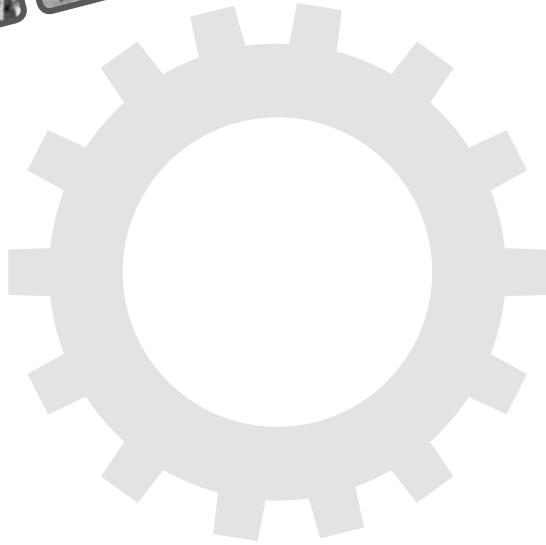


ANNUAL REPORT 2008-09



Annual Report 2008-09



Sedibeng District Municipality

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INTRODUCTION

This report is compiled and tabled in terms of Section 127(2) of the Municipal Finance Management Act (MFMA), Act 56 of 2003(2) which states that the Mayor of a municipality must, within seven months after the end of a financial year, table in the Municipal Council the annual report of the municipality and of any municipal entity under the municipality's sole or shared control.

The report covers the broad view of the Sedibeng Municipal Area with information such as Socio-Economic profile of the area, the level of services rendered to the community, as well as the development and institutional aspects, including the financial statements of the Council for the period under review.

The report will therefore be divided into the following sections:

- Introduction : Introduction and Forewords - Executive Mayor and the Municipal Manager
- Chapter 1 : Overview of the Socio-Economic Profile of the Area of Sedibeng District Municipality
- Chapter 2 : Institutional Transformation and Governance
- Chapter 3 : Performance and Progress on Key Priority Areas
- Chapter 4 : Financial Statements

Furthermore, in terms of the Act referred to above, the Annual Report must, within seven months after the end of financial year under review, be submitted to the MEC for the Department of Local Government.

This report seeks to highlight the performance of the Sedibeng District Municipality in the 2008/09 financial year.

Foreword by the Executive Mayor

1



1: Foreword by the Executive Mayor



It is once again that time of the year when we need to pause and reflect on our journey covering the period from July 2008 to June 2009 – a period that coincides with the first twelve (12) months of my deployment in Office as the Executive Mayor of Sedibeng District Municipality. We do so guided by our commitment to make Local Government Work Better for our people, as enshrined in the ANC 2006 Local Government Elections Manifesto. This Manifesto's implementation program is further guided by the Seven National Key Performance Areas as I have commented on hereunder. In my foreword this time around I am going to touch on the highlights of our success story which is worthy of sharing with you.

On Reinventing our Economy: Working together with our people and our Local Municipalities we have achieved more in fulfilling our constitutional obligation of giving priority to the basic needs of the community and to promote their social and economic needs by accelerating the process of basic services delivery infrastructural developments including supporting, consolidation and expansion of the economic sectors in our region.

As part of the consolidation and expansion of the metal, energy and construction sectors, working in partnership with Gauteng Economic Development Agency (GEDA) we have established a Steel Forum. In addition, we are also in a process of developing the sector strategy. This will see the growth of the steel/metal, energy, construction and related industries in the region which is aligned to Accelerated and Shared Growth Initiative for South Africa (Asgisa) and the Apex priorities related to industrial policy to create employment opportunities in our region.

We have provided strong and visionary local political leadership to the business community by launching the factory-to-factory visits whose aim was and still is to consolidate and enhance the confidence of the business community in our area to the leadership of the government, therefore encouraging the retention and growth of the existing enterprises and the attraction of new ones. Despite the international recession which is a big challenge to business in general, our approach is starting to bear positive results as it can be seen by expansion of some of the existing businesses and the new investments cropping up all over in our District, across the sectors with retail and construction industry leading.

The R59 corridor is emerging strongly as the future economic nodal point for our District municipal area. This is evidenced by the growth of the two important sectors for the economic growth namely, the secondary sector represented by manufacturing and construction, as well as the tertiary sector represented by the development of tourists products like the Golf Estates, etc.

On Renewing our Communities: The Evaton Urban Renewal Project will remain the government's main urban renewal program in our region though we are of a view that it has not been receiving the attention it deserves from the three spheres of government. We however pride ourselves that there is a huge private sector interest to invest in some aspects of the project, and the government is also reviewing its input for improvement.

With the help from Neighbourhood Development Partnership Grant (NDPG) Funding, we are engaged in a process of Precincts Development in areas like Sharpeville, Sebokeng, Ratanda, Mamello, Siculo, Bophelong and Boipatong, as part of our endeavour and commitment to renew our communities.

Through the 20 Priority Township Projects (20 PTP), financed and sponsored by the Gauteng Provincial Government (GPG)

1: Foreword by the Executive Mayor

as well as our own initiatives as informed by the IDP linked service delivery programmes, we are progressing well in renewing our communities in terms of infrastructure like roads and storm water system which remain a big challenge.

The Municipal Housing Development Plan (MHDP) to facilitate future housing development and ensure inclusionary housing provision and unblock problems at places such as Mamello, River Glen, etc, has been completed and the Housing Coordinating Forum established. This will now pave way for the Shack Down Programme in communities that are affected and ensure that roll-out plans are developed in Local Municipalities.

To further facilitate growth as well as renewal of our communities in our municipality, we must provide a sustainable transport infrastructure, and in that regard, the process of developing our Integrated Transport Plan (ITP) is progressing very well.

On Reviving our Environment: We are proud to inform our people that the process of the development and speedy implementation of the Sedibeng Regional Sewer Scheme to build a major new regional sewage plant that will serve the demand for sewer purification in the region and to feed treated waste water into the Vaal River system is on track.

We have implemented the DEAT's "Clean Fires" Programme in the Sedibeng Region to improve air quality in residential areas. With our local business we are also involved in rigorous environmental programmes.

On Reintegrating Our Region: As part of preparations we will be erecting tourism and directional signage, which will make our region much easier, exciting and fun to drive in or through. In addition to these we will be upgrading our traffic signs to enhance the safety and security of our people.

The appointment of the new administration both in Gauteng and Free State Provincial Governance, post elections 2009 has affected the progress achieved in terms of the Vaal 21; however the process has been put in place to get it back on track.

On Releasing our Human Potential: The District Sport Council in identified sporting codes was established. Through it, Council will be able to fully participate in provincial sports as well as nurture the potential of people of our District through sports and recreation.

As part of our commitment to sports development we will be investing millions of rand in the upgrading of the three local sports facilities all found in Emfuleni Local Municipality (ELM) due to their strategic location as part of preparing them to be ready for use by the soccer teams of the countries that will stay in our area as the base camp during the 2010 FIFA World Soccer Tournament.

In our endeavour for sports development, particularly soccer, we are working with the captain of our National Squad Mr. Aaron Mokoena towards the formation of the Aaron Mokoena foundation.

All our youth centres continue to improve the services rendered to the young people of our District. The increase in the number of internet knockings bear testimony to the importance and usefulness of these centres to our young people. Our youth, our leaders of tomorrow, must use these centres to gain access to information and knowledge to assist them in shaping their future.

1: Foreword by the Executive Mayor

As we are looking forward to the new financial and calendar year, I must mention that in addition to being the year of the World Soccer Tournament, the year 2010 is also special to the people of the Sedibeng in particular, and the country in general in that, it is the 50th Anniversary of March 21st which came to be popularly known as the Sharpeville Day.

In collaboration with the local, provincial, national and international stakeholders the day will be celebrated in style.

We are committed to and share a zero tolerance to crime in our region. In this regard we are continuously improving and upgrading our CCTV street surveillance system in Vereeniging, Sharpeville, Sebokeng and Evaton and are considering integration with other local municipal systems for improved management in partnership with the private sector.

To enhance and improve health service delivery, the Sedibeng District Municipality has requested and received eight brand new additional ambulances.

In our continued fight against the scourge of HIV and AIDS, we dare not rest for our fight is not over. The Sedibeng District Municipality is proud to be part of campaigns that are continuously held with community participation.

On Good and Financially Sustainable Governance: Our District and its Local Municipalities are continuing to receive unqualified reports from the Auditor General, and we must sustain that.

We are also proud to mention that the District received an unqualified audit for 2008/2009 financial year for the fourth time in a row. Our oversight system is effective, an indication of our non-tolerance of corruption and mismanagement of public assets, hence the achievements alluded to.

On Vibrant Democracy: We continue to value our people, for whom we are servants because for the period under review, we have had many oversight and outreach programmes, including IDP sector meetings covering women, business, ex-combatants and religious groups.

We have successfully launched Youth and Women Councils as part of our sector work in the process of deepening democracy. We have established the Petitions' Committee to afford our communities an opportunity to raise with us any matter of their concern.

In conclusion let me assure our people that I am extremely happy and excited about the progress we are making in realizing all our programmes.

Best wishes,

Councillor Mahole Simon Mofokeng
Executive Mayor

Foreword by the Municipal Manager

2



2: Foreword by the Municipal Manager



As the Accounting Officer of the Municipality, I join the Executive Mayor, Clr Mahole Mofokeng, in presenting the Annual Report of the Sedibeng District Municipality for the 2008/2009 financial year to the Council. The report has been compiled in line with the Local Government: Municipal Systems Act 32 of 2000, the Local Government: Municipal Finance Management Act 56 of 2003, as well as National Treasury Circular No. 11 (which outlines Annual Report Guidelines). This report records the progress made by the municipality in fulfilling its objectives as reflected in the IDP, the Budget and the Service Delivery and Budget Implementation Plan (SDBIP).

The year 2008/2009 was particularly significant for the Sedibeng District Municipality. Considerable improvements and progress has been achieved in the services, functions and activities of the municipality, including resolving a variety of disputes that arose out of a complex restructuring process that aligned the structures of the municipality to the functions and to its role and responsibility, particularly with regard to its 3 Local Municipalities.

In the area of institutional development we boldly implemented a top-to-bottom bonus system, improved our Employee Assistance Programme (EAP), and invested a significant amount in skills development linked to Personal Development Plans (PDP's) with provision for a professional, confidential and counselling assistance provided to employees who may need help with particular problems affecting their well being, both personally and in their workplace, including HIV/AIDS.

Performance Management is an ongoing process where the manager/supervisor and employee work together to plan, monitor, and review an employee's work objectives or goals and overall contribution to the organization. Our challenges are on instilling a performance oriented culture throughout the organization and on a process of reviewing of the Performance Management Development System Policy (PMDS) on annual basis to accommodate identified shortcomings during the implementation phase.

Some of the Precinct Development Plans reached the end of the planning phases as we put the final touches to the vision and prepared for implementation in the 2009/2010 financial year. These projects will be driven by the funding from the Neighborhood Development Partnership Grant (NDPG).

Once a municipality has achieved an unqualified audit, it is equally hard work to sustain it. We are pleased that in the 08/09 financial year we have sustained an unqualified audit opinion for 4 consecutive years. The relationship with our Locals remains effective despite many challenges and, where possible, we have implemented supplementary infrastructure programmes such as road construction in particular.

This was the year in which the envisaged Regional Sewer Scheme finally came together as a coherent project. Through the role of the Gauteng Province as consolidated partners in the project this critical project gained great momentum. The Scheme is seen as a flagship project of Sedibeng's Growth and Development Strategy (GDS). This is a project with the potential to become a signature success in the following areas:

The Scheme will contribute to the reinvention of the economy by allowing industrial, residential and tourism developments to proceed without being hampered by inadequate sanitation infrastructure. This is particularly important along the Vaal River where a moratorium on development has been imposed by Rand Water due, inter alia, to the lack of adequate sanitation infrastructure, enabling sewage free rivers in Sedibeng (Vaal and Klip Rivers in particular) that will make them

2: Foreword by the Municipal Manager

more attractive for water tourism and developments along their banks.

The basis of a good 2010 FIFA World Cup offering was laid during this year and the focus areas and strategic vision, legacy projects and operational plans were developed. The Sedibeng Region will be the base camp of team Switzerland and Ivory Coast.

The approval of an Ex-Combatants Policy and its subsequent implementation, with all its challenges, was a notable success. Much work still needs to be done in this area.

Human Rights Day is celebrated on 21st March each year to honour our fallen heroes and heroines and celebrate the human rights and fundamental values for which they sacrificed their lives.

This is also an opportunity to showcase our human rights and the gains of our democracy through music and to promote our unity in diversity. On the day all Government Departments will exhibit and provide essential services to the community of Sharpeville and surrounding municipalities. The event will take place at the George Thabe Cricket Pitch with a target audience of 20 000 people from the neighbouring communities, including the minority groups.

These were but some of the significant areas of progress. The performance and operations of the 2008/2009 financial year were also affected by the Global Credit Crunch which had a direct impact on funding from the NDPG, which was significantly reduced and the envisaged private investment in the Precinct Development Projects. It was also a year in which we saw many changes in political and administrative structures. Despite these changes, the continuity and operations were not compromised.

I would like to thank members of the Political Management Team (PMT) in particular the Executive Mayor, Speaker and Chief Whip for their support and leadership. None of these successes would have been possible without a dynamic management team and the efforts of each and every single staff member who worked diligently and energetically in serving the people of Sedibeng.

Thank you,

Yunus Chamda
MUNICIPAL MANAGER

Chapter:

1

Overview of the
Socio-Economic Profile
of the Area of
Sedibeng District Municipality



Chapter 1: Overview of the Socio-Economic Profile of the Area of Sedibeng District Municipality

1.1 Introduction

This section of the report provide the scientific analysis of the level and impact of all the services rendered by various service delivery institutions including but not limited to the public sector led by three spheres of government, private sector led by business, Non Governmental Organizations (NGOs) as well as organized and un-organized civil society.

The data or information in this section is derived from various research and service organizations that are servicing the area of Sedibeng District Municipality.

1.2 Geographical Location

The Sedibeng District Municipality is a Category C municipality found in the Gauteng Province. It is the only area of the Gauteng Province that is situated on the banks of Vaal River and Vaal Dam in the Southern-most part of the Province, covering the area formerly known as the Vaal Triangle inclusive of Heidelberg area. This region includes the towns of Vereeniging, Vanderbijlpark, Meyerton and Heidelberg as well as the historic townships of Boipatong, Bophelong, Evaton, Ratanda, Sebokeng, and Sharpeville, which have a rich political history and heritage.

The SDM covers the entire southern area of Gauteng Province, extending along a 120 km² axis from East to West. The total geographical area of the municipality is 3, 894 square kilometres (km²). The SDM comprises of three Category B municipalities, namely, Emfuleni, Lesedi and Midvaal Local Municipalities and is surrounded by the following municipalities:

- City of Johannesburg (Johannesburg) to the North;
- Ekurhuleni (East Rand) to the North-East;
- Nkangala (Mpumalanga) to the North-East;
- Gert Sibande (Mpumalanga) to the East;
- Northern Free State (Free State) to the South;
- Southern District (North-West) to the West; and
- West Rand to the North-West.

Chapter 1: Overview of the Socio-Economic Profile of the Area of Sedibeng District Municipality



Map 1: Map of Sedibeng District Municipality

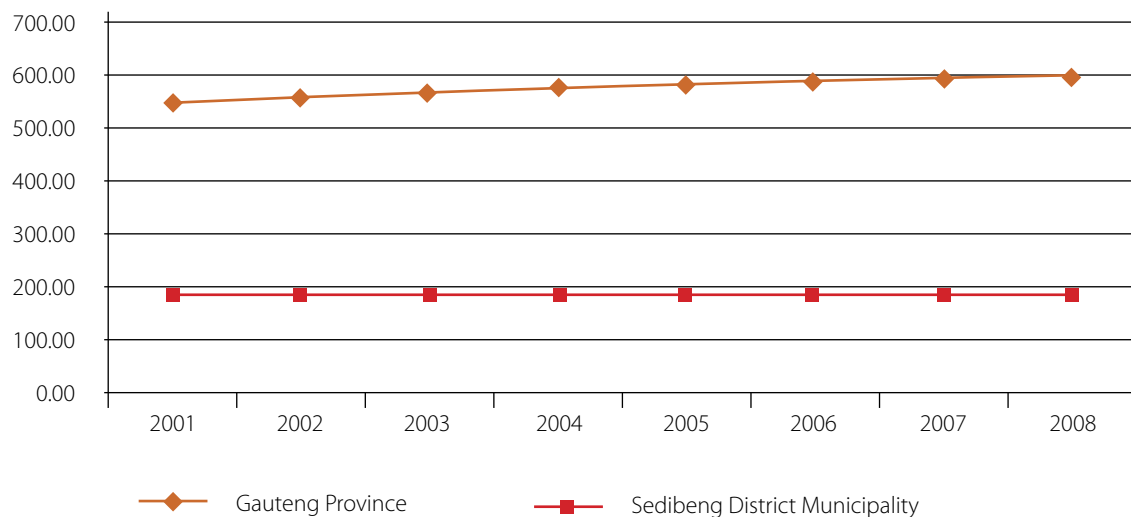
Source: Municipal Board (Demarcation 2007)

1.3 Demographics

Our region Sedibeng is moderately populated and has experienced a phenomenal growth of local population as well as fairly young people migrating to this area of Sedibeng. The main attraction of young people into this area is to further their studies at North West University Vaal Campus, Vaal University of Technology, and Sedibeng Colleges as well as other independent institutions. Statistics point to a fluctuating population. Development Bank of South Africa's (DBSA) 2007 population projections place SDM's population at 908107. These figures were based on the Statistics South Africa's (Stats SA) Census 2001.

A comparison of similar reports undertaken by Stats SA Community Survey 2006 (800 819) and recently Global Insight – 2009 (805 436) provides a base for the SDM's enhanced development strategies.

Chapter 1: Overview of the Socio-Economic Profile of the Area of Sedibeng District Municipality



Graph 1: Population Density Sedibeng & Gauteng, 2001 - 2008

(Source: Global Insight, 2009)

Graph 1 above shows that there has been a steady increase in population density from 2001 to 2008 for Gauteng, whilst the population density in Sedibeng has remained fairly constant over the same period. However the comparison in population density over the period 2007 to 2008 produced the same observation i.e. the population density has remained constant.

In Gauteng the density levels were approximately 554 km² in 2001, this increased to 602 km² in 2008. Although there has been an increase in the density levels in Gauteng over the years, density levels seem to be settling down to a constant of approximately 600km², particularly over the period 2007 and 2008.

In Sedibeng the density levels were approximately 190 km² in 2001 and this increased to approximately 192 km² in 2008. Population density levels in Sedibeng have settled to 91 km² between 2001 and 2008.

		Emfuleni Local Municipality	Midvaal Local Municipality	Lesedi Local Municipality
Black	Male	276,766	26,030	32,697
	Female	273,333	25,346	31,225
White	Male	43,785	11,906	5,213
	Female	44,944	11,346	5,303
Coloured	Male	3,669	630	623
	Female	3,883	652	561
Asian or Indian	Male	3,255	182	368
	Female	3,183	163	373
Total		652,818	76,255	76,363

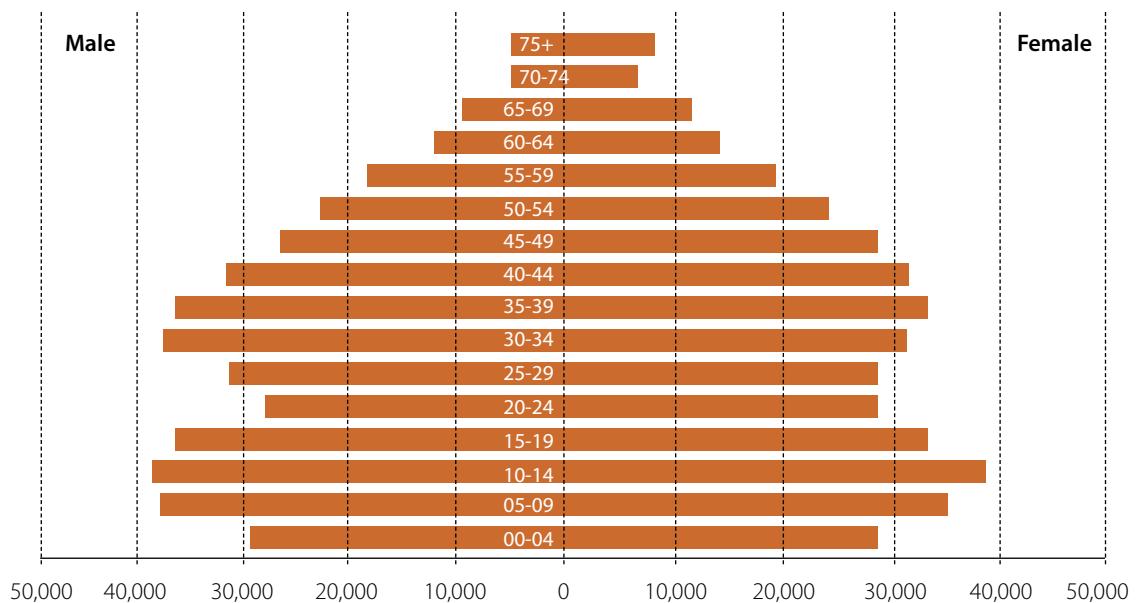
Table 1: Population Distribution per Municipality per Population Group, Sedibeng 2008

(Source: Global Insight, 2009)

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Table 1 indicates that Emfuleni has the highest population in the Sedibeng Region at 81.05% followed by Lesedi and Midvaal at 9.48% and 9.47% respectively. Population figures for Lesedi and Midvaal show a slight difference as they share almost the same population figures. The Black male population is high in all Local Municipalities followed by Black females. The Black population accounts for 82.6%, Whites 15.2%, Coloureds and Asians population at 1.2% and 0.9% respectively.

Compared to the previous year's (2007/08) figures, the Black population has increased by 0.6% whilst the White population has decreased by 0.8%, the Coloured population has increased by 0.2% and the Asian population has decreased by 0.1%.



Graph 2: Population Composition by Age and Gender,

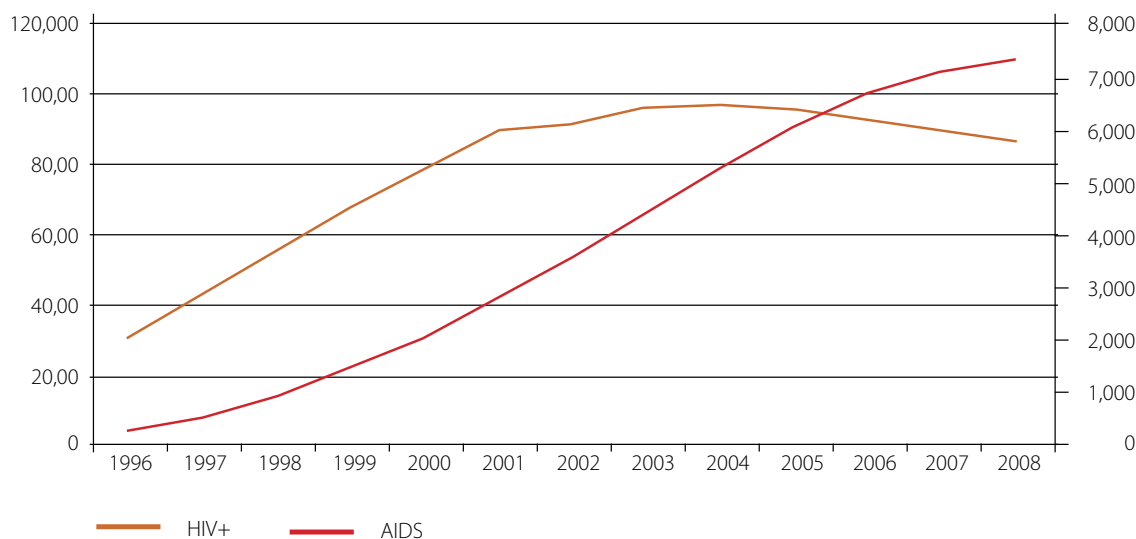
(Source: Global Insight, 2009)

Graph 2 shows us the age breakdown of the Sedibeng population. Furthermore, it shows that there is a higher population between the ages 10 – 14 followed by 05 – 09. The smallest population is between the ages 70 – 74 followed by 75+. The population between ages 10 – 14 share a significant distribution of males and females. This may indicate that the population in the Sedibeng Region may have an equal distribution of males and females in the future.

1.4 HIV and AIDS

The District has developed a five-year strategy (2007-2011) that is aligned to the National Strategic and Provincial Strategic Plans. The programme of action has been adopted by Council and the necessary interventions have been done in assisting to reduce the HIV-prevalence from 35% in 2006 to 31.8% in 2008. Encouraging is the fact that HIV-prevalence among youth 25 years and below is stable, a sign of positive results of concerted efforts to change their social behaviour. All structures which are ward-based driven, including the District AIDS Council and the Local AIDS Councils, are in place and functional.

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Graph 3: Number of HIV-positive Individuals, Sedibeng 2008

(Source: Global Insight, 2009)

Graph 3 above shows a steady decline in the number of people living with HIV, between 2004 and 2008. The new HIV infections have decreased drastically from just below 100,000 in 2003 to just above 80,000 in 2008. This is an indication of the positive impact of various HIV and AIDS programmes the District has launched over the years, including the public-private interface. Although the AIDS-related illnesses are on the increase, the increase seems steady and statistically insignificant. With a continuous decrease in HIV infections, it is likely that over time, the AIDS-related illnesses will decrease. A steady increase of the AIDS-related illnesses, which was not the case before this period, to just below 7500 people is a result of the introduction of the ARVs.

1.5 Urbanization

Urbanization measures the percentage of people in a region that are living in urban areas.

Urban and Rural areas are defined as follows:

- An urban area is one that has been legally proclaimed as being urban. These include towns, cities and metropolitan areas;
- A semi-urban area is not part of a legally proclaimed urban area, but adjoins it. Informal settlements are examples of these types of areas. Semi-urban areas have been included with non-urban areas; and
- All other areas are classified as non-urban, including commercial farms, small settlements, rural villages and other areas, which are further away from towns and cities than semi-urban areas.

Sedibeng Region may have a large landscape with pockets of land that is suitable for agricultural purpose and show all the marks of a rural or semi-urban area. However, in the last 15 years, it has seen huge transformation from the combination of peri urban or semi urban outlook to an urban area with the biggest growth in the building and settlement of our people in the low cost housing (RDP house).

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	Sedibeng District Municipality	Emfuleni Local Municipality	Midvaal Local Municipality	Lesedi Local Municipality
Black	89.6%	95.7%	40.5%	76.8%
White	84.7%	91.1%	66.3%	71.5%
Coloured	85.0%	95.9%	36.5%	67.6%
Asian	92.1%	96.0%	-	89.0%
Total	88.8%	95.1%	48.2%	76.0%

Table 2: Urbanization Rate, Sedibeng, 2008

(Source: Global Insight, 2009)

Table 2 above shows that Emfuleni has the highest number of people living in urban areas at 95.1% with Midvaal reflecting the lowest rate at 48.2%. Sedibeng urbanization figures have been declining from 93.6% in 2000, to 92.2% in 2007 and 88.8% in 2008.

This decline in the rate of urbanization is largely attributed to increased emergence of informal dwelling and growth in urban sprawl which is characterized by lack of or poor infrastructure such as access to water, electricity, sanitation and other important social facilities.

1.6 Socio – Economic Perspective

The thriving regional economy has always been driven by the manufacturing sector which for years had assumed the status of the biggest employer in the region until a change in the structure of the regional economy and global exposure of manufacturing sector especially steel to international competitiveness of steel industry.

Manufacturing sector in South Africa that was mainly based in our region, namely ISCOR, lost all the market protectionism and near monopoly status it enjoyed for years resulting in a serious slump which required restructuring ISCOR that gave birth to Arcelor Mittal.

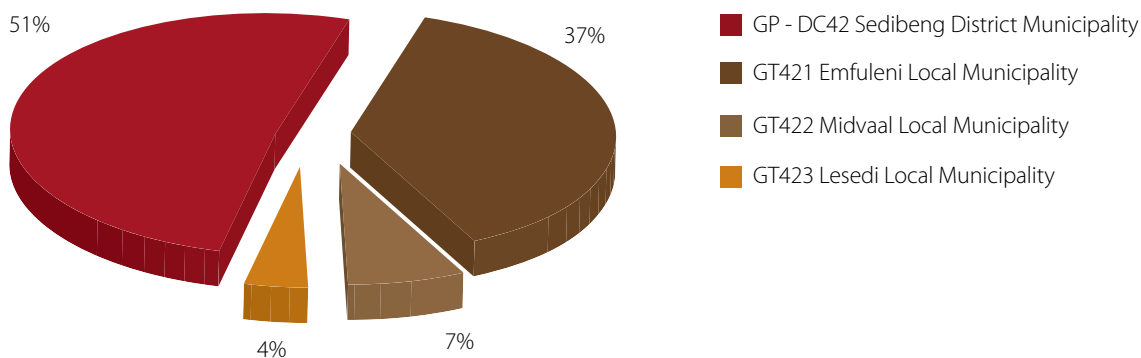
This exposure had serious socio economic consequences for this region in particular as a lot of jobs in this sector were lost, thereby increasing unemployment and exposed serious deficiencies in the skills base of the region to meet the challenges of globalizing economy, productivity and competitiveness of our manufacturing sector.

The manufacturing sector has been identified as a priority sector with the potential to substantially contribute to employment and economic growth. In turn, this will unlock and promote broad-based industrial growth characterized by significant levels of participation by historically disadvantaged people and marginalized regions in the mainstream of the economy (Source: RIDS, 2007).

The metals, energy and construction sectors have been identified as the main manufacturing sub-sectors in the Sedibeng District. Sedibeng offers a comparative cost advantage in the provision of non-metallic mineral products, metal products, machinery, household appliances, electrical machinery and apparatus that comprise a total of 32% of the total exports of Sedibeng. This means that the region is doing better than South Africa as a whole in producing these products (Source: Global Insight, 2004). This contributes to the strong industrial development in the Sedibeng.

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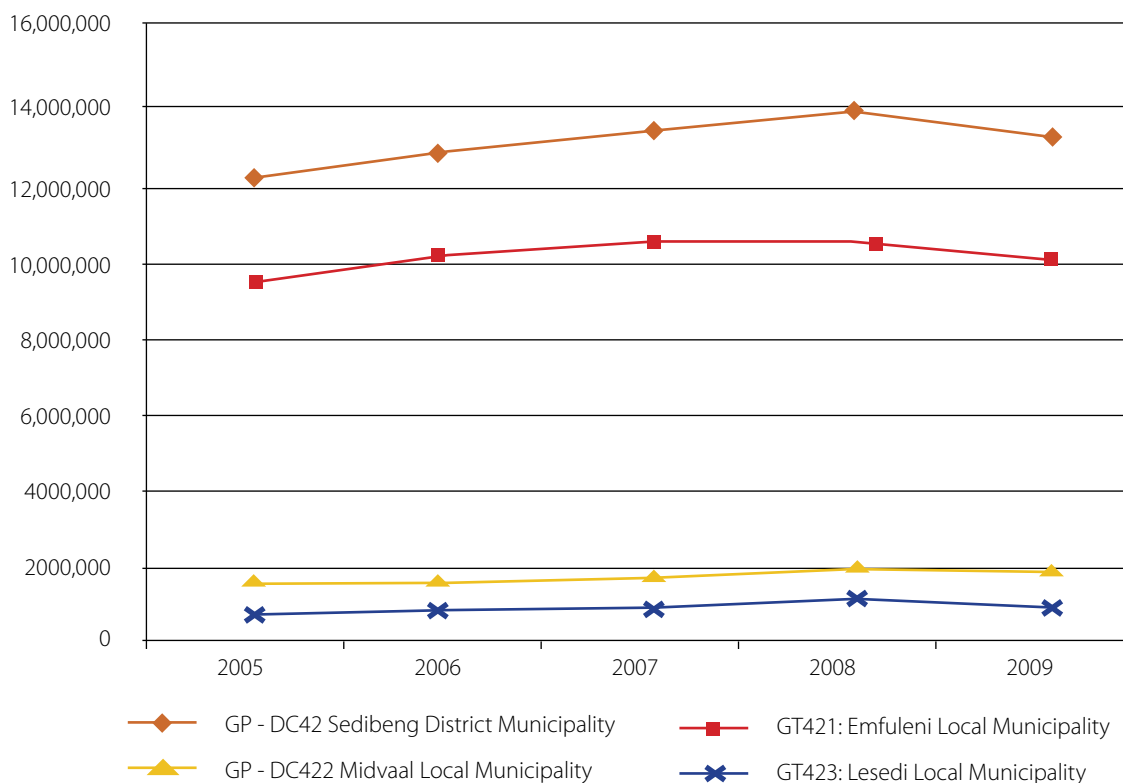
1.6.1 Economic Performance



Graph 4: Composition of Sedibeng GDP by Municipality, 2008 - 2009

(Source: Global Insight, 2009)

Graph 4 illustrates the composition of Gross Domestic Product in the Sedibeng region in 2008. Furthermore, it provides a comparative contribution of Local Municipalities to the GDP. Emfuleni is the biggest contributor to Sedibeng GDP among other Local Municipalities at 38%, followed by Midvaal and Lesedi at 7% and 4% respectively.

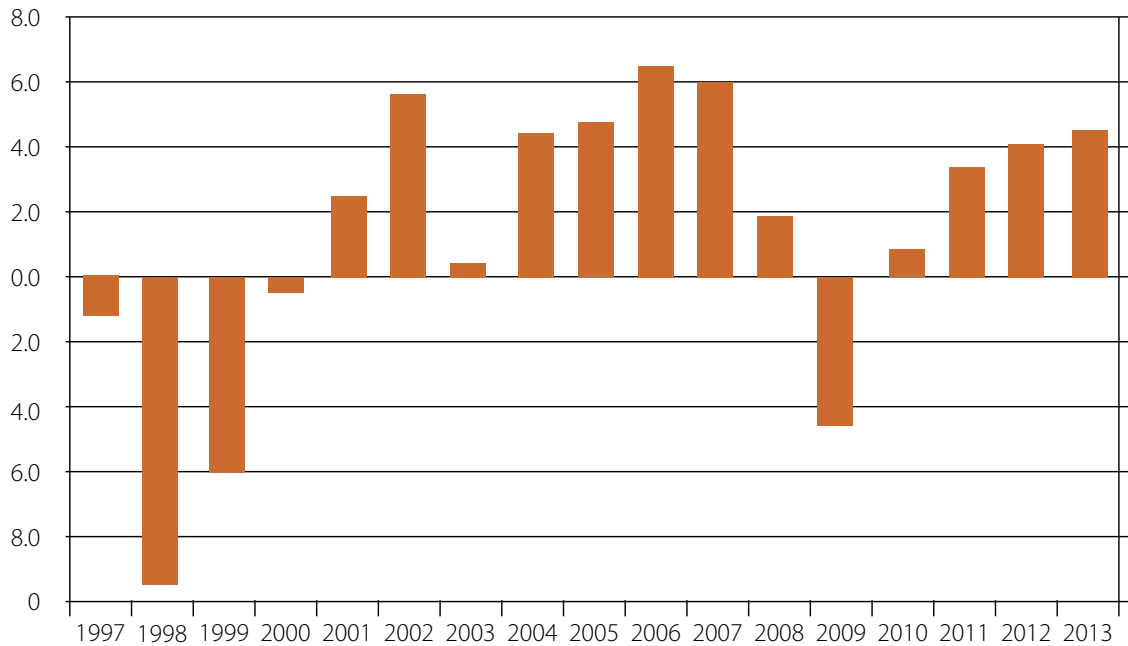


Graph 5: Gross Value Added by Region, 2005 - 2009

(Source: Global Insight, 2009)

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Graph 5 shows a decline in the GVA figures for Sedibeng and Emfuleni in the period 2008 to 2009. There is a fairly insignificant change in the figures for Midvaal and Lesedi in the same period. The decline in the GVA figures in the period 2008 to 2009 can be attributed to the global economic meltdown.



Graph 6: Total Growth Rate of GDPR, 2009

(Source: Global Insight, 2009)

The decline in the Sedibeng GDPR shown in the graph 6 above in the period 2008 – 2009 can be linked to the global meltdown crisis that has affected both the local and international economies. However, the projections seem to point to an upwards swing in 2010 and beyond.

1.6.1.1 Sectoral Analysis

The percentage contribution of economic sectors to the total GVA is used to measure how much each sector has contributed to the economy's GVA. The lowest contributing sector to the Sedibeng's GVA was the mining sector. This indicates that mining is not active in the District municipality. The table below illustrates the contribution of the three (3) sectors to the total economy of the region.

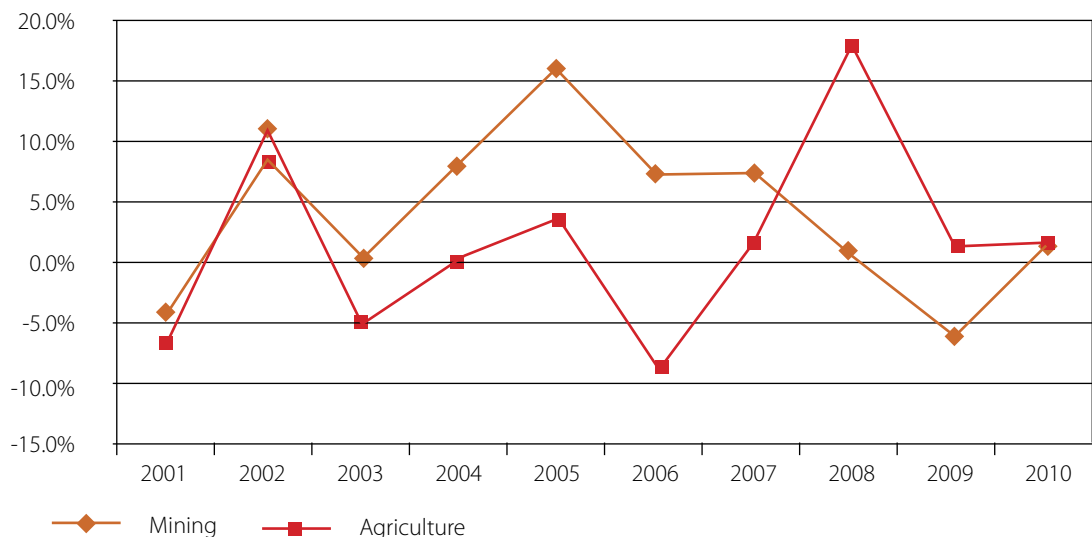
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	2001	2002	2003	2004	2005	2006	2007	2008	2009
1 Agriculture	1.6%	2.3%	1.9%	1.6%	1.3%	1.4%	1.5%	1.6%	1.8%
2 Mining	0.3%	0.3%	0.2%	0.3%	0.3%	0.4%	0.3%	0.4%	0.3%
Primary Sector	1.8%	2.6%	2.2%	1.9%	1.7%	1.8%	1.9%	2.0%	2.1%
3 Manufacturing	43.2%	46.0%	44.5%	44.0%	43.7%	43.7%	45.5%	46.0%	40.8%
4 Electricity	3.8%	3.8%	3.8%	3.6%	3.7%	3.6%	3.3%	3.2%	3.3%
5 Construction	2.2%	2.1%	2.3%	2.4%	2.5%	2.8%	2.9%	3.1%	3.5%
Secondary Sector	49.2%	51.9%	50.6%	50.0%	49.8%	50.0%	51.7%	52.3%	47.7%
6 Trade	8.7%	8.0%	8.1%	8.2%	8.1%	8.0%	7.5%	7.1%	7.4%
7 Transport	5.2%	4.9%	4.9%	5.1%	5.1%	4.7%	4.4%	4.2%	4.4%
8 Finance	12.3%	11.9%	12.2%	12.9%	13.3%	14.5%	14.9%	15.0%	16.0%
9 Community Services	22.7%	20.7%	22.0%	21.9%	22.0%	20.9%	19.6%	19.4%	22.3%
Tertiary Sector	48.9%	45.5%	47.2%	48.1%	48.5%	48.2%	46.4%	45.7%	50.2%
Total Industries	100	100	100	100	100	100	100	100	100

Table 3: Sectoral Contributions to GDP, Sedibeng 2001 - 2009

(Source: Global Insight, 2009)

Table 3 shows that the primary sector is the least contributor to the Sedibeng GVA at 2.1% followed by the secondary sector at 47.7%. The main contributor is the tertiary sector at 50.2%. There seem to be a favourable shift towards both the secondary and tertiary sectors with both sectors making a combined contribution of 97.9% of the total Sedibeng GVA.

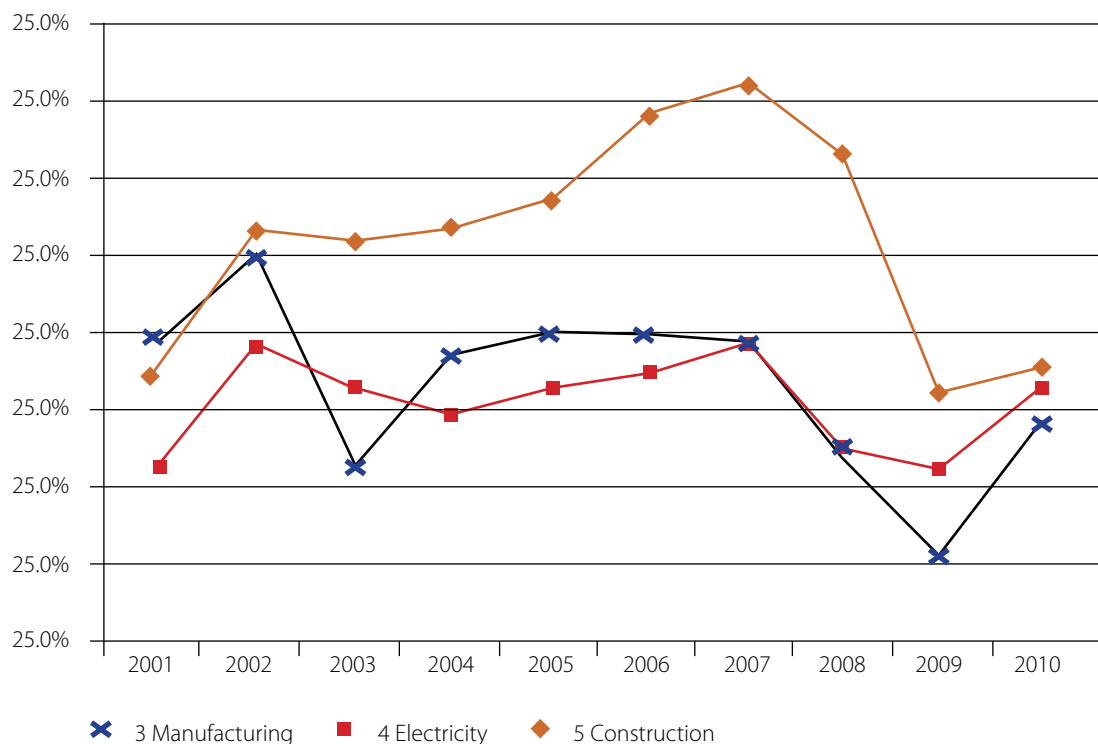


Graph 7: GVA Growth Rates in the Primary Sector, Sedibeng 2001 - 2010

(Source: Global Insight, 2009)

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Graph 7 shows that the primary sector of the economy consists of the agricultural as well as the mining sectors. Mining contributes 0.3% while agriculture contributes 1.8 % to the Sedibeng GVA and together contributing 2.1% which is an increase of 0.1% compared to the 2008 figures of 2.0%. There has been a steady increase in the activity in this sector since 2001 from 1.8% to 2.1 in 2009, with the growth rate of 0.3% in 8 years.

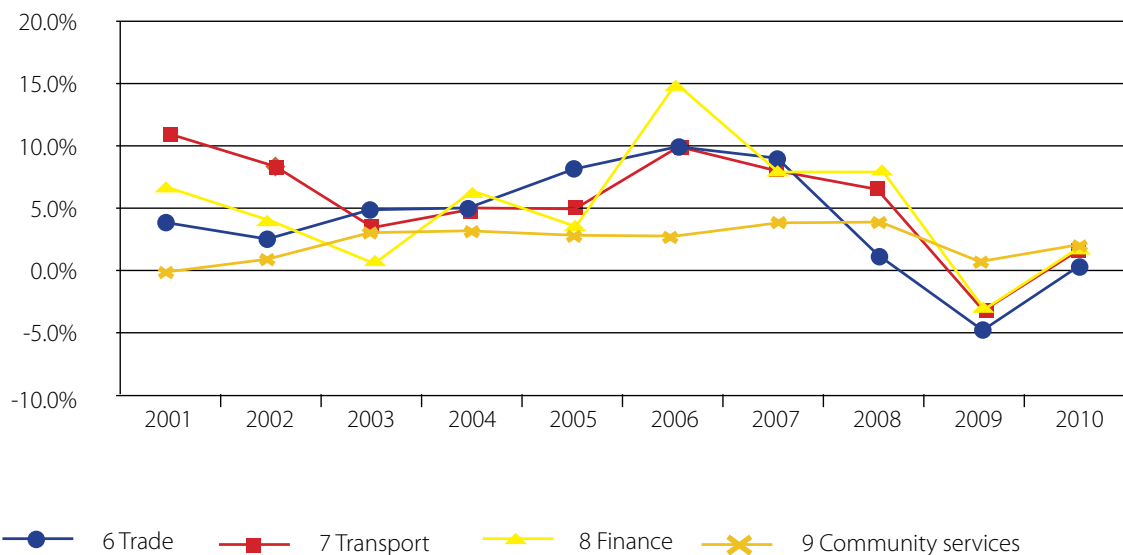


Graph 8: GVA Growth Rate in the Secondary Sector, Sedibeng 2001 - 2010

(Source: Global Insight, 2009)

Graph 8 shows that the secondary sector of the economy consists of manufacturing, electricity and construction. The manufacturing sector is the largest contributor to the total economy of Sedibeng and leads in the secondary sector contributing 40.8%. The manufacturing, electricity and construction sectors together contribute 47.7% of a total Sedibeng economy representing a decrease of 4.6% compared to 52.3% of the 2008 figures. The decrease can be attributed to the global economic slowdown in this period. Although this sector has been on the decline since 2001, there has been an increase in activity in 2008.

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Graph 9: GVA Growth Rates in the Tertiary Sector, 2001 - 2010

(Source: Global Insight, 2009)

Graph 9 shows that the tertiary sector is basically the services sector as well as the government and contributes 50.2% to the Sedibeng GVA. Growth figures in this sector have experienced fluctuations over the last 8 years. In the period 2008 to 2009, this sector has experienced an increase of 4.5% from 45.7% in 2008 recording the highest positive growth among all sectors.

1.6.2 Employment

1.6.2.1 Labour Force Profile

	Male		Female		Total	
Black	153,212	82.4%	131,602	85.8%	284,814	83.9%
White	28,695	15.4%	19,057	12.4%	47,752	14.1%
Coloured	2,071	1.1%	1,822	1.2%	3,893	1.1%
Asian	1,939	1.0%	897	0.6%	2,836	0.8%
Total	185,917	100.0%	153,378	100.0%	339,295	100.0%

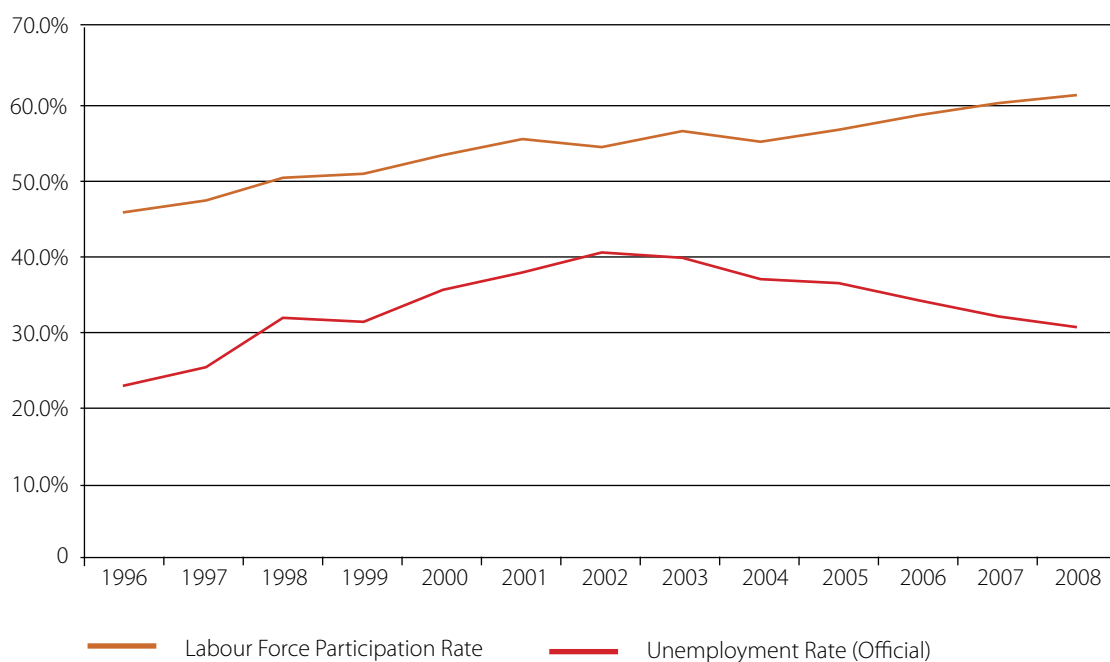
Table 4: Economically Active Population by Gender and Population Group, Sedibeng 2008

(Source: Global Insight, 2009)

A total of 339, 296 of the population are employed across all sectors of the economy in Sedibeng; this represents 42.1% of the population of the region. Blacks account for 83.9% of the economically active, followed by Whites at 14.1%, Coloureds at 1.1% and Asians at 0.8%. There was a decline in the total number of the economically active population from 375, 282 in 2007 to 339, 296 in 2008, this represents 35, 986 job losses. Blacks accounted for 94.7% of job losses, followed by Whites at 2.3%, Coloureds at 2.1% and Asians at 0.7%.

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The male population accounted for 54.8% while females comprised of 45.2% of the economically active population. The figures for males have increased by 1% whilst figures for women have decreased by 1.1%.



Graph 10: Labour Force Participation Rate (LFPR), Sedibeng, 1996 - 2008

(Source: Global Insight, 2009)

Graph 10 shows labour force participation as well as unemployment rates in Sedibeng. There seem to be an increase in the labour force participation rate in the period 1996 to 2008. A similar trend can be observed with the unemployment rate in the period 1996 to 2002. Since then, unemployment has been on the decline. A drastic decline was experienced in the period 2002 to 2004 and in 2005 to 2008.

	Male		Female		Total	
Black	42,347	94.04%	54,184	95.37%	96,531	94.78%
White	2,203	4.89%	2,145	3.78%	4,349	4.27%
Coloured	376	0.83%	407	0.72%	783	0.77%
Asian	105	0.23%	79	0.14%	184	0.18%
Total	45,031	100.00%	56,815	100.00%	101,847	100.00%

Table 5: Unemployment by Race by Gender, Sedibeng, 2008

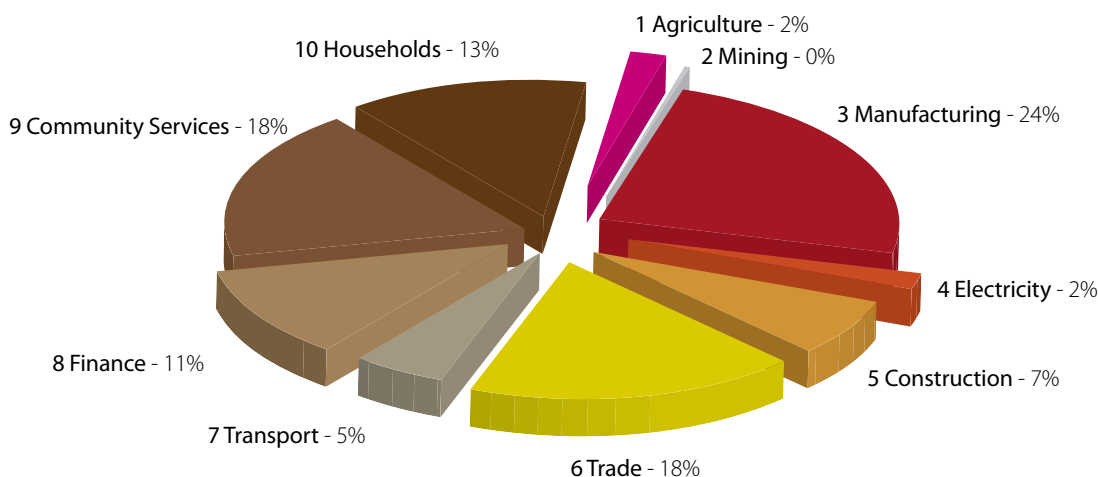
(Source: Global Insight, 2009)

Table 5 shows unemployment by race and by gender in the Sedibeng Region. The Black population accounts for 94.7% of the unemployed population with Black females recording the highest figures of unemployment in the region at 95.37%.

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The White population accounts for 4.27% of the unemployed Coloureds, Asians at 0.77% and 0.18% respectively.

1.6.2.2 Sectoral Employment



Graph 11: Employment by Sector, Sedibeng 2008

(Source: Global Insight, 2009)

Graph 11 above provides us with the total employment composition across all sectors of the economy in Sedibeng. It depicts that the manufacturing sector proves to be the largest employment sector at 24% followed by the community services sector at 18%. There is insignificant activity in the mining sector at 0%. Agriculture and Electricity sectors show least employment absorption at 2%. The mining sector has continued to decline from 0.1% in the period 2003 to 2007 to 0% in 2008.

1.7 Access to Services

1.7.1 Education

There are 148 primary schools and 88 secondary schools in Sedibeng. Of the total 236 schools within Sedibeng, 90.3% are public schools and the remaining 9.7% are either private or semi – private schools.

Types of Schools	Sedibeng		Gauteng	
	2007	2008	2007	2008
Primary	32.0	32.1	34.3	33.8
Secondary	30.4	30.4	31.8	29.5

Table 6: Learner - Teacher Ratio, Sedibeng & Gauteng, 2007 & 2008

(Source: Gauteng Dept. of Education, 2008)

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Table 6 provides a comparison of the learner – teacher ratio between Gauteng and Sedibeng for 2007 and 2008. In comparison with the learner – teacher ratio for Gauteng, Sedibeng had a lower ratio for primary schools for both years; however the situation might have changed in 2009. The ratio was larger for secondary schools in Sedibeng at 30.4 in comparison to 29.5 in Gauteng. This indicates that there is still room for improvement for Sedibeng in the learner – teacher ratio in the secondary schools.

1.7.2 Housing

Dwelling Type	Emfuleni			Midvaal			Lesedi		
	2001	2007	2009	2001	2007	2009	2001	2007	2009
Formal	81.8%	82.9%	85%	80.8%	86.3%	87%	76.7%	82.1%	88%
Informal	16.5%	14.9%	14.8%	16.7%	8.4%	8%	20.2%	13.8%	11%
Traditional	1.4%	0.5%	5%	1.9%	0.4%	3%	2.8%	1.4%	1.4%
*Other	0.3%	1.7%	1.5%	0.6%	5%	5%	0.3%	2.8%	2.3%

Table 7: Access to Housing by Dwelling Type, by Local, Sedibeng, 2001 & 2007

(Source: Stats SA, Census 2001 (P0300) & Community Survey 2007 (P0301))

*Other includes living in caravan/tent, boat/ship and workers living in hostels as well as any misspecification filled out during the two surveys.

Formal housing has increased in the past 2 years within Sedibeng District by 5.9% which led to partly formalization of at least 4 informal settlements. The challenge has been the growing of existing informal settlements after the beneficiary administration has already been completed. Informal residential settlements can be defined as settlements that do not have any formal town-planning structure and have limited access to basic engineering services such as water, sewerage and electricity. There are thirty five (35) informal settlements in Sedibeng with six (6) being in the process of being formalized.

Midvaal has the highest percentage of the formal housing at 86.3% followed by Emfuleni and Lesedi at 82.9% and 82.1% respectively. Emfuleni has the highest informal housing at 14.9% followed by Lesedi at 13.8% and Midvaal at 8.4%. There has been a dramatic improvement in the process of formalizing informal housing in Sedibeng between 2001 and 2007 with Midvaal showing the greatest achievement of 8.3% followed by Lesedi at 6.4%. Emfuleni made the least improvement at 1.6%.

1.7.3 Health Services

Indicator	2004/05	2005/06	2006/07	2007/08	2008/09
Medical Aid coverage	-	14.8%	14.5%	17%	18.7%
Nurse clinical workload	42.7%	39.3%	36%	25.7%	26%
Bed utilisation rate (BUR)	68%	72%	65%	72.25%	70%
TB cure rate	57%	66%	68.1%	74%	

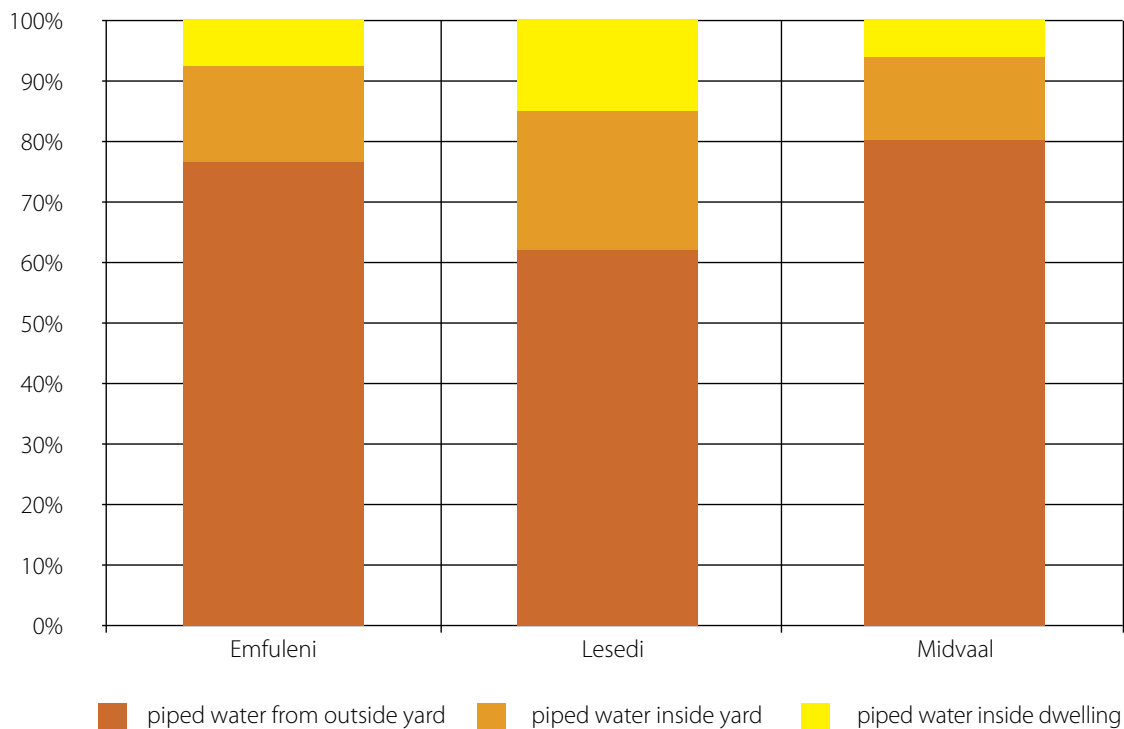
Table 8: Health Service Indicators, Sedibeng, 2004/05 – 2008/09

(Source: Gauteng Department of Health, Health Status Report 2008)

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Table 8 shows that Sedibeng has the lowest medical aid coverage in Gauteng, ranging between 14.8% in 2005/06 and 18.7% in 2008/09. There has been a decline in the nurse client workload from 42.7% patients per nurse in 2004/05 to 26% patients per nurse in 2008/09. This shows improvement on the patient/ nurse ratio making the work load manageable for health workers. The bed utilisation rate is fluctuating between 68% and 72%; however a 2% drop occurred in this financial year. It is commendable that in the wake of the HIV& AIDS epidemic, TB cure rate has improved from 57% in 2004/05 to 74% in 2007/8.

1.7.4 Water and Sanitation



Graph 12: Access to Water, Sedibeng 2007

Source: StatsSA, Census 2001(P0301) & Community Survey 2007

The Sedibeng District Municipality has high water service levels, with 97.5% of the households having access to RDP water services. Emfuleni Local Municipality has the highest RDP water service levels at 98.1%, followed by Lesedi Local Municipality at 95.9% and lastly Midvaal Local Municipality with 94%.

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Sedibeng has a water backlog of 2.4%, which accounts for 8.9% of the provincial backlog. Midvaal has the largest water backlog of 5.9%, which accounts for 24.5% of the District backlog and 2.1% of the provincial backlog. Emfuleni has the smallest water backlog in the District at 1.8%, contributing 61.2% to the District backlog and 5.4% to the provincial backlog.

Type of Toilet	Emfuleni		Lesedi		Midvaal	
	2001	2007	2001	2007	2001	2007
Flush toilet (connected to sewerage system)	84.6%	87.6%	66.2%	78.6%	49.5%	83.9%
Flush toilet (with septic tank)	1.5%	0.9%	4.5%	3.9%	15.9%	5.5%
Dry toilet	-	1.1%	-	0.3%	-	1.3%
Chemical toilet	0.4%	1.7%	0.4%	1.5%	1.3%	0.9%
Pit latrine	10.4%	7.9%	9.7%	7.8%	25.3%	6.9%
SUBTOTAL (Access to sanitation)	96.9%	99.2%	80.8%	92.1%	92%	98.5%
Bucket latrine	1.0%	0.4%	12.7%	3.2%	3.9%	0.2%
None	2.1%	0.4%	6.5%	4.8%	4.1%	1.4%
TOTAL (rounded off)	100%	100%	100%	100%	100%	100%

Table 9: Sanitation, Sedibeng 2007

Source: StatsSA, Census 2001 (P0301) & Community Survey 2007

Access to sanitation has been described as access to various forms of sanitation including flush toilets, dry toilets, chemical toilets and pit latrine and excludes the bucket system and people with no access to sanitation.

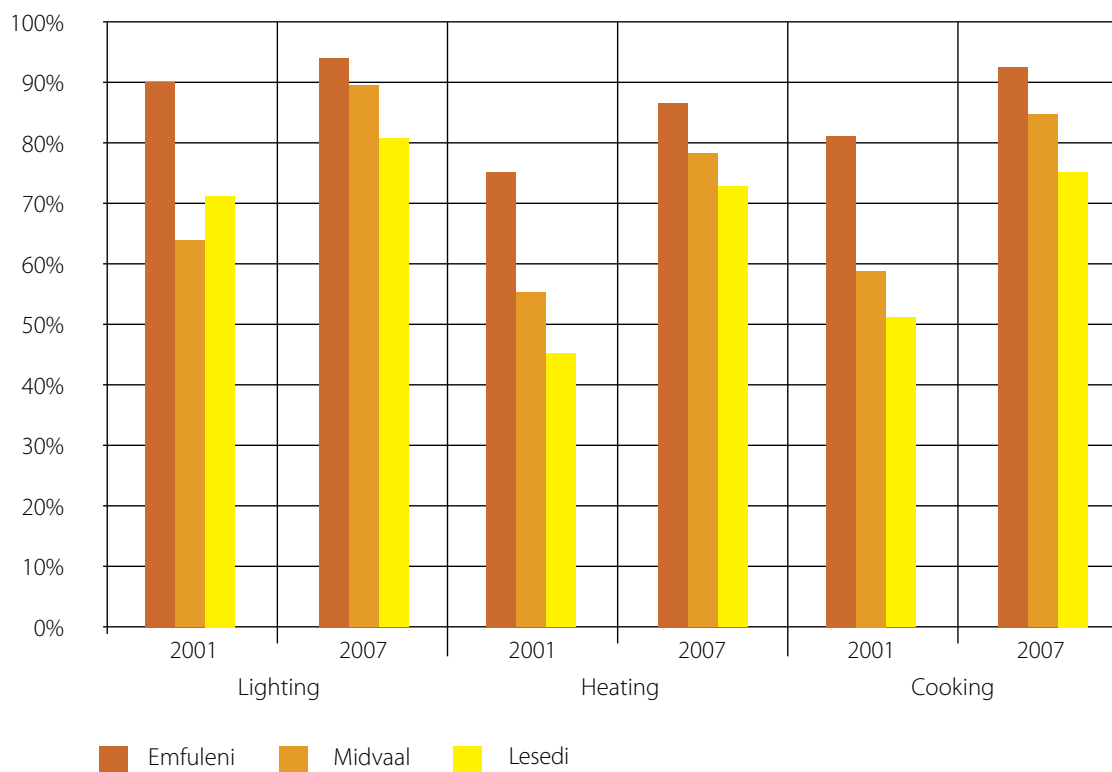
The Statistics SA Community Survey of 2007 indicates that Sedibeng has high sanitation service levels, with 98.5% of the households having access to sanitation. Emfuleni has the highest sanitation service levels in the District at 99.2%, followed by Midvaal at 98.3% and Lesedi at 91.8%.

There is an increase in the number of people with access to flush toilets connected to the sewerage system and a decrease in people with access to the flush toilets with septic tank across all Locals. There is a decrease in people with access to pit and bucket latrines as well as people with no access to sanitation, whilst there is an increase in dry toilets in all Locals. An upward trend can be observed in Emfuleni from 0.4% to 1.7% and in Lesedi from 0.4% to 1.5% for chemical toilets.

Sedibeng has a sanitation backlog of 1.5%. Lesedi has the largest backlog in the District, of 8.2% and contributes 44.8% to the District backlog and 1.7% to the provincial backlog. Emfuleni has the smallest backlog at 0.8% and contributes 44.2% to the District backlog and 1.7% to the provincial backlog.

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1.7.5 Electricity



Graph 13: Access to Electricity, Sedibeng, 2007

Source: StatsSA, Census 2001(P0301) & Community Survey 2007

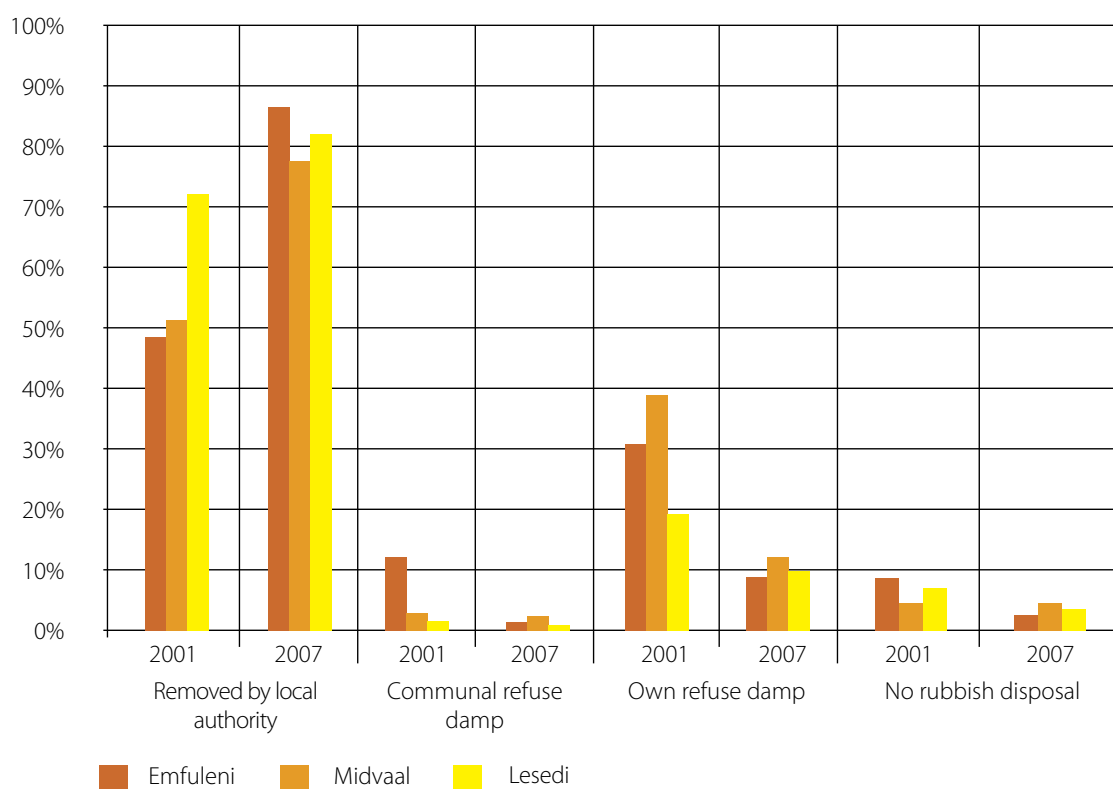
The Community Survey 2007 indicates that 92.1% of the households in Sedibeng region have access to electricity for lighting purposes. Emfuleni has the highest percentage of households with access to electricity for lighting purposes at 93.5% and Lesedi has the lowest percentage at 81.4%.

Sedibeng as a region has a backlog of 7.9% for access to electricity for lighting purposes. Lesedi has the largest backlog in the District at 18.5% and contributes 19.9% to the District backlog and 0.7% to the provincial backlog. Emfuleni has the smallest backlog at 6.5%, accounting for 67.1% of the District backlog and 2.4% of the provincial backlog.

Emfuleni has the highest percentage of households with access to electricity used for heating purposes at 87.2% followed by Midvaal and Lesedi at 78.9% and 73.1% respectively. A similar trend is observed for access to electricity for cooking purposes with Emfuleni at 92.2%, Midvaal at 85.7% and Lesedi at 75.8%.

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1.7.6 Refuse Removal



Graph 14: Refuse Removal, Sedibeng, 2007

Source: StatsSA, Census 2001 (P0301) & Community Survey 2007

Graph 14 shows that Emfuleni has the highest refuse removal levels at 85.9%, followed by Lesedi at 82.7% and then Midvaal at 78.2%. Midvaal has the largest refuse removal backlog at 21.8% and contributes 14.4% to the District backlog and 1.1% to the provincial backlog. Emfuleni has the smallest refuse removal backlog at 14.1% and accounts for 75.8% of the District backlog and 6.2% of the provincial backlog.

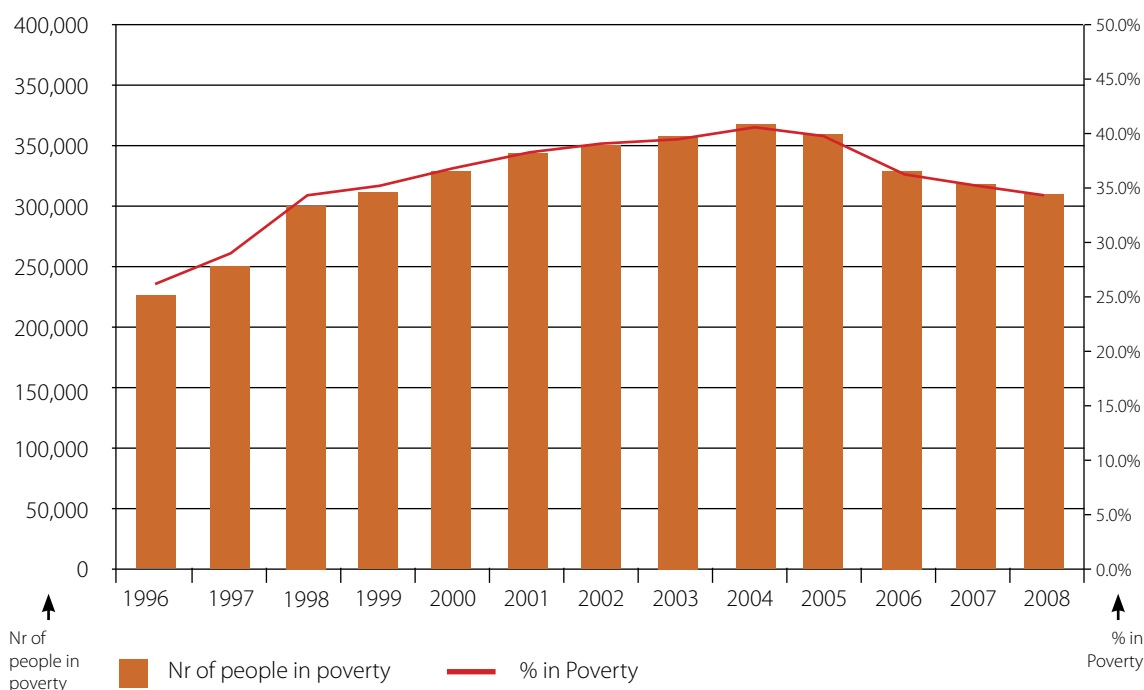
1.8 Human Development Index

The Human Development Index (HDI) is a composite, relative index that attempts to quantify the extent of human development of a community. It is based on measures of life expectancy, literacy and income. It is thus seen as a measure of people's ability to live a long and healthy life, to communicate, to participate in the life of the community and to have sufficient resources to obtain a decent living. The HDI can assume a maximum level of 1, indicating a high level of human development, and a minimum value of 0, indicating no human development.

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1.8.1 The Poverty Rate

Poverty rate is the number of people living in households that have an income less than the poverty income. The percentage of people in poverty is the percentage of these people relative to the total regional population. It should be noted that the poverty income is defined as the minimum monthly income needed to sustain a household and varies according to the size of that household. The larger the household, the larger the income required to keep its members out of poverty.



Graph 15: Number and Percentage of People in Poverty, Sedibeng, 2009

(Source: Global Insight, 2009)

Graph 15 above illustrates a significant decline in the percentage of people living in poverty, from 2005 to 2008 i.e. from 44.8% to 36.8% respectively. This represents a dramatic achievement in the fight against poverty in the Sedibeng region, represented by an 8% decrease in people living in poverty from 2005 to 2008.

1.8.2 Poverty Gap

The restriction of the poverty rate as an indicator of poverty is that it does not give indication of the depth of poverty i.e. how far the poor households are below the poverty income level. In this regard, the poverty gap becomes useful and is used to measure the gap between each poor household's income level and the poverty line, thus providing some depth of poverty of each poor household. The gap represents what poor households would have to earn to raise them up to the minimum income level.

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	Emfuleni Local Municipality	Midvaal Local Municipality	Lesedi Local Municipality
Black	460	25	46
White	11	3	4
Coloured	4	0	0
Asian	1	0	0
Total	476	28	50

Table 10: Poverty Gap, Local and by Race, Sedibeng, 2008

(Source: Global Insight, 2009)

Emfuleni has the highest poverty gap followed by Lesedi and Midvaal respectively. Blacks have the highest poverty gap at 460, followed by Whites at 11, Coloureds and Asians at 4 and 1 respectively.

1.8.3 Income Inequality

The following section shows how many houses are in each of the predefined income categories, starting at the lowest income category R0 - R2 400 per annum up to R2 400 000 per annum and includes payments in kind from employers, old age pensions, income from informal sector activities, etc.

Income category	Black	White	Coloured	Asian	Total
0-2400	1,527	0	83	0	1,610
2400-6000	4,707	18	71	0	4,796
6000-12000	21,144	65	610	35	21,854
12000-18000	23,926	61	409	48	24,444
18000-30000	31,999	66	312	102	32,479
30000-42000	26,871	34	271	120	27,296
42000-54000	20,377	358	188	108	21,031
54000-72000	18,743	1,122	194	227	20,286
72000-96000	15,136	2,347	160	281	17,924
96000-132000	12,212	4,380	141	163	16,896
132000-192000	9,829	6,264	128	259	16,480
192000-360000	9,087	12,136	145	382	21,750
360000-600000	3,669	8,607	59	180	12,514
600000-1200000	1,407	5,641	41	106	7,195
1200000-2400000	358	1,838	0	21	2,217
2400000+	54	442	0	2	498
Total	201,046	43,379	2,812	2,034	249,271

Table 11: Income Inequality, Sedibeng, 2008

(Source: Global Insight, 2009)

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The Gini coefficient is a summary statistic of income inequality, which varies from 0 (in the case of perfect equality where all households earn equal income) to 1 (in the case where some households earn more income than others). In practice the coefficient is likely to vary from approximately 0, 25 to 0, 70.

	Sedibeng District Municipality	Emfuleni Local Municipality	Midvaal Local Municipality	Lesedi Local Municipality
Black	0.59	0.58	0.54	0.66
White	0.46	0.46	0.45	0.46
Coloured	0.66	0.66	0.66	
Asian	0.54	0.54		
Total	0.67	0.64	0.73	0.72

Table 12: Gini Coefficient, by Municipality, Sedibeng, 2008

(Source: Global Insight, 2009)

Emfuleni has the lowest inequality gap at 0.64, whilst Midvaal has the highest inequality gap at 0.73 followed by Lesedi at 0.72.

1.8.4 Population Dynamics

	Sedibeng District Municipality	Emfuleni Local Municipality	Midvaal Local Municipality	Lesedi Local Municipality
Black	0.52	0.53	0.45	0.47
White	0.87	0.87	0.88	0.87
Coloured	0.60	0.62	0.55	0.49
Asian	0.77	0.76		
Total	0.60	0.60	0.64	0.56

Table 13: Human Development Index by Population Group, Sedibeng 2008 - 2009

(Source: Global Insight, 2009)

Table 12 depicts the HDI composition by population group in the period 2008 -2009 for Sedibeng District and its Locals. HDI levels for Whites are the highest at 0.87 followed by Asians at 0.77, Coloureds at 0.6 and Blacks at 0.52. The overall development level of Sedibeng District has decreased from 0.62 in 2007 to 0.6 in 2008.

1.9 Sedibeng Spatial Development Framework

The purpose of the Sedibeng District Municipality Spatial Development Framework (SDF) is firstly to assess the position of the District in relation to Provincial and National perspective and secondly to serve as a guide for the Local Municipalities in order to ensure that the Spatial Development Framework of the Local Municipalities are linking to the overall development perspective of the District. The main objective therefore is to ensure that the Local Municipalities contribute towards the orderly spatial development structure of the District and the Gauteng Province.

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In the year under review, the SDM and its Locals as requested by the Gauteng Provincial Government submitted a joint proposal with amendments to the urban edge based upon the approved Sedibeng District Municipality Spatial Development Framework. The objective of the Urban Edge was to contain urban sprawl and focus on infill and densification, thereby maximizing the use of existing engineering infrastructure and the optimization of the existing transportation network.

The approach towards making amendments to the Urban Edge is informed on the one hand by the Sedibeng Growth and Development Strategy and on the other hand by the Sedibeng Spatial Development Framework.

The proposed urban edge amendments were based on the following criteria:

- Conservation of the Environment;
- Optimal Utilisation of Engineering Services;
- Optimization of Public Transport;
- Prevention of Urban Decay and Promotion of Urban Integration;
- Promotion of Opportunities for Redevelopment, Infill and Densification;
- Creating new well Located Urban Hubs; and
- Upliftment of Rural Areas.

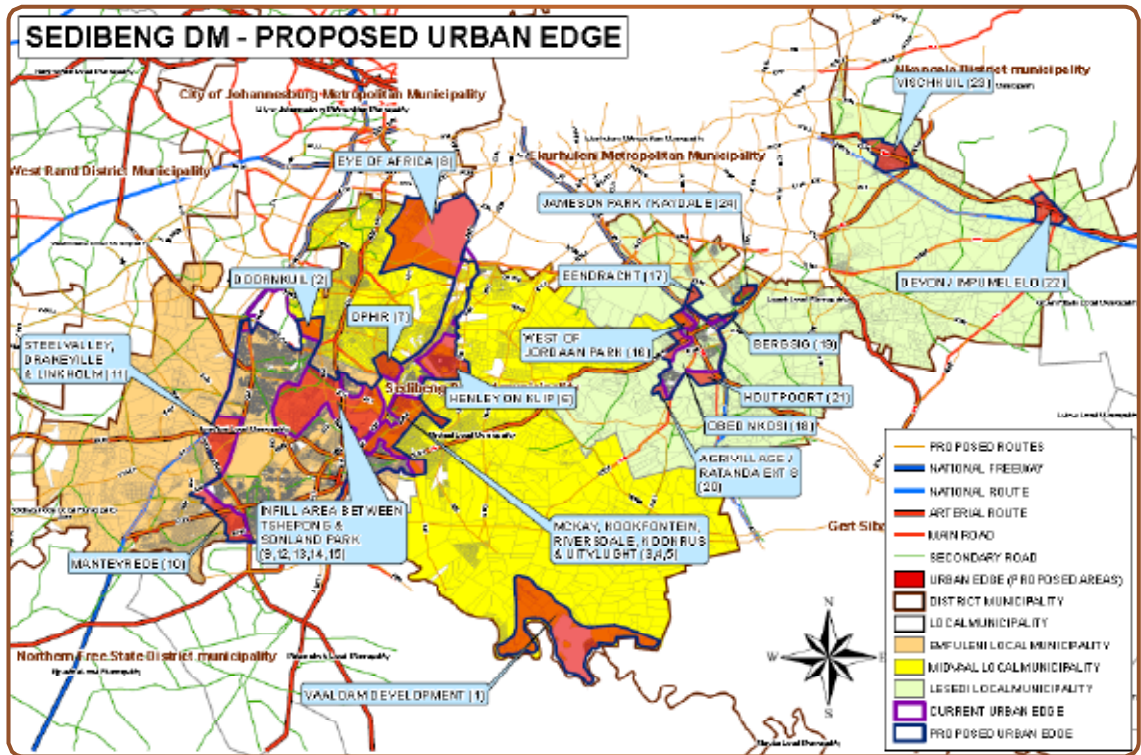
The respective areas proposed for inclusion within an amended urban edge are indicated in the table below and Map 2 (Proposed Urban Edge).

Map Ref No	Area	Policy Consideration
Midvaal LM		
1	Vaal Dam Development (Stryfontein, Viking Bay, Harbour Town, Vaal Marina, Mamello)	Sustainable tourism and leisure development
2	Doornkuil	New development node and affordable city
3	Area between Risiville and Rothdene along the K205 Road (Kookfontein and McKay areas)	Urban integration between Meyerton and Risiville
4	North and east of Risiville (Uitvlucht and Risi AH)	Development pressure and urban expansion
5	Riversdale and Kookrus	Densification and infill
6	Area between Meyerton and Henley-on-Klip, and Glen Donald Industrial area	Urban integration, infill and densification
7	Area North and West of Sicelo township (Ophir)	Urban expansion
8	'Eye of Africa' development	Southern expansion of Alberton new sustainable node

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Map Ref No	Area	Policy Consideration
Emfuleni LM		
9	Area between the K54 Road and proposed K11 Road (linkage between Tshepong and Sonland Park)	Infill and densification
10	Area to the west of the R57 Road and the proposed K188 (west of Bophelong, Bonnane) to include areas such as Mantevrede, Staalrus AH, Lochvaal. This area extends to the N1 Freeway	Maximization of infrastructure
11	Area to the west of Mittal Steel between the N1 Road, R553 (Golden Highway) and to the north of R5. These areas include Steelvalley, Drakeville and Linkholm AH	Promotion of compact urban structure along strategic corridors
12	Inclusion of Tshepong Proper, Ext.s 1 and 2	Compact urban structure
13	Northern extension of Dadaville	Infill and integration (approved township)
14	Areas to the west (Johandeo), east (Quaggasfontein) and south of Sebokeng	Infill and integration
15	Areas between Sebokeng and Vereeniging along the R28 and R54 Roads (Sonland Park, Homer AH and Unitas Park)	Infill and integration
Lesedi LM		
16	Area to the west of Jordaan Park	Urban expansion (approved township)
17	Area to the north of Heidelberg Ext. 9 (Eendraght)	Maximization of infrastructure
18	Area between Heidelberg and Ratanda (Obed Nkosi)	Infill and densification
19	Area between Heidelberg Ext. 9 (Bergsig) and Jameson Park	Infill and densification
20	Agrivillage and Ratanda Ext. 8 (south of Ratanda)	Urban expansion (approved township)
21	Houtpoort (Government-owned properties)	Compact urban structure (existing township)
22	Devon/ Impumelelo	Rural development areas (approved township)
23	Vischkuil	Rural development area – infill and densification
24	Jameson Park and Kaydale	Rural development area – infill and densification

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Map 2: Proposed Urban Edge

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2



Chapter 2: Institutional Transformation and Governance

2.1. Human Resource and Management

2.1.1. Breakdown of Organizational Structure within Clusters by End June 2009

Despite the fact, Council has not been able to implement the organizational structure approved in May 2008 which is fully aligned to its Growth and Development Strategy due to financial constraints, the organization has been able to achieve its priorities satisfactorily.

It can be noted from the information provided hereunder that the Council is operating on the staff complement of 815 instead of 904. It is however good to state that at the strategic level all positions are filled, as it can be seen from the tables hereunder. The staffing level within the Political Offices, Municipal Manager's Offices and the various Clusters are as depicted by the following diagram:

Cluster	Staff Compliment
Office of the Executive Mayor	08
Office of the Speaker	07
Office of the Chief Whip	04
Municipal Manager's Office	04
Corporate Services	249
Treasury	28
Community Services	307
Strategic Planning & Economic Development	39
Transport Infrastructure & Environment	169
Total	815

2.1.2. Vacancies by Year End June 2009

In order to meet its service delivery imperatives the Council, maintained its staffing levels at 90% of total approved positions.

Functional Area	Positions on the Organogram	Positions Filled	Vacant Positions
Office of the Executive Mayor	10	08	02
Office of the Speaker	09	07	02
Office of the Chief Whip	05	04	01
Office of the Municipal Manager (OMM)	09	04	05
Corporate Services	261	249	12
Community Services	356	307	49
Treasury	30	28	02
Transport Infrastructure & Environment	174	169	05
Strategic Planning & Economic Development	50	39	11
Total	904	815	89

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2.1.3. Training and Development

2.1.3.1. Workplace Skills Plan (WSP) by Year End June 2009

The National Skills Development Strategy (NSDS) remains one of government's vehicles to encourage employers to address scarce skills and promote equity in the workplace. In an effort to contribute positively towards the skills development initiatives, the Council committed itself to an environment in which officials are able to maximize their performance and contribute towards its business priorities.

The table below illustrates organizational capacity building and skills development undergone by the employees of Sedibeng District Municipality (SDM) as part of the WSP.

Training Course	No of Employees	Staff Levels
Managing Development in Municipal Finance	1	Senior Management & Top Management
Labour Law	2	Senior Management
Examiner of Vehicle	2	Clerk / Administrators
CCTV Training	14	Supervisors
Business Writing Skills (Report Writing)	24	Clerk / Administrators
Best Practice in Pay Roll	2	Clerk / Administrators
Public Relations	6	Clerk / Administrators
Records Management	5	Supervisor
Care and Growth	48	Top Management & Semi Skilled
Batho Pele	40	Clerk / Administrators
Project Management	1	Senior Management
Ms Office : Advance Excel	3	Clerk / Administrators
Quidity Software for Records	61	Top/ Senior Management
PMS	345	Employees
Basic Life Support refresher	29	Basic Life Support Attendants
Basic Life Support for health care providers	19	Basic Life Support Attendants
Advance Cardiac Life Support	1	Advance Life Support Attendants
Paediatric Advance Life Support	1	Basic Life Support Attendants
Hazmat Awareness	39	Basic Life Support Attendants
Rope Rescue 1	9	Basic Life Support Attendants
Rope Rescue	3	Basic Life Support Attendants
Driver Training	14	Operators
Intro to Project Management	35	Clerk / Administrators
Disciplinary Hearing	73	Senior Management

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Training Course	No of Employees	Staff Levels
Programme in Management Development	1	Senior Management
Health & Safety Management	1	Senior Management
TOTAL NUMBER OF PEOPLE TRAINED	779	

2.1.3.2. Performance Management and Development System (PMDS)

According to the Municipal Systems Act 2000, Chapter 6 (38) the municipality is required to establish a performance management and development system (PMDS). Therefore the municipality must establish a performance management system that is:

- Commensurate with its resources;
- Best suited to its circumstances;
- In line with the priorities, objectives, indicators and targets contained in its IDP; and
- Promote a culture of performance management among its political structures, political office bearers and Councillors and in its administration.

The Municipal Performance Management Regulations, 2001 also describes the nature of a performance management and development system that municipalities must develop and implement. Furthermore it is stipulated in the Municipal Financial Management Act no 32 of 2000, Chapter 6 that municipalities must:

- Establish a performance management and development system; as well as
- Develop a performance management and development system.

The PDMS seeks to achieve the following:

- To link the Sedibeng Growth and Development Strategy (GDS) 2025 and the IDP to departmental teams and individual performance;
- To fulfill all applicable National, Provincial and Local Government legislative requirements on performance management;
- To improve the organizational performance by improving team and individual performance;
- To clarify expectations of what teams and individuals are required to achieve;
- To develop the skills, competencies and abilities of individuals within the organization;
- To develop a sound working relationship between managers and employees through the development of agreed objectives, the provision of feedback, counseling and coaching;
- To identify and reward staff who render exceptional performance;
- To identify staff who render unsatisfactory performance and provide appropriate remedial action; and
- To provide a mechanism for identifying and linking training needs to performance management.

In line with above, SDM made great progress in implementing a fully operational performance management and development system by cascading the implementation of PMDS and the performance reward system to all levels of employment.

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All employees including Section 57 signed their performance management contracts. The assessments and the scores will be finalized during 2009/2010 financial year.

2.1.4. Employment Equity by End June 2009

In terms of Section 20 of the Employment Equity Act, all designated employers, must prepare and implement the employment equity plan, which will achieve reasonable progress towards employment equity.

Whilst the Council has been found to be performing relatively well in various areas of equity except for the disabled people, it started the process of developing the Employment Equity Policy and Plan. The policy is aimed at addressing workplace demographic imbalances, mainly the one that has been mentioned above.

The Council by developing the equity plan will demonstrate its commitment to achieve the following:

- Promote equal opportunity;
- Fair treatment in employment;
- Eradicate unfair workplace practices and
- Redress workplace demographic imbalances.

The table below depicts the demographics for the financial year 2008/2009.

The total number of Employees in SDM is 815.

Occupational Levels	Male				Female						Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (0-3)	27	02	03	08	7	00	00	02	40	09	49
Senior management (4-5)	26	00	02	09	18	01	02	06	37	27	64
Professionally qualified and experienced specialists and mid-management (6-7)	42	01	01	11	30	00	03	13	55	46	101
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (8-11)	192	06	03	13	210	04	00	10	214	224	438
Semi-skilled and discretionary decision making (12)	05	00	00	00	00	00	00	01	05	01	06

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Occupational Levels	Male				Female						Total
	A	C	I	W	A	C	I	W	Male	Female	
Unskilled and defined decision making (13-17)	89	01	00	00	67	00	00	00	90	67	157
GRAND TOTAL	381	10	09	41	332	5	5	32	441	374	815

The table below depicts the breakdown of top and senior management in percentages.

Occupational Levels	Male				Female						Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (0-3)	27	02	03	08	7	00	00	02	40 (82%)	09 (18%)	49
Senior management (4 – 5)	26	00	02	09	18	01	02	06	37 (60%)	27 (40%)	64

The following table is a breakdown of employees with disabilities

Occupational Levels	Male				Female						Total
	A	C	I	W	A	C	I	W	Male	Female	
Professionally qualified and experienced specialists and mid-management (6-7)	00	00	00	01	00	00	00	01	01(1.8%)	01(2.2%)	02 (2%)
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (8-11)	00	00	00	01	00	00	00	00	01(0.5%)	00	01(0.5%)
Unskilled and defined decision making (13-17)	03	00	00	00	00	00	00	00	03(3.3%)	00	03(3.3%)
GRAND TOTAL	03	00	00	02	00	00	00	01	05(1.1%)	01(0.3%)	06(0.7%)

2.1.5. Staff Loss and Retention

Though the staff loss has not reached what can be termed as a crisis level in the Council, there are various initiatives like Care Growth as well as workplace policies like EAP, as well as Workplace Climate Survey which the Council is involved in as part of staff retention through creation of friendly, caring and conducive working environment. There are however factors like the salary gap between the District and other municipalities which is beyond the Council's control which has been the main factor for the skill loss that has been recorded for the period under review.

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2.1.5.1. Staff Loss

For the period under review the Council has lost 47 employees due to factors depicted below which represents 5,76 % of total staff, very minimal and does not have an adverse impact on service delivery, because the Council has been able to replace the majority of the lost skill.

The staff loss is caused by the following factors:

- Headhunting/Poaching;
- Resignations, to pursue green pastures like better salaries;
- Dismissals, which is not that much rampant;
- Death;
- Attrition; and
- Medical boarding.

2.1.5.2. Staff Retention Strategies

The following strategies were employed to retain staff:

- Performance acknowledgement and recognition;
- South African Local Government Association (SALGA) is in the process of standardizing the industry Conditions of Employment, Salary structures, regulatory policies and practices;
- Processes are unfolding to create a Single Public Service (integration of Local Government Provincial Structures and the Central Government);
- Council is intensifying its individual career development interventions as a strategy to retain staff; and
- The Council has established an Employee Assistance Programme that caters for the wellness of employees.

2.1.6. Labour Relations/Industrial Relations

2.1.6.1. Local Labour Forum

Local Labour Forum (LLF) comprised of management and recognized labour has been established, specifically to handle all matters that relate to the employer-employee workplace relationships. The LLF is functioning well and the parties involved conduct themselves with mutual respect without compromising the rights of either side. All scheduled meetings are sitting except during the process of organizational restructuring where the bulk of the meetings were around this matter therefore, the relevant LLF Sub-Committee on organizational restructuring was the one that was regularly sitting whilst the LLF meetings were convened when there was a direction needed from it. The LLF is mainly involved with an oversight role over the following matters:

- Policy development;
- Performance assessments;
- Organizational restructuring;
- Recruitment;
- Workplace dispute resolution; and
- Workplace negotiations.

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2.1.6.2. Discipline in the Workplace

In order to harmonize the workplace and to correct unacceptable workplace behaviour, the Council applies the principles of progressive discipline and provides continuous training on employees contractual obligations.

For the financial year 2008/2009 labour relation matters were dispensed with:

- Disciplinary Cases; and
- Suspensions.

Out of disciplinary cases only 2 employees were dismissed for serious misconduct, which represents 0, 24 of the staff compliment which indicates that discipline is well managed in the Council.

The suspensions were lifted because cases did not amount to dismissal and corrective measures were implemented.

2.1.7. Employee Assistance Programme

In order to mitigate the negative impact on employees performance, by the following factors i.e. rapidly changing societies, social pressures, heavier workloads and extended family commitments, the Council established a confidential Employees Assistance unit staffed by a duly qualified official.

Among its programmes the EAP unit has successfully hosted Employee and Family Day.

2.1.8. Batho Pele Programmes

The government in its endeavour to provide quality and quantitative service delivery to the community of the country adopted the Batho-Pele principles.

This is done to accelerate and fast track service delivery to the community and endures public servants render an efficient and effective service delivery.

Local government, as one of the government spheres of governing, is nearer to the communities than the other two tiers of government, viz. Provincial and National. It is for strategic reasons that the unit of Batho-Pele has to be established at Local Government level to ensure that the Batho-Pele principles are entrenched, implemented and evaluated to effectively contribute to the positive transformation of society to realize the vision of a better life for all.

The Sedibeng District Municipality duly appointed the Batho-Pele Coordinator in August 2008. Since the appointment of the Batho-Pele Coordinator the following have been achieved:

- Established a Batho Pele Task Team;
- Initiated a process of acquisition of name tags;
- Initiated a weekly Batho Pele Local Radio slot: to engage with communities on provision of service delivery information and feedback;
- Batho Pele awareness through full participation in Family Day - Batho Pele Band and Drama Group;

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- Know Your Service Rights Campaign was held as part of Human Rights Month activities;
- Established a Batho Pele Office;
- Service Delivery Charter was made available to inform communities of commitment to service;
- Distributed Batho Pele Material at Sedibeng Offices (posters/pamphlets/booklets); and
- Networking with certain NGOs, Local Municipalities and other Departments (e.g. Home Affairs, hospitals).

2.2. CORPORATE GOVERNANCE

2.2.1. Governance Structures

The governance structure of the municipality consists of the Council (Legislature) and the Mayoral Committee (Executive). The Council is headed by the Speaker, Clr Kedibone Mogotsi representing the African National Congress (ANC) and the Mayoral Committee is headed by the Executive Mayor, Clr Mahole Simon Mofokeng who also represents the African National Congress (ANC).

2.2.2. Council

Council which is the Local Legislature has both the legislative and executive powers and is responsible for accountability and oversight. The Sedibeng District Council convened five (5) ordinary Council meetings and two (2) special Council meetings under the stewardship of the Speaker, Clr. Kedibone Mogotsi. Sedibeng District Council has forty three (43) Councillors consisting of thirty two (32) Councillors from the African National Congress (ANC), nine (9) Councillors from the Democratic Alliance (DA) and two (2) Councillors from the Pan Africanist Congress (PAC). The representation of Council from a gender perspective is 23 female and 20 male Councillors. Council consists of seventeen (17) directly elected representatives, two (2) from Midvaal Local Council, two (2) from Lesedi Local Council and twenty two (22) from Emfuleni Local Council. During the 2008/9 financial year two (2) ANC Councillors resigned and that brought the number of ANC Councillors to 41, as of 30 June 2009.

2.2.3. Mayoral Committee

The Mayoral Committee consists of nine (9) members, these are Councillors appointed by the Executive Mayor to perform functions for which the Mayor is responsible. All members of the Mayoral Committee were allocated portfolios as per the functions of the municipality. The Mayoral Committee held twenty (21) meetings in the year under review.

2.2.4. Section 79 Committees

Section 79 Committees are committees of Council which are also directly accountable to Council. Council has established six (6) Section 79 Committees responsible for oversight matters. These committees report directly to Council. The six (6) Section 79 Committees are:

1. Municipal Public Accounts Committee (MPAC) and is represented by five (5) ANC Councillors, one (1) DA Councillor and one (1) PAC Councillor;
2. The Petitions Management Committee is represented by five (5) ANC Councillors, two (2) DA Councillors and one (1) PAC Councillor;

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3. The Ethics Committee is represented by three (3) ANC Councillors, one (1) DA Councillor and one (1) PAC Councillor;
4. The Rules Committee is represented by five (5) ANC Councillors, one (1) DA Councillor and one (1) PAC Councillor;
5. The Gender Committee is represented by five (5) ANC Councillors, two (2) DA Councillors and one (1) PAC Councillors;
and
6. Elections Committee is represented by five (5) ANC Councillors, one (1) DA Councillor and one (1) PAC Councillor.

The Section 79 Committees convened four (4) meetings whilst the MPAC met twice, the Ethics Committee met once and so did the Petitions Management Committee.

2.2.5. Section 80 Committees

These are committees of the Mayoral Committee. There are eight (8) Section 80 Committees namely Corporate Services; Finance; Environment Management; Transport & Infrastructure; Public Safety, Health & Social Development; Sports, Recreation, Arts, Culture & Heritage; Development Planning & Housing as well as Strategic Planning & Local Economic Development & Tourism. Councillors serving on Section 80 Committees are from political parties represented in the Council. The number of Councilors in Section 80 Committees varies from ten (10) to twelve (12) Councilors. Each Section 80 Committee is chaired by a Member of the Mayoral Committee - MMC.

2.2.6. Audit Committee 2008/2009 – Sedibeng District Municipality

The municipality has an Audit Committee consisting of ten (10) members, five (5) of which are appointed internally and the other five (5) externally. Audit Committee meetings have been consistent in the last five (5) five months. Management is the process of advertising and recruiting new members with the purpose of fulfilling the Audit Committee role.

2.2.7. Remuneration Committee

In line with good corporate governance, the Sedibeng District Municipality has established a Remuneration Committee. The committee deals with matters of salaries and benefits of all Section 57 employees/officials including all employees employed on contractual basis. Salaries and benefits of all staff are negotiated at the South African Local Government Bargaining Council.

Salaries and benefits of Sedibeng District Municipality are not competitively comparable to that of the private sector. However, the municipality's salary and benefits offerings are sufficient to draw and attract necessary and required skill.

2.2.8. RISK Committee

Whilst risk in the organization has not been appropriately mitigated in the 2008/2009 financial year, the Council appointed the Risk Solutions Company to identify and workshop the Senior Management Team, on serious risks per Cluster thereafter incorporated those identified risks per Cluster into the Performance Contract of the Executive Directors. The risks identified were those that will affect service delivery severely if not properly mitigated, hence their inclusion into the Performance Contracts of the Section 57 employees. The municipality will identify top ten risk factors as well as means to mitigation mechanisms for the identified risk in the new financial year.

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2.2.9. Bursary Committee

The committee comprises of members of the public i.e. educationists, women, youth and people with disabilities. The seven (7) member committee oversees and facilitates the awarding of bursaries to needy students. However the screening of the process is undertaken by Council administration. The committee takes part in the short listing of prospective bursary recipients and makes recommendations to Council. It also oversees the bursary process to ensure that no financial mismanagement occurs. Furthermore it deals with appeals from unsuccessful applicants and recommends appropriate measures.

Chapter:

**Performance and Progress on
Key Priority Areas in 2008/09**

3



Chapter 3: Performance and Progress on Key Priority Areas in 2008/09

3.1 Vision

The Sedibeng District Council is an innovative, dynamic, developmental government that consistently meets and exceeds the expectations of the communities and the various stakeholders it serves.

Its mission is the creation of a local government dedicated to the provision of quality services in an effective, efficient and financially sound manner by:

- Promoting the Batho Pele principle;
- Ensuring cost effective and affordable service delivery;
- Monitoring and developing staff to ensure consistently high work output;
- Adhering to good governance and sound management practices; and
- Developing a culture of accountability and transparency.

3.2 Key Priority Areas

Through a process of stakeholder consultations and internal workshops, Sedibeng District Municipality developed, with the intention to realize its broad developmental vision, the following Key Priority Areas (KPAs):

- Reinventing our Economy;
- Renewing our Communities;
- Reviving a Sustainable Environment;
- Reintegrating the Region;
- Releasing Human Potential;
- Good Financial and Sustainable Governance; and
- Vibrant Democracy.

As it can be seen from the above, there are seven Key Priority Areas (KPAs) that were adopted in the 2007 – 11 IDP for the Sedibeng Region. Though differently named in accordance to the District specific challenges for better and focussed attention these priorities are directly aligned to the National Key Performance Areas for the developmental local government in South Africa. Subsequently a number of strategies were formulated to deliver on these KPAs. Key deliverables were then identified to realize these strategies. In this section we report on the progress made in 2008/09 on these KPAs.

Below is the progress made in 2008/09 in the implementation of the strategies and deliverables per KPA as adopted in the 2008/09 IDP.

3.2.1. Reinventing our Economy

As part of one of the main thrusts of its Growth and Development Strategy, adopted in 2006, the Sedibeng District Municipality in collaboration with its Local Municipalities of Lesedi, Midvaal and Emfuleni and all other stakeholders declared to renew the economy from the one in decline to a growing economy by consolidating the existing sectors of the economy whilst at the same time attracting new investment by tapping on the untapped sectors like Tourism, Leisure and Entertainment.

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Six strategies with their various corresponding key deliverables and tasks were identified to guide development and implementation of key deliverable to reinventing our economy in the Sedibeng Region through consolidating the existing sectors and exploring new sectors of growth, as mentioned above. These strategies include:

- Support the consolidation and expansion of the metal, energy and construction sectors;
- Promote and develop tourism and leisure sectors;
- Promote and develop the agriculture sector;
- Promote opportunities for increased inclusivity in the economy;
- Ensure integrated economic and investment through the Vaal 21 initiative; and
- Consolidate, review and monitor the Sedibeng Growth and Development Strategy (SGDS).

It can be reported that in general good progress and targets were achieved as reported on hereunder, for the realization of the key strategies therefore the Key Priority Area for the period under review.

3.2.1.1. The Strategy: Support the consolidation and expansion of the metal, energy and construction sectors;

Working in partnership with the Gauteng Economic Development Agency and all other stakeholders mainly the affected sector the SDM started a process of the development of identified spatial sector strategies. The Steel Sector remains the main contributor to both regional GVA and employment hence it was prioritized as the first to be worked on.

Subsequently a workshop was held to undertake further discussions as well as define desired outcomes. Through this, sector players were identified as critical role players to drive development and consolidation of this sector and the Steel Forum was therefore formed.

As already stated above there has been a good contribution by the provincial government through GEDA which provided funding to develop a strategy for Steel Industry Support. The Service Provider has been appointed to undertake the tasks of developing the Steel Sector based strategy.

As part of intervention to the regional economy by the national Government, the Presidency provided funding to undertake a study ('Binding Constraints Study') on social, economic and environmental analysis of Sedibeng economy. The Service Provider was appointed in this regard and the work is progressing well tender was advertised and awarded to a successful bidder.

As part of its broad economic strategies the SDM will conduct the feasibility study for the establishment of an Industrial Development Zone only upon completion of the Binding Constraint Study and the Steel Industry Support Strategy both which are at an advanced stage of development.

The Sedibeng District Municipality contracted the services of a Service Provider to develop the Incentive and Investment Policy and working with Local Municipalities a draft policy on Incentives and Investments was developed. The Policy is in the process of discussion and review in the Local Municipalities for adoption as a District wide policy framework. Once there is an agreement and the buy – in by all stakeholders mainly the Local Municipalities, the SDM will facilitate the successful implementation of the policy.

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3.2.1.2. Strategy: Promote and Develop Tourism and Leisure Sectors

The tourism signage plan was handed over to the Transport, Infrastructure and Environment Department of the municipality for implementation, and no progress has been realized during the time of compiling this report. It has however been imposed on the responsible Cluster because this matter is critical as part of the SDM state of readiness preparations for tourist attraction or the 2010 FIFA World Cup and beyond. It must also be noted that 45 signs were erected for individual product owners and 15 establishments in conjunction with Gauteng Tourism Authority.

The Gauteng Tourism Authority provided resources including funding to facilitate the institutionalization of the tourism associations and/or organizations in all the regions of Gauteng Province through an adopted Gauteng Tourism Institutional Framework. The Service Provider was appointed to implement this framework in the area of SDM and the process is progressing well in accordance to our agreed targets. However as an interim arrangement, joint meetings were held on a regular basis with Emfuleni Tourism Association to discuss the process towards the establishment of a Regional Tourism Organization as well as challenges of reviving disintegrated tourism associations in both Midvaal and Lesedi.

The Blue Q has expressed interest to explore possible support for the development of water related projects to boost tourism growth in the region, taking into consideration that the river is a niche for tourism development and growth. Engagements were held with product owners and other stakeholders, in this regard. The engagements are still continuing.

There are water related products that were identified along the river such as Arboretum Guest farm, Goose Bay, Canyon Conference Centre and Kama Game Ranch. In addition visits were conducted to Protea, Riviera, Riverside and Emerald to communicate the SDM 2010 strategy, plans and opportunities.

Meetings were conducted with stakeholders to fully understand their offerings, positioning for 2010 as well as exposure to their facilities to inform our tourism marketing plan. A comprehensive marketing plan that will provide detail information on accommodation and other tourist activities available in the region is being developed.

The branding of Vaal 21 is underway and there is a general acceptance of the brand. The penetration of the Vaal 21 brand is expected to take much longer period, however plans are in place to sustain the brand.

In the period under review, meetings have been facilitated between MATCH, GEP, TEP and the Grading Council to promote business tourism. An audit of the establishments in the region was conducted to understand SDM tourism capacity and offerings.

Preliminary work is underway to develop and implement tourism and accommodation plan for 2010 as part of the comprehensive Marketing Strategy of Sedibeng to attract at least a team and its fan base to be based in the region during 2010 FIFA World Cup.

3.2.1.3. Strategy: Promote and Develop the Agriculture Sector

A number of meetings were held with stakeholders, as a result technical and expert organizations are providing expert advice to beneficiaries, farmers as well as small emerging farmers. As a result of these support and continuous engagement

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a good progress has been achieved, the evidence being the good production recorded by the farmers mainly in the area of Lesedi Local Municipality as the main area for agricultural activities in the District.

Sedibeng provided support to Lesedi agricultural projects through MAGIDI Agricultural Consultancy. These projects were successful and linkages between large scale agricultural farmers, cooperatives and emerging farmers were created to facilitate growth opportunities.

Sedibeng Department of Agriculture made critical interventions in providing assistance and facilitation to farmers in distress which are mainly Africans whose farms were on the verge of being auctioned by Midvaal in particular for outstanding rates and taxes, as part of its BBEEE initiatives in this sector.

Training through the Department of Labour was organized for farmers who either had been resettled to the land as part of the restitution or who had bought the land. Sedibeng plans to link emerging farmers to big players in the agricultural sector during visits to them for empowerment and technical support.

3.2.1.4. Strategy: Promote Opportunities for Increased Inclusivity in the Economy

There are plans to integrate Sedibeng District Municipality's databases as there are a varied number of sources of databases generated in the organization. Part of the plan is to procure an IT software based system that could be updated on a regular basis. The database will therefore assist the SDM to be able to drive the process of inclusivity in the economic life of the District.

The SDM's intention to fund the cooperatives and the emerging small business was faced with serious challenges of non-availability of funds. However support is currently provided to cooperatives in Lesedi and this is envisaged to extend to other Locals in the next financial year 09/10.

The Council plan to host the Cooperative Summit during the next financial year which is expected to attract funding agencies who could provide assistance on funding and supporting the cooperatives and emerging farmers.

The Sedibeng District Municipality facilitated training and capacity building for SMMEs. Through the SDM Treasury Department there is ongoing tender and business advice and support provided to SMMEs. There are plans to build internal capacity through Train the Trainer programme to manage our training and capacity building for SMMEs.

Efforts were made to ensure that, the LED Unit work plan and programme responds to Resolutions of the BBBEE Summit, held in April 2008. Furthermore a Steering Committee was established which requires to be strengthened in the 09/10 financial year.

The 2010 Strategy has been finalized and a number of consultations were conducted to explore key business opportunities for small businesses during the 2010 FIFA World Cup tournament with a focus on Public Viewing Sites, accommodation, and other areas of procurement relating to 2010. The Plan to develop the precincts as part of the 2010 Strategy has been well received by the National Treasury such that there is commitment by the latter to avail donor funding to the tune of R270m including R20m for the technical assistance.

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Due to its lack of impact to better the life of our people the Sedichem is being folded as a business entity such that the board has become defunct and the staff was absorbed into GEP. Sedibeng is yet to wind down the entity pending a decision on the funding from Provincial Government invested on the land belonging to VUT as well as a discussion on the alternative use of this facility.

The supply chain policy and regulations were amended to promote procurement from these broad based and collectively owned schemes such as cooperatives; moreover the SDM developed a clear strategy to promote local content in procurement.

3.2.1.5. Strategy: Ensure Integrated Economic and Investment through the Vaal 21 Initiative

Progress for this deliverable will be reported on 10/11 financial year upon completion of the review, providing progress made in the implementation of the GDS. This would include the identification, consolidation and integration of projects that collectively should be branded as Vaal 21.

3.2.1.6. Strategy: Consolidate, Review and Monitor the Sedibeng Growth and Development Strategy (SGDS)

Progress regarding the evaluation of the progress made in the implementation of the GDS is linked to the review process of 10/11 financial year in building towards a new 5 year IDP for 2011 to 2016.

The process to market the GDS amongst the stakeholders, both nationally and internationally has not been so much successful because it is being done so ad hoc and unstructured, however a project plan has been developed to ensure a structured engagement and marketing of the GDS as well as maintain high profile presence in the Durban International Tourism Indaba and in other opportunities of national as well as international visits by the leadership of the municipality.

The Council's plan to establish an appropriate forum and programmes to conduct a skills profile for the area resulted into the establishment of two forums as directed by Knowledge Management and Skills Development for SMMEs in the LED Unit, however the challenge is to get one forum for skills to develop coherent programmes to conduct skills profile and provide a plan for skills match in the economy of the region.

3.2.2. Renewing our Communities

There are three strategies identified and their corresponding key deliverables and tasks to guide development and implementation of key deliverables to renewing our communities in the Sedibeng Region through provision of basic services, regeneration and property development to improve the quality of living for all. The strategies include:

- Ensure integrated spatial development planning and promote good land use management;
- Promote residential development and urban renewal; and
- Plan for effective, efficient and sustainable infrastructure for water and sanitation services, and provision of electricity.

It can also be reported that in general good progress and targets were achieved as reported on hereunder, for the realization of the key strategies therefore the Key Priority Area for the period under review.

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3.2.2.1. Strategy: Ensure Integrated Spatial Development Planning and Promote Good Land Use Management

Update of the Spatial Development Framework (SDF) was performed as this is conducted annually during the IDP review as this forms part of the IDP document. The SDF review process of 2008/9 focused mainly on the economic nodes and corridors in order to attract investment and economic opportunities in the region.

The District has progressively managed to coordinate and facilitate a comprehensive and integrated District-wide SDF and local SDFs for Local Municipalities respectively. The SDF review process outlined mainly the following: The environmental status of the region, the comprehensive geological report, regional economic nodes and corridors, and the consolidated urban edge delineation process.

Emfuleni and Midvaal played a critical role in the review process, while Lesedi focused its efforts in developing a comprehensive study on nodal and corridor development. The Nodal and Corridor Development Study is mainly focusing on promoting investment and economic opportunities in the Lesedi area thus also influencing the District-wide SDF review.

The proposals that were submitted by SDM for the Urban Edge were approved by the province and others are still under review. The criteria and mechanisms are being developed to ensure proper delineation of the urban edge, for land use permitted outside the urban edge. The SDF process included the urban edge delineation process where each local identified areas of urban expansion, densification, in-fill and realignment of urban planning in the Local Municipalities.

The urban edge process promoted the areas of investment in infrastructure as well as economic opportunities including community development through the regional NDPG projects. Urban edge delineation process is an annual interactive process of each Local Municipality and the District. The District has presented an integrated report at the Provincial DED on annual basis. It must be noted that the urban edge is one but a chapter in the SDF review process.

There is legislative process that will guide this process in the Gauteng Planning and Development Bill that has not been promulgated as yet, this will help to clarify matters relating to methodology and implementation. However, the Development Facilitation Act of 1995 (Act 67 of 1995) has been the overall legislation for progressive planning used by the Gauteng Planning and Development sector and the District has been proactive in the implementation of the regulations promulgated by the Act.

It is hereby reported that a good progress was achieved in developing a fully fledged GIS for Emfuleni Local Municipality whilst continuous support was provided to Lesedi Local Municipality to finalize their GIS. In Midvaal Local Municipality the GIS was also fully implemented in this financial year. An overall GIS at the District has been finalized with Midvaal GIS data updated in the Sedibeng GIS server. The District as well as the Local Municipalities is experiencing capacity issues relating to GIS and updates into the system on quarterly basis.

Several working group sessions were held between the Provincial Government and Locals (including the Districts), as part of stakeholders workshop to discuss the Land Use Management. The Spatial Working Group and the Land Use Working Group are currently revising the regulations in line with the Gauteng Planning and Development Bill as municipalities are required to make input in this regard.

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Accessible means of recording land use are available and registered rights to property are in place. A final copy of the regulations and procedures of the DFA Tribunal has been submitted to all municipalities including the Districts in Gauteng. Broad norms and guidelines for land use planning were established and effectively managed public land and developed a responsive client friendly land administration service. Land use management guidelines were finalized and ELM is being assisted with new consolidated zoning scheme.

Through the support provided by the SDM the revised consolidated Town Planning Schemes drafts have been developed by Lesedi and Midvaal Local Municipalities respectively. However these Town Planning Schemes have not been adopted by the respective municipalities hence their legal standing has not been achieved.

3.2.2.2. Strategy: Promote Residential Development and Urban Renewal

A workshop was held with the locals and the first draft of the Municipal Housing Development Plan was developed. In addition a Housing Co-ordination Forum was established with the Locals and Province. A workshop was held for Ward Councillors on roll out campaign to communicate objectives of the Shack Down Programme to communities that are affected; and the roll-out plan with Local Municipalities have been developed.

The progress report on Evaton Renewal Programme was tabled to Council with a recommendation that the project be integrated into the entire Sedibeng Precinct project to receive possible benefit from the NDPG funding that has already been secured. The Coordinator for the Evaton Renewal Project was appointed. There has generally been concerns from the Evaton Community about the slow pace of the project and the fact that no enough funding was allocated for the period under review such the SDM and ELM has committed to undertake certain projects within the scheme.

Five townships of Sedibeng are included and have benefited in the Gauteng's top twenty prioritized projects and in addition to Sharpeville precincts development; it was approved by SDM and its Locals that other townships be included. The following townships have and continue to benefit from the Top Twenty Townships Programme:

- Sharpeville;
- Sebokeng;
- Boipatong;
- Bophelong; and
- Ratanda.

The Sedibeng District Municipality is represented in the Gauteng Top Twenty Prioritized Township (20 PTP) Coordination Forum and regularly attended the 20 PTP Coordinators Forum meetings. In 2008/9 financial year, all 12 meetings were attended from July 2008 to June 2009 and reports were sent and presented. SDM has successfully established a Regional 20 PTP Forum that prepared a consolidated regional progress report to province.

In accordance to the policy adopted by the Gauteng Department of Housing a workshop was held for Ward Councillors on the roll out campaign to communicate objectives of the Shack – Down Programme to communities that are affected and a roll-out plan with Local Municipalities was developed including the by-laws.

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The SDM has been working in Partnership with the Local Municipalities to Implement a Number of Precincts or Residential Development Projects Including:

- A civic precinct in the CBD of Vereeniging;
- Waterfront precincts along the Vaal River;
- Heritage precincts at Sharpeville;
- Heritage precinct and urban renewal of Boipatong; and
- A local development plan for the area in the surrounds of the Fresh Produce Market.

The detailed business plans for heritage, sports precinct and recreational precincts for Sharpeville township were completed to further improve implementation of the urban framework that was approved by Council in March 2008. These detailed plans as per Council resolution are the basis of urban designs for construction of capital projects within Sharpeville heritage precincts, especially those so called quick win projects as targeted for 2010. Through NDPG, technical assistance funding was approved by National Treasury and confirmed to SDM by 31 March 2008. Townships are being studied for identification of more projects with potential for private public partnership investment attraction and NDPG capital grant application.

Technical Advisors to develop a business plan for Sebokeng, Boipatong, Bophelong, Siculo, Ratanda, Mamello, Impumelelo, Jameson Park, KwaZenzele were appointed to conduct the feasibility studies. Detailed project planning for Sharpeville precincts and Dickenson Park were completed including:

- Detailed design framework/master plan for Dickenson Park;
- Heritage overview and mapping of heritage sites in Sharpeville and Vereeniging;
- Property survey of Vereeniging CBD;
- Discussion with Gauteng Fund in respect of Waterfront Business Park; and
- Commitment from SRAC on supporting SDM with R1.3 million for satellite art and craft hub was been offered.

There is no significant progress in Developing A Local Development Plan for the Doornkuil Area in Walkerville as work will take place in the next financial year, subject to obtaining funding to undertake conceptual and feasibility studies to develop a local plan.

3.2.2.3. Strategy: Plan for Effective, Efficient and Sustainable Infrastructure for Water and Sanitation Services, and Provision of Electricity

Though a bit slow but it can be reported that there is progress regarding the implementation of the Regional Sewer Scheme which is the much needed facility because it is the preconditions for developments in the area of SDM as well as for the Southern Johannesburg.

The SDM's strategic role in the project as per its legal mandate on provision of basic services is limited to the development and coordination of regional planning frameworks (master plans) whose pillars are the local infrastructure master plans. This includes supporting Locals in the development of their local infrastructure master plans and creating an enabling environment for adequate coordination for the delivery of basic services. SDM has established various IGR forums for the aforesaid purpose. In addition, SDM is participating at Provincial Infrastructure Forums on behalf of the Region.

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SDM played a strategic planning and regional coordination role at the levels of the Political, Technical, and Project Steering Committees. To date the:

- Sewer plant site was identified and approved for further technical studies, e.g. geotechnical engineering;
- MSA Section 78(1) decision was taken, i.e. assessment of direct/indirect costs and benefits, capacity, re-organization, impact on development, and views of organized labour were established; and
- Decision to establish and appoint the Project Management Office was taken and the company appointed.

With the support from the SDM the Local Municipalities have appointed consultants to develop their local master plans for bulk engineering services. The District facilitates information among Locals during the process of developing such plans. There are also separate meetings convened but the IGR meetings serve as information sharing and progress reporting.

The meetings were held on a quarterly basis to bring together different authorities to improve the management of the Vaal River System on a quarterly basis as part of the IGR meetings to share information on the management of the Vaal River system.

Assessment on whether there is a bucket system in the region has been done in consultation with the Locals. There is a general view particularly by Locals that there is no bucket system in the region.

As part of its role for regional coordination and liaisoning in respect of basic service, the meetings were convened on a quarterly basis or as when required. As part of the IGR meetings together with environment Directorate, a tour to the Rand Water was undertaken. The purpose of the tour was to have more understanding on how Rand Water manages water and their challenges.

3.2.3. Reviving a Sustainable Environment

There are four strategies and their corresponding key deliverables and tasks identified to guide development and implementation of key deliverables to reviving a sustainable environment in the Sedibeng Region through increasing the focus on improving air, water and soil quality and moving from a producer and receiver of waste to a green city. The strategies include:

- Ensure the minimisation of waste and the maximize recycling of waste;
- Create a healthy environment through effective environmental health management;
- Build partnerships to ensure integrated environmental awareness, planning and management; and
- Promote conservation of environmental resources and biodiversity.

It can also be reported that in general a good progress and targets were achieved as reported on hereunder, for the realization of the key strategies therefore the Key Performance Area for the period under review.

3.2.3.1. Strategy: Ensure the Minimisation of Waste and the Maximize Recycling of Waste

The SDM's strategic role as per its legal mandate on waste management is limited to the development of integrated waste management planning systems. These include supporting Locals in the development of their Integrated Waste Management Plans and creating an enabling environment for adequate coordination for waste management service delivery.

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The following activities were coordinated and rolled out by the SDM:

- The study tour to eThekweni Metropolitan Municipality in May 2009 by SDM and its Locals and Fezile Dabi DM was undertaken. The topics covered during the engagement with eThekweni Metro included Waste Management, Environmental Health, Air Quality, Climate Change, and a visit to the Durban Solid Waste Site. It is through this tour that the Locals were exposed to a variety of successful community based waste recycling projects that enhanced their understanding; and
- The launch of the Litter Free Campaign by Gauteng MEC: Gauteng Department of Arts, Culture and Environment (GDACE) in March 2009 in Sicelo. The campaign targeted informal settlements and illegal dumping spots along the railways and highway.

The process to update the Regional Integrated Waste Management Plan Framework is still in the planning phase. All the three Local Municipalities have developed and adopted their local plans. The development of the regional framework will take cognisance of the provisions of the new Waste Management Legislation.

The planning phase of the process to implement the Industrial Waste Exchange Programme (IWEX) is complete. The technical requirements and the structural contents of the business plan have been determined. The promulgation of the Waste Management Legislation will help inform the contents of the IWEX business plan.

Several strategic activities were undertaken by the SDM in facilitating the programme for the Recycling of Waste. These were the establishment of the Regional Waste Management IGR, the visit to eThekweni Metro as reported herein above and coordination and hosting of Provincial/National Waste Management programmes/activities in the Sedibeng Region.

The development of the support programme regarding permitting of Landfill Disposal Sites is under development in consultation with GDACE. SDM has secured the participation of the Central Energy Fund (CEF) in exploring the opportunities for Carbon Credits from potential landfill sites.

The development of the Integrated Waste Management Plan (IWMP) Framework Strategy will follow the completion of the IWMP Framework

3.2.3.2. Strategy: Create a Healthy Environment through Effective Environmental Health Management

The Air Quality Act, Act 39 of 2004 contemplates devolving the Air Quality Management Authority to the Metros and the Districts by 2009. In addition, the SDM has been declared by the Department of Environmental Affairs and Tourism (DEAT) as a high priority area (as per the Air Quality Act) due to the poor quality of air in the region. In responding to and in preparation for the devolution, the SDM has undertaken and achieved the following:

- Established an Air Quality Management structure within the SDM Organogram;
- Presented a paper titled "Establishing a New Air Quality Authority in Sedibeng – Issues and Responses" at the DEAT's Annual Air Quality Governance Lekgotla in Nelspruit in September 2008;
- Appointed the Manager: Air Quality Management in January 2009, who will be nominated to be the SDM's Regional/ District Air Quality Officer as required by the Air Quality Act;
- Received an Award in September 2008 from the National Association of Clean Air (NACA), an association of air quality experts and professionals from the private and public sector. The award is bestowed to government institutions displaying unquestionable commitment to remediate air pollution; and

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- Participated fully in the development of the Vaal Air Quality Management Plan, a DEAT project, which was adopted by the regional stakeholders in November 2008. The Air Quality Act requires every District and Metro to develop and adopt its air quality plan, particularly those that have been declared priority areas. The SDM, in response, intends to adopt the Vaal Air Quality Management Plan as the Sedibeng Regional Air Quality Management Plan.

With regard to the Municipal Health Services (MHS), the SDM has contracted the Locals to provide the services on its behalf. The Service Level Agreement (SLA) between the SDM and the Locals was renewed and entered into on an annual basis. The major projects that were started in 2008/09 are the development and adoption of the MHS Strategy, and the MHS By-laws. It was anticipated that these projects will take more than one financial year to be realized, and their status as at June 2009 are reported herein below.

The SDM continued to provide effective and sustainable municipal health services and these were provided by the Locals on behalf of the SDM. The services that were provided comply with the norms and standards as prescribed by the Department of Health (DoH). The SLA between the SDM and the Locals is renewable and entered into on an annual basis, and the SDM is using this tool (SLA) to monitor the effective and sustainable provision of the service.

The IGR: MHS was established specifically to ensure compliance to and the effective implementation of the SLA amongst government. Monthly service delivery reports were submitted by the Locals at the IGR meeting. The current model of the SLA was developed and adopted in 2004. The outcome of the project “the Development of the MHS Strategy” will inform as well as have input into the review of the current SLA model.

The Clean Fires Campaign (Basa Njengo Magogo) was successfully launched in July 2008 in Sebokeng (Mphatlalatsane), as part of the SDM's objectives to improve the air quality in the residential areas. More than 300 community members and officials from the Sedibeng Region, City of Joburg, Fezile Dabi DM and Ekurhuleni Metro were trained on the basic principles of Basa Njengo Magogo. SDM is seeking funds from the Central Energy Fund (CEF) to roll out the Basa Njengo Magogo Methodology in Local Municipalities. SDM is a member of the National Project Coordinating Committee, chaired by DEAT, and it is through this membership that SDM is leveraging financial support from CEF.

SDM is in the process of aligning its bylaw development process with the provincial rationalization of all Gauteng by-laws. The outcome of the project “the Development of the MHS Strategy” will also inform as well as provide input into the bylaw development project.

The planning phase for the development of the MHS Strategy is complete – the Professional Service Provider was appointed in May 2009 and the implementation phase will start in July 2009. The IGR: MHS forum is being used as the Project Steering Committee. The project objective is to develop a MHS Strategy for the Sedibeng Region that will ensure the effective delivery of services by accurately defining what these services are. This project will assist in the clarification of the performance areas and roles between MHS and Primary Health Care (PHC).

SDM is a member of the Vaal Air Quality Officers Forum which was responsible for the development of the Vaal Priority Area Air Quality Management Plan (VPAAQMP) which was adopted by the regional stakeholders in November 2008. DEAT is in the process of promulgating the plan.

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SDM is participating in forums and the steering committee charged by DEAT to develop the Highveld Air Quality Management Plan.

The Study to determine the operational and resources requirements for SDM to perform the Licensing Authority function is 80% complete. The study is expected to be complete in the second quarter of 09/10. The Locals, GDACE, DEAT are fully participating in the study.

Energy efficiency intervention projects are at various stages of development namely: i) undertaking of energy audits of municipal buildings, ii) identification of road intersections for piloting the conversion of traffic lights (robots) to solar PV, iii) identification of pilot sites for installation of energy efficient LED street lighting.

The IGR: MHS has been established and met regularly in the year under review to ensure successful implementation of MHS related functions in all the Locals.

3.2.3.3. Strategy: Build Partnerships to Ensure Integrated Environmental Awareness, Planning and Management

With regard to the environmental awareness, the SDM is continuously participating, coordinating, and hosting the National and Provincial environmental awareness programs and events. These include visiting schools for environmental awareness campaigns, conducting community clean-up campaigns at illegal dumping sites and tree planting activities.

The SDM is rolling out the Environmental Programme of Action (EPoA) which was adopted by the regional stakeholders in 2007/08. SDM is a member of the Steering Committee chaired by DEAT and charged with the implementation of the Urban Environmental Management Programme (UEMP) which is funded by DANIDA programme. This opportunity affords the SDM a platform to share its challenges and experience as well as learn from the best environmental management practices from other UEMP partners which includes Cape Town, eThekweni, Johannesburg, and Ekurhuleni.

A successful Industrial Outreach Program aimed at engaging industries on their environmental performance was launched. Several industries were visited (Lethabo Power Station, Mittal Steel and Rand Water) and the SDM Portfolio Committee on Environment was involved in the visits.

The Locals were continuously being informed on the developments with regard to the environmental policy and legislative requirements and such information is shared at appropriate IGR meetings.

The development of the District Environmental Management Framework (EMF) was managed and funded by the DEAT. The contractual dispute between DEAT and the appointed Service Provider caused delays in the development process. SDM has agreed with the Locals to continue with the development of their own EMFs. The SDM will consider an internal funding strategy in the 09/10 year.

The EPoA review process is currently unfolding. The 2nd Generation EPoA resulting from the review process is scheduled to be adopted in the 2009/10 financial year.

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There are ongoing discussions with the Centre for Cleaner Production at the Department of Minerals and Energy (DME) to identify projects with a potential to be driven by industries. The industrial outreach program was developed specifically to facilitate this support programme.

The IGR: Environmental Planning and Coordination was established. SDM is also represented in various environmental governance structures. There are good intergovernmental relations with other government structures and Locals with regard to environmental management.

The following schools were reached during environmental awareness campaigns: Parksig Primary, Sapphire Secondary, Vuyo Primary, Lekwa-shandu Secondary, Lakeside Primary, Shaleem Elima, Letsema Elima, Evaton Primary, Phahamang Primary, Makasane Primary, Motswapele, Ntsele and Nomfundo.

Education, Awareness and Outreach Strategy Framework was finalized. Implementation of awareness campaigns are implemented in line with Provincial and National programs.

3.2.3.4. Strategy: Promote Conservation of Environmental Resources and Biodiversity

The SDM is characterized by the Vaal River Catchment and a host of other rare and endangered species. Alien invasive plants are also predominant. The Minister of Water Affairs launched a program that was intended to eradicate alien plants found in the region. The program was also aimed at raising awareness amongst citizens on the impacts of alien plants on the physical environment.

SDM is facilitating greening through the removal of Alien Vegetation in and around water bodies (e.g. wetlands) and the SDM is part of the provincial Bontle ke Botho (BkB) program. The SDM has awarded a number of prizes based on the provincial structure of the BkB program in the region.

Regional wetlands and biosphere conservation concept documents are at various development stages and are guided by the draft Provincial Framework. The process is expected to gain momentum in the 09/10 financial year.

An annual environmental calendar was drafted. National and Provincial events in the region are supported. The SDM is participating in the National and Provincial awareness programs and events. The SDM is highly involved in the provincial structures that are supporting the implementation of BkB.

The SDM is participating in and coordinating regional greening programmes of GDACE, DWAF, DEAT, and DLA, including for the wetlands on the wetlands.

The Suikerbosrand Biosphere and the Sharpeville Dam were identified as areas with conservation potential by GDACE and were included in the Provincial Conservation Plan as either areas of high value or irreplaceable areas.

3.2.4. Reintegrating our Region

There are five strategies and their corresponding key deliverables and tasks identified to guide development and implementation of key deliverables to reintegrating our region with the rest of Gauteng, South and Southern Africa

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through improving connectivity and transport links. The strategies include:

- Plan and Provide for Effective, Efficient and Sustainable Road Infrastructure;
- Plan and Develop Accessible, Safe and Affordable Public Transport Systems and Facilities;
- Promote Efficient Movement of Freight; and
- Render an Efficient and Corruption Free Vehicle Registration and Licensing Service.
- Improve ICT connectivity in Sedibeng.

It can also be reported that in general a good progress and targets were achieved as reported on hereunder, for the realization of the key strategies therefore the Key Priority Area for the period under review.

3.2.4.1. Strategy: Plan and Provide for Effective, Efficient and Sustainable Road Infrastructure

The SDM is continuing to play a strategic planning and regional coordination role with regard to the development of the Sedibeng Strategic Roads Framework. Development of Road Master plan for Emfuleni and Midvaal is 80% complete and accommodates public development (2010 precincts) and private development (e.g. Doornkuil).

The SDM Portfolio Committee on Transport & Infrastructure together with Roads Managers from the SDM and Locals, undertook a site visit in March 2009 to Council for Scientific and Industrial Research CSIR and Atteridgeville for the inspection of the use of Ultra Thin Reinforced Concrete design method for road construction, a project funded by Department of Public Transport, Roads and Works (DPTRW) and researched by CSIR.

The SDM convened a Regional Road Management Workshop in October 2008 wherein one of the key presentations was by Dr. Sampson on the Developer Contribution Policy. The draft policy on developer contribution was adopted by SDM in January 2009 for the stakeholder consultation (Section 78) process to commence. The Consultant for the Road Signage Project was appointed in February 2009. The SDM Tourism division, the Locals, the DPTRW, and the Gauteng Tourism Authority are participating fully in the planning phase of the project.

To date the following work has been conducted:

- The desktop study that looks into the theoretical aspects of roads signage in the region and the legal requirements was completed;
- Field study was conducted in all major routes in the region. The condition of road signage and marking has been established and quantified; and
- The technical design and project documentation have been completed.

The Roads Management was established and is fully functional.

The following was achieved:

- More synergy on road construction projects in the region was established;
- Visit to Pretoria to assess the new method of road construction, the ultra thin concrete was undertaken; and
- Regular progress reports on roads construction programmes in the region by SDM, Locals, and DPTRW are available.

The following roads to the amount of R30 million Rand were practically completed, through the provincial government's 20 PTP:

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- Tea-Tea;
- Dhlamini;
- Hantsi;
- Mathanzima;
- Thorometsane; and
- Sekwati.

The projects are within their retention periods most of which will expire in December 2009. It will only be established at the end of the retention period that the projects were of high quality standards, to date no visible construction shortcomings could be identified. The challenges encountered during project implementation were largely due to budget overruns which are being addressed.

3.2.4.2. Strategy: Plan and Develop Accessible, Safe and Affordable Public Transport Systems and Facilities

The upgrading of public transport facilities was identified as priority and SDM has committed funds for the next financial year 09/10. During the transport month the SDM engaged various transport stakeholders namely the taxis associations, bus companies, meter taxi, commuter organizations and learner transport organizations as part of promoting the use of public transport.

The process for the development of the ITP is 50% complete with the following achievement realized:

- Project initiation and mobilisation that focused on the project concepts and legal framework of the ITP was completed;
- The Current Public Transport Records which is the survey of all the major routes in the region and condition of public transport facilities was completed;
- The operating license strategies that focused on the aspects of demand and supply of unsubsidized public transport - the mini bus taxi industry, is 50% complete; and
- The Rationalization Plan (RATPLAN) that focused on the aspects and adequacy of subsidized public transport, the rail and bus industries is 50% complete.

In order to ensure the development of a proper transport planning methodology through good IGR, the SDM has established the transport planning IGR where the ITP PSC (Project Steering Committee) has been integrated into. The establishment of the IGR transport planning committee resulted into the following achievement:

- Bringing more understanding among authorities on transport planning and resolving transport problems from various Local Municipalities;
- Integrating the process of developing ITP with IGR meetings thereby stimulating interest among various institutions on transport matters; and
- Convened two workshops to share information on the processes and progress in developing the ITP.

The SDM Portfolio Committee on Transport & Infrastructure undertook a visit to various public transport facilities. In collaboration with SARCC and Metro Rail portfolio committee identified Vereeniging Station and Taxido Junction as vital hubs for transport. As a result funds for the upgrading of the Taxido Junction were committed.

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The PRASA (Passenger Rail Agency of South Africa) previously called Metrorail was also engaged and a number of meetings were held. As a result PRASA undertook a study to determine the condition of both the Vereeniging and Residensia Stations. The study confirmed the findings by the Section 80 visit to the stations which suggested a need to upgrade both stations. The PRASA will be committing funds to upgrade the stations.

As part of the 2010 Transport Operation Plan, the Confederation Cup was used as a dry-run to prepare for the 2010 FIFA World Cup. Together with the province, the following achievements were recorded:

- 250 mini bus taxis were subsidized for the duration of the Confederation Cup;
- 20 busses were subsidized for the duration of the Confederation Cup;
- George Thabe was used as Transport Hub, it was provided with security fence, lighting, toilets and guarded for 24 hours. It was used as a park and ride for people needing transport to the stadiums; and
- The Ratanda sport complex was also used as a park and ride facility with vehicles sourced from George Thabe; and
- The President Park stadium was used as a holding bay for all vehicles. Vehicles were confined to the stadium for the duration of the Confederation Cup. The Council provided lighting, toilets and other necessities for the place to be used as the holding bay.

The SDM will be appointing the Service Provider to assist with concept of the turn-around strategy for the taxi ranks aimed at the improved Maintenance, Certainty on Ownership and Management, Improved Revenue Generation through Outdoor Advertising and Rental to Local Entrepreneurs and Advertising and Linking taxi ranks to our Programmes of Urban Regeneration.

The SDM Portfolio Committee on Transport & Infrastructure Planning together with the taxi industry, undertook a visit to various taxi ranks in the region. The assessment report on the condition of the taxi ranks was later submitted and approved by the Portfolio Committee. All the ranks needed some form of upgrading, particularly the toilets. The report of the site visit resulted in the following action plans:

- The SDM committed R5.0m for upgrading the Taxido Junction in Vereeniging;
- The Department of Roads and Transport (DRT) has committed funds for the upgrading of the Bophelong Taxi Rank; and
- The SDM committed funds to upgrade toilet facilities at Shalmar Ridge (Lesedi) and Meyerton Ranks.

3.2.4.3. Strategy: Promote Efficient Movement of Freight

The Provincial Freight Implementation Strategy was completed. Meyerton industrial area was identified for a freight facility. The study done by the North West University however identified a different area. The SDM will be conducting an analysis of both locations before committing funds for project planning and development.

The study for the projects for the turnaround strategy for the Vereeniging and Heidelberg airports were completed, awaiting the Council to make a final decisions on the course of action.

The Spoornet was engaged at IGR meetings and workshops at the provincial levels. The use of rail as alternative to road transport is a national challenge as rail is still regarded as inefficient for transportation of goods. Gauteng Province will be establishing the Freight Forum to be used as conduit to promote the movement of freight by rail.

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As part of the law enforcement agencies (Provincial and Local) along the R59 corridor, awareness among pedestrians on safe crossing was undertaken and particularly targeted to the Sicelo informal settlement where most fatalities occur.

3.2.4.4. Strategy: Render an Efficient and Corruption Free Vehicle Registration and Licensing Service

Every possible opportunity to expand and improve the capacity of personnel thereby increasing the quality and effectiveness of services received by the community in the License Service Centre's was explored. Complaints received although addressed and resolved, played a valuable role and served as a benchmark in the continuous process of improvement in the department as well as maintaining customer satisfaction. Reported and uncovered fraud and/or corruption were addressed by the SDM.

The SDM as the authorized agent of the DPTRW, continually adapted and improved on the services it renders to the community within the framework of legislation and the existing Service Level Agreement. Productiveness of personnel per job category improved. Quality control was conducted on an ad hoc basis to maintain high quality service.

Efforts were made to train personnel as examiners of driver licenses and vehicles. Training has since restarted and will continue on a yearly basis. Training in Batho Pele was undertaken. Strategic workshops addressing change management, training and capacity building, amongst others, took place in Parys and Magaliesburg respectively. Developed and implemented an action plan following the outcome of a licensing team building and restructuring workshop held in the previous financial year.

The following commitments could not be implemented due to the financial constraints of the Council:

- The CCTV cameras could not be installed in 08/09 financial year for the monitoring of the client and the staff, however this commitment will be provided for in the next financial year 09/10; and
- The Council was unable to construct the Learner Licence to fulfil this commitment which will be provided for in the next financial year - 2009/2010.

Discussions were held with the DPTRW regarding a possible new Licensing Service Centre as part of a Motor City servicing vehicle owners and drivers including the taxi industry.

The SDM maintained an open and cooperative relationship with the Gauteng Department of Roads and Transport (GDRT).

3.2.5. Releasing Human Potential

There are seven strategies with their corresponding key deliverables and tasks identified to guide development and implementation of key deliverables to releasing human potential in the Sedibeng Region through accelerated investment in people and increased focus on the development of social capital. The strategies include:

- Nurture the development of people's potential through Sport, Recreation, Arts and Culture;
- Promote and develop the heritage of our region;
- Promote a safe and secure environment;
- Promote HIV and AIDS understanding, treatment, care and support;

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- Promote efficient delivery of Primary Health Care and Emergency Medical Services;
- Promote social development of our communities; and
- Promote skills development and training.

It can also be reported that in general good progress and targets were achieved as reported on hereunder, for the realization of the key strategies therefore the Key Priority Area for the period under review.

3.2.5.1. Strategy: Nurture the Development of People's Potential through Sport, Recreation, Arts and Culture

A Sport Summit was held in November 2008 to take forward proposals for formalization of local Sport Councils as part of the process towards the establishment of the Regional Sports Council. The report to Council was approved and subsequently a Regional Sports Council was established. The Regional Sports Council identified a priority program to establish partnership with Provincial and the private sector. The Aaron Mokoena Foundation, as a partner with the Sports Academy, was launched and a mass participation programme was implemented through Multi – coded Hubs.

The Soccer Academy proposal aligned with the Sharpeville Precinct Development Programme was approved by Council and will be taken forward as part of George Thabe precinct proposal. Sport tournaments and games as part of the mass participation programme took place during Women's Month and Transport Month.

Formula 1 Grand Prix Boat Race was hosted in partnership with Formula 1 Boat Racing Association. Plans to host U - 20 National Football Tournament are underway. Plans are also underway to facilitate the hosting of the Confederation Cup Games in Civic Precinct Public Viewing Site. U– 17 tournaments were hosted on 28th February as a build up toward 2010 FIFA World Cup Tournaments. We are fully participating in the Provincial Sports Committee activities represented by the Regional Sports Council's Chairperson.

It was established during the process of establishing the sports mass participation hubs that these variable sports mass participation hubs as suggested would be ideal in implementing the Sedibeng Colours Programme as defined in the IDP in conjunction with our Regional Sports Councils and Local Municipalities, which therefore led to the implementation of the Sedibeng Colours Programme.

As a result of the Regional Sports Summit in November 2008, the concept idea of a Regional Colours Programme fits well with the intent of mass participation and development in sport. The programme seeks to stimulate competitiveness, mass participation, evaluate and identify talent, as well as asset in motion alternative strategies to further enhance and hone all sporting codes in the region. This could provide Provincial/National or Olympic opportunities for sports persons in our region.

To take advantage of our area, given that Sedibeng has rivers and dams SDM formed strategic partnerships with Emerald Casino and the Power Boat Fraternity for canoeing for physically challenged persons. The 2010 FIFA World Cup Strategy was developed and the next step in the following financial year 09/10 will be to market or conduct consultations with relevant stakeholders. This "Flagship" project is at the forefront of establishing Sedibeng as the hub for the creative industries as a new economic driver for Gauteng as a whole. The rollout of the "Arts to the People Programme" was successful as it co-insides with our quarterly projects of e.g. Human Rights Month, Youth Month, Women's Month and

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Vaal River Carnival programmes. This presents Sedibeng with a three and a half month activity platform for the creative industries to flourish.

Arts to the People was implemented in line with commemorative days and special events. The School of the Arts Framework was approved by MAYCO. The Project Plan for SDM Regional Hub is still to be approved by Council and is aligned with the Precinct Development Project currently located in the old Sharpeville Police Station. Women's Month was also supported by Arts and Culture events. Vaal River Carnival was supported by Arts and Culture events including local festivals in Lesedi and Emfuleni and bringing of Cinderella and Umoja to Vaal.

3.2.5.2. Strategy: Promote and Develop the Heritage of our Region

A Charlotte Maxheke commemoration was held in Evaton during Heritage Month. Database of Sharpeville survivors and victims was compiled. The information on Boipatong, Ratanda and Sebokeng massacre is being collected. A discussion is planned with the Roman Catholic Church in respect of upgrading of Roman Catholic Church in Evaton. School based drama competitions were held.

A workshop on Geographical Names Change was hosted and subsequently Midvaal set up their Geographic Name Change Local Committee.

Boipatong journey of appreciation to Namibia and Angola was postponed in December 2009 due to challenges in obtaining travel documentation in time e.g. passports and visas.

Follow-up discussions will be held with Gauteng Province regarding the Boipatong Renewal Programme in the new financial year 09/10.

The development for Vaal Teknorama and Sharpeville Museum is in progress as part of the Sharpeville Precinct Development Project. Negotiation is in process with Johannesburg Metro to open the Heidelberg Museum as a satellite site of the James Hall Transport Museum.

No progress has been achieved to develop and implement a Marketing Strategy to increase the number of local residents, school students and tourists visiting our Heritage Sites and Museums. The 2010 Strategy amongst others aims at the tourists attraction which will be the start for the process to market our heritage sites.

3.2.5.3. Strategy: Promote a Safe and Secure Environment

In order to ensure that there is proper coordination of activities taking place at the Victim Empowerment Centres within the region, SDM in partnership with Gauteng Department of Community Safety, Education Department and South African Police Service, a "Regional Victim Empowerment Centre" was established at Itsose Primary School in Sharpeville. The Centre was officially opened for operation on 8 December 2008. The main role of the Centre is to treat victims of crime affected by domestic violence and rape incidents. The Centre is monitored through progress reports that are submitted on a monthly basis. From January 2009 to June 2009, about 383 victim referrals were recorded by the Centre. 162 were adults and 221 were children.

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To ensure that the volunteers deployed at these centres are conversant with the operations and that they conduct themselves in a professional manner at all times, about 25 volunteers were retrained by SDMin trauma counselling. Province further trained about 35 in the same field. Training was provided by POWA.

Various crime prevention awareness programmes were conducted. These include the following programmes:

- Women and child safety audit was conducted in Bophelong and Evaton during the period 26 – 28 July 2008;
- Role of women in law enforcement was held at Tropicana Country Lodge in Vanderbijlpark in August 2009;
- Women and youth safety program on substance abuse was held in Heidelberg on the 26 September 2008;
- 32 schools from both West and East of the District participated in Hlayiseka Schools Safety Workshop that was held at Sebokeng College during the period 11 – 15 August 2008, 21 – 24 September 2008, and March 2009; and
- A sport against crime program was held in Bedworthpark on the 24 September 2008.

The programs also focus on identifying and addressing areas that are vulnerable to criminality. This crime prevention measure is implemented in the form of conducting cleaning campaigns with SAPS and communities. Four cleaning campaigns were conducted in different areas such as Sebokeng (October 2008), Evaton (February 2009) and Boipatong and Sharpeville (March 2009).

The focus was on establishing and sustaining the Community Policing Forums and Youth Crime Prevention Desks within the region. The following programs were implemented for capacity building.

- Seven induction workshops were held in Sharpeville, Kliprivier, Evaton, Devon and Ratanda;
- A newly established Youth Desk was launched in De Deur on the 15 November 2008; and
- Sedibeng Youth Crime Prevention Desk hosted four Canadian Police delegation at Teknorama, Vereeniging on the 24 April 2008.

A Regional Community Patrollers database was established to monitor the sustainability of the system with regard to the new recruits and those who left. About 34 Community Patrollers were trained in basic disaster management in March 2009.

Road Safety programs were implemented to reduce fatalities at identified hazardous roads in the region. A prayer session was held at Moshoeshoe Road in Sebokeng due to high rate of accidents on the road. Joint roadblock operations were held throughout the year with respective stakeholders at strategic points.

The CCTV Project was monitored through progress reports and technical meetings. About 4 reports were submitted and 6 technical meetings were held. A draft CCTV Memorandum of Understanding was developed and circulated for stakeholder input. To facilitate the expansion process of the CCTV Project, a Service Provider was appointed, wherein wireless CCTV cameras will be installed in Sebokeng, Evaton, Ratanda, Heidelberg, and Meyerton. The CCTV network that will be installed in Vanderbijlpark CBD, Bedworthpark and Sharpeville will run through an Optic Fibre which will be laid underground.

For the support of the Sedibeng ICT Connectivity, the new CCTV system should be able to integrate with the current IT systems and also be able to support other ICT systems within the District.

Five meetings were held with the relevant stakeholders and five Confederations Cup Safety Joint Operational meetings were also held. During the Confederations Cup, about 100 Community Patrollers were deployed at various Public Viewing Areas.

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Risk assessments for the Sedibeng District Municipality were completed for the 08/09 financial year. In addition the department provided support and advice on the following:

- Compilation of the risk assessment:
 - o Rand Water (Zuikerbosch);
 - o Petronet in Lesedi; and
 - o Arcelor Mittal.
- Development of risk profiles:
 - o Metsi-A-Lekoa; and
 - o Local Municipalities.

Local Municipalities within the region were also supported and assisted in developing their risk profiles. The District Wide Macro Disaster Management Plan was reviewed for the financial year. Evacuation drill exercise was held at Sebokeng Hospital during the International Strategy on Disaster Risk Week. Disaster management nodal points were identified and agreed upon by Local Municipalities to address disaster management issues. Emergency Response Committee (ERC) was established to address emergencies, safety and security matters for Sedibeng offices/ buildings.

Three Disaster Management Advisory Forum meetings were held during the 08/09 financial year and the fourth sitting was held in the form of training for the forum members. This was in compliance with the terms of references adopted that govern the Sedibeng Disaster Management Advisory Forum and the Disaster Management Act that put emphasis on ensuring effective stakeholder participation that is fully functional in all District municipalities. Contingency plans for known priority risks were developed and procedures on dissemination of early warnings of some onset hazards were also established.

The department further, during the financial year, held a Disaster Management Indaba on the 26th of June 2009, where critical issues about disaster management within the region were discussed (i.e. funding, roles and responsibilities, chain of command, etc). Emergency Communication Centre (ECC) Coordinator was appointed to ensure effective and smooth running of the ECC.

The department coordinated the training of the Sedibeng volunteers in Disaster Management. The training was presented by the Gauteng Provincial Government in preparation for the coming 2010 FIFA World Cup. River Rescue program was developed to ensure safety along the Vaal River especially during the festive seasons where lot of people and tourists come to the Vaal for recreational purposes. The Water Safety Task Team was therefore established through the program and planned patrols were done on the river and pamphlets on river safety tips were handed out.

The following items were distributed to affected families as part of relief measures during the financial year:

- 815 blankets and food parcels; and
- 15 salvage sheets & 20 tents provided for temporary roofing.

A total of 71 emergency plans were drawn up for known special events during the year under review and a total of 85400 emergency calls were received for the year through the ECC that serves the Sedibeng area. ECC personnel were trained in the following courses:

- First Aid level 1 and 2;
- Introduction to Hazmat;

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- Emergency Services Systems; and
- Conflict Management (for Supervisors in the ECC).

A Memorandum of Understanding (MoU) on specialized firefighting services for Lesedi was completed and signed during the 08/09 financial year. The department further coordinated and fully supported two major awareness programmes that were held in Lesedi (Ratanda) and Midvaal (Sicelo) with key focus on fire safety. The programmes were held during the International Fire Safety Week and shared a similar theme ("SAFE HOMES: FIRE SAFETY TIPS WITHIN HOMES"). PIER awareness material for schools was developed and distributed to the Locals for running of awareness programmes in schools. 20 schools were visited during the financial year.

The department coordinated and supported the training of the local fire personnel (in accordance with section 841 (j)) in the following courses:

- Twelve (12) fire personnel trained in Hazmat technician;
- Twelve (12) fire personnel trained in confined space rescue;
- Thirty (30) personnel trained in Aircraft fire fighting & rescue;
- Twelve (12) fire personnel trained in Firefighting 1 & 2; and
- Ten (10) fire personnel trained in fire investigation.

The following materials were procured for local fire services:

- Twenty (20) fire hoses;
- 40 x 25 Liters of fire fighting foam;
- Twelve (12) B.A cylinders for Lesedi; and
- Eighty (80) bags of spill sorbs.

The 2010 Disaster Management Plan was completed during the 08/09 financial year and has been presented before the Sedibeng Disaster Management Advisory Forum, the PDMC and it was fully supported.

3.2.5.4. Strategy: Promote HIV and AIDS Understanding Treatment, Care and Support

The employees' HIV & AIDS impact assessment was finalized, which included training of more than 60% of SDM's employees, anonymous HIV-testing, recruitment and training of 16 Peer Educators, the review of the workplace policy and the development of the workplace plan.

Significant strides in the world of work were made, where more than 85% of the factories have workplace policies and programmes in place, including government departments, Locals and institutions of higher learning. We have noted improved employees' participation in issues of HIV & AIDS. One thousand five hundred (1500) women-employees accessed VCT services and were tested during the Women's Month.

The government departments, civil society structures and the private sectors' participation in mitigating HIV-infections within the region increased tremendously. This was observed through the District AIDS Council's meetings, joint planning and the execution of workplace and out-of-work projects. The AIDS Council approved the action AIDS plan. The Local AIDS forums and Intersectoral Committees were consistently held and they also attracted more than 60% member-

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sector participation. In the period under review, the District AIDS Council reached 800 orphaned and vulnerable children through poverty alleviation programmes.

The HIV & AIDS seminar was opened to the elderly which updates and develops them on the current trends in the management of HIV-infected person and the application of grants. The District through the Department of Social Development and the Department of Health has increased the number of Community Home Based and Care Givers respectively. The life skills programme from the Department of Education has commenced. Correctional Services have increased the number of inmates and employees HIV & AIDS educational campaigns. The SAPS established employees' support groups.

Civil society structures such as the Faith-Based Organizations, the Traditional Health Practitioners, and People with Disabilities, People living with HIV, Women and Youth groups benefited from the accredited comprehensive HIV & AIDS training provided. The training enhanced sector specific HIV & AIDS programmes infiltration, especially in the churches and the traditional health practitioners and resulted in reducing stigma and discrimination related to HIV & AIDS. This initiative resulted in improved working relations between these sectors and the government departments.

In line with our five-year HIV & AIDS Strategy, targeted interventions were intensified. This was achieved by strengthening the ward-based approach through the appointment of the Ward-Coordinators (10) to improve the implementation coverage within the region. The Ward Coordinators were involved with ward-based social mobilisation, project planning, implementation, monitoring and stakeholder participation.

To date more than 80% ward based structures have been mobilized to make inputs and participate in HIV & AIDS issues and these include local Ward Councillors and Community Development Workers involvement. More than 60% of ward structures were trained on HIV & AIDS, the impacts and the District AIDS Strategy. The improved coverage is attributed to the increase in the number of indigent households that were assisted financially to bury their loved ones. More than 100 indigent households were assisted for burials.

To enable public-private interface, strategic areas were identified viz. Sebokeng Hostel, Kwa-Masiza hostel, Boiketlong, Sicelo and Bophelong and 45 fieldworkers were appointed who on daily basis did households visits. The fieldworkers were trained in advocacy and lobbying, TB tracing and Directly Observed Treatment Strategy (DOTS). These together with other targeted quarterly door-door campaigns, which reached more than 80% of the households, resulted in the HIV-prevalence rates in the region, according to the National Antenatal Survey compared with the previous year, being reduced from 35% in 2006 to 31.8% in 2008. Even though the prevalence appear to stabilize at a high peak, there are strong signs that it will eventually decrease.

The District improved on the utilisation of VCT services and more than 20 000 mostly youth participated and tested. There was also significant improvement in the Prevention of Mother To Child Transmission (PMTCT) services, which strive to reduce the number of babies to HIV-positive mothers from being infected and the enrolment of individuals to the Antiretroviral Therapy (ART) programme. Currently the region has 7 accredited ARV sites in operation. The improvement in ART enrolments was also attested by the accreditation of an additional site in Midvaal.

Through intergovernmental collaboration amongst others, have improved children services such as the provision of food parcels, school uniforms, drop-in-centres, the provision of identification books for orphaned children, the enrolment of

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children onto the ART Programme, the reduction of teenage pregnancies especially among school teenagers, reduction of termination of pregnancies and the reduction of new STI and HIV-infections.

3.2.5.5. Strategy: Promote Efficient Delivery of Primary Health Care

About 11 Basic Life Support Refresher and Driver Courses were conducted for 103 EMS staff. Through community empowerment, 21 courses in Basic First Aid (Buddy Training) where 454 community members participated were conducted. The community was also empowered on early childhood and a broader public education with the distribution of 10000 informative pamphlets. A total of 437 community members and 10 schools through PIER were reached.

During this term 89% of the Target/KPI was reached regarding Priority 1 response times within 15 minutes and 90% within 20 minutes.

Operational status was maintained with 15.85 ambulances, 2.59 Intermediate Life Support primary response vehicles and 1 Advanced Life Support response vehicle operational per shift on average. Advanced Life Support is a scarce category level of emergency care and a shared service delivery responsibility with GPG.

One ambulance was dedicated per shift to be available in Evaton over and above normal EMS response from the Sebokeng base. One Medical Rescue vehicle is dedicated per shift in Devon over and above one allocated ambulance per shift from SDM. GPG will start rendering a full provincial service after completion of negotiations with Lesedi Local Municipality regarding accommodation at the Devon Fire Station.

Comprehensive Primary Health Care is implemented in all 37 clinics across the District. To guide the implementation processes, a District Health Plan was developed jointly with Province and Locals. The implementation of the plan is executed by both Province and the Locals. To promote integration of services, technical teams comprising of Provincial, District and the three Locals were established. The District Health Technical team ensures equitable provision of services whilst also providing technical support to the District Health Council chaired by the MMC for Health, Social Development and Community Safety to ensure availability, accessibility and quality health services to all communities.

Under the auspices of the District Health Council, functional integration of PHC services is continuing in the context of provincialization process. To date, five (5) PHC clinics have extended service hours beyond 16H00 to make services available after hours to serve working community members. Primary Care Facility Committees for 34 clinics were established and are functioning to promote community participation in health care. A workshop to capacitate members on their roles was held. Subsequently a District Summit involving Primary Health Care Facility Community members, Health workers, Union members and Councillors was held to promote integration, quality of services and build team work.

For the period under review, the District experienced an increase in immunization coverage of children one year old and below to 97%. In addition, the TB cure rate has improved from 68.1% in 2007 to 74% in 2008/09. An additional ART site was officially opened in Devon bringing the total number of sites in the region to eight.

In getting ready for 2010 FIFA World Cup, a team focusing on the preparation of clinics and hospitals working in line with the District processes has been established. Within the public sector health facilities, Sebokeng Regional Hospital is being

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prepared for readiness for this purpose. All four Community Health Centres are also being prepared to ensure readiness. The number of facilities will be increased as the plan to add the private sector unfolds.

3.2.5.6. Strategy: Promote Social Development of our Communities

Programme of Action for People with Disabilities (PWD) was developed in line with National and Provincial Framework. Policy for PWDs was also developed and distributed to the Locals to facilitate a joint implementation. Sedibeng participated in the project of "Invite a disabled person to work" campaign and 27 PWDs took part in the campaign. A gender strategic plan and guiding policy were developed and discussed in a workshop with departments to facilitate implementation.

Sites to establish facilities for the elderly were identified as part of the 20 PTP projects and building project to commence with the first phase in Lesedi Local Municipality is at its initial stage. The District Elderly Forum is in place and helpful in coordinating programmes and activities for older persons. Kgatelo-pele project which is a programme aimed at visiting elderly people and providing them with medicines for chronic illnesses is being piloted in one area in Emfuleni Local Municipality. This is a relief for our senior citizens to wait in long queues for repeat of medicines. The project will be replicated after evaluation of the pilot results.

Social Development is working jointly with political offices and Locals to develop and implement plans to address gender issues. A relationship between Political and Administration teams is in place and this is important for integration of plans and activities for implementation of gender plans. Mainstreaming Committee was established to facilitate implementation of gender mainstreaming plans. A gender policy and strategic plan was developed as mentioned above in line with National and Provincial Framework. These provide vital tools in developing plans to mainstream gender by the various departments and Locals. The Policy and Strategy documents were discussed in a workshop by all stakeholders including the Locals.

A referral system for Bana-Pele programme is in place and this assists in coordination of children services among the various sectors. Three sites for establishment of Early Childhood Development (ECD) facilities were identified as part of the 20 PTP projects in Lesedi Local Municipality. The implementation of plans and campaigns on the Birth Certificate and ID applications is ongoing at Locals in conjunction with the relevant stakeholders and assist a great deal in the registration of children and adults.

The Ex - combatants structure to link the ex combatants with the municipality was established. The structure is critical in coordinating the implementation of the Ex - combatants' plans and activities. Data on ex-combatants was compiled and is in the process of verification with National. The municipality employed 8 Ex - combatants Liaison Officers to do field work on issues relating to Ex - combatants. Areas of need relevant for Ex-combatants were analyzed and the Liaison Officers are facilitating development of programmes to address the identified areas. A short term plan for Ex-combatants was adopted by Council and is being implemented to improve the lives of Ex - Combatants. Ex - Combatants' Policy was drafted. Empowerment and Skills Development Programmes are in place. Skills audit for Ex-combatants was conducted to guide skills development programmes. Eighty (80) Ex-combatants were employed in March 2009 in Emfuleni Local Municipality and Sedibeng District. Seventeen (17) Ex - Combatants members were trained in a security programme.

No significant progress was achieved in retrieving the Mayoral Golf Day Fund for utilizing it to assist the survivors of the massacres in our region who are needy however capacity building programmes were developed and implemented.

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The adopted policy on donations is in place and applications were awarded accordingly. A total number of 22 applications for donations were processed and funded.

3.2.5.7 Promote Skills Development and Training

Four (4) Youth Advisory Centres were established and are providing comprehensive services which are making remarkable impact in addressing matters of youth development. The centres are located at strategic areas and therefore play a vital role in linking and integrating programmes with broader youth development activities. A total of 24,956 young people were assisted and supported through the Youth Advisory Centres on services and products relating to among others: learnerships, job placement, formation of youth cooperatives, computer skills training, internet use, job preparation, life skills training, entrepreneur support and internet access. The under mentioned are some of the outputs:

- 22 Young people were trained on Basic ICT skills;
- 5 Cooperatives were registered and submitted to the Department of Labour for funding;
- 12 Young people were trained on the National Digital repository Project, by Information Society and NIMSA;
- 2,908 Young people were trained on computer basic skills.
- 72,355 Young people were assisted on seeking jobs and writing CVs. Of these 158 were successful in job placement, whilst 368 gained Learnership placement with various departments and companies ; and
- A Youth Coordinator was appointed to manage youth programmes.

A policy on awarding of bursaries to young people was developed to guide the process of awarding bursaries to needy deserving students to further their studies in tertiary learning institutions. A board has been formed to facilitate the implementation of the policy. In the year under review 36 students were awarded bursaries for tertiary education and to date 263 learners have accessed bursaries from the District Bursary as well as from various Bursary Awards identified through the Youth Advisory Centres.

3.2.6. Good and Financial Sustainable Governance

There are thirteen strategies and their corresponding key deliverables and tasks identified to guide development and implementation of key deliverables to good and financial sustainable governance in the Sedibeng Region through sound administration, knowledge sharing, caring and growing employees and performance management. The strategies include:

- Ensure Financial Sustainable Local Government including Revenue Collection, Management and Financial Mobilisation;
- Governance of municipal finance;
- Building capacity to manage municipal finance;
- Financial reporting;
- Budgeting and planning municipal finances; and
- Supply chain management.

It can also be reported that in general good progress and targets were achieved as reported on hereunder, for the realization of the key strategies therefore the Key Priority Area for the period under review.

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3.2.6.1. Strategy: Ensure Financial Sustainable Local Government including Revenue Collection, Management and Financial Mobilisation

Regular monthly asset reconciliations were performed. Interim progress report on the Land Audit tabled at Joint Municipal Manager's Forum was provided as feedback to committee. IT Claims on services rendered to Locals were billed and claims payable to Locals were settled timeously. Agreements were reached with Locals and endorsed by Joint Municipal Manager's Forum on better management of fixed assets between District and Locals. SDM appointed a Service Provider which is currently evaluating the fixed assets inventory and draft Service Level Agreement with the intention that it can be concluded with the District and its Locals. Asset Officers in Clusters are in process of being appointed to perform inventory stock of immovable assets.

Monthly reduction of cashier shortages was monitored through spot checks by visiting cashier points on a quarterly basis to ensure that all cash is adequately accounted. Daily cash flows were also compiled with monthly investment returns which are reconciled to account for optimal interest received on our portfolio.

The Research report was compiled on the Revenue Enhancement Strategy and served before the Section 80 Committee of Finance for approval.

Regular monthly debt management and credit control reports were compiled for submission to Section 80 Committee for approval in managing the reduction of debt to an acceptable ratio and level. In addition a substantial amount of Bad Debt was written-off and approved by Council in December 2008. Further to the above Treasury has also looked at Revenue funding options on grant and donor funding as part of our review process to improve revenue management. This report is forthcoming in the new financial period.

3.2.6.2. Strategy: Governance of Municipal Finance

All ongoing MFMA compliance reporting to the Section 80 Committee of Finance and the Mayoral Committee was met including the time frame set on the submission of our Financial Statements to the Auditor-General and other Government Departments.

The Financial Policy review process are conducted annually and amendments were processed in terms of gaps identified in the policy review process e.g. GAMAP/GRAP and other Financial Policies etc. The findings of the Auditor-General where policy gaps were identified were also used as a base to correct Financial Policies.

The completion of the financial procedure manual and support module implementation plan has been initiated to ensure that internal control environment is well secured and is based on development and continual compliance.

3.2.6.3. Strategy: Building Capacity to Manage Municipal Finance

All Treasury staff completed and submitted their skills template to Provincial Treasury. PDP's for Treasury staff were also completed in line with staffs skills assessment results. In addition informal Financial procedure manual and Supply Chain Management training for Clusters' are planned.

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All IGR meetings were conducted monthly with Provincial Treasury, DPLG and SALGA.

Two customer satisfaction survey results were released which show substantial improvement on how Treasury services all its customers internally.

3.2.6.4. Strategy: Financial Reporting

The SDM Received unqualified audit for the 2007/2008 financial year with no financial emphasis of matter raised by the Auditor-General's office. It is suggested from the AG's report that the Treasury needs to improve on performance information. The Action plan on AG findings was compiled and is being monitored monthly.

In collaboration with the SDM' IT Directorate the IT Task team was established by CFO's Forum to initiate this project in order to upgrade our IT Financial system. Research was conducted by this team and site visits were planned in conjunction with Locals to analyze the E-Venus upgrade system.

The complete financial statement was compiled in compliance with GAMAP/GRAP implementation plan.

3.2.6.5. Strategy: Budgeting and Planning Municipal Finances

National and Provincial Treasury guidelines were used in relation to compiling the budget process. Pro-poor tariffs on non-essential services was formulated and approved as an addendum during the Budget approval process.

The Medium Term Income and Expenditure Framework report were compiled in consultation with the Provincial Treasury Department and was based on current economic statistics and guidelines for the country.

Process was initiated in Councils revised budget process that projects and programmes must be based on Clusters needs assessment and every budgeted amount has to be accounted for and properly motivated.

Regular monthly assessment meetings were conducted with clusters to monitor and advise on operating and capital performance versus budget. In addition the Budget (Original and Adjustment) was compiled and approved by Council within the timeframe and complied with all the requirements of the MFMA.

3.2.6.6. Strategy: Supply Chain Management

The Supplier database was updated on a quarterly basis and applications were captured on the system accordingly. The accreditation process requires to be initiated thereby to verify all supplier information in compliance to the requirements of SARS, CIDB, CIPRO etc. In addition Council has undertaken a process to acquire a new SCM system which meets the requirement of the new legislation. In order to monitor the progress of each Bid process, Treasury submits a status quo report to MANCO on a bi-weekly basis on Bid Committee processes for discussion and action by Clusters.

Limited progress on establishing tender advice office which relates to office accommodation challenge served as a concern but turnaround process has been initiated to remedy this matter. BBBEE targets in respect of Supply Chain process needs to be monitored and reported on monthly basis. Manual reports was compiled, however the current

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changes in various legislation made it difficult to report accurately on this matter but it is envisaged that the change to a new SCM system would correct the matter .

The Supply Chain policy was approved by Council and is currently being implemented. Workshops have been planned in the 2009/2010 period to familiarize Clusters with the policy and procedures.

3.2.6.7. Strategy: Effective Management of Council Business

Agendas prepared and timeously delivered for Council committees. Minutes were accurately captured & timeously produced; and resolutions were captured and assigned to relevant functionaries.

Records management strategy was approved by Council and an amended file plan was approved by the by National Archives on 06/11/08. The application for standing disposal of records was approved in principle by the National Archives. The Sedibeng Archives and Records Management Forum was established.

The Provincial database of by-laws to be finalized by Province.

The Contract Task Group has been formed and in the process of evaluating all Council contracts.

Equipment upgraded and LCR is being implemented. Supply chain process for acquisition of PA system & copier at an advanced stage. Business writing training was conducted with UNISA and designated official responsible for producing the internal staff newsletter was appointed.

A study tour to Amathole and EThekweni was organized as part of the District's participation in the District Learning Network to share experiences across municipalities.

Process towards setting up of library services / internet facilities/network for Councillors has commenced.

Provision was made in the organogram for researchers (Offices of the Speaker and Chief Whip). A dedicated official in the Office of the Speaker responsible for Committees was appointed. Regular sessions were conducted on Councillors' wellbeing i.e. Workshop Councillors on Municipal Councillors Pension Fund and Workmen Compensation. A task team was established to pursue the matter on the Municipal Councillors Pension Fund and designed a framework for MMC training and development aligned to portfolios.

3.2.6.8. Strategy: Render Effective IT Services

Resounding achievement was realized to enhance the Current Network to Link Remote Offices, Libraries, Clinics and Youth Advice Centres to the Wide Area Network (WAN) through inter alia investment in Hardware, Security, masts etc by linking 14 municipal offices to WAN instead of the 7 that were planned.

Whilst the draft Business Continuity Plan is in place and awaiting feedback from Auditor General prior to its implementation, the normal backup procedures are in place and fully functional in a case of any emergency

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The roll out of specialized software enhancements to the internal departments including the roll out for phase 2 novel are completed.

Continuous review of current systems and infrastructure is ongoing and LCD screens are in place. Two (2) Councillors attended ELMDP training.

Resolution of review of relationship with Localshas led to status quo being maintained with Emfuleni and staff secondment to Midvaal.

3.2.6.9. Strategy: Ensure Effective, Competent and Motivated Staff

The bursary policy was approved and is currently being implemented to ensure that employees are capacitated to acquire tertiary qualification. About 125 employees were retrained on Leadership Courses, Computer Skills, Business Administration and Batho Pele. A successful Employee Day and Family Day were held including an end of year function. Limited progress was made in terms of internal DC hearings. Cases drag due to circumstances beyond the SDM's control e.g. lack of capacity to manage disciplinary hearings. One LLF meeting was held instead of three due to the fact that most matters were dealt with in the Organizational Restructuring Sub-Committee of the LLF.

Training for Junior and Senior Management was conducted. A workshop with Labour was successful. About 75% of staff was successfully placed. The work place restructuring responded to objections and is awaiting responses. Critical vacancies that were created during restructuring were filled successfully. Nine Councillors attended training on Leadership Development Programme. Discussions were held with VUT and the North West University Vaal Campus to provide training and to assist in developing personal development plans for Councillors. Questionnaires were distributed to determine the skills needs of Councillors and personal development. Women Councillors were sent for mentorship training.

All the employees of the Council are subjected to the PMS and where poor performance is continuously recorded the employee is taken through a capacity building program as part of corrective measures.

The employment equity plan is being developed with programmes to promote women empowerment and employment of people with disabilities.

HIV/AIDS Workplace Policy to be implemented once development has been completed. Employees Assistance Program is in place providing counselling for staff as well as trauma debriefing sessions.

Batho Pele Champion was appointed which was followed by the appointment of the Batho Pele Co-ordinator on basis contract basis thereafter. The Batho Pele Task Team was established with representations from various Clusters in the institution for the effective implementation of the programme. Four task team meetings took place on institutionalizing Batho Pele. Batho Pele induction has been continuously conducted for the new employees joining the Council. Two unannounced visits took place at VDB Licensing to monitor service delivery and adherence on Batho Pele principles. Know your Service Rights Campaign was held during Human Rights Month and training was conducted. In order to further internalize the spirit of Batho Pele, the Africa Public Service Day and Public Service Week Campaign, National Batho Pele Learning Network and Forum were attended.

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In complying to Occupational Safety and Health (OSH) act the Incident Prevention and Reporting is continuous taking place in the institution and for the period under review no incidents took place which indicate the effectiveness of the prevention thereof.

3.2.6.10. Strategy: Develop and Maintain High Quality Municipal Facilities

The invitation for proposals from interested investors to develop the government precinct in the CBD was done with huge interest shown from potential developers. The process is currently underway and the Council is investigating the appropriate model through the National Treasury in compliance with the MFMA. It can also be reported that all other municipal facilities, like Theatres and City Hall are always available on good conditions for use by the public.

Tender for security services for new three year contract to include access control was re-advertised and the process of appointing new Service Provider will only be finalized during the new financial year. Emergency response team were set up to deal with security issues as and when they arise. Limited progress on improving facilities for clients was made. Revamping of Mayor's Parlour was completed, Improvements of air conditioning in main building is on track. Improvements to security were implemented. Security features were also improved in the main building and procured new accommodation for additional staff and are moving TIE staff closer to main building.

Fleet management policy was approved by Council and the staff was trained on implications and a tender for electronic fleet management services was advertised and the process of warding will be concluded during the next financial year.

In executing the maintenance on our facilities an amount of R3.5m was spent through ad hoc maintenance construction projects which benefited a number of SMMEs, from our area of Sedibeng as part of the Councils SMME promotion, development and empowerment. There are various options still under investigation for the Long Term Plan and Model for the efficient management and maintenance of the Council facilities looking at partnering with private sector where possible. This will be finalized in the new financial year as to which option to follow. Four task team meetings took place on institutionalizing Batho Pele.

Improvement of facilities for clients with disabilities is underway and all new premises acquired ensure provision of the on-off ramps and accessibility for all clients.

3.2.6.11. Strategy: Facilitate Access to Relevant Information and Promote Knowledge

Knowledge Management Strategy was developed but will only be brought to Council for approval in the new financial year.

Communities of Practice (COP) were established and launched on the 26th July 2008 and are constituted by representatives from Academic and Tertiary institutions, community and faith based organizations, Locals, sector departments and community members.

A Tender for website development was awarded for the strengthening of the local website as a form of information sharing.

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3.2.6.12. Strategy: Ensure Measurable Performance and Transparent Monitoring of the Municipality

Performance Management System was implemented and performance agreements as well as performance plans were developed for all staff members although failed to develop and implement the Organizational Performance Management and Measurement tool. The organizational performance has been monitored only on its effectiveness and ability in the process of implementing the SDBIPs.

Whilst performance quarterly review were conducted and mid-year and annual reports were produced there has been no proper mechanism to have them communicated to the District's rate payers except those who can access the Council's website and also only the organizational reports are placed not that of individuals especially the section 57 employees as their performance contracts are a legislative requirement.

3.2.7. Vibrant Democracy

There are six strategies and their corresponding key deliverables and tasks identified to guide development and implementation of key deliverables to ensure vibrant democracy in the Sedibeng Region through good communication and stakeholder relations, marketing and branding, good intergovernmental relations and capacitating of Councillors. The strategies include:

- Build high level of stakeholder relations and effective communication and branding;
- Promote high level of intergovernmental co-operation and co-ordination;
- Ensure high level of corporate governance;
- Ensure public participation;
- Strengthening oversight and accountability;
- Mainstreaming of issues relating to designated groups.

It can also be reported that in general a good progress and targets were achieved as reported on hereunder, for the realization of the key strategies therefore the Key Priority Area for the period under review.

3.2.7.1. Strategy: Build High Level of Stakeholder Relations and Effective Communication and Branding

A Service Provider was appointed and presented a final Integrated Marketing and Communications' Strategy which was adopted by the Council. Subsequent to the adoption of the strategy a rigorous programmatic campaign was executed for the marketing and branding of the institution and its leadership. A Communication Forum was established but is not yet functional.

There has been ongoing website weekly updates and that of regular media adverts and editorials around 2010, etc. The HIV and AIDS Forum, Ex – Combatants and SEDIFO were established. These included various stakeholder interactions undertaken by all the Clusters in the institution.

Software for stakeholder database in the institution has been installed and the department is in the process of gathering stakeholder database information from various departments and institutions.

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The audit of existing branding was concluded in order to formulate the branding and marketing strategy for the institution through various forms.

As a supporting hand to all municipal events, the marketing and communications department has without failure ensured continued implementation of key communication vehicles in informing communities.

Three (3) Mayoral Izimbizo were held, that is one in Sonderwater at Emfuleni where more than one thousand five hundred (1500) people attended, one at Sicelo in Midvaal and one at Ratanda in Lesedi. The Midvaal izimbizo had more than two thousand (2000) people in attendance and the Lesedi izimbizo had more than five thousand (5000) people in attendance.

Seven (7) Council meetings were held i.e. five (5) Council meetings and two (2) special Council meetings. One (1) of the Council sittings served as an inaugural Council for the election of the Executive Mayor. One (1) Council sitting approved the Annual Report, another Council sitting considered the draft IDP and Budget and the last Council sitting in 2008/2009 financial year approved the IDP and Budget.

The Council sitting of the State of District Address (SODA) was held at the Boipatong Stadium as part of the Boipatong Massacre commemoration more than five thousand (5000) people were in attendance. Website was upgraded and launched on 27 May 2009. The newsletter was developed and launched on 27 May 2009 and an Internal Communication Officer employed.

Limited meetings of Mayoral Investment Council were held and the functionality of the MIC was reviewed and found to be ineffective. A programme to revive MIC was designed and a framework document to establish a united business forum was designed and the roll-out was adopted. Engagement with stakeholders was undertaken and a few sector forums were established.

To enhance the participation of all stakeholders in the IDP the Council held one (1) stakeholder briefing on the Public Participation Framework and the Petition Management Policy and five (5) public consultative meetings, mostly in Emfuleni Local Municipality and Midvaal Local Municipality on petition management and public participation.

Consolidated existing sector based forums i.e. Women, Gender and People with Disabilities (PWD). Regular Council sittings took place and they were well attended by different stakeholders. The Youth Council was held in June as part of encouraging youth to participate in the governance matters. Not all Council meetings were advertised.

Participated in the mobilization of izimbizo's. A Youth Advisor appointed. A programme on Youth participation in elections was designed. A Youth month programme was implemented to include Youth Council meeting and summit to adopt Youth Development Strategy and the Youth Strategy adopted by Council. SDM embarked on "Take a child learner to work" in partnership with GDE. Twenty (20) learners and three (3) educators/GDE staff participated and received participation certificates awarded at the Council sitting at Mphatlalatsane Hall in Zone 14 Sebokeng. Convened a live State of the Nation's Address (SONA) public gathering held at Vereeniging Theatre foyer where only 30 people attended.

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3.2.7.2. Strategy: Promote High Level of Intergovernmental Co-operation and Co-ordination

The IGR structures are functioning well between the District and other spheres of government and with our Local Municipalities, except minor challenges which come as a result of the structural design of the District area in terms of roles and responsibility. Joint MMs meetings were held in accordance with the year planner. Other IGR meetings were held relatively regularly. A successful IDP IGR Lekgotla was held from 28-30 October 2008.

A broad Intersectoral Forum was held with National and Provincial sector departments that have activities in Sedibeng. Co-ordinated and facilitated SDM submission and participation in the 2008 Vuna Awards. Co-ordinated SALGA PEC visit to Sedibeng.

Vaal 21 meetings were held although without regular attendance from Fezile Dabi. Joint political and administrative meetings were held to approve Vaal 21 Vision, Operating Principles, Branding and Institutional arrangements. A meeting was also held with Gauteng HODs to discuss Vaal 21 and get their buy-in and hosted a very successful stakeholder launch in October 2008.

There has been no significant progress reported in terms of the coordination and facilitation of the International Exchange Programme. The SDM successfully participated in various sporting codes at the 2008 SALGA Inter-municipal games, as well as in the inter-municipality learning networks programmes.

3.2.7.3. Strategy: Ensure High Level of Corporate Governance

Whilst the Audit Committee is functioning well, there are some of its members that are always not available for its activities. The Audit Committee meetings are held quarterly and for the period under review four ordinary and one special Audit Committee meetings were held. The internal audit plan was approved and an internal audit was conducted. Internal audit reports were submitted to Council.

The Cluster based Risk Management Policy and Framework was approved by Council in August 2008 and the identified risks were aligned to the performance contracts of the section 57 employees.

Though there has been no crisis in terms of fraud and corruption incidents in the Council, Fraud and Corruption Prevention Plan was approved by Council and it is being implemented as a sign of zero tolerance.

A memo was sent to all SDM employees at the beginning of financial year to update their disclosure of interests. There is also continuous monitoring of declarations by Governance and IGR Office.

3.2.7.4. Strategy: Ensure Public Participation

Hosted IDP Makgotla for Ward Committees in Emfuleni and Lesedi to discuss ward based planning and input in the IDP process as well as developed a draft conceptual framework for ward based IDP's in Local Municipalities.

Chapter 3: Performance and Progress on Key Priority Areas in 2008/09

A workshop to discuss 'tools of the trade' for Councillors was planned but postponed.

The Petitions' Committee is established and is functional. The Council conducted training workshops on Petition Management System for Councillors and SDM received two (2) petitions, one (1) from Boiketlong Community Committee which was referred to Emfuleni Local Municipality and the other from the Gauteng Legislature i.e. National African Farmers Union (NAFU) and was referred to SDM.

Capacity building of Ward Committees and CDW's on Petition Management System was initiated and has to be concluded especially in areas such as Midvaal and Lesedi.

IDP and Budget Report was put in public places for comments. Youth policy was put into public domain for public comment through advertisements in local newspapers.

There has been challenges in convening the sector based GDS forums, only the Regional Gender Dialogue convened.

3.2.7.5. Strategy: Strengthening Oversight and Accountability

The MPAC Oversight Committee is fully functional and an oversight framework for the MPAC was developed and approved by the Council.

3.2.7.6. Strategy: Mainstreaming of Issues Relating to Designated Groups

Sedibeng in partnership with Lesedi FM hosted a very successful Women's Month celebration and A successful campaign for people with disabilities was held.

Convened a successful Regional Gender Dialogue with more than one hundred and fifty persons (150) in attendance. Youth Council sitting was also convened.

Convened a successful Women Month Programme consisting of the following events:

- Media launch attended by local media at Quest Conference about fifteen (15) journalists present and addressed by the Speaker of the Council;
- Staff and Councillors empowerment at Vereeniging City Hall attended by about one thousand (1000);
- Women in prayer was attended by more than two thousand (2000) people hosted by Lesedi Local Municipality at the Ratanda Multi-Purpose Centre;
- Charlotte Maxheke Memorial Lecture was held at Wilberforce Institute in Evaton at Emfuleni Local Municipality and attended by over seven hundred (700) people;
- Sedibeng 4th Annual Women in Sport and Recreation hosted by Midvaal Local Municipality was attended by in excess of seven (700) people; and
- Women Celebration in partnership with Lesedi FM at Vaal Teknorama was attended by in excess of one thousand (1000) women.

Chapter 3: Performance and Progress on Key Priority Areas in 2008/09

Provided assistance in convening a Strategic Planning workshop for SEDIFO AGM.

The Ex – Combatants and Youth Policy were adopted by Council. It can also reported that the SDM has established the Ex-Combatants structure in the Council which resulted into employment of the Ex-combatants into the Council with the creation of the career pathing and capacity development of some of them.

Two (2) Gender Mainstreaming workshops for Councillors and Employees were held.

Chapter:

4

Chief Financial Officer's Report –
A Comparative Analysis of the
Annual Financial Statements
for Year Ending 30 June 2009



Chapter 4: Chief Financial Officer's Report – A Comparative Analysis of the Annual Financial Statements for Year Ending 30 June 2009



Clr B Mncube
MMC: Finance



Mr B Scholtz
Chief Financial Officer

The basic objectives of financial reporting are:

- To assist in fulfilling the municipality's duty to be publicly accountable and to enable stakeholders to assess accountability;
- To assist stakeholders in evaluating the operating performance of the municipality for the year; and
- To assist stakeholders in assessing the level of services that can be provided by the municipality and its ability to meet obligations as they become due.

The application of financial ratio analysis enables our stakeholders to inform decision making with regards to:

- Ability to meet long-term commitments;
- Ability to meet short-term commitments from liquid resources;
- Determine whether investments are yielding acceptable returns;
- Reduce risks arising from below average performance; and
- Make recommendations to address challenges.

4.1 Statement of Financial Position

The financial position of a municipality is directly measured by the number of resources controlled by the municipality from which future economic benefits are expected (assets), obligations resulting in a outflow of municipal resources (liabilities) and the residual interest of the constituents in the assets of the municipality (net assets).

At the year ending 30 June 2009 there was:

- A 52% growth in municipal assets from the previous year, and
- A 26% growth in liabilities from the previous year, resulting in
- A 60% growth in the municipal net assets from the previous year.

4.1.1 Current Ratio

This ratio is used as an indicator of the ability to pay current debt.

$(\text{Total current assets} \times 100) \div \text{Total current liabilities} = \text{Current ratio}$

Chapter 4: Chief Financial Officer's Report – A Comparative Analysis of the Annual Financial Statements for Year Ending 30 June 2009

2008							
	174 270					52 678	
(	610	x	100	)	÷	573	= 331

2009							
	221 201					66 390	
(	520	x	100	)	÷	202	= 333

This shows improvement in 2009 from 2008 on Sedibeng District Municipality's ability to cover its current debt.

4.2 Statement of Financial Performance

Surplus or deficit is used to measure financial performance and directly related to the measurement of revenue and expenditure for the reporting period.

- For the year ending 30 June 2009, a surplus of R 9,026,591 was declared.
- Increase/ decrease per expenditure category is as listed below:

Expenditure per Category:	2009	2008	Inc+/Dec-
Employee related costs	158 715 935	124 102 310	27.89%
Remuneration of Councillors	7 215 362	7 114 026	1.42%
Depreciation & amortization	6 899 086	5 483 078	25.83%
Finance costs	29 623	68 335	-56.65%
Debt impairment	3 663 701	352 563	939.16%
Repairs & maintenance	6 935 182	2 623 603	164.34%
Contracted services	24 479 909	19 253 052	27.15%
Grants & subsidies paid	29 724 916	19 001 178	56.44%
Operating expenses	54 579 209	43 335 552	25.95%
	292 242 923	221 333 697	32.04%

4.2.1 Expenditure per Category to Total Income

This ratio provides useful information on income and expenditure tendencies and trends as well as what portion of revenue is allocated to different types of expenditure.

(Expenditure category ÷ Total Income) x 100% = Percent allocated

Chapter 4: Chief Financial Officer's Report – A Comparative Analysis of the Annual Financial Statements for Year Ending 30 June 2009

Expenditure per Category:	2009	% to Income
Employee related costs	158 715 996	52.68%
Remuneration of Councillors	7 215 362	2.39%
Depreciation & amortization	6 899 086	2.29%
Finance costs	29 623	0.01%
Debt impairment	3 663 701	1.22%
Repairs & maintenance	6 935 182	2.30%
Contracted services	24 479 909	8.13%
Grants & subsidies paid	29 724 916	9.87%
Operating expenses	54 579 209	18.12%

4.2.2 Accumulated Surplus

The showing of accumulated surplus against total income is used as an indicator of ability to generate additional income to inform decision-making on evaluating potential to afford future long-term commitments.

$(\text{Accumulated Surplus} \div \text{Total Income}) \times 100\% = \text{Ratio}$

				301 287					
(	186,458,915	÷		201)	x	100	=		61.89%

A surplus generated of R9,026,591 for the year ending 30 June 2009; implying an accumulated surplus of R186,458,915 as at 30 June 2009.

4.3 Statement of Changes in Net Assets

The purpose of this statement is to disclose transactions impacting on the components of community wealth (net assets) included in the statement of financial position. These transactions may include adjustments and movements to and from funds.

4.3.1 Cash Flow Statement

The information within the cash flow statement informs management decision-making on how much cash is required to perform activities and how to optimally control cash.

4.3.1.1 Cash to Operating Income

This ratio indicates the degree to which cash increased in relation to the operating income.

$\text{Ratio} = (\text{Cash generated from operations}) \div (\text{Operating Income})$

14.36%	=	43 259 057	÷		301 287 201
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Chapter 4: Chief Financial Officer's Report – A Comparative Analysis of the Annual Financial Statements for Year Ending 30 June 2009

4.3.1.2 Working Capital to Net Cash Flow:

In this ratio, the percentage influence of the change in working capital on net cash flow is shown. Working capital is the difference between current assets and current liabilities. A municipality can be endowed with assets and profitability but short of liquidity if its assets cannot readily be converted into cash. Positive working capital is required to ensure that operations may continue and that there are sufficient funds to satisfy both maturing short-term debt and upcoming operational expenses. If current assets are less than current liabilities, it is a working capital deficiency, also called a working capital deficit.

Ratio = (Changes in Working Capital) ÷ (Net Cash Flow)

89.89%	=	(221,201,520	-	66,390,202)	÷	172 231 915
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These ratios are indicators that the municipality is currently in a sound position to:

- Meet long-term commitments; and
- Meet short-term commitments from liquid resources as well as to assist and inform any medium-term budgetary, investment and/ or policy decision-making.

Yours faithfully



BJ Scholtz
Chief Financial Officer

The reputation promise of the Auditor-General

“The Auditor-General has a constitutional mandate and, as the Supreme Audit Institution (SAI) of South Africa, it exists to strengthen our country’s democracy by enabling oversight, accountability and governance in the public sector through auditing, thereby building public confidence.”

The mission statement of the AGSA informs the content of the Public Audit Manual (PAM) by recognising that the audits conducted by the SAI of South Africa are unique due to its mandate. This mandate includes responsibilities in terms of laws or regulations that go beyond generally accepted practice of the auditor’s responsibilities in the audit of the financial statements.

These responsibilities include: consideration of issues such as public interest; accountability; probity; effective legislative oversight, in particular as concerns compliance with law, regulation or other authority; performance against pre-determined objectives; and economic efficient, and effective procurement of resources. The ultimate goal of the audits concerned is to strengthen the South African democracy.



AUDITOR - GENERAL
SOUTH AFRICA

Mr Y Chamda
Municipal Manager
Sedibeng District Municipality
P O Box 471
Vereeniging
1930

30 November 2009

Reference: TS 98 19611/2

Dear Mr Chamda

Report of the Auditor-General to the Gauteng Provincial Legislature and the council on the financial statements and performance information of Sedibeng District Municipality for the year ended 30 June 2009

1. The above-mentioned report of the Auditor-General is submitted herewith in terms of section 21(1) of the Public Audit Act, 2004 (Act No. 25 of 2004 read in conjunction with section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996) and section 121(3) of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003)(MFMA).
2. In terms of section 121(3) and 127(2) of the MFMA, municipalities have to include the audit report in the municipality's annual report for tabling within seven months after the end of the financial year. **This report must please be referred to the Municipal Standing Committee on Public Accounts after tabling.**
3. Until tabled as required by section 127(2) the report is **not a public document** and should therefore be treated as **confidential**.
4. As your municipality will be responsible for publishing the attached audit report as part of the annual report, you are required to do the following:
 - Submit the final printer's proof of the annual report (which includes the audit report) to the relevant audit manager of the Auditor-General for verification of the audit-related references before it is printed or copied. Special care should be taken with the page references in your report, since an incorrect reference could have audit implications.
 - The signature Auditor-General in the handwriting of the auditor authorised to sign the audit report, as well as the place and date of signing and the AGSA logo should also appear at the end of the report, as in the hard copy that is provided to you. The official logo and the authorised signature will be made available to you in electronic format if required.
5. Ten (10) copies of the report must be submitted immediately after printing to the following address:

Auditing to build public confidence

Auditor-General of South Africa

PO Box 91081 Auckland Park 2006 Gauteng • Docex 392 • Tel: +27 (0)11 703 7600 • Fax: +27 (0)11 703 7690 • www.agsa.co.za

REPORT OF THE AUDITOR-GENERAL TO THE GAUTENG PROVINCIAL LEGISLATURE AND THE COUNCIL ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION OF THE SEDIBENG 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 Sedibeng District Municipality which comprise the statement of financial position as at 30 June 2009, the statement of financial performance, the statement of changes in net assets, 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 Generally Recognised Accounting Practice (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 control 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 Sedibeng 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 Sedibeng District Municipality as at 30 June 2009 and its financial performance and its cash flows for the year then ended, in accordance with Generally Recognised Accounting Practice and in a manner required by the MFMA.

Emphasis of matter

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

Significant uncertainties

9. With reference to note 30 to the financial statements, the municipality is the defendant in various court cases. The ultimate outcome of the matter could not be determined, and no provision for any liability that may result was made in the financial statements.

Fruitless and wasteful expenditure

10. As disclosed in note 39 to the financial statements, fruitless expenditure to the amount of R118 240 was incurred. This expenditure was as a result of a conference venue that was booked and subsequently cancelled.
11. As disclosed in note 39 to the financial statements, the municipality incurred expenditure to the amount of R1 367 868 on repairs and maintenance of the municipality's close circuit television infrastructure which arose from cable theft. This amount could have been recovered from the municipality's insurers. However, due to an oversight, a claim was not submitted to the municipality's insurer.

Restatement of corresponding figures

12. As disclosed in note 3 to the financial statements, the corresponding figures for 30 June 2008 were restated as a result of compliance with GRAP 13 in the financial statements of the Sedibeng District Municipality at, and for the year ended, 30 June 2008.

Other matters

Without qualifying my opinion, I draw attention to the following matters that relate to my responsibilities in the audit of the financial statements:

Unaudited supplementary schedules

13. The supplementary information set out on pages XX to XX does not form part of the financial statements and is presented as additional information. I have not audited these schedules and accordingly I do not express an opinion thereon.

Non-compliance with applicable legislation

Local Government: Municipal Finance Management Act

14. Fruitless and wasteful expenditure was incurred during the year under review. However, the reporting requirement in terms of section 32(4) of the Municipal Finance Management Act was not complied with.

Governance framework

15. 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

16. 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	Y	N
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.	✓	
Quality of financial statements and related management information			
2.	The financial statements were not subject to any material amendments resulting from the audit.		✓
3.	The annual report was submitted for consideration prior to the tabling of the auditor's report.		✓
Timeliness of financial statements and management information			

No.	Matter	Y	N
4.	The annual financial statements were submitted for auditing as per the legislated deadlines (section 126 of the MFMA).	✓	
Availability of key officials during audit			
5.	Key officials were available throughout the audit process.	✓	
Development and compliance with risk management, effective internal control and governance practices			
6.	Audit committee		
	<ul style="list-style-type: none"> • The municipality had an audit committee in operation throughout the financial year. • The audit committee operates in accordance with approved, written terms of reference. • The audit committee substantially fulfilled its responsibilities for the year, as set out in section 166(2) of the MFMA. 	✓	
7.	Internal audit		
	<ul style="list-style-type: none"> • The municipality had an internal audit function in operation throughout the financial year. • The internal audit function operates in terms of an approved internal audit plan. • The internal audit function substantially fulfilled its responsibilities for the year, as set out in section 165(2) of the MFMA. 	✓	
8.	There are no significant deficiencies in the design and implementation of internal control in respect of financial and risk management.	✓	
9.	There are no significant deficiencies in the design and implementation of internal control in respect of compliance with applicable laws and regulations.	✓	
10.	The information systems were appropriate to facilitate the preparation of the financial statements.	✓	
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.	✓	
12.	Powers and duties assigned are in place, as set out in section 79 of the MFMA.	✓	
Follow-up of audit findings			
13.	The prior year audit findings have been substantially addressed.	✓	
14.	MPAC resolutions have been substantially implemented.	✓	
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.	✓	
16.	Adequate control processes and procedures are designed and implemented to ensure the accuracy and completeness of reported	✓	

No.	Matter	Y	N
	performance information.		
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 Sedibeng District Municipality against its mandate, predetermined objectives, outputs, indicators and targets. (Section 68 of the MFMA).	✓	
18.	There is a functioning performance management system and performance bonuses are only paid after proper assessment and approval by those charged with governance.	✓	

Investigations

17. As reported in note 33 to the financial statements, a forensic investigation on procurement processes followed for appointing catering services was conducted during the current financial year. The Executive Director-Corporate Services was tasked to provide a legal opinion on the forensic audit report to establish the materiality and possible disciplinary charge/s against the alleged offenders. This process is still ongoing.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on performance information

18. I have reviewed the performance information as set out on pages xx to xx.

The accounting officer's responsibility for the performance information

19. 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

20. 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.

21. 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.

22. 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

Existence and functioning of a performance audit committee

23. The audit committee did not:

- review the Sedibeng District Municipality's performance management system and did not make recommendations in this regard to the council of the Sedibeng District Municipality.
- submit an auditor's report to the Sedibeng District Municipal Council regarding the performance management system at least twice during the financial year.

Usefulness and reliability of reported performance information

24. The following criteria were used to assess the usefulness and reliability of the information on the municipality's performance with respect to the objectives in its integrated development plan:

- Consistency: Has the municipality reported on its performance with regard to its objectives, indicators and targets in its approved integrated development plan?
- Relevance: Is the performance information as reflected in the indicators and targets clearly linked to the predetermined objectives and mandate. Is this specific and measurable, and is the time period or deadline for delivery specified?
- Reliability: Can the reported performance information be traced back to the source data or documentation and is the reported performance information accurate and complete in relation to the source data or documentation?

The following audit finding relate to the above criteria:

Performance information not received in time

An assessment could not be performed on 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 in time for audit purposes.

APPRECIATION

25. The assistance rendered by the staff of the Sedibeng District Municipality during the audit is sincerely appreciated.

Auditor-General

Johannesburg

30 November 2009



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annual Report 2008-09



Sedibeng District Municipality

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