agreements reached with investors to invest within the area.	The Premier launched the Tshiame Development where the German

Objective	KPI	Outcome	Progress report
			<p>delegation was present. The envisaged developments are:</p> <ul style="list-style-type: none"> • Vehicle Distribution Centre • Parts and Accessories Centre • Food processing plant <p>As part of the broader picture towards this development, the Harrismith Logistics Hub has been included.</p> <p>The municipality is finalizing the procurement process to appoint the service providers that will prepare the identified site for the establishment of Integrated Energy Centre at Makwane. This project was funded by Sasol</p>
To expand Agriculture sector in the region	No. of farming activities and agro-processing projects/ business implemented	Successful engagements with the emerging and commercial farmers to broaden the scope of farming activities.	<p>LED Department together with the Department of Agriculture, the DTI, SEDA and Detea established the task team to assist the emerging farmers to become sustainable commercial farmers. The selected farmers are as follows:</p> <p>De Hoogte</p> <ul style="list-style-type: none"> • Application forms for incentive registration are still outstanding • SEDA still needs to do their business plan • A pre-feasibility study was made and the farm needs engineers and researchers to do a farm plan

Objective	KPI	Outcome	Progress report
			<ul style="list-style-type: none"> • The farm will focus on with dairy, pigs, goats and vegetables. (Vegetables won't work because of the distance and goats will only be looked into as a long term project because they need special care) <p>The Manhaar</p> <ul style="list-style-type: none"> • Name has changed to Mpiteleng Milk Product Agriculture and has 5 beneficiaries • The farm is now registered and the focus will be dairy cattle • DOARD is assisting her with the construction of a milking parlour • The old parlour will be used for storage purposes • Cooperative incentives form has been filled for feasibility study purposes • They have an electricity problem but they can be able to source electricity from Diyatalawa since its much closer • The farmer also wants to cross

Objective	KPI	Outcome	Progress report
			<p>breed Ashier and Shorthorns in order to increase milk production</p> <ul style="list-style-type: none"> • The milking tank is not in good condition • Agricultural marketing is going to assist her in marketing her product • 80 ha of land for making feed for her cattle <p>Thlalefo Farm</p> <ul style="list-style-type: none"> • Doing well with the soya beans project • There is enough land for livestock • The farm is still not registered because of outstanding information <p>Kgolokoeng Farm</p> <ul style="list-style-type: none"> • There are a lot of issues that needs to be cleared before the project is taken into consideration <p>Alta farm</p> <ul style="list-style-type: none"> • •The name of the cooperative

Objective	KPI	Outcome	Progress report
			<p>has been changed to Shangela farm and is registered</p> <ul style="list-style-type: none"> • It's a vegetables farm but will also include beef cattle (Bonsmara) as part of the enterprises she deals with in her farm • The land is not enough for cattle production so land will be hired from neighbouring farms • A farm analysis needs will be done in order to determine which crop will be profitable • She is doing very well in the soya bean project. the department is thinking of putting tunnels in place so that she can be able to produce throughout the year <p>Training of Cooperatives</p> <ul style="list-style-type: none"> • Two training sessions were held by the DOARD on the 10th July (Leadership skills) and the 1st August 2012 (Resource

Objective	KPI	Outcome	Progress report
			management) <ul style="list-style-type: none"> The dti Cooperative training was held on the 12th of July 2012
	Facilitate infrastructure development in the farming communities	Commercialise emerging farmers and create enabling environment to enhance productivity.	Milk SA has applied to the DBSA for funding to electrify the dairy farms. The application is still in the process.
To expand the mining and minerals beneficiation sector in the region.	No. of emerging and small scale miners formalized.	Encourage responsible mining to preserve the mineral resources and the environment.	The challenge that the department is faced with to find the suitable site for the miners to operate. This challenge has brought all other processes on hold as it is not possible to formalize this sector without the proper site.
	Established quarry project.	Approved quarry sites utilized to create employment opportunities.	Currently there is only one company that mines quarry. Feasibility study will have to be conducted to determine the sustainability of this project. The challenge is also about the site where there are enough deposits.
	Establish viable clay-bricks mining project.	Encourage responsible mining to preserve the mineral resources and the environment.	There is a problem about the site where the clay brick manufactures are currently operating. The municipality disapproved the site below the Old Parliament Building due to the number of reasons ranging from criminal

Objective	KPI	Outcome	Progress report
			activities and Environmental impact. Alternative site has been identified at Makoane Village but the manufactures are reluctant to relocate to that identified site due to the quality of the clay.
	Facilitate research for the possibility of other minerals.	Request to conduct a research for the possibility of the availability of other minerals	The department is busy engaging other stakeholders to ascertain the possibility of the existence of other minerals. The LED strategy includes the possible available minerals and their locations.
To expand the manufacturing sector	No. of retained companies and new entrants into this sector.	Encourage and expand existing manufacturing products	The LED department has requested the assistance of FDC to assess the number of manufacturing companies and the products that they produce. This process will assist to engage with the relevant investors not to duplicate and create unnecessary completion.
To strengthen the institutional capacity of the SMMEs and increase the number of viable number of emerging businesses.	No. of workshops and information sessions conducted.	Encourage the previously disadvantaged individual business people to develop and expand and gain self-reliance.	SEDA has trained 15 emerging contractors on tendering and costing.
	No. of Identified funding institutions	Increased access to start up capital and business financing	Number of funding institutions have been identified and ready to be approached. This function has been hampered by the shortage of personnel.

Objective	KPI	Outcome	Progress report
	Introduce SMMEs to new business opportunities	Identify opportunities from other sectors	Plans are in place to organise with stakeholders the information sessions for the SMMEs to introduce the available opportunities. Included in the plans is the community of ward 22 next to the development of Ingula Pump Storage. The department assisted the community of ward 22 with transport to the outreach programme where are sector departments were invited to provide them with the services.
	No. of developed and maintained facilities that accommodate SMMEs	Create the conducive environment for SMMEs to conduct business.	A request to develop 60 stalls has been submitted through the supply chain process. These stalls are targeted for Harrismith Taxi rank.
	No. of skills audit conducted	Improve the level of skills of SMMEs.	SEDA has been engaged to conduct the skills audit and conduct trainings for the SMMEs. Harrismith hawkers were inducted on the products of SEDA and there will be follow up trainings.

TOURISM ACTIVITIES & OPERATIONS [JULY- DECEMBER 2012/ 2013]

Objective	KPI	Outcome	Progress report
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Objective	KPI	Outcome	Progress report
To expand tourism sector in the region	No. of developed brochures	Market MAP as a tourism Destination	A request to print brochures will be made towards the end of January 2013. Information will include the establishments which were not in the previous brochures.
	No. of exhibitions, events organised and attended	Indaba Exhibition Durban	The department met with the Free State Tourism Authority to plan for the coming Indaba Exhibitions in May 2013.
		Assist to organize Rhino Rally	Rhino Rally was successfully held on the 29 September 2012 in Harrismith. The department contributed by hiring two mobi-shower trailers with toilets for the event.
		Basotho Cultural Village - Exhibitions and Cultural activities	African new year's day celebration was held in August 2012.
		Support, Attend market and participate for Bloemfontein gateway / MACUFE	The department transported crafters to participate at the exhibitions and the department of Sports Arts and Culture provided accommodation and the stalls.
		Participate in the Cherry Festival	The department transported and provided accommodation to 16 crafters to participate at the Cherry Festival.
		Annual Polo Player Cross Tournament (Swinburn)	Dates of the event are still to be confirmed.

Objective	KPI	Outcome	Progress report
		Organize - Support, attend Jazz Festival, Exhibitions and other related activities for market purposes <ul style="list-style-type: none"> - Jazz Festival - Arts & Culture Exhibition (Flea Market) 	The tourism month celebration was held in Eastern Cape. The province held a number of celebrations within the province. The Deputy Minister visited MAP on the 8 September 2012 and the following areas were visited: Qwa Qwa Guest House Witsieshoek Mountain Resort The following areas were just fly overs: Wetsi's cave Metsi Matsho Maluti Hiking Trails
		Berg Bohaai & Green Lantern 21 Km Race	The department did not attend this function due to the fact that the organisers did not inform tourism department about the dates of the event.
	No. of developed tourism products, services and infrastructure required to expand tourism	Increase number of tourism products and upgraded infrastructure to enable tourists easy access and variety.	12 learners are placed in the Tourism Ambassador Programme which is funded by the National Department of Tourism. The duration of this programme is 12 months. Learners will be trained on: Customer Service Table Attendant Events Coordination Tourism in general
	Erecting first phase of tourism signage	Improved Road signs and town entrances improved to assist tourist visiting the area	Tourism signage has been installed in Qwa Qwa and Kestel. Harrismith will be catered for in the second phase and it will also include the remaining attractions of both Qwa Qwa and Kestel

Objective	KPI	Outcome	Progress report
	Funded tourism projects implemented	Implement all funded Tourism Projects	As per annexure A

“ANNEXURE A” **PROGRESS REPORT**

PROJECT NAME: FS – EASTERN FREE STATE TOURISM ROAD SIGNAGE	ORIGINAL BUDGET: R 1,000,000 – 00
PROJECT Implementer : CSIR – Build Environment	ACTUAL SPEND TO DATE: R 56, 000 – 00
PROJECT START DATE: 01/08/2006	% SPEND: 100
INITIAL PROJECT END DATE: 31/06/2010	BUDGET STATUS: R 0 – 00
INITIAL PERIOD OF PROJECT: 3 years	LOCATION : Entire MAP
% OF PROJECT COMPLETED: 0,01%	OVERALL STATUS OF PROJECT: 100%
REVISED PROJECT END DATE: Not yet approved	- OKAY: Yes
REVISED PROJECT PERIOD: None	- DELAYED BUT MANAGEABLE: Yes
PERIOD DELAYED: 3 years	- IN TROUBLE/ NEEDS INTERVENTION: Not in Trouble

TASKS/ ACTIVITIES	STARTING DATE EST. COMP. DATE	STATUS	PROBLEMS/CHALLENGES	REMEDIAL ACTION
To develop tourism signage in four Local Municipalities of Thabo Mofutsanyane District Municipality. Maluti –a- Phofung = 30 Nketoane = 12 Setsoto = 21 Dihlabeng 22	01/08/2006 – 31/06/2010	Tourism signage has been installed in Qwa Qwa and Kestel. Harrismith will be catered for in the second phase and it will also include the remaining attractions of both Qwa Qwa and Kestel	Budgetary constraints remains the challenge to install signage to the remaining tourism attractions for the entire Maluti a Phofung.	Applications will be made to the National Department of Tourism for implementation of phase two of this project. Phase two will include the greater Harrismith and the remaining attractions from phase one.

QUALITY CONTROL OF WORK CONTENT AND PERFORMANCE:
Is this project going to deliver the expected outcome or outputs? YES
Project team performance: N/A
Project audit: To be done by CSIR
PEOPLE EMPLOYED: Employed 12

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PROJECT NAME: Black Water Fly Fishing, Trout breeding & Accommodation Facilities		ORIGINAL BUDGET: R24 000, 000 – 00		
PROJECT Implementer : River Ranger Management Sect,21		ACTUAL SPEND TO DATE:		
PROJECT START DATE: 01/07/2006		% SPEND:		
INITIAL PROJECT END DATE: 30/02/2008		BUDGET STATUS:		
INITIAL PERIOD OF PROJECT: 2 years		LOCATION : Metsi Matsho Dam		
% OF PROJECT COMPLETED: 20%		OVERALL STATUS OF PROJECT: 70%		
REVISED PROJECT END DATE: 31/08/2013		- OKAY:		
REVISED PROJECT PERIOD: 3		- DELAYED BUT MANAGEABLE: Manageable		
PERIOD DELAYED:		- IN TROUBLE/ NEEDS INTERVENTION: no		
TASKS/ ACTIVITIES	STARTING DATE EST. COMP. DATE	STATUS	PROBLEMS/ CHALLENGES	REMEDIAL ACTION
Set up a Fly fishing resort, a trout hatchery, to secure fish stock and limit poaching and marketing of trout.	01/07/2006 30/02/2013	The National Department of Tourism has allocated R24 000 000.00 for completion of outstanding work and	Water shortages at Thaba Bosiu delays the construction work at Metsi Matsho	The water problem at Thaba bosiu will have to be attended to by the Maluti Water as it

Completion of the accommodation facilities.		upgrading of the access road. The manager's house, reception area and the guard house have been completed. The contractor is currently busy with the chalets. There are some workers who will have to be laid off due to the fact that they have completed their tasks.		also affects the project's progress.
QUALITY CONTROL OF WORK CONTENT AND PERFORMANCE:				
Is this project going to deliver the expected outcome or outputs? YES				
Project team performance: N/A				
Project audit: To be done by National Department of Tourism				
PEOPLE EMPLOYED: 147				

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PROJECT NAME: Infrastructure Development Through Monotsha	ORIGINAL BUDGET: R 12, 629, 500 – 00
PROJECT Implementer : Lesedi Development Trust	ACTUAL SPEND TO DATE: R 9, 485, 658 – 00
PROJECT START DATE: 20/06/2006	% SPEND: 80%

INITIAL PROJECT END DATE: 31/03/2008		BUDGET STATUS: R 3. 143, 842 – 00		
INITIAL PERIOD OF PROJECT: 2 years		LOCATION : Monontsha		
% OF PROJECT COMPLETED: N/A		OVERALL STATUS OF PROJECT: 80%		
REVISED PROJECT END DATE: 31/02/2013		- OKAY: Yes		
REVISED PROJECT PERIOD: 1 year		- DELAYED BUT MANAGEABLE: Yes		
PERIOD DELAYED: 1 year		- IN TROUBLE/ NEEDS INTERVENTION: Interventions made		
TASKS/ ACTIVITIES	STARTING DATE EST. COMP. DATE	STATUS	PROBLEMS/ CHALLENGES	REMEDIAL ACTION
Upgrading access road to Morena Wets's Cave	20/06/2006 31/03/2013	Work is currently on hold due to the fact that the contractor is waiting for the NDT to release the remaining funds to complete the project.	There are lot of work days that causes a delay in the project.	NONE
QUALITY CONTROL OF WORK CONTENT AND PERFORMANCE:				
Is this project going to deliver the expected outcome or outputs? YES				
Project team performance: N/A				
Project audit: To be done by National Department of Tourism				
PEOPLE EMPLOYED: 47				

PROJECT NAME: FS – Guest House; Building a guest house in Qwaqwa		ORIGINAL BUDGET: R 17, 000, 000 – 00		
PROJECT Implementer : Nombo Property & Project Manager cc		ACTUAL SPEND TO DATE: R 17, 000, 000 – 00		
PROJECT START DATE: 01/04/2005		% SPEND: 100%		
INITIAL PROJECT END DATE: 31/11/2009		BUDGET STATUS: R - 00		
INITIAL PERIOD OF PROJECT: 5 years		LOCATION : Botjhabela Village		
% OF PROJECT COMPLETED: 75%		OVERALL STATUS OF PROJECT: 75%		
REVISED PROJECT END DATE: None		- OKAY: No		
REVISED PROJECT PERIOD: None		- DELAYED BUT MANAGEABLE: Yes		
PERIOD DELAYED: 2 years and 6 months		- IN TROUBLE/ NEEDS INTERVENTION: yes		
TASKS/ ACTIVITIES	STARTING DATE EST. COMP. DATE	STATUS	PROBLEMS/ CHALLENGES	REMEDIAL ACTION
Design and construct a guest house (lodge) with associated amenities. These include an entrance gate, Restaurant, chalets with necessary access and services.	01/04/2005 31/11/2013	The project is on hold now due to the delay in releasing the funds by the department. This is as the result of the Forensic audit which was ordered by the NDT to the implementing agent.	The issue with ownership was addressed with the NDT.it has been the burning issue for quite some time.	<ul style="list-style-type: none"> The LED and Tourism department held meetings with the relevant with the NDT put this matter to rest.
QUALITY CONTROL OF WORK CONTENT AND PERFORMANCE:				
Is this project going to deliver the expected outcome or outputs? YES if there is additional funding				
Project team performance: N/A				

Project audit: **To be done by National Department of Tourism**

PEOPLE EMPLOYED: **120 but currently none as the project is still on hold**

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PROJECT NAME: STERKFORTEIN RESORT AND RESERVE Project		ORIGINAL BUDGET: R 17 800 000		
PROJECT Implementer : AMK and AMS Town Planners and Architects		ACTUAL SPEND TO DATE: R 6 424 000		
PROJECT START DATE: 16/03/2011		% SPEND: %		
INITIAL PROJECT END DATE: 30/12/12/2013		BUDGET STATUS: R, 11 000 000 - 00		
INITIAL PERIOD OF PROJECT: 2 years		LOCATION : STERKFORTEIN RESORT		
% OF PROJECT COMPLETED: 5%		OVERALL STATUS OF PROJECT: 45%		
REVISED PROJECT END DATE: None		- OKAY: No		
REVISED PROJECT PERIOD: None		- DELAYED BUT MANAGEABLE: Yes		
PERIOD DELAYED: 10 MONTHS		- IN TROUBLE/ NEEDS INTERVENTION: NO		
TASKS/ ACTIVITIES	STARTING DATE EST. COMP. DATE	STATUS	PROBLEMS/ CHALLENGES	REMEDIAL ACTION
Site clearance, construction of the staff house, three offices with a guard house, electricity connections and fittings and laying of paving	16/03/2011 30/12/2013	The contractor is busy with the building work of the managers house, office blocks and the rangers houses.	There was a delay which was caused by the protests in Tshiame B.	The implementing agent will have to request the Department of Environmental Affairs for

				extension period.
QUALITY CONTROL OF WORK CONTENT AND PERFORMANCE:				
Is this project going to deliver the expected outcome or outputs? YES				
Project team performance: N/A				
Project audit: To be done by the Department of Environment				
PEOPLE EMPLOYED: 149				

PROJECT NAME: WITSIESHOEK MOUNTAIN RESORT Project		ORIGINAL BUDGET: R 20 000 000		
PROJECT Implementer : Hentique 2715 CC		ACTUAL SPEND TO DATE: -		
PROJECT START DATE: 16/03/2011		% SPEND: %		
INITIAL PROJECT END DATE: 30/12/12/2013		BUDGET STATUS:		
INITIAL PERIOD OF PROJECT: 2 years		LOCATION : TSHESENG		
% OF PROJECT COMPLETED: 5%		OVERALL STATUS OF PROJECT: 45%		
REVISED PROJECT END DATE: None		- OKAY: No		
REVISED PROJECT PERIOD: None		- DELAYED BUT MANAGEABLE: Yes		
PERIOD DELAYED:		- IN TROUBLE/ NEEDS INTERVENTION: NO		
TASKS/ ACTIVITIES	STARTING DATE EST. COMP. DATE	STATUS	PROBLEMS/ CHALLENGES	REMEDIAL ACTION
Site clearance, construction of the Manager's house, upgrading of	16/03/2011 30/12/2013	The manager's house has been completed. Work was on hold as the NDT has	The fact that the resort is still operational	A meeting between the contractor and the implementing agent

accommodation facilities and renovations of restaurant		requested some documentation from the contractor before they can claim.	makes it difficult for the contractor to work according to the schedule	has been organised to align both activities
QUALITY CONTROL OF WORK CONTENT AND PERFORMANCE:				
Is this project going to deliver the expected outcome or outputs? YES				
Project team performance: N/A				
Project audit: To be done by the National Department of Tourism				
PEOPLE EMPLOYED: 110				