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# WRDA DRAFT ANNUAL REPORT 2019/2020



## Non- Executive Directors

T. Mokale- Board Chairperson

B. Friedman, E. Mokhine, L. Hibbert, L. Mpambani, P. Nodada, E. Sloan, J. Mohlakoana

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# CHAPTER 1

## **1.1 CHAIRPERSON'S FOREWORD**

As we come to the end of our three year term as the WRDA board, we would like to take this opportunity to express our sincere gratitude for the opportunity and privilege granted to us by WRDM to serve our people in the West Rand through the WRDA.

We as members of the board of directors of WRDA have tried to the best of our ability to execute our mandate under difficult circumstances without adequate human and financial resources. We have remained focused on facilitating the implementation of all the projects we embarked on in collaboration with our private sector partners in all the economic sectors we have identified in the business plan namely agriculture, tourism, manufacturing, renewable energy and mining. Together with our stakeholders. It paid off, we have developed sustainable economic development programmes in all the above sectors and now at implementation stages.

We are deeply indebted to our stakeholders for their cooperation and sharing in our vision of building a post mining a region we seek by 2030, which would be fair, prosperous and equitable, a region that each and every citizen of the West Rand can proudly call home.

I would like to take this platform and thank all the board members and members of the different committees of the board, the acting CEO and all the staff members for their commitment and hard work in ensuring that we achieve the goals set by the board and have in most instances spent their private time to get things done despite the shoe string budget and the current financial constraints that the WRDM is facing

**JOE MOHLAKOANA**  
**CHAIRPERSON**

## **1.2 ACTING CHIEF EXECUTIVE OFFICER'S OVERVIEW**

First and foremost I would like to express my sincere gratitude's for the support given to me by both the board of directors and the entire staff. It has never been a smooth sailing, however we have jointly navigated through the challenges we were facing and achieved most of our goals we have had set for the year. A lot more still need to be done to change the economic trajectory of our region and these challenges can only make us to better prepared and work smarter.

We have to counter the poor economic performance and the high levels of unemployment in our region and these will only be possible if we all put our shoulders to the wheel. Both the financial and human capacities has adverse effect on the implementation of programmes however with those hurdles the agency has facilitated a number of initiatives which over time will bring the desired results. With assistance of the district and its constituent local municipalities, things can only change for better. Our collaborations with the private sector has already shown good results and strengthening and harnessing the existing relationships is of paramount importance as that has resulted in programmes such as Bokamoso Ba Rona initiatives, the Magaliesburg battlefields tourism route, the West Rand Mega park etc.

**ZEBLON MPHAPHULI**  
**ACTING CHIEF EXECUTIVE OFFICER**

# CHAPTER 2: CORPORATE GOVERNANCE

## 2.1 CORPORATE PROFILE

The West Rand Development Agency (WRDA) is a Municipal Entity that is established in terms of section 21(a) of the Municipal Systems Act. The WRDA was established to spearhead economic development in the West Rand. It was established for the sole purpose of assisting the WRDM to support, facilitate strategic and prioritized projects, which will empower local entrepreneurs, create jobs and attract investors into the region.

The area of jurisdiction of WRDM includes the following municipalities:

- a) Mogale City Local Municipality.
- b) Merafong City Local Municipality
- c) Rand West City Local Municipality

### LOCATION

The West Rand Development Agency is located in Mogale City and the physical address is:

25 Boshoff Street, Krugersdorp, 1739

Postal Address:

P O Box 109, Randfontein, 1760

### VISION AND MISSION OF THE WEST RAND DEVELOPMENT AGENCY

The Vision of WRDA is to build an integrated region with a diversified economy, creating new industries, new economic nodes and new cities.

The mission is to plan, implement, manage and facilitate development projects in an efficient and equitable manner and the values are:

- Accountability: to the shareholder and key stakeholders;
- Good governance: Compliance with relevant Legislation principles of corporate governance;
- Results-driven: Creation of value to both shareholders and external stakeholders and
- Empowerment: Through progressive procurement

The strategic goal of WRDA is to assist the WRDM to achieve its developmental mandate. The WRDM has adopted an integrated and seamless development planning strategy based on the following principle:

**“ONE REGION, ONE PLAN, ONE ACTION, ONE SYSTEM”**

The end goal is to achieve a coherent development for the entire district for purposes of creating a single united municipality of the future.

## **THE MANDATE OF WRDA**

The Gauteng Provincial Government has developed the Gauteng Spatial Development Framework 2030 (GSDF) and has divided the entire Gauteng into different development corridors in line with the Gauteng City Region plan as follows:

- Western Development Corridor: Anchored around West Rand for the creation of new industries, new economic nodes and new cities.
- Central development Corridor: Anchored around City of Johannesburg as a hub of finance, services, ICT and pharmaceutical industries
- Eastern Development Corridor: Anchored around Ekurhuleni Aerotropolis as a hub of manufacturing, aviation, logistics and transport industries
- Northern Development Corridor: Anchored around the City of Tshwane as a hub for automotive sector, research development, innovation and knowledge bases economy
- Southern Development Corridor: Anchored around Sedibeng area for the creation of new industries, new economic nodes and new cities.

After an intense feasibility study of the economic situation in the West Rand, the GSDF has determined that the Western Corridor should consider the socio-economic development in the following focus areas:

- 1) An alternative and diversified economy with the creation of new industries, new economic nodes and new cities
- 2) Focus on the green and blue economy initiatives, tourism, agro-processing and logistics
- 3) Lanseria Airport and Maropeng World Heritage Site as the main anchors of a new city
- 4) Inclusion of communities that were previously excluded from services and facilities through urban restructuring, regeneration and consolidation
- 5) Functionally linking main growth centres to one another and to the regional economy of the Gauteng City Region
- 6) A more consolidated settlement structure for cost effective and sustainable infrastructure

WRDA is an implementing entity to drive the economy of the Western Corridor on behalf of the West rand district Municipality.

## **THE PREPARATION OF THE WRDA ANNUAL REPORT**

The 2019/2020 Annual Report was compiled in accordance with the requirement of the Municipal Finance Management Act 56 of 2003 (MFMA) and Company's Act.1973 The purpose of this report is to provide feedback:

- On activities of the municipal entity,
- To provide a report on performance, and
- To promote accountability to the community for the decisions made from July 2019– June 2020.

This Annual Report includes:

- Municipal Entity's annual performance report;
- Annual Financial Statements of the municipal entity;
- The Auditor General's report on municipal entity performance.

In terms of the processes prescribed by the MFMA Section 127(1), the Accounting Officer of a municipal entity must, within six (6) months after the end of a financial year, or on such earlier date as may be agreed between the entity and its parent municipality submit the entity's annual report for that financial year to the municipal manager of the entity's parent municipality.

## **BOARD OF DIRECTORS**

### **Introduction**

The WRDA has a unitary board which comprises of non-executive directors. Terrence Mokale is the chairperson of the board and a non-executive director. The WRDA sole shareholder is the West Rand District Municipality (WRDM). The board is accountable to WRDM. The shareholder is represented by two representatives (A Councillor and an Official), on the entity's board meetings. These members have no voting rights on the entity's board meetings, as per Municipal Systems Act, 32 of 2000 (93D). The directors' appointments are based on their ability to contribute appropriate skills and time required to assist in its operations and future development of the agency. The adequacy of the Board and appointment of new directors are reviewed on a three year basis by the shareholder. The board of directors is appointed by the Council of a parent municipality and therefore accounts to Council. The three year term of the current board has come to an end on the 30<sup>th</sup> June 2020 and therefore their contracts are terminated with the exception of four (4) members whose term has been extended for a period not exceeding six months. Due to the current financial position of the parent municipality (i.e. WRDM) council resolved the unwinding/ disestablishment of the agency within a period not exceeding six (6) months hence the extension of 4 board members to oversee the disestablishment process. The council resolution for the disestablishment/ unwinding of the entity was taken in consideration of both the financial recovery plan imposed by treasury on the municipality to stabilize its finances as well as the recommendation of the board.

A service level Agreement and shareholder compact concluded in accordance with the provisions of the Municipal Systems Act governs the relationship between WRDA and WRDM. The board provides annual reports on its performance and service delivery to the parent municipality as prescribed in the service delivery agreement, the MFMA and the Municipal Systems Act.

Non-executive directors maintain an independent stance to matters under consideration and add to the board's depth of experience. The roles of the chairperson and acting CEO are separate with responsibilities divided between them. The acting CEO and members of the board have unlimited



access to the chairperson who acts as an advisor on matters of corporate governance, compliance with company rules and procedures, statutory requirements, regulations and best corporate governance. The WRDA directors bring together a range of complementary skills and experience that benefit the entity, including accounting, finance, legal, business management, human resources, labour relations, marketing, and agriculture and development management. The Board meets regularly on at least a quarterly basis. The Board monitors management, ensuring that material matters are subject to Board approval.

The board committees have their terms of reference and their evaluation are based on their terms of reference.

### **Composition of the board**

<b>Name</b>	<b>Position</b>	<b>Date of appointment</b>
Terrence Mokale	Non-executive director	1 March 2017
Patuxolo Nodada	Non-executive director	1 March 2017
Lindikaya Mpambani	Non-executive director	1 March 2017
Emingard Motau (Mokhine)	Non-executive director	1 March 2017
Lynn Hibbert	Non-executive director	1 March 2017
Joseph Mohlakoana	Non-executive director	1 March 2017
Barry Friedman	Non-executive director	1 March 2017
John Edward Sloan	Non-executive director	1 March 2017
Alfred Masiu	Additional Non-executive director	1 March 2017
Gofaone Masobe	Additional Non-executive director	1 March 2017

### **EXECUTIVE MANAGEMENT**

Zeblon Mphaphuli: Acting Chief Executive Officer

## **A. Incorporation**

The entity was incorporated on 17 February 2005 and obtained its certificate to commence business on the same day.

## **B. Review of Activities**

The entity is engaged as a municipal entity constituted as a private company to enhance local economic development in the region and operated principally in South Africa,

The operating results and the state of affairs of the entity are fully set out in the attached annual financial statements and do not in our opinion require any further comment.

## **C. Going concern**

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and the settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The ability of the entity to continue as a going concern is dependent upon a number of factors. The most significant of these is that the directors continue to procure funding for the on-going operations for the entity where a number of projects have been identified and agreements entered into which will ensure sustainability of the entity. The entity also depend upon annual grants from the parent municipality which are paid over on a quarterly basis.

## **D. Subsequent events**

The directors are not aware of any matter or circumstance arising since the end of the financial year.

## **E. Directors interests in Contracts**

The directors of the company do not have any interests in contracts entered by the company during this financial year.

## **F. Accounting Policies**

The annual financial statements have been prepared in accordance with South African Generally Recognised Accounting Practices (GRAP) including interpretations, guidelines and directives issued by the Accounting Standards Board as the prescribed framework by National Treasury.

#### **G. Share Capital and Share Premium**

There were no changes in the authorised or issued share capital of the entity during the year under review.

The entire shareholding of the company is held by the West Rand District Municipality.

#### **H. Non-Current Assets**

There were no major changes in the physical nature of noncurrent assets during the year.

#### **I. Dividends**

No dividends were declared or paid to the shareholder during the year.

#### **Business Address**

25 Boshoff Street  
Krugersdorp  
1739

#### **Postal Address**

PO Box 109  
Randfontein  
1760

#### **K. Auditors**

The Auditor General (Gauteng) will continue auditing the agency for the next financial period.

## **2.2 CORPORATE GOVERNANCE STATEMENT**

The West Rand Development Agency is a Municipal Entity which is regulated by the Local Government Legislation (MFMA). WRDA is registered as a private company and therefore has also to comply with the Companies Act.

## **2.3 ROLES AND RESPONSIBILITIES OF DIRECTORS**

The board has ultimate responsibility for the oversight, management and strategic direction of the agency. Accountability to the shareholder remains paramount in Board decisions.

To assist the Board in discharging its collective responsibility for corporate governance, several Board Committees have been established, to which certain Board responsibilities have been delegated. These committees operate with written terms of Board and Committee Charters and they are comprised of non-executive directors. The chairperson of each committee is a non-executive director. The accounting Officer also forms part of each subcommittee.

## **2.4 BOARD COMMITTEES AND MEMBERS**

<b>AUDIT, FINANCE AND RISK MANAGEMENT COMMITTEE</b>	<b>HUMAN RESOURCES AND REMUNERATION COMMITTEE</b>	<b>LED &amp; INVESTMENT COMMITTEE</b>
L Mpambani: <b>Chairperson</b>  W Myburgh( <b>resigned</b> ) P Nodada G Masobe	E Mokhine: <b>Chairperson</b>  L Hibbert D Ndlovu( <b>resigned</b> ) J Mohlakoana	B Friedmam: <b>Chairperson</b>  A. Masiu E. Sloan L. Brits ( <b>resigned</b> )

## AUDIT, FINANCE AND RISK MANAGEMENT COMMITTEE REPORT

The Finance, Audit and Risk Committee consists of three non-executive directors as stipulated in the table above, and should meet at least 4 times per annum as per its approved terms of reference. During the current year the committee met eight (8) times.

The Responsibilities of the Finance, Audit and Risk Management Committee:

- We report that we have adopted appropriate formal terms of reference in our charter in line with the requirements of section 166(2) (a) of the MFMA. We further report that we have conducted our affairs in compliance with this charter.
- *The Effectiveness of Internal Control*  
The system of internal controls applied by the company over financial and risk management is adequate, effective, efficient and transparent. In line with the MFMA and the King IV Report on Corporate Governance requirements, WRDM and as arranged with WRDM management, Internal Audit provides the Audit Committee and management with assurance that the internal controls are appropriate and effective. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to the controls and processes. From the various reports of the Internal Auditors, the Audit Report on the annual financial statements, and the management letter of the Auditor General South Africa, it was noted that matters were reported that indicate any material deficiencies in the system of internal control or any deviations there from. Accordingly, except for deficiencies highlighted on the internal audit, audit report and management letter we can report that the system of internal control over financial reporting for the period under review was efficient and effective.  
We are satisfied with the content and quality of monthly and quarterly reports prepared and issued by the management of the company during the year under review.
- *Evaluation of the Annual Financial statements*  
We will:
  - Review and discuss the audited annual financial statements to be included in the annual report, with the Auditor General and the auditors;
  - Review the Auditor General of South Africa's management letter and management's response thereto;
  - Review changes in accounting policies and practices;
  - Review the entities compliance with legal and regulatory provisions;
  - Review significant adjustments resulting from the audit.
- *Internal Audit*  
Under the circumstances, we are satisfied that the internal audit function as shared services (since the WRDA does not have its own Internal audit, the entity requested the parent municipality to perform the function) between WRDM and WRDA is operating effectively and that it has addressed the risks pertinent to the company and its audits.
- *Auditor General of South Africa*

- We have met the Auditor General of South Africa to ensure that there are no unresolved issues. Previous audit findings has been adequately addressed as reported in the Operation Clean Audit plan (OPCA).
- *Other Matters*  
We also acknowledge that the agency could not appoint a company secretary due to financial constraints however all the corporate governance challenges faced by the Agency were addressed.

## **2.5 RELATIONSHIPS WITH MUNICIPAL ENTITIES AND IGR**

The West Rand Development Agency accounts to the municipal council of the West Rand District Municipality and therefore regularly reports on performance through the different portfolio committees of council such as Reindustrialization and Finance portfolios. Reports are submitted to these committees before being processed through to council. The agency also has working relationships with entities from other spheres of government such as Gauteng Infrastructure Financing Agency (GIFA) and Gauteng Growth and Development Agency (GGDA). It also participates in the district Integrated Development Plan (IDP) fora in order to account to the communities on its performance.

The WRDA also participates in the District Intergovernmental Relations (IGR) in order to ensure that its focus is aligned to the regional priorities.

## **2.6 RISK MANAGEMENT**

The WRDA participates in the district risk management framework (RMF) which is the structured process used to identify potential threats to an organisation and to define the strategy for eliminating or minimising the impact of these risks, as well as the mechanisms to effectively monitor and evaluate this strategy. Risk is the main cause of uncertainty in an organization. Thus the WRDA increasingly focuses more on the identification of risks and manage them where possible before they even adversely affect the running of the entity. The ability to manage some of the risks helps the entity to act more confidently on the future of the business decisions. The knowledge of the risks the entity is facing gives it various options on how to deal with potential problems however some of these risks such as lack of finance or inability to raise its own funds has not been addressed thus far.

The WRDA risk register reflects the risks levels that the entity is exposed to and mitigates against those risks.

The three top risks that we have identified are:

- Inability to access funding over and above that obtained from the WRDM
- Potential negative perception of the WRDA performance by stakeholders
- Inadequate human resource.

Although there are proposals to mitigate against the inability of the agency to raise its own funding, this has could not be addressed simply because the municipalities could not transfer their projects to the agency for implementation whereby the agency would be able to charge a 5% management fee to augment the grant and become a viable institution. This major risk has led to the demise of the agency.

## **2.7 FRAUD AND ANTI-CORRUPTION STRATEGY**

The West Rand Development Agency has developed a Fraud and Anti-corruption strategy aimed at creation of a platform to report so as to prevent fraud and /or corruption from occurring. The WRDA board has established an audit committee which is a sub-committee of the board which plays an important oversight role and any detected or potential risk of fraud or corruption is reported by management to the subcommittee which then put mechanism in place to curb the problem. The Internal Audit unit of the parent municipality also audits the finances and assets of the entity and reports to the audit committee if there is any fraudulent activity taking place. During the year under review, no fraudulent activities have been identified and reported to the accounting officer or the board.

## **2.8 SUPPLY CHAIN MANAGEMENT**

Due to the entity's lack of human capacity, the entity utilises the services of the bid committees of the parent municipality for procurement of goods and services subject to its own supply chain management policy. However during the financial year no procurement of goods and services was done through tender/s as they were all below the minimum threshold. Goods procured were below R30 000 and therefore three (3) quotations were obtained.

## **2.9 WEBSITES**

The website of the entity was revamped so as to comply with the relevant information as set out in sec 75(1) and (2) of the MFMA. The Website is [www.wrda.gov.za](http://www.wrda.gov.za)

## **CHAPTER 3: PERFORMANCE REPORT**

### **3.1 PERFORMANCE REPORT**

WRDA is an implementing entity to drive the economy of the Western Corridor on behalf of the West Rand District Municipality.

#### **WRDA IMPLEMENTATION STRATEGY**

WRDA positioned itself as the primary coordinator of all economic development activities in the West Rand by assuming the LED functions of the constituent municipalities in the region. The agency's role is to facilitate and support the development of strategic projects in the region ensuring that the economy of the region is diversified by focussing mainly on the five sectors, i.e. manufacturing, tourism, agriculture, mining and renewable energy.

The economic development activities in the West Rand are mainly driven by government and private companies and WRDA is cognisant of the fact that it does not have the financial and technical ability to promote the industrial sectors of the Western Corridor on its own, hence WRDA adopted an implementation strategy for all economic sectors based on collaboration between government and private sector role players. Each economic sector has a driver in a form of Non Profit Company (NPC). The board of directors for each NPC were constituted by those specific private sector industry representatives, WRDA, Gauteng Provincial government, Development finance institutions and other strategic stakeholders.

There are different work streams for each economic sector as contained in the Western Corridor development plan wherein key stakeholders are participating to ensure that there is practical implementation of the plans and the work streams are constituted as follows:



## **A. MANUFACTURING**

The WRDA has partnered with BUSMARK Pty Ltd to create emerging suppliers in the manufacturing sector in the West Rand. Together with other key stakeholders namely WRDA, BUSMARK, Sibanye-Stillwater, Goldfields and the Gauteng Provincial government, an NPC has been created to implement the manufacturing development strategy for the West Rand. The NPC is called WESTERN ACCELERATOR NPC. This NPC will also promote the development of SMMEs in the renewable energy as well as the mining sectors. The NPC will be the implementing agent for the manufacturing strategy plan of the West Rand including the business hubs.

The main purpose of this NPC is to drive SMME development of the region, by sharing resources, including co-ordinating support like market access, product development, funding, and innovation support. The West Rand economy is also embedded within the following Pillars as espoused both in the provincial economic plan and the West Rand Economy.

- Radical economic transformation
- Decisive spatial transformation
- Accelerating social transformation
- Modernisation of the economy
- Re-industrialising West Rand as a Gauteng economic hub

These pillars constitute a vehicle through which the Sibanye Manufacturing Input Incubation Hub (SMIIH) seek to transform, modernise and re-industrialise the West Rand. Despite these pillars, the legacy of apartheid development system still continues to be manifested as follows:

- Regions that were marginalised by the apartheid government, mostly townships and other areas designated for blacks and Africans, still do not have the industrial eco-systems that are necessary to transform them into industrial production centres, and
- Black people still play a marginal role in the industrial production systems, except as the providers of unskilled and semi-skilled labour.

The inherent and structural nature of the West Rand Economy is also a testament to this reality and it is for this reason that the Sibanye Stillwater is initiating this Manufacturing Input Incubation Hub. In essence SMIIH is aimed at leveraging on light intensive industrial activities and manufacturing opportunities beyond the lifespan of the mining activities in the West Rand and surrounding areas. SMIIH in its establishment is aimed to attract and empower a sizable number of local based SMMEs in the following technical areas:

- Manufacture of food packaging equipment for agro-processing industry
- Aluminum/steel fabrication and installation; bus components and farm weeder manufacturing
- Manufacture of brick making equipment and manufacturing of bricks - brick technology and brick manufacturing
- Carpentry – construction carpentry, furniture and coffin manufacturing
- Manufacturing of geyser and solar energy toilets, and
- Metal fabrication - manufacturing of bicycles and wheelbarrows

Sibanye Stillwater is currently finalising the advertisement to appoint the service provider in partnership with the WRDA that will manage and oversee the implementation of the hub.

### **The establishment and designation of Special Economic Zones (SEZ)**

WRDA and Busmark have worked tirelessly to lobby for the establishment of a Special Economic Zone (SEZ) in the West Rand. In July 2019, the Premier of Gauteng Provincial Government Mr. David Makhura announced that the Gauteng Provincial government will be establishing a Special Economic Zone (SEZ) in the West Rand District

A Special Economic Zone is an economic development tool to promote national economic growth and export by using support measures in order to attract targeted foreign and domestic investments and technology (see section 4 (1) of the Special Economic Development Zones Act No.16 of 2014).

The purpose of establishing Special Economic Zones includes:

- a) facilitating the creation of an industrial complex, having strategic national economic advantage for targeted investments and industries in the manufacturing sector and tradable services;
- b) developing infrastructure required to support the development of targeted industrial activities; attracting foreign and domestic direct investment;
- c) providing the location for the establishment of targeted investments;
- d) enabling the beneficiation of mineral and natural resources;
- e) taking advantage of existing industrial and technological capacity, promoting integration with local industry and increasing value-added production;
- f) promoting regional development;
- g) creating decent work and other economic and social benefits in the region in which it is located, including the broadening of economic participation by promoting small, micro and medium enterprises and co-operatives, and promoting skills and technology transfer; and
- h) The generation of new and innovative economic activities.

WRDA economic development strategy is aimed at the integration of the West Rand local economic development and the Gauteng Provincial Government growth strategy and as such welcomed the announcement to establish SEZ in the West Rand. In the light of this new development WRDA, started a process to bring together different key stakeholders both in the public sector and the private sector to ensure broad based participation in the conceptualization and the implementation of the SEZ in line with the purpose of SEZ referred to above.

In preparation for the implementation of the SEZ, WRDA has identified a land where the SEZ would be anchored and identified the economic precinct that will form part of the SEZ with specific focus on the following economic activities:

- a) Bus and Truck heavy commercial hub;

- b) Revitalisation of Industrial areas like Chamdor in Krugersdorp, Aureus in Randfontein and Carletonville industrial site;
- c) Western Accelerator SMME incubation centre;
- d) West Rand Logistics Centre and Food City Hub;
- e) West Rand Logistics airport
- f) West Rand Agri-Parks;
- g) Bokamoso Ba Rona agricultural industrial initiative;
- h) Services industry: New Skills Training Academy for the fourth industrial revolution;
- i) Innovation: Admixture blending and the binder plant;
- j) Renewable energy;
- k) Eco-Industrial park;
- l) West Rand Waste treatment.

WRDA has engaged Sibanye Stillwater with a view to make land available for the establishment of the SEZ and discussions with Busmark are at an advance stage with the view of having them as a key tenant. Subsequently project steering committee has been established comprised of the following founding partners, Busmark, West Rand Development Agency, Sibanye Stillwater, Rand West Local municipality and Gauteng Department of Economic Development. Busmark as an anchor tenant has appointed Aurecon South Africa, and its sub-consultants, to work on the precinct development.

## **B. MINING**

Sibanye Stillwater and Goldfields are working together with WRDA to explore the possibilities of establishing a water reclamation plant with the view to reclaim the mine water and treat it for agricultural use as well as for potable human consumption in the West Rand. Rand Water and the Department of Water and Sanitation are also part of these discussions. This is work in progress.

WRDA has started engagements with the Department of Mineral Resources, Geo-science Council, mining houses constituent local municipalities and other stakeholders to deal with the removal of mine dumps in the region. This is work in progress.

Sibanye Stillwater, Goldfields and Busmark have pledged to fund the establishment of a training academy in the West Rand. In order to avoid duplication of TVET colleges in the West Rand, WRDA has been consulting with the industry players, National department of Higher Education and the institutions of higher learning with the view to solicit advice on the type of a suitable training academy to produce human capital to be absorbed by the five economic sectors we are promoting in the region. The advice from the academics at this point is that we should conduct a skills audit in the West Rand as a first step of planning the implementation of the training academy. A steering committee has been established to coordinate the implementation of this project. This is still work in progress.

## **C. RENEWABLE ENERGY**

WRDM by way of Request for proposals (RFP) accepted proposals from Solar Reserve Pty Ltd, (a company that signed the IPP agreement with the national department of Energy) for the development of the solar energy supply in the West Rand. Solar Reserve is planning to build Urban Solar Farm facilities in the West Rand in partnership with its local emerging entrepreneurs. WRDA is working closely with Solar Reserve to address the legal impediments and any other possible hurdles for the implementation of the solar energy supply in the region.

This project will assist the West Rand to develop its Green Economy and has the potential to position West Rand as the Renewable Energy hub of Gauteng Province, stimulate local economic development in the renewable economy sector with the participation of local entrepreneurs and create job opportunities for local communities.

## **D. AGRICULTURE**

### **Bokamoso ba rona Agri-Industrial hub**

Provincial government, National government, State Owned Enterprises and the private sector companies have partnered on agri-processing industrial cluster initiatives on the West Rand. Sibanye-Stillwater, Merafong Local Municipality and the Far West Rand Dolomitic Association have made available approximately 30 000 hectares of land to facilitate the development of this agri-industrial hub. The project name is BOKAMOSO BA RONA INITIATIVE.

We have identified two most important assets in the West Rand namely mining land and water pumped by the mines and as such a Steering Committee of key stakeholders has been established to leverage these assets to build a large scale agri-industrial cluster in the West Rand. This Committee includes Sibanye-Stillwater, the Far West Rand Dolomitic Association, the Mining Phakisa the Gauteng Infrastructure Financing Agency, the West Rand Development Agency and the Public Investment Corporation.

The objectives of the programme are to:

- a) Make West-Rand into the agri-industrial hub of Gauteng which drives continuous technical, commercial, institutional and developmental innovation.
- b) Build a sustainable post mining economy and development framework.
- c) Promote the export of high value, relatively labour-intensive agricultural produce, with a particular focus on downstream value addition.
- d) Create jobs with agriculture skills transfer.
- e) Promote Black Economic Empowerment including the development of entrepreneurs and industrialists.
- f) Facilitate comprehensive local socio-economic development
- g) Facilitate and promote community participation.

A preferred program manager and fund manager for the Program has been appointed following a public Request for Qualifications. A memorandum of agreement has been signed

by all the four founding members who are WRDA, Sibanye Stillwater, Far West Rand Dolomitic Association and Gauteng Infrastructure Financing Agency (GIFA).

A Request for Information (RFI) was released to get proposals from agricultural businesses that have the capabilities and to drive the achievement of the program's objectives. A range of credible players responded to the RFI. The Memorandum of Incorporation for a Not-For-Profit Company (NPC) to oversee the development of the program and to house relevant assets is in the process of finalization. Furthermore the founding members established a project steering committee which is currently ceased with all matters pertaining to the finalization and implementation of this project.

The program manager is currently busy with the mobilization of funds for the establishment of the project and have submitted applications amongst others to a number of potential funders such as Public Investment Corporation (PIC), DBSA, African Development Bank, Commercial Banks, Private Equity companies who have expressed interest in the project.

Sibanye has approved a seed capital of R10.6m (R1.3m is conditionally approved subject to motivation for release) which will initially focus on the concept development of the Merafong Bio Energy Project and also other initiatives in the West Rand. The estimate is that within 6 months the Merafong Bio Energy Project will be ready for the market. The Merafong Bio-Energy Project has an estimated value of R200m, therefore it is projected that it will be investor ready in about 5 – 6 months. This would kick off the first huge project out of the Bokamoso Barona Initiative and serve as a catalyst for other projects.

### **West Rand Mega Park**

Maximum Group is planning to establish a unique industrial, International Agri City and Fresh Produce Market to be known as West Rand Mega Park in the West Rand. The Agri-City will include industrial and manufacturing to complement the development in order to enable value chain creation with local SMMEs.

The West Rand Mega park project is earmarked to be implemented along the N12 near Lenasia on the side of the West Rand. It will create about 50 000 jobs opportunities and obviously be a major catalytic project and enabler of future growth in the Rand West region.

The Food Hub will include:

- Fresh Produce market,
- Meat Market,
- Egg & Dairy market,
- Seafood market,
- Flower market and
- Liquor market.

Furthermore, the development will include:

- Cold Storage facilities,
- The Square - public square with a number of restaurants,
- Agri Processing and

- A 40 000 sqm Wholesale Mall.

Each one of the aspects above is a project in its own right and buyers or tenants for each can be discussed. The development will provide world-class Agri Processing and industrial facilities with the latest renewable energies and Hi-Tech technologies including block chain, monitoring and metering, Peer2Peer sales; transport sharing, space sharing, logistics sharing, Online Produce Trading, etc. at an affordable price. Being positioned at the Soweto's southern entrance - this would also set a positive and uplifting tone for the immediate area of Soweto and Rand West City. This Fresh Produce Market will democratize access to produce market for emerging farmers. It will unlock opportunities for small-scale farmers. The development is designed to create Industrial Symbiosis and achieve zero-to-landfill. The project will be part of the Special Economic Zone for the region.

## **E. TOURISM**

### **South African War Battlefields Route**

WRDA has partnered with Mogale Arts, Heritage Company, a non-profit company that seeks to promote heritage tourism in South Africa by leveraging the rich history of the South African “Anglo Boer” War, the parties have jointly developed a new tourism product in the West Rand and named “South African War Battlefields Route”

#### **Progress:**

- WRDA is represented in the board of directors of the Mogale Arts, Heritage NPC.
- Gauteng Tourism Authority (GTA) funded development of the business plan for the tourism strategy.
- The new tourism product has been successfully launched.
- Lanseria Airport has provided space for the visitors information centre (VIC) and a mural to display the battle field map
- West Rand Tourism operators associations are exposed to the possible economic opportunities in the tourism economy.
- Training programme for tour guides and history telling has been developed for the youth interested in this field.
- Plans are underway to link Township Tourism to the new South African War Battlefields Tourism product like the Vilakazi Street model in Soweto.
- The product will be linked to the Maropeng and Cradle of Humankind tourism project.

The new tourism products is aimed at attracting both domestic and international tourists and stimulate economic development within the West Rand and including the North West Province, being the area covered by the Great South African War fought in the Magaliesberg region. Weekly bus trips are undertaken along the route and because of the demand prior arrangements has to be done.

## **Krugerdsorp Game Reserve Project**

The KGR conservation area was established in 1963 through a donation of the land to the Krugersdorp Municipality by Harmony Gold Mines on condition that it is kept in perpetuity as a nature reserve. The reserve currently holds a level 2 protection. Level 2 protected areas are proclaimed areas in terms of relevant legislation or where a management plan is in place with conservation of biodiversity as the priority management objective. The Reserve also includes a 100-hectare enclosed lion sanctuary, which attracts considerable interests with minimal marketing exposure.

The facilities at the KGR includes a restaurant, accommodation, conference facilities, a caravan park and other outdoor facilities. It also offers terrain for adventure activities such as a 4x4 track, running trails and mountain biking activities.

The reserve is located along a drainage corridor with noteworthy natural features including wetlands, waterfalls and deeply fissured valleys. The wildlife in the game reserve is considered an attraction in terms of tourism value, while contributing to the ecological and conservation importance of the reserve.

The KGR was until recently operated on a lease basis through a lease agreement between the MCLM and a private organization. The operating lease was recently terminated as the KGR was technically not operating commercially with large-scale neglect setting in over the lease period. The District has prioritized the tourism sector as one of the key growth drivers and has prioritized it as such in the Integrated Development Planning framework of the District, and this is an important lever in the strategy to diversify the District economy, especially considering possible anticipation of mining closures. The Reserve has numerous biodiversity and tourism assets with catalyst potential to create jobs, economic opportunities and overall positive economic impact. The potential of the Reserve to attract tourists is enormous given the location in close proximity to Gauteng and the World Heritage Site, The Cradle of Humankind. It is generally served by well-developed infrastructure and is easily accessible through major national roads. The Reserve through intensive collaborations with various stakeholders, both private and public role-players in the tourism sector could potentially tap into a broad diverse market. These collaborations should aim to increase tourist volumes to Mogale City and ultimately improve the positioning of the Reserve in the market. The market positioning of the Reserve will be entrenched through an adequate mix of marketing activities, which could consist of below and above the line marketing activities. This potential market could extend to domestic and international tourists across various tourism market segments and could play an important role in the edu-tourism, mining tourism, agri-tourism and eco-tourism sectors. The Reserve could also play a critical role in the promotion of responsible tourism and advancing the principles of sustainable development through environmental stewardship of ecological resources.

The Krugersdorp Game reserve is owned by Mogale City Local Municipality and has been made available to West Rand Development Agency (WRDA) to facilitate investment and the development of the game reserve as one of the anchor projects that the Agency has to manage and turn it into a profitable tourism facility within the West Rand region. Advert for the Expression of Interest (EOI) was done through GIFA and submissions were evaluated. The next stage which is currently underway is the compliance with the Public Private Partnership (PPP) toolkit for property owned by a municipality.

The objectives are:

- To develop, upgrade and restore the game reserve to be a tourist attraction;
- To optimize the sustainable use of natural resources; and
- To form a partnership with the successful bidder through a lease agreement.

### **Tourism Monitors**

National Department of Tourism (NDT) together with the Gauteng Tourism Authority (GTA) have agreed to partner and implement a Tourism Monitor programme that will include identification of tourism sites and attractions. Deployment to these sites are for the duration of the project of 3 years or 36 months, which will cease at the end of October 2020.

This project is providing 200 unemployed youth in Gauteng with employment and skill training of which the West Rand has received 35 opportunities.

Preference was given to ensure regional spread focusing on township establishment experiences. The NDT is the project sponsor whilst GTA is the implementer and EPWP is the funding agent/partner, with amongst others, responsible for the payment of stipends. GTA is at busy with a Recovery Plan to bring the project back on track, as a lot of challenges have been experienced with the Gauteng-project, being the pilot for South Africa.

For the past 12 months the host employers for the 35 youths of the West Rand were:

- 4's Comfort
- Club Sedibeng
- Koki's Inn
- Merafong LTA office
- Munsieville LTA office
- Munsieville Park/Sports Club
- Next Door Pub
- Rifumo B&B
- Sedibeng Precinct (Plati's)
- Slahla's Pub
- Tshuku's Transport Services



- Tsitsi B&B
- West Rand Chamber of Business and Tourism
- West Rand Development Agency

## **Meetings Africa**

In recent years, the global meetings industry has begun to recognise Africa as a sought after destination.

Meetings Africa is showcasing Africa's diverse offering of services and products, where African associations and African meetings industry professionals can partner to help transform our continent. It is ideal platform for meeting and targeting meeting and event planners, business travel agencies and international and local executives. To have face-to-face meetings with key decision-makers, networking with industry colleagues across multiple sectors and updating on existing and new products and service offerings.

Meetings Africa 2020 was hosted at Sandton Convention Centre on the 25 and 26 February 2020.

The numbers for the 2020 exhibition:

- Total exhibitors	329
- First time exhibitors	61
- African exhibitors	116
- African countries represented	20

The Minister of Tourism, Ms Mmamoloko Kubayi-Ngubane said "Collaboration rather than competition is crucial to assist all African countries to realise their potential. It is for this reason that Meetings Africa showcases the continent's diverse offerings. Today, Africa rings with promise. It is a wonderful continent of diverse people and vibrant cultures with many African countries making remarkable economic strides in the last few years. The global meetings industry has come to regard Africa as a dynamic, sought after destination, hence, African is the second fastest tourism region in the world."

Pre-tours for international buyers were done prior to the Event, which include sites of the West Rand on Sunday, 23 February 2020 to Avianto, Maropeng, Air Ventures Hot Air Ballooning and Kloofzicht Lodge.

## **GTA Stand**

West Rand, Ekurhuleni and Sedibeng District Municipalities were invited to be part of the GTA stand. Other private stakeholders on the stand were:

- Cradle of Humankind WHS (inclusive of The Cradle Tourism Company – LTA);
- Dinokeng; and
- Constitution Hill

The other two (2) metros in Gauteng, namely Tshwane and Johannesburg had their own separate stands at the show. Each stakeholder on the GTA stand had its own dedicated desk with chairs to conduct their prior-arranged meetings and also to accommodate walk-ins, as well.

## **F. THE WEST RAND ACADEMY**

### **Background**

The West Rand Academy is located at Westonaria Borwa, within the West Rand District Municipality area. The West Rand Development Agency is the implementer of this project with the following partners:

1. Sibanye Stillwater
2. Gold Fields South Deep Gold Mine
3. Westonaria Community Trust
4. South Deep Education Trust
5. WestCol/Department of Higher Education
6. Rand West City Local Municipality (former Westonaria Local Municipality)

### **History and developments of the Westonaria TVET**

The Westonaria Local Municipality, in conjunction with the Westonaria Community Trust and Western College for Further Education and Training (WestCol) announced the establishment of the Westonaria Technical and Vocational Education Training College (*Westonaria TVET*) during January 2015.

During 2015 and 2016, Gold Fields through the Westonaria Community Trust (WCT), invested in temporary facilities for the TVET West College ('Westcol') in Westonaria (on the sports ground). The temporary facility can currently host about 500 learners from the local host communities, in a range of vocational courses.

The Westonaria TVET is currently being managed as a satellite campus of WestCol. The Westonaria Municipality is leasing out both the buildings and land at the old Westonaria Sports Complex to WestCol for the exclusive use of the Westonaria TVET.

In 2015 Sibanye-Stillwater started a process of identifying land to build a permanent facility. Subsequent to the identification of the land, geotech studies were conducted to establish the suitability for a completely new facility and the project was included in the 2012-2016 SLP cycle.

### **Project rationale**

West Rand District Municipality (WRDM) has been identified for re-industrialization in line with the Gauteng provincial government's Transformation, Modernization and Re-industrialization (TMR) strategy. In order to realize this, the community of the WRDM needs to be trained in relevant skills to support the economic sectors that will emerge from the implementation of this strategy, which is driven by the WRDM. The WRDM, Sibanye-Stillwater, South Deep Mine together with other stakeholders have identified that an academy or college is required in Westonaria since there are no institutions of higher learning to provide skills that will support the vision of the region to be developing the agriculture sector and reducing reliance on mining. To support the municipality's development plan (IDP) construction of the West Rand Academy has been initiated in a phased approach. There will be different schools or faculties with the school of Agriculture and Engineering forming part of the first phase. WRDA is currently engaging institutions of higher learning to become part of this academy

The project cost is an estimated amount of R 60 million for the total project and Phase 1 an estimated amount of R25 million. Sibanye Stillwater has donated the land for the Academy. The total area is 14 Ha of which 5 Ha will be used for Phase 1. The TVET designs have also been funded by Sibanye-Stillwater. South Deep Gold Mine and South Deep Education Trust are also partnering in the project which will commence during the 2019/20 financial year.

The appointment of a service provider who will manage the building of the college is underway and Sibanye Stillwater is facilitating the procurement process.

### **3.2 PERFORMANCE SCORECARD**

This report highlights the performance of WRDA during 2019/20 financial year. The annual performance report is prepared bearing in mind the following:

- Targets set in the board approved 2017/18 Business plan
- The shareholder's "operations clean audit" drive
- The WRDA board's strategic alignment of the agency's operational direction to effectively discharge its mandate.

The submission of the annual performance report is part of a reporting process between the WRDA (municipal entity) and the WRDM (shareholder), and as part of the entity responsibility captured in the signed service Delivery Agreement (SDA) concluded between the two parties in order to monitor the execution of the company's performance.

For the 2019/20 Financial Year ended 30 June 2020, the company achieved ?----- of the planned targets set on the board approved 2017/18 scorecard. The WRDA board and management are actively putting measures in place to increase the performance levels by ensuring that future (proposed) economic development projects feed positively into the WRDM's performance scorecard in a manner which will give assurance to the shareholder (WRDM) that the WRDA is fulfilling its mandate.

## WRDA Strategic Objectives

The strategic goals of the West Rand Development Agency are derived from an analysis of the West Rand environment, the key risks confronting the West Rand District, as well as strategic challenges that the organization needs to address in order to be an effective development facilitator. These strategic challenges are then addressed through development interventions that are aligned to national, provincial and regional / district strategic priorities and outcomes. Thus the WRDA supports the Gauteng Province's developmental objectives (National Outcome and Provincial Outcome 4) of a proactive contributor to the development of ***“decent employment through inclusive economic growth”***.

Towards the attainment of its aim, five strategic goals have been developed in order to enable the WRDA to effectively focus and prioritize its options in responding to the environment and development priorities. The WRDA Strategic Goals are elaborated upon in the table below:

BALANCED STRATEGY PERSPECTIVE	WRDA STRATEGIC GOAL	WRDA KEY FOCUS AREAS
SHAREHOLDER VALUE	1. Promoting social and economic development for the local communities	Plan, implement, manage and facilitate development projects in an efficient and equitable manner.
	2. Strategic economic development interventions supporting employment-led growth and development	<ul style="list-style-type: none"> <li>- Accountability to the shareholder and key stakeholders;</li> <li>- Good governance Compliance with relevant Legislation principles of corporate governance;</li> <li>- Results-driven: Creation of value to both shareholders and external stakeholders and</li> <li>- Empowerment: Through progressive procurement</li> </ul>
CUSTOMER DEVELOPMENT	3. An enabling environment for trade and investment into the region.	<ul style="list-style-type: none"> <li>- Sound governance principles in place</li> <li>- Having the right partners to undertake developments</li> </ul>

BALANCED STRATEGY PERSPECTIVE	WRDA STRATEGIC GOAL	WRDA KEY FOCUS AREAS
		<ul style="list-style-type: none"> <li>- Stakeholder buy-in</li> <li>- The ability to execute strategies and cut bureaucratic red tape</li> <li>- Having the right people appointed in required positions</li> <li>- Suitable land tenure arrangements</li> <li>- Fixed and working capital available</li> </ul>
<b>INTERNAL PROCESSES &amp; ORGANISATION EFFECTIVENESS</b>	<b>4. Public accountability, high standards of corporate governance and efficient resource utilisation.</b>	<ul style="list-style-type: none"> <li>▪ To ensure internal business excellence (4).</li> <li>▪ Financial Management and Control (Audit).</li> <li>▪ Knowledge management and Institutional Memory.</li> <li>▪ Governance, Risk and Compliance.</li> <li>▪ System and Process optimisation.</li> <li>▪ Accountability reporting and Monitoring and evaluation.</li> </ul>
<b>LEARNING AND GROWTH</b>	<b>5. High performance in an enabling business environment.</b>	<ul style="list-style-type: none"> <li>▪ An optimally capacitated and capable organisation.</li> <li>▪ A high performance culture underpinned by an effective performance management system and approach.</li> <li>▪ Ensuring safe and conducive working conditions.</li> <li>▪ Transparency of Executive decisions.</li> </ul>

In turn, the Strategic Plan of the WRDA then unpacks each of the five Strategic Goals of the WRDA into Strategic Objectives. These objectives provide an overview of the key focus area for each goal and have been unpacked in a manner that is appropriately specific to aid measurability. A number

of programmes have then been defined as the mechanism for achieving the strategic goals and objectives and the agency has played a big role in facilitating initiatives / investments that seek to diversify the economy of the entire region with special focus on agriculture, tourism and new industries.

The financial constraints and inability to raise financial resources over and above the grant funding from the shareholder has had its fair share on the agency's ability to achieve more. However there was a drive to mobilize more resources by charging 5% project management commission from projects that are under the agency unfortunately that was not practically possible as they are all privately funded.

## CORPORATE SCORECARD 2019/20

### Performance scorecard

GDS PILLAR / OUTCOME SUPPORTED	WRDA STRATEGIC GOAL	NON OS	WRDA STRATEGIC OBJECTIVES PER GOAL	Expected Result	Performance Measure / Indicator	Baseline	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Planned	Achieved	Means of Verification	Reporting Period	Actual Result(s)	Reasons for target not being achieved in 2016/17	Measures to address non-achievement of target(s)
Economic growth of the region	1. Facilitate trade and Investment Promotion in the region	1.	Trade Promotions	1.1.1 Local / Foreign trade exhibitions conducted or participated in	Local / foreign trade exhibitions conducted or participated in	1			1		1		Report on Meetings Africa Exhibition				
		2.	Resource Mobilization (Sourcing of funds, assets, expertise)	1.2.1 Projects funded	Projects funded	1				1	1		Reports on projects funded				
				1.2.2 Training workshops facilitated	Training workshops facilitated	1	1				1		Report on Workshop facilitated				
				1.2.3 Projects advertised	Number of projects advertised for development	1					1		Copy of the advertisements on projects to be developed				
	2. Project facilitation	1.	Strategic Project design facilitation	2.1.1 New project opportunities identified	New project opportunities identified				1		1		Report on newly identified project				
	3. Promote regional Tourism and stakeholder relations	1.	West Rand Tourism Promotion	3.1.1 Report on the status of the LTAs in the region	Report on the status of the LTAs	1			1		1		Status report on the LTAs				
				3.1.2 Status report on the implementation of the Magaliesberg Battlefields Tourism Route	Status Report on the implementation of the Tourism Route	2		1		1	2		Status report on the Implementation of the Magaliesberg Battlefield Tourism Route				
				3.1.3 Status Report on tourism training of youth	Number of reports on training initiatives on youth	1			1		1		Status Report on youth trained in the tourism sector				

GDS PILLAR / OUTCOME SUPPORTED	WRDA STRATEGIC GOAL	MONOS	WRDA STRATEGIC OBJECTIVES PER GOAL	Expected Result	Performance Measure / Indicator	Baseline	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Planned	Achieved	Means of Verification	Reporting Period	Actual Result(s)	Reasons for target not being achieved in 2016/17	Measures to address non-achievement of target(s)
Equitable access to resources	4.Strategic Economic Development interventions supporting employment – LED growth and Development	1.	External funding and partnership opportunities secured	4.1.1 Funding and Partnership agreements secured	Number of collaboration / MOU agreements signed for project funding	1				1	1		Collaboration agreement / MOU signed				
		2.	Targeted strategic economic infrastructure projects implemented	4.2.1 Infrastructure development projects implemented	Report on infrastructure project implemented	1				1	1		Progress report on the Infrastructure projects implemented				
		3.	Job Creation	4.3.1 Number of jobs created through different initiatives	Reports on the number of jobs created	1			1		1		Reports on the number of jobs created				
Equitable access to resources	5. Enabling environment for trade and Investment	1.	Positioning the West Rand as a preferred trade and investment destination	5.1.1 West Rand Investment Economic Summit held	Progress report of the Economic Summit	1				1	1		Progress report on the implementation of the West Rand Summit				
Governance	6. Public accountability, high standards of corporate governance and efficient resource utilisation	1.	Ensure internal business excellence	6.1.1 Submission of consolidated quarterly reports to council	Sec79 Quarterly reports	4	1	1	1	1	4		Consolidated Quarterly reports submitted to council				
	7. High performance in an enabling business environment	1.	An optimally capacitated and capable organization	7.1.1 Performance Agreements	Performance agreements for staff members					4	4		Signed performance agreements				
		2.	Good Corporate governance	7.2.1 Sub-Committee meetings held	Minutes of the Sub-Committee meetings held		6	5	5	6	16		Minutes of the Sub-Committee Meetings held				
				7.2.2 Board Meetings held	Minutes of the Board meetings held		1	2	2	1	6		Minutes of the Board Meetings held				

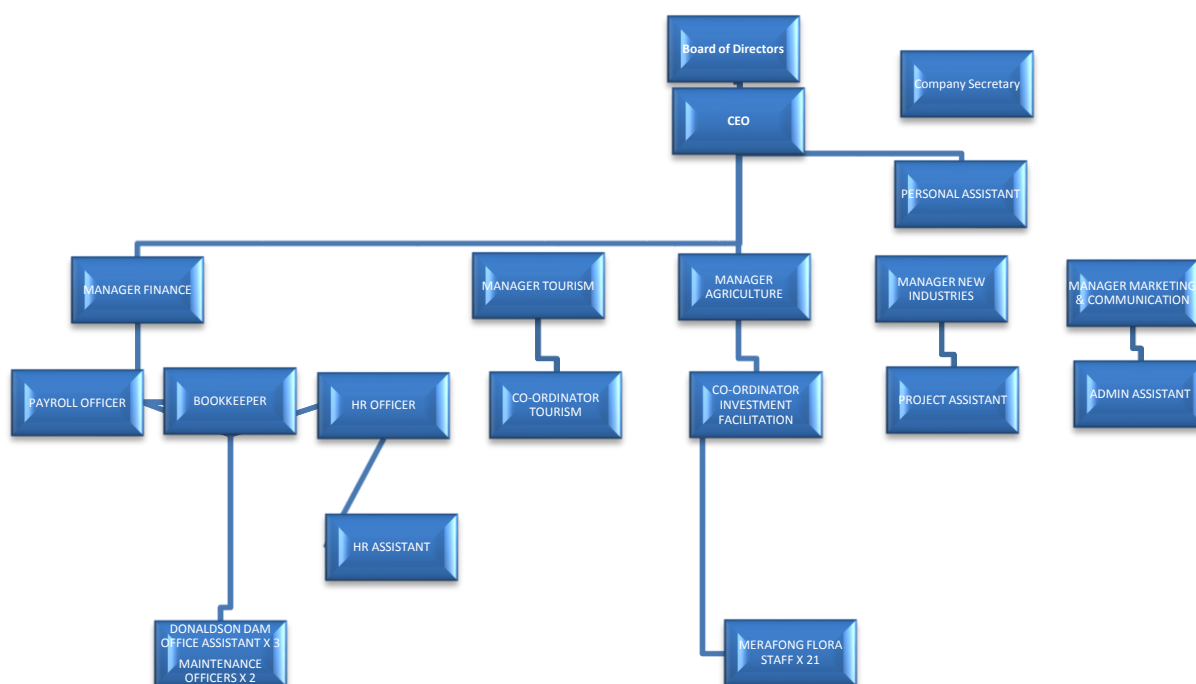


**Performance rating**

Total targets 2017/18	Total targets achieved 2017/18	Total targets not achieved	Performance rating (targets)
12	12	0	100%

# CHAPTER 4

## 4.2 ORGANISATIONAL DEVELOPMENT PERFORMANCE 2019/20



The approved WRDA organizational structure above (2018/19) has attempted to factor in key positions that needed to be filled on an ongoing basis. The organizational structure was amended (and approved by the WRDA board) to adequately reflect the human resources requirements necessary for the effective management of the agency's operations, in the short term and in line with its focus areas of development. Going forward, the filling of critical vacancies will be linked to the agency's ability to meet its mandate through an approved growth and investment programme focusing on the identified needs and service delivery targets of the West Rand District. Due to financial constraints, the vacant posts as reflected in the organogram could not be filled.

The entity has its own HR policies which was reviewed during the 2019/20 financial year.

There has not been any injury on duty during the year under review and records of sick leave are kept and monitored regularly to check if there might any abuse of the leave facility.

Furthermore there has not been any suspension and financial misconduct during the year.

No provision has been made for performance rewards again due to the financial constraints of the parent municipality which has a domino effect on the entity

Skilled workforce is capable of being more productive thereby increasing productivity. No provision has been made to support in the form of financial aid for the staff due the serious financial constraints.

## **CHAPTER 5**

### ***5.1 FINANCIAL PERFORMANCE***

#### **5.1.1 ANNUAL FINANCIAL STATEMENT**

Unaudited Annual Financial Statement

### **5.1.2 FINANCIAL RESOURCES.**

During the financial year the WRDA was wholly dependent on grant funding from the West Rand District Municipality and the IDC. This impacted negatively on sustainability of the WRDA. The grant funding is transferred in tranches of R1.1m per quarter and it mainly covers the operational costs incurred by the agency. The Financial recovery plan imposed to the WRDM by treasury due to its inability to meet all its financial obligations recommended amongst others the review of the WRDA. The WDRA board has also highlighted the fact that the agency cannot continue and be viable under the current financial model. In view of the above, the WRDM council resolved the disestablishment of the agency within a period of six months and reduced the number of non-executive members to only four. They are tasked with the responsibility of overseeing the disestablishment process.

## **CHAPTER 6**

### **6.1 AUDITOR GENERAL AUDIT FINDINGS**

Auditor General Opinion of Financial Statement.