

OUR 2008/2009 MESSAGE:

“Speeding up service delivery & infrastructure development in an unusual way. – Washintshi Umoya”

GSDM ANNUAL REPORT 2008/9

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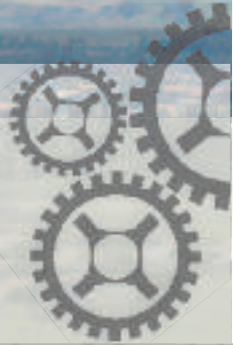
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Executive Mayor's Foreword

ALDERMAN. M. GAMEDE
EXECUTIVE MAYOR

*“Speeding up service delivery
& infrastructure development
in an unusual way.” – Washintshi Umoya*



It has been another twelve months cycle of improved and better services rendered to the community of the Gert Sibande District. I am satisfied that as per our promise for a better life for all we have strived towards that goal. Indeed a lot of challenges still lie ahead and will need to be attended to as we progress in the current year.

The 2008/2009 annual report presents the progress made by the District with the provision and expansion of basic services to the District community, as well as how the institution addressed and overcame the challenges encountered along the way.

The District had set itself five key performance areas which we have progressed on. The Key Performance Areas are

- Basic service delivery and infrastructure development
- Municipal financial viability and management
- Municipal transformation and development
- Local economic development
- Good governance and public participation

We are noting with pride some of the Key achievements over the review period which includes the receiving SALGA Awards as the best District on matters of Good Governance, on matters of Local Government Communication and in Disaster Management in the Province.

Again for the year 2008/2009 the District has received a clean audit opinion from the office of the Auditor General which says the public funds have been well handled by the District.


Appreciation should be extended to the public for allowing us to improve on public participation programme. These consultations on IDP and Budget have a larger impact in the process of planning, development and decision making.

Another year of development and service delivery lies ahead for the District and its people. Our Communities have expressed their needs and concerns through IDP hearings and review processes, the Izimbizo campaigns and other participation mechanisms. In response we have consolidated all those requests and presentations and has identified sources of funding in order to enable us to meet the expectations of both Government and the people.

We as the Municipality will continue to use IDP as a collaborative plan according to which we intend to better the planning and undo injustices of the past by ensuring equitable distribution of resources. All this will not be achieved in isolation of our communities, but with the true sense of participation and effective consultation sessions.

Although good progress has been made during the 2008/09 financial year, this does not mean that there is not more to be done. Key challenges for the 2009/10 year ahead, which were also experienced during the 2008/09 financial year, include:

- Strengthening people involvement in planning and decision making processes so that together with our people, we can do more.
- Revitalisation of the Ward Committee System and closer engagement with people of Gert Sibande region.

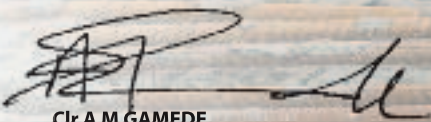
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- Continuously building performance-driven institution and ensuring clean unqualified audit opinion for all the Local Municipalities within the District.
 - Developing a unified and shared vision for Gert Sibande District Municipality and establishing and revitalising partnerships with key roleplayers.
 - Rural Development
 - Job creation and poverty alleviation and
 - Municipal Health Services and

I believe that this report will help us to relate the work that we have been doing to the actual concerns of residents and stakeholders. I also believe that it will assist us in finding a practical solution and viable alternatives to our uniquely Gert Sibande District Municipality specific conditions.

I would like to thank all members of the Council, officials and the public for their support during a very challenging year.

We look forward to an open dialogue among us and successful deliberations, we are a learning organisation and we believe that the lessons learnt will be able to impact on the work that we do and ensure a better quality of life for all our people.

I thank you.



Cnr A M GAMEDE
EXECUTIVE MAYOR

Contractors pouring concrete onto the roof of the new District Offices in Ermelo.



Municipal Manager's Foreword

MBULELENI A NGCOBO
MUNICIPAL MANAGER

*"Speeding up service delivery
& infrastructure development
in an unusual way." – Washintshi Umoya*



When one engages in assembling a report on the annual activities of an organisation, the challenge that one may be faced with is that of ensuring that all areas of performance and the activities are covered within the publication. Gert Sibande District Municipality may only run out of space to boldly display all the projects and all the achievements made throughout the year but not the work done as such. We have made it a good habit to remind ourselves that our vision is that of 'Striving to excel in good governance and quality infrastructure'. 'Imisebenzi iyabonakala! With that vision in mind, we align all our projects and activities so that the results are of good quality and that our services to the community are sustainable.

This is one of the reasons we present this report with an **Unqualified Audit Opinion** by the Auditor General. Had it not been for the strong political leadership, the Management and the entire administration team, the performance would not have been of such a high standard.

We have put measures in place to ensure that the Local Municipalities are assisted in terms of performance as well as financial viability which is one of the National Key Performance Areas. Committees such as the Shared Services Audit Committee have been established to deal with issues such as Financial Audit Reports and all other financial challenges that the Local Municipalities are faced with. It is during such processes that we are able to practise cooperative governance as we assist one another.

Skills development is another area that Gert Sibande District Municipality has dedicated itself on improving. Up to date 74 students have been assisted through bursary funding in various fields of study. This number does not include students that have/ are being assisted through Contractors and Consultants that were approached by the District.

We appreciate our working partnerships with both the governmental and non-governmental sectors which contributed massively to our achievements.

We will not forget to mention that our public consultations and participation assisted in improving our services and making clear needs analysis of our community.

Nevertheless we do not overlook room for more improvements and we appreciate that as we enter into the new financial year, we will have yet another chance to work harder and smarter.

A special thanks to the Executive Mayor Cllr A.M Gamede and his entire Mayoral Committee and Council at large. Serving under his visionary leadership has been an honour and an insightful journey.

Our vision remains the same on the same direction and our community can still expect our persistent excellence in good governance and quality infrastructure

MBULELENI A NGCOBO
Pr. Tech. Eng, MSA/CE, FMWISA, FMIMESA, MIPET
MUNICIPAL MANAGER



Contractors preparing road surface for paving in Pixley Ka Seme Local Municipality.

The decision to upgrade the current gravel roads to paved roads will also assist the local municipality in terms of maintenance, where a gravel road requires continual grading while paved roads have an expected 50 year life, with limited care in comparison.

The process is labour intensive creating more semi-skilled employment opportunities. We have also commissioned an annual detailed survey of all roads in the district to ensure a maintenance plan is actively addressed





A District Official conducting a site inspection of a Ekulindeni new pump station at Albert Luthuli Municipality.



C H A P T E R 1

Overview of the **GSDM**

INTRODUCTION AND OVER VIEW

Democracy in South Africa is underpinned by a Social pact between the Government that is, the Citizenry and the Authority that is mandated to govern. This is especially true in Local Government, which is the coalface of development interventions by the Government, where locals need to be involved in all the decisions of their developments.

Local Government is therefore strategically positioned to harness Developmental State, where participatory Framework defines and enhances the relationship between Representatives and Citizenry. Part of its mandate requires that the Leadership of the District provide regular and predictable reporting on programme performance and the general developmental status in their jurisdiction. Gert Sibande District Municipality subsequent to the March 2006 Municipal Elections, recommitted itself to the Vision of Striving to excel in Good Governance and Quality Infrastructure.

The Annual Report is a very important instrument of ensuring that there is regular, impartial feedback to stakeholders, thereby strengthening accountability and transparency. The Municipal Finance Management Act, Act No 56 of 2003 (MFMA), requires that the District prepares an Annual Report

for each Financial Year. Section 46(1) of the Local Government: Municipal Systems Act, Act No 32 of 2000 (MSA) enjoins Municipalities to prepare and submit an Annual Performance Report for each Financial Year, articulating the Performance of the Municipality and its Service Providers in relation to the Developmental Objectives as enshrined in the Municipal IDP.

The 2008/09 Annual Report reflects on the performance of the Gert Sibande District Municipality for the Period 1 July 2008 to 30 June 2009. The Annual Report has been prepared in compliance with Section 121(1) of the MFMA, and Section 46 of the MSA respectively. This Annual Report was subsequently approved by the Municipal Council after following all the processes prescribed by Section 129 of the MFMA. In compliance with the provisions of the MFMA, this Annual Report was tabled by the Executive Mayor at a Municipal Council meeting held on (January 2010), as prescribed by Section 127 of the MFMA, and was thereafter published for comments, this done in accordance with Section 21A of the MSA.

The Annual Report was further considered by the Oversight Committee established by the Municipal Council as directed by Section 129 of the MFMA to assist the Municipal Council

in considering the Annual Report. The report of the Oversight Committee is also part of this report and is therefore made public in term Section 21A of the MSA.

In presenting this report for the financial year ended 30 June 2009, we acknowledge progress made during the 2008/ 2009 financial year as well as the daunting challenges that still lie ahead. A detailed account of all the challenges and remedial actions going forward has been provided within this report.

Municipal Powers and Functions

Local Government must provide a vision and leadership for all those who have a role to play in achieving local prosperity. The Powers and Functions of municipalities should be exercised in a way that has a maximum impact on the social development of communities and on the growth of the local economy. In addition to providing traditional services such as

water provision and refuse collection, municipalities have a new expanded role to play. They must also lead, manage and plan for development within their respective jurisdictions.

The lack of certainty with regard to the 'Powers and Functions' between the District and Local Municipalities is one of the fundamental challenges impeding effective Municipal Planning, whilst brewing unnecessary conflicts among municipalities at the same time.

Due to capacity constraints, GSDM has assumed responsibility for several functions at some of the LM's at varying levels. Table in the next page depicts Powers, Duties and Functions allocated to GSDM and the respective Local Municipalities within its jurisdictional area as enshrined in different pieces of National, Provincial and Local Government Legislation respectively.

The sewer plant at Ermelo undergoing expansion and general maintenance to improve waste water quality and increase capacity for future growth. Currently the plant process an estimated 90,000m³ of waste water per day for over 80,000 people living in the surrounding area.



Table: Powers, Duties and Functions

CONSTITUTIONAL MANDATE, POWERS AND FUNCTIONS	GERT SIBANDE DISTRICT	LOCAL MUNICIPALITIES
Water & Sanitation	In terms of Section 83(3) (a) to (d) & Section 84(1)(a) of the MSA	In terms of Section 83(3) & Section 84(1)((b) & (d) of the MSA
LED in terms of Schedule 4 & 5 part (b) of the constitution & Chapter 7 (153)	✓	✓
MHS in terms of Section 84(1) (i) of the MSA	✓	✗
Municipal Airports in terms of section 84(i) (j) schedule 4 part (b)	✓	✗
Fire Fighting in terms of Section 84(i) (j) schedule 4 part (b)	✓	✓
Disaster Management in terms of section 25,42 & 53 of the DMA 57 of 2002	✓	✓
The Constitution of Republic of SA Act of 1996 in terms schedule 4& 5 part (b) of the constitution	✓	✓
Electricity in terms of section 84(1) (c) accept planning of the MSA	✓	✓
Waste Management in terms of schedule 4 & part (b) of the constitution	✓	✓
Housing in terms of providing land and bulk services	✗	✓
FBS – targeted indigent register available	✗	✓
Greening programme in terms of Schedule 4 & part (b) of the Constitution Environmental promotion	✓	✓
Municipal Planning in terms of MSA Section 84 (1) (a)		
Municipal Roads in terms of Schedule 4 & part (b) of the Constitution	MSA S84(1)	✓
Child Care Facilities in terms of Schedule 5 & part (b) of the Constitution	✓	✓
Control of undertaking to sell liquor to the public in terms of Schedule 5 & part (b) of the Constitution	✓	✓
Facilities for accommodation, care/ burial of animals in terms of Schedule 5 & part (b) of the Constitution	✓	✓
Markets in terms of MSA S84(1)(k)	✓	✓
Municipal Abattoirs in terms of Schedule 5 & part (b) of the Constitution	MSA S84(1)(k)	✓
Promotion of Tourism In terms of Schedule 4 & part (b) of the Constitution [planning]	MSA S84(1)(k)	✓
Local Amenities / Sports facilities / Parks & Recreation in terms of Schedule 5 & part (b) of the constitution	✗	✓
Billboards in terms of Schedule 5 & part (b) of the constitution	✗	✓
Public Places in terms of Schedule 5 & part (b) of the Constitution	✓	✓
General comments on the powers and functions in government		There are challenges with the powers and functions in the Local Government sphere that needs to be looked at to ensure that they are clear and understandable.
General comments from demarcation board assessments in terms of Priority 1-3 Functions	<ul style="list-style-type: none"> • That there should be service level agreements where DWAF or other providers are still performing water services on behalf of the locals • That all locals must ring fence its' budgets per service rendered independently • That municipalities should improve on the performance of their functions [service delivery mechanisms 	

EXECUTIVE SUMMARY

Gert Sibande District Municipality's 2008/2009 Annual Report has been developed in accordance with the provisions of Section 121 of the MFMA, and Section 46 of the MSA respectively.

According to National Treasury Guidelines for the Annual Reports, the report should be comprised of five (5) Chapters to reflect the key activities undertaken within the organization during the Financial Year under review. A brief summation of the content of each Chapter is outlined below.

Chapter 1: This Chapter articulates the District's Spatial Location in relation to other Districts within the Province. The composition of the District in terms of constituent Local Municipalities, and their centrality is also highlighted herein. Finally another critical component of this Chapter is the Demographics of the District per Municipality.

Chapter 2: This Chapter reports on performance highlights of the District attained through both the direct and indirect allocations to the constituent Local Municipalities. Some of the Service Delivery successes, emanating challenges and remedial measures during the Financial Year under review are highlighted herein

Chapter 3: This Chapter reports on the programmes and initiatives designed and implemented by GSDM to ensure sustained improvements in all its Human Resource Development aspects such as skills Development; Employment Equity; Capacity Building and Training to mention but a few. In pursuance of the Principle of Transparency, issues around the remuneration of Councilors' and Senior Managers are also made mentioned of herein.

Chapter 4: This Chapter is constituted of the Financial Statements of the Financial Year under review. Of key importance in this Chapter is the fact that the District has sustained its timeous submission of the Annual Financial Statements to the Auditor-General as enshrined in the Legislation. In doing so, the District has once more received an Unqualified Audit Report for the year in question.



Personnel costs have been maintained at 16 % of the Operating Budget during the Financial Year, and our target is to maintain this ratio at 20% or below.

The increased compliance level is reflected by the timely preparation, approval and submission of the IDP, Budget, SDBIP; PMS, Work Place Skills Plan, Annual Financial Statements and the signing of the Annual Performance Agreements by the Section 57 Managers.

Chapter 5: This Chapter reports on Service Delivery attainments and challenges in relation to the Developmental Objectives as articulated in the District 2008/09 IDP. The format used for reporting is in line with the National Treasury guidelines. Performance progress is reported according to Five (5) PKAs as enshrined in the 5 Year Local Government Strategic Agenda.

OVERVIEW OF THE MUNICIPALITY

GSDM is demarcated as D30 as per the Municipal Demarcation Board, and is one of the three (3) District Municipalities that constitute Mpumalanga Province as per the depiction (Map 1) on page 12.



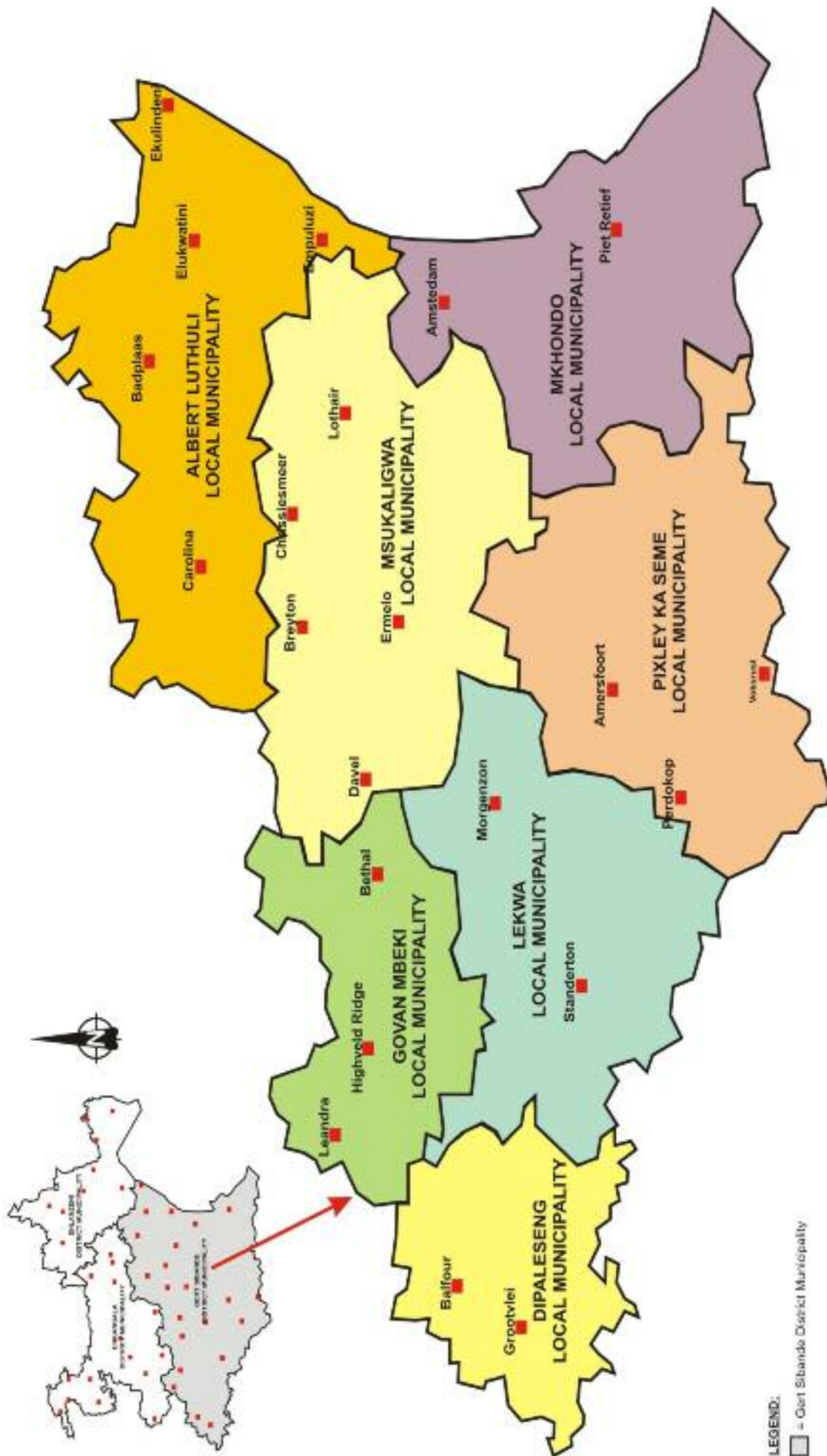
Final stages of completion, of the Water Laboratory in Ermelo. The facility will be used to test water quality throughout the district, enabling all public water and mining facilities to evaluate water quality for both the environment and human consumption.

The District Municipality is bordered by Ekurhuleni Metro to the west and Sedibeng District Municipality to the south west respectively both in Gauteng Province, Ehlanzeni District Municipality to the north east and Nkangala District Municipality to the north respectively both in Mpumalanga Province, Zululand District Municipalities in KwaZulu-Natal Province to the south east, and Swaziland to the east.

Spatially Gert Sibande District Municipality is the largest of the three Districts in Mpumalanga Province at 31 846 km², covering 40% of the Mpumalanga Province land mass. The District is made of Seven (7) constituent Local Municipalities, viz: Albert Luthuli; Govan Mbeki; Dipaleseng; Lekwa; Mkhondo; Msukaligwa and Pixley Ka Seme respectively. The spatial size and main Administration Offices of these Municipalities are depicted in table 1 below.

Table 1: Local Municipalities Main Administration Offices

Local Municipality	Main Admin Location	Central Place Index	Area (km	Average Density (Persons/km
Albert Luthuli	Carolina	1.03	5 572,79	33.62
Dipaleseng	Balfour	1.2	6 016,51	20.74
Lekwa	Standerton	2.98	4 868,15	29.35
Msukaligwa	Ermelo	3.6	5.227.98	15.44
Mkhondo	Piet Retief	2.15	4 586,19	22.51
Pixley Ka Seme	Volksrust	1.29	2 515,28	14.77
Govan Mbeki	Secunda	3.08	2 958,97	79.94
TOTAL			31 845,87	28.26



Municipal Areas in Gert Sibande

● District Population Dynamics

According to the 2008 estimates Gert Sibande is home to 989,926 people and accounts for 26.7% of the Mpumalanga population. Gert Sibande population has grown by almost 19% since 1996 at an average annual rate of 1.7% compared to the Mpumalanga and National rates of 1.4% and 1.2% respectively. In the same period, Mkhondo grew at an annual average rate of 3.2% making it the fastest growing municipal population followed by Pixley ka Seme (2.3%), Msukaligwa (2.3%), Lekwa (2.1%) and Govan Mbeki (1.7%) while the Dipaleseng (0.2%) and Albert Luthuli (0.3%) rates were the only municipalities below the provincial average.

The municipal contribution per municipality has not changed much in the last fourteen years where Govan Mbeki has been contributing over 25% to the district

population followed by Albert Luthuli. There has been a switch between the Mkhondo and Msukaligwa where Msukaligwa was initially taking the third position in 1996 and since 2001 Mkhondo took the third position in terms of population contribution. Lekwa has always been in the fifth position with Pixley Ka Seme in the sixth and Dipaleseng in the 7th position.

In 2008 Gert Sibande was estimated to have 260 755 households which represent a 68% growth since 1996. Using 2008 estimates in Table 1 above and Table 3 below there are about 3.8 people per household in Gert Sibande. Govan Mbeki has 28% of the households followed by Albert Luthuli at 18%, Msukaligwa at 15%, Mkhondo at 13% then Lekwa, Pixley ka Seme and Dipaleseng at 12%, 9% and 0.04% respectively.

Table 2: Population Growth

	TOTAL POPULATION 1996 TO 2008		POPULATION GROWTH RATE (%)
	1996	2008	1996-2008
National Total	41 780 470	48,289,602	1.20%
Mpumalanga	3 143 918	3,709,771	1.40%
Gert Sibande	823 973	989,926	1.70%
Albert Luthuli LM	186 750	191,281	0.30%
Msukaligwa LM	111 308	142,025	2.30%
Mkhondo LM	103 554	148,938	3.20%
Pixley Ka Seme LM	71 653	92,210	2.30%
Lekwa LM	94 298	117,833	2.10%
Dipaleseng LM	40 003	39,871	0.20%
Govan Mbeki LM	216 406	257,768	1.70%

Table 3: Gert Sibande Population (%), number of Households and Household %

	MUNICIPAL POPULATION CONTRIBUTION (%)				NUMBER OF HOUSEHOLDS				% HOUSEHOLD
	1996	2001	2007	2008	1996	2001	2007	2008	2008
Gert Sibande	1	1	1	1	176,774	225,468	257,198	260,755	1
Albert Luthuli	0.228	0.204	0.194	0.193	36,154	42,142	45,927	46,319	0.18
Msukaligwa	0.135	0.139	0.143	0.143	25,862	33,865	39,451	40,106	0.15
Mkhondo	0.126	0.157	0.151	0.15	19,124	30,490	33,454	33,774	0.13
Pixley Ka Seme	0.087	0.089	0.093	0.093	14,729	19,115	22,505	22,895	0.09
Lekwa	0.114	0.116	0.119	0.119	21,177	27,260	31,722	32,241	0.12
Dipaleseng	0.049	0.043	0.041	0.04	9,584	10,829	11,616	11,706	0.04
Govan Mbeki	0.261	0.252	0.26	0.26	50,144	61,767	72,524	73,714	0.28

CHART 1: Population Contribution (%) by Municipality 2008

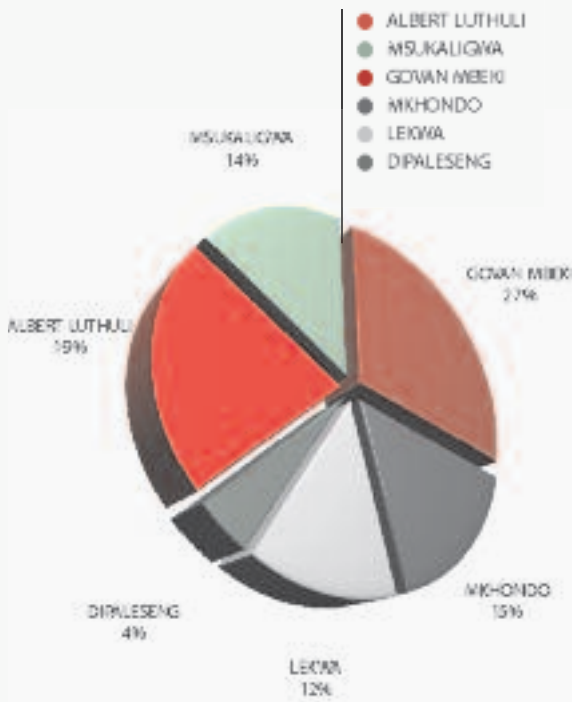


CHART 2: % Population Growth

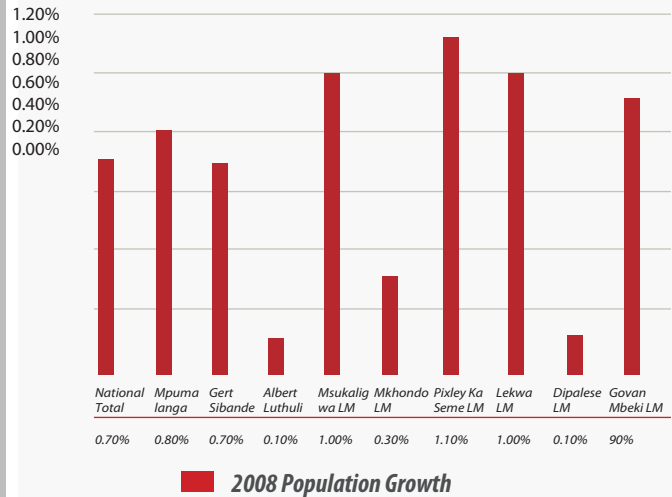


Chart 2 also shows that by 2008, Pixley Ka Seme experienced the highest (11%) population growth followed respectively by Lekwa (10%); Msukaligwa (10%); Govan Mbeki (0.9%), Mkhondo (0.3%) and Albert Luthuli and Dipaleseng both at (0.1%). Gert Sibande's population growth was in 2008 lower than and nationally (0.8%) but higher than the Mpumalanga (0.7%).

The concentration of the Gert Sibande population within and around the Govan Mbeki local municipality is consistent with the assertion that, migration from rural to urban and peri-urban areas is driven by the hope of finding employment opportunities. Govan Mbeki has, as one of its magisterial areas, towns such as Secunda which is the heartland of the District economy. The population decline experienced by the Dipaleseng local municipality can be attributable to out-migration due to its proximity to some of the major cities of the Gauteng province.

Table 4 below, depicts that in 2008 blacks accounted for the majority (90.7%) of the Gert Sibande population while

Whites, Coloureds and Asians comprised 8.2%; 0.5% and 0.7% of the population respectively. This variable is consistent with both the provincial and national population characteristics. In case of the constituent local municipalities Albert Luthuli which is a more rural municipality has the highest number of blacks contributing 97, 8% while Govan Mbeki LM has the lowest number of black population in the entire GSDM area.

In contrast to all the municipalities Govan Mbeki and Lekwa have over 10% of their population being white 0.15% and 0.11% respectively while Albert Luthuli has the lowest number of the white population. The trend throughout GSDM is that there are more blacks followed by whites, coloureds, then the population of the Asian origin with the exception of Lekwa where there are more coloureds than white.

The trend is that there are more females than males in all the municipalities with the exception of Lekwa and Govan Mbeki where there are more males than females.

Table 4: Population Groups and Gender Distribution

	DEMOGRAPHIC						
	Black	White	Coloured	Asian	Male	Female	Total
Mpumalanga	3,441,678	232,073	22,406	13,614	1,830,956	1,878,814	3,709,771
Gert Sibande	893,770	83,167	6,039	6,950	487,955	501,970	989,926
2008	Demographic				Demographic		
Albert Luthuli	187,128	3,543	293	317	90,828	100,453	191,281
Msukaligwa	128,444	12,182	373	1,026	70,226	71,799	142,025
Mkhondo	141,880	5,504	582	972	73,297	75,641	148,938
Pixley Ka Seme	85,249	5,990	405	566	44,306	47,904	92,210
Lekwa	101,561	13,126	1,952	1,194	59,655	58,178	117,833
Dipaleseng	36,200	3,255	65	350	19,776	20,095	39,871
Govan Mbeki	213,308	39,566	2,369	2,525	129,868	127,900	257,768

TABLE 5: % Contribution per Population Group, Sex Proportion and Sex Ratios

AREA	% CONTRIBUTION PER POPULATION GROUP				PROPORTIONS		SEX RATIO
	Black	White	Coloured	Asian	Male	Female	Total
Mpumalanga	0.928	0.063	0.006	0.004	0.494	0.506	97.45
Gert Sibande	0.903	0.084	0.006	0.007	0.493	0.507	97.21
Albert Luthuli	0.978	0.019	0.002	0.002	0.475	0.525	90.42
Msukaligwa	0.904	0.086	0.003	0.007	0.494	0.506	97.81
Mkhondo	0.953	0.037	0.004	0.007	0.492	0.508	96.9
Pixley Ka Seme	0.925	0.065	0.004	0.006	0.48	0.52	92.49
Lekwa	0.862	0.111	0.017	0.01	0.506	0.494	102.54
Dipaleseng	0.908	0.082	0.002	0.009	0.496	0.504	98.41
Govan Mbeki	0.828	0.153	0.009	0.01	0.504	0.496	101.54

All the municipalities with the exception of Govan Mbeki and Lekwa have the women outnumbering the number of males and the sex ratios range between 90 and 98 while Govan Mbeki and Lekwa have their sex ratio at 102.54 and 101 respectively. The District and 4 other local municipalities are in the below the provincial sex ratio of 97.45 with the lowest is in Albert Luthuli which is 90.42. Dipaleseng has the sex ratio above the provincial average but does not have the number of males outnumbering females. From the table above it can be deduced that, whilst development initiatives within the District must continue to be inclusive and be based on the spirit of building a non-racial and non-sexist society, the plight of Africans as the culmination of the apartheid policies and lasting impacts thereof must be accordingly addressed towards ensuring a transformed and an integrated society.

TABLE 6: Number of households and (% of people living in urban areas) by population group

AREA	% CONTRIBUTION PER POPULATION GROUP					DEVELOPMENT		
	NUMBER OF HOUSEHOLDS BY POPULATION GROUP					URBANIZATION RATE (% OF PEOPLE LIVING IN URBAN AREAS)		
	Black	White	Coloured	Asian	Total	Male	Female	Total
Mpumalanga	895,851	77,255	5,939	3,425	982,469	34.10%	87.70%	75.60%
Gert Sibande	229,796	27,582	1,615	1,762	260,755	53.60%	87.80%	82.70%

Throughout the Gert Sibande District more than half of the population (57, 0%) reside in urban areas with only 53.6% of the entire black population being urbanised. It is only 12, 2% of the white population who reside in the non-urban areas, while it is only 17% for the coloured and 4.5% for the Asian communities.





Mayoral committee Meeting, attended by Members of Mayoral Committee and top Municipal administration officials



CHAPTER 2

Performance & Highlights

Gert Sibande District Municipality has been involved with the implementation of the Balanced Scorecard and has developed performance plans accordingly for 08/09 Financial Year. The allocation to Local Municipalities as per the budget of the District Municipality has been divided into two sections, namely: Direct Allocations, which refers to infrastructure and services, and Indirect Allocation, which are allocations that benefit the entire District when implemented, such as Mayoral Excellence Awards, community participation, sport, art and culture. With the indirect allocation there is also Special Project of the District and Capital Projects. *Performance highlights would therefore be presented in the format that reflects on:*

- Direct Allocations
- Indirect allocations
- Special Projects
- Capital Projects and
- Institutional Executive Summary

DIRECT ALLOCATION TO LOCAL MUNICIPALITIES

The Government has committed itself to the millennium targets of year 2014 to which all stakeholders and role-players in the country are expected to contribute. The millennium target says:

- Every household must have access to **clean running water** by the year 2014
- **Decent and safe sanitation** to all households by the year 2014
- Every household must have **access to electricity** by the year 2012

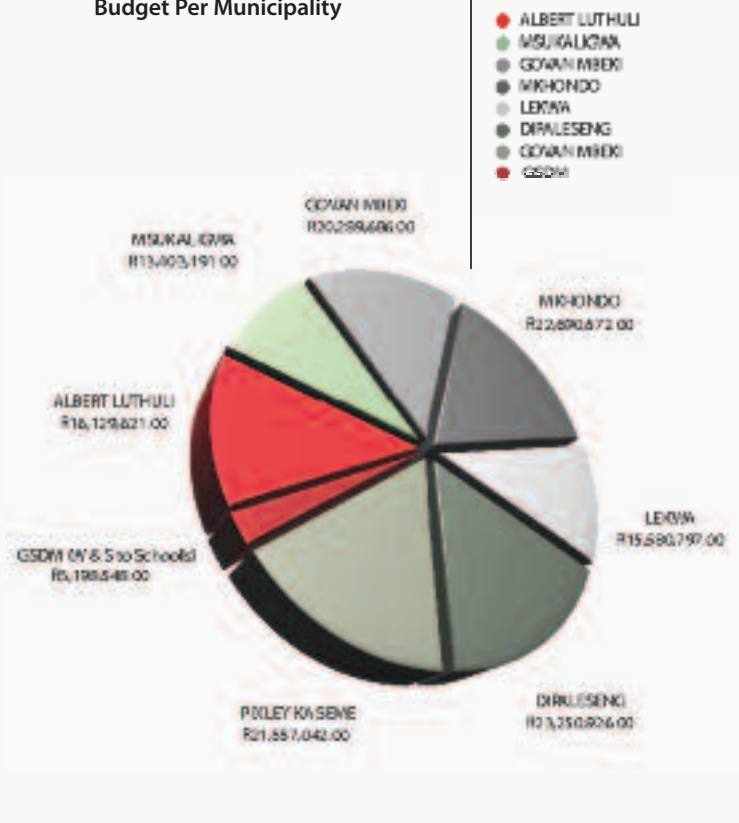
National Government is committed in eliminating the backlogs in basic services and to progressively improve the levels of service over time. A lot of emphasis is therefore put on the Provincial and Local Government institutions by National Government to contribute in this regard by adhering to the said Millennium targets.

In order to reach this goal, the GSDM allocated **R 136,1million** from its own funding towards the seven Local Municipalities in its region for the 2008/2009 financial year as follows:

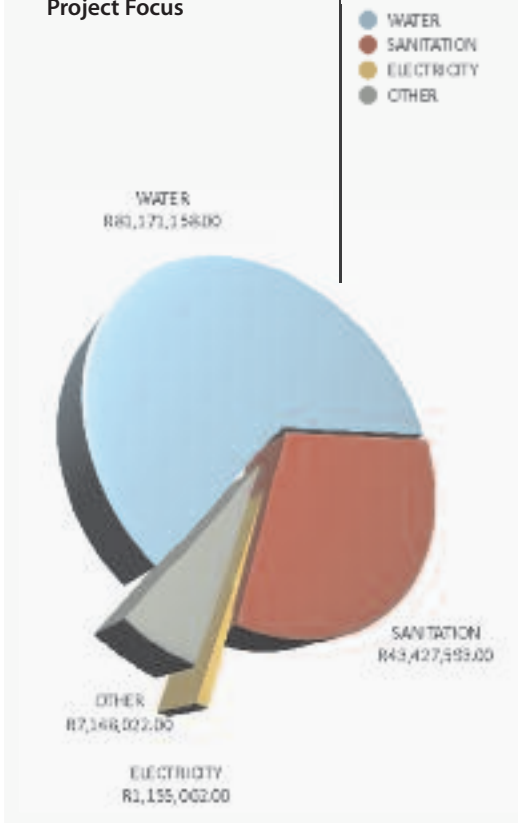
TABLE 6: Budget Allocation per Local Municipality

MUNICIPALITY	2008/2009 Total
Albert Luthuli	R 16 129 621
Msukaligwa	R 13 403 191
Govan Mbeki	R 20 289 686
Mkhondo	R 22 690 572
Lekwa	R 15 580 797
Dipaleseng	R 23 250 926
Pixley Ka Seme	R 21 557 042
GSDM (W & S to Schools)	R 3 198 548
TOTAL	R 136 100 383

Budget Per Municipality



Project Focus



In total 84 projects were identified, excluding the Water & Sanitation for Schools project in the whole GSDM region, and implemented during the year under review and consists of the following types of projects:

	WATER	SANITATION	ELECTRICITY	OTHER	TOTAL
Budget	R 81,171,158	R 43,427,593	R 1,155,062	R 7,148,022	R 132,901,835
Amount of projects	47	31	1	5	84
% of Budget	61	33	1	5	100

● Water

Water-related projects could be classified as upgrading of water schemes, extension of water reticulations, installation of water meters, bulk water pipelines and installations of hand pumps. An amount of R81,171,158 was put aside in respect of these projects of which R 78,434,726 had been spent representing a 97% expenditure of the budgeted amount.

● Sanitation

Projects identified for sanitation include the upgrading of bulk sewerage treatment plants, the eradication of bucket systems, upgrading of sewer networks, bulk sewer reticulation and construction of VIP toilets.

The District will continue to invest in these projects until the dignity of the communities is restored. An amount of R 43,427,593 was provided for sanitation in the budget of which R 43,033,996 had been spent representing a 99% expenditure of the budgeted amount.

● Electricity

This project aim to provide “Bulk Electricity” to the new Gert Sibande District Municipality’s building in Ermelo. The total amount of R 1,155,162 as provided in the budget for this project was fully spent.

● Other Projects

Projects classified as ‘Other’ are the servicing of loans as well as the construction of Community Halls. An amount of R 7,148,022 was put aside for such projects and 96% of the allocated budget was spent towards their implementation.

● Water and Sanitation for Schools

The water services division of the GSDM has been appointed by the Department of Water Affairs and Forestry for the implementation of the Water and Sanitation to Schools programme for identified schools within the GSDM area. The goal of the Municipality was to provide water to 26 schools and sanitation to 9 schools within the District.

SUMMARY - 2008/2009 BUDGET / EXPENDITURE PER SERVICE (Direct allocations)

		WATER	SANITATION	ELECTRICITY	OTHER	TOTAL
ALBERT LUTHULI	Budget	15,231,850	897,771	0	0	16,129,621
	Expenditure	13,682,290	773,956	0	0	14,456,246
	% Expenditure	90%	86%	0%	0%	90%
MSUKALIGWA	Budget	5,151,221	7,096,908	1,155,062	0	13,403,191
	Expenditure	5,061,756	6,768,078	1,155,062	0	12,984,896
	% Expenditure	98%	95%	100%	0%	97%
GOVAN MBEKI	Budget	993,712	18,074,041	0	1,221,933	20,289,686
	Expenditure	993,712	18,450,575	0	1,221,933	20,666,220
	% Expenditure	100%	102%	0%	100%	102%
MKHONDO	Budget	11,721,946	7,404,171	0	3,564,455	22,690,572
	Expenditure	11,679,281	7,626,949	0	3,562,385	22,868,614
	% Expenditure	100%	103%	0%	100%	101%
LEKWA	Budget	10,510,474	5,070,323	0	0	15,580,797
	Expenditure	9,235,825	4,863,636	0	0	14,099,461
	% Expenditure	88%	96%	0%	0%	90%
DIPALESENG	Budget	19,889,292	1,000,000	0	2,361,634	23,250,926
	Expenditure	20,493,343	949,923	0	2,052,632	23,495,898
	% Expenditure	103%	95%	0%	87%	101%
PIXLEY KA SEME	Budget	17,672,663	3,884,379	0	0	21,557,042
	Expenditure	17,288,520	3,600,879	0	0	20,889,399
	% Expenditure	98%	93%	0%	0%	97%
GRAND TOTALS	Budget	81,171,158	43,427,593	1,155,062	7,148,022	132,901,835
	Expenditure	78,434,726	43,033,996	1,155,062	6,836,950	129,460,734
	% Expenditure	97%	99%	100%	96%	97%

The GSDM progressed well with this programme considering the appointment date of 11 August 2008 and the challenge of receiving authority to work on private property on which the schools have been located. By 12 December 2008, the GSDM had awarded all the contracts for the provisioning of water and one project for the provisioning of sanitation.

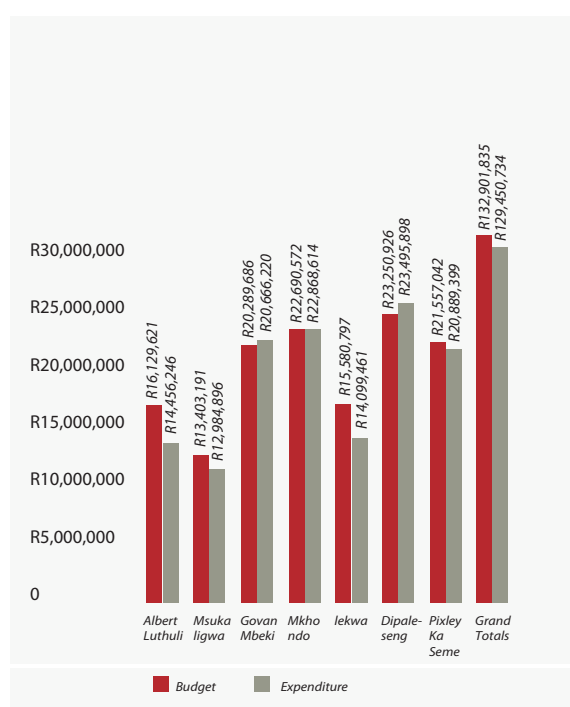
An amount of R 3 198 548 was budgeted for this programme of which an amount of R 2 619 628 had been spent representing a 82% expenditure of the budgeted amount during the year under review.

EPWP

GSDM committed itself to creating at least six hundred (600) job opportunities for the local community under the principles of Expanded Public Works Programme. (Of which) In terms of the EPWP Guidelines and in the case of the GSDM commitment

- 30% (180) of the jobs should be allocated to woman,
- 40% (240) to youth and
- 2% (12) to disabled people.

SUMMARY - 2008/2009 BUDGET / EXPENDITURE ON PROJECTS (Direct allocations)



In striving to create job opportunities, reduce poverty and develop skills among our communities, 20 projects were approved to be implemented through labour intensive methods for the 2008/2009 financial year. A total of 603 job opportunities were created, of which

- 384 youth,
- 227 women and
- 15 disabled people benefited.

All the targets were therefore exceeded as set in the beginning of the financial year.

A total of 300 people received soft skills training on Personal Finance and HIV/Aids Awareness. Informal training was rendered on site to labourers on all the EPWP projects.

A challenge was that the implementation of the second phase of the EPWP required more capacity and resources.

● **BBBEE**

103 projects were approved by the BAC in compliance with the BBBEE prescripts as contained in the GSDM SCM Policy and PPPFA (Act 5 of 2000) during the 2008/09 financial year.

INDIRECT ALLOCATION TO LOCAL MUNICIPALITIES

● **Regional Sports Stadium**

The District has a challenge in terms of sub-standard Sports Facilities which in most cases do not meet the minimum standards for the various national sports codes.

The following key issues have been identified with regards to Sports Facilities

- Addressing the substandard nature of sports facilities
- Upgrading and developing at least one sports facility in the District into a regional sports complex.
- Upgrading six other facilities to meet the standards acceptable for the various national sport codes including 2010 soccer games.

Objectives

- To evaluate the conditions / capacity of at least 7 sports facilities within the District (one per Local Municipality)
- To upgrade at least one sports facility per Local Municipality to acceptable standard for the various sporting codes.
- To develop at least one Sports facility in the District into a regional sports complex.



Strategies

- Commission an evaluation/investigation on the condition of nominated sports facilities
- Upgrade evaluated facilities as per recommendations
- Developing/upgrade one facility into a regional sports complex.

Outcomes

The first phase of the project was to embark on the identification and evaluation (including costing) of all identified facilities in the District. The process involved consulting the concerned communities in selecting a facility of their choice. This phase was successfully done and 7 facilities were identified, evaluated and costed and all 7 reports in this regard were approved by the municipalities. These reports are useful tools of sourcing the required funding and the next phase which is the actual implementation of the recommendations can be executed as and when funding becomes available.

The report on identification and costing of the Sport Facilities under discussion were forwarded to the respective Local Municipalities for their consideration and implementation where applicable.

An amount of R 387,586 was provided in the budget for this project and 100% of the funds were spent.

● **Graveyards**

The District has a challenge in terms of the unacceptable conditions of its cemeteries. Some are likely to reach the end of their useful lifespan sooner or later while others are in



unacceptable state due to lack of maintenance, grass cutting, fencing, road paving, ablution facilities etc.

The following key issues with regard to cemeteries have been identified

- Addressing the poor condition of cemeteries and possible improvements thereto
- Addressing capacity issue of cemeteries reaching full capacity.

Objectives

- To commission and finalize an in depth investigation of conditions of cemeteries
- To commission and finalize an investigation into the capacity of current cemeteries
- To effect necessary improvements as per the recommendations emanating from the commissioned investigations above.

Strategies

- Engaging consultants / service providers to initiate and finalize investigation into the conditions and capacities of all cemeteries within the Gert Sibande District Municipalities
- Effect within current budget constraints all reasonable improvements to cemeteries as recommended.
- Where necessary initiate the planning and development of new facilities as needed.

Outcomes

The first phase of the project was to embark on the identification and evaluation (including costing) of all identified facilities in the District. The process involved both

primary and secondary research on the location and condition of all the facilities in the 7 Local Municipalities. This phase was successfully done and more than 92 facilities were identified, evaluated and costed. Reports in this regard were approved and adopted by Council. These reports are useful tools of sourcing the required funding and the next phase which is the actual implementation of the recommendations can be executed as and when funding becomes available.

For this purpose an amount of R 106,000 was provided which was 100% spent by the end of the financial year.

● Regional Refuse Dump site

The District is facing severe challenges with regard to permitted and unrehabilitated land fill sites which are threatened by ever shrinking air space due to increased waste generation owing from increased economic activity and urbanization coupled with mounting operating costs obsolete equipment and staff shortages.

The following key issues have been identified with regard to waste management

- Unpermitted & illegal land fill sites
- Increase in waste generation with no sufficient corresponding planning of future sites
- Unmaintained land fill sites
- Use of old and obsolete equipment that frequently break down
- Increased maintenance costs
- Insufficient skilled personnel to adequately man the waste management sections of the municipality
- Unresponsive IWMP to deal with real issues on the ground
- Existence of some sections of the community not receiving waste collection service

Objectives

- To ensure the permitting of all unpermitted landfill sites in the district
- To ensure reasonable rehabilitation and maintenance of all existing landfill sites in the district
- Prolong the life span of existing landfill sites
- Improve the quality of equipment used at operated dump sites as well as for transporting waste.
- Increase the capacity and skills of personnel involved in waste management
- Refine the IWM Plan adopted
- Increase the number of households receiving waste collection services
- To ensure safe & health work environment

Strategies

- Fast track the evaluation and permitting of unpermitted sites by joining forces with other role players that have already initiated this process i.e. DWAF & DEAT
- Put in place measures /projects to gradually rehabilitate / maintain all existing landfill sites in the District
- Reduce amount of waste generated by encouraging
 - Recycling
 - Reuse
 - Minimize unnecessary packaging
 - Education & awareness campaigns
- Refurbish / replace aging equipment and adopt planned maintenance strategies for waste transportation fleet.
- Capacitate staff through on the job training and other courses
- Refine the adopted IWMP and have it user friendly or make it a living document rather than a collection of row data.
- Increase resources to be able to increase area of operation
- Ensure protective clothing and health practices in terms of OHS Act
- Plan for the establishment of new facilities.

Outcomes

The adopted IWMP recommended the establishment of new facilities to accommodate the ever increasing waste generated in the District. The first phase of this project was to embark on a feasibility study on the establishment of the first of such facilities as per Council Resolution in that regard. The Ermelo Land fill site in Msukaligwa was identified as the first of such facilities and comprehensive feasibility study was commissioned and finalized pending the approval of an Environmental Impact Assessment Report in that regard.

A parallel process to finalize the design and procurement of contractor to implement the first phase of the project is ongoing and is on target to take off in the 2009\10 financial year. An amount of R 2,312,750 was put aside for this project which was fully spent by the end of the financial year.

● Upgrade Bulk Water & Sewer Reports

The sourcing and indexing of all as-built drawings of water services infrastructure for all GSDM municipalities;

The GSDM embarked upon a project to collect all the available infrastructural drawings on water services infrastructure throughout the GSDM area. Drawings were collected in hard copy and soft copies of water and sanitation reticulations and bulk services from municipalities, consultants and other sources and were captured into an indexing system derived by the GSDM.

All these drawings are available at the GSDM offices of the water services division. It again must be noted that this system is a live system that is continuously been updated and populated with new drawings.

The electronic copies of the drawings have been provided to the municipalities that requested the information however this did not include all the drawings as some drawings are only in hard copy.

On the availability of funding, all the drawings that have been collected, an approximate number of 1260, will be scanned into an electronic format and provided to the GSDM municipalities.

The collection of the information was not solely collected for record purposes but the vision is to be able to capture the reticulations into a modeling software programme and into the geographical information system (GIS) National. This project is currently 65% completed, utilizing all the electronic drawings that we were able to obtain.

This will assist the municipality in the planning for future extensions and the performance of water conservation and demand management strategies and projects.

The update and review of 5 of 7 municipalities Water Services Development Plans (WSDP's) and the integration of 7 municipalities WSDP's into a District Integrated Water Services Development Plan;

The following Municipalities officially requested assistance from the GSDM to assist them with the reviewing and updating of their current WSDP's namely: Dipaleseng, Lekwa, Mkhondo, Msukaligwa and Pixley ka Seme Local Municipalities. The contract included the review and update of these municipalities WSDP's and the integration of all 7 municipalities WSDP's into one District WSDP.

As per the implementation programme, the consultants have been collecting and interrogating information gathered from the local municipalities and writing up the various chapters of the WSDP's. The data capturing should have been completed by the end of March but to date not all the information has been received from some municipalities as requested. This has caused a delay in the programme and it has been indicated by the appointed Consultant can no longer keep to the initial programme set in terms of their project execution plan.

The date set for the completion of WSDP's and the provision of a final draft is the end of July 2009, after which the WSDP's will have to be sent to the municipalities Portfolio Committees prior to starting the public participation process and then the adoption of the completed WSDP's by the various councils.

The investigations and compilation of a ground water database of boreholes and associated infrastructure within the GSDM area including the verification of such infrastructure for each municipality;

The GSDM embarked on this project towards the end of the 2008/09 financial year where a tender process was followed and a well experienced consultancy consortium appointed to implement the project.

The scope of work includes the sourcing and consolidation of all borehole information from various sources for boreholes within the GSDM area. The information is being collected from all government sector departments, consultants and other relevant service providers that have performed work within the GSDM area. After collection of the borehole locations and data, the boreholes must be inspected and relevant data pertaining to infrastructure captured. Boreholes with a yield of 300 l/hr and above are being inspected for infrastructure. All the information will be submitted in electronic format utilizing the GSDM format as provided in the tender document and in a GIS format for inclusion into the GSDM GIS system.

This information will again assist in future planning and not to duplicate the drilling of boreholes in areas where they already exist. This survey will also identify boreholes that were not constructed correctly and where refurbishment or improved maintenance programmes are required.

To date approximately 2000 boreholes have been identified and the information captured. A further 6783 borehole information which is contained in the National Ground Water Database (NGDB) have also been provided to the GSDM, however this information will have to be verified at a later stage due to the location of the boreholes been estimated and not of a good accuracy. As this information has to be verified it will not be added to the GSDM database at this stage.

All this information will be made available to the GSDM municipalities and it is requested that on conclusion of this project, that the information for all new boreholes that will be drilled after this project, be forwarded to the GSDM water



services division so as to continuously update the database. In total an amount of R 3,000,000 was provided in the budget for the above-mentioned activities related to this field and this amount was spent in full.

● **Bursary Scheme**

The GSDM is still committed to enhance professional skills of students from disadvantaged communities and also include students from the deep rural areas in the district. This proved to be highly successful as 7 university and university of technology students finished their studies at the end of 2008 and entered the labour market as graduates in the fields of Finance, Civil Engineering and Agriculture.

Other fields of study in the less professional environment includes Agriculture, Catering, Traffic and basic engineering skills in the building industry;

A total amount of R 2 450 000 was made available for this in the 2008/09 Financial Year and a total of 95% of these funds were spent allowing 75 students training in the different fields.

As part of the capacity building R630-000 was set aside for this initiative. Fourteen councilors including eight Members of Mayoral Committee and six directly elected councilors enrolled for Certificate Programme in Management Development for Municipal Finance. The programme is offered by Wits University. This programme is due for completion in January 2010.

● **GIS and Data Cleansing**

The progress for this project was mainly in the field data capture process with the data sourced during the previous financial year. The collected data is incorporated to a meaningful basemap that is then used by the field data capture staff. Field data capture staff collect the data required for establishing which services is being supplied to which properties and by whom.

Five interns were appointed and they received training in the Arc ESRI suite of software in Midrand and after a short induction in Witbank, they have been incorporated to the field data capture process, on the ground in the various local municipalities.

The financial data from the Sebata system currently in use at the Albert Luthuli, Govan Mbeki and Pixley ka Seme municipalities caused some problems but after a joint effort

by the GIS consultant Utility Information Systems (UIS) and the Sebata staff, a process was put in place to ensure that the data from the financial system is available to the GIS on a continual basis.

The physical capture of field data started in Albert Luthuli Municipality. The choice of this local municipality as the starting point proved correct as the diversity of town establishment within the RSA and the then TBVC states proved a challenge and would thus require varied processes and procedures from other areas where the establishment was uniform.

The field data capture process focused specifically on properties for which the municipality generates accounts. This will help to provide accurate information to the Municipality whereby we can determine whether accounts are sent to correct, incorrect or vacant, un-serviced stand and where the backlogs are still found in these towns.

Once the first phase of this process was completed in Albert Luthuli, the UIS team moved to Govan Mbeki Municipality. The process described above for Albert Luthuli was used again to train a local workforce. Completion should be achieved in the first quarter of 2009/2010 financial year. The process will be then cascaded to the other remaining Local Municipalities.

● **Information Technology**

The staff compliment in this field has grown to include three (3) technicians and one (1) intern. This has helped to accommodate the staff growth of the district office, bringing the ratio of approximately 30 users per technician.

The office backbone has been upgraded with 1000 base fibre cable to ensure through-put between users and the servers.

The server room has been re-configured and all data storage is done through a storage area network (SAN), with a capacity of eight (8) Terabyte. This will ensure operational continuity in the future and with the upgrading of a tape library (LTO) during the 2008/2009 financial year ensures that backups are done as required.

Compliance with the Auditor General's requirements has been high on the agenda. The network and data security received attention through the addition of software to enhance this critical area of operations.

● **Co-ordination of HIV and AIDS**

District HIV and AIDS Council has been revived. The HIV and AIDS Strategic Plan for the District will be presented to Council during the second quarter of 2009/2010. Home Base Care Kits were distributed to some Home Base Care Centers during a Mayoral Imbizo in Piet Retief (Mkhondo Local Municipality)

Christmas hampers were bought for Volunteers at a Home Based Care Centre at Embalenhle. The purpose was to encourage and show appreciation for the sterling work by the volunteers. The District hosted a very successful HIV and AIDS Summit on the 28 and 29 of May 2009 at Ermelo. It was well represented including young people. The focus was on GSDM HIV & AIDS Status, the role of Political Office bearers and finalization of the GSDM HIV & AIDS strategic plan. A district Home Based Care Forum has been formed.

In conjunction with GTZ About twenty HIV and AIDS Coordinators and Task team leaders from the District received three months training on Operational Management of HIV & AIDS program.

Recommendations and focus areas

There is a need for full time HIV and AIDS Coordinators in most of the Municipalities in the District in order to promote continuity and sustainability of the program.

The District has the highest rate of HIV and AIDS in the province. This calls for more effort in fighting the epidemic.

There is an urgent need for the approval and Implementation of the District HIV and AIDS. It is also important to strengthen campaigns and support to Home based care projects.

● **People with Disabilities**

Gert Sibande District Municipality in partnership with the Department of Health and Social Development, SA Federation for Mental Health, The Local Municipalities, SASOL, NGO's and other Stakeholders hosted a well represented and successful District Disability Campaign on the 21st of November 2008 at Lillian Ngoyi Stadium. Two thousand [2000] People with Disabilities attended the event.

The objectives of the event were as follows:

Actively participate and promote service delivery to people with disabilities

- Promote Sport and Cultural activities across disabilities
- Hand out supportive devices
- Acknowledge performance and participation with certification and trophies.
- Celebrate the International Day of People with Disabilities.
- Wheelchairs and Hearing Aids were distributed to physically disabled people and to the deaf community respectively. People with disabilities competed in a number of sporting codes. Councilors also took part in the Wheelchair race.
- Key stakeholders gave messages of support on services to people with disabilities.
- There is partnership with Mpumalanga IEC regarding services and plans for people with disabilities.
- A District Disability forum was elected during June 2009. All seven [7] Local Municipalities are represented on the forum.

Recommendation and focus areas

Community awareness, support to deaf and blind communities.



● Mayoral Excellence Awards

The GSDM has for the third year in succession hosted a successful 2009 Mayoral Excellence Awards in Msukaligwa Local Municipality. Prizes and Trophies were awarded to the best performing Municipality. The event was a resounding success.

The categories for the awards Included: Best Customer Services, Cleanest Town Competition and the Mayoral Cup included Soccer [Males and Females], Netball, Basket ball [Males &Females], Volley Ball [Males &Females], Rugby [Males &Females], Table Tennis [Males & Females]'Kgadi, Dibeke, Morabaraba, Choral Music and Traditional Dance.

Hereunder are the objectives of the Mayoral Excellence Awards

- To identify and reward local municipalities which are making a meaningful contribution towards improving the lives of the people.
- To seek to identify good practices and to facilitate shared learning amongst Municipalities in the district.
- To afford local municipalities an opportunity to expose their capacities, shortcomings and to harvest and share best practices.
- To encourage the Youth of Gert Sibande District to participate in Sports, Arts and Culture.
- To identify and promote talent amongst young people.
- To promote partnerships with all relevant stakeholders in sports, arts and culture.

● Sports, Art and Culture

The District undertook a study tour to KZN Kwanaloga Games with players, Municipal officials and Councilors. The aim was to learn best practices. The District then hosted the third annual Mayoral Cup [Inter- Municipal] games. The Inter-Municipal Mayoral Cup games were successfully held on the 30th of May 2009.

The District participated in the Provincial SALGA games that were held in Kinross under Govan Mbeki Municipality. Two camps were held for the participants. Sporting clothes/attires were provided to the participants.

The District participated in the following codes: Soccer, Netball, Basket ball, Rugby and Volley ball. Most of our players were selected to form part of the Provincial squad which represented the province at the inter-provincial games.

Gert Sibande won in the following codes:

- First on Netball and Basket ball for Females;



School children in our municipality are educated on hygienic use of their new ablution facility at the Modderbuilt Primary School in Dipaleseng Local Municipality.



Children enjoying a game of soccer in a public park after school in Morgenzon.

- Second on Volleyball [Females & males], Basketball Males & Soccer females;
- Third Rugby Males & Soccer males,

Recommendation and Focus areas

To develop a policy for the district in order to ensure effectiveness and sustainability of Sports, Art and Culture. Greater involvement of the business sector and Federations is encouraged. Implementation of the learning Experience through the study tour is also vital.

● Youth Development

A draft youth policy has been developed. Further consultation will be taking place with the Youth and relevant stakeholders during the next financial year 2009/2010, especially in view of the merging of SAYC, MYC and UYF and the formation of the Youth Agency.

- The District assisted the Youth through the Local Municipalities for the participation in the Celebration of the



Contractors on the final building stage of a new disaster management centre for Dipaleseng Local Municipality. The facility will include the latest communications hardware to manage the 9111 emergency call centre and the necessary accommodation for 24/7 personal.

Provincial Youth Day that was held at Ehlanzeni District Municipality.

Recommendation and Focus areas

- Integration of Youth programs in the district by all service providers and Stakeholders in the District. To finalize the Youth policy
- To establish a District youth Council which would advise on youth programs and activities?
- To capacitate and promote Job Opportunities for the Youth.

Children's Rights

- In partnership with the office of the Premier, the District hosted the National Children's Day in Dipaleseng Local Municipality on the 1st of November 2008.
- GSDM participated in the sixteen [16] Days of Activism against Women and Child Abuse.

Recommendation and Focus Areas

To promote and uphold the rights of children in the District.

● Disaster Management

Disaster Policy Framework was developed and presented to Council. Public consultation workshops on Framework were conducted in all seven [7] Local Municipalities in the District.

- Phase 1: Risk Assessment. Community based Hazard Identification and Risk Assessment was conducted in the seven Local Municipalities.
- Phase 2: Risk Assessment. Capacity assessment for Disaster Management, Fire & Rescue Services of all 7 LM's in the District.
- Training of officials in Community Based Risk Assessment, Risk Reduction & Contingency Planning from all 7 LM's.
- Two mass Disaster Awareness Campaigns conducted in Lekwa and Msukaligwa Local Municipalities.
- Proactively assisted and participated in the management of safety, security and prevention of any disaster in all public functions held in the District

Disasters that were experienced in the Gert Sibande District Municipality during the year 2008/2009 in our area:

DISASTER TYPE	INTERVENTION
Diarrhea and Cholera	Coordinate relevant stakeholders including health department to check the quality water and provide awareness education campaign for how to use safe water. The technical department to rectify the sewer and water pipelines.
Storm & Shack Fires	Provide humanitarian relief in form of blankets, food parcels and tents as temporary shelter.
Veld Fires	Trained 25 disaster volunteers to the level of junior fire fighters. Coordinate other departments (Agriculture and Forestry) to assist with the affected animals.
Uprising at Seme LM	Coordinate law enforcers and fire fighters to manage the protesters as well as minimizing the damages.

● Equipments and Infrastructure

- Three Satellites Disaster Management Centres are being constructed in Mkhondo, Dipaleseng & Albert Luthuli Municipality Respectively.
- Two Rapid Response Vehicles were Procured
- High Pressure Suction Unit Pump with Hoses and Couplings
- Structural Fire Fighting Uniform, Advance Grass Fire Suits & Station Uniforms for on duty Volunteers in LM's
- Blankets and Tents procured for relief purposes

Recommendation and Focus Areas

- To speed up the development of Fire & Rescue Services for some of the LM's.
- To build capacity and operational response & preparedness in order to respond effectively to disasters.
- To ensure that Disaster advisory Forum is well represented and operational.
- Adoption and Implementation of the Disaster Framework Policy.

● Capacity Building and Community Participation

Chapter 4 of the Systems Act, 32 of 2000 makes provision for the communities to take part in the affairs of the municipality. The district has engaged the seven local municipalities and the communities through Integrated Development Planning consultation programmes, Budget consultation processes, Izimbizo, Moral Regeneration Programmes, Project Steering Committee meetings and Public health bylaw's.

● Integrated Development Planning

This process is aimed at achieving the vision and long term developmental goals of the municipality. Adhering to this process the district held seven public participation meetings within the district. These were held simultaneously with the Budget Consultation Programme. Communities are engaged on District Municipal Plan and are encouraged to input on it. Above all the sector departments are involved to ensure proper and non duplication of activities. The IDP Consultative Meetings which includes IDP Representative Forum, IDP Technical Meeting, IDP Steering committee and IDP MANCOM, took place as per schedule.

● Izimbizo

Izimbizo have been used as an opportunity to consult more with the entire community of the district. In the process an opportunity for the non mediated communication between political leadership and the community is given. The communication's section together with Public Participation Unit record all concerns and issues raised by the community. This then assist the District for its future planning and interventions. During the Izimbizo, the District used the opportunity to unveil road maintenance equipment given to each Local Municipality. This programme started in the year 2007/2008 where road maintenance machinery and fire fighting vehicles were given to individual Municipalities.

The Izimbizo for the year 2008/2009 were held as follows.

DATE	MUNICIPALITY	VENUE	ESTIMATED ATTENDANCE
25-Oct-08	Dipaleseng Municipality	Siyathemba Stadium	5 000 people
23-May-09	Mkhondo	Mandla Magudulela	9 000 people



Builders on the new community hall at Greylingstad in the Dipaleseng Local Municipality. A 500m² facility planned for completion in May 2010. The second phase of the project will include a childrens play-ground within the secure perimeter of the facility.

The equipment delivered to municipalities during the above Izimbizo is listed below:

CONSTRUCTION VEHICLE AND EQUIPMENTS REPORT							
MAKE	DESCRIPTION	VEHICLE REG	VIN	I/EXPIRY	ALLOCATED	AGREEMENT SIGNED	
						YES	NO
<i>Water Carts (Tankers)</i>							
Nissan	Tanker	DYP 878 MP	ADD1300000002443	30/11/2009	Mkhondo	√	
Nissan	Tanker	DYP 879 MP	ADD1300000002427	30/11/2009	Albert Luthuli		√
Nissan	Tanker	DYP 879 MP	ADD1300000002442	30/11/2009	Govan Mbeki	√	
Nissan	Tanker	DYP 887 MP	ADD1300000002441	30/11/2009	Dipaleseng	√	
Nissan	Tanker	DYP 891 MP	ADD1300000002429	30/11/2009	Msukaligwa	√	
Nissan	Tanker	DYP 885 MP	ADD1300000002468	30/11/2009	Pixley Ka Seme	√	
Nissan	Tanker	DYP 893 MP	ADD1300000002430	30/11/2009	Lekwa	√	
<i>Pad Foot Roller</i>							
Bomag	Compaction Roller	DXB 457 MP	1.01582E+11	31/07/2010	Mkhondo	√	
Bomag	Compaction Toller	DXB 452 MP	1.01582E+11	31/07/2010	Albert Luthuli		√
Bomag	Compaction Toller	DXB 441 MP	1.01582E+11	31/07/2010	Govan Mbeki	√	
Bomag	Compaction Toller	DXB 459 MP	1.01582E+11	31/07/2010	Dipaleseng	√	
<i>Number of Construction Vehicles(Tippers and Tankers)</i>							

Budget Processes

Budget Consultative Meeting for the year 2008/2009 were held as follows:

MUNICIPALITY	DATES	VENUE	MUNICIPALITY	DATES	VENUE
Albert Luthuli	02-Apr-09	Town Hall Caroline	Mkhondo	19-Mar	Town Hall Piet Retief
Dipaleseng	11-Mar-09	Town Hall Balfour	Msukaligwa	26-Mar	Ella De Bruin
Govan Mbeki	08-Apr-09	Lebohang Community Hall	Pixley ka Seme	18-Apr-09	Zamokuhle Hall
Lekwa	12-Mar-09	Morgenzon School			



Idp Processes

IDP Representative Forums were held as follows:

DATE
24-Mar-08
30-Jul-08
7 April 2009

● Moral Regeneration

Moral regeneration is a process whereby activities are undertaken to encourage the communities to carry their day to day activities with consideration of morals. All moral regeneration structures within the district have held prayer meeting within their locals. Part of moral regeneration programmes included school visits together with Ikwekwezi FM, as well as adoption of positive values outlined by Moral Regeneration National Office. The commemoration of the adoption of positive values was held in Waterkloof airbase in Pretoria and the district was well represented. Furthermore, our year end moral regeneration festival was held in Ermelo on 31 December 2008 and it was well attended by all municipalities. This festival was an overwhelming success, where we were in partnership with Provincial department of Sports, Arts and Culture.

● Women Caucus

This programme is aimed at advancing gender equality between men and women within our societies. Part of this programme deals with women empowerment within the various sectors of the societies. It was noted that women were the most disadvantaged and relevant structures were created in order to capacitate them. The district has embarked on the establishment and affiliated on the following women structures:

- District Women's Forum
- Provincial women's Forum

Consultation on Public Health BY LAW'S took place as follows

MUNICIPALITY		
	Elukwatini	26/06/2009
Albert Luthuli	Oshoek	29/06/2009
	Mayflower community hall	13/07/2009
Dipaleseng	Greylingstad	23/06/2009
Govan Mbeki	Lilian Ngoyi	22/06/2009
	Leandra	30/06/2009
Lekwa	Holomdene	22/06/2009

Consultation on Public Health BY LAW'S took place as follows (Continued)

MUNICIPALITY	VENUE	DATES
Mkhondo	Ethandukukhanya	Postponed to the next financial year
	Driefontein	
	Comondalr	
Msukaligwa	Thuthukani hall	25/06/2009
Pixley ka Seme	Daggakraal	17/07/2009

● Communication and Promotion of the District

The communication unit of the District has continued successfully with its implementation of the Action Plan for the year 2008/2009. The main focus has been to encourage continuous community engagements with the District Municipal principals. It has also successfully assisted the Public Participation unit in the organizing of the Izimbizo and other community outreach programme where in some cases an estimated eight thousand people have made it to one community gathering.

Furthermore the quarterly newsletter "The Insight" has continuously assisted the council in interacting with communities on matters of developments and service delivery. This newsletter has increased the level of interest on matters of Local Governance by the community.

The District Communication Unit also played a role assisting the Pixley Ka Seme Local Municipality in developing the Crisis Communication Strategy during the community unrest in the area with the aim of intensifying stakeholder relations.

Our efforts in striving to excel on Good Governance has resulted in the Communication Unit of the Gert Sibande District Municipality being awarded a top accolade by SALGA Mpumalanga as a best District on matters of Local Government Communication for the third year consecutively.

It has been on this spirit that the District was requested by the then Mpumalanga Local Government Department now known as Cooperative Governance and Traditional Affairs Department to assist and share experiences with the other Districts within Mpumalanga on Communication Matters.

An amount of R2, 5 million was set aside in the 2008/2009 budget to facilitate matters of communication and promotion of the District. 100% expenditure was achieved.

● Batho Pele

The District embraces the Batho Pele Principles in its mission. The District has launched the Batho Pele "People First" in order to promote service excellence in the public sector and encourage the community to expect excellent service from the District.

The GSDM staff signed a pledge committing them to serve the colleagues and community members with diligent, dignity and respect without prejudice and discrimination guided by the principles of Batho Pele and through the motivated and dedicated team effort. Also the Batho Pele forum was established and in collaboration with the Office of the Premier we are in the process of establishing the District Batho Pele Forum.

The District Executive Mayor through the Mayoral Programme of recognizing excellence acknowledged the staff of the Gert Sibande District Municipality for displaying ability and initiative to perform and deliver consistent good work and categories used were long service and best social employee.

● Gert Sibande Special Project – Heritage Road Project GSDM 48/2008 – Gert Sibande Heritage Road in Emzinoni at Govan Mbeki Municipality.

This project involved construction of a paved road as part of the GSDM Heritage Project in Upgrading the Gert Sibande house and nearby environment.

The Council approved an amount of R 2,461,455 for the project which allows for the Upgrading of the Heritage road in Govan Mbeki Local Municipality within the 2008/2009 financial year. An amount of R 2,598,483 or 106% of the budget was spent on this project.

Scope Of Work

The scope of the work is as follows:-

- Site and plant establishment
- Clear and grub area including trees
- Excavation
- Construction of Heritage Road according to specification
- Finishing off and cleaning of site

● Capital Items

In order to enhance service delivery at various local municipalities, during the past financial year the District introduced a programme of procuring heavy equipment

and/or industrial vehicles. The District furthermore embarked on two projects relating to the quality of water and the establishment of office space central to the Gert Sibande District Municipality area of jurisdiction. The following categories were implemented:

● Construction Equipment & Vehicles

Purchasing Of Seven Water Carts

The District Municipality through its mandate for Local municipalities support, procured Seven, 10 Thousand Litter water cart in 2008 to be utilized for Roads Construction and Maintenance. The Water carts were procured through open tender process carried out in accordance with the normal supply chain management policy of the Gert Sibande District Municipality during the 2008/2009 financial year.

The Seven water carts were allocated to the Local Municipalities during from October 2008. The Municipalities are utilizing the vehicles for Roads Construction and Maintenance. It must be noted that the manner in which the truck were signed, it's also caters for Water delivery to the needy Communities if need arises, hence some Local Municipalities are utilizing it for such

An amount of R 5 343 212 was used in providing these vehicles to the different Local Municipalities.



● Construction of a Regional Water Quality Testing Laboratory

"If you do not measure you cannot manage" is a well established resource management principle. The management of drinking water quality, waste water quality as well as related water treatment process control, infrastructure and resources is no exception.

Provision for the measurement of "quality" is made in the Section 9(1) of the Water Service Act No. 108 of 1997 for compulsory national standards for water services provision and the quality of water taken from or discharged into any water services or water resource system. These provisions are provided for in the Compulsory National Standards, Regulations under the Water Services Act, 1997 (Act 108 of 1997), (Compulsory National Standards (Section 9(1)) Potable Water) and are as follows:

- A Water Services Authority must have a suitable programme for sampling the quality of potable water, specifying points for sampling, the frequency and for which substances and determinants the water will be tested. The SANS 241: Specifications for Drinking Water need to be complied with.
- The effluent discharges from the sewage treatment works must be tested and the results must fall within the allowable limits for effluent discharges as stated in Section 3.7 and table 3.2 of the GENERAL AUTHORISATIONS IN TERMS OF SECTION 39 OF THE NATIONAL WATER ACT, 1998 (ACT NO. 36 OF 1998)
- These regulations set the standards of service, which are in fact the quality standards of services. It further puts emphasis on the controls of a system through which industrial effluent is disposed off. Most of these activities cannot be done without sample testing and these demonstrate the necessity for the laboratory and testing facilities to be accessible to the Water Services Authorities as the tool to fulfill the obligation as required by this Act.

At present all the Local Municipalities in the Gert Sibande District Municipality are supplying water to their respective areas. Although each one of these Water Supply Institutions functions autonomously, they cannot afford the financial requirements in terms of monitoring the quality of drinking and waste water. Currently there is also no accredited laboratory for water quality testing in the region.

In an attempt to assist, GSDM is establishing a District Water Quality Laboratory Facility whereby the GSDM envisages eradicating the challenge of poor water quality supply to the entire District. This will be achieved by being able to measure quality and taking process decision to correct the water quality.

The Contract for the construction of the water quality testing laboratory is currently 85% complete with the construction of the laboratory building located in Ermelo. Phases 2 & 3 of the

project have recently been awarded for the earthworks, road and boundary wall with the construction progress being 25% complete. The construction is planned to be completed by the end of December 2009.

In view of the above, and during May 2009, a tender for the supply, installation and commission of instruments was issued. During June 2009 the bids received were evaluated and adjudicated.

The GSDM has also appointed a Head of Scientific Services who is currently working with Mhlathuze Water in terms of the Memorandum of Agreement as previously alluded to. It is anticipated that the laboratory will be operational by January 2010.

The amount spent on this project for the financial year under review was R 6,625,758.

● **New Office Complex & Alterations**

Project GSDM 63(F)/2008 – Construction of New Office Building – North Eastern Site Main Council Building – Site 1 – Msukaligwa Municipality

Scope Of Work

This project aims to provide office accommodation to Gert Sibande District Municipality by constructing a New Office building in Ermelo. This office will have the capacity to fulfill the needs from a more central position.

This project entails the project which allows for the Management and Implementation of the total Project (Design, tender, implementation/construction and close out phase) of a New Office Complex at Msukaligwa Municipality (Ermelo) that will provide for the following:

Office accommodation for approximately 200 officials (including political and traditional office bearers)

A multi-storey building with appropriate facilities to accommodate-

- Staff
- Storage facilities
- A library
- Committee rooms and Council Chambers with amenities
- Tourism and Information Centre
- Kitchens and refreshment amenities
- Appropriate communication infrastructure

The development should also provide for adequate underground and open parking including public parking facilities.

Project value – +/-R 162 000 000 for phase one.

● **Disaster Centres - Mkhondo, Dipaleseng & Albert Luthuli LM's**

Project GSDM 45 & 46/2008 – Disaster Management Centres in Dipaleseng and Mkhondo Municipalities

Scope of work

These projects entail the Planning of Construction of a New Disaster Management Centres for Mkhondo, Dipaleseng & Albert Luthuli Municipalities respectively. The planning work makes provision for a building of approximately 800m², fully equipped as well as provision for civil and electrical services to the building. Concept layout plans were drawn up and approved in principle by the Municipal Manager regarding the way forward. Project value – +/-R 9 000 000 each

● **Upgrade Bulk Electricity Infrastructure - Msukaligwa LM**

Scope of work

This project aims to increase "Bulk Electricity" supply as demanded by the developing areas where the hospital and the construction to the offices from South African Police Services and the Gert Sibande District Municipality will take place.

The work covered by this contract comprises the complete electrical installation, in working order, as shown on the drawings and as per this specification, including the supply and installation of bulk supply cables and construction of substation building complete.

The contract consists of the installation of a new 185mm², 11kV cable from the 88kV substation, in Msukaligwa Municipality to a new substation to be constructed, under this contract and to extend to the Hospital substation creating a ring feed supply and allocating electricity capacity to the area where it is required.

Included in under this contract is a new switch gear panel to be installed into the existing 88kV substation, together with all required switchgear for the new substation and a outdoor Ring Main Unit, which is to be installed outside the Hospital

Substation, due to the limit of space available.

Project value – R 7 228 733

● **Local Economic Development and Tourism**

LED Strategy Development

The District LED Strategy is in the process of being finalized. It will be tabled to Council during the second quarter 2009/2010 financial year.

Development of a Responsible Tourism Sector Plan

- The District is in the initial phases of developing a GSDM Responsible Tourism Sector Plan. The plan will be completed during the third quarter of 2009/2010.
- Job Opportunities were created through EPWP
- The Municipality has built a car wash and it has created job opportunities for young people.

Development of Cooperatives

- The municipality conducted a pilot project on fourteen [14] Cooperatives. This was precipitated by a market research and cooperatives assessment. Thirteen [13] of the Co-operatives received training on management, business and technical skills.
- From this exercise the District will in partnership with other Stake holders be able roll out appropriate programs that will strive to support and develop cooperatives.

Recommendation and Focus areas

- Despite the fact that there is no LED unit, efforts have been exerted to fast track the development of the District LED Strategy. After adoption the Led Strategy will be implemented.
- In respect of Cooperatives, the district will focus on the recommendations of the service provider as well as its own learning experience during the pilot project.
- District will identify areas where the District can assist the cooperatives to be operational and access the market.

ECONOMICAL GROWTH

Gert Sibande District Municipality subscribe to the national and provincial requirements for economic growth. Although economical growth are in most cases the spin off from entrepreneurship from or project from the community, the private sector and government. The measurements of the direct impact of such entrepreneurs or project that will ensure economical growth are very difficult. The following

projects can be identified that will have a direct and indirect impact on a positive economical growth for the Gert Sibande region:

● **The upgrading of the N2 and N17 to an user friendly National Highway**

The upgrading of the national roads will ensure easier access to the region as well as the establishment of the corridor to the harbors of Richards Bay. The roads will also contribute that neighboring countries of Swaziland will have easier access to the towns within the district. The growing need from these neighboring communities will spin off into opening of new businesses and expansion of existing businesses. These spending will create job opportunities and that in itself will ensure a stable economical growth in the Gert Sibande District.

● **The reopening of the Camden and Grootvlei power stations**

The opening of Camden power station has already contributed positive spin-offs with tremendous effect on the development and economical growth experienced in the housing market as well as the establishment of new business and job opportunities.

Grootvlei power station is expected to have the same effect in the region surrounding the power station and the development will ensure a long-term growth for the next 5 to 10 years.

The establishment and reopening of several mines for provision of coal to the power stations

The new mine and reopening of the mines will provide for new job opportunities for the duration of the lifespan of the power stations. These new job opportunities will help to up lift the poor of the poor and the spending from these new job opportunities will result in a stable economical growth for the region.

● **The establishment of carwash facilities by Gert Sibande District Municipality in Mkhondo Local Municipality and proposed carwashes in Albert Luthuli and Dipaleseng Local Municipalities**

Mkhondo Car Wash

Project Summary:

- (a) Project Cost (08/09) - R2.6M
- (b) Appointed Consultants - Theunissen Jankowitz Architects
- (c) Appointed Contractors - Juvansu Trading Contractors
- (d) Expenditure – 100% (08/09) – Total project complete
- (e) Completion date – March 2009
- (f) Official handover of the project – 23 May 2009
- (g) Other qualitative matters addressing job creation / alleviating of poverty.

The most important achievements of the Mkhondo car wash operations is that this project address the aspect of providing key job opportunities to approximately 20 persons, of which 12 are women thereby addressing the gender aspect. The project also intends to provide the much needed up skilling of the disadvantaged persons who may enhance their management skills. Further GSDM is currently exploring options, legal and otherwise, to ensure that a co –operative may be established which would take over the entire management of the business operations of the car wash. In this regard GSDM is exploring practical methods to ensure that the cooperative may be established within a reasonable time frame.

Further, at the strategic workshop held in July 2009, a resolution was taken that the district should utilize the management / success rate of the Mkhondo business operations as a model for other proposed car wash operations at the Albert Luthuli and Dipaleseng Local Municipalities.





Designs of the proposed new Carwash developments in the two respective Local Municipalities.

● The District Agency by Gert Sibande District Municipality

In an effort to accelerate the economic growth and development of the Gert Sibande District, the Municipality is in the process of establishing a District Economic Growth and Development Agency. It is envisaged that this agency will assist government in its quest to half unemployment by 2014 in Gert Sibande District through amongst others:

- Developing and introducing fresh economic development programs, business and investment opportunities;
- Coordinate and manage economic development initiative and projects;
- Promote and market the commercial, agricultural and industrial potential of the municipal area;
- To change the economic profile of the district from bulk export of commodities and raw materials to local beneficiation and value adding;
- To widen the scope of the economic base by unlocking the district's full potential;
- To grow the economic base by assisting established business and emerging entrepreneurs to access the finance, support and resources.

Following the Economic growth and Summit that was held in August 2006, from which the Economic Growth and Development Strategy was developed, pre feasibility studies were commissioned for a set of key anchor projects. The

value of these studies will form the basis of the catalytic projects to be facilitated by the Agency at the start up.

During the well represented Public Participation meeting of Gert Sibande IDP Review held on the 11 September 2008, a presentation was made regarding the plan to establish the Agency. Gert Sibande District Municipality gained full support and encouragement from the participants.

On 07 October 2008, IDC confirmed the acceptance in writing of SAMLEDA's appointment as the facilitator for the agency for Gert Sibande District Municipality.

All the Local Municipalities in the District have submitted projects for consideration by IDC that would form part of the business plan to be submitted to IDC. There is support and buy-in of the proposed agency by all Local Municipalities in the District.

● The Bio – Diesel plant

Mpumalanga Department of Economic Development and Tourism presented a Bio-fuel Strategy to the District on April 2009 and announced that the communities in Gert Sibande District Municipality will be the main beneficiaries.

Subsequent to this announcement, the District has commenced with a pre-feasibility study on the potential development of a bio- diesel plant in Gert Sibande District.

Unemployment and Poverty rates in GSDM are extremely high and as such the District has the responsibility and mandate in terms of national strategic objectives of ensuring that poverty alleviation, rural development and skill transfer are addressed within its area of operation. The agricultural sector in district is huge and is characterized by products such as grain, sheep, forestry and the mining of coal in various localities. With these resources the District has the potential to develop new enterprises that can contribute to the alleviation of poverty. It is against this background that GSDM has embarked on the Bio- diesel pre-feasibility study.

LAND USE AND SPATIAL STRUCTURE

● The Spatial Development Framework (SDF) Component:

In terms of Chapter 5 of the **Municipal Systems Act (MSA)** which was promulgated in 2000, each local authority in South Africa is required to compile an **Integrated Development Plan** for its area of jurisdiction. More specifically, Section 26 of the Municipal Systems Act outlines the core components of an Integrated Development Plan. One of the core components mentioned (paragraph (e)) entails the formulation of a **Spatial Development Framework (SDF)** by all local authorities (i.e. metropolitan, district and local municipalities). In terms of the Act, a SDF must include / provide basic guidelines for a **Land Use Management System (LUMS)** for the municipality.

Although an IDP is generally considered to be a 5 year plan, which coincides and remains in force according to the MSA until the next elected council adopts an integrated development plan; in terms of Section 34 of the Act, local authorities review their respective IDPs on an annual basis to ensure good governance. Thus, in order to comply with the requirements of the MSA, and to ensure that development does in actual fact take place in an integrated and sustainable manner, the IDPs and SDFs of local authorities have to be aligned to the goals and directives provided by the various existing and **new national, provincial and local guiding documents**. This implies that IDPs and SDFs need to be reviewed on a continual basis to ensure synergy between the three spheres of government – i.e. what happens on local level needs to “fit-in” and “contribute” to both provincial and national development goals and priorities.

Consequently, **in order to incorporate the development directives provided** by new national and provincial policy

documents such as the *National Spatial Development Perspective (NSDP)*, the *Accelerated and Shared Growth Initiative for South Africa (ASGISA)*, the *Integrated Sustainable Rural Development Strategy (ISRDS)*, the *Mpumalanga Rural Development Programme (MRDP)*, the *Mpumalanga Provincial Growth and Development Strategy (MPGDS)*, the *Mpumalanga Provincial Integrated Spatial Framework (MPISF)*, and the *Mpumalanga Tourism Growth Strategy (MTGS)*, the **Gert Sibande District Municipality (GSDM) has finalized the review and adoption of its SDF** (last updated in May 2005). This process took approximately 7 months to complete, and was finalized around August 2009, in time to feed-into the annual review of the District’s 2009-2010 IDP process.

As part of the process to ensure that all physical development(s) taking place within their areas of jurisdiction are aligned to national, provincial and district policy directives and development initiatives, district municipalities should, on review of their own SDFs, facilitate the review of their local municipalities’ respective SDFs.

In the case of Gert Sibande, since the district SDF has been finalized, **a review of the seven local municipalities’ SDFs** (Govan Mbeki, Dipaleseng, Lekwa, Seme, Mkhondo, Msukaligwa, and Albert Luthuli) should ensue. Others particularly Govan Mbeki are considered high capacity municipalities are already far advanced with the review of their SDFs. Msukaligwa, Albert Luthuli, and Lekwa are in the process of reviewing their SDFs. Dipaleseng has recently been offered assistance in that regard by the National Department of Rural Development and Land Reform. The process to identify suitable Service providers by the District for the Pixley Ka Seme and Mkhondo is underway. Critically, in order to ensure that national and provincial directives – as interpreted and adopted by the District – are permeated down to the various local municipalities in a consistent manner, it was emphasized that the review of the District’s SDF should be completed, before commencing with the formulation / review of the seven local municipalities’ SDFs. Furthermore, considering the directive provided by paragraph (a) of the Government Gazette No. 22605, which states that one of the objectives of an SDF is “**to set out basic guidelines for a land use management system** in [a] municipality”, the formulation / review of the seven local SDFs should be completed before embarking on the formulation of a LUMS covering the seven LMs.

The **deliverable** of the ensuing formulation / review process should be **seven approved Local SDFs with broad directives for a Land Use Management Framework (LUMF) / LUM towards the end of 2012 budget cycle.**

● **The Land Use Management System (LUMS) Component:**

Following the completion of both the district and local SDFs, the process of formulating a LUMS covering all seven of Gert Sibande's local municipalities should be initiated, based on the spatial guidelines provided by the district and Local SDFs. Essentially, the process of establishing a LUMS for the Gert Sibande District Municipality will consist of two interrelated sub-components.

Sub-component 1: Preparation of a LUMF

The **first sub-component** usually entails the **preparation of a LUMF**. A LUMF should indicate, in broad terms, how land will be managed within a municipal area. Hence, the first deliverable in the establishment of a LUMS that covers all seven of Gert Sibande's local municipalities should be the preparation of a LUMF. This should be done based on the directives provided by the newly approved district SDF and local SDFs. It should be noted however, that the preparation of a LUMF is not a legislative requirement, but rather acts as a useful tool in the preparation of a LUMS, which is a legislative requirement.

Sub-component 2: Formulation of a LUMS

Once the district LUMF has been approved in principle, the formulation of the actual **LUMS** can begin, based on the information provided by the LUMF. Intrinsicly, a LUMS generally consists of a number of planning tools (Land Use Schemes, by-laws, licensing, rates and general property information) used to create safe and liveable environments.

In respect of the Gert Sibande District Municipality, it is estimated that the entire Land Use Management System component (which will consist of a district LUMF, and a LUMS covering the seven local municipalities) could be completed within a period of approximately two years (24 months), after completion of the district and local SDFs. Hence, the goal should be to have an **approved LUMS** that covers all seven local municipalities by the end of the **2012** budget cycle.

Apart from ensuring structured and more effective land use management, the advantage of only initiating the formulation of a LUMF and LUMS once all seven Local SDFs have been newly approved, is that it is expected that the

national Land Use **Management Bill will have been promulgated by 2012**. It is expected that the new Act will then replace the existing Physical Planning Acts and the Development Facilitation Act, and provide for a **much more effective mechanism** with which to facilitate the implementation of LUMS than the current Town-planning and Townships Ordinance, 1986, being used. Furthermore, the successful implementation and enforcement of a LUMS is dependent on not only enforcing legislation, but also **ensuring the buy-in of land owners and developers** through ample public participation.

Conclusive Summary:

The process of formulating a LUMS is an incremental one. The Gert Sibande District Municipality SDF is the first step in spatially representing the vision of the municipality, in such a manner to guide the location of development. In view of the fact that the review of the District SDF is already finalized, the next step is to elaborate upon the district SDF in a lower level of detail via the use of local SDFs. Considering the typical time frames involved in the formulation / review of a local SDF, this process could be completed by the end of the 2012 budget cycle. Using the guidelines provided by the district SDF, the local SDFs and the LUMF, a LUMS covering all seven of Gert Sibande's local municipalities could be completed by the end of the 2014 budget cycle.

PERFORMANCE EVENTS AS AT 30 JUNE 2009

Gert Sibande District Municipality has been involved with the implementation of the Balanced Scorecard and has developed performance plans accordingly for 08/09 Financial Year.

The report for Institutional Performance is based on the information as per the Departmental Performance Scorecards, National Indicators and SDBIP. The Departmental scorecard is based on the performance plans for the **S57** Executive Directors.

During 08/09 Financial Year, the newly introduced Performance Management System attempted to narrow the gap between the existing performance plans, SDBIP and legislation by introducing programmes and Key Performance Areas as per DPLG requirements and regulations.

An overall of 217 KPI's and activities were assessed in the 4th quarter. The combined score between the SDBIP and

Departmental Scorecard is 3.35 with 202/217 (93.09%) of KPI's and activities reaching target. This reflects on the Institutional performance and relates to 117% performance according to the DPLG Assessment Calculator.

The Score as per the Departmental Performance Scorecards received a score of 3.40 in the 4th quarter relates to 113.3% according to the DPLG assessment calculator. The number of activities and KPI's reaching target as per the Departmental Performance Scorecard were 116/121 (95.87%).

The SDBIP received a score of 3.31 in the 4th quarter. This relates to 109.67% according to DPLG terms and can be interpreted that the SDBIP for the 4th quarter were 86/96 (89.58%).

The SDBIP are inclusive of Direct and Indirect Projects, the Administration of the Act, as well as Capital Projects.

Gert Sibande District Municipality is obliged to report on National KPI's as per the Municipal Systems Act S43. These KPI's were reported on, but not scored as no targets were set. The % households are reported to have access to basic level of electricity. The % household with access to basic level of solid waste removal is 75%.

Expenditure information was received from the Financial Department and is current as of 30 July 2009. Total expenditure on Capital Projects were R70 618 657 with 97% of Capital Budget spent.

A score from 1-5 was calculated for performance with 1 being a very low performance, 3 being that target was reached and 5 being that 167% or more of target was reached. This scoring method is in line with the DPLG Assessment Calculator as per the Municipal performance Regulations for Municipal Managers and Managers directly accountable to the Municipal Managers, 2006.

The KPI/activity's weight was taken into account when calculating scores for the scorecards as per the Departmental Performance. The weights for the KPI's/activities that were not applicable for this quarter were not added on the overall score.

All KPI's and activities according to the SDBIP and the Departmental Scorecards were supplied with relevant information for the fourth quarter. Scores were calculated



using Excel Spreadsheets. This does involve significant effort and time from all stakeholders to ensure that an objective result is obtained whereby the Gert Sibande District Municipality can measure performance and especially performance improvement.

● **Municipal Manager Executive Summary:**

In the 4th quarter, 33 KPI's and activities were assessed for the Office of the Municipal Manager's Scorecard. The Performance Plan received a score of 3.66 in the 4th quarter. This relates to 122% according to DPLG terms. The number of KPI's and activities reaching target for the 4th quarter was 31/33 (93.94%) All KPI's/activities were supplied with relevant information in the 4th quarter.

● **Infrastructure & Technical Services Executive Summary:**

The Infrastructure and Technical Services Department Scorecard for the Performance Plan received a score of 3.86 in the 4th quarter. This relates to 128.67% according to DPLG terms. 27 KPI's and activities were assessed. The number of



Installing of electrical cable for street lights on a recently completed paved road. This is the second phase of infrastructural upgrade to the roads in a Township in the Lekwa Local Municipality. The 5 year project involves 35km of paved roads and storm water

KPI's and activities reaching target for the 4th quarter was 27/27 (100%). All KPI's/activities were supplied with relevant information for the 4th quarter. All KPI's/activities reached target for the 4th quarter.

The Infrastructure and Technical Services Performance Plan score after the Standard Deviation was applied is 4.60 (including Core Managerial Competencies). This relates to 153.3% according to the DPLG Calculator.

● Chief Financial Officers Executive Summary:

The Financial Services Departmental Scorecard for the Performance Plan received a score of 3.20 in the 4th quarter. This relates to 106.67% according to DPLG terms. 20 KPI's and activities were assessed. The number of KPI's and activities reaching target for the 4th quarter was 20/20 (100%).

The Financial Services Department Performance Plan was not assessed as this position became vacant during the Financial Year.

● Intergovernmental Relations Executive Summary:

The Intergovernmental Relations and Development Departmental scorecard for the Performance Plan received a score 3.22 for the 4th quarter. This relates to 107.33% according to DPLG terms. 27 KPI's and activities were assessed. The number of KPI's and activities reaching target for the 4th quarter was 26/27 (96.30%). It should be mentioned that there is no LED Manager and Tourism Officer appointed and therefore 9 KPI's/activities could not be taken into account when calculating scores.

The Intergovernmental Relations and Development Performance Plan score after panel assessment is 3.93 (including Core Managerial Competencies). This relates to 134% according to the DPLG calculator.

The evaluation and assessment on the payment of performance bonuses was subjected to evaluations as prescribed by the Municipal Systems Act, 2000(Act 32 of 2000) and Municipal Performance Regulations Government Gazette No 29089, 1 August 2006.



"One of our many tasks is the financial and project management of contractors for over 30Km's of paved roads in semi-urban settlements throughout the Gert Sibande District. The strategic management of our resources are prioritised to the most densely populated areas, while we strive to improve this infrastructure for all our communities."

CHAPTER 3

Human Resource & Organisation Management

ORGANIZATIONAL STRUCTURE

The Municipality's organizational structure consists of the following four departments under the umbrella of the Municipal Manager's Office:

- Financial Services
- Corporate Services
- Infrastructure and Technical Services
- IGR, Social & Community Services

The Municipal Manager's Office holds the accountability and responsibility for the effective, efficient and sound financial administration of the District Municipality. It also provides executive support to the political structure through administration of special programmes: Youth Development; Gender & Women Empowerment; Performance Management and Capacity Building and support to LMs.

The total number of staff employed in each of the four departments on the organizational structure is as follows:

DEPARTMENTS	NUMBER OF EMPLOYEES
Office of the Municipal Manager	13
Corporate Services	44
Finance Services	17
Infrastructure Services	16
IGR, Social and Community Services	21
TOTAL	111

Employee Related Cost

Employer related cost as a percentage of total expenditure were as indicated above for 2006/2007 (13.13%), 2007/09 (15.80%) and for 2008/09 (14.01%)

The expenditure for salaries as well as other expenditure was well within the budget targets as indicated below:

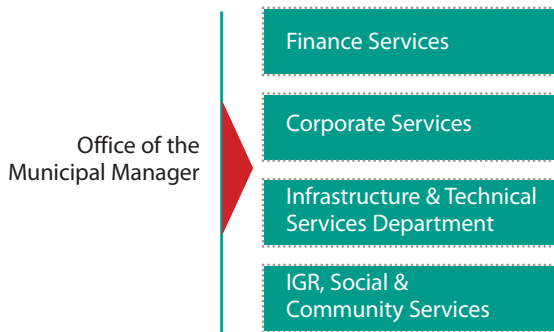
	2006/07 R	2007/08 R	2008/09 R
Actual Salary Expenditure	19 764 413	23 801 942	31 992 012
Actual Total Expenditure	150 563 209	150 623 797	229 495 406
% of Salaries visa vi Total Expenditure	13.13%	15.80%	13.94%
Salary budget	24 937 630	35 583 661	34 643 983
Total budget	199 589 907	215 823 822	240 205 347



● **Various Initiatives Relating to Employment Issues**

The following initiatives relating to employment issues were successfully implemented in the 2008/09 financial year:

- The successes and challenges of the development facilitation model were reviewed.
- The Municipality's service menu and institutional arrangements were also reviewed in order to improve and maximize its service delivery impact.
- The new high level organizational arrangements implemented on 1 July 2008 are detailed below:

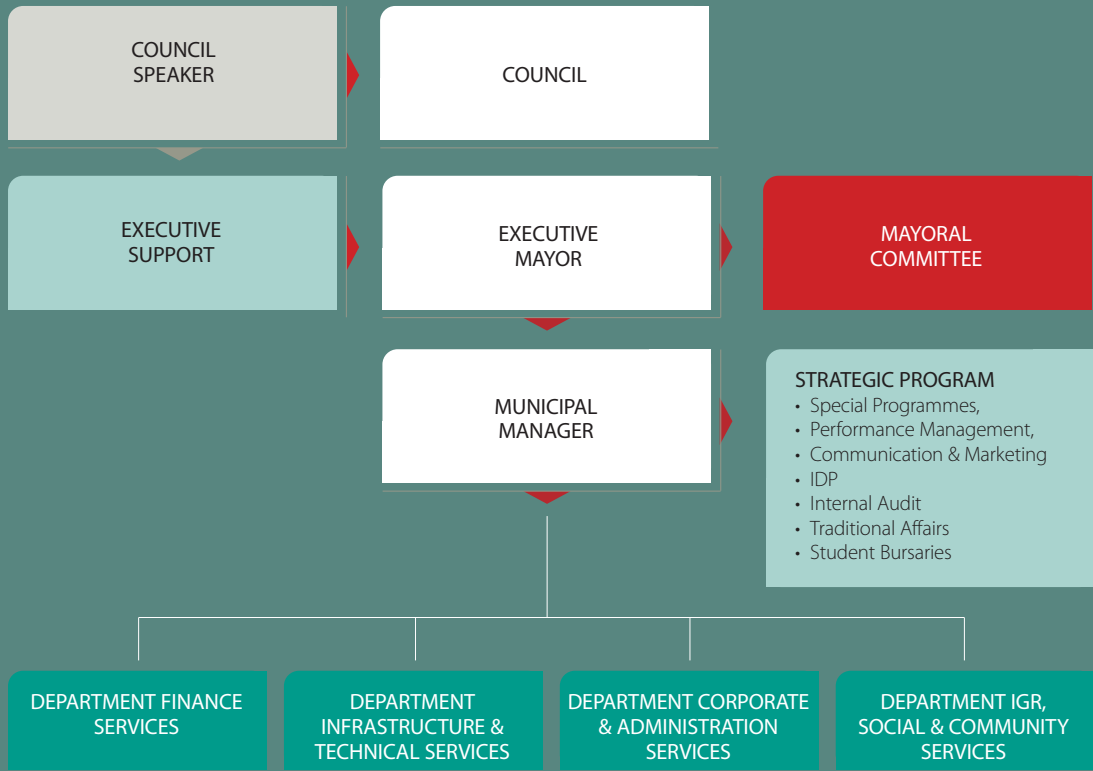


Construction workers leveling concrete on the roof-top of the new District Municipal offices.

"The long-term decision to move the district Municipal offices from Secunda to Ermelo was based on centralising the Municipality within the district, improving accessibility and saving costs on transport and project management. The new office will accommodate the envisaged growth and consolidate all employees under one roof."



ORGANOGRAM



STRATEGIC PROGRAM

- Special Programmes,
- Performance Management,
- Communication & Marketing
- IDP
- Internal Audit
- Traditional Affairs
- Student Bursaries

DEPARTMENT FINANCE SERVICES	DEPARTMENT INFRASTRUCTURE & TECHNICAL SERVICES	DEPARTMENT CORPORATE & ADMINISTRATION SERVICES	DEPARTMENT IGR, SOCIAL & COMMUNITY SERVICES
<ul style="list-style-type: none"> • Financial Management • Asset Management • Creditor Payments • Salaries • Capital Project Payments • Supply Chain Management • Support to Local Municipalities • Budget & Accounting Services • Compilation of Financial Statements • Training & Development Programs for District & Local Municipalities 	<ul style="list-style-type: none"> • Infrastructure Development • Transport Planning • Land Use Management • Technical Services in LM • Spatial Development Planning • Water & Sanitation • Water Quality Management • Project Financial Control 	<ul style="list-style-type: none"> • Administration & Secretariat • Human Resource Management • Legal Services • Fleet Control Management • Public Relation Skills Development • Cleaning & Security Services • Capacity Building & Support • Information Systems • GIS 	<ul style="list-style-type: none"> • Municipal Health & Environment Services • Social Development • HIV/AIDS • Sport, Culture & Recreation • Tourism Development • Disaster Management • Local Economic Development • Air Quality Control & Monitoring • Youth Desk • Disability Desk

Vision & Mission

Vision

A District Municipality Striving to Excel in Good Governance and Quality Infrastructure.

Mission

Ensuring a better life for all in the district through:

- » Municipal Infrastructure Development
- » Economic and Tourism Promotion
- » Functioning Ward Committee System
- » Community & Stakeholder Participation
- » Efficient Systems and Administration
- » Human Development

GERT SIBANDE DISTRICT MUNICIPALITY MAYORAL COMMITTEE 2009



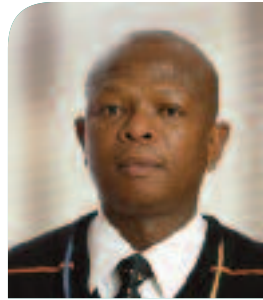
ALDERMAN A. GAMEDE
Executive Mayor



CLR N.F. MABOA-BOLTMAN
District Speaker



CLR. B.W SHABANGU
Chief Whip



CLR. S.S. NKONYANE
Economic Development & Tourism



CLR. M.D SHONGWE
Land & Agriculture



CLR. K.W MOTLOUNG
Roads & Transport



CLR. B.G KUBHEKA
Corporate & Education



CLR. Z.S NGWENYA
Technical Infrastructure



CLR. B. SEKHONDE
Health & Social Services

GERT SIBANDE DISTRICT MUNICIPALITY ADMINISTRATION



MBULELENI A NGCOBO
Municipal Manager



ANIL SINGH
Chief Financial Officer



EDY NGWENYA
Executive Director
Intergovernmental Relations



JOHAN DU PLOOY
Executive Director Technical
Infrastructure

GERT SIBANDE DISTRICT MUNICIPALITY COUNCIL 2009



CLR. J.R. DE VILLE



CLR. L.A. ZWANE



CLR. T.E. ZWANE



CLR. M.S.M. SIBIYA



CLR. J.N. GWEBU



CLR. M. DE WAAL



CLR. T.A. MNISI



CLR. Z.P. MANYATHI



CLR. D.V. THWALA



CLR. N.S. VICTOR



CLR. Y. CAJEE



CLR. W.L. WERBER



CLR. V.L. NKOSI



CLR. Z.G. MKHWANAZI



CLR. H.G. NICHOLAS



CLR. C.A. SMITH



CLR. M.L. MAKHUBU



CLR. E.P. NKOSI



CLR. E. NHLENGETHWA



CLR. R. BUYS



CLR. L.B. TSHABALALA



CLR. F. SARANG



CLR. J. MASILELA



CLR. K.P. SHABANGU



CLR. T.L. MLOTSHWA



CLR. R.A.J. WILSON



CLR. Z.A. HLATSHWAYO



CLR. O. MTSWENI



CLR. B. VILAKAZI

*ABSENT:
CLR. M.P. TSOTETSI
CLR. B. MTSHALI
CLR. E.S. DLAMINI

SKILLS DEVELOPMENT PROGRESS REPORT

The Workplace Skills Plan for 2008/09 financial year has been adopted and the implementation report for 2007/08 has been submitted to LGSETA as required by the Skills Development Act.

For the period July 2008 to June 2009, the following progress has been made with regard to skills development as projected by the Workplace Skills Plan:

Municipal Capacity Building Programme for Managers and Councillors

Local government is regarded as the backbone of a balanced democracy and an essential service provide. It is therefore critical that local government managers and councillors have the capacity to define, implement and account for service delivery.

Project that helped to strengthens the management competency of middle and senior managers and councillors in Gert Sibande are the capacity building program for managers and councillors through the Canadian International Development Agency, the Executive Leadership Municipal Development Programme (ELMDP), and the Municipal Finance Management Development Programme (MFMDP) through the corporation of LGSITA, SALGA and the

University of Pretoria as well as the Certificate Programme in Management Development (CPMD) through the Wits Business School of the University of Witwatersrand.

The officials and councillors in the region benefitted by attending the capacity building programmes

Councillor Training

As part of the capacity building initiatives councillors were enrolled and successfully completed the following programmes:

- Fourteen councillors including eight Members of Mayoral committee and six directly elected councillors enrolled for Certificate Programme in Management Development for Municipal Finance. The programme is offered by Wits University. They are expected to complete in January 2010.

The total budget for this programme is R 630,000 and is budgeted in for in the 2008/2009.

- Seven councillors received computer training at Giga Skills which is an accredited IT school.

Employee training Service training

About R300 000 was spent on service training for 39 employees from all departments in the following LGSETA critical and scarce skills:

Table: Courses offered to GSDM Employees

Courses attended by	Total	Institutions
Supply Chain Management	3	PALAMA
AIDS Council Coordination	1	University of Pretoria
Measuring ROI of training	1	Free State University
Policy Development	2	Stellenbosch University
Records Management		DSRAC
Hazard identification & Risk Assessment	12	NOSA
Labour Intensive Construction	1	SA Value Education
IDP	1	MXA
National Certificate in Municipal Governance	1	University of Johannesburg
Applied Population Sciences Training & Research	1	University of KwaZulu Natal
Certificate Programme in Management Development for Municipal Finance	2	Wits University
Report writing	3	Amabhubesi Training CC
Advanced Bodyguard Course	2	SA Bodyguard Institute
MS Office	6	Giga Skills
VIP HR	3	Softline VIP

Internal Career development

R187 671 was spent for 21 employees' university and university of technology studies ranging between degrees and diplomas in the following fields:

- Public Administration
- Quality Management
- Supply Chain Management
- Environmental Health
- Financial Management
- Labour Law
- Civil Engineering
- IT
- Human Resource Management

Service training in Support of Local Municipalities

TRAINING	SERVICE PROVIDER	NUMBER OF CANDIDATES
Chairing and Prosecuting in Disciplinary hearing	Bruniquel Association	21
Legal compliance in Appointments and Promotion	CBA Training	26
Collective agreements: Disciplinary Procedures	Advocate Mnyandu	17
Job Evaluation	HR Concepts	24

EMPLOYER / EMPLOYEE RELATIONS

The District municipality and organized labour generally continued with their spirit of mutual respect and co-operation during the period under review.

The Local labour Forum has been given specific responsibilities by the Organizational Rights Agreement to consult/negotiate on all matters affecting employees. This process has been

handled through scheduled Local Labour Forum Meetings and is operating fairly well and is consensus driven.

The labour Relation Section also provides various services to departments on consultancy basis on matters such as;

- Procedures on handling of processes coming from collective agreement
- Performance and incapacity related matters

The disputes are resolved through a detailed Collective Agreement on grievance procedures and disciplinary procedures.

ACHIEVEMENTS

- Trained 21 senior officials from Municipalities as presiding officers and prosecutors on HR matters
- Trained 17 senior officials from Municipalities on Collective Agreements (grievance procedures and disciplinary procedures);
- Trained 24 senior officials from Municipalities including the District on Job Evaluation.
- Trained 26 senior officials from Municipalities on Legal Compliance in appointment and Promotions

Training of the youth within the GSDM region

An amount of R2 176 219 was spent towards training for the unemployed especially youth from designated groups. Courses included university and university of technology courses in Finance 1 and Engineering-6 students, 17 in Professional Cookery /Food and Beverage; 14 in Traffic Management and 26 in Building and Civil Construction, 1 in Chemistry and 10 in Agriculture. Three students who were part of the Programme in the Finance Field have been absorbed as interns by the District Municipality.

COURSE	NUMBER OF STUDENTS		TOTAL	INSTITUTION
	MALE	FEMALE		
Finance	0	1	1	University
Civil engineering	3	3	6	University, University of Technology and GSDM FET College
Chemistry	0	1	1	University
Agriculture	6	4	10	1 at University, College
Traffic	10	4	14	College
Professional Cookery /Food and Beverage	2	15	17	MRTT College
Building and Civil Construction	12	14	26	Gert Sibande FET
TOTAL	33	42	75	

Challenges

The District Skills Development Facilitators Forum is fully functional and sits quarterly. The Committee is progressing and is making a reasonable progress on the issues of Skills Development in the District.

ACHIEVEMENTS

The District received SDF of the year award for LGSETA during the 2008/09 financial year.

NEW RECRUITS AND PROMOTIONS

A total of thirty two new employees were recruited. Twenty three of them were African, two Indian, one Coloured, and six White. Of the new recruits one African female was appointed in top management position and three African male also appointed in management position.

Two African female employees were promoted to middle management positions.

Interns

The District Municipality in the year 2008/2009 had four African students (2 male and 2 female) who were on Council's bursary scheme. The four students were placed as interns in the Finance department whereby two of them served at the

District and the others served at Mkhondo and Dipaleseng local Municipality respectively.

Resignations

The District Municipality and specifically in the Infrastructure & Services department is currently under pressure to retain technical staff members. Staff members resign as part of the normal staff turnover and during the 2008/2009 financial ten members resigned to move on in their respective careers.

Gert Sibande District Municipality took the initiative to retain staff members through the following programmes:

- Training of students which are absorbed by Local Municipalities
- Appointment of trainees
- Replacing officials within GSDM to retain certain skills and experience where needed the most
- Rotating of experienced staff to build capacity within GSDM
- Appointments of semi-retired Local Government Officials with the applicable experience to train and capacitate inexperience officials
- Allow for applicable remuneration methods to retain staff for example through the application of vehicle allowances to be applicable to all "field workers"

Technical staff conduct a site inspection of the recently completed water purification plant at Volksrust in the Pixley Ka Seme Local Municipality, to ensure water quality is of acceptable standards and the facility meets the communities needs. Regular samples will be quality tested at the newly opened Laboratory in Ermelo



EMPLOYMENT EQUITY PROFILE

EMPLOYMENT EQUITY

Below is the Municipality's Employment Equity Profile as at 30 June 2009 extracted from the EE report 2009 which reflects the nature of appointments in different occupational levels.

GERT SIBANDE DISTRICT MUNICIPALITY EMPLOYMENT EQUITY PROFILE – OCCUPATIONAL LEVELS EMPLOYMENT EQUITY (RACE AND GENDER) 30 JUNE 2009														
Occupational Levels	MALES				FEMALES				TOTAL EE DESIGNATED GROUPS				TOTAL	
	BLACKS		WHITES		BLACKS		WHITES		DESIGNATED GROUPS		WHITES		WORKFORCE TOTAL	
	NO	% OF TOTAL	NO	% OF TOTAL	NO	% OF TOTAL	NO	% OF TOTAL	NO	% OF TOTAL	NO	% OF TOTAL	NO	% OF TOTAL
Top Management	3	8	1	9	1	2	0	0	4	5	1	4	5	5
Senior Management	12	33	5	45	4	8	3	25	16	19	8	35	24	22
Professionally qualified and experienced specialist and mid management	2	6	1	9	5	10	0	0	7	8	1	4	8	7
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	6	17	3	27	3	6	4	33	9	10	7	30	16	14
Semi-skilled and discretionary decision making	5	14	1	9	27	56	5	42	32	38	6	26	38	34
Unskilled and defined decision making	8	22	0	0	8	17			16	19	0	0	16	14
TOTAL PERMANENT	36		11	99	48		12	0	84		23		107	
Temporary Employees	2	5	0	0	2	4	0	0	4		0		4	4
GRAND TOTAL	38		11		50		12		88		23		111	

HR POLICIES

Council approved the following HR Policies:

- Disciplinary and Grievance Procedure
- Policy framework on recruitment, appointment, transfer, demotion and promotion of staff
- Training and Development Policy
- Employee Assistance Programme Policy
- Induction of New Employees Policy
- Employee Conditional Study Grant
- Acting Allowance Policy
- Job Evaluation Policy
- Compensation for Occupational Diseases and Injuries

The following policies are still under development:

- External Bursary Scheme
- Cell Phone Policy
- Grants & Donations Policy
- Communication Policy

Disclosure Concerning Councilors and Senior Officials

Councilor's' Remuneration

DETAILS	AMOUNT
Executive Mayor	485 544
Speaker	388 367
Mayoral Committee	1 800 235
Councilors	2 347 944
Councilor's Pension Fund	500 813
Medical Aid Contribution	199 106
UIF Contribution	12 852
Total Councilor's Remunerations	5 734 861

Additional Benefits for Councilors

The Executive Mayor, Speaker, chief Whip and members of the mayoral Committee are full time and therefore provided with secretariat support and office accommodation. The Executive mayor is staying in a Municipal House and is taxed in terms of SALGA guidelines.

The Cost to Council of Section 57 employees

Senior officials are remunerated in terms of agreements signed with each of them. Performance bonuses are paid in line with performances obtained after evaluation have been done in terms of the evaluation process. Signed Performance agreements are setting the criteria for performances.

Municipal Manager	R 1,029,710
Chief Financial Officer	R 721,353
Exec Director: Corporate Services	R 362,599
Exec Director: Mayor's Office	R 794,756
Exec Director: Municipal Infrastructure and Support	R 789,089
Exec Director: Inter-governmental Relations	R 688,188
TOTAL	R 4,385,695


Note: The payments of performance bonuses are subjected to an evaluating assessment approved by Council's committees which were established for performances evaluations in terms of section 57 employee contracts.





Construction of new water works in the Mkhondo Local Municipality. The existing plant built in the mid 80's was unable to meet the growth demand of the community. Completion is planned for end 2010 and will deliver 1500 m³ of potable water pumped from the river.





"The GSDM technical department was tasked to carry out a district assessment of all wastewater treatment plants to determine which were in line and complied with regulations and standards.

Major rehabilitation on 8 plants has commenced to meet expected demand and the process is ongoing to ensure standards are maintained.

C H A P T E R 4

Annual Financial Statements

FOR THE YEAR ENDING JUNE 2009

GSDM ANNUAL REPORT 2008/9

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- 81 C: Segmental Analysis of Property, Plant & Equipment
- 82 D: Segmental Statement of Performance
- 83 E(1): Actual Operating Revenue & Expenditure versus Budget
- 84 E(2): Actual Capital Expenditure versus Budget
- 85 F: Disclosures of Grants & Subsidies in terms of Section 123 of the Municipal Finance Management Act 2003 (Act 56 of 2003)


GERT SIBANDE DISTRICT MUNICIPALITY

Consolidated Annual Financial Statements

For The Year Ended 30 June 2009

I am responsible for the preparation of these Consolidated Annual Financial Statements, which are set out on pages 3 to 25, in terms of Section 126(1) of the Municipal Finance Management Act 2003 (Act 56 of 2003) and which I have signed on behalf of the Municipality.

I certify that the salaries, allowances and benefits of Councillors as disclosed in note 18 of these Annual Financial Statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Office Bearers Act 1998 (Act 20 of 1998) and the Minister of Provincial and Local Government's determination in accordance with the Act.



M A NGCOBO,
Pr.Tech.Eng, MSAICE, IMESA, FMWISA

MUNICIPAL MANAGER
31 August 2009



GERT SIBANDE
DISTRICT MUNICIPALITY

REPORT OF THE AUDITOR-GENERAL TO THE MPUMALANGA PROVINCIAL LEGISLATURE AND THE COUNCIL ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION OF THE GERT SIBANDE DISTRICT MUNICIPALITY
FOR THE YEAR ENDED 30 JUNE 2009

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying financial statements of the Gert Sibande District Municipality which comprise the statement of financial position as at 30 June 2009, and the statement of financial performance, the statement of changes in net assets and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages xx to xx.

The accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the Statements of Generally Recognised Accounting Practice (Statements of GRAP) and in the manner required by the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA) and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Auditor-General's responsibility

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 read with section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA), my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with the International Standards on Auditing read with General Notice 616 of 2008, issued in *Government Gazette No. 31057 of 15 May 2008*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
6. Paragraph 11 et seq. of the Statement of Generally Recognised Accounting Practice, GRAP 1 *Presentation of Financial Statements* requires that financial reporting by entities shall provide information on whether resources were obtained and used in accordance with the legally adopted budget. As the budget reporting standard is not effective for this financial year, I have determined that my audit of any disclosures made by the Gert Sibande District Municipality in this respect will be limited to reporting on non-compliance with this disclosure requirement.
7. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

8. In my opinion the financial statements present fairly, in all material respects, the financial position of the Gert Sibande District Municipality as at 30 June 2009 and its financial performance and its cash flows for the year then ended, in accordance with the Statements of Generally Recognised Accounting Practice (Statements of GRAP) and in the manner required by the MFMA.

Other matters

Without qualifying my opinion, I draw attention to the following matters:

Unaudited supplementary schedules

9. The municipality provided supplementary information in the financial statements on whether resources were obtained and used in accordance with the legally adopted budget, in accordance with GRAP 1 *Presentation of Financial Statements*. The supplementary budget information set out on pages xx to xx does not form part of the financial statements and is presented as additional information. Accordingly I do not express an opinion thereon.

Governance framework

10. The governance principles that impact the auditor's opinion on the financial statements are related to the responsibilities and practices exercised by the accounting officer and executive management and are reflected in the key governance responsibilities addressed below:

Key governance responsibilities

11. The MFMA tasks the accounting officer with a number of responsibilities concerning financial and risk management and internal control. Fundamental to achieving this is the implementation of key governance responsibilities, which I have assessed as follows:

No.	Matter	Yes	No
Clear trail of supporting documentation that is easily available and provided in a timely manner			
1	No significant difficulties were experienced during the audit concerning delays or the availability of requested information.	Y	
Quality of financial statements and related management information			
2	The financial statements were not subject to any material amendments resulting from the audit.		N
3	The annual report was submitted for consideration prior to the tabling of the auditor's report.	Y	
Timeliness of financial statements and management information			
4	The annual financial statements were submitted for auditing as per the legislated deadlines (section 126 of the MFMA).	Y	
Availability of key officials during audit			
5	Key officials were available throughout the audit process.	Y	
Development of and compliance with risk management, effective internal control and governance practices			
6	Audit committee		
	• The municipality had an audit committee in operation throughout the financial year.	Y	
	• The audit committee operates in accordance with approved, written terms of reference.	Y	
	• The audit committee substantially fulfilled its responsibilities for the year, as set out in section 166(2) of the MFMA.	Y	
7	Internal audit		
	• The municipality had an internal audit function in operation throughout the financial year.	Y	
	• The internal audit function operates in terms of an approved internal audit plan.	Y	
	• The internal audit function substantially fulfilled its responsibilities for the year, as set out in section 165(2) of the MFMA.	Y	
8	There are no significant deficiencies in the design and implementation of internal control in respect of financial and risk management.	Y	
9	There are no significant deficiencies in the design and implementation of internal control in respect of compliance with applicable laws and regulations.	Y	
10	The information systems were appropriate to facilitate the preparation of the financial statements.	Y	
11	A risk assessment was conducted on a regular basis and a risk management strategy, which includes a fraud prevention plan, is documented and used as set out in section 62(1)(c)(i) of the MFMA.		N
12	Delegations of responsibility are in place, as set out in section 79 of the MFMA.	Y	
Follow-up of audit findings			
13	The prior year audit findings have been substantially addressed.	Y	
14	SCOPA resolutions have been substantially implemented.	Y	
Issues relating to the reporting of performance information			
15	The information systems were appropriate to facilitate the preparation of a performance report that is accurate and complete.		N
16	Adequate control processes and procedures are designed and implemented to ensure the accuracy and completeness of reported performance information.		N
17	A strategic plan was prepared and approved for the financial year under review for purposes of monitoring the performance in relation to the budget and delivery by the municipality against its mandate, predetermined objectives, outputs, indicators and targets (section 68 of the MFMA).	Y	
18	There is a functioning performance management system and performance bonuses are only paid after proper assessment and approval by those charged with government	Y	

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on performance information

12. I was engaged to review the performance information.

The accounting officer's responsibility for the performance information

13. In terms of section 121(3)(c) of the MFMA, the annual report of a municipality must include the annual performance report of the municipality, prepared by the municipality in terms of section 46 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA).

The Auditor-General's responsibility

14. I conducted my engagement in accordance with section 13 of the PAA read with General Notice 616 of 2008, issued in Government Gazette No. 31057 of 15 May 2008 and section 45 of the MSA.

15. In terms of the foregoing my engagement included performing procedures of an audit nature to obtain sufficient appropriate evidence about the performance information and related systems, processes and procedures. The procedures selected depend on the auditor's judgement.

16. I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for the findings reported below.

FINDINGS ON PERFORMANCE INFORMATION

Non-compliance with regulatory requirements

Internal auditing of performance measurements

17. The internal auditors of the municipality did not audit the performance measurements on a continuous basis and did not submit quarterly reports on their audits to the municipal manager and the performance audit committee.

No mid-year budget and performance assessments

18. The accounting officer of the municipality did not by 25 January 2009 assess the performance of the municipality during the first half of the financial year, taking into account the municipality's service delivery targets and performance indicators set in the service delivery and budget implementation plan, as required by section 72 of the MFMA.

Performance information not received

19. An assessment could not be performed of the reliability of the reported performance information, as set out on pages xx to xx of the annual report, since the information was not received for audit purposes.

APPRECIATION

20. The assistance rendered by the staff of the Gert Sibande District Municipality during the audit is sincerely appreciated.

Charles - General
Nelspruit

19 January 2010



AUDITOR-GENERAL

STATEMENT OF FINANCIAL POSITION

As at 30 June 2009

	Note	2009 R	2008 R
NET ASSETS AND LIABILITIES			
NET ASSETS		246,091,473	237,772,021
Accumulated Surplus		246,091,473	237,772,021
NON - CURRENT LIABILITIES		25,364,172	24,553,291
Retirement Benefit	1	100,750	64,149
Finance lease liabilities	2	20,418,421	19,159,642
Deferred profit on sale and leaseback	3	4,845,000	5,329,500
CURRENT LIABILITIES		78,748,688	46,351,334
Creditors	4	69,326,600	36,034,274
Provisions	5	9,216,015	6,805,149
Unspent conditional Government grants	6	206,073	3,511,911
TOTAL NET ASSETS AND LIABILITIES		350,204,333	308,676,646
ASSETS			
NON - CURRENT ASSETS		159,251,516	60,370,599
Property, plant and equipment	7	126,164,523	54,506,811
Investment in Eastvaal Development Trust	8	6,978,188	5,635,423
Investment in Eastvaal Financing Partnership	9	26,095,352	0
Long term receivables	10	13,453	228,365
CURRENT ASSETS		190,952,817	248,306,047
Debtors	11	8,974,099	13,218,050
Investments	12	20,000,000	25,075,702
Irregular Expenditure - Recoupment	23	995,057	940,057
VAT	13	11,130,293	13,266,300
Bank balance and cash	21	149,495,002	195,587,311
Current portion of long term receivables	10	358,366	218,627
TOTAL ASSETS		350,204,333	308,676,646

STATEMENT OF FINANCIAL PERFORMANCE

As at 30 June 2009

	Note	2009 R	2008 R
REVENUE			
Regional Services Levies - remuneration		418,929	68,344
Regional Establishment Levies - turnover		5,478	289,285
Interest earned - external investments		24,667,993	21,621,274
Interest earned - other		1,215,992	3,825,694
Government grants and subsidies	15	205,617,350	179,508,732
Other income	16	5,796,102	3,031,635
Gains on disposal of property, plant and equipment		93,015	13,892
TOTAL REVENUE		237,814,859	208,358,854
EXPENDITURE			
Employee related costs	17	31,992,012	23,801,942
Remuneration of Councillors	18	5,734,861	5,052,321
Collection costs		0	45,370
Depreciation		1,751,343	1,501,287
Repairs and maintenance		1,086,418	665,058
Contracted services		905,153	708,842
Grants and subsidies paid	19	170,027,951	105,997,213
Grants and subsidies paid: Depreciation	19	2,588,764	1,658,077
General expenses - other	28	11,103,152	8,452,176
Finance Cost		4,305,754	4,041,881
TOTAL EXPENDITURE		229,495,406	151,924,167
SURPLUS FOR THE YEAR		8,319,452	56,434,688

STATEMENT OF CHANGES IN NET ASSETS

For the year ended 30 June 2009

	Note	ACCUMULATED SURPLUS R	TOTAL R
Balance at 1 July 2007 as previously stated		175,227,589	175,227,589
Capital investment in deposit agreement	26	20,444,972	20,444,972
Investment in Trust	26	5,635,423	5,635,423
Recognition of finance lease liability	26	(17,859,270)	(17,859,270)
Restatement of asset under finance lease	26	8,500,000	8,500,000
Recognition of deffered profit on finance sale and leaseback	26	(9,690,000)	(9,690,000)
Amortisation of deffered profit on finance sale and leaseback	26	3,876,000	3,876,000
Depreciation not previously accounted for on Building	26	(1,158,913)	(1,158,913)
Non Realisation - creditors for Short term	26	3,088,043	3,088,043
Derecogniton of asset relating to sale and leaseback	26	(6,726,512)	(6,726,512)
Restated Balance at 1 July 2007		181,337,332	181,337,332
Surplus for the year		56,434,689	56,434,689
Balance at 30 June 2008		237,772,021	237,772,021
Balance at 1 July 2008		237,772,021	237,772,021
Surplus for the year		8,319,452	8,319,452
Prior year adjustment	24	0	0
Balance at 30 June 2009		246,091,473	246,091,473

CASHFLOW STATEMENTS

For the year ended 30 June 2009

	Note	2009 R	2008 R
CASH FLOW FROM OPERATING ACTIVITIES			
Cash receipts from levy payers, government and other		721,795,567	502,346,281
Cash paid to suppliers and employees		-697,737,561	-468,807,740
Cash generated from operating activities	20	24,058,006	33,538,541
Interest received		25,883,985	25,446,968
Interest paid		0	-389,815
NET CASH FROM OPERATING ACTIVITIES		49,941,990	58,595,694
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		-76,365,551	-23,217,495
Proceeds on disposal of fixed assets		256,079	164,600
Decrease in non current receivables		75,172	42,450
NET CASH FROM INVESTING ACTIVITIES		-76,034,300	-23,010,445
CASH FLOW FROM FINANCING ACTIVITIES			
New loans repaid		0	-5,661,962
Other Capital receipts			
NET CASH FROM FINANCING ACTIVITIES		0	-5,661,962
NET INCREASE IN CASH AND CASH EQUIVALENTS		-26,092,310	29,923,287
Cash and cash equivalent at the beginning of the year		195,587,311	165,664,024
Cash and cash equivalent at the end of the year	21	169,495,002	195,587,311

MANDATORY ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS

For the year ended 30 June 2009

1. BASIS OF PRESENTATION

The Annual Financial Statements have been prepared on an accrual basis of accounting and are in accordance with the historical cost convention unless otherwise stated.

These Financial Statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practices (GRAP) and the Standards of Generally Accepted Municipal Accounting Practices (GAMAP) prescribed by the Minister of Finance in terms of:

- General Notice 991 of 2005, issued in Government Gazette no. 28095 of 7 December 2005;
- General Notice 992 of 2005, issued in Government Gazette no. 28095 of 15 December 2005 and in accordance with Section 122(3) of the Municipal Finance Management Act, 2003 (Act 56 of 2003);

The Standards are summarised as follows:

GRAP 1	Presentation Of Financial Statements
GRAP 2	Cash Flow Statements
GRAP 3	Accounting Policies, Changes In Accounting Estimates And Errors
GRAP 4	The Effects Of Changes In Foreign Exchange Rates
GRAP 5	Borrowing Costs
GRAP 6	Consolidated And Separate Financial Statements
GRAP 7	Investments In Associates
GRAP 8	Interests In Joint Ventures
GRAP 9	Revenue From Exchange Transactions
GRAP 10	Financial Reporting In Hyperinflationary Economics
GRAP 11	Construction Contracts
GRAP 12	Inventories
GRAP 13	Leases
GRAP 14	Events After The Reporting Date
GRAP 16	Investment Property
GRAP 17	Property, Plant And Equipment
GRAP 19	Provisions, Contingent Liabilities And Contingent Asset

Accounting policies for material transactions, events or conditions not covered by the above GRAP Standards have been developed in accordance with paragraphs 7, 11 and 12 of GRAP 3. These accounting policies and the applicable disclosures have been based on the South African Statements of Generally Accepted Accounting Practices (GAAP) including any interpretations of such Statements issued by the Accounting Practices Board.

The Minister of Finance has, in terms of General Notice 552 of 2007 exempted compliance with certain of the abovementioned standards and aspects or parts of these standards. Details of the exemptions applicable to the municipality have been provided in the notes to the Annual Financial Statements.

Further, the Municipality has elected to early adopt the following requirement(s) in GRAP, GAMAP or SA GAAP, which were exempted in terms of General Notice 552 of 2007:

Standard No.	Standard Title	GRAP, GAMAP and/or SA GAAP REQUIREMENTS, EXEMPTED IN TERMS OF General Notice 552 of 2007, that have been early adopted
IAS 19 (AC 116)	Employee benefits	Provision is made for medical aid contributions for the next three years for a continued member who is aged 74 and has a life expectancy of three years. Provision is also made for a 5% year on year increase in the contribution (IAS 19.29, 48 – 119 and 120A(c) – (q))
GAMAP 09	Revenue	Revenue is initially measured at fair value, after which it is discounted according to the ageing model and the effected interest rate (GAMAP 9.12 and SAICA circular 9/06)

2. PRESENTATION CURRENCY

These annual financial statements are presented in the South African Rand currency.

3. GOING CONCERN ASSUMPTION

These annual financial statements have been prepared on a going concern basis.

4. PROPERTY, PLANT AND EQUIPMENT (PPE)

4.1 Fixed Assets Are Stated As Follows:

- An item of property plant and equipment which qualifies for recognition as an asset shall initially be measured at cost.
- Where an asset is acquired at no cost, or for a nominal cost, its cost is its fair value as at the date of acquisition.
- The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing the asset to working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.
- Directly attributable costs include the following:
 - *Cost of site preparation.*
 - *Initial delivery and handling costs.*
 - *Installation cost.*
 - *Professional fees.*
 - *Estimate cost of dismantling the asset and restoring the site to the extent that it is recognised as a provision.*
- Leased Assets Capitalised – Assets subject to finance lease agreements are capitalised on the basis, where substantially all the risks and rewards associated with ownership of an asset, are transferred to the District Municipality.
- A capitalization threshold value of R5,000 has been adopted whereby all expenditure below the threshold of R5,000 is expensed when incurred. The threshold will be determined annually during the budget process.

4.2 Depreciation

Property, plant and equipment are stated at cost less accumulated depreciation.

The useful lives of property plant and equipment is reviewed periodically and, if expectations are significantly different from previous estimates, the depreciation charge from the current and future periods shall be adjusted.

Capitalised leased assets are depreciated at appropriate rates on the straight-line basis over the estimated useful lives of the assets.

Where property, plant and equipment have been impaired, the carrying amount shall be reduced to the recovery amount and the reduction shall be recognized as an expense immediately.

Depreciation is calculated on cost, using the straight-line method over the estimated useful lives of the assets. No reviewing of the depreciation method and useful lives were performed in 2008/2009. The annual depreciation rates are based on the *following estimated asset lives:-*

Infrastructure and Other	Years
Buildings	30
Specialist vehicles	10
Other vehicles	5
Office equipment	5
Furniture and fittings	10
Construction vehicles	15
Capitalised leased assets	3-5

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

4.3 Disposal of Property, Plant and Equipment

- The book values of assets are written off on disposal
- The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the net book value of assets (cost less accumulated depreciation) and the sales proceeds is reflected as a gain or loss in the Statement of Financial Performance.

4.4 Impairment

Where the carrying amount of an item of Property, Plant and Equipment is greater than the estimated recoverable amount, it should be written down immediately to its recoverable amount and an impairment loss is charged to the statement of Financial Performance. At each reporting date an assessment should be undertaken to determine whether there is any indication that any items of PPE may be impaired by reviewing external and internal sources of information which indicates that impairments may have occurred, however no impairment of assets may be deemed to be realised during the financial year under review.

5. FINANCIAL INSTRUMENTS

There are four categories of financial instruments: fair value through profit or loss (which includes trading), loans and receivables, held-to-maturity and available for sale. All financial assets that are within the scope of IAS 39 are classified into one of the four categories

Financial instruments include cash and bank balance, investments, trade receivables and borrowings. The municipality classifies its financial assets as loans and receivables.

Where investments have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the period that the impairment is identified.

5.1 Accounts receivable

Other receivables are recognised initially at cost and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. A provision for impairment is established when there is objective evidence that the municipality will not be able to collect all amounts due according to the original terms of receivables.

5.2 Financial liabilities

Financial liabilities are recognised initially at fair value. After initial recognition financial liabilities are measured at amortised cost using the effective interest rate.

5.3 Gains and losses

Gains and losses arising from changes in financial assets or financial liabilities at amortised cost are recognised in profit and loss when the financial asset or liability is derecognised or impaired through the amortisation process.

5.4 Investments held-to-maturity

Subsequent to initial recognition, held-to-maturity assets are measured at amortised cost calculated using the effective interest method.

Accounting policy for the 2006/2007 and 2007/2008 financial years

The requirement of IAS 39.43, AG 64, AG 65, AG 79 and SAICA Circular 9 that financial instruments should initially be measured at fair value has been exempted in terms of Government Gazette 30013 of 29 June 2007.

5.5 Investment in Municipal Entities

Investments in partnerships are initially recognised at cost, and subsequently measured at cost less any accumulated impairment. Investments in trusts are initially recognised at cost, and are subsequently measured at fair value, with fair value being the net assets of the trust.

Consolidated financial statements are prepared to account for the Municipality's share of net assets and post acquisition results of these investments.

6 TRADE CREDITORS

Accounting policy for the 2006/2007 and 2007/2008 financial years

Trade and other creditors including leave pay are recognised initially at cost in accordance with the exemptions in Government Gazette 30013 of 29 June 2007. Accordingly the creditors and leave pay were stated at nominal value and no discounting was accounted for.

6.1 Provisions

A provision is recognised when the Municipality has a present obligation (legal or constructive); as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and hence a reliable estimate of the provision can be made. Provisions are reviewed at each statement of financial position, date and adjusted to reflect the current best estimate.

7. REVENUE RECOGNITION

Revenue shall be measured at the fair value of the consideration received or receivable. No settlement discount is applicable.

7.1 Government Grants:

Government Grants may be in the form of grants to acquire or construct fixed assets (capital grants), grants for the furtherance of national and provincial government policy objectives and general grants to subsidise the cost incurred by municipalities rendering services. Capital grants and general grants for the furtherance of government policy objectives are usually restricted revenue in that stipulations are imposed in their use.

7.2 Government grants are recognised as revenue when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality, and
- The amount of the revenue can be measured reliably, and
- To the extent that there has been compliance with any restrictions associated with the grant.

7.3 Other grants and donations received:

Other grants and donations shall be recognised as revenue when:

- service potential associated with the transaction will flow to the municipality, and
- The amount of the revenue can be measured reliably, it is probable that the economic benefits or and
- To the extent that there has been compliance with any restrictions associated with the grant.

7.4 Other Revenue:

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated

procedures, including those set out in the Municipal Finance Management Act (Act No. 56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain.

7.5 Interest received:

Interest shall be recognized on a time proportionate basis that takes into account the effective yield on the asset.

8. CONDITIONAL GRANTS AND RECEIPTS

Revenue received from Conditional Grants, Donations and Funding are recognised as revenue to the extent that the Municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met, a liability is recognised.

8.1 Unspent Conditional Grants

Unspent conditional grants are reflected on the statement of financial position as a current liability – unspent conditional grants. These amounts represent unspent Government Grants and Subsidies. The following conditions are set for the creation and utilisation of these current liability amounts (Creditors)

- The cash which backs the creditor is invested until utilised
- Interest earned on the investment is treated in accordance with receipt practices of the Municipality and is recognised as interest earned.

9. CASH AND CASH EQUIVALENTS

Cash includes cash on hand and cash with banks. Cash equivalents are short-term highly liquid investments that are held with registered banking institutions with maturities of between three to six months or less and are subject to an insignificant risk of change in value.

10. UNAUTHORISED EXPENDITURE

Unauthorised expenditure is expenditure that has not been budgeted, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No.56 of 2003). Unauthorised expenditure is accounted for as an expense in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

11. IRREGULAR EXPENDITURE

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the Municipality's supply chain management policy or as a direct result of inappropriate action being perpetrated. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

12. FRUITLESS AND WASTEFUL EXPENDITURE

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

13. COMPARATIVE INFORMATION

13.1 Current year comparatives:

Budgeted amounts have been included in the annual financial statements for the current financial year only.

13.2 Prior year comparatives:

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are reclassified. The nature and reason for the reclassification is disclosed.

14. POST - RETIREMENT BENEFITS**14.1 General**

Defined Contribution plans are benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. Obligations for contributions to defined contribution plans are recognised as an expense in the income statement as incurred.

14.2 Medical Aid: Continued Member

Post employment medical care benefits are provided by the municipality to a certain employee and their legitimate spouses. The entitlement to post-retirement medical benefits was based on the employee remaining in service up to retirement age and the completion of a minimum service period and in compliance with the rules and regulations of the Medical Aid Fund with which the Municipality is associated. The current Medical Aid Fund with which the Municipality is associated, does not provide for continued membership.

The amount recognised in the balance sheet represents the present value of the defined contribution obligation. The amount is discounted by using the market related interest rate at the balance sheet date.

15. BORROWING COSTS

Borrowing costs are recognised as an expense in the Statement of Financial Performance.

16. LEASES

Leases are classified as financial leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the District Municipality. Assets subject to Finance Lease Agreements are capitalised and the corresponding liabilities are raised. The cost of the assets is depreciated at appropriate rates on the straight-line basis over the estimated useful lives of the assets. Lease payments are allocated between the lease finance cost and the capital repayments. Lease interest would be expensed when incurred.

17. EVENTS AFTER BALANCE SHEET DATE

Recognised amounts in the financial statements are adjusted to reflect events arising after the balance sheet date that provide evidence of conditions that existed at the balance sheet date. Events after the balance sheet date that are indicative of conditions that arose after the balance sheet date are dealt with by way of a note to the financial statements

18. CONTINGENT LIABILITIES

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Municipality, or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognised as liabilities.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2009

	Note	2009 R	2008 R
1 RETIREMENT BENEFIT			
Contribution: Medical aid		100,750	64,149
		<u>100,750</u>	<u>64,149</u>
Provision has been made for contribution to the medical aid for a previously retired employee in compliance with the medical aid rulings at that point of time.			
2 FINANCE LEASE LIABILITY			
Finance lease liability- Minimum lease payments			
Not later than 1 year		3,641,212	3,125,321
Later than 1 year and no later than 5 years		27,196,428	23,656,487
Greater than 5 years		23,340,165	30,442,973
Less Future finance charges		(33,759,384)	(38,065,139)
Present value of finance lease liabilities		<u>20,418,421</u>	<u>19,159,642</u>
The present value of the finance lease liabilities is as follows:			
No later than 1 year		(906,538)	(1,180,433)
Later than 1 year and no later than 5 years		3,902,476	21,041
Later than 5 years		17,422,483	20,319,034
		<u>20,418,421</u>	<u>19,159,642</u>
3 Deferred Profit on sale and lease back			
The municipality entered in a leasing arrangement with the Eastvaal Development Trust and the Eastvaal Financing Partnership in 1998, the result of this was that the municipality entered in a finance sale and lease back transaction, the effects of this			
Profit on sale and leaseback		9,690,000	9,690,000
Accumulated amortisation of profit on sale and leaseback		(4,845,000)	(4,360,500)
		<u>4,845,000</u>	<u>5,329,500</u>
4 CREDITORS			
Trade creditors		45,718,899	19,613,970
Retention		18,001,179	13,011,139
Other		2,344,839	2,371,881
Capitalised Finance Lease Liabilities - Refer 3.1 below		252,955	0
Staff leave pay		3,008,728	1,037,284
Total		<u>69,326,600</u>	<u>36,034,274</u>

4.1 Capitalised finance lease agreements are repayable in monthly installments over the ensuing two financial years and the total commitment in this regard is R331,302

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2009

	Note	2009 R	2008 R
5 PROVISIONS			
Balance unspent at the beginning of the year		6,805,149	
Current year expenditure		6,202,415	
Savings written back		213,942	
Additional provisions		8,827,223	6,805,149
		9,216,015	6,805,149
Provision has been made in terms of Legal/Constructive obligations as a result of past events.			
6 UNSPENT CONDITIONAL GOVERNMENT GRANTS			
MIG Grant		206,073	375,221
MSIG Grant		0	155,501
FMG Grant		0	1,757
CBPWP		0	2,979,432
Total		206,073	3,511,911
7 PROPERTY, PLANT AND EQUIPMENT			
30 June 2009	Cost	Accumulated Depreciation	Carrying Value
PROPERTY, PLANT AND EQUIPMENT			
Buildings	90,862,604	3,728,328	87,134,276
Other Assets	49,759,413	10,729,166	39,030,247
Total	140,622,017	14,457,494	126,164,523
Total fixed assets			
30 June 2008	Cost	Accumulated Depreciation	Carrying Value
PROPERTY, PLANT AND EQUIPMENT			
Buildings	28,575,885	3,320,272	25,255,613
Other Assets	36,050,558	6,799,360	29,251,198
Total	64,626,443	10,119,632	54,506,811

Refer Appendix B & C for more detail on property, plant and equipment

The following stands were donated by Msukaligwa Local Municipality to Gert Sibande District Municipality during the financial year:

Portion 229 (A portion of portion 11) of the farm Nooitgedacht 268; Portion 230 (A portion of portion 13) of the farm Nooitgedacht 268; Portion 232 (A portion of portion 97) of the farm Nooitgedacht 268; Portion 233 (A portion of portion 97) of the farm Nooitgedacht 268; and Portion 231 (A portion of portion 13) of the farm Nooitgedacht 268. As at the financial year end the portions mentioned were in the process of being consolidated and rezoned with registration in the deeds office to follow in the name of the Gert Sibande District Municipality. The value of the consolidated stand is not known at this stage.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2009

	Note	2009 R	2008 R
8 Investment in Eastvaal Development Trust			
100% Beneficiary			
Net Assets			
Investment in finance lease		6,957,725	7,020,220
Cash and cash equivalents		20,463	20,463
Loan from Eastvaal financing partnership			-1,405,260
		<u>6,978,188</u>	<u>5,635,423</u>
Comprising:			
Donation		100	100
Net income available for distribution		6,978,088	5,635,323
		<u>6,978,188</u>	<u>5,635,423</u>
<p>The investment in the Eastvaal Development Trust is carried at fair value. The fair value of the trust is determined by reference to the net asset value of the trust.</p>			
9 Investment in the Eastvaal Financing Partnership			
99% Partnership interest			
Net Assets			-
Investment in finance lease		20,340,073	-
Cash and cash equivalents		1,837,482	-
Sundry Creditor		(10,336)	-
Finance lease liability		(6,957,726)	-
VAT		(191)	-
		<u>15,209,302</u>	<u>-</u>
Comprising:			
Partnership contributions		36,049,487	-
Accumulated loss		(20,840,184)	-
Fair value of the net assets of the partnership		<u>15,209,302</u>	<u>-</u>
Fair value of Gert Sibande's interest in the partnership			
Amount paid to obtain control of the partnership		26,095,352	-
Carrying amount of investment in the partnership		<u>26,095,352</u>	<u>-</u>
<p>The investment in the partnership is carried at the cost of obtaining control of the partnership, less annual distributions of contributions.</p>			
10 LONG TERM RECEIVABLES			
Study Bursaries		120,859	152,166
Motor Loans		250,960	294,825
Total		<u>371,819</u>	<u>446,992</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2009

	Note	2009 R	2008 R
10 LONG TERM RECEIVABLES (Continued)			
Less : Short Term Portion		-358,366	-218,627
Total: Long Term Portion		13,453	228,365
MOTOR LOANS			
Senior staff were entitled to motor loans which attracted interest at 8.5% per annum and which were repayable over a maximum period of 6 years. As from 1 July 2004 no new loans were approved in compliance with the MFMA.			
11 DEBTORS			
Current debtors		0	6,658,754
Other Debtors		250,865	302,743
Local authorities		8,723,234	12,915,307
		8,974,099	19,876,804
Less: Provision for bad debts		0	-6,658,754
Total		8,974,099	13,218,050
Regional Services Levies: Ageing			
Current (0-30 days)		0	-20,760
31-60 Days		0	7,140
61-90 Days		0	1,984
91-120 Days		0	54,923
Over 120 Days		0	6,615,467
Total		0	6,658,754
Reconciliation of the bad debt provision			
Balance at beginning of the year		6,658,754	7,198,210
Bad Debts written off against provision		-6,658,754	0
Reversal of provision		0	-539,456
Balance at end of year		0	6,658,754

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2009

	Note	2009 R	2008 R
12 INVESTMENTS			
Fixed Deposits consist of the following:			
Absa - short term - 6 months at an interest rate of 7.25%		10,000,000	0
FNB - short term - 6 months at an interest rate of 7.25%		10,000,000	0
Nedbank - short term - deposit investment agreement			25,075,702
Total		20,000,000	25,075,702
Deposit investment relate to capital and interest contributed by Gert Sibande District Municipality to a sinking fund invested with Nedcor Investment Bank.			
13 VAT			
VAT receivable		11,130,293	13,266,300
VAT is payable on the receipts basis.		11,130,293	13,266,300
14 BANK BALANCES AND CASH			
The primary bank account is as follows:			
ABSA BANK- Secunda			
Account no 01053971462			
Branch code - 630244			
Cashbook balance at beginning of the year		195,583,211	153,659,924
Cashbook balance at end of the year		149,284,230	195,583,211
Bank statement balance at beginning of the year		181,500,434	153,714,212
Bank statement balance at end of the year		149,435,621	181,500,434
15 GOVERNMENT GRANTS AND SUBSIDIES			
Equitable share		8,673,981	3,457,041
Revenue Replacement Grant		189,203,983	168,181,318
MIG Grant		169,148	3,987,040
CBPWP		2,979,432	972,668
MSIG Grant		890,501	2,064,265
FMG Grant		501,756	846,401
DWAF		3,198,548	0
Total		205,617,349	179,508,732

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2009

	Note	2009 R	2008 R
15.1 Equitable share			
In terms of the Constitution, this grant is utilised to subsidise basic services for the indigent community. Due to the fact that the District Municipality is not providing for basic services this grant is included in income.			
15.2 MIG Grant			
Balance unspent at the beginning of the year		375,221	5,101,968
Correction from previous year		0	-739,707
Conditions met - transfer to revenue		-169,148	-3,987,040
Conditions still to be met - transfer to liabilities (see note 4)		206,073	375,221
This grant is being used for several project with-in the Category B Municipalities in the Gert Sibande region. This project is being implemented by the District Municipality.			
15.3 MSIG Grant			
Balance unspent at the beginning of the year		155,501	1,219,766
Current year receipts		735,000	1,000,000
Conditions met - transfer to revenue		-890,501	-2,064,265
Conditions still to be met - transfer to liabilities (see note 4)		0	155,501
15.4 FMG Grant			
Balance unspent at the beginning of the year		1,756	348,157
Current year receipts		500,000	500,000
Conditions met - transfer to revenue		-501,756	-846,401
Conditions still to be met - transfer to liabilities (see note 4)		0	1,756
15.5 CBPWP			
Balance unspent at the beginning of the year		2,979,432	2,952,100
Correction during the year		0	1,000,000
Conditions met - transfer to revenue		-2,979,432	-972,668
Conditions still to be met - transfer to liabilities (see note 4)		0	2,979,432
15.6 DWAF			
Balance unspent at the beginning of the year		0	0
Current year receipts		3,198,548	0
Conditions met - transfer to revenue		3,198,548	0
Conditions still to be met - transfer to liabilities (see note 4)		0	0

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2009

	Note	2009 R	2008 R
16 OTHER INCOME			
Tender Deposits		119,649	117,050
LGSeta allocations		117,410	353,519
Dwaf allocation		0	539,994
Other income		676,764	1,684,747
Donation - CIDA		3,654,107	0
Deposit in investment Agreement		1,228,173	336,325
Total other income		5,796,102	3,031,635
17 EMPLOYEE RELATED COSTS			
Employee related cost - Salaries and wages		23,323,353	17,277,378
Employee related cost - Contributions for UIF, pensions and medical aids		5,095,573	3,769,501
Travel and other allowances		2,740,628	2,067,640
Housing benefits and allowances		224,318	191,692
Overtime payment		240,691	211,542
Annual bonus		367,449	284,189
Total Employee related costs		31,992,012	23,801,942
There were no advances to employees. No new loans was approved.			
Remuneration of the Municipal Manager			
Annual Remuneration		651,611	627,030
Annual bonus - Provision		89,889	69,167
Car allowances		152,116	132,652
Contributions to UIF, Medical and pension funds.		136,094	151,004
Total		1,029,710	979,853
Remuneration of the Chief Financial Officer			
Annual Remuneration		474,587	466,472
Annual bonus - Provision		70,200	48,217
Car allowances		118,647	102,870
Contributions to UIF, Medical and pension funds.		57,919	10,401
Total		721,353	627,960
Remuneration of Individual Executive Directors			
30 June 2009		Corporate Services	MIS
Annual Remuneration		255,013	473,125
Annual bonus - Provision			70,200
Car allowances		50,541	113,367
Contributions to UIF, Medical and pension funds.		57,045	132,396
Total		362,599	789,089

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2009

	Note	2009 R	2008 R
17 EMPLOYEE RELATED COSTS (Continued)			
30 June 2009		IGR	Mayor's Office
Annual Remuneration		452,636	521,591
Annual bonus - Provision		66,960	70,200
Car allowances		113,159	62,105
Contributions to UIF, Medical and pension funds.		55,433	140,860
Total		688,188	794,756
30 June 2008		Corporate Services	MIS
Annual Remuneration		496,467	460,333
Annual bonus - Provision		54,167	54,167
Car allowances		91,574	102,880
Contributions to UIF, Medical and pension funds.		103,784	119,246
Total		745,992	736,626
30 June 2008		IGR	Mayor's Office
Annual Remuneration		273,810	459,946
Annual bonus - Provision		4,306	54,167
Car allowances		68,812	55,895
Contributions to UIF, Medical and pension funds.		4,589	126,657
Total		351,517	696,666
For 2009 an amount of R367,449 is provided as annual bonus for management, and included as a creditor in note 3.			
18 COUNCILLORS REMUNERATION			
Executive Mayor		485,544	438,816
Speaker		388,367	351,268
Mayoral Committee's allowance		1,800,235	1,546,744
Councillor's		2,347,944	2,124,239
Councillor's pension fund		500,813	438,905
Medical aid contribution		199,106	140,334
UIF Contribution		12,852	12,016
Total Councillors Remuneration		5,734,861	5,052,321

IN-KIND BENEFITS

The Executive Mayor, Speaker and Mayoral Committee Members are full-time. Each is provided with an office and secretarial support at the cost of the Council. The Mayor is staying in a house of Council.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2009

	Note	2009 R	2008 R
19 GRANTS AND SUBSIDIES PAID			
Grants paid to local Municipalities		169,837,112	105,897,673
Grants paid to charities		190,839	99,540
		<u>170,027,951</u>	<u>105,997,213</u>
Grants applied to local Municipalities for GSDM vehicles utilised:			
Depreciation		2,588,764	1,658,077
Total Grants and Subsidies		<u>172,616,715</u>	<u>107,655,290</u>
20 CASH GENERATED BY OPERATIONS			
Surplus for the year		8,319,452	52,619,828
Adjustments for:-			
Depreciation		4,530,154	3,159,365
Contribution to provisions		2,410,866	6,805,149
Gain on disposal of property, plant and equipment		-78,394	-13,892
Assets adjustment			816,906
Prior year adjustment			3,088,045
Interest income		-25,883,985	-21,621,274
Interest paid			389,815
Operating surplus before working capital charges		<u>-10,701,906</u>	<u>45,243,943</u>
(Increase)/decrease in Debtors		4,188,951	-242,409
Increase/ (decrease) in unspent conditional grant and receipts		-3,305,838	-6,110,080
Increase/ (decrease) on VAT receivable		2,136,007	2,798,142
Increase/(decrease) in Creditors		33,407,274	-4,325,361
Cash generated by operations		<u>25,724,488</u>	<u>37,364,235</u>
21 CASH AND CASH EQUIVALENTS			
Cash and cash equivalents included in the cash flow statement comprise the following statement of amounts indicating financial position:			
Bank balance - ABSA		149,284,230	195,583,211
Bank balance - Nedbank		204,673	
Petty cash		6,100	4,100
Investments		20,000,000	
Total		<u>169,495,002</u>	<u>195,587,311</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2009

	Note	2009 R	2008 R
22 ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT			
22.1 Contributions to organized local government			
Opening balance		0	0
Council subscriptions		213,459	158,459
Amount paid - current year		213,459	158,459
Balance unpaid		0	0
22.2 Audit fees			
Opening balance		0	0
Current year audit fees		1,029,847	882,277
Amount paid - current year		1,029,847	882,277
Balance unpaid		0	0
22.3 VAT			
All VAT returns have been submitted by the due date throughout the year.			
The VAT receivables are shown in note 5.			
22.4 Payee and UIF			
Opening balance		0	0
Current year payroll deduction and Council Contributions		5,478,101	4,378,955
Amount paid - current year		5,478,101	4,378,955
Balance unpaid		0	0
22.5 Pension and Medical Aid Deductions			
Opening balance		0	0
Current year payroll deduction and Council Contributions		7,801,037	6,342,583
Amount paid - current year		7,801,037	6,342,583
Amount paid - previous year		0	0
Balance unpaid		0	0
23 IRREGULAR EXPENDITURE - RECOUPMENT			
Balance unspent at the beginning of the year		940,057	940,057
Current year recovered		-65,000	
Expenditure incurred during the year		120,000	
		995,057	940,057

A factual findings report was undertaken by a reputed firm of Forensic Auditors and this document was tabled with GSDM's Insurance company as the potential loss shall be further reduced with an insurance compensation. Legal processes are currently in place to recover any outstanding loss from perpetrators who have been identified by the SAPS.

Incorrect payment - SARS

In addition during 2008/2009 an amount of R120,000.35 was inadvertently paid to an individual who misrepresented himself as a SARS employee. A forensic/legal and other processes are currently being undertaken to ensure full recovery of loss is achieved.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2009

	Note	2009 R	2008 R
24 PRIOR YEAR ADJUSTMENT			
Non Realisation - creditors for Short term		0	3,088,045
Depreciation on capitalized leased Assets - Prior year		190,047	0
Provision for finance lease liability		-190,047	0
		<u>0</u>	<u>3,088,045</u>
25 PRIOR YEAR ADJUSTMENTS RELATING TO FINANCING STRUCTURE			
During the 1998 financial year Gert Sibande District Municipality entered into an agreement with NedBank with respect to the acquisition and financing of the municipality's present administrative offices. As a consequence of this transaction to municipal e			
25.1 Investments			
Investments as previously reported as at 1 July 2007		-	-
Investment in deposit agreement		-	20,444,972
Investments as restated		-	<u>20,444,972</u>
Capital Invested in deposit agreement for the year ended 30 June 2008		-	1,407,542
Interest capitalised to deposit agreement for the year ended 30 June 2008		-	3,223,188
Balance as at 30 June 2009 Restated		-	<u>25,075,702</u>
As a consequence of the differing financial year end of the entities involved in the abovementioned financing relationship, the lease liability was not reflected in the financial statements of Gert Sibande District municipality			
25.2 Finance lease liability			
Finance lease liability as previously recorded		-	-
- Adjustment to restate finance lease liability as at 1 July 2007		-	17,859,270
Finance lease liability as restated- 1 July 2007		-	<u>17,859,270</u>
Capital Portion of finance lease			(2,741,510)
Finance cost for the year ended 30 June 2008			4,041,881
Restated Balance as at 30 June 2008		-	<u>19,159,642</u>
25.3 Deferred Profit on Finance lease			
Deferred profit on finance lease as previously stated			-
Correction of error- Deferred profit on finance sale and leaseback			9,690,000
Correction of error- amortisation of deferred profit on finance sale and leaseback			(4,360,500)
Restated balance deferred profit on finance sale and leaseback			<u>5,329,500</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2009

Note	2009 R	2008 R
25.4 Accumulated Surplus		
The effect of the abovementioned correction of errors on the accumulated surplus and surplus for the year are as follows:		
Accumulated surplus as previously reported-at 1 July 2007		175,227,589
Capital investment in deposit agreement		20,444,972
Investment in Trust		5,635,423
Restatement long-term liability-Restatement of Finance lease liability		(17,859,270)
Restatement of asset under finance lease		8,500,000
Deferred profit on Finance sale and leaseback		(9,690,000)
Amortisation of deferred profit on finance sale and leaseback		3,876,000
Depreciation not previously accounted for on Building		(1,158,913)
Non Realisation - creditors for Short term		3,088,045
Derecognition of asset		(6,726,512)
Accumulated surplus as restated as at 1 July 2007		<u>181,337,334</u>
Surplus for the year ended 30 June 2008 as previously reported		52,619,831
Capital investment in deposit agreement previously misallocated		1,407,542
Interest earned on deposit agreement		3,223,188
Amortisation of deferred profit		484,500
Finance costs relating to lease liability		(4,041,881)
Capital portion of lease liability incorrectly expenses		2,741,510
Revenue from Municipal entity		
Surplus for the year ended 30 June 2008 restated		<u>56,434,690</u>
Accumulated surplus for the year ended 30 June 2008 Restated		<u>237,772,024</u>
26 CHANGES OF ACCOUNTING POLICIES		
During the current financial year and in order to comply with GRAP standard no 13 the operating leases were reclassified as capitalised leased assets.		

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2009

	Note	2009 R	2008 R
27 CAPITAL AND OTHER COMMITMENTS			
Commitment in respect of capital and other expenditure			
- Approved and contracted for			
Capital Projects		230,044,846	264,820,421
Total		230,044,846	264,820,421
This expenditure will be financed from:			
-Own Resources			
		230,044,846	264,820,421
Total		230,044,846	264,820,421
28 GENERAL EXPENDITURE - OTHER			
ADVERTISEMENTS		361,301.23	308,340.55
AUDIT FEES		2,275,318.95	914,262.18
BANK COSTS		75,375.35	58,246.06
RENTAL		261,834.38	389,202.50
TECHNICAL SUPPORT		420,380.48	138,860.32
ENTERTAINMENT		597,402.87	407,928.98
INSURANCE		517,088.97	687,076.56
EQUIPMENT AND FURNITURE		136,252.24	1,018,006.92
LEGAL COSTS		813,544.72	630,688.95
MEMBERSHIP AND SUBSCRIPTION FEES		258,133.23	211,531.42
MUNICIPAL AND OTHER SERVICES		747,082.05	621,711.78
PROGRAM ALTERATIONS		43,482.25	63,499.00
TRAVEL & SUBSISTANCE		1,472,981.91	1,379,925.77
SECURITY		217,829.74	151,982.83
SERVICE TRAINING		915,481.17	516,665.27
STATIONERY AND PUBLICITY		462,876.10	334,184.19
TELEPHONE		1,526,786.24	1,335,388.62
LESS DEBITED ELSEWHERE			-715,326.26
TOTAL		11,103,151.88	8,452,175.64

APPENDIX B

ANALYSIS OF PROPERTY PLANT AND EQUIPMENT AS AT 30 JUNE 2009

	COST						ACCUMULATED DEPRECIATION					
	OPENING BALANCE	ADDI-TIONS	WORK IN PROGRESS	DISPOSALS /TRANSFERS	CLOSING BALANCE		OPENING BALANCE	ADDI-TIONS	DISPOSALS / TRANSFERS	CLOSING BALANCE	CARRYING VALUE	BUDGET 2009
LAND AND BUILDINGS	R	R	R	R	R	R	R	R	R	R	R	R
Building	28,575,885	905,064	61,381,655	0	90,862,604		3,320,272	408,056	0	3,728,328	87,134,276	60,831,693
OTHER ASSETS	28,575,885	905,064	61,381,655	0	90,862,604	0	3,320,272	408,056	0	3,728,328	87,134,276	60,831,693
Equipment	4,698,403	382,809	0	32,704	5,048,508		3,332,340	576,137	10,849	3,897,628	1,150,880	562,036
Furniture	392,815	10,250	0	0	403,065		157,254	40,306	0	197,560	205,505	10,250
Vehicles	30,959,340	12,923,304	0	337,273	43,545,371		3,309,766	3,074,488	181,443	6,202,811	37,342,560	11,390,724
Capitalised Lease Assets	-	762,469	0	0	762,469		0	431,167	0	431,167	331,302	-
	36,050,558	14,078,832	0	369,977	49,759,413		6,799,360	4,122,098	192,292	10,729,166	39,030,247	11,963,010
TOTAL	64,626,443	14,983,896	61,381,655	369,977	140,622,017	10,119,632	4,530,154	192,292	14,457,494	126,164,523	72,794,703	

APPENDIX C

ANALYSIS OF PROPERTY PLANT AND EQUIPMENT AS AT 30 JUNE 2009

	COST					ACCUMULATED DEPRECIATION				
	OPENING BALANCE	ADDI-TIONS	WORK IN PROGRESS	DISPOSALS /TRANSFERS	CLOSING BALANCE 30/6/2009	OPENING BALANCE 1/7/2008	ADDI-TIONS	DISPOSALS /TRANSFERS	CLOSING BALANCE 30/6/2009	CARRYING VALUE
Executive and Council	R	R	R	R	R	R	R	R	R	R
	20,686,838	2,381,455	61,381,655	0	84,449,948	1,660,484	594,386	0	2,254,870	82,195,078
Finance and admin	17,332,253	955,133	0	355,977	17,931,409	6,090,287	1,253,447	190,420	7,153,314	10,778,095
Planning and development	549,088	55,470	0	14,000	590,558	169,270	93,557	1,872	260,955	329,603
Local Authorities	26,058,264	11,591,838	0	0	37,650,102	2,199,591	2,588,764	0	4,788,355	32,861,747
TOTAL	64,626,443	14,983,896	61,381,655	369,977	140,622,017	10,119,632	4,530,154	192,292	14,457,494	126,164,523

APPENDIX D
SEGMENTAL STATEMENT OF PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2009

	2008 Actual Income R	2008 Actual Expenditure R	2008 Surplus/(Deficit) R	2009 Actual Income R	2009 Actual Expenditure R	2009 Surplus/(Deficit) R
	4,959,707	107,555,750	-102,596,043	6,347,128	172,425,875	-166,078,747
	4,959,707	107,555,750	-102,596,043	6,347,128	172,425,875	-166,078,747
Contribution to Local Authorities	203,399,147	44,268,877	159,130,268	231,467,730	56,878,692	174,589,038
Corporate Services	404,673	22,301,073	-21,896,401	3,684,517	25,095,476	-21,410,959
Budget & Treasury	200,369,731	10,351,428	190,018,302	227,574,712	12,524,474	215,050,238
Health	2,608	1,868,647	-1,866,038	174	2,036,877	-2,036,703
MIS & IGR	2,620,695	97,46,289	-7,125,595	205,840	13,758,910	-13,553,069
Municipal Buildings	847	847	0	1,232	1,740,574	-1,739,342
Computer Services	593	593	0	1,256	1,722,383	-1,721,127
Donations	0	99,540	-99,540	0	190,839	-190,839
	0	99,540	-99,540	0	190,839	-190,839
	0	99,540	-99,540	0	190,839	-190,839
	208,358,854	151,924,168	56,434,688	237,814,858	229,495,407	8,319,452

APPENDIX E1

ACTUAL OPERATING REVENUE AND EXPENDITURE VERSUS BUDGET FOR THE YEAR ENDED 30 JUNE 2009

	Actual 2008 R	Budget 2008 R	Variance 2008 R	Variance 2008 %	Explanation of Significant Variances greater than 10%
REVENUE					
Regional Services Levies - remuneration	418,929	394,640	24,289	6%	
Regional Services Levies - turnover	5,478	3,840	1,638	43%	Recoupment of Levy payers debts previously written off
Interest earned - external investments	24,667,993	17,998,080	6,669,913	37%	Due to projects late implementation, more funds were available for investment.
Interest earned - outstanding debtors	1,215,992	1,920	1,214,072	63233%	Interest for partnership not taken into consideration during the budget
Government grants and subsidies	205,617,350	207,833,672	-2,216,322	-1%	
Other income	5,796,102	5,305,150	490,952	9%	The donation from the Canadian International Development agency(CIDA) was less than budgeted.
Gains on disposals of property, plant and equipment	93,015	0	93,015	100%	Gains not budgeted for
TOTAL REVENUE	237,814,858	231,537,302	6,277,556	3%	
EXPENDITURE					
Employee related cost	31,992,012	34,643,983	-2,651,971	-8%	Not all positions were filled on the organigram, resulting in less expenditure than budgeted for
Remuneration of Councillors	5,734,861	6,027,970	-293,109	-5%	
Depreciation	1,751,343	1,419,690	331,653	23%	Depreciation on leases was not budgeted for
Repairs and maintenance	1,086,418	1,122,576	-36,159	-3%	
Contracted services	905,153	910,000	-4,847	-1%	
Grants and subsidies paid	172,616,715	183,466,747	-10,850,032	-6%	
General expenses - other	11,103,152	12,614,381	-1,511,229	-12%	Less was spent on general expenditure than budgeted for
Finance Cost	4,305,754	0	4,305,754	100%	Finance Cost for partnership not taken into consideration during the budget
TOTAL EXPENDITURE	229,495,406	240,205,347	-10,709,940	-4%	
SURPLUS FOR THE YEAR	8,319,452	-8,668,045	16,987,496		

APPENDIX E(2)
ACTUAL CAPITAL EXPENDITURE VERSUS BUDGET FOR THE YEAR 30 JUNE 2009

	2009 Actual R	2009 Work in Progress R	2009 Total Additions R	2009 Budget R	2009 Variance R	2009 Variance %	Explanation of Significant Variances greater than 5% versus Budget
LAND AND BUILDINGS							
Building	905,064	61,381,655	62,286,719	60,831,693	(1,455,026)	-2.39%	Refer to Section 31(a) of the MFMA regarding expenditure on capital projects
	905,064	61,381,655	62,286,719	60,831,693	(1,455,026)	0	
OTHER ASSETS							
Equipment	382,809	-	382,809	562,036	179,227	31.89%	Less equipment was procured than anticipated due to restriction of office space
Furniture	10,250	-	10,250	10,250	0	0.00%	
Vehicles	12,923,304	-	12,923,304	11,390,724	(1,532,580)	-13.45%	2 additional disaster management vehicles had to be procured
Capitalised Lease assets	762,469	-	762,469	-	-	0.00%	Change in accounting policy regarding lease assets
	14,078,832	-	14,078,832	11,963,010	(1,353,353)		
TOTAL	14,983,896	61,381,655	76,365,551	72,794,703	(2,808,379)	0	

APPENDIX F
DISCLOSURES OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003 GRANTS AND SUBSIDIES RECEIVED

Name of Grants	Opening balance	Quarterly Receipts				Total	Quarterly Expenditure				Total	Closing balance	Grant and Subsidies delayed/ withheld	Reason for delay / withholding of funds	Did your municipality comply with the grant conditions in terms of the latest Division of Revenue Act	Reason for non-compliance
		Sept	Dec	March	June		Sept	Dec	March	June						
Equitable share		2,891,327	2,891,327	2,891,327	8,673,981	2,168,495	2,168,495	2,168,495	2,168,495	8,673,981	0		N/A	YES	N/A	
MIG Grant	375,221				375,221			43,913	125,236	169,148	206,073			YES	N/A	
MISG Grant	155,501	735,000			890,501	155,501	182,923	111,490	440,587	890,501	0			YES	N/A	
FMG Grant	1,756	500,000			501,756	161,218	163,080	125,969	51,489	501,756	0			YES	N/A	
Revenue Replacement Grant		63,067,994	46,578,164	79,557,825	189,203,983	47,300,996	47,300,996	47,300,996	47,300,996	189,203,983	0			YES	N/A	
CBPWP	2,979,432				2,979,432	287,988	740,110	433,967	1,517,368	2,979,432	0			YES	N/A	
DWAF		1,441,000		1,757,548	3,198,548		832,972	440,246	1,925,330	3,198,548	0			YES	N/A	
TOTAL	3,511,910	68,635,321	49,469,491	84,206,700	205,823,422	50,074,198	51,388,575	50,625,077	53,529,501	205,617,350	206,073					





“Construction of a Community Centre for public and social events. The multi-purpose facility will be used for health and AIDS education, ward meetings and social events such as the viewing of World Cup soccer matches on a large screen.”



CHAPTER 5

Functional area of Service Delivery Reportings

FINANCE

Overview

Activities in the finance section include financial management budget and treasury office, debtors and creditors management, supply chain management and support to local municipalities.

Description of Activities

Financial Management-Budget and Treasury Function

The budget and treasury office is responsible for the following:

- Compilation of multi-year operating and capital budgets
- Compilation of annual financial statements
- Financial reporting – monthly, quarterly, mid-year and annually
- Cash Flow Management and investments
- Compilation and maintenance of asset register.

Debtor Management & Credit Control

- Effective management of debtors and credit control
- Administration of payroll
- Managing insurance portfolio
- Managing of creditor's – claims and other creditors.

Supply Chain Management

- Administration and implementation of the supply chain management.

Support Services to Local Municipalities

The following support functions will be rendered to Local Municipalities:

- Compilation of financial statements.
- Conversion to GRAP/GAMAP.
- Compilation of multi-year budget
- Financial reporting
- Compilation of multi-year budgets.
- Financial reporting.
- Data Cleansing.

INFRASTRUCTURE SERVICES

Overview

This department is responsible for the coordination and implementation of infrastructure development, monitoring of infrastructure maintenance throughout the District, providing town and regional planning services, infrastructure planning, sector plans development, monitoring, EPWP compliance, data capturing and reporting.

Description of Activities

Infrastructure maintenance and technical service

- Technical support (bulk)
- Water maintenance programme (bulk)
- Sewer maintenance programme (bulk)
- Coordination of infrastructure development
- Coordination and support on basic electricity (maintenance)
- Coordination of road maintenance and operations
- Municipal support on road maintenance and operations

Project implementation and support

Implementation of projects with the following:

- EPWP Compliance
- OHS Compliance
- Data capturing/monitoring
- Reporting
- Coordination and support of basic electricity (Infrastructure).

Planning and Development

- Policy development and support
- Establishment of District Integrated Transport Plan
- Development and maintenance of traffic system
- Development of road hierarchy plans
- Land use management
- Provide town and regional planning function
- Provide Spatial Development Framework
- Provide Regional Waste Disposal Planning
- Regional Crematoria Cemetery Planning

Water and Sanitation (Support to WSA'S)

- Review and integration of WSDP and ensure pre-appraisal of water and sanitation projects
- Redress water and sanitation backlog and continuously update basic service backlog information
- Engaging stakeholders to ensure sufficient water resources (raw)
- Provide support to ensure water quality is of a high standard
- Ensure project viability in terms of sustainable standards
- Provide support for Water Conservation and Demand Management Programmes.
- These issues are dealt with as and when required by the Local Municipalities

Analysis of Functions

As a consequence of legal statutes namely Section 83(3)a

to d and 84(1)a. of the Structures Act as alluded to below the GSDM must seek to achieve the integrated, sustainable and equitable social and economic development of its area as a whole by-

83(3) a to d

- a) Ensuring integrated development planning for the district as a whole
- b) Promoting bulk infrastructural development and services for the district as a whole;
- c) Building the capacity of local municipalities in its area to perform their functions and exercise their powers where such capacity is lacking; and
- d) Promoting the equitable distribution of resources between the local Municipalities in its area to ensure appropriate levels of municipal services within the area.

84. (1) A district municipality has the following functions and powers:

- a) Integrated development-planning for the district municipality as a whole, including a framework for integrated development plans of all municipalities in the area of the district municipality, taking into account the integrated development plans of those local Municipalities;

In terms of the above mandate the GSDM has progressed well by assisting the municipalities on a number of fronts.

The GSDM further assists the local municipalities in terms of Section 88 of the Structures Act, being a support through intergovernmental cooperation and is assisting the municipalities on a number of issues as included in the functions listed above.

The following roles and responsibilities should be performed by the District Municipalities and the Local Municipalities respectively namely;

ROLES & RESPONSIBILITY OF DM	ROLES & RESPONSIBILITY OF LM'S
Bulk water & Sanitation Supply (including W & S Treatment Plants)	Water reticulation and distribution
Water Quality Management & Pollution Control	Water and Sanitation network – O & M
Rudimentary Water Supply (Rural and Farm areas)	Water metering installation & maintenance
Water Conservation and Water Demand Management	Meter reading for distribution
Bulk meter installation / maintenance & reading	Tariff and standards
Planning WSDP	Billing and collection
	Planning WSDP



The GSDM has assisted the Municipalities with the comprehensive assessments of their bulk water and sanitation treatment plants and the compilation of the Municipalities Water Service Development Plans.

The roles and responsibilities between municipalities have been shared in order to encourage intergovernmental cooperation and to improve service delivery as follows:

Supply of Water and Sanitation Services

Introduction:

The GSDM has assisted the municipalities with the comprehensive assessments of their bulk water and sanitation treatment plants and the compilation of the municipalities Water Service Development Plans. An Implementation Protocol Agreement was compiled for engagement of all provincial and Local Government stakeholders for joint implementation of projects and programmes. Bulk water services agreements and water quality cooperation agreements were also compiled for the operation of bulk water services and the joint utilization of the regional laboratory. The GSDM has also begun with the performance of a Ground Water Resource Infrastructure Study which identifies the location of an Infrastructure utilizing ground water as a source including the state of the Infrastructure and the quality of water provided, where applicable. All the above mentioned

works were performed to enable improved cooperative governance and service delivery.

Infrastructure Projects Implemented:

Water & Sanitation

In relation to infrastructure projects, 97% expenditure of the approved budget was achieved through the implementation of projects at category B municipalities. The budgeted amount of R 132,902 million included the 2008/2009 financial year allocation and multi-year projects funding from the previous financial year, of which 94% or R 124,599 million of the allocation was allocated towards water and sanitation related projects. An amount of R 121,469 million was spent of the budgeted amount representing a 97% expenditure on water and sanitation related projects.

The next pages show a schedule indicating the Water - and Sanitation projects that were implemented at the seven Local Municipalities during the year under review:

2008/2009 GSDM FUNDED WATER & SANITATION PROJECTS

		MUNICIPALITY & PROJECT DESCRIPTION	BUDGET	EXPENDITURE	CONSULTANT	CONTRACTOR	COMMENTS
ALBERT LUTHULI							
MC	130	Upgrading of Empuluzi (Methula) WTW	2,580,789	2,820,855	Inhlakanipho	Mpumelelo Buss. Enterprice	Planning 100%, Project re-aligned, only Planning was done - Section 31 of the MFMA regarding the extension of Multi-Year projects applicable on the following phase
MC	130	Upgrading Carolina WTW	5,043,541	3,182,853	Inhlakanipho	T Julius Construct.	Construction 70%
MC	130	Upgrading of Elukwatini WTW	2,517,776	2,517,776	Endecon Ubuntu	Moda Womens Projects	Construction 60% - Section 31 of the MFMA regarding the extension of Multi-Year projects applicable on the following phase
MC	130	Upgrading of Empuluzi (Mayflower) WTW	2,687,515	2,749,632	Phuti & Idah	Zondle Trading CC	Construction 40% - Section 31 of the MFMA regarding the extension of Multi-Year projects applicable on the following phase
MC	130	Upgrading Bettiesgoed bulk scheme	884,428	893,372	Tirisano	V Dan Construction	Construction 60% - Section 31 of the MFMA regarding the extension of Multi-Year projects applicable on the following phase
MC	130	Upgrading Ekulindeni WTW	700,000	700,000	Inhlakanipho		Construction 10% - Phase 2 in Construction phase
MC	130	Provision of boreholes with handpumps	817,801	817,802	Monde	Blom's Kitchen	PROJECT COMPLETED
MC	130	Provision of VIP's	897,771	773,956	Monde	Several Contractors	PROJECT COMPLETED
		TOTAL:	16,129,621	14,456,246			
MSUKALIGWA							
MC	150	Upgrade WTP – Davel	50,781	50,781	Kwezi V3	Sibonga Inthuthuko Cons	PROJECT COMPLETED
MC	150	Replacement house connections/meters in Ermelo	407,653	407,654	Inzuzo	Zondle Trading CC	PH 1 COMPLETED
MC	150	Elevated tank & supply line to housing project in Kwazanele X5	756,580	756,580	Inzuzo	Zondle Trading CC	PROJECT COMPLETED
MC	150	Construct new water tower - Chrissiesmeer & Kwa Chibikulu	1,611,267	1,521,800	Ntanjana	Just Right Trading CC	Construction 90%
MC	150	Upgrade existing pump-station in Breyten	58,777	58,778	Ntanjana	Manair Pty Ltd	PROJECT COMPLETED
MC	150	Nganga sewer reticulation	689,615	689,615	Khandisa	May Construction	PROJECT COMPLETED
MC	150	Sheepmoor - Provision of external toilets	1,450,793	1,368,526	Ntanjana	27 Years Roben Island	Construction 95%
MC	150	Provision of boreholes with handpumps	898,605	898,605	Inzuzo	Blom's Kitchen	PROJECT COMPLETED
MC	150	Outfall sewer lines for housing project - Wesselton X7	1,600,000	1,313,108	Khandisa		Construction 5% - Phase 2 to follow
MC	150	New 5MI STP - South of Ermelo	900,000	940,328	Khandisa		Planning 100% - Construction to start in 09/10 - Section 31 of the MFMA regarding the extension of Multi-Year projects applicable on the following phase
MC	150	Provision of VIP's	956,500	956,500	Inzuzo	May Cons / Re Tla Fihle JV	PROJECT COMPLETED
MC	150	Refurbishment & commissioning of the STP – Sheepmoor	500,000	500,000	Kwezi V3		Planning 100% - Construction to start in 09/10 - Section 31 of the MFMA regarding the extension of Multi-Year projects applicable on the following phase
MC	150	Sewer reticulation - Sheepmoor	500,000	500,000	NFM Multi	Sibonga Inthuthuko Cons	Construction 10% - Phase 2 in construction phase
MC	150	Extension to Southern Ermelo WTP (Close Out)	1,367,558	1,367,559	Afri-Infra	EDSE & Biwater	PROJECT COMPLETED
MC	150	Dedicated sewer supply line for housing project for the disabled - Wesselton	500,000	500,000	Mzala	V Dan Construction	Construction 10% - Phase 2 in construction phase
		TOTAL:	12,248,129	11,829,834			

2008/2009 GSDM FUNDED WATER & SANITATION PROJECTS							
		MUNICIPALITY & PROJECT DESCRIPTION	BUDGET	EXPENDITURE	CONSULTANT	CONTRACTOR	COMMENTS
GOVAN MBEKI							
MC	160	Refurbish Embalenhle Purification Plant 90ml	6,206,288	6,776,208	Afri-Infra	Biwater	PH 1&2 COMPLETED, PH3 to start in 09/10 - Section 31 of the MFMA regarding the extension of Multi-Year projects applicable on the following phase
MC	160	Refurbish Bethal Purification Plant 10.2ml	2,550,000	2,550,000	Janicho	Techroever / Rontrading 12CC JV	PROJECT COMPLETED
MC	160	Refurbish Evander Purification Plant 6ml	3,600,000	3,600,000	Janicho	Techroever / Rontrading 12CC JV	PROJECT COMPLETED
MC	160	Conversion of VIP's to full waterborne sewer	4,717,753	4,524,366	Janicho	Catherine / Bonathea JV	PROJECT COMPLETED
MC	160	Provision of boreholes with handpumps	993,712	993,712	Phuti & Idah	Jonker Construction	PROJECT COMPLETED
MC	160	Provision of VIP's	1,000,000	1,000,000	Phuti & Idah	Mvundla Build. Co / Vuka Vusi JV & Nkozenhle Transport	PROJECT COMPLETED
		TOTAL:	19,067,753	19,444,286			
MKHONDO							
MC	172	Upgrade Piet Retief WTW	1,000,000	618,841	Kwezi V3	Sandu Civils	Construction 80%
MC	172	Piet Retief STP - Increase capacity	1,720,078	1,718,379	Paul & Partners	Thokozela Const.& Techroever / Rontrading 12CC JV	PROJECT COMPLETED
MC	172	Driefontein WTW - Increase capacity	8,283,516	8,743,550	Kwezi V3	Caluma Projects	Construction (Civil) 70%, Planning (Mechanical) 100% - Section 31 of the MFMA regarding the extension of Multi-Year projects applicable on the following phase
MC	172	Internal water network - Ward 6	779,825	658,284	Inzuzo	Pilmil Construction	PROJECT COMPLETED
MC	172	Provision of VIP's	2,410,329	2,410,329	Inzuzo	Several Contractors	PROJECT COMPLETED
MC	172	Provision of boreholes with handpumps	898,605	898,605	Ntanjana	Blom's Kitchen	PROJECT COMPLETED
MC	172	Installation of toilets in Ward 14	4,033,764	4,258,241	Inzuzo	Zondle Trading CC	PROJECT COMPLETED - Section 31 of the MFMA regarding the extension of Multi-Year projects applicable on the following phase
		TOTAL:	19,126,117	19,306,229			
LEKWA							
MC	180	Upgrading of WTW to 37.5Ml capacity - Standerton / Sakhile	6,047,670	6,015,113	Mzala	Jonker Contractors	PH 1 COMPLETED - Phase 2 to start in 09/10
MC	180	Upgrade Morgenzon abstraction facility	448,007	190,543	Manto	Tlo-loe Buss. Enterprise	PROJECT COMPLETED
MC	180	Rising main between WTW & Old Standerskop reservoir - Standerton	2,221,297	1,956,763	Chidaya	27 Years Roben Island & Mmakoto Buss. Enterprise	PH 1 COMPLETED, PH2 to start in 09/10
MC	180	Provision of VIP's & Complete bulk water supply - Rural	913,823	780,186	Manto	Ndaramawe Build. Constr/ Amsterdam JV	Construction 90%
MC	180	Completion of the bulk water supply to Rooikoppen	3,799,600	3,079,507	Manto	Jonker Contractors	Construction 75%
MC	180	Provision of boreholes with handpumps	993,900	993,900	Inzuzo	Jonker Contractors	PROJECT COMPLETED
MC	180	Upgrading of Morgenzon STW	200,000	126,950	Khandisa		Planning 100% Construction to start in 09/10
MC	180	Provision of VIP's	956,500	956,500	Inzuzo	Hlakoapitsi / Lide Constr. JV	PROJECT COMPLETED
		TOTAL:	15,580,797	14,099,461			

2008/2009 GSDM FUNDED WATER & SANITATION PROJECTS							
		MUNICIPALITY & PROJECT DESCRIPTION	BUDGET	EXPENDITURE	CONSULTANT	CONTRACTOR	COMMENTS
DIPALESENG							
MC	184	Fortuna water rising main to Balfour	16,086,700	16,745,060	Vukani	Qubekela Projects	Construction 92% -Section 31 of the MFMA regarding the extension of Multi-Year projects applicable on the following phase
MC	184	Upgrading of Grootvlei rising main	267,691	267,692	NFM Multi	Magwa Constr.	PROJECT COMPLETED
MC	184	Water reticulation to informal area (600 h/h's) - Grootvlei	1,025,396	918,472	NFM Multi	27 Years Roben Island	PROJECT COMPLETED
MC	184	Provision of basic water to deep rural- 15 boreholes	759,582	759,583	NFM Multi	Jonker Contractors	PROJECT COMPLETED
MC	184	New WTP for Greylingstad	800,000	797,058	Kwezi V3		Planning 100%, Project re-aligned, only Planning was done - Section 31 of the MFMA regarding the extension of Multi-Year projects applicable on the following phase
MC	184	Provision of boreholes with handpumps	949,923	1,005,480	Maikelelo	Jonker Contractors	PROJECT COMPLETED - Section 31 of the MFMA regarding the extension of Multi-Year projects applicable on the following phase
MC	184	Provision of VIP's	1,000,000	949,923	Maikelelo	Several Contractors	PROJECT COMPLETED
		TOTAL:	20,889,292	21,443,267			
PIXLEY KA SEME							
MC	190	Extension & upgrading of WTW - Vukuzakhe	5,298,694	5,164,016	Utility	LLJ Civils / Sihambha Constr.	Construction 80%
MC	190	Upgrading sewer reticulation & STP in Amersfoort	814,216	530,716	Utility	Zondle Trading CC	Construction 80%
MC	190	Upgrade water network in Volksrust	1,345,856	1,345,857	NFM Multi	Bula Mahlo Const.	PROJECT COMPLETED
MC	190	Upgrade water network in Vukuzakhe	401,741	401,254	BA Bina Noko	Just Right Trading CC	PROJECT COMPLETED
MC	190	Construction of a water reticulation network- Wakkerstroom	102,085	102,085	BA Bina Noko	Jonker Contrac.	PROJECT COMPLETED
MC	190	Extent sewer reticulation in Ezamokuhle	200,061	200,061	PDNA	Sibonga Inthuthuko Cons	PROJECT COMPLETED
MC	190	Extension of Sewer Disposal Works - Ezamokuhle	1,455,102	1,455,102	PDNA	ENGMAK Constr.	PROJECT COMPLETED
MC	190	Construct a bulk supply line from Volksrust WTP to 8MI Reservoir	1,500,000	1,500,000	Utility	Just Right Trading CC	Construction 40% - Section 31 of the MFMA regarding the extension of Multi-Year projects applicable on the following phase
MC	190	Upgrade bulk supply line from Amersfoort WTP to Amersfoort Reservoir	3,000,000	2,692,896	Manto	Jonker Contractors	Construction 30% - Section 31 of the MFMA regarding the extension of Multi-Year projects applicable on the following phase
MC	190	Construct a 1.5MI Reservoir - Ezamokuhle	3,009,868	3,122,022	PDNA	Umzinyathi Constr.	Construction 30% - Section 31 of the MFMA regarding the extension of Multi-Year projects applicable on the following phase
MC	190	Upgrade a water bulk supply line from Amersfoort WTP to Daggakraal pumpstation	2,100,000	2,045,971	PDNA	May Construction	Planning 100%, Construction 30%, Expected completion date: Nov 2009
MC	190	Provision of boreholes with handpumps	914,419	914,419	Monde	Jonker Contractors	PROJECT COMPLETED
MC	190	Provision of VIP's	915,000	915,000	Monde	Several Contractors	PROJECT COMPLETED
MC	190	Installation of sewer reticulation in Amersfoort	500,000	500,000	Utility	Zondle Trading CC	Planning 100% - Section 31 of the MFMA regarding the extension of Multi-Year projects applicable on the following phase
		TOTAL:	21,557,042	20,889,399			
		GRAND TOTALS:	124,598,751	121,468,721			

Other projects implemented through the direct allocations made to Local Municipalities

2008/2009 GSDM FUNDED - OTHER PROJECTS				
MUNICIPALITY & PROJECT DESCRIPTION	BUDGET	EXPENDITURE	CONSULTANT	CONTRACTOR
MSUKALIGWA				
BULK ELECTRICITY	1,155,062	1,155,062	RDV Consulting	Dzindau Electricity
TOTAL:	1,155,062	1,155,062		

GOVAN MBEKI				
LOAN REPAYMENT - ELECTRICITY	1,221,933	1,221,933		
TOTAL:	1,221,933	1,221,933		

MKHONDO				
REFURBISH CRECHE	500,000	500,000	Theunissen & Jankowitz	
MKHONDO COMMUNITY HALL	3,064,455	3,062,385	Theunissen & Jankowitz	
TOTAL:	3,564,455	3,562,385		

DIPALESENG				
LOAN REPAYMENT - DBSA	1,000,000	1,000,000		
GREYLINGSTAD COMMUNITY HALL	1,361,634	1,052,632	Mwelase	Markos Construction
TOTAL:	2,361,634	2,052,632		
GRAND TOTAL:	8,303,084	7,992,012		

Projects implemented as part of the GSDM's 2008/2009 Capital Budget

2008/2009 - CAPITAL BUDGET PROJECTS		
MUNICIPALITY & PROJECT DESCRIPTION	BUDGET	EXPENDITURE
DISASTER CENTRES - (Albert Luthuli / Dipaleseng / Mkhondo)	5,235,453	5,658,154.12
ALTERATIONS/ GSDM NEW OFFICES	47,000,000	47,809,796.35
CONSTRUCTION WATER LAB - ERMELO	6,251,302	6,625,758.20
CONSTRUCTION VEHICLES	11,390,724	11,390,723.79
BULK INFRASTRUCTURE - MSUKALIGWA	2,344,938	2,063,326.13
GRAND TOTALS:	72,222,417	73,547,759

WATER AND SANITATION TO SCHOOLS PROGRAMME

This programme was completed in the 2008/09 financial year with some minor snags that will be completed by the appointed contractors. The GSDM made use of a tender process to solicit tenders from emerging contractors residing within each local municipality and provided opportunities to all of these contractors to tender for these projects.

With regard to the water projects, all the required professional procedures were followed for the correct borehole sitting, drilling, pump testing, water quality testing and equipping of the boreholes that were provided.

The list as provide below are the schools that were prioritised by the Department of Education, to be provided with water

and sanitation infrastructure and therefore planned for and implemented where possible.

The highlighted schools in the table were partly implemented and then removed from the list for implementation due to various reasons as follows:

- The schools were part of another implementation programme being performed by another organ of state;
- The schools already had infrastructure;
- the Department of Education intends to close the school;
- schools do not have agreements in place with the private land owner;

The above issues were only discovered during the implementation programmes and therefore the implementation was terminated at these respective schools.



“Construction of 20 toilet facilities and sinking of 15 boreholes at schools throughout the district has improved hygiene and class attendance. Benefiting some 3000 children with basic facilities expected at any school in South Africa.”



ALBERT LUTHULI					
Provision of Water to Schools	EMIS Number	Pupils Benefitted	Provision of Sanitation to Schools	EMIS Number	Pupils Benefitted
TJAKASTAD PRIMARY SCHOOL - N	MP0803023630	68	ETHEMBENI PRIMARY SCHOOL	MP0824004028	0
LINDZALOKUHLE PRIMARY SCHOOL - N	MP0824010520	500			

DIPALESENG					
Provision of Water to Schools	EMIS Number	Pupils Benefitted	Provision of Sanitation to Schools	EMIS Number	Pupils Benefitted
KLEINSKUIJ - N	MP0810008029	14	MODDERBULT PRIMARY SCHOOL - N	MP0810014803	42
AMUKELANI PRIMARY SCHOOL - N	MP0810000232	25			
MODDERBULT PRIMARY SCHOOL - N	MP0810014803	40			
NOKANENG PRIMARY SCHOOL - N	MP0810017186	32			

GOVAN MBEKI					
Provision of Water to Schools	EMIS Number	Pupils Benefitted	Provision of Sanitation to Schools	EMIS Number	Pupils Benefitted
RUST & VREDE - N	MP0811019612	32	RUST EN VREDE P S - N	MP0811019612	32

LEKWA					
Provision of Water to Schools	EMIS Number	Pupils Benefitted	Provision of Sanitation to Schools	EMIS Number	Pupils Benefitted
UMHLABA P SCHOOL - N	MP0806024281	96			

MKHONDO					
Provision of Water to Schools	EMIS Number	Pupils Benefitted	Provision of Sanitation to Schools	EMIS Number	Pupils Benefitted
MATHALAZA - N	MP0805013185	80	KLEIN VRYSTAAT PRIMARY SCHOOL - N	MP0805008011	342
JIKANTATHU PRIMARY SCHOOL - N	MP0805026443	309	MAHAMBABA PRIMARY SCHOOL - N	MP0805011601	49
AMANZAMAHLE PRIMARY SCHOOL - N	MP0804000158	100			
BEKETELANI PRIMARY SCHOOL - N	MP0801000844	140			
KWAMATSHAMHLOPHE - N	MP0805008714	360			
MOZANE P - N	MP0805015503	83			
ITHOLE PRIMARY SCHOOL - N	MP0805006817	1311			
NONGENA PRIMARY SCHOOL - N	MP0805017202	70			
NSEPHE PRIMARY SCHOOL - N	MP0805017244	86			
SAMLEE PRIMARY SCHOOL - N	MP0805019794	72			
VULANDHLELA PRIMARY SCHOOL - N	MP0805024935	0			

MSUKALIGWA					
Provision of Water to Schools	EMIS Number	Pupils Benefitted	Provision of Sanitation to Schools	EMIS Number	Pupils Benefitted
EMAHLATHINI PRIMARY SCHOOL - N	MP0803003475	30	BANKOP PRIMARY SCHOOL - N	MP0804000604	20
BANKOP PRIMARY SCHOOL - N	MP0804000604	20	MASHABISANE P S - N	MP0804012963	25
BROADHOLM PRIMARY SCHOOL - N	MP0805001669	63	NYAMAZANE P S - N	MP0804017517	14
NGWEMPISI PRIMARY SCHOOL - N	MP0805016873	50			
HOSANA PRIMARY SCHOOL - N	MP0801005645	73			

PIXLEY KA SEME					
Provision of Water to Schools	EMIS Number	Pupils Benefitted	Provision of Sanitation to Schools	EMIS Number	Pupils Benefitted
MABOLA - N	MP0805011130	300	ETHEMBENI PRIMARY SCHOOL (Boys) - N	MP0808004010	616
MAHLOSE - N	MP0808011718	68	ETHEMBENI PRIMARY SCHOOL (Girls) - N	MP0808004010	625
EDELSTEEN - N	MP0808003103	200	BUTHANA PRIMARY SCHOOL - N	MP0807001784	15
BUTHANE P SCHOOL	MP0807001784	0			

Number of Schools Benefitting	15	Number of Schools Benefitting	6
Number of pupils benefitting	4206	Number of pupils benefitting	1726

EXTENDED PUBLIC WORKS PROGRAMME (EPWP)

Twenty (20) projects were successfully implemented as EPWP compliant projects during the 2008/2009 financial year.

The GSDM has managed to create 603 job opportunities out of the twenty (20) EPWP compliant projects for the year which are divided into the following categories namely:

- Youth employed - 384
- Women employed - 227
- Disabled employed - 15

Although the above mentioned employed people does not add up to number of jobs created, the three criteria

can overlap each other by one person employed in all the categories. For an example a women employed who is younger than twenty years and also disabled will fit into all the categories.

A total of 300 people received soft skills training on Personal Finance and HIV/Aids Awareness

Challenges faced

- The second phase of the EPWP requires more resources for it to be successful and for the District to claim more incentives.
- Situations with regard to labour unrests made it necessary to visit projects more often.

Below, a schedule that shows the projects that were implemented through EPWP principles per Local Municipality as well as indicating the amount of jobs that were created per project.

EPWP Implemented Projects 2008/2009

Short Description of the Project	Annual Budget	Number of job Opportunities	Total number of Youth Employed	Number of Women Employed (Including women Youth)	Number of Disabled Persons (Including women and youth)
ALBERT LUTHULI					
Upgrading of Empuluzi WTW (Empuluzi) Ph-1 (11/2007)	R 3,000,000.00	10	6	0	0
Upgrading of Carolina WTW Phase 1(Carolina & Silobela)12/2007	R 350,000.00				
Upgrading of Elukwatini WTW Ph-1 Elukwatini (13/2007)	R 2,000,000.00				
Water reticulation at Coropark 650 H/holds (Coropark) 14/2007	R 1,100,000.00	43	20	19	2
Upgrading Of Ekulindeni bulk scheme Ph-1 (Ekulindeni) 15/2007	R 1,250,000.00	15	8	4	0
Communal water reticulation 480 H/holds (Steyndorp/Vlakpaas Kalwekraal) 16/2007	R 950,000.00	6	5	2	0
Provision of basix water to several areas 196 H/holds (Deep rural) 17/2007	R 1,200,000.00				
VIP Toilets Ph -1 18/2007	R 1,000,000.00				
TOTALS	R 10,850,000.00	74	39	25	2
DIPALESENG					
Fortuna risingmain in Balfour Ph-1 (Balfour/Siyathemba) 19/2007	R 5,825,000.00	20	10	5	0
Upgrading of Grootvlei rising main (20/2007)	R 1,000,000.00	13	1	3	
Water reticulation to informal area 600 H/holds Grootvlei (21/2007)	R 1,200,000.00	23	20	3	0
New Community Hall for Greylingstad (54/2007)	R 1,702,450.00				
TOTALS	R 9,727,450.00	56	31	11	0

Short Description of the Project	Annual Budget	Number of job Opportunities	Total number of Youth Employed	Number of Women Employed (Including women Youth)	Number of Disabled Persons (Including women and youth)
LEKWA					
Upgrading of WTW Ph-1 (Standerton) 27/2007	R 4,500,000.00				
Upgrade Morgenzon abstraction facility (Morgenzon) 28/2007	R 1,000,000.00				
Rising main between WTW & Old Standerkop reservoir Ph-2 (Standerton/Sakhile)	R 3,000,000.00	27	21	2	0
VIP Toilet Ph-1 (Rural) 31/2007	R 1,000,000.00	70	46	29	0
TOTALS	R 9,500,000.00	97	67	31	0
MKHONDO					
Piet Retief STW New (Piet Retief) 32/2007	R 4,680,000.00	19	14	4	0
Driefontein WTW 33/2007	R 4,500,000.00				
Internal Water network Ward 6 Rusplaas (34/2007)	R 2,037,000.00	30	1	13	5
VIP Toilet Ph-1 (Rural) 36/2007	R 1,000,000.00	34	20	3	1
New Community Hall for Ethandukhanya 939/2007)	R 1,758,550.00	28	24	10	
TOTALS	R 13,975,550.00	111	59	30	6
MSUKALIGWA					
Dedicated supply line for housing project in Wesselton (37/2007)	R 500,000.00				
90km of AC pipes Ph-1 (Ermelo) 38/2007	R 3,535,000.00	45	40	10	0
WTW & Water reticulation (KwaZanele) 41/2007	R 980,000.00				
Construction of New WTW (Chrissiesmeer/Kwachibikhulu) 42/2007	R 1,980,000.00	81	52	50	2
Dedicated water & sewer supply Ext 6 (Wesselton) 43/2007	R 500,000.00	16	13	7	0
Nganga Sewer reticulation Ph-2 (Nganga) 45/2007	R 2,521,320.00	15	10	7	0
PIXLEY KA SEME					
Upgrading of water network (Volksrust) 48/2007	R 1,500,000.00	12	10	5	0
Installation of water network (Vukuzakhe) RDP 49/2007	R 1,500,000.00	30	25	12	
Extension and Up of Water treatment plant Ph-2 (Volksrust) 51/2007	R 5,000,000.00	31	18	10	1
Extension of Sewer disposal works (Amersfoort) 52/2007	R 1,000,000.00				
Extension to Ezamokuhle sewer reticulation (Ezamokuhle) 53/2007	R 1,000,000.00	12	7	5	1
Construction of Water reticulation network Ph-1 (Wakkerstroom) 50/2007	R 3,000,000.00				
TOTALS	R 13,000,000.00	85	60	32	2

CORPORATE SERVICES

The Corporate Services Department is regarded as a support department supporting the other departments in various functions. These functions include a committee service to Council and its Committees, a Human Resource function on the management side, development side as well as the Labour Relations side, operating a functional records system, Legal section, ICT and GIS, support to Community Participation and Political Office Bearers and lastly the General Housekeeping and security section.

Description Of Activities

Committee Service to Council and its Committees

The function of this section is primarily to ensure that agendas and minutes of a high standard are compiled and distributed on time adhering to legislative deadlines. It is also required of this section to ensure that these agendas and minutes as legal documents are kept safe.

The Council had scheduled four statutory council meetings and nine Mayoral Committee meetings and was held as follows:

MAYORAL COMMITTEE FOR THE YEAR 2008/2009				
FORMATION OF COUNCIL BY POLITICAL PARTIES	The District had six members of Mayoral Committee and an additional member co-opted in January 2009. The Mayoral committee Meetings are chaired by Executive Mayor			
ATTENDANCE OF MEETINGS	MEETING DATE	IN ATTENDANCE	LEAVE OF ABSENCE	ABSENT
	30-Jul-08	6		
	23-Sep-08	5	1	
	23-Oct-08	6		
	19-Nov-08	6		
	14-Jan-09	6	1	
	26-Feb-09	7		
	31-Mar-09	6	1	
	23-Apr-09	Did not sit		
	14-May-09	6	1	

COUNCIL MEETINGS FOR THE YEAR 2008/2009

FORMATION OF COUNCIL BY POLITICAL PARTIES	ANC - 35			
	DA- 9			
	IFP- 1			
	VF+ - 1			
	PAC- 1			
ATTENDANCE OF MEETINGS	MEETING DATE	IN ATTENDANCE	LEAVE OF ABSENCE	ABSENT
	28-Aug-08	36	7	5
	04-Dec-09	42	2	3
	22-Jan-09	35	11	1
	22-May-09	41	6	

Human Resources

This section is divided into 3 sub-sections namely HR Management, HR Development and Labour Relations.

HR Management deals mainly with the employment aspects of staff including recruitment, promotion, staff administration and resignations

HR Development looks at skills development, Workplace Skills Plan and personal development of individual staff members.

Labour Relations section strives that the relations between the employer and employee is immaculate to ensure a working environment for all.

Records section

This section ensures that all records inclusive of incoming post, outgoing post and legal documents such as contracts are properly documented, reach the appropriate employee for finalisation and are filed in such a way that it can be located easily at any stage.

Legal section

The Legal section deals with all legal aspects at the District and includes contracts, litigations and disciplinary cases. This service is also to some extent available to local municipalities in the district.

ICT and GIS section

ICT (Information and Communication Technology) ensures that the computer technology optimises the safe storage of all GSDM data necessary for the smooth

running of the municipality and maintains a reliable communication link amongst the staff and other stakeholders by:

- Management of network (LAN / WAN)
- Management of IT Helpdesk
- Provide user support to District and Local Municipalities
- Development, coordination and management of IT policies for District
- Management and coordination of operational systems
- Provide GIS function

Challenges:

- Development and institutionalizing of a scarce skills training program for IT and GIS
- Revival of the ITC district committee
- Improvement of the WAN between the district and local municipalities

Achievements:

- The GIS function has been made available to all local municipal users through the servers supplied by the district, on their own internal networks.
- The district network has been upgraded and storages and backup of critical systems are no longer a problem here.
- An improved draft status report from the auditor general was achieved.

The GIS part assists the local municipalities to coordinate the financial data with the properties on the ground and ensure integrity of the data on the financial system.

Community Participation

The GSDM places a high premium on Community Participation and this unit is regarded as invaluable in achieving this objective. The community is involved in the decision making as well as determining of priorities to be included in the IDP and Budget. All this is done in collaboration and with the assistance of political office bearers.

General Housekeeping and security

The general maintenance of the building and safety and security of the building and staff are the key focus areas of this unit.

INTERGOVERNMENTAL RELATIONS

Overview

The IGR and Social Development Department is responsible for activities that relate to the following programs;

- Mayoral Excellence Awards
- Municipal Health Services
- Disaster Management
- Local Economic Development and Tourism
- Co-ordination of HIV and AIDS
- People with Disabilities
- Youth Development
- Children's Rights
- Sports, Arts and Culture

Hereunder is the summary of the performance report which gives an overview of the programmes as well as the descriptions of the activities.

Overview of the Function2008/2009	Description of Activity
MAYORAL EXCELLENCE AWARDS	Awarding of the best performed Municipalities in the following (Cleanest Town, Best Customer Service and Mayoral Cup games. The games included: Soccer, Rugby, Netball, Basket Ball, Volley ball, Table Tennis, Kgadi, Dibeke, Morabaraba, Choral music and Traditional dance.)
SPORTS, ARTS AND CULTURE	<ol style="list-style-type: none"> 1. SALGA Games Camps were held in preparation for the SALGA games. 2. SALGA Games 2008 were hosted by Gert Sibande District Municipality. GSDM obtained the first prize in Netball and Basket Ball for Females. 3. Study tour to Kwazulu – Natal Province was taken to observer and learn Best practices. Inter-Municipal Mayoral Games 2009 were held in May 2009.
CO-ORDINATION OF HIV AND AIDS	<p>In consultation with GTZ assisted some LM's with the Development of HIV and AIDS Strategic Plans.</p> <p>GSDM HIV and AIDS will be presented to Council for adoption during the second quarter of 2009/2010.</p> <p>Gert Sibande District participated in the provincial World AIDS Day that was held in the District (Albert Luthuli Municipality).</p> <p>Awarded Certificates to HIV and AIDS Coordinators and Task Team Leaders. GTZ facilitated and GSDM coordinated the participation of LAC's from our District</p> <p>Home Base Care Kits were distributed to some Home Base Care Centres during a Mayoral Imbizo in Piet Retief</p>

Overview of the Function 2008/2009	Description of Activity
<p>DISASTER MANAGEMENT</p>	<p>Disaster Risk Management Policy Framework Developed Public Consultation workshops on Framework in all 7 Local municipalities</p> <p>Phase 1: Risk Assessment Community Base Hazard Identification and Disaster Risk Assessment Conducted in all 7 LM's</p> <p>Phase 2: Risk Assessment Capacity Assessment for Disaster Management, Fire & Rescue Services of all 7 LM's in the District</p> <ul style="list-style-type: none"> • Training of officials in Community Base Risk Assessment, Risk Reduction & Contingency Planning from all 7 LM's • Re-evaluation of Disaster Management Volunteers in Fire Fighter 1 and Hazmat Awareness Courses from all 7 LM's • Two Mass Disaster Awareness Campaigns conducted in Lekwa and Msukaligwa LM's • Proactively assisted in the management of safety and security and prevention of any disasters in all public functions held in our district. <p>Equipments and Infrastructure</p> <ul style="list-style-type: none"> • Three Satellites Disaster Management Centres are being constructed in Mkhondo, Dipaleseng & Albert Luthuli Respectively. • Two Rapid Response Vehicles Procured • High Pressure Suction Unit Pump with Hoses and Couplings • Structural Fire Fighting Uniform, Advance Grass Fire Suitses & Station Uniforms for in active duty Volunteers in LM's • Blankets and Tents procured for relief purposes • PDMC donated 40 mobile skid units for fire prevention programmes and response to fires in the district.
<p>PEOPLE WITH DISABILITIES</p>	<p>A well represented and coordinated District day of people with disabilities was held on the 22 November 2008.</p> <p>The District participated in the planning for people with disabilities for the 2009 Elections. A District Disability Forum was formed on the 9th of June 2009.</p> <p>Wheel Chairs and Hearing Aids were distributed to People with Disabilities in the District.</p>
<p>LED & TOURISM</p>	<p>LED Strategy Development</p> <p>The LED Strategy is about to be finalized and will be tabled to Council during the second quarter of 2009/2010 Financial year.</p> <p>Development of a Responsible Tourism Master Plan Proposals have been received and the plan will be completed during the third quarter of 2009/2010.</p> <p>Development of Cooperatives Thirteen (13) Cooperatives have been identified as a pilot project within Gert Sibande District and have received training on management, business and technical skills.</p> <p>Job opportunities were created to 603 people through the EPWP programme as well as to 20 people through the Mkhondo car wash project.</p>
<p>MUNICIPAL HEALTH SERVICES</p>	<p>Water Quality Monthly sampling was carried out.</p> <p>Food Control Monthly inspections were done on selected premises</p> <p>Monitoring improving</p> <p>Waste Management Monitoring of landfill sites / waste minimization /waste management system/ recycling /reclamation/ reuse/ enforcement & compliance has taken place.</p> <p>Surveillance & Prevention Of Communicable Diseases Participating minimally at established monitoring and control forums</p>

Overview of the Function2008/2009	Description of Activity
	<p>Vector Control Education on vector control.</p> <p>Environmental Pollution Control Established joint functional forum with DEDET/ prosecuting authority managing environmental pollution matters</p> <p>In partnership with DEDET enforcement case ongoing on pollution in Dipaleseng</p> <p>Disposal Of The Dead Assessment of status of cemeteries done.</p> <p>Air Quality Management Establishment of the Specialized Air Quality Forum.</p> <p>Administrative Development of Public Health & Environmental By –Laws</p> <p>Establishment of the EHP Forum</p> <p>Joint planning & evaluation of service provision done with DOH & DEDET</p>
OFFICE ON THE RIGHTS OF THE CHILD	<p>Participation in the 16 days of activism against child abuse.</p> <p>In partnership with the Premier's office, the District hosted the National Children's Day in Dipaleseng.</p>
YOUTH DEVELOPMENT	<p>1. Development of the Draft Youth Policy 2. Participation in youth Day</p>



Employment of people in close living proximity to each project undertaken through the EPWP, has seen a positive impact from the community and an improved respect for the infrastructure.

