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CHAPTER 1

INTRODUCTION AND OVERVIEW

Foreword

The year 2009 saw the electorate going to the polls and electing a government of their choice which means the mandate to lead the country for another five years was confirmed. This does not only deepen democracy but is also places huge Constitutional responsibilities on government in general and municipalities in particular. The municipalities as the sphere closest to the people should be alive to the challenges of service delivery. Examples abound throughout the country of communities who are becoming impatient with municipalities that do not deliver the basic services to them.

From 2007 to date, Waterberg District Municipality was able to produce a credible Integrated Development Plan and the Service Delivery and Budget Implementation Plan. The two above mentioned documents are the heart of the service delivery mandate and are meant to direct and monitor performance of the municipality against its performance targets. The IDP as a five year strategic document is and must be a living document. Although it was adopted in 2006 when the current Council came into power, it is reviewed annually since then, to accommodate the changes that can keep it relevant and responsive.

Section 127 of the Municipal Finance Management Act provides that within seven months after the end of a financial year, the Mayor must table in the Municipal Council the Annual Report of the municipality. The submission of the Annual Report is therefore a legal requirement and its format is highly prescriptive.

The annual Report of Waterberg District Municipality is a public document. In the process of drafting it, public participation is sine qua non. The communities' inputs are solicited and the Oversight Committee, which in part comprises of community representatives sit and peruse the tabled report. We have chosen to be open and transparent in this matter, so that we can learn

important lessons from our mistakes. The community members are even at this stage encouraged to interact with this document and give us feedback. Whatever amount of success the municipality has achieved, it can only be the efforts of a team of which I am its leader.

I am therefore indebted to the fellow Councillors, Managers and every official who is in the employ of the Waterberg District Municipality.

It is our hoped that Waterberg District Municipality will move from strength to strength and become the theatre of planning and the master of coordination.

LEP GWANGWA
EXECUTIVE MAYOR

OVERVIEW

Waterberg District Municipality (WDM) was able to achieve an unqualified audit report in 2008 – it was the achievement which befits the efforts and collective leadership which is in abundance in our municipality. It was in 2008 that Waterberg District received the Provincial Vuna Award and the Premiers Excellence Award. In more ways than one, we did well.

Like all the other municipalities in the country, Waterberg District Municipality is compelled to submit an Annual Report to the Provincial and National Departments. WDM has succeeded in keeping the process to develop our annual reports open and transparent to the public. Before the approval of the Annual Report, it was presented to the Oversight Committee which satisfied itself by going through it and made the necessary amendments.

It is pleasing to report that Waterberg District Municipality was able to use Service Delivery and Budget Implementation Plan to monitor the performance of individuals and the organization against its IDP targets. Important and valuable lessons in performance were learned in the past year. In developing a credible performance management will go a long way in addressing some performance weaknesses. Indeed, our performance management system is bound to mature. Chapter Two of this is a fair reflection of the performance of the municipality for the year under review

Waterberg District confined itself to co-ordination and lending support to the local municipalities in the form of forum and cluster meetings. In line with the current powers and functions, WDM was able to provide disaster management, fire fighting and municipal health services- the quality of these services must still be improved. The determination of collective council leadership has started to breathe fresh air into Intergovernmental Relations and District –wide Planning.

We want to thank the Council leadership, Senior Managers and all other officials for serving Waterberg District Municipality and its communities with dedication and commitment. We should continue to be servants of service delivery. Just like Michel Jordan says: **Individual talent wins games but team work and intelligence win championships.**

A S NAIDOO
ACTING MUNICIPAL MANAGER

Overview of the Waterberg District Municipality

Waterberg District Municipality is one of the five district municipalities found in the Limpopo Province, South Africa. It is positioned on the Western part of the Province and comprises of six local municipalities namely, Bela- Bela, Lephalale, Modimolle, Mogalakwena, Mookgophong and Thabazimbi. It strategically positioned – not far from Gauteng Province, Northwest Province and also not far from Botswana.

Like all the other district municipalities in the Limpopo Province , it is still facing developmental challenges and does not have adequate resources to provide basic services as enshrined in the Constitution, Vision 2014 and the Millennium Development Goals.. Waterberg District Municipality is not a water services authority. It provides services such as municipal health, fire fighting and disaster management. The population in terms of census 2001 is 614, as compared to the community survey of 2007. In all these statistics, the majority s the Africans.

Despite all the development challenges, Waterberg District Municipality is the undiscovered Gem of South African Treasures, land of intense beauty and color reflected in the environment and its people. It has comparative advantages in mining , tourism and agriculture which cannot be matched by any district in the province. The development of Medupe power station in Lephalale has the potential to influence the lives of the communities of Waterberg in a positive way.

Local Municipality	Number of Wards
1. Bela-Bela	8
2. Lephalale	12
3. Modimolle	8
4. Mogalakwena	32
5. Mookgophong	4
6. Thabazimbi	10
TOTAL	74

Population Statistics: Census 2001

Local Municipality	Population	No of Households	% of District Municipality
Bela _ Bela	52 122	12 279	
Lephalale	96 074	23 401	
Modimolle	72 797	17 536	
Mogalakwena	298 419	68 010	
Mookgophong	30 746	6 977	
Thabazimbi	63 881	20 280	
WATERBERG	614 041	148 483	

Community survey : 2007

Local Municipality	Population	No of Households	% of the District Municipality
Bela- Bela	55 841	142 290	
Lephalale	80 142	26 231	
Modimolle	52 604		
Mogalakwena	330 645		
Mookgophong	16 817		

Thabazimbi	60 044	23 872	
WATERBERG	540 449		

A survey is as a sample is to a population.

Labour force

	2001 Census	2007 Community survey
Employed	140 377	141 170
Unemployed	62 621	141 170
Not economically active	165 485	154 514

Council Composition

Waterberg District Council has 33 seats and one of which remains vacant. The Council comprises of 32 councillors of which 13 are directly elected whilst 19 are indirectly elected. Three traditional leaders attend The councillors represented hereunder are reflected as from March 2006 to date. The erstwhile Executive Mayor is now MEC: Roads and Transport and was replaced in May 2009.

Members of Council

Executive Mayor	:	Councillor LEP Gwangwa
Speaker	:	Councillor YE Lorgat
Chief Whip	:	Councillor MM Lamola
Members of Mayoral Committee	:	Councillor MD Mabote
		Councillor SJ Madela
		Councillor MJ Makhafola

Councillor SM Molekwa

Councillor RE Mothibi

Councillor MJ Rakgwale

Councillors

:

Councillor AE Basson

Councillor MP Kekana

Councillor MP Kekana

Councillor ME Lefawana

Councillor VB Machine

Councillor SK Makgae

Councillor RJ Makgoba

Councillor LS Manamela

Councillor GS Matsietsa

Councillor MP Modiba

Councillor TE Mokhonoana

Councillor MAD Monama

Councillor RN Monene

Councillor ML Moremi

Councillor TP Mphahlele

Councillor LR Seanego

Councillor M Selomo

Councillor MA Setlhare

Councillor PH Tsebe

Councillor LW Van Aswegen

Councillor JD Van Heerden

Traditional leaders:

Kgosi PT Matlala

Kgosi MS Ledwaba

Kgosi PD Seleka

Section 80 Committees:

SOCIAL DEVELOPMENT & COMMUNITY SERVICES	
Chairperson : Councillor MJ Rakgwale	Members : Councillor TP Mphahlele Councillor ML Moremi Councillor L Seanego Councillor M Selomo
INFRASTRUCTURE DEVELOPMENT	
Chairperson : Councillor RE Mothibi	Members : Councillor MAD Monama Councillor RN Monene Councillor SM Molekwa Councillor j Vreugdenburg Councillor RJ Makgoba
BUDGET & TREASURY	

Chairperson : Councillor SJ Madela	Members : Councillor MM Lamola Councillor AE Basson Councillor MP Modiba Councillor SK Makgae
PLANNING & ECONOMIC DEVELOPMENT	
Chairperson : Councillor SM Molekwa	Members : Councillor LW Van Aswegen Councillor PH Tsebe Councillor ME Lefawane Councillor GS Matsietsa Councillor MP Kekana
GENDER,SPORTS,ARTS & CULTURE	
C hairperson : Councillor MJ Makhafola	Members : Councillor KN Ramohlale Councillor MA Setlhare Councillor JD Van Heerden Councillor TE Mokhonoana
TRANSFORMATION & ADMINISTRATION	
Chairperson : MD Mabote	Members : Councillor OO Modise Councillor VB Machine Councillor LS Manamela Councillor MP Kekana

CHAPTER 2 : PERFORMANCE REPORT

In terms of chapter 12 of the Municipal Finance Management Act 56 Of 2003 and section 46 of the Municipal Systems Act 32 of 2000 the municipality is required to report on annual performance reflecting (a) the performance of the municipality and of each external service provider during the financial year (b) a comparison of the performance referred to in paragraph (a) with targets for and performances in the previous financial year and (c) measures taken to improve performance.

The performance for 08/09 Financial Year is derived from the implementation of the 08/09 Service Delivery and Budget Implementation Plan. The internal Audit Unit was able to audit the performance reports and report to the Performance Audit Committee.

KPA & PROJECTS	Indicator	Annual Target 07/08	Annual Target 08/09	Performance Result/Outcome 08/09	Remedial action/ Comment	Amount budgeted R00	Amount spent R00
KPA MUNICIPAL TRANSFORMATIO N	Number of policies developed and reviewed	10	4	4- Target achieved	None	00	00
	Number of by-laws drafted	0	5	5- Target achieved	Assistance from DLGH on promulgation of by-laws	00	00
	Number of Municipal Managers Forum Meetings held	4	3	2- Target not achieved	Implement IGR schedule	15,000	11,600
	Number of IGR cluster meetings held	12	12	10- Target not achieved	Comply with IGR schedule	00	00
	Number of	5	8	5-Target not achieved	Review and implement	00	00

	people from the employment equity target group employed in the three highest levels of management in compliance with a A municipality's approved employment equity plan				current Employment Equity Plan		
	% of a municipality's budget actually spent on implementing its workplace skills plan	100%	100%	Target achieved	None	703,000	703,000
	Number of Performance Agreements signed	7	7	6- Target not achieved	Comply with sub-regulation 24(1) of Municipal Performance Regulation of 2006	00,00	00
	Number of performance reviews conducted	4	4	Target achieved	None	00,00	R00
	Number of annual surveys conducted	0	1	1- Target achieved	None	00,00	R00
PROJECTS	Final Section 78 Report	0	1	Project Completed	None	400,000	400,000

	Training of fire fighting	30	50	Project Completed	None	330,000	321,900
	Implementation of MSP projects	1	1	Project Completed	None	7,000,000	6,662,785
	Partitioning of Existing Offices	1	4	Project completed	None	340,000	304,691
	Upgrading of surveillance camera	1	4	Project completed	None	100,000	72,933
	Institutional study	1	1	Project completed	Roll over Project : 2008	300,000	400,000
	Integrated Development Plan	1	1	Project completed	None	400,000	274,889
	Procurement of assets	1	1	Project completed-	Some funds were saved	4,066,000	3,006,618
	Employee Assistance programme	1	1	Project completed	None	250,000	300,000
	Performance Management System	1	1	0- Project not completed	Appointment in March 2009 but really work began in July 2009. Roll over	3,696,491	11,437
	Anti-Fraud & Corruption Strategy	1	1	Project completed	None	00,000	00,000
	Internal Audit Plan	1	1	Project completed	None	00,000	00,000
BASIC SERVICES	% reduction of monthly electricity bill	10%	10%	4%- Target not achieved	Electricity savings plan activities to be intensified	00,000	00,000
	Number of waterborne sanitation	-	1300	660- Project not completed	Due to lack of funds 660 connections could not be made		

	connections						
	Number of km of gravel road upgraded to tar	-	14km	6km- Project not completed	Due to funds 8km could not be upgraded.	5,100,00	5,100,000
	Number of landfill sites completed	11	11	3 -Project not completed	Municipalities prioritized only 3 which were in the worst state		
	Number of jobs created through EPWP	-	30	52-Project completed	Target exceeded		
	Number of monitoring and PAC Meeting conducted	-	24	20- Target not achieved	Comply with Performance plan		
	Number of capacity building for project beneficiaries	4	4	0	Comply with Performance Plan		
	Number of capacity building campaigns on Environment Legislation	4	4	3- Target not met	N one		
	Number of mortuaries / funeral undertakers evaluated	60	51	9- Target not met	None	0	
	Number of food premises evaluated	-	240	203- Target not met		00,000	00,000
	Number of water samples	60	88	28- Target exceeded		00,000	00,000

	analysed						
PROJECTS	Northam sewerage	1	1	Roll over project		9,195,000	8,837,812
	Bakenberg Road	1	1	Project completed		5,100,000	5,100,000
	Landfill sites	-	11	Roll over project	Roll over: 2008	4,166,142	1,701,546
	Municipal Health Plan	1	1	Project not completed	Due to lack of funds it was discontinued	3,892,000	3,892,000
	Review of air quality plan	1	1	Project completed	Due to lack of funds-	441,000	440,992
	Fire Fighting by-laws	5	5	Project completed	The by-laws must still be promulgated	00,000	00,000
	Modimolle Disaster Management Centre	1	1	Project completed	Roll over Project: 2008	1,771,290	14, 323,16
	Lephalale Disaster Management Centre	1	1	Project not completed	Delays in electrification of the building: Roll Over project : 2008	5,277,938	2,9335,17
	Reconstruction of Rust de Winter bridge	1	1	Project not completed	Roll-over project: 2008	3,550,000	917,441
	Upgrading of abattoir			Project not completed	Roll over project: 2008	3,824,097	875,601
LOCAL ECONOMIC DEVELOPMENT							
	Number of land use applications responded to	-	4	16- Target exceeded	None	00,000	00,000
	Number of jobs created	-	50	23- Target not met	Improve on implementation of LED strategy	00,000	00,000
	Number of	4	4	4- Target met	None	00,000	00,000

	Agricultural Forum Meetings held						
	Number of CTAs established	6	6	6- Target met	None		
	Number of Transport Forum Meetings held	4	4	4- Target met	None	357,000	27,148
	Number of applications processed	0	6	12- Target exceeded	None	00,000	00,000
	Number of communities to benefit from project	4	4	29- Target exceeded	None	00,000	00,000
	Number of LED reports submitted	4	4	4- Target met	None	00,000	00,000
	% of brand exposure	100%	100%	Target met	None	1,250,000	1,090,641
PROJECTS							
	Review SDF	1	1-	Project completed	None	500,000	425,559
	Transport Plan	1	1	Project not completed	Implementation of ITP	357,000	329,851
	Biosphere Meander	1	1	Project not started	Delays caused by re-advertisement of the tender	900,000	900,000
	Honey Bee	1	0	Project completed	None	500,000	500,000
	Wild life feasibility study	1	1	Project not completed	Delays caused by re-advertisement of tender	3,000,000	12.453
	Lephalale Agricultural Corridor	1	1	Project not competed	Delays in implementation	3,000,000	3,000,000

	Land Use Policy	1	1	Project completed	None	350,000	168,371
	Promotion of WDM icons	1	1	Project completed	None	100,000	100,000
	Madisha/ Dipudi Goat	1	1	Project completed	None	850,000	850,000
	Tourism Development	1	1	Project completed	None Roll over Project: 2008	1,250,00 931,241	1,090,641 931,241
	Government complex- Township Establishment	0	1	Project not completed	New project created during adjustment budget	760,000	760,000
	District-wide LED	1	1	Project completed	None	400,000	203,560
FINANCIAL MANAGEMENT							
	Number of policies developed and reviewed	5	0	5- Target met	None- emphasis is on implementation of policies	00,000	00,000
	Number of CFO Forums meetings held	4	4	3 Target not achieved	Comply with CFO's schedule	00,000	00,000
	Number of project status reports submitted	12	12	12- Target met	None	00,000	00,000
	Number of reports on number of bids awarded to HDIs	0	2	2		00,000	00,000
	% of Audit queries resolved	100%	100%	80%- Target not achieved	Performance related queries relies on the development of a PMS	00,000	00,000
	% of variance on	Less than				00,000	00,000

	departmental budget	10%	Less than 10%		None		
	% of capital budget spent	100%	100%	48%- Target not achieved	Develop a strategy to improve spending	25,997,383	12,525,348
	Number of risk reports submitted to Audit Committee	-	4	3-Target not achieved	None	00,000	00,000
	Number of annual asset conducted	1	1-	1 - Target achieved	None	00,000	00,000
	Number of Monthly Financial Grant Reports submitted	12	12	12- Targets achieved	None	735, 000	735,000
	Number of annual reports submitted	1	1-	2- Target achieved	None	00,000	00,000
	Number of MFMA s71 reports submitted	12	12	12- Targets achieved	None	00,000	00,000
	Number of MFMA s52 reports submitted	12	12	12- Target achieved	None	00,000	00,000
	Number of s66 MFMA reports submitted	12	12	12- Target achieved	None	00,000	00,000
	Number of MFMA Yearly	1	1	1- Target achieved	None	00,000	00,000

	Reports submitted						
	Tabling of Annual Budget/IDP by 31 March 2009	1	1	1- Target achieved	None	00,000	00,000
	Approval of Budget/IDP Process Plan by 31 August 200	1	1	1- Target achieved	None	00,000	00,000
	Approval of Annual Budget/IDP by 31 May 2009	1	1	1- Target achieved	None	00,000	00,000
	Debt coverage ratio	100%	100%	- No debtors	None	00,000	00,000
	Service debtors to ratio	60%	60%	40%- Target exceeded	None	00,000	00,000
	Cost coverage	100%	100%	234%- Target exceeded	None	00,000	00,000
	Unqualified audit report	1	1	Target achieved	None	00,000	00,00
PROJECTS	Donor Strategy	0	1	Project not completed	Tender was advertised without getting a successful bidder	200,000	200,000
	Finance Management System	1	1	Project not completed	Project was discontinued	2,500,000	13,054
GOOD GOVERNANCE & PUBLIC PARTICIPATION	% of Council Resolutions implemented	100%	100%	95%- Some resolutions were not implemented	Improve on using the Council Resolution Progress Template	00,000	00,000
	Number of IGR meetings held as	4		0- Target not achieved	Comply with IGR schedule		00,000

	per schedule						
	Number of Communications Forum Meeting	4	4	2- Target not achieved	None	00,000	00,000
	Number of imbizos held	6	6	7- Target met	None	00,000	00,000
	Number of cultural festivals held	1	1	1-Target met	None	00,000	00,000
	Number of programmes towards development of sports, arts and culture.	3	3	2 -Target not achieved	Only Mayors Cup & OR Tambo Games were held due to lack of funds	00,000	00,000
	Number of Council meetings held	4	4	7- Target exceeded	3 Special Council meetings were held	00,000	00,000
	Number of HIV/AIDS campaigns conducted	4	4	1- Target not achieved	Budget was used to co-ordinate HIV/AIDS Council meetings	150,000	137,441
	Number of local disability desks established	7	7	7- Target achieved	None	00,000	00,000
	Number of gender reports submitted	4	4	0- Target not achieved	None	00,000	00,000
	Number of sets of resolutions monitored	4	4	4-Target met	None	00,000	00,000

	Formalisation of District House of Traditional Leadership	0	1	Project completed	None	00,000	00,000
	Mayoral Golf	0	1	Project discontinued	Postponed to November 2009 due to lack of funds	200,000	200,000
	Communication newsletter	0	4	Target not met	Delays in appointing service provider	300,000	300,000
	District Learning network	2		Project discontinued	Funds diverted to Councillors S& T allowances		
	Youth Indaba	0		Project discontinued	Diverted to other projects		
	Gender Programme	0		Project not completed			
	HIV/AIDS Strategy	1		Project discontinued	Shortage of funds- funds used to convene HIV/AIDS Councils		

External Service Provider

NAME OF THE SERVICE PROVIDER	SERVICE	APPOINTMENT DATE	COMPLETION DATE	SERVICE/TENDER AMOUNT	PERFORMANCE REMARKS
1. Sechele Incorporated	Provision of Legal Services	4 th June 2008	4 th May 2011 (3 year contract)	Fee Structure	Satisfactory
2. Verveen Attorneys	Provision of Legal Services	4 th June 2008	4 th May 2011 (3 year contract)	Fee Structure	Satisfactory
3. Badiredi Travel	Provision of Travel and Accommodation Services	27 th MAY 2008	27 th April 2011 (3 year contract)	Fee Structure	Satisfactory
4. Nothern Telecom	Supply, install and delivery of telephone system	1st February 2008	1 st January 2011 (3 year contract)	R 241 000.00 or R5 013.06 p.m on 0% prime rate	Satisfactory
5. Elda Motors	Procurement of 5 pool vehicles	03 July 2008	03 August 2008	R703 636.50 (VAT exclusive)	Satisfactory
6. Immaculate Management Services	Lephalale Fire Station & Disaster Centre	29 July 2008	June 2009 (extended)	R3 072 647.09 (VAT exclusive)	In progress
7. Standard Bank	Provision of banking service	21 August 2008 (only starting in February 2009)	February 2014 (5 year contract)	Fee Structure	Cancelled
8. Honey Bee Management	Bee Keeping Project	03 September 2008	March 2009	R500 000.00 (VAT exclusive)	Satisfactory
9. BAM Strategic Management	Destination Brand Activation	03 September 2008	March 2009	R1 100 000.00 (VAT exclusive)	Satisfactory
NAME OF THE SERVICE PROVIDER	SERVICE	APPOINTMENT DATE	COMPLETION DATE	SERVICE/TENDER AMOUNT	PERFORMANCE

					REMARKS
10.CSIR Built Environment	Development of policy on land use	21 October 2008 (commence 17 Nov `09)	17 March 2009	R307 017.54	Satisfactory
11.Gondwana Environmental solutions	Air quality management plan	21 October 2008	April 2009	R437 100.00 (VAT exclusive)	Satisfactory
12.EOH Public Sector	S78 Municipal Health Services	30 October 2008 (commence 10 Nov `08)	10 March 2009	R437 414.91 (VAT exclusive)	Satisfactory
13.BC Gildenhuys & Associates	Spatial Development Framework	30 October 2008 (Commence 6 Nov 2009)	06 April 2009	R438 596.49 (VAT exclusive)	Satisfactory
14.Mafafo Construction J/V	Upgrading of the abbatoir	30 October 2008	May 2009 (extended)	R2 768 898 (VAT exclusive)	In progress
15.Nambiti Technologies pty ltd	Supply & delivery of Microsoft Office Professional Licenses 2007	30 October 2008	30 November 2008	R526 953.67 (VAT exclusive)	Satisfactory
16.Mametse Investments CC	Institutional Study	03 December 2008	May 2009	R333 333.33 (VAT Exclusive)	Satisfactory
17.IT MASTER / IKANDO CC	Supply of MS Exchange Server &Project Management 2007 Software & Licenses	03 December 2008	31 January 2009	R354 062.28 (vat Exclusive)	Satisfactory
18.Le`cec Events Management	Office Partitioning of the WDM Offices	07 January 2009	31 February 2009	R220 877.19 (VAT Exclusive)	Satisfactory
19.Selby Construction CC	Northam Sewer Reticulation Network	08 January 2009	July 2009	R6 632 718.67 (VAT Exclusive)	Satisfactory
20.FAWCETT SECURITY	Security Services for 3 years period	13 February 2009	March 2012	R74 715.10 Per Month (VAT Inclusive)	Satisfactory
21.Sauppy Trading	District Wide Skills Audit	22 October 2009	31 January `09	R148 500.00 plus R51 250.00 (vat Inclusive)	Satisfactory
NAME OF THE SERVICE PROVIDER	SERVICE	APPOINTMENT DATE	COMPLETION DATE	SERVICE/TENDER AMOUNT	PERFOMANCE

					REMARKS
22.Institute of Performance Management	Performance Management System (3 years old)	12 March 2009 (commence 01 July 2009)	June 2012	R6 929 070.10(VAT exclusive)	In progress
23.Ikando trading as IT Master	ICT Equipments*	23 March 2009	30 April 2009	R270 237.59 (vat Exclusive)	Satisfactory
24.Africon	Feasibility Study on Wildlife	25 March 2009	30 Sept 2009	R2 581 360.00(VAT exclusive)	In progress
25.P.Verveen Professional Accountant (SA)	VAT Review and Recovery	07 April 2009	30 May 2010	20% commission rate(VAT Inclusive)	In progress
26.Golf Studio	Annual Mayoral Golf day Event and Sponsorship	07 April 2009	31 June 2009 (prosponed)	30% Commission(VAT Inclusive)	In progress
27.Lesmer Civils &Projects	Rehabilitation of the Vaalwater Landfill sites Project (Contractor)	09 April 2009	30 Sept 2009	R1, 300 146.39(VAT exclusive)	In progress
28.Lepelle Waste Managemnet	Rehabilitation of the Modimolle Landfill sites Project (Contractor)	09 April 2009	30 Sept 2009	R610 995.00(VAT exclusive)	In progress
29.Interwaste t/a Enviro-Fill Waste Management Services	Rehabilitation of the Thabazimbi Landfill sites Project (Contractor)	09 April 2009	30 Sept 2009	R869 148.00(VAT exclusive)	In progress
30.Suwil Rudolph Valuers	Fixed Assets valuations	08 May 2009	30 June 2009	Fee Structure	Satisfactory
31.Be my Guest Trading and Projects	Rust de winter Bridge	07 April 2009	30 December 2009	R2, 849 578.73(VAT exclusive)	In progress
NAME OF THE	SERVICE	APPOINTMENT DATE	COMPLETION DATE	SERVICE/TENDER AMOUNT	PERFOMA

SERVICE PROVIDER					NCE REMARKS
32.AON South Africa pty Ltd	Insurance Cover for (3 years period contract)	23 June 2009	30 June 2012	Fee Structure	Satisfactory
33.Selby Construction CC	Extension of the Northam Sewer Reticulation Network	22 May 2009	July 2009 (extended)	R662 425 (VAT Exclusive)	Satisfactory
GRAND TOTAL				R34 913 046.17 (Excluding structured fees appointments)	

Legend :

Good- Project completed on time and within the terms of contract

Satisfactory- Project completed but not within

In progress- ct is still executed in the next financial year

POWERS AND FUNCTIONS

Currently Waterberg District Municipality performs the following core- functions only :

- Municipal Health Services
- Fire Fighting Services
- Local Economic Development & Tourism
- Municipal Planning
- Air Pollution
- Municipal Abattoir
- Disaster Management

KEY CHALLENGES

Although the district is not a basic service provider, it has a fair understanding of the key challenges that all municipalities faced and still faces in their attempts to provide these services.

KPA 1: Municipal Institutional Development & Transformation

- Provision of inadequate support to local municipalities.
- Implementation of plans , policies and strategies.
- Implementation of a district-wide Performance Management System.
- Lack of ways to measure return on investment in training.
- Lack of staff in certain functional areas.
- Inadequate revenue and grant dependency
- Limited resources to implement municipal health services up to required standards.
- Lack of funding to have a regional solid waste site.
- District roads are not funded because the issue of road classification is not resolved.
- Alternative finance resources to replace RSC levy are unavailable.
- Abattoir is running at a loss.
- Perennial existence of roll over projects.

KPA 2 : Basic Services & Infrastructure Development

Solid Waste Management

- Establishment of a regional landfill site.
- Licensing of land fill sites.
- Identification and Rehabilitation of existing dumping sites.

Municipal Health

- Inadequate funding to provide the municipal health services.
- Provision of the services on a lower standard.
- Air quality licensing

KPA 3 : LED

- Unsatisfactory implementation of LED Strategies
- High unemployment rate in the district.
- Lack of funds to implement Spatial Development Projects
- Lack of investment in LED Infrastructure
- Ineffective functioning and establishment of WEDA
- Unsatisfactory participation of stakeholders in tourism

KPA 4 : Financial Viability and Management

- Inadequate revenue

KPA 5 : Public Participation & Good Governance

- Ineffective IGR structures
- Development and implementation of Public Participation Strategy
- Ineffective implementation of Anti- corruption strategies
- Poor follow-up on imbizos programme
-

KPA 6: Spatial rationale

- Poor implementation of and lack of funds to implement SDF projects
- Changing of town planning
- Unresolved land claims

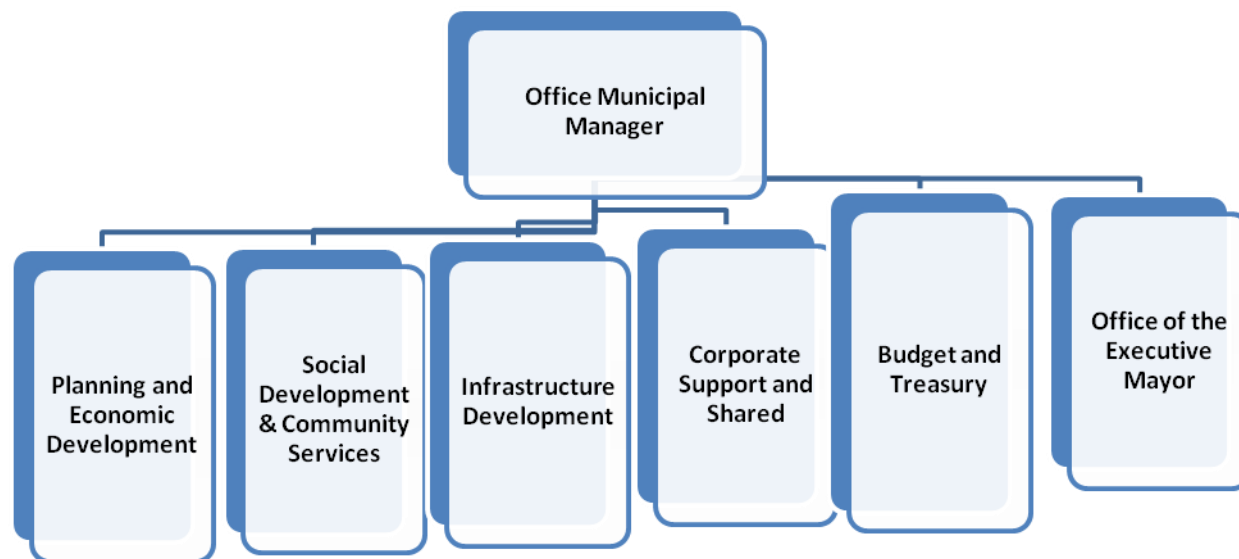
KEY SUCCESSES

- Received an unqualified report in 07/08.
- Marketing of destination brand intensified.
- Conducted performance reviews for s56 Managers consistently.
- Improvement in functionality of IGR clusters.
- Overall Provincial Vuna Award Winner in 2007/08:
- Provincial Vuna Award KPA 4 & 5
- Access to Disaster Management services.
- Improvement legislative compliance of local government.
- Development of credible IDP and SDBIP.
- Reduction of employee turnover rate by more than 50% .
- Maintenance and update of a user friendly and informative website.
- Early compliance with minimum competency levels gazette targets .

CHAPTER 3: HUMAN RESOURCES AND ORGANISATIONAL MANAGEMENT

Council approved the current organizational structure in 2007. There were still some challenges in aligning it fully with the principal strategy of the municipality, namely the Integrated Development Plan (IDP). The outcome of the Institutional Study has a profound effect on the current organizational structure.

Organisational structure



Staff Information

The table below indicates the total number of posts per function as per the approved organizational structure as well as the number of posts filled and the vacancies per department.

Department	Total Number of Posts	Number of filled posts	Number of Vacancies
Office of the Mayor	14	7	7
Office of the Municipal Manager	12	9	3
Budget & Treasury Office	13	13	0
Corporate Support & Shared Services	22	20	2
Infrastructure Development	7	4	3
Social Development & Community Services	33	27	6
Planning & Economic Development	21	17	4
TOTAL	122	97	25

Employment equity

Workforce Profile as at 30 June 2009

Occupational category		Male				Female				Total
		A	C	I	W	A	C	I	W	18
Legislators, senior officials and managers		11		1		4			2	26
Professionals		10			5	11				3
Technicians & associate professionals		1			1	1				32
Clerks		11				19			3	
Service & sales workers		0								0
Skilled agricultural & fishery workers		0								0

Proposed numerical goals for 2008/09

Occupational category	Male				Female					Total
	A	C	I	W	A	C	I	W		
Legislators, senior officials and managers	1	0	0	0	1	0	0	0		2
Professionals	1	0	0	2	1	0	0	0		4
Technicians & associate professionals	1	0	0	0	1			1		
Clerks	1	1	0	1	1	1	0	1		5
Service & sale	0	0	0	0	0	0	0	0		

workers									
Skilled agricultural and fishers workers	0	0	0	0	0	0	0	0	0
Craft and related workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	1	0	0	1	3	0	1	0	0
Total	5	1	0	3	7	1	1	2	20

Skills Development Programmes

Training & skills development interventions	Number of staff trained	Cost in Rand
ABET	4	R00
Budget & Graap	20	R67,000
Supply Chain Management	15	R27,500
Project Management	15	R156,000
Executive Leadership	3	R45,,000
Basic Fire Fighting	50	R300,000
PMD	4	
Water Quality Moniroting	12	R160,000
Disciplinary Hearing	5	R10,000
Powerpoint	7	R8,000
Excel	3	R8,000
Advanced Power Point		R16,000
Total		

Personnel Expenditure

Financial year	R,000	% of total expenditure
2004/05	13,094,024	
2005/06	16,336,377	
2006/07	16,737,306	
2007/08	24,591,935	
2008/09	29,263,410	

The table shows that over the years, personnel expenditure has increased significantly as a result mainly of the devolution of the municipal health services.

Pension and medical funds

Name of Pension Fund	Number
Municipal Gratuity Fund	53
National Pension Fund for Municipal Workers	47*
Municipal Employee Pension Fund	15
Government Employee Pension fund	19
Joint Municipal Pension Fund	1
Name of Medical Fund	
Municipal Councillors Medical Fund	19
Bonitas	23
Hosmed	1
LA Health	34
LA health Parmed	1
TOTAL	78

Note : There are staff members who belong to both a pension fund and a provident fund.

Arrears owed by staff and councilors

In line with section 164 of the MFMA, no loan was granted to both Councillor and the official alike.

Salary disclosures

Councillor	07/08 R	08/09 R
Executive Mayor	435,199	538,575
Speaker	362,058	430,860
Full time Mayoral Committee Member	251,673	403,931
Mayoral Committee Members(6)	670,624	714,565
Councillors (24)	1,146,221	1.164,559
Traditional leaders(3)	00	00
Council's contribution	331,500	372,806

In addition to the above, the full time councilors received a monthly cellphone allowance of R1,332 and part time councilors received a cell phone allowance of R831.

Senior Management (Section 56 employees)

Designation	Remuneration package 07/08 R	Remuneration package 08/09 R
Municipal Manager	780,000	844,740
Chief Financial Officer	666,600	750,000
Manager: Corporate Support & Shared Services	690,000	747,270
Manager : Planning & Economic Development	594,000	643,302
Manager: Social Development & Community Services	539,328	584,093
Manager: Infrastructure Development	600,000	649,800
Manager : Executive Mayors Office	508,800	551,031

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WATERBERG DISTRICT MUNICIPALITY

STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2009

	Note	2009 R	2008 R
ASSETS			
Current assets		101 935 297	94 627 662
Cash and cash equivalents	1	90 085 751	79 596 740
Trade and other receivables from exchange transactions	2	41 775	232 889
Other receivables from non-exchange transactions	3	269 540	826 845
Held-to-maturity investments	4	10 088 767	13 127 726
VAT receivable	5	1 423 939	843 462
Non-current assets held for sale	6	25 525	-
Non-current assets		37 808 691	32 695 590
Non-current receivables	7	39 877	35 827
Property, plant and equipment	8	36 645 215	32 208 516
Intangible assets	9	1 123 599	451 247
Total assets		139 743 988	127 323 252
LIABILITIES			
Current liabilities		11 192 009	8 703 417
Trade- and other payables	10	4 574 432	4 209 456
Consumer deposits	11	10 865	10 865
Provisions	12	172 254	-
Unspent conditional grants and receipts	13	5 379 439	3 753 372
Current portion of retirement health care liability	14	919 049	621 899
Current portion of long service awards liability	15	135 970	107 825
Non-current liabilities		9 448 576	9 044 147
Retirement health care liability	14	8 712 615	8 387 866
Long service awards liability	15	735 961	656 281
Total liabilities		20 640 585	17 747 564
Net assets		119 103 403	109 575 688
NET ASSETS			
Reserves		119 103 403	109 575 688
Revaluation reserve		-	-
Accumulated surplus	29	119 103 403	109 575 688
Total net assets		119 103 403	109 575 688

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WATERBERG DISTRICT MUNICIPALITY

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2009

		<u>Revaluation Reserve</u>	<u>Accumulated Surplus</u>	<u>Total</u>
	Note	R	R	R
2008				
Balance at 1 July 2007		431 997	116 648 324	117 080 321
Correction of prior period error				
Land Accounting Policy correction	33	(431 997)	431 997	-
Change in accounting policy:				
Intangible assets recognition	32		259 906	259 906
Defined benefit healthcare liability recognition	32		(7 964 531)	
Defined benefit long service awards liability	32		(619 293)	
 Restated balance		<u>-</u>	<u>108 756 403</u>	<u>117 340 227</u>
 Net surplus for the year			819 285	819 285
 Balance at 30 June 2008		<u>-</u>	<u>109 575 688</u>	<u>118 159 512</u>
 2009				
Balance as at 1 July 2008		-	109 575 688	118 159 512
Net surplus for the year			9 527 715	9 527 715
 Balance at 30 June 2009		<u>-</u>	<u>119 103 403</u>	<u>127 687 227</u>

Note 29

WATERBERG DISTRICT MUNICIPALITY

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2009

	Note	2009 R	2008 R
CASH FLOW FROM OPERATING ACTIVITIES			
Cash receipts from ratepayers, government and other		81 825 761	66 912 748
Cash paid to suppliers and employees		(76 290 486)	(68 132 919)
Cash generated from / (utilised in) operations	30	5 535 275	(1 220 171)
Interest received		12 245 690	11 075 253
Net cash flows from operating activities		17 780 965	9 855 082
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(6 673 543)	(7 936 318)
Purchase of intangible assets		(887 516)	(171 439)
Proceeds on sale of property, plant and equipment		273 157	170 000
Increase in long term receivables		(4 050)	(5 362)
Net cash flows from investing activities		(7 291 952)	(7 943 119)
Net increase in net cash and cash equivalents		10 489 013	1 911 963
Net cash and cash equivalents at beginning of year		(79 596 740)	(77 684 777)
Net cash and cash equivalents at end of year	31	90 085 751	79 596 740

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**WATERBERG DISTRICT MUNICIPALITY
ACCOUNTING POLICIES OF THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR
ENDED 30 JUNE 2009**

1. BASIS OF ACCOUNTING

1.1 BASIS OF PRESENTATION

The annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention.

The financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practices (GRAP) prescribed by the Minister of Finance in terms of:

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- *Government Notice 992 of 2005, issued in Government Gazette no. 28095 of 15 December 2005; and*
- *Government Notice 516 of 2008, issued in Government Gazette no. 31021 of 9 May 2008.*

The standards comprise of the following:

GRAP 1	Presentation of Financial Statements
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GRAP 14	Events After the Reporting Date
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GRAP 17	Property, Plant and Equipment
GRAP 19	Provisions, Contingent Liabilities and Contingent Assets
GRAP 100	Non-current Assets Held for Sale and Discontinued Operations
GRAP 101	Agriculture
GRAP 102	Intangible Assets

Directives and Guidelines form part of the GRAP Reporting Framework. The ASB Directive and Guidelines applicable to Waterberg District Municipality comprise the following:

Directive 1	Repeal of Existing Transitional Provisions in, and Consequential Amendments to, Standards of GRAP
Directive 4	Transitional Provisions for the Adoption of Standards of GRAP by Medium and Low Capacity Municipalities
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**WATERBERG DISTRICT MUNICIPALITY
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Effective accrual based IPSASs considering the provisions in paragraphs 15 to 19 of Directive 5 applicable to Waterberg District Municipality comprise the following:

IPSAS 20	Related Party Disclosures
IPSAS 21	Impairment of Non Cash-Generating Assets

**WATERBERG DISTRICT MUNICIPALITY
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CHAPTER 5 : FUNCTIONAL SERVICE DELIVERY REPORT

Function:	Executive and Council
Sub function:	Executive Mayor's Office
Reporting Level	Detail
Overview	Overall coordination of council activities

Description of the Activity.	• Overall administration of the Office of the Executive Mayor and to contribute to its effectiveness in leading the institution. • Promote good governance, public participation & communication.
	Strategic objectives : • To provide municipal services. • To ensure effective intergovernmental relations between spheres of government. • To mainstream the disabled and gender functions. • To develop and implement HIV/AIDS Strategy. • To ensure that Senior Managers implement Council Resolutions timeously and effectively.

Analysis of function	Number and cost to employer of all Executive Mayor's Office personnel	
	The total number of personnel employed	9
	Total number of Councillors	33
	Number of Councillors on the Mayoral Committee	

	• Council Meetings ○ Ordinary 4 ○ Special 2 • Mayoral Committee Meetings ○ Ordinary 5 ○ Special 0 • Portfolio Committee Meetings ○ Budget & Treasury 7 ○ Transformation & Administration 6 ○ Planning & Economic Development 5 ○ Infrastructure Development 8 ○ Social Development &Community Services 7 • District Intergovernmental Forum Meetings 0 • Speaker's Forum 1 • Chief Whip's Forum 1	
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Key Performance Area	Performance during the Year
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	ACHIEVEMENTS
	• Effective functioning of the Oversight Committee. • Provincial Vuna Award winner on KPA 5: Good Governance & Public Participation. • Launching of Disability Councils in all local municipalities.

Special Programmes	- Women in Sport - Youth against crime

Function: BUDGET & TREASURY Sub Functions: Income, Expenditure Supply Chain Management	
Reporting level	Detail
Overview	The Budget & Treasury Office mission is to provide financial support and ensure that public funds are utilized efficiently, effectively and economically, thus improving the lives of the communities. Formulate and enforce policies, rules and regulations to facilitate financial sustainability. Implement and ensure compliance with the Municipal Finance Management Act, other relevant legislation and governance practices and National Treasury reforms ensuring the continuance of local government reforms.
Description of the Activity.	The Budget & Treasury Office comprises of the following divisions: • Revenue • Expenditure • Reporting and • Supply Chain Management
	Strategic objectives :

	• To find new sustainable sources of revenue. • To complete accurate, valid and complete Fixed Asset Register. • To review SCM Policy and reduce deviations from SCM Policy. • To report effectively and timely.
	Achievements • 08/09 GAMAP/GRAP compliant annual financial statements were submitted timely. • Received an unqualified 08/09 Audit Report. • All exemptions of Gazette 30013 were resolved and implemented in terms of GRAP and other reporting standards authorized by the Minister of Finance. • Winner of Limpopo Vuna Awards for KPA 4: Financial Management and Viability. • 80% of 07/08 Audit queries were resolved. • Successful implementation of financial policies. • Successful implementation of 3 part Supply Chain bid system. • CFO as CA(SA) and other finance officials comply with the Gazetted Minimum Competency Targets. • 90% of SDBIP was implemented successfully.

Analysis of Function	1. Number and cost to employer of all financial personnel The total number of personnel employed Financial interns appointed	13 1	
	2. Debtor analysis: amount outstanding over 30, 60,90 and 120 plus days: Abattoir		R (000s)

	• 30 days • 60 days • 90 days • 120 plus days		27 5 6 349
Analysis of Function	1. Number and cost to employer of all financial personnel The total number of personnel employed Financial interns appointed	14 1	
	2. Debtor analysis: amount outstanding over 30,60,90 and 120 days: Abattoir • 30 days • 60 days • 90 days • 120 plus days		R(000s)
Analysis of Function (cont.)	3. Write off of debts: number and value of debts written off: Abattoir RSC levy		2 344
	4. Credit payments: Creditors are paid within a period of 30 days		
	5. Supply Chain Management The Supply Chain Management Policy was reviewed in March 2009. Details of Bid Adjudication Committee activities. • Total number of BID Adjudication Committee meetings held during the year • Total number of bids considered • Total number of bids approved • Total value of bids approved	20 28 28	

	• Total value of bids awarded • Value of bids awarded to: - HDI - Women - Waterberg District Area - Limpopo - National		33 444 24 483 11 750 4 304 17 606 11 534
	6. External Loans: No loans were taken up during the year.		

Key Performance Area : Performance during the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	
Function :	Office of the Municipal Manager
Sub-function :	Strategic Planning, Internal Audit & Disaster Management
Reporting level	Detail
Overview	The office of the Municipal Manager provides strategic support , deals with IDP/PMS issues and risk management and internal auditing.
Description of the Activity	The main functions of the department are : • Strategic support & planning • Internal Audit • Disaster Management
Sub-functions	Strategic objectives • To provide a sound district regulatory framework. • To promote management capacity in the district municipal

	area. • To implement an effective PMS. • To establish an effective Internal Audit Unit. • To ensure that Disaster Management centres are SETA accredited.
Achievements	• Conducted performance reviews of Section 56 Managers. • Secured PMS funds from DBSA. • Credible IDP status. • Responded to disaster management incidents. • Implemented audit plan. • Provided support to local municipalities. • Trained 50 Fire Fighting Volunteers. • Established Fire Protection Associations. • Established Cholera Outbreak Teams.
Function : Corporate Support & Shared Services	
Sub Function : Human Resources, Legal & Administration , Information & Communications Technology.	

Reporting Level	Detail
Overview	The Corporate Support and Shared Services provides internal support services to the municipality.
Description of the Activity	The main functions of the department (functional areas) are: • Human Resources Management • Legal and Administration • Information & Communication Technology

	Strategic objectives : • To ensure effective corporate services. • To review skills development plan. • To provide a safe and secure environment for staff and protect Council's assets. • To develop by-laws and policies.
	ACHIEVEMENTS • Completed 80% of IDP projects. • Reduced employee turnover rate from 15% to 7%. • Solicited and implemented legal opinions on Council matters. • Maintain a user friendly and informative website. • Provided support to local municipalities
Analysis of Function	Number and cost of employer of all municipal staff employed: • Professional (Managers/Specialists) 19 • Field (Supervisors) 0 • Office (Clerical/Administrative) 29 • Non-professional 12 • Temporary staff 4 • Contract staff 0 TOTAL
	Key appointments and staff turnover during the year: Appointments

	Managers	2
	Assistant managers	2
	Senior officers	1
	TOTAL	5
	Staff turnover	
	Managers	3
	Assistant managers	3
	Senior officers	0
	TOTAL	6
Function:	Planning and Development	
Sub function	Economic Development and Development Planning	

Reporting Level	Detail
Overview	The department of Economic Development & Planning deals with economic development and issues of spatial and town planning.
Analysis of function	Strategic objectives : - To implement IDP projects. - To attract tourists. - To provide support to local municipality.
	ACHIEVEMENTS • Implemented 75% of IDP projects. • Intensified the marketing of the destination brand. • Improved exposure of Waterberg District as tourist destination of choice.

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Function :	Social Development and Community Services
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Reporting Level	Detail
Overview	The main focus is on prevention of spread of communicable diseases, investigation of reported cases, control of outbreaks, and compliance with legislation, and promoting integration of environmental management.
Municipal Health	• To provide services in terms of the Health Act,1997(No.63 of 1977) as follows: ○ Vector control ○ Waste management ○ Food control ○ Health Surveillance of Premises ○ Prevention of communicable diseases ○ Pollution control ○ Disposal of the dead ○ Chemical safety ACHIEVEMENTS • No incident of food poisoning in all premises visited. • Compliance of water samples quality . • Managed to implement programmes and campaigns. • To provide services in terms of Disaster Management Act 57 of 2002 as follows: ○ Disaster risk assessment ○ Disaster risk reduction ○ Response and recovery ○ Information management and communication ○ Funding arrangements for disaster risk management

	• To provide services in terms of Fire Brigade Services Act 99 of 1987 as follows: ○ Prevent veld, forest and domestic fires
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Function :	Infrastructure Development
Sub Functions:	Water & Sanitation Roads & Stormwater Electricity Municipal Infrastructure Grant Programme
Reporting Level	Detail

Overview	Provision of technical support in ensuring that the services provided by the Municipality in realizing the strategic focus areas of Infrastructure Development are being done efficiently and effectively
Description of	

the Activity	Infrastructure Development Department is comprised of the following functional areas: 1. Water & Sanitation 2. Roads & Stormwater 3. Electricity
	Strategic objectives : • To provide municipal services • To comply with legislation on sewer plants. • To provide roads infrastructure to residents. • To provide landfill services to residents. ACHIEVEMENTS • Co-ordination of District Energy Forum • Co-ordination of the MIG Programme

	• Participation in the establishment of the Catchment Management Agency • Provide technical support to local municipalities • Partnership agreement entered into with Roads & Agency Limpopo for Implementation of the roads project		
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