



**Sarah Baartman**

DISTRICT MUNICIPALITY

*Province of the Eastern Cape*

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*progress through development*

**MEDIUM – TERM BUDGET**

**2015/16 – 2017/18**

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# **PART 1**

# **ANNUAL BUDGET**

# **CHAPTER 1**



## **Mayor's Report**

## **BUDGET SPEECH 2015/2016**

### **THEME: BACK TO BASICS**

Honourable Speaker

Executive Mayors

Mayors

Municipal Managers and officials

Fellow Councillors

Ladies and Gentleman

### **Introduction**

The new society as envisioned in the Freedom Charter is a response to the legacy of apartheid. This inhuman system institutionalised discrimination and segregation on the basis of race. It denied the majority access to political power and imposed an inequitable socio-economic system.

A clear understanding of our past enables us to frame our agenda of transformation, which includes:

- Eliminating poverty and extreme inequalities;
- Democratising the economy and empowering the disadvantaged;
- Creating productive employment opportunities;
- Initiating growth and development to improve the quality of life of our citizens, especially the poor; and
- Giving due regard to the implementation of environmental sustainability and the judicious use of resources.

Honourable Speaker, in response to these challenges, the agenda of this administration is unambiguously one of fundamental socio-economic transformation and redress.

It does also require, Honourable Speaker that we focus on ensuring improvement in the quality of services we provide. We should ensure this through investment in repairs and maintenance of our current infrastructure. We also need to ensure that all employees in our district serve the people of the SBDM, with honesty and diligence.

## **Strategic priorities for growth and development**

As outlined by President Zuma in the State of the Nation Address on the 12th of February 2015, Cabinet has agreed on nine strategic priorities to be pursued this year, in partnership with the private sector and all stakeholders. They include:

- Resolving the energy challenge,
- Revitalising agriculture,
- Adding value to our mineral wealth,
- Enhancement of the Industrial Policy Action Plan,
- Encouragement of private investment,
- Reducing workplace conflict,
- Unlocking the potential of small enterprises,
- Infrastructure investment, and
- Support for implementation of the National Development Plan through in-depth, results-driven processes, known as *phakisa* laboratories.

The first of these laboratories focused on the oceans economy, including off-shore oil and gas exploration and aquaculture opportunities. Already this has led to investment of R9.6 billion in Saldanha Bay.

Strategies for improving primary health clinics have also been developed through a *phakisa* process. The mining sector will be next. These processes draw widely on the talents and expertise of South Africans, from the public and private sectors, and the scientific and research community.

In each of these areas, there are many programmes and interventions underway, and numerous stakeholders and institutions involved. It is therefore important that we as local government align our strategies with national and provincial strategic priorities.

## **Economic context**

Honourable Speaker I turn now to the economic context within which the budget has been prepared.

Global economic growth is expected to remain sluggish over the period ahead, rising from 3.3 per cent in 2014 to 3.5 per cent this year. There is considerable variation in economic performances between countries and economic trends are likely to be volatile. In the United States, 3.6 per cent growth is expected this year, but in Europe the outlook remains weak, and could still be destabilised by disagreements between debtor and creditor nations.

In emerging markets and developing economies, growth of about 4.5 per cent is expected. China's growth is expected to slow to 6.8 per cent this year. Amongst our neighbours in Africa, the recent shifts in commodity prices will benefit some countries and disadvantage others.

South Africa will benefit from the lower oil price, but our major commodity exports have been negatively affected by the global slowdown. Our deepening trade and investment links with sub-Saharan Africa continue to offer favourable growth prospects. Exports to Africa grew by 19 per cent in 2013 and 11 per cent in 2014.

However, our primary challenge is to deal with the structural and competitiveness challenges that hold back production and investment in our economy. The most important of these is the security and reliability of energy supply. Electricity constraints hold back growth in manufacturing and mining, and also inhibit investment in housing and raise costs for businesses and households.

Mainly for this reason, our projected economic growth for 2015 is just 2 per cent, down from 2.5 per cent indicated in October last year. We expect growth to rise to 3 per cent by 2017.

Consumer price inflation peaked at 6.6 per cent in June last year. It has subsequently declined to just 4.4 per cent last month, and is expected to average at 4.3 per cent in 2015, laying a foundation for economic growth.

Higher growth is possible, if we make good progress in responding to the electricity challenge or if export performance is stronger. The best short-term prospects for faster growth lie in less energy-intensive sectors such as tourism, agriculture, light manufacturing and housing construction.

### **Medium term expenditure and the division of revenue**

Honourable Speaker, our Constitution requires an equitable division of nationally collected revenue between national, provincial and local government. This is set out in the *Division of Revenue Act* and its accompanying *Explanatory Memorandum*. The allocations are explained in the *Budget Review* and elaborated in the *Estimates of National Expenditure*.

The national share of non-interest expenditure is about 48 per cent, provinces receive 43 per cent and 9 per cent goes to municipalities.

Allocations to basic services provided by municipalities have been prioritised, despite the constraints of the budget framework. A new approach is proposed for cities, to support their growth and restructuring and strengthen infrastructure investment. A review of local government infrastructure grants is in progress, which will lead to simplification and consolidation of the financing arrangements.

Over the longer term, progress in municipalities requires local economic growth, property development and revenue capacity, alongside national support. These are key elements in the "back to basics" municipal development strategy.



## **Financial management: ensuring value for money**

Honourable Members, better value for money in public service delivery depends on rigorous financial management, effective systems and an unrelenting fight against corruption.

## **2015/2016 Review of the Integrated Development Plan**

### **Key IDP Interventions**

Honourable Speaker, the Sarah Baartman District Municipality has identified a number of key IDP interventions. These represent flagship programmes that will accelerate the achievement of the principles contained in our Growth and Development Strategy. They are:

- Strengthening both political and administrative links;
- Assisting LM's with specialized support;
- Partnering with Sector Departments to deal with services deliver and institutional challenges;
- Providing technical assistance and assistance with feasibility studies;
- Leveraging funding for local service infrastructure of LM's;
- Implementing Capacity Building Programmes;
- Exploring and embarking on Shared Service arrangements; and
- Leveraging on District Strategic Initiatives.

Hence the development priorities for the 2014/2015 financial year will remain the same, namely –

- Infrastructure development
- Capacity building and support of local municipalities
- Financial viability
- Community services
- Institutional development

### **Key Challenges and Risks that need to be addressed**

- The need to have a shared vision of our role in making an impact in the District;
- Ongoing communication to LM's and stakeholders to reinforce the development facilitation model;
- Building our relationship with the LM's and the other spheres;
- Effective support to LM's to turn around the situation at LM's;
- Attracting conditional grant funding (tapping into Jobs Fund, Rural Development Funds, DBSA); and
- Implementing structures and systems to play an effective monitoring and evaluation role.

## **Emerging Business Opportunities**

The emerging strategies and priorities identified during the 2013 Strategic Planning interventions for our District 2030 Vision are summarized below:

### External considerations:

- Integration with Port of Ngqura
- Nuclear project (benefit management)
- Shale gas (benefit management)
- Green energy / technology (wind, solar, biofuel waste)
- Agro-processing (add-value)
- Tourism
- Integration with knowledge institutions
- Economic inclusion

### Internal considerations:

- Financial Sustainability
- Skills development
- Governance issues in LMs
- Water services authority
- Bulk infrastructure (packaging, leverage funding)
- Relocation
- Support and Capacity Building
- Role of the CDA
- Spatial planning

Appropriate plans have now been developed for the implementation of these strategic priorities. It was acknowledged that the SBDM will need new skills and competence to implement these strategies and many need to reorganize and reskill employees. It will therefore be necessary to undertake an organisational development study to determine the skills gaps, personnel resources required and the appropriate organisational structure to perform optimally and implement these new activities and programmes. Adequate provision has been made in the budget to review the staff establishment in terms of the regulations on the appointment and conditions of employment of senior managers.

It was also acknowledged that the implementation of the new strategic priorities and the reduction of funding to finance infrastructure and economic development projects would have to be undertaken on a phasing – in approach. Accordingly, no new funding has been made available for infrastructure projects. There are many multi-year projects which will have to be completed in the 2015/2016 financial year.

## **2015/2016 Budget**

The financial position of the Sarah Baartman District Municipality is still strong, although it has a weak revenue base. The Sarah Baartman District Municipality achieved unqualified audit reports in eight (8) consecutive financial years reflecting the drive towards financial management excellence in the Sarah Baartman District Municipality. The application of sound financial management principles for the compilation of the SBDM's financial plan is essential and critical to ensure that the District remains financially viable and that sustainable municipal services are provided economically and equitably. In the 2013/2014 financial year the Cacadu District Municipality achieved a spending of R137 million of the total operating budget. The overall forecasted financial performance results for the 2014/2015 year reflect a forecasted total spending of R138 million.

The actual approved budget for 2014/15 financial year including project expenditure amounted to R162.8 million. The new forecast for the period is R138 million which represents a decrease of 15%. This is mainly due to under-spending on project expenditure.

This year (2015/2016) we are tabling an operating budget amounting to R145.4 million which represents a decrease of 11% over the 2014/2015 financial year's adjusted budget. The decrease is mainly due to the reducing conditional grant funds.

The Budget is more than a mere balancing of available revenue to meet expenditure needs. The budget is a policy instrument which seeks to transform our society with huge development needs.

The main challenges experienced during the compilation of the 2015/2016 MTREF can be summarized as follows:

- The ongoing difficulties in the economy and marginal growth in discretionary revenue;
- The need to reprioritize projects and expenditure within the existing resource envelope given the cash flow realities;
- Payroll increases for municipal staff and increased electricity costs that continue to exceed consumer inflation; and
- Affordability of projects.

## **Tariffs**

The tariffs and charges were increased by 6%. These however make a very minor contribution to our revenue.

## **Medium Term Operating and Capital Budgets for 2015/2016 Revenue**

Mr Speaker, the total Operating Revenue Budget is estimated at R145.4 million. Revenue derived from Equitable Share of National Revenue and the Levy Replacement Grant for the 2015/2016 financial year amounts to R21.8 million and R58.9 million respectively which has decreased by 3% and increased by 2.4% respectively over the last year. Investment interest and contribution from the accumulated surplus account amounts to R10.6 million and R39.8 million respectively. Conditional Grant funding to finance project expenditure, amounts to only R6 million.

It is evident from the details provided in the budget that the municipality is totally dependent on grant funding from the National Treasury and interest earnings to finance its operations.

It is evident that sustainable discretionary revenue amounts to 68% (R91.4 million) of total revenue excluding grants while non-sustainable discretionary revenue in the 2014/2015 budget amounts to 32% (R42.9 million) of total revenue. The conditional grant funding, amounts to 7.6% (R11 million) of total revenue.

### **Summary of Expenditure Budgets per Department**

As indicated above, the total operating revenue budget is estimated at R145.4 million. This budget is allocated as follows with regard to expenditure:

<b>DEPARTMENT</b>	<b>AMOUNT R'000</b>	<b>%</b>
Infrastructure Development & Planning	58 172	40%
Finance & Corporate Services	43 518	30%
Economic Development	16 126	11%
Office of the Mayor	17 735	12%
Office of the Municipal Manager	9 843	7%
<b>Total</b>	<b>145 394</b>	<b>100%</b>

### **Project Expenditure**

Project expenditure for the 2015/2016 budget amounts to R46.4 million and details are reflected on pages 134 – 136 of the Budget Document. The sources of funding are also indicated.

### **Offices of the Mayor and the Municipal Manager**

The budget for the Offices of the Mayor and Municipal Manager includes the budget allocated for the Speaker as well as the Mayoral Committee and Councillors. Included in this budget, amounts are set aside for the Moral Regeneration campaign, Training of Ward Committees, Imbizos and Outreaches as well as the capacitation of councillors. An amount of R1.1 million has been set aside for special programmes. These include Women Empowerment, Youth Development, Supporting People with Disabilities as well as the implementation of the HIV and Aids Plan. The District will continue to play a pivotal role in ensuring that the Connect with Cacadu programme

continues. This will ensure that all libraries in the District have access to free internet and email services as well as a range of other educational and information tools. An amount of R2.2 million has been set aside for this. The Municipal Systems Improvement Grant (MSIG) will primarily be used to develop the capacity of the institution. This amounts to R934 000.

### **Infrastructure Services and Planning**

An amount of R28.4 million has currently been set aside for projects. An amount of R17.9 million has been earmarked for fire services. The contribution to local municipalities will be R4.5 million. The District Municipality has commenced with the fire station in Sanddrif, Koukamma. An amount of R2.2 million has been included in the new financial year to complete the project. The construction of the fire station in Somerset East has been completed and the retention funds are budgeted for. Currently, the fire station at Bushman's River Mouth is in process and amount of R4.8 million has been budgeted for to ensure completion of the project. Ndlambe Municipality will be co-funding the project at an amount of R1.8 million. The Paterson Integrated Emergency Centre has been budgeted for at R5 million and R8 million in the outer year. The District will also be procuring fire equipment at an amount of R0.8 million. The municipality will also continue with the standardization of fire hydrants. An amount of R1.5 million has been set aside for this, which will be funded from the EPWP Grant.

With regard to water and sanitation, the Jansenville Water Treatment Works and the Nieu Bethesda Water Treatment Works has been completed and retention funds are budgeted for.

The Inter-City Bus Terminal in Graaff-Reinet was budgeted for in the 2014/15 financial year. An amount is expected to be rolled over due additional funding being required to enable the municipality to make the award. A grant from Province of R8 million was received by Coega Development Corporation on behalf of the District Municipality for this project.

One of the key focus areas within the budget is Disaster Management due to the high risks associated to this area. The municipality will be embarking on two projects namely, Review Disaster Risk Assessment and Disaster Risk Reduction. An amount of R3 million is allocated for these projects with an additional amount of R2 million in the outer year.

Further amounts have been allocated for planning, feasibility studies, district-wide plans as well as technical support to local municipalities.

### **Economic Development**

An amount of R1 million has been allocated for the District Development Agency. Tourism promotion and development including creative industries has been allocated an amount of R6.3 million. These include support to LTOs, Tourism Infrastructure Investment in local municipalities and Tourism Sector Development support.

Small, Medium and Micro Enterprises will benefit to the amount of R2 million. An amount of R1.5 million has been set aside for the Agricultural Mentoring Programme. The District Municipality has also allocated an amount of R1 million to Local Economic Development initiatives.

### **Finance and Corporate Services**

One major project for this Department will be to support local municipalities to improve their audit outcomes. An amount of R2.5 million has been set aside for this.

All Departments are responsible for Capacity Building and Support of the nine local municipalities in our District and each of their project budgets contain an element of this.

### **Capital Budget**

The Capital Budget of the District Municipality is R5.5 million. Of this, an amount of R4 million has been set aside for the refurbishment of the building and the lifts. The remaining portion is primarily to deal with the procurement of furniture and computer equipment.

### **Conclusion**

Finally I wish to express my heartfelt gratitude to:

- the members of the Mayoral Committee and the Budget Steering Committee for providing the necessary political oversight during the budget process;
- the Municipal Manager and the Directors as well as the officials who have played an important role in the compilation of the IDP and the budget.

Honourable Speaker I now formally table the 2015/2016 medium term budget and annexures for Council's consideration in terms of Section 24 (1) of the Municipal Finance Management Act.

**K E KEKANA**  
**EXECUTIVE MAYOR**

# **CHAPTER 2**



# **Resolutions**

## **CHAPTER 2**

### **RESOLUTIONS**

#### **Capital Budget**

##### **IT IS RECOMMENDED**

That the annual capital budget of R5.5 million for the year 2015/2016 and the estimates for the two projected outer years 2016/2017 and 2017/2018 for the Sarah Baartman District Municipality are approved as set out in the following schedules:

- Capital budget by vote (**Annexure “E”**)

#### **Operating Budget**

##### **IT IS RECOMMENDED**

That the annual Operating Revenue of R145.4 million and the Operating Expenditure of R145.4 million for the Sarah Baartman District Municipality for the financial year 2015/2016, and the indicatives for the projected medium term period 2016/2017 and 2017/2018 be approved as set out in the following attachments:

The total operating budget by vote for the departments as reflected on Table A3

That the supporting information contained in the 2015/2016 – 2017/2018 Medium Term Revenue and Expenditure Budget document as required in terms of Section 17(3) of the Municipal Finance Management Act (Act 56 of 2003) be considered in conjunction with this report.

#### **Tariffs**

##### **IT IS RECOMMENDED**

That the tariffs and charges as tabled in the Council agenda in **Annexure “F”** be approved for the 2015/2016 financial year.



## **Budget Related Policies**

### **IT IS RECOMMENDED**

That the revised and updated Budget Related Policies detailed below, circulated under separate cover be approved:

- Budget policy;
- Banking and Investment Policy;
- Supply Chain Management Policy;
- Virement Policy;
- Credit Control and Debt Collection Policy;
- Revenue By-laws;
- Tariff Policy;
- Sundry Financial Policies;
- Policy on Unauthorised, Irregular, Fruitless and Wasteful Expenditure and the Enforcement of Proper Financial Management;
- Petty Cash Policy;
- Asset Management Policy; and
- Risk Management Policy

## **Cacadu District Development Agency**

### **IT IS RECOMMENDED**

That the annual capital budget of R50 000 for the year 2015/2016 and the estimates for the two projected outer years 2016/2017 and 2017/2018 for the Cacadu District Development Agency are approved.

That the annual Operating Revenue of R8.23 million and the Operating Expenditure of R8.18 million for the Cacadu District Development Agency for the financial year 2015/2016, and the indicatives for the projected medium term period 2016/2017 and 2017/2018 be approved.

The total capital and operating budget by source / type as reflected on Table D2

That the supporting information contained in the 2015/2016 – 2017/2018 Medium Term Revenue and Expenditure Budget document as required in terms of Section 17(3) of the Municipal Finance Management Act (Act 56 of 2003) be considered in conjunction with this report.

# **CHAPTER 3**



## **Executive Summary**

## **CHAPTER 3**

### **EXECUTIVE SUMMARY**

The Sarah Baartman District Municipality's projected overall spending envelope for the 2015/2016 Medium Term Budget (MTB) amounts to R145.4 million. Approximately R5.5 million will be invested in the office building infrastructure, vehicles, furniture and equipment.

The 2015/2016 MTB has been prepared within the context of a fragile global economy, taking into account the implications of the weakening rand and rising inflation rates.

Within the fragile global economic environment and the local low-growth scenario, it is expected that the Sarah Baartman District Municipality's revenue base will be adversely affected. The Sarah Baartman District Municipality has also seen a slow increase in its revenue base with the introduction of the Levy Replacement Grant. The demarcation process whereby the District Management Areas (DMA) was incorporated in the local municipal areas has adversely impacted on the SBDM's revenue base. The DORA then reflected a decrease in Equitable Share revenue but is steadily increasing. The Levy Replacement Grant increased marginally from R57.5 million in the 2014/2015 to R58.9 million in the 2015/2016 financial year which creates a challenge for SBDM to perform its legal mandate together with ensuring financial sustainability in the short and medium term.

The municipality's efforts to improve the quality of life of the communities, was adversely affected by MIG funds no longer being allocated to SBDM. The impact of these revenue reductions have forced the municipality to use greater amounts of its accumulated surplus impacting negatively on its financial sustainability in the medium term. It therefore means that more should be done with less, without compromising on essential programmes or services.

In the MFMA Circular No 74, the National Treasury reminded municipalities of all previous Budget Circulars' issued and highlighted important factors to consider when preparing the current 2015/2016 Medium Term Budget (MTB). These highlights were as follows:

In the MFMA Circular No 54, the National Treasury provided some guidelines, taking into account the ongoing constraints on the revenue side, municipalities are made aware that tough decisions will have to be made on the expenditure side and that priority ought to be given to:

- Ensuring that drinking water meets the required quality standards at all times;
- Protecting the poor from the worst impacts of the slow recovery in the labour market;
- Supporting meaningful local economic development (LED) initiatives that foster micro and small business opportunities and job creation;
- Securing the health of their asset base (especially the municipality's revenue generating assets) by increasing spending on repairs and maintenance; and
- Expediting spending on capital projects that are funded by conditional grants.

National Treasury then advised municipalities to pay special attention to Circular 58 with Circular 66 as follow up, which classifies the following as unnecessary expenditure that needs to be eliminated:

- Excessive sponsorship of music festivals, sporting events, including ticket purchases for Cllrs and officials
- Excessive catering for meetings and other events
- Arranging workshops and events at expensive private venues
- Excessive printing costs
- Luxurious office accommodation and furnishings
- Foreign travel
- Cllr and staff perks such as mayoral cars, notebooks, travel allowances, etc
- Excessive staff in the office of the mayor, i.e. spokespersons and political advisors
- Donations not made in terms of indigent policy
- Costs associated with long-standing staff suspensions
- The use of consultants to perform routine management tasks and
- Payment of excessive fees to consultants

National Treasury then issued Circular 70 to remind municipalities of the implication of all previous Circulars issued.

Accordingly, the Sarah Baartman District Municipality's 2015/2016 MTB was guided by the following principles:

- Producing a credible balanced budget;
- Maintaining fiscal stability and financial sustainability;
- Maintaining the commitment to deliver quality services;
- Collectively managing the costs down;
- Identifying alternative funding;
- Reviewing all Sarah Baartman District Municipality's services and programmes for operational efficiencies to improve service levels and delivery;
- Ongoing costs should be funded with ongoing revenues by aligning recurring expenditures with recurring revenues, on a level that can be reasonably sustained and reduce reliance on one-time funding;
- Further managing down general expenditure and contracted services. The choice of a service provider should be based on which service provider can provide the service most effectively at the lowest cost; and
- Maintaining all assets at a level adequate to protect the capital investment and minimise future maintenance and replacement cost.

In addressing the budget pressures, the Sarah Baartman District Municipality will continue to implement cost reduction, mainly by scrutinizing discretionary items, not limited to the following:

- Scaling down the cost of consulting services;
- Paying bills on time so that no late charges are incurred;
- Limiting printing, e.g. budget book, IDP, financial statements and other publications;
- Managing overtime;
- Managing breakaways;
- Managing IT costs (no unnecessary purchases of new laptops, computers, printers, etc);
- Delaying conferences and seminars;
- Re-negotiating some of the contracts where necessary; and
- Limiting purchasing of furniture

The financial position of the Sarah Baartman District Municipality is still strong. The Sarah Baartman District Municipality achieved unqualified audit reports for seven continuous years with achieving a clean audit in the 2013/14 financial year, reflecting the drive towards financial management excellence in the Sarah Baartman District Municipality. In the 2013/2014 financial year the Sarah Baartman District Municipality achieved a spending of R137 million of the total capital and operating budget. The overall forecasted financial performance results for the 2014/2015 year however, reflects an expected total operating expenditure (including project expenditure) amounting to R138 million and a calculated operating deficit of R28.2 million.

The Sarah Baartman District Municipality's IDP is the primary point of reference for the MTB. In turn, the IDP is influenced by the support needs in the District. The aim is to align the financial resources to the Sarah Baartman District Municipality's strategy and priorities, as well as continuously looking for efficiencies in all activities and programmes.

The 2014/2015 MTB continues to address the following key IDP interventions:

- Promotion of Economic Development;
- Infrastructure Investments and Infrastructure Maintenance and Planning in the district;
- Capacity Building and Support to local municipalities;
- Provision of Community Services including environmental health services and disaster management services; and
- Institutional Development.

Economists agree that the Eskom Tariff increase and the increase in the cost of fuel are substantial factors and one that will have a negative impact on both inflation and economic growth. There is no doubt that the cost of goods and services will increase and it has therefore been decided to increase tariffs and charges.

In times like these where we are aware that the economic downturn has adversely impacted on households, especially the poorest of the poor households, we need to agree that creating jobs and increasing employment is South Africa's most critical objective.

The Sarah Baartman District Municipality will therefore focus on maximizing its contribution to job creation by:

- Ensuring that service delivery and capital projects use labour intensive methods wherever appropriate;
- Ensuring that service providers use labour intensive approaches;
- Supporting labour intensive LED projects;
- Participating fully in the Extended Public Works Programme.
- Implementing intern programmes to provide young people with on-the-job training.

The challenge for all municipalities in South Africa is to support these government initiatives and to do more within the existing resource envelope.

# **CHAPTER 4**



## **Annual Budget Tables**

## CHAPTER 4

### ANNUAL BUDGET TABLES

The Sarah Baartman District Municipality's projected overall spending envelope for the 2015/2016 MTB amounts to R145.4 million. Approximately R5.5 million will be invested in the office building infrastructure, vehicles, furniture and equipment items.

#### Operating Budget

The Sarah Baartman District Municipality presents an Operating Revenue Budget of R145.4 million for the 2015/2016 financial year. This estimate represents a decrease of 11% for revenue over the 2014/2015 financial year. The decrease is predominantly due to the reduction in Conditional Grants allocated for projects and the phased in approach of the development facilitation role of the municipality emphasized through the Strategic Plan. The decrease in Conditional Grants allocated for projects adversely affects the amount of Interest revenue that can be generated.

The table below sets out the medium-term revenue and expenditure budget for the 2015/2016 – 2017/18 periods.

Details	Forecast Budget 2014/2015 Rm	Budget 2015/2016 Rm	Estimate 2016/2017 Rm	Estimate 2017/2018 Rm
Revenue	109.8	145.4	146.1	140.7
Expenditure	138.0	145.4	146.1	140.7
Surplus (Deficit)	(28.2)	-	-	-

The operating expenditure includes a substantial amount in respect of projects and support programmes summarized below and more fully detailed in Annexure "A".

The Sarah Baartman District Municipality is projecting a balanced budget for 2015/16, 2016/2017 and 2017/2018. Should any surpluses be realized, these will be applied towards the capital infrastructure investment. The municipality's projects and programmes are summarised below.

Projects and Programmes	R'm
Economic Development	10.9
Infrastructure Services and Planning	28.4
Municipal Manager's office	3.6
Finance and Corporate Services	2.5
<b>Total</b>	<b>45.4</b>



## Financing of Projects & Programmes

<b>Funding Sources</b>	<b>R'm</b>
GRANTS: NATIONAL	3.3
ACCUMULATED SURPLUS	41.5
SUNDRY CREDITORS	0.6
<b>TOTAL</b>	<b>45.4</b>

### Revenue

The increase of 31.5% in revenue is mainly as a result of the forecasted under-spending on projects funded from Accumulated Surplus in the 2014/15 financial year. Should the spending be in line with the Adjusted Budgeted revenue, it would have resulted in a decrease of 11.3%. The depletion of conditional grants is also a contributing factor.

### Tariffs

For the 2015/2016 year the tariffs will increase by 6%

### Expenditure

The actual approved budget for 2014/15 financial year including project expenditure amounted to R162.8 million. The new forecast for the period is R138 million which represents a decrease of 15%. This is mainly due to under-spending on project expenditure.

The 2015/2016 budget has been prepared on the basis of budget constraints. However, it is acknowledged that Sarah Baartman District Municipality still needs to fund programmes and continue to invest in its infrastructure projects and support programmes to ensure that service delivery is maintained and remain responsive to the community's needs.

Sarah Baartman District Municipality's budgeted balance sheet shows a continuation of a strong financial position. However, the greater utilization of Accumulated Surplus to finance operating expenditure will adversely affect the financial sustainability in the medium term.

### Cash Position

The cash position is expected to decline in the current financial year primarily because Sarah Baartman District Municipality has less conditional grant income at its disposal, a decline in revenue and projects being funded from Accumulated Surplus. This will result in a decline in the Accumulated Surplus and interest earnings.

## Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of Sarah Baartman District Municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminate basic service delivery backlogs.
3. Financial management reforms emphasises the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
  - a. The operating surplus/deficit (after Total Expenditure) is positive over the MTREF
  - b. Capital expenditure is balanced by capital funding sources, of which are;
    - Internally generated funds from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years.

DC10 Cacadu - Table A1 Consolidated Budget Summary

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Investment revenue	17 159	15 399	14 767	11 500	11 500	11 000	10 600	8 500	6 400
Transfers recognised - operational	91 682	89 706	94 506	92 375	97 382	97 382	91 265	92 170	93 616
Other own revenue	10 544	7 163	29 837	49 833	53 906	1 386	43 528	45 435	40 647
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>119 385</b>	<b>112 269</b>	<b>139 111</b>	<b>153 708</b>	<b>162 788</b>	<b>109 768</b>	<b>145 393</b>	<b>146 105</b>	<b>140 663</b>
Employee costs	32 962	36 441	37 842	46 278	46 653	41 999	47 705	50 488	53 444
Remuneration of councillors	5 264	5 665	6 144	6 894	7 194	5 911	7 025	7 411	7 804
Depreciation & asset impairment	1 622	975	1 299	1 505	1 505	1 505	1 882	1 882	1 882
Finance charges	1	-	-	-	-	-	-	-	-
Materials and bulk purchases	-	-	-	-	-	-	-	-	-
Transfers and grants	26 219	19 182	32 437	21 155	26 163	25 663	25 506	34 226	35 243
Other expenditure	86 587	55 507	59 262	77 875	81 273	62 945	63 275	52 098	42 290
<b>Total Expenditure</b>	<b>152 654</b>	<b>117 770</b>	<b>136 984</b>	<b>153 708</b>	<b>162 788</b>	<b>138 022</b>	<b>145 393</b>	<b>146 105</b>	<b>140 663</b>
<b>Surplus/(Deficit)</b>	<b>(33 270)</b>	<b>(5 501)</b>	<b>2 127</b>	<b>-</b>	<b>-</b>	<b>(28 254)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(33 270)</b>	<b>(5 501)</b>	<b>2 127</b>	<b>-</b>	<b>-</b>	<b>(28 254)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>(33 270)</b>	<b>(5 501)</b>	<b>2 127</b>	<b>-</b>	<b>-</b>	<b>(28 254)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>1 864</b>	<b>3 514</b>	<b>2 746</b>	<b>13 731</b>	<b>2 405</b>	<b>2 405</b>	<b>5 467</b>	<b>-</b>	<b>-</b>
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	1 864	3 514	2 746	13 731	2 405	2 405	5 467	-	-
<b>Total sources of capital funds</b>	<b>1 864</b>	<b>3 514</b>	<b>2 746</b>	<b>13 731</b>	<b>2 405</b>	<b>2 405</b>	<b>5 467</b>	<b>-</b>	<b>-</b>
<b>Financial position</b>									
Total current assets	270 672	257 058	259 768	163 907	163 907	230 580	189 592	146 851	108 973
Total non current assets	80 522	85 037	88 346	99 747	88 421	89 897	94 084	92 804	91 524
Total current liabilities	43 054	33 328	38 250	14 266	14 266	31 584	28 234	25 287	13 980
Total non current liabilities	54 374	60 657	58 969	59 717	59 717	56 268	54 518	52 768	51 018
Community wealth/Equity	253 765	248 109	250 895	189 671	178 345	232 624	200 923	161 599	135 498
<b>Cash flows</b>									
Net cash from (used) operating	(35 362)	(8 283)	7 302	-	-	(26 749)	1 882	1 882	1 882
Net cash from (used) investing	(1 469)	(3 233)	(2 920)	13 731	2 405	2 405	(5 467)	-	-
Net cash from (used) financing	50 493	(15 275)	34 229	-	-	-	-	-	-
<b>Cash/cash equivalents at the year end</b>	<b>117 613</b>	<b>90 823</b>	<b>129 434</b>	<b>143 165</b>	<b>118 108</b>	<b>201 836</b>	<b>222 595</b>	<b>224 477</b>	<b>226 359</b>
<b>Cash backing/surplus reconciliation</b>									
Cash and investments available	268 613	253 823	254 434	163 891	163 891	226 180	185 992	143 971	106 813
Application of cash and investments	213 205	198 039	163 485	119 393	119 393	155 560	151 908	148 576	136 880
<b>Balance - surplus (shortfall)</b>	<b>55 408</b>	<b>55 784</b>	<b>90 949</b>	<b>44 499</b>	<b>44 499</b>	<b>70 620</b>	<b>34 084</b>	<b>(4 605)</b>	<b>(30 067)</b>
<b>Asset management</b>									
Asset register summary (WDV)	80 514	85 014	88 115	99 747	88 421	89 665	93 900	92 668	91 436
Depreciation & asset impairment	1 622	975	1 299	1 505	1 505	1 505	1 882	1 882	1 882
Renewal of Existing Assets	-	-	-	-	-	-	-	-	-
Repairs and Maintenance	574	388	640	1 232	1 433	1 058	1 438	1 476	1 410
<b>Free services</b>									
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	-	-	-	-	-	-	-	-	-
<b>Households below minimum service level</b>									
Water:	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-

DC10 Cacadu - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>									
<b>REVENUE ITEMS:</b>									
<b><u>Property rates</u></b>									
Total Property Rates									
<i>less Revenue Foregone</i>									
<b>Net Property Rates</b>	-	-	-	-	-	-	-	-	-
<b><u>Service charges - electricity revenue</u></b>									
Total Service charges - electricity revenue									
<i>less Revenue Foregone</i>									
<b>Net Service charges - electricity revenue</b>	-	-	-	-	-	-	-	-	-
<b><u>Service charges - water revenue</u></b>									
Total Service charges - water revenue									
<i>less Revenue Foregone</i>									
<b>Net Service charges - water revenue</b>	-	-	-	-	-	-	-	-	-
<b><u>Service charges - sanitation revenue</u></b>									
Total Service charges - sanitation revenue									
<i>less Revenue Foregone</i>									
<b>Net Service charges - sanitation revenue</b>	-	-	-	-	-	-	-	-	-
<b><u>Service charges - refuse revenue</u></b>									
Total refuse removal revenue									
Total landfill revenue									
<i>less Revenue Foregone</i>									
<b>Net Service charges - refuse revenue</b>	-	-	-	-	-	-	-	-	-
<b><u>Other Revenue by source</u></b>									
<i>Other income</i>	9 013	5 863	28 744	48 603	52 676	156	42 188	44 021	39 158
<b>Total 'Other' Revenue</b>	<b>9 013</b>	<b>5 863</b>	<b>28 744</b>	<b>48 603</b>	<b>52 676</b>	<b>156</b>	<b>42 188</b>	<b>44 021</b>	<b>39 158</b>

<b>EXPENDITURE ITEMS:</b>									
<b>Employee related costs</b>									
Basic Salaries and Wages	23 948	23 405	27 030	29 495	29 870	26 986	31 461	33 192	34 951
Pension and UIF Contributions	1 798	1 889	2 228	2 480	2 480	2 380	2 493	2 635	2 781
Medical Aid Contributions	3 380	7 722	4 491	9 587	9 587	8 966	9 686	10 373	11 198
Overtime	311	204	336	-	-	-	-	-	-
Performance Bonus	475	531	656	973	973	687	1 020	1 076	1 133
Motor Vehicle Allowance	1 634	1 848	1 735	1 544	1 544	1 544	1 544	1 630	1 716
Cellphone Allowance	154	158	160	169	169	160	163	172	181
Housing Allowances	112	102	96	393	393	106	131	139	147
Other benefits and allowances	854	583	1 111	1 638	1 638	1 169	1 207	1 272	1 339
Payments in lieu of leave	239	-	-	-	-	-	-	-	-
Long service awards	56	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
<i>sub-total</i>	<b>32 962</b>	<b>36 441</b>	<b>37 842</b>	<b>46 278</b>	<b>46 653</b>	<b>41 999</b>	<b>47 705</b>	<b>50 488</b>	<b>53 444</b>
<u>Less: Employees costs capitalised to PPE</u>									
<b>Total Employee related costs</b>	<b>32 962</b>	<b>36 441</b>	<b>37 842</b>	<b>46 278</b>	<b>46 653</b>	<b>41 999</b>	<b>47 705</b>	<b>50 488</b>	<b>53 444</b>
<b>Contributions recognised - capital</b>									
<i>List contributions by contract</i>									
<b>Total Contributions recognised - capital</b>	-	-	-	-	-	-	-	-	-
<b>Depreciation &amp; asset impairment</b>									
Depreciation of Property, Plant & Equipment	1 622	975	1 299	1 505	1 505	1 505	1 882	1 882	1 882
Lease amortisation	-	-	-	-	-	-	-	-	-
Capital asset impairment	-	-	-	-	-	-	-	-	-
Depreciation resulting from revaluation of PPE	-	-	-	-	-	-	-	-	-
<b>Total Depreciation &amp; asset impairment</b>	<b>1 622</b>	<b>975</b>	<b>1 299</b>	<b>1 505</b>	<b>1 505</b>	<b>1 505</b>	<b>1 882</b>	<b>1 882</b>	<b>1 882</b>
<b>Bulk purchases</b>									
Electricity Bulk Purchases	-	-	-	-	-	-	-	-	-
Water Bulk Purchases	-	-	-	-	-	-	-	-	-
<b>Total bulk purchases</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Transfers and grants</b>									
Cash transfers and grants	26 219	19 182	32 437	21 156	26 163	25 663	25 506	34 226	35 243
Non-cash transfers and grants	-	-	-	-	-	-	-	-	-
<b>Total transfers and grants</b>	<b>26 219</b>	<b>19 182</b>	<b>32 437</b>	<b>21 156</b>	<b>26 163</b>	<b>25 663</b>	<b>25 506</b>	<b>34 226</b>	<b>35 243</b>
<b>Contracted services</b>									
Information Technology	1 202	1 333	2 108	1 650	1 650	1 650	2 000	2 110	2 222
Security and cleaning	722	1 140	838	1 000	1 000	1 000	1 150	1 213	1 277
Internal Audit	546	158	1 092	760	750	750	750	791	833
Consultant Fees	204	166	-	840	840	510	565	540	545
<i>sub-total</i>	<b>2 674</b>	<b>2 797</b>	<b>4 038</b>	<b>4 240</b>	<b>4 240</b>	<b>3 910</b>	<b>4 465</b>	<b>4 654</b>	<b>4 877</b>
<b>Allocations to organs of state:</b>									
Electricity	-	-	-	-	-	-	-	-	-
Water	-	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Total contracted services</b>	<b>2 674</b>	<b>2 797</b>	<b>4 038</b>	<b>4 240</b>	<b>4 240</b>	<b>3 910</b>	<b>4 465</b>	<b>4 654</b>	<b>4 877</b>

<b>Other Expenditure By Type</b>									
Collection costs	1	-	-	-	-	-	-	-	-
Contributions to 'other' provisions	-	-	-	-	-	-	-	-	-
Consultant fees	-	-	-	-	-	-	-	-	-
Audit fees	-	-	-	-	-	-	-	-	-
General expenses	62 298	52 695	55 153	73 635	77 033	58 741	58 810	47 444	37 413
<b>Total 'Other' Expenditure</b>	<b>62 299</b>	<b>52 695</b>	<b>55 153</b>	<b>73 635</b>	<b>77 033</b>	<b>58 741</b>	<b>58 810</b>	<b>47 444</b>	<b>37 413</b>

<b>by Expenditure Item</b>									
Employee related costs									
Other materials									
Contracted Services									
Other Expenditure	574	388	640	1 232	1 433	1 058	1 438	1 476	1 410
<b>Total Repairs and Maintenance Expenditure</b>	<b>574</b>	<b>388</b>	<b>640</b>	<b>1 232</b>	<b>1 433</b>	<b>1 058</b>	<b>1 438</b>	<b>1 476</b>	<b>1 410</b>

**Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)**

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enable the National Treasury to compile a complete set of government reports.

DC10 Cacadu - Table A2 Consolidated Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Revenue - Standard</b>									
<b>Governance and administration</b>	98 167	96 940	121 767	101 538	104 560	100 952	101 662	101 657	101 010
Executive and council	23 579	8 883	27 907	7 354	9 036	6 870	610	644	679
Budget and treasury office	67 251	85 923	86 950	91 504	92 354	86 338	97 282	97 159	96 392
Corporate services	7 337	2 134	6 909	2 680	3 170	7 744	3 770	3 854	3 939
<b>Community and public safety</b>	6 284	6 642	4 901	34 991	36 239	1 562	37 867	33 612	26 239
Community and social services	3 826	5 912	2 908	3 200	3 962	562	-	-	-
Sport and recreation	1 036	731	300	-	-	-	-	-	-
Public safety	1 000	-	1 693	20 556	21 042	1 000	26 152	23 026	15 142
Housing	439	-	-	590	590	-	590	-	-
Health	(16)	-	-	10 645	10 645	-	11 125	10 586	11 097
<b>Economic and environmental services</b>	8 888	3 042	7 689	13 429	16 777	4 188	5 865	10 045	11 536
Planning and development	3 997	1 960	2 855	6 100	7 902	1 236	3 665	7 784	9 162
Road transport	4 891	1 081	4 834	7 329	8 875	2 952	2 200	2 261	2 374
Environmental protection	-	-	-	-	-	-	-	-	-
<b>Trading services</b>	6 045	5 645	4 754	1 775	2 801	3 066	-	-	-
Electricity	1 117	1 948	48	-	93	93	-	-	-
Water	4 443	3 381	4 706	1 775	2 708	2 973	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	486	316	-	-	-	-	-	-	-
<b>Other</b>	-	-	-	1 975	2 411	-	-	791	1 878
<b>Total Revenue - Standard</b>	<b>119 385</b>	<b>112 269</b>	<b>139 111</b>	<b>153 708</b>	<b>162 788</b>	<b>109 768</b>	<b>145 393</b>	<b>146 105</b>	<b>140 663</b>
<b>Expenditure - Standard</b>									
<b>Governance and administration</b>	83 476	56 044	58 389	65 403	68 795	70 377	71 095	73 151	75 875
Executive and council	32 050	27 115	23 515	27 734	28 236	34 189	27 578	28 550	29 733
Budget and treasury office	41 792	16 827	21 524	21 279	22 129	21 622	23 195	24 034	24 896
Corporate services	9 635	12 101	13 350	16 390	18 430	14 566	20 322	20 567	21 246
<b>Community and public safety</b>	30 213	33 125	27 574	44 009	45 257	35 896	45 378	46 751	37 915
Community and social services	3 865	5 422	2 908	3 000	3 762	3 562	2 200	2 321	2 444
Sport and recreation	1 036	365	300	300	300	300	300	300	300
Public safety	14 477	16 587	14 157	28 264	28 750	20 720	29 312	31 381	21 801
Housing	-	345	389	1 005	1 005	397	1 015	448	471
Health	10 835	10 405	9 820	11 440	11 440	10 918	12 551	12 300	12 900
<b>Economic and environmental services</b>	23 522	17 813	33 784	31 897	34 875	19 996	20 747	20 241	20 821
Planning and development	16 525	14 074	28 038	24 886	26 318	12 262	18 518	17 950	18 416
Road transport	6 997	3 739	5 747	7 011	8 557	7 734	2 229	2 292	2 406
Environmental protection	-	-	-	-	-	-	-	-	-
<b>Trading services</b>	10 435	7 682	13 584	5 392	6 418	6 164	1 032	878	924
Electricity	1 125	1 968	41	-	93	93	-	-	-
Water	8 823	5 556	13 400	5 392	6 325	6 071	1 032	878	924
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	487	158	144	-	-	-	-	-	-
<b>Other</b>	5 008	3 105	3 652	7 007	7 443	5 588	7 142	5 084	5 128
<b>Total Expenditure - Standard</b>	<b>152 654</b>	<b>117 770</b>	<b>136 984</b>	<b>153 708</b>	<b>162 788</b>	<b>138 022</b>	<b>145 393</b>	<b>146 105</b>	<b>140 663</b>
<b>Surplus/(Deficit) for the year</b>	<b>(33 270)</b>	<b>(5 501)</b>	<b>2 127</b>	<b>-</b>	<b>-</b>	<b>(28 254)</b>	<b>-</b>	<b>-</b>	<b>-</b>



DC10 Cacadu - Table A2 Consolidated Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Revenue - Standard</b>									
<i>Municipal governance and administration</i>	98 167	95 940	121 767	101 538	104 560	100 952	101 662	101 657	101 010
Executive and council	23 579	8 883	27 907	7 354	9 038	6 870	610	644	679
<i>Mayor and Council</i>	22 249	3 212	26 517	6 420	6 852	5 480	610	644	679
<i>Municipal Manager</i>	1 329	5 670	1 390	934	2 184	1 390	-	-	-
Budget and treasury office	67 251	85 923	86 950	91 504	92 354	86 338	97 282	97 159	96 392
Corporate services	7 337	2 134	6 909	2 680	3 170	7 744	3 770	3 854	3 839
<i>Human Resources</i>	215	408	112	230	480	130	1 190	1 200	1 210
<i>Information Technology</i>	-	-	947	-	-	-	-	-	-
<i>Property Services</i>	1 210	999	5 850	1 200	1 440	1 200	1 300	1 372	1 445
<i>Other Admin</i>	5 912	727	-	1 250	1 250	6 414	1 280	1 282	1 284
<i>Community and public safety</i>	6 284	6 642	4 901	34 931	36 239	1 582	37 867	33 612	26 239
Community and social services	3 826	5 912	2 908	3 200	3 962	562	-	-	-
<i>Libraries and Archives</i>	3 826	5 912	2 908	3 200	3 962	562	-	-	-
Sport and recreation	1 036	731	300	-	-	-	-	-	-
Public safety	1 000	-	1 693	20 556	21 042	1 000	26 152	23 026	15 142
Other	1 000	-	1 693	20 556	21 042	1 000	26 152	23 026	15 142
Housing	439	-	-	590	590	-	590	-	-
Health	(16)	-	-	10 645	10 645	-	11 125	10 586	11 097
<i>Clinics</i>	(16)	-	-	-	-	-	-	-	-
Other	-	-	-	10 645	10 645	-	11 125	10 586	11 097
<i>Economic and environmental services</i>	8 888	3 042	7 689	13 429	16 777	4 188	5 865	10 045	11 536
Planning and development	3 997	1 960	2 855	6 100	7 902	1 236	3 665	7 784	9 162
<i>Economic Development/Planning</i>	2 859	1 548	1 855	1 400	1 712	-	2 532	7 784	9 162
<i>Town Planning/Building</i>	1 138	412	1 000	4 700	6 190	1 236	1 133	-	-
Road transport	4 891	1 081	4 834	7 329	8 875	2 952	2 200	2 261	2 374
Roads	4 891	1 081	4 834	7 329	8 875	2 952	2 200	2 261	2 374
Environmental protection	-	-	-	-	-	-	-	-	-
<i>Trading services</i>	6 045	5 645	4 754	1 775	2 801	3 066	-	-	-
Electricity	1 117	1 948	48	-	-	93	-	-	-
<i>Electricity Distribution</i>	1 117	1 948	48	-	-	93	-	-	-
Water	4 443	3 381	4 706	1 775	2 708	2 973	-	-	-
<i>Water Distribution</i>	4 443	3 381	4 706	1 775	2 708	2 973	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	486	316	-	-	-	-	-	-	-
<i>Solid Waste</i>	486	316	-	-	-	-	-	-	-
Other	-	-	-	1 975	2 411	-	-	791	1 878
Tourism	-	-	-	1 975	2 411	-	-	791	1 878
<b>Total Revenue - Standard</b>	119 385	112 269	139 111	153 708	162 788	109 768	145 393	145 105	140 663
<b>Expenditure - Standard</b>									
<i>Municipal governance and administration</i>	83 476	56 044	58 389	65 403	68 795	70 377	71 095	73 151	75 875
Executive and council	32 050	27 115	23 515	27 734	28 236	34 189	27 578	28 550	29 733
<i>Mayor and Council</i>	15 484	14 444	13 049	17 541	17 973	15 389	17 735	18 412	19 201
<i>Municipal Manager</i>	16 565	12 671	10 466	10 193	10 263	18 800	9 843	10 138	10 532
Budget and treasury office	41 782	16 827	21 524	21 279	22 129	21 622	23 195	24 034	24 896
Corporate services	9 635	12 101	13 350	16 390	18 430	14 598	20 322	20 587	21 246
<i>Human Resources</i>	1 929	1 925	2 081	2 507	3 007	2 357	4 961	4 951	5 072
<i>Information Technology</i>	2 133	2 533	2 822	3 036	3 736	2 872	3 602	3 783	3 881
<i>Property Services</i>	797	1 033	901	1 441	1 481	897	1 133	1 142	1 151
<i>Other Admin</i>	4 775	6 610	7 546	9 406	10 206	8 441	10 627	10 692	11 162
<i>Community and public safety</i>	30 213	33 125	27 574	44 009	45 257	35 896	45 378	46 751	37 915
Community and social services	3 865	5 422	2 908	3 000	3 762	3 562	2 200	2 321	2 444
<i>Libraries and Archives</i>	3 803	5 422	2 908	3 000	3 762	3 562	2 200	2 321	2 444
<i>Cemeteries &amp; Crematoriums</i>	62	-	-	-	-	-	-	-	-
Sport and recreation	1 036	385	300	300	300	300	300	300	300
Public safety	14 477	16 587	14 157	28 264	28 750	20 720	29 312	31 381	21 801
Police	-	5 641	-	-	-	-	-	-	-
Fire	9 875	5 641	8 656	28 264	28 750	20 720	29 312	31 381	21 801
Other	4 602	5 304	5 462	-	-	-	-	-	-
Housing	-	345	389	1 005	1 005	397	1 015	448	471
Health	10 835	10 405	9 820	11 440	11 440	10 918	12 551	12 300	12 900
<i>Clinics</i>	1 361	872	252	-	-	-	-	-	-
Other	9 473	9 533	9 568	11 440	11 440	10 918	12 551	12 300	12 900
<i>Economic and environmental services</i>	23 522	17 813	33 784	31 897	34 875	19 996	20 747	20 241	20 821
Planning and development	16 525	14 074	28 038	24 886	26 318	12 262	18 518	17 950	18 416
<i>Economic Development/Planning</i>	4 581	4 394	10 632	13 749	13 711	5 464	8 984	11 764	11 927
<i>Town Planning/Building</i>	11 943	9 680	17 406	11 137	12 607	6 799	9 533	6 185	6 489
<i>Licensing &amp; Regulation</i>	-	-	-	-	-	-	-	-	-
Road transport	6 997	3 739	5 747	7 011	8 557	7 734	2 229	2 292	2 406
Roads	6 997	3 739	5 747	7 011	8 557	7 734	2 229	2 292	2 406
Environmental protection	-	-	-	-	-	-	-	-	-
<i>Trading services</i>	10 435	7 682	13 584	5 392	6 418	6 164	1 032	878	924
Electricity	1 125	1 968	41	-	93	93	-	-	-
<i>Electricity Distribution</i>	1 125	1 968	41	-	93	93	-	-	-
Water	8 823	5 556	13 400	5 392	6 325	6 071	1 032	878	924
<i>Water Distribution</i>	8 823	5 556	13 400	5 392	6 325	6 071	1 032	878	924
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	487	158	144	-	-	-	-	-	-
<i>Solid Waste</i>	487	158	144	-	-	-	-	-	-
Other	5 008	3 105	3 652	7 007	7 443	5 588	7 142	5 084	5 128
Tourism	5 008	3 105	3 652	7 007	7 443	5 588	7 142	5 084	5 128
<b>Total Expenditure - Standard</b>	152 654	117 770	136 984	153 708	162 788	138 022	145 393	145 105	140 663
<b>Surplus/(Deficit) for the year</b>	(33 270)	(5 501)	2 127	-	-	(28 254)	-	-	-

DC:10 Cacadu - Supporting Table SA2 Consolidated Matrix Financial Performance Budget (revenue source/expenditure type & dept.)

Description	R thousand										Total				
	Vote 1 - Executive and council	Vote 2 - Finance and Corporate Services	Vote 3 - Planning and Infrastructure development	Vote 4 - Health	Vote 5 - Community Services	Vote 6 - Housing	Vote 7 - Public Safety	Vote 8 - Sport and Recreation	Vote 9 - Waste Management	Vote 10 - Roads		Vote 11 - Water	Vote 12 - Electricity	Vote 13 - Other	Vote 14 - (NAME OF VOTE 14)
<b>Revenue By Source</b>															
Property rates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - other	-	1 300	-	-	-	-	-	-	-	-	-	-	-	-	1 300
Rental of facilities and equipment	-	10 600	-	-	-	-	-	-	-	-	-	-	-	-	10 600
Interest earned - external investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licences and permits	-	40	-	-	-	-	-	-	-	-	-	-	-	-	40
Agency services	610	1 180	2 532	11 125	-	590	26 162	-	2 200	-	-	-	-	-	42 188
Other revenue	-	87 932	1 133	-	-	-	-	-	-	-	-	-	-	-	91 265
Transfers recognised - operational	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gains on disposal of PPE	610	101 052	3 665	11 125	-	590	26 162	-	2 200	-	-	-	-	-	145 393
<b>Total Revenue (excluding capital transfers and contri</b>															
<b>Expenditure By Type</b>															
Employee related costs	8 272	24 255	7 161	1 552	-	385	5 560	-	-	796	-	-	721	-	48 702
Remuneration of councillors	7 025	-	-	-	-	-	-	-	-	-	-	-	32	-	7 025
Debt impairment	344	959	123	82	-	-	342	-	1	1	-	-	-	-	1 882
Depreciation & asset impairment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	-	4 150	300	-	-	-	-	-	-	-	-	-	-	-	4 465
Contracted services	15	20	2 133	-	-	-	-	-	2 200	-	-	-	-	-	4 353
Transfers and grants	9 551	16 505	8 800	10 917	2 200	630	23 410	300	29	235	-	-	6 389	-	78 966
Other expenditure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>	25 207	45 888	18 518	12 551	2 200	1 015	29 312	300	2 229	1 032	-	-	7 142	-	145 393
<b>Surplus/(Deficit)</b>	(24 597)	55 164	(14 853)	(1 427)	(2 200)	(425)	(3 160)	(300)	(29)	(1 032)	-	-	(7 142)	-	-
Transfers recognised - capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions recognised - capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	(24 597)	55 164	(14 853)	(1 427)	(2 200)	(425)	(3 160)	(300)	(29)	(1 032)	-	-	(7 142)	-	-

**Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)**

1. Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organisational structure of Sarah Baartman District Municipality.

DC10 Cacadu - Table A3 Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>									
<b>Revenue by Vote</b>									
Vote 1 - Executive and council	8 344	8 883	23 596	7 354	9 106	6 870	1 610	5 344	5 390
Vote 2 - Finance and Corporate Services	73 822	88 788	100 837	94 184	95 524	94 082	101 052	101 013	100 331
Vote 3 - Planning and Infrastructure development	3 997	1 960	2 855	6 100	7 832	1 236	2 665	3 084	4 451
Vote 4 - Health	-	-	-	10 645	10 645	-	11 125	10 586	11 097
Vote 5 - Community Services	13 613	5 181	241	3 200	3 962	562	-	-	-
Vote 6 - Housing	104	-	-	590	590	-	590	-	-
Vote 7 - Public Safety	1 000	-	1 693	20 556	21 042	1 000	26 152	23 026	15 142
Vote 8 - Sport and Recreation	2 072	731	300	-	-	-	-	-	-
Vote 9 - Waste Management	974	316	-	-	-	-	-	-	-
Vote 10 - Roads	4 891	1 081	4 834	7 329	8 875	2 952	2 200	2 261	2 374
Vote 11 - Water	4 443	3 381	4 706	1 775	2 708	2 973	-	-	-
Vote 12 - Electricity	1 117	1 948	48	-	93	93	-	-	-
Vote 13 - Other	5 008	-	-	1 975	2 411	-	-	791	1 878
Vote 14 - [NAME OF VOTE 14]	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]	-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	<b>119 385</b>	<b>112 269</b>	<b>139 111</b>	<b>153 708</b>	<b>162 788</b>	<b>109 768</b>	<b>145 393</b>	<b>146 105</b>	<b>140 663</b>
<b>Expenditure by Vote to be appropriated</b>									
Vote 1 - Executive and council	29 274	29 146	35 721	37 122	37 674	33 909	33 259	37 444	38 841
Vote 2 - Finance and Corporate Services	52 953	33 873	33 274	37 759	40 649	36 188	43 517	44 601	46 142
Vote 3 - Planning and Infrastructure development	17 406	14 909	17 432	15 407	16 789	12 542	12 836	9 056	9 307
Vote 4 - Health	10 835	10 405	9 820	11 440	11 440	10 918	12 551	12 300	12 900
Vote 5 - Community Services	3 803	5 422	2 908	3 000	3 762	3 562	2 200	2 321	2 444
Vote 6 - Housing	439	345	389	1 005	1 005	397	1 015	448	471
Vote 7 - Public Safety	14 477	10 946	14 157	28 264	28 750	20 720	29 312	31 381	21 801
Vote 8 - Sport and Recreation	1 036	296	300	300	300	300	300	300	300
Vote 9 - Waste Management	487	158	144	-	-	-	-	-	-
Vote 10 - Roads	6 997	3 739	5 747	7 011	8 557	7 734	2 229	2 292	2 406
Vote 11 - Water	8 823	4 601	13 400	5 392	6 325	6 071	1 032	878	924
Vote 12 - Electricity	1 117	824	41	-	93	93	-	-	-
Vote 13 - Other	5 008	3 105	3 652	7 007	7 443	5 588	7 142	5 084	5 128
Vote 14 - [NAME OF VOTE 14]	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]	-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	<b>152 654</b>	<b>117 770</b>	<b>136 984</b>	<b>153 708</b>	<b>162 788</b>	<b>138 022</b>	<b>145 393</b>	<b>146 105</b>	<b>140 663</b>
<b>Surplus/(Deficit) for the year</b>	<b>(33 270)</b>	<b>(5 501)</b>	<b>2 127</b>	<b>-</b>	<b>-</b>	<b>(28 254)</b>	<b>-</b>	<b>-</b>	<b>-</b>

DC10 Cacadu - Table A3 Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Revenue by Vote</b>									
<b>Vote 1 - Executive and council</b>	8 344	8 883	23 596	7 354	9 106	6 870	1 610	5 344	5 390
1.1 - Council's expenses	7 015	3 212	6 494	6 420	6 752	5 480	610	644	679
1.2 - Office of the speaker	-	-	-	-	100	-	-	-	-
1.3 - Office of the municipal manager	-	-	-	-	-	-	-	-	-
1.4 - Capacity building	1 243	867	1 279	934	934	934	-	-	-
1.5 - Performance management	86	83	-	-	-	-	-	-	-
1.6 - Mayoral committee	-	-	-	-	-	-	-	-	-
1.7 - Management - Finance and Corporate Services	-	-	-	-	1 600	-	-	-	-
1.8 - Management - Economic Development	-	-	-	-	(350)	456	1 000	4 700	4 711
1.9 - Management - Planning and Infr Development	-	-	-	-	70	-	-	-	-
1.10 - Other	-	4 720	15 823	-	-	-	-	-	-
<b>Vote 2 - Finance and Corporate Services</b>	<b>73 822</b>	<b>88 788</b>	<b>100 837</b>	<b>94 184</b>	<b>95 524</b>	<b>94 082</b>	<b>101 052</b>	<b>101 013</b>	<b>100 331</b>
2.1 - Financial Accounting Division	577	-	-	-	850	-	940	960	1 033
2.2 - Revenue Collection	67 357	83 120	87 092	86 338	86 338	86 338	91 359	90 944	89 773
2.3 - Payroll Administration	21	32	40	30	30	30	40	42	44
2.4 - Information Technology	-	-	947	-	-	-	-	-	-
2.5 - Pensioners Expenditure - Roadworks	3 756	-	3 272	-	-	3 633	3 428	3 611	3 847
2.6 - Security and Cleaning	-	-	-	-	-	-	-	-	-
2.7 - Finance Management and Support	666	1 236	1 236	1 230	1 230	1 230	1 250	1 250	1 250
2.8 - Public Relations	22	-	-	-	-	-	-	-	-
2.9 - People Management	194	408	71	200	200	100	150	158	166
2.10 - Other	1 229	3 993	8 178	6 386	6 876	2 751	3 885	4 048	4 218
<b>Vote 3 - Planning and Infrastructure development</b>	<b>3 997</b>	<b>1 960</b>	<b>2 855</b>	<b>6 100</b>	<b>7 832</b>	<b>1 236</b>	<b>2 665</b>	<b>3 084</b>	<b>4 451</b>
3.1 - GIS Specialist	-	-	-	-	-	-	-	-	-
3.2 - HOD - Planning Unit	-	-	-	-	-	-	-	-	-
3.3 - Project Management	1 138	1 007	1 000	4 700	6 010	1 236	1 133	-	-
3.4 - Local Economic Development	2 859	541	1 855	-	312	-	1 532	3 084	4 451
3.5 - Planning Unit	-	412	-	-	110	-	-	-	-
3.6 - Trade and Investment	-	-	-	-	-	-	-	-	-
3.7 - Planning and Infra - Admin Support	-	-	-	1 400	1 400	-	-	-	-
<b>Vote 4 - Health</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10 645</b>	<b>10 645</b>	<b>-</b>	<b>11 125</b>	<b>10 586</b>	<b>11 097</b>
4.1 - Primary Health Care	-	-	-	-	-	-	-	-	-
4.2 - Environmental Health	-	-	-	10 645	10 645	-	11 125	10 586	11 097
4.3 - Environmental Health Management	-	-	-	-	-	-	-	-	-
4.4 - Clinics	-	-	-	-	-	-	-	-	-
<b>Vote 5 - Community Services</b>	<b>13 613</b>	<b>5 181</b>	<b>241</b>	<b>3 200</b>	<b>3 962</b>	<b>562</b>	<b>-</b>	<b>-</b>	<b>-</b>
5.1 - Cemeteries - Other	-	-	-	-	-	-	-	-	-
5.2 - Libraries	13 613	5 181	241	3 200	3 962	562	-	-	-
<b>Vote 6 - Housing</b>	<b>104</b>	<b>-</b>	<b>-</b>	<b>590</b>	<b>590</b>	<b>-</b>	<b>590</b>	<b>-</b>	<b>-</b>
6.1 - Housing Coordinator	104	-	-	590	590	-	590	-	-
6.2 - Housing Rietbron	-	-	-	-	-	-	-	-	-
<b>Vote 7 - Public Safety</b>	<b>1 000</b>	<b>-</b>	<b>1 693</b>	<b>20 556</b>	<b>21 042</b>	<b>1 000</b>	<b>26 152</b>	<b>23 026</b>	<b>15 142</b>
7.1 - Disaster Management	1 000	-	1 693	-	-	-	7 082	2 179	2 278
7.2 - Fire Services	-	-	-	20 556	21 042	1 000	19 070	20 847	12 864
<b>Vote 8 - Sport and Recreation</b>	<b>2 072</b>	<b>731</b>	<b>300</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
8.1 - Sport grounds	2 072	731	300	-	-	-	-	-	-
8.2 - 2010 World Cup	-	-	-	-	-	-	-	-	-
<b>Vote 9 - Waste Management</b>	<b>974</b>	<b>316</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
9.1 - Sanitation and Refuse - Rietbron	974	316	-	-	-	-	-	-	-
9.2 - Solid Waste	-	-	-	-	-	-	-	-	-
9.3 - Waste Water	-	-	-	-	-	-	-	-	-
<b>Vote 10 - Roads</b>	<b>4 891</b>	<b>1 081</b>	<b>4 834</b>	<b>7 329</b>	<b>8 875</b>	<b>2 952</b>	<b>2 200</b>	<b>2 261</b>	<b>2 374</b>
10.1 - Roads and Transport	4 891	1 081	4 834	7 329	8 875	2 952	2 200	2 261	2 374
10.2 - Roads - Rietbron roads streets and public place	-	-	-	-	-	-	-	-	-
10.3 - Roads - Rietbron	-	-	-	-	-	-	-	-	-
<b>Vote 11 - Water</b>	<b>4 443</b>	<b>3 381</b>	<b>4 706</b>	<b>1 775</b>	<b>2 708</b>	<b>2 973</b>	<b>-</b>	<b>-</b>	<b>-</b>
11.1 - Water Services Authority	4 443	3 381	4 706	1 775	2 708	2 973	-	-	-
11.2 - Water - Rietbron	-	-	-	-	-	-	-	-	-
<b>Vote 12 - Electricity</b>	<b>1 117</b>	<b>1 948</b>	<b>48</b>	<b>-</b>	<b>93</b>	<b>93</b>	<b>-</b>	<b>-</b>	<b>-</b>
12.1 - Electricity - Other	1 117	1 948	48	-	93	93	-	-	-
12.2 - Electricity - Rietbron	-	-	-	-	-	-	-	-	-
12.3 - Streetlights - Rietbron	-	-	-	-	-	-	-	-	-
<b>Vote 13 - Other</b>	<b>5 008</b>	<b>-</b>	<b>-</b>	<b>1 975</b>	<b>2 411</b>	<b>-</b>	<b>-</b>	<b>791</b>	<b>1 878</b>
13.1 - Tourism, Promotion and Development	5 008	-	-	1 975	2 411	-	-	791	1 878
<b>Total Revenue by Vote</b>	<b>119 385</b>	<b>112 269</b>	<b>139 111</b>	<b>153 708</b>	<b>162 788</b>	<b>109 768</b>	<b>145 393</b>	<b>146 105</b>	<b>140 663</b>

DC10 Cacadu - Table A3 Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Expenditure by Vote</b>									
<b>Vote 1 - Executive and council</b>	<b>29 274</b>	<b>29 146</b>	<b>35 721</b>	<b>37 122</b>	<b>37 674</b>	<b>33 909</b>	<b>33 259</b>	<b>37 444</b>	<b>38 841</b>
1.1 - Council's expenses	4 589	3 776	6 418	4 493	4 825	4 174	5 128	5 339	5 552
1.2 - Office of the speaker	1 558	1 764	1 583	2 686	2 786	2 357	2 684	2 658	2 734
1.3 - Office of the municipal manager	2 428	1 893	1 816	2 177	2 177	2 042	2 341	2 447	2 553
1.4 - Capacity building	1 976	1 620	1 562	1 861	1 861	1 755	929	978	1 027
1.5 - Performance management	631	800	731	792	792	746	857	903	944
1.6 - Mayoral committee	4 498	5 053	5 376	6 021	6 021	5 374	6 235	6 532	6 834
1.7 - Management - Finance and Corporate Services	1 433	1 412	1 565	2 229	2 279	2 058	2 371	2 373	2 476
1.8 - Management - Economic Development	5 166	4 858	8 916	7 561	7 561	7 161	3 578	6 694	6 811
1.9 - Management - Planning and Infr Development	1 399	1 432	1 725	1 918	1 988	1 757	2 104	2 200	2 297
1.10 - Other	5 596	6 539	6 027	7 386	7 386	6 486	7 033	7 321	7 613
<b>Vote 2 - Finance and Corporate Services</b>	<b>52 953</b>	<b>33 873</b>	<b>33 274</b>	<b>37 759</b>	<b>40 649</b>	<b>36 188</b>	<b>43 517</b>	<b>44 601</b>	<b>46 142</b>
2.1 - Financial Accounting Division	11 040	13 601	7 022	7 101	7 951	7 337	8 391	8 318	8 099
2.2 - Revenue Collection	23 491	736	3 765	870	870	1 146	951	993	1 018
2.3 - Payroll Administration	762	786	838	757	757	731	767	807	849
2.4 - Information Technology	2 133	2 533	2 822	3 036	3 736	2 872	3 602	3 783	3 861
2.5 - Pensioners Expenditure - Roadworks	3 867	3 248	3 272	3 633	3 633	3 633	3 428	3 611	3 847
2.6 - Security and Cleaning	1 103	1 140	1 220	1 554	1 554	1 458	1 659	1 750	1 842
2.7 - Finance Management and Support	716	1 393	1 403	1 910	1 910	573	1 500	1 582	1 665
2.8 - Public Relations	1 807	1 500	2 055	2 675	2 375	2 259	2 629	2 268	2 307
2.9 - People Management	1 921	1 919	2 081	2 501	2 501	2 357	2 981	2 931	3 012
2.10 - Other	6 114	7 018	8 796	13 724	15 364	13 822	17 611	18 559	19 643
<b>Vote 3 - Planning and Infrastructure development</b>	<b>17 406</b>	<b>14 909</b>	<b>17 432</b>	<b>15 407</b>	<b>16 789</b>	<b>12 542</b>	<b>12 836</b>	<b>9 056</b>	<b>9 307</b>
3.1 - GIS Specialist	348	363	395	436	436	406	438	461	484
3.2 - HOD - Planning Unit	90	111	16	55	55	39	46	47	48
3.3 - Project Management	10 126	6 855	9 472	6 726	8 036	4 647	4 673	1 607	1 691
3.4 - Local Economic Development	4 581	4 394	5 164	6 188	6 150	5 494	5 406	5 071	5 115
3.5 - Planning Unit	1 583	2 490	2 385	2 002	2 112	1 957	2 273	1 871	1 969
3.6 - Trade and Investment	-	-	-	-	-	-	-	-	-
3.7 - Planning and Infra - Admin Support	678	697	-	-	-	-	-	-	-
<b>Vote 4 - Health</b>	<b>10 835</b>	<b>10 405</b>	<b>9 820</b>	<b>11 440</b>	<b>11 440</b>	<b>10 918</b>	<b>12 551</b>	<b>12 300</b>	<b>12 900</b>
4.1 - Primary Health Care	-	-	-	-	-	-	-	-	-
4.2 - Environmental Health	8 932	8 959	9 500	10 742	10 742	10 290	11 791	11 500	12 060
4.3 - Environmental Health Management	542	574	68	698	698	628	760	800	840
4.4 - Clinics	1 361	872	252	-	-	-	-	-	-
<b>Vote 5 - Community Services</b>	<b>3 803</b>	<b>5 422</b>	<b>2 908</b>	<b>3 000</b>	<b>3 762</b>	<b>3 562</b>	<b>2 200</b>	<b>2 321</b>	<b>2 444</b>
5.1 - Cemeteries - Other	-	-	-	-	-	-	-	-	-
5.2 - Libraries	3 803	5 422	2 908	3 000	3 762	3 562	2 200	2 321	2 444
<b>Vote 6 - Housing</b>	<b>439</b>	<b>345</b>	<b>389</b>	<b>1 005</b>	<b>1 005</b>	<b>397</b>	<b>1 015</b>	<b>448</b>	<b>471</b>
6.1 - Housing Coordinator	439	345	389	1 005	1 005	397	1 015	448	471
6.2 - Housing Rietbron	-	-	-	-	-	-	-	-	-
<b>Vote 7 - Public Safety</b>	<b>14 477</b>	<b>10 946</b>	<b>14 157</b>	<b>28 264</b>	<b>28 750</b>	<b>20 720</b>	<b>29 312</b>	<b>31 381</b>	<b>21 801</b>
7.1 - Disaster Management	4 602	5 304	5 462	6 982	7 582	6 307	10 295	9 746	8 107
7.2 - Fire Services	9 875	5 641	8 696	21 282	21 168	14 413	19 017	21 635	13 694
<b>Vote 8 - Sport and Recreation</b>	<b>1 036</b>	<b>296</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>300</b>
8.1 - Sport grounds	1 036	296	300	300	300	300	300	300	300
8.2 - 2010 World Cup	-	-	-	-	-	-	-	-	-
<b>Vote 9 - Waste Management</b>	<b>487</b>	<b>158</b>	<b>144</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
9.1 - Sanitation and Refuse - Rietbron	-	-	-	-	-	-	-	-	-
9.2 - Solid Waste	487	158	144	-	-	-	-	-	-
9.3 - Waste Water	-	-	-	-	-	-	-	-	-
<b>Vote 10 - Roads</b>	<b>6 997</b>	<b>3 739</b>	<b>5 747</b>	<b>7 011</b>	<b>8 557</b>	<b>7 734</b>	<b>2 229</b>	<b>2 292</b>	<b>2 406</b>
10.1 - Roads and Transport	6 970	3 739	5 747	7 011	8 557	7 734	2 229	2 292	2 406
10.2 - Roads - Rietbron roads streets and public place	27	-	-	-	-	-	-	-	-
10.3 - Roads - Rietbron	-	-	-	-	-	-	-	-	-
<b>Vote 11 - Water</b>	<b>8 823</b>	<b>4 601</b>	<b>13 400</b>	<b>5 392</b>	<b>6 325</b>	<b>6 071</b>	<b>1 032</b>	<b>878</b>	<b>924</b>
11.1 - Water Services Authority	8 823	4 601	13 400	5 392	6 325	6 071	1 032	878	924
11.2 - Water - Rietbron	-	-	-	-	-	-	-	-	-
<b>Vote 12 - Electricity</b>	<b>1 117</b>	<b>824</b>	<b>41</b>	<b>-</b>	<b>93</b>	<b>93</b>	<b>-</b>	<b>-</b>	<b>-</b>
12.1 - Electricity - Other	1 117	824	41	-	93	93	-	-	-
12.2 - Electricity - Rietbron	-	-	-	-	-	-	-	-	-
12.3 - Streetlights - Rietbron	-	-	-	-	-	-	-	-	-
<b>Vote 13 - Other</b>	<b>5 008</b>	<b>3 105</b>	<b>3 652</b>	<b>7 007</b>	<b>7 443</b>	<b>5 588</b>	<b>7 142</b>	<b>5 084</b>	<b>5 128</b>
13.1 - Tourism, Promotion and Development	5 008	3 105	3 652	7 007	7 443	5 588	7 142	5 084	5 128
<b>Total Expenditure by Vote</b>	<b>152 654</b>	<b>117 770</b>	<b>136 984</b>	<b>153 708</b>	<b>162 788</b>	<b>138 022</b>	<b>145 393</b>	<b>146 105</b>	<b>140 663</b>
<b>Surplus/(Deficit) for the year</b>	<b>(33 270)</b>	<b>(5 501)</b>	<b>2 127</b>	<b>-</b>	<b>-</b>	<b>(28 254)</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Table A4 - Budgeted Financial Performance (revenue and expenditure)**

1. Total revenue is R145.4 million in 2015/16, increases to R146.1 million in 2016/17 and decreases to R140.7 million by 2017/18.
2. Transfers recognised – operating; includes the local government equitable share and other operating grants from national and provincial government.

DC10 Cacadu - Table A4 Consolidated Budgeted Financial Performance (revenue and expenditure)

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>									
<b>Revenue By Source</b>									
Property rates	-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-
Service charges - other	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	1 107	1 077	1 054	1 200	1 200	1 200	1 300	1 372	1 445
Interest earned - external investments	17 159	15 399	14 767	11 500	11 500	11 000	10 600	8 500	6 400
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-
Fines	-	-	-	-	-	-	-	-	-
Licences and permits	-	-	-	-	-	-	-	-	-
Agency services	21	32	40	30	30	30	40	42	44
Transfers recognised - operational	91 682	89 706	94 506	92 375	97 382	97 382	91 265	92 170	93 616
Other revenue	9 013	5 863	28 744	48 603	52 676	156	42 188	44 021	39 158
Gains on disposal of PPE	403	192	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>119 385</b>	<b>112 269</b>	<b>139 111</b>	<b>153 708</b>	<b>162 788</b>	<b>109 768</b>	<b>145 393</b>	<b>146 105</b>	<b>140 663</b>
<b>Expenditure By Type</b>									
Employee related costs	32 962	36 441	37 842	46 278	46 653	41 999	47 705	50 488	53 444
Remuneration of councillors	5 264	5 665	6 144	6 894	7 194	5 911	7 025	7 411	7 804
Debt impairment	21 614	15	-	-	-	294	-	-	-
Depreciation & asset impairment	1 622	975	1 299	1 505	1 505	1 505	1 882	1 882	1 882
Finance charges	1	-	-	-	-	-	-	-	-
Bulk purchases	-	-	-	-	-	-	-	-	-
Other materials	-	-	-	-	-	-	-	-	-
Contracted services	2 674	2 797	4 038	4 240	4 240	3 910	4 465	4 654	4 877
Transfers and grants	26 219	19 182	32 437	21 156	26 163	25 663	25 506	34 226	35 243
Other expenditure	62 299	52 695	55 153	73 635	77 033	58 741	58 810	47 444	37 413
Loss on disposal of PPE	-	-	71	-	-	-	-	-	-
<b>Total Expenditure</b>	<b>152 654</b>	<b>117 770</b>	<b>136 984</b>	<b>153 708</b>	<b>162 788</b>	<b>138 022</b>	<b>145 393</b>	<b>146 105</b>	<b>140 663</b>
<b>Surplus/(Deficit)</b>	<b>(33 270)</b>	<b>(5 501)</b>	<b>2 127</b>	<b>-</b>	<b>-</b>	<b>(28 254)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Contributions recognised - capital	-	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(33 270)</b>	<b>(5 501)</b>	<b>2 127</b>	<b>-</b>	<b>-</b>	<b>(28 254)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Taxation	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>	<b>(33 270)</b>	<b>(5 501)</b>	<b>2 127</b>	<b>-</b>	<b>-</b>	<b>(28 254)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Attributable to minorities	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>	<b>(33 270)</b>	<b>(5 501)</b>	<b>2 127</b>	<b>-</b>	<b>-</b>	<b>(28 254)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>(33 270)</b>	<b>(5 501)</b>	<b>2 127</b>	<b>-</b>	<b>-</b>	<b>(28 254)</b>	<b>-</b>	<b>-</b>	<b>-</b>



**Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source**

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations. There is no capital funds budgeted in the two outer years.

DC10 Cacadu - Table A5 Consolidated Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>									
<b>Capital expenditure - Vote</b>									
<b>Multi-year expenditure, to be appropriated</b>									
Vote 1 - Executive and council	-	-	-	10 000	-	-	-	-	-
Vote 2 - Finance and Corporate Services	-	-	-	-	-	-	-	-	-
Vote 3 - Planning and Infrastructure development	-	-	-	-	-	-	-	-	-
Vote 4 - Health	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services	-	-	-	-	-	-	-	-	-
Vote 6 - Housing	-	-	-	-	-	-	-	-	-
Vote 7 - Public Safety	-	-	-	-	-	-	-	-	-
Vote 8 - Sport and Recreation	-	-	-	-	-	-	-	-	-
Vote 9 - Waste Management	-	-	-	-	-	-	-	-	-
Vote 10 - Roads	-	-	-	-	-	-	-	-	-
Vote 11 - Water	-	-	-	-	-	-	-	-	-
Vote 12 - Electricity	-	-	-	-	-	-	-	-	-
Vote 13 - Other	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	-	-	-	<b>10 000</b>	-	-	-	-	-
<b>Single-year expenditure to be appropriated</b>									
Vote 1 - Executive and council	691	1 083	-	519	1 045	1 045	104	-	-
Vote 2 - Finance and Corporate Services	667	996	2 566	2 766	924	924	4 423	-	-
Vote 3 - Planning and Infrastructure development	418	127	74	107	106	106	120	-	-
Vote 4 - Health	-	341	55	211	203	203	820	-	-
Vote 5 - Community Services	-	-	-	-	-	-	-	-	-
Vote 6 - Housing	-	-	-	-	-	-	-	-	-
Vote 7 - Public Safety	88	966	48	109	109	109	-	-	-
Vote 8 - Sport and Recreation	-	-	-	-	-	-	-	-	-
Vote 9 - Waste Management	-	-	-	-	-	-	-	-	-
Vote 10 - Roads	-	-	-	-	-	-	-	-	-
Vote 11 - Water	-	-	-	19	19	19	-	-	-
Vote 12 - Electricity	-	-	-	-	-	-	-	-	-
Vote 13 - Other	-	-	2	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>	<b>1 864</b>	<b>3 514</b>	<b>2 746</b>	<b>3 731</b>	<b>2 405</b>	<b>2 405</b>	<b>5 467</b>	-	-
<b>Total Capital Expenditure - Vote</b>	<b>1 864</b>	<b>3 514</b>	<b>2 746</b>	<b>13 731</b>	<b>2 405</b>	<b>2 405</b>	<b>5 467</b>	-	-
<b>Capital Expenditure - Standard</b>									
<b>Governance and administration</b>	<b>1 358</b>	<b>2 079</b>	<b>1 974</b>	<b>12 988</b>	<b>1 317</b>	<b>1 317</b>	<b>4 485</b>	-	-
Executive and council	691	1 083	1	10 222	237	237	62	-	-
Budget and treasury office	647	996	1 973	2 529	1 080	1 080	4 347	-	-
Corporate services	20	-	-	237	-	-	76	-	-
<b>Community and public safety</b>	<b>88</b>	<b>966</b>	<b>43</b>	<b>109</b>	<b>109</b>	<b>109</b>	<b>820</b>	-	-
Community and social services	-	-	-	-	-	-	-	-	-
Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	88	966	43	109	109	109	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	820	-	-
<b>Economic and environmental services</b>	<b>418</b>	<b>468</b>	<b>730</b>	<b>634</b>	<b>979</b>	<b>979</b>	<b>163</b>	-	-
Planning and development	418	468	730	634	979	979	163	-	-
Road transport	-	-	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-	-	-
<b>Trading services</b>	-	-	-	-	-	-	-	-	-
Electricity	-	-	-	-	-	-	-	-	-
Water	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	-	-	-	-	-	-	-	-	-
<b>Other</b>	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Standard</b>	<b>1 864</b>	<b>3 514</b>	<b>2 746</b>	<b>13 731</b>	<b>2 405</b>	<b>2 405</b>	<b>5 467</b>	-	-
<b>Funded by:</b>									
National Government	-	-	-	-	-	-	-	-	-
Provincial Government	-	-	-	-	-	-	-	-	-
District Municipality	-	-	-	-	-	-	-	-	-
Other transfers and grants	-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	-	-	-	-	-	-	-	-	-
<b>Public contributions &amp; donations</b>	-	-	-	-	-	-	-	-	-
<b>Borrowing</b>	-	-	-	-	-	-	-	-	-
Internally generated funds	1 864	3 514	2 746	13 731	2 405	2 405	5 467	-	-
<b>Total Capital Funding</b>	<b>1 864</b>	<b>3 514</b>	<b>2 746</b>	<b>13 731</b>	<b>2 405</b>	<b>2 405</b>	<b>5 467</b>	-	-

DC10 Cacadu - Table A5 Consolidated Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>									
<b>Capital expenditure - Municipal Vote</b>									
<b>Multi-year expenditure appropriation</b>									
<b>Vote 1 - Executive and council</b>	-	-	-	10 000	-	-	-	-	-
1.1 - Council's expenses				10 000	-	-	-	-	-
1.2 - Office of the speaker									
1.3 - Office of the municipal manager									
1.4 - Capacity building									
1.5 - Performance management									
1.6 - Mayoral committee									
1.7 - Management - Finance and Corporate Services									
1.8 - Management - Economic Development									
1.9 - Management - Planning and Infr Development									
1.10 - Other									
<b>Vote 2 - Finance and Corporate Services</b>	-	-	-	-	-	-	-	-	-
2.1 - Financial Accounting Division									
2.2 - Revenue Collection									
2.3 - Payroll Administration									
2.4 - Information Technology									
2.5 - Pensioners Expenditure - Roadworks									
2.6 - Security and Cleaning									
2.7 - Finance Management and Support									
2.8 - Public Relations									
2.9 - People Management									
2.10 - Other									
<b>Vote 3 - Planning and Infrastructure development</b>	-	-	-	-	-	-	-	-	-
3.1 - GIS Specialist									
3.2 - HOD - Planning Unit									
3.3 - Project Management									
3.4 - Local Economic Development									
3.5 - Planning Unit									
3.6 - Trade and Investment									
3.7 - Planning and Infra - Admin Support									
<b>Vote 4 - Health</b>	-	-	-	-	-	-	-	-	-
4.1 - Primary Health Care									
4.2 - Environmental Health									
4.3 - Environmental Health Management									
4.4 - Clinics									
<b>Vote 5 - Community Services</b>	-	-	-	-	-	-	-	-	-
5.1 - Cemeteries - Other									
5.2 - Libraries									
<b>Vote 6 - Housing</b>	-	-	-	-	-	-	-	-	-
6.1 - Housing Coordinator									
6.2 - Housing Rietbron									
<b>Vote 7 - Public Safety</b>	-	-	-	-	-	-	-	-	-
7.1 - Disaster Management									
7.2 - Fire Services									
<b>Vote 8 - Sport and Recreation</b>	-	-	-	-	-	-	-	-	-
8.1 - Sport grounds									
8.2 - 2010 World Cup									
<b>Vote 9 - Waste Management</b>	-	-	-	-	-	-	-	-	-
9.1 - Sanitation and Refuse - Rietbron									
9.2 - Solid Waste									
9.3 - Waste Water									
<b>Vote 10 - Roads</b>	-	-	-	-	-	-	-	-	-
10.1 - Roads and Transport									
10.2 - Roads - Rietbron roads streets and public places									
10.3 - Roads - Rietbron									
<b>Vote 11 - Water</b>	-	-	-	-	-	-	-	-	-
11.1 - Water Services Authority									
11.2 - Water - Rietbron									
<b>Vote 12 - Electricity</b>	-	-	-	-	-	-	-	-	-
12.1 - Electricity - Other									
12.2 - Electricity - Rietbron									
12.3 - Streetlights - Rietbron									
<b>Vote 13 - Other</b>	-	-	-	-	-	-	-	-	-
13.1 - Tourism, Promotion and Development									
<b>Capital multi-year expenditure sub-total</b>	-	-	-	10 000	-	-	-	-	-

## **Explanatory notes to Table A6 - Budgeted Financial Position**

- 1 Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
3. Table A6 is supported by an extensive table of notes (SA3) which provides a detailed analysis of the major components of a number of items, including:
  - Call investments deposits;
  - Consumer debtors;
  - Property, plant and equipment;
  - Trade and other payables;
  - Provisions non current;
  - Changes in net assets; and
  - Reserves

DC10 Cacadu - Table A6 Consolidated Budgeted Financial Position

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>									
<b>ASSETS</b>									
<b>Current assets</b>									
Cash	-	-	-	-	-	-	-	-	-
Call investment deposits	268 613	253 823	254 434	163 891	163 891	226 180	185 992	143 971	106 813
Consumer debtors	2 036	1 062	935	-	-	-	-	-	-
Other debtors	23	2 173	4 399	15	15	4 400	3 600	2 880	2 160
Current portion of long-term receivables	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-
<b>Total current assets</b>	<b>270 672</b>	<b>257 058</b>	<b>259 768</b>	<b>163 907</b>	<b>163 907</b>	<b>230 580</b>	<b>189 592</b>	<b>146 851</b>	<b>108 973</b>
<b>Non current assets</b>									
Long-term receivables	8	23	232	-	-	232	184	136	88
Investments	-	-	-	-	-	-	-	-	-
Investment property	14 526	23 808	24 840	14 881	14 881	25 490	26 140	26 790	27 440
Investment in Associate	-	-	-	-	-	-	-	-	-
Property, plant and equipment	33 994	27 762	29 155	51 422	40 096	30 055	33 640	31 758	29 876
Agricultural	-	-	-	-	-	-	-	-	-
Biological	-	-	-	-	-	-	-	-	-
Intangible	87	87	87	87	87	87	87	87	87
Other non-current assets	31 907	33 358	34 034	33 358	33 358	34 034	34 034	34 034	34 034
<b>Total non current assets</b>	<b>80 522</b>	<b>85 037</b>	<b>88 346</b>	<b>99 747</b>	<b>88 421</b>	<b>89 897</b>	<b>94 084</b>	<b>92 804</b>	<b>91 524</b>
<b>TOTAL ASSETS</b>	<b>351 194</b>	<b>342 095</b>	<b>348 115</b>	<b>263 654</b>	<b>252 328</b>	<b>320 477</b>	<b>283 675</b>	<b>239 654</b>	<b>200 497</b>
<b>LIABILITIES</b>									
<b>Current liabilities</b>									
Bank overdraft	-	-	-	-	-	-	-	-	-
Borrowing	3 034	3 765	3 984	4 000	4 000	3 984	3 984	3 984	3 984
Consumer deposits	-	-	-	-	-	-	-	-	-
Trade and other payables	39 089	28 497	33 477	9 200	9 200	26 763	23 363	20 363	9 000
Provisions	931	1 066	789	1 066	1 066	837	887	940	996
<b>Total current liabilities</b>	<b>43 054</b>	<b>33 328</b>	<b>38 250</b>	<b>14 266</b>	<b>14 266</b>	<b>31 584</b>	<b>28 234</b>	<b>25 287</b>	<b>13 980</b>
<b>Non current liabilities</b>									
Borrowing	-	-	-	-	-	-	-	-	-
Provisions	54 374	60 657	58 969	59 717	59 717	56 268	54 518	52 768	51 018
<b>Total non current liabilities</b>	<b>54 374</b>	<b>60 657</b>	<b>58 969</b>	<b>59 717</b>	<b>59 717</b>	<b>56 268</b>	<b>54 518</b>	<b>52 768</b>	<b>51 018</b>
<b>TOTAL LIABILITIES</b>	<b>97 429</b>	<b>93 986</b>	<b>97 220</b>	<b>73 983</b>	<b>73 983</b>	<b>87 852</b>	<b>82 753</b>	<b>78 056</b>	<b>64 999</b>
<b>NET ASSETS</b>	<b>253 765</b>	<b>248 109</b>	<b>250 895</b>	<b>189 671</b>	<b>178 345</b>	<b>232 624</b>	<b>200 923</b>	<b>161 599</b>	<b>135 498</b>
<b>COMMUNITY WEALTH/EQUITY</b>									
Accumulated Surplus/(Deficit)	175 993	172 258	174 385	110 208	98 882	155 464	123 113	83 139	56 388
Reserves	77 772	75 851	76 510	79 463	79 463	77 160	77 810	78 460	79 110
Minorities' interests	-	-	-	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>253 765</b>	<b>248 109</b>	<b>250 895</b>	<b>189 671</b>	<b>178 345</b>	<b>232 624</b>	<b>200 923</b>	<b>161 599</b>	<b>135 498</b>

DC10 Cacadu - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
<b>ASSETS</b>									
<b>Call investment deposits</b>									
Call deposits < 90 days	117 613	90 823	129 434	33 891	33 891	96 180	75 992	53 971	36 813
Other current investments > 90 days	151 000	163 000	125 000	130 000	130 000	130 000	110 000	90 000	70 000
<b>Total Call investment deposits</b>	<b>268 613</b>	<b>253 823</b>	<b>254 434</b>	<b>163 891</b>	<b>163 891</b>	<b>226 180</b>	<b>185 992</b>	<b>143 971</b>	<b>106 813</b>
<b>Consumer debtors</b>									
Consumer debtors	34 187	33 222	11 161	-	-	9 231	9 231	9 231	9 231
Less: Provision for debt impairment	(32 151)	(32 160)	(10 226)	-	-	(9 231)	(9 231)	(9 231)	(9 231)
<b>Total Consumer debtors</b>	<b>2 036</b>	<b>1 062</b>	<b>935</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Debt impairment provision</b>									
Balance at the beginning of the year	(11 319)	(32 151)	32 163	(9 173)	(9 173)	10 226	9 231	9 231	9 231
Contributions to the provision	(22 016)	(12)	(21 937)	9 173	9 173	(994)	-	-	(9 231)
Bad debts written off	1 184	3	-	-	-	-	-	-	-
<b>Balance at end of year</b>	<b>(32 151)</b>	<b>(32 160)</b>	<b>10 226</b>	<b>-</b>	<b>-</b>	<b>9 231</b>	<b>9 231</b>	<b>9 231</b>	<b>-</b>
<b>Property, plant and equipment (PPE)</b>									
PPE at cost/valuation (excl. finance leases)	50 700	41 641	43 993	71 129	59 803	46 399	51 866	51 866	51 866
Leases recognised as PPE	-	-	-	-	-	-	-	-	-
Less: Accumulated depreciation	16 706	13 879	14 839	19 707	19 707	16 343	18 225	20 107	21 989
<b>Total Property, plant and equipment (PPE)</b>	<b>33 994</b>	<b>27 762</b>	<b>29 155</b>	<b>51 422</b>	<b>40 096</b>	<b>30 055</b>	<b>33 640</b>	<b>31 758</b>	<b>29 876</b>
<b>LIABILITIES</b>									
<b>Current liabilities - Borrowing</b>									
Short term loans (other than bank overdraft)	-	-	-	-	-	-	-	-	-
Current portion of long-term liabilities	3 034	3 765	3 984	4 000	4 000	3 984	3 984	3 984	3 984
<b>Total Current liabilities - Borrowing</b>	<b>3 034</b>	<b>3 765</b>	<b>3 984</b>	<b>4 000</b>	<b>4 000</b>	<b>3 984</b>	<b>3 984</b>	<b>3 984</b>	<b>3 984</b>
<b>Trade and other payables</b>									
Trade and other creditors	10 241	9 217	18 415	9 200	9 200	18 400	15 000	12 000	9 000
Unspent conditional transfers	30 401	19 280	15 062	-	-	8 363	8 363	8 363	-
VAT	(1 553)	-	-	-	-	-	-	-	-
<b>Total Trade and other payables</b>	<b>39 089</b>	<b>28 497</b>	<b>33 477</b>	<b>9 200</b>	<b>9 200</b>	<b>26 763</b>	<b>23 363</b>	<b>20 363</b>	<b>9 000</b>
<b>Non current liabilities - Borrowing</b>									
Borrowing	-	-	-	-	-	-	-	-	-
Finance leases (including PPP asset element)	-	-	-	-	-	-	-	-	-
<b>Total Non current liabilities - Borrowing</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Provisions - non-current</b>									
Retirement benefits	54 374	59 717	58 018	59 717	59 717	56 268	54 518	52 768	51 018
List other major provision items	-	-	-	-	-	-	-	-	-
Refuse landfill site rehabilitation	-	940	951	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Total Provisions - non-current</b>	<b>54 374</b>	<b>60 657</b>	<b>58 969</b>	<b>59 717</b>	<b>59 717</b>	<b>56 268</b>	<b>54 518</b>	<b>52 768</b>	<b>51 018</b>
<b>CHANGES IN NET ASSETS</b>									
<b>Accumulated Surplus/(Deficit)</b>									
Accumulated Surplus/(Deficit) - opening balance	209 390	174 712	170 597	110 208	98 882	174 385	146 131	146 131	146 131
GRAP adjustments	(2 690)	3 047	1 661	-	-	-	-	-	-
Restated balance	206 701	177 759	172 258	110 208	98 882	174 385	146 131	146 131	146 131
Surplus/(Deficit)	(33 270)	(5 501)	2 127	-	-	(28 254)	-	-	-
Appropriations to Reserves	-	-	-	-	-	-	-	-	-
Transfers from Reserves	-	-	-	-	-	-	-	-	-
Depreciation offsets	-	-	-	-	-	-	-	-	-
Other adjustments	1 281	-	-	-	-	-	-	-	-
<b>Accumulated Surplus/(Deficit)</b>	<b>174 712</b>	<b>172 258</b>	<b>174 385</b>	<b>110 208</b>	<b>98 882</b>	<b>146 131</b>	<b>146 131</b>	<b>146 131</b>	<b>146 131</b>
<b>Reserves</b>									
Housing Development Fund	-	-	-	-	-	-	-	-	-
Capital replacement	-	-	-	-	-	-	-	-	-
Self-insurance	-	-	-	-	-	-	-	-	-
Other reserves	-	-	-	-	-	-	-	-	-
Revaluation	77 772	75 851	76 510	79 463	79 463	77 160	77 810	78 460	79 110
<b>Total Reserves</b>	<b>77 772</b>	<b>75 851</b>	<b>76 510</b>	<b>79 463</b>	<b>79 463</b>	<b>77 160</b>	<b>77 810</b>	<b>78 460</b>	<b>79 110</b>
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>252 484</b>	<b>248 109</b>	<b>250 895</b>	<b>189 671</b>	<b>178 345</b>	<b>223 291</b>	<b>223 941</b>	<b>224 591</b>	<b>225 241</b>

Total capital expenditure includes expenditure on nationally significant priorities:

Provision of basic services									
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### **Explanatory notes to Table A7 - Budgeted Cash Flow Statement**

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.

DC10 Cacadu - Table A7 Consolidated Budgeted Cash Flows

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>									
<b>Receipts</b>									
Property rates, penalties & collection charges	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Other revenue	10 543	5 813	25 800	49 833	53 906	1 386	43 528	45 435	40 647
Government - operating	91 682	90 831	94 506	92 375	97 382	97 382	91 265	92 170	93 616
Government - capital	-	-	-	-	-	-	-	-	-
Interest	17 159	15 399	14 767	11 500	11 500	11 000	10 600	8 500	6 400
Dividends	-	-	-	-	-	-	-	-	-
<b>Payments</b>									
Suppliers and employees	(128 526)	(101 144)	(100 489)	(132 552)	(136 625)	(110 854)	(118 005)	(109 997)	(103 538)
Finance charges	(1)	-	-	-	-	-	-	-	-
Transfers and Grants	(26 219)	(19 182)	(27 283)	(21 156)	(26 163)	(25 663)	(25 506)	(34 226)	(35 243)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>(35 362)</b>	<b>(8 283)</b>	<b>7 302</b>	<b>-</b>	<b>-</b>	<b>(26 749)</b>	<b>1 882</b>	<b>1 882</b>	<b>1 882</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>									
<b>Receipts</b>									
Proceeds on disposal of PPE	250	288	35	-	-	-	-	-	-
Decrease (increase) in non-current debtors	(2)	8	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	8	(15)	(209)	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-
<b>Payments</b>									
Capital assets	(1 725)	(3 514)	(2 746)	13 731	2 405	2 405	(5 467)	-	-
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(1 469)</b>	<b>(3 233)</b>	<b>(2 920)</b>	<b>13 731</b>	<b>2 405</b>	<b>2 405</b>	<b>(5 467)</b>	<b>-</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>									
<b>Receipts</b>									
Short term loans	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-
<b>Payments</b>									
Repayment of borrowing	50 493	(15 275)	34 229	-	-	-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>50 493</b>	<b>(15 275)</b>	<b>34 229</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>13 662</b>	<b>(26 791)</b>	<b>38 611</b>	<b>13 731</b>	<b>2 405</b>	<b>(24 344)</b>	<b>(3 585)</b>	<b>1 882</b>	<b>1 882</b>
Cash/cash equivalents at the year begin:	103 951	117 613	90 823	129 434	115 703	226 180	226 180	222 595	224 477
Cash/cash equivalents at the year end:	117 613	90 823	129 434	143 165	118 108	201 836	222 595	224 477	226 359



**Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation**

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.

DC10 Cacadu - Table A8 Consolidated Cash backed reserves/accumulated surplus reconciliation

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>									
<b>Cash and investments available</b>									
Cash/cash equivalents at the year end	117 613	90 823	129 434	143 165	118 108	201 836	222 595	224 477	226 359
Other current investments > 90 days	151 000	163 000	125 000	20 727	45 784	24 344	(36 603)	(80 506)	(119 546)
Non current assets - Investments	-	-	-	-	-	-	-	-	-
<b>Cash and investments available:</b>	<b>268 613</b>	<b>253 823</b>	<b>254 434</b>	<b>163 891</b>	<b>163 891</b>	<b>226 180</b>	<b>185 992</b>	<b>143 971</b>	<b>106 813</b>
<b>Application of cash and investments</b>									
Unspent conditional transfers	30 401	19 280	15 062	-	-	8 363	8 363	8 363	-
Unspent borrowing	-	-	-	-	-	-	-	-	-
Statutory requirements	-	-	-	-	-	-	-	-	-
Other working capital requirements	8 092	6 501	13 602	9 185	9 185	13 768	11 216	8 984	6 752
Other provisions	-	-	58 969	-	-	56 268	54 518	52 768	51 018
Long term investments committed	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	174 712	172 258	75 851	110 208	110 208	77 160	77 810	78 460	79 110
<b>Total Application of cash and investments:</b>	<b>213 205</b>	<b>198 039</b>	<b>163 485</b>	<b>119 393</b>	<b>119 393</b>	<b>155 560</b>	<b>151 908</b>	<b>148 576</b>	<b>136 880</b>
<b>Surplus(shortfall)</b>	<b>55 408</b>	<b>55 784</b>	<b>90 949</b>	<b>44 499</b>	<b>44 499</b>	<b>70 620</b>	<b>34 084</b>	<b>(4 605)</b>	<b>(30 067)</b>

## **Explanatory notes to Table A10 - Basic Service Delivery Measurement**

1. Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.

DC10 Cacadu - Table A10 Consolidated basic service delivery measurement

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Household service targets</b>									
<b>Water:</b>									
Piped water inside dwelling									
Piped water inside yard (but not in dwelling)									
Using public tap (at least min.service level)									
Other water supply (at least min.service level)									
<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
Using public tap (< min.service level)									
Other water supply (< min.service level)									
No water supply									
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	-	-	-	-	-	-	-	-	-
<b>Sanitation/sewerage:</b>									
Flush toilet (connected to sewerage)									
Flush toilet (with septic tank)									
Chemical toilet									
Pit toilet (ventilated)									
Other toilet provisions (> min.service level)									
<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
Bucket toilet									
Other toilet provisions (< min.service level)									
No toilet provisions									
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	-	-	-	-	-	-	-	-	-
<b>Energy:</b>									
Electricity (at least min.service level)									
Electricity - prepaid (min.service level)									
<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
Electricity (< min.service level)									
Electricity - prepaid (< min. service level)									
Other energy sources									
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	-	-	-	-	-	-	-	-	-
<b>Refuse:</b>									
Removed at least once a week									
<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
Removed less frequently than once a week									
Using communal refuse dump									
Using own refuse dump									
Other rubbish disposal									
No rubbish disposal									
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	-	-	-	-	-	-	-	-	-
<b>Households receiving Free Basic Service</b>									
Water (6 kilolitres per household per month)									
Sanitation (free minimum level service)									
Electricity/other energy (50kwh per household per month)									
Refuse (removed at least once a week)									
<b>Cost of Free Basic Services provided (R'000)</b>									
Water (6 kilolitres per household per month)									
Sanitation (free sanitation service)									
Electricity/other energy (50kwh per household per month)									
Refuse (removed once a week)									
<b>Total cost of FBS provided (minimum social package)</b>	-	-	-	-	-	-	-	-	-
<b>Highest level of free service provided</b>									
Property rates (R value threshold)									
Water (kilolitres per household per month)									
Sanitation (kilolitres per household per month)									
Sanitation (Rand per household per month)									
Electricity (kwh per household per month)									
Refuse (average litres per week)									
<b>Revenue cost of free services provided (R'000)</b>									
Property rates (R15 000 threshold rebate)									
Property rates (other exemptions, reductions and rebates)									
Water									
Sanitation									
Electricity/other energy									
Refuse									
Municipal Housing - rental rebates									
Housing - top structure subsidies									
Other									
<b>Total revenue cost of free services provided (total social package)</b>	-	-	-	-	-	-	-	-	-

# **PART 2**

# **SUPPORTING DOCUMENTATION**

# **CHAPTER 5**



## **Overview Of The Annual Budget Process**

## **CHAPTER 5**

### **Overview of the annual budget process**

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the MMC for Finance.

The primary aims of the Budget Steering Committee are to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the SBDM'S IDP and the budget, taking into account the need to protect the financial sustainability of municipality;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

### **Budget Process Overview**

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2014) a time schedule that sets out the process to prepare the new IDP and the budget.

The Mayor tabled in Council the required IDP and budget time schedule in August 2014. Key dates applicable to the process were:

- 04/02/2015 1<sup>st</sup> Budget Steering Committee meeting
- 04/03/2015 2<sup>nd</sup> Budget Steering Committee meeting
- 10/03/2015 3<sup>rd</sup> Budget Steering Committee meeting
- 11/03/2015 Mayoral Committee where draft budget presented
- 18/03/2015 Mayoral Committee to approve draft budget
- 27/03/2015 Council to approve draft budget
- 01/04/2015 Public participation process
- 09/05/2015 Public participation ends
- 13/05/2015 Mayoral Committee to approve final budget
- 27/05/2015 Council to approve final budget
- 01/06/2015 Submit draft budget to National and Provincial Treasury

## **IDP and Service Delivery and Budget Implementation Plan**

The SBDM IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan. The Process Plan applicable to the 5-year IDP included the following key processes and deliverables:

- Registration of local municipality and community needs;
- Compilation of departmental business plans including key performance indicators and targets;
- Financial planning and budgeting process;
- Public participation process;
- Compilation of the SDBIP, and
- Review of the performance management and monitoring processes.

The IDP has been taken into a business and financial planning process leading up to the new 5-year IDP which commenced with the 2012/2013 MTREF and is reviewed annually. The business planning process has been refined to align the IDP to the key national and provincial priorities and current economic circumstances.

With the compilation of the new 5-year IDP, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the performance against the previous 5-year Departmental Service Delivery and Budget Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

## **Financial Modelling and Key Planning Drivers**

As part of the compilation of the 2015/16 MTREF, extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2015/16 MTREF:

- Dependence on grant funding
- Dependence on interest income
- Consequences of the utilisation of the accumulated surplus
- Policy priorities and strategic objectives
- Amended strategies emanating from the Strategic Plan
- Economic climate and trends (i.e. inflation, Eskom increases, household debt)
- Performance trends
- The approved 2014/15 adjustments budget and performance against the SDBIP
- Cash Flow Management Strategy
- Investment possibilities
- Improved and sustainable service delivery.



In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 51, 54, 58, 66, 70 and 74 has been taken into consideration in the planning and prioritisation process.

### **Community Consultation**

The draft 2015/16 MTREF as tabled before Council on 27 March 2015 for community consultation was published on the municipality's website, and hard copies were made available in the District, municipal notice boards and various libraries. The opportunity to give electronic feedback was also communicated on the SBDM website.

All documents in the appropriate format (electronic and printed) were provided to National and Provincial Treasury, and other national and provincial departments in accordance with section 23 of the MFMA, to provide an opportunity for them to make inputs.

Submissions received during the community consultation process and additional information regarding revenue and expenditure and individual capital projects were addressed, and where relevant considered as part of the finalisation of the 2015/16 MTREF. Feedback and responses to the submissions received are available on request.

# **CHAPTER 6**



## **Overview Of Alignment Of The Annual Budget With The IDP**

## **CHAPTER 6**

### **Overview of alignment of annual budget with IDP**

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated developmental planning process.

Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality.

It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the SBDM, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that SBDM strategically complies with the key national and provincial priorities.

The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the SBDM response to these requirements.

The ten Strategic Priorities are conceptualized and summarized as follows

1. Speeding up growth and transforming the economy to create decent work and sustainable livelihoods
2. Massive program to build economic and social infrastructure
3. Comprehensive rural development strategy linked to land and agrarian reform and food security
4. Strengthen the skills and human resource base
5. Improve the health profile of all South Africans
6. Intensify the fight against crime and corruption
7. Build cohesive, caring and sustainable communities

8. Pursuing African advancement and enhanced international cooperation
9. Sustainable Resource Management and Use
10. Building a developmental state including improvement of public services and strengthening democratic institutions

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's five strategic objectives for the 2014/15 MTREF and further planning refinements that have directly informed the compilation of the budget:

### **IDP Strategic Objectives**

<b>2012/13 Financial Year</b>	<b>2012/13 MTREF</b>
1. Municipal transformation and organisation development	1. Municipal transformation and organisation development
2. Basic service delivery	2. Basic service delivery
3. Local Economic Development	3. Local Economic Development
4. Municipal Financial viability and Management	4. Municipal Financial viability and Management
5. Good Governance and Public Participation	5. Good Governance and Public Participation

In order to ensure integrated and focused service delivery between all spheres of government it was important for the SBDM to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

Local priorities were identified as part of the IDP review process which is directly aligned to that of the national and provincial priorities. The key performance areas can be summarised as follows against the five strategic objectives:

1. Infrastructure Investment
2. Capacity Building and Support
3. Economic Development
4. Community Services
5. Institutional Development

The 2015/16 MTREF has therefore been directly informed by the new IDP process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

**Table SA4 - Reconciliation between the IDP strategic objectives and budgeted revenue**

DC10 Cacadu - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand											
CAPACITY BUILDING AND SUPPORT TO LMS			87 167	94 118	126 868	100 698	104 630	100 952	102 662	106 357	105 721
COMMUNITY SERVICES			16 685	5 311	241	27 691	25 004	1 562	26 152	23 026	15 142
ECONOMIC DEVELOPMENT			2 859	-	1 855	-	2 867	456	2 532	8 575	11 040
INFRASTRUCTURE INVESTMENTS			12 674	12 840	10 147	25 319	30 287	6 798	14 048	8 148	8 761
Allocations to other priorities											
<b>Total Revenue (excluding capital transfers and contributions)</b>			<b>119 385</b>	<b>112 269</b>	<b>139 111</b>	<b>153 708</b>	<b>162 788</b>	<b>109 768</b>	<b>145 393</b>	<b>146 105</b>	<b>140 663</b>

DC10 Cacadu - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand											
CAPACITY BUILDING AND SUPPORT TO LMS			82 227	61 685	62 041	63 213	78 323	70 097	76 777	82 045	84 983
COMMUNITY SERVICES			30 151	27 484	14 457	37 261	32 812	24 582	31 812	34 002	24 545
ECONOMIC DEVELOPMENT			9 590	7 499	17 732	20 832	21 154	18 243	16 126	16 849	17 054
INFRASTRUCTURE INVESTMENTS			30 688	21 101	42 753	32 403	30 499	25 101	20 679	13 210	14 081
Allocations to other priorities											
<b>Total Expenditure</b>			<b>152 654</b>	<b>117 770</b>	<b>136 984</b>	<b>153 708</b>	<b>162 788</b>	<b>138 022</b>	<b>145 393</b>	<b>146 105</b>	<b>140 663</b>

DC10 Cacadu - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

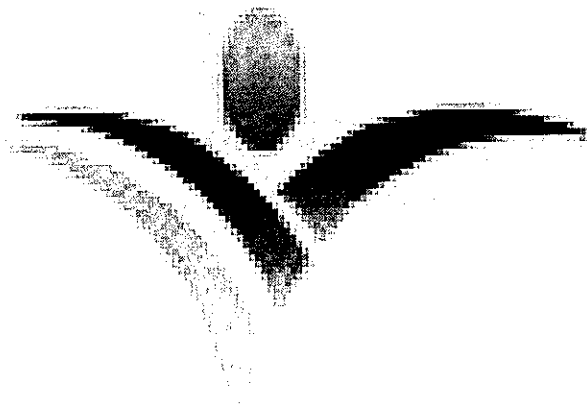
Strategic Objective	Goal	Goal Code	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Not linked to IDP strategic objectives due to the nature of the entity - no infrastructural assets		A	1 864	3 514	2 746	13 731	2 405	2 405	5 467	-	-
		B									
		C									
		D									
		E									
		F									
		G									
		H									
		I									
		J									
		K									
		L									
		M									
		N									
		O									
		P									
Allocations to other priorities											
<b>Total Capital Expenditure</b>			<b>1 864</b>	<b>3 514</b>	<b>2 746</b>	<b>13 731</b>	<b>2 405</b>	<b>2 405</b>	<b>5 467</b>	<b>-</b>	<b>-</b>



DC10 Cacadu - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Vote 1 - vote name</b>										
<b>Function 1 - (name)</b>										
<b>Sub-function 1 - (name)</b>										
<i>Insert measure/s description</i>										
<b>Sub-function 2 - (name)</b>										
<i>Insert measure/s description</i>										
<b>Sub-function 3 - (name)</b>										
<i>Insert measure/s description</i>										
<b>Function 2 - (name)</b>										
<b>Sub-function 1 - (name)</b>										
<i>Insert measure/s description</i>										
<b>Sub-function 2 - (name)</b>										
<i>Insert measure/s description</i>										
<b>Sub-function 3 - (name)</b>										
<i>Insert measure/s description</i>										
		See SDBIP	See SDBIP	See SDBIP	See SDBIP	See SDBIP	See SDBIP	See SDBIP	See SDBIP	See SDBIP
<b>Vote 2 - vote name</b>										
<b>Function 1 - (name)</b>										
<b>Sub-function 1 - (name)</b>										
<i>Insert measure/s description</i>										
<b>Sub-function 2 - (name)</b>										
<i>Insert measure/s description</i>										
<b>Sub-function 3 - (name)</b>										
<i>Insert measure/s description</i>										
<b>Function 2 - (name)</b>										
<b>Sub-function 1 - (name)</b>										
<i>Insert measure/s description</i>										
<b>Sub-function 2 - (name)</b>										
<i>Insert measure/s description</i>										
<b>Sub-function 3 - (name)</b>										
<i>Insert measure/s description</i>										
<b>Vote 3 - vote name</b>										
<b>Function 1 - (name)</b>										
<b>Sub-function 1 - (name)</b>										
<i>Insert measure/s description</i>										
<b>Sub-function 2 - (name)</b>										
<i>Insert measure/s description</i>										
<b>Sub-function 3 - (name)</b>										
<i>Insert measure/s description</i>										
<b>Function 2 - (name)</b>										
<b>Sub-function 1 - (name)</b>										
<i>Insert measure/s description</i>										
<b>Sub-function 2 - (name)</b>										
<i>Insert measure/s description</i>										
<b>Sub-function 3 - (name)</b>										
<i>Insert measure/s description</i>										
<b>And so on for the rest of the Votes</b>										

# **CHAPTER 7**



## **Measurable Performance Objectives & Indicators**

## **CHAPTER 7**

### **MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS**

The measurable performance indicators of the Sarah Baartman District Municipality are detailed in the following:

- \* **Annexure “B”**: Mandatory Performance Measures
- \* **Annexure “C”**: Annual Performance Objectives by Vote – operational measures
- \* **Annexure “D”**: Revenue by Source

DC10 Cacadu - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Borrowing Management</b>										
Credit Rating										
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	-33.1%	13.0%	-25.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	-182.3%	67.7%	-76.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Safety of Capital</b>										
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Liquidity</b>										
Current Ratio	Current assets/current liabilities	6.3	7.7	6.8	11.5	11.5	7.3	6.7	5.8	7.8
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	6.3	7.7	6.8	11.5	11.5	7.3	6.7	5.8	7.8
Liquidity Ratio	Monetary Assets/Current Liabilities	6.2	7.6	6.7	11.5	11.5	7.2	6.6	5.7	7.6
<b>Revenue Management</b>										
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		104.0%	83.3%	85.8%	100.0%	100.0%	0.0%	100.0%	100.0%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		104.0%	83.4%	86.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	1.7%	2.9%	4.0%	0.0%	0.0%	4.2%	2.6%	2.1%	1.6%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old									
<b>Creditors Management</b>										
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))									
Creditors to Cash and Investments		8.7%	10.1%	14.2%	6.4%	7.8%	9.1%	6.7%	5.3%	4.0%
<b>Other Indicators</b>										
Electricity Distribution Losses (2)	Total Volume Losses (kW)									
	Total Cost of Losses (Rand '000)									
Water Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated									
	Total Volume Losses (kt)									
	Total Cost of Losses (Rand '000)									
	% Volume (units purchased and generated less units sold)/units purchased and generated									
Employee costs	Employee costs/(Total Revenue - capital revenue)	27.6%	32.5%	27.2%	30.1%	28.7%	38.3%	32.8%	34.6%	38.0%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	32.3%	37.8%	31.6%	34.6%	33.1%	43.6%	37.6%	39.6%	43.5%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	0.5%	0.3%	0.5%	0.8%	0.9%	1.0%	1.0%	1.0%	1.0%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	1.4%	0.9%	0.9%	1.0%	0.9%	1.4%	1.3%	1.3%	1.3%
<b>IDP regulation financial viability indicators</b>										
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	0.9	(1.2)	3.9	5.3	5.3	5.3	6.4	8.4	7.4
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	185.9%	300.5%	506.3%	1.3%	1.3%	366.7%	276.9%	209.9%	149.5%
iii. Cost coverage	(Available cash + investments)/monthly fixed operational expenditure	8.6	15.6	11.4	15.9	12.3	23.9	24.7	23.3	23.3

DC10 Cacadu Supporting Table SA10 Funding measurement

Description	MFMA section	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Funding measures</b>										
Cash/cash equivalents at the year end - R'000	18(1)b	117 613	90 823	129 434	143 165	118 108	201 836	222 595	224 477	226 359
Cash + investments at the yr end less applications - R'000	18(1)b	55 408	55 784	90 849	44 499	44 489	70 620	34 084	(4 605)	(30 067)
Cash year end/monthly employee/supplier payments	18(1)b	8.6	15.6	11.4	15.9	12.3	23.9	24.7	23.3	23.3
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	(33 270)	(5 501)	2 127	-	-	(28 254)	-	-	-
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	N.A.	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	104.0%	83.4%	88.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital payments % of capital expenditure	18(1)c,19	92.5%	100.0%	100.0%	(100.0%)	(100.0%)	(100.0%)	100.0%	0.0%	0.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a									
Current consumer debtors % change - incr(decr)	18(1)a	N.A.	57.1%	64.9%	(99.7%)	0.0%	28452.9%	23261.5%	(20.0%)	(25.0%)
Long term receivables % change - incr(decr)	18(1)a	N.A.	191.7%	911.2%	(100.0%)	0.0%	0.0%	0.0%	(26.1%)	(35.3%)
R&M % of Property Plant & Equipment	20(1)(vi)	1.7%	1.4%	2.2%	2.4%	3.6%	3.5%	4.3%	4.6%	4.7%
Asset renewal % of capital budget	20(1)(vi)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

# **CHAPTER 8**



## **Overview Of Budget- Related Policies**

## CHAPTER 8

### OVERVIEW OF BUDGET-RELATED POLICIES

Budgeting is central to the process of prioritizing for service delivery and the management of the functions of Council. The Sarah Baartman District Municipality's budgeting process is guided and governed by relevant legislation regulations and budget related policies.

The following budget-related policies were reviewed as part of the budget planning process:

- Budget policy;
- Banking and Investment Policy;
- Supply Chain Management Policy;
- Virement Policy;
- Credit Control and Debt Collection Policy;
- Revenue By-laws;
- Tariff Policy;
- Sundry Financial Policies;
- Policy on Unauthorised, Irregular, Fruitless and Wasteful Expenditure and the Enforcement of Proper Financial Management;
- Petty Cash Policy;
- Asset Management Policy; and
- Risk Management Policy

Due to a few minor changes to budget related policies for 2014/2015, the policies were revised and adopted in the previous year. These policies remain intact, other than the following:

That the **Petty Cash Policy** be amended as follows:

- The Policy name changes from "Petty Cash Policy and Procedures" to "Petty Cash Policy";
- Contents page inserted;
- Paragraph 6 - Heading changed from "Procedure" to "Approval Process";
- Paragraph 7 (1st bullet) - changed from "As per the Supply Chain Management Policy, petty cash is up to an amount of R2 000 (VAT incl) per person and limited to R40 000 (VAT incl) per month per Directorate" to "As per the Supply Chain Management Policy, petty cash is up to and including an amount of R2 000 (VAT incl) per department and limited to R40 000 (VAT incl) per month per Directorate"; and
- Paragraph 8 (in 4th Bullet) - Deleted "the cost centre and line item".

That the **Credit Control and Debt Collection Policy** be amended to include the following section as follows:

**PART 11: PROVISION FOR DEBT IMPAIRMENT**

A provision for debt impairment is calculated at 30 June and is based on debtor amounts outstanding for greater than 90 days and where it is not certain whether the amounts are collectable.

That the **Asset Management Policy** be amended as follows:

Annexure A of the policy, which refers to the useful lives of assets, to be amended to:

<u>Description</u>	<u>Years</u>
Buildings	50
Specialised vehicles	5 - 20
Electricity	5 - 30
Motor vehicles	5 - 10
Water	5 - 20
Office equipment	2 - 10
Sewerage	15 - 20
Furniture and fittings	7 - 15
Bins and Containers	5 - 10
Specialised plant and equipment	5 - 15
Computer Equipment	2 - 10

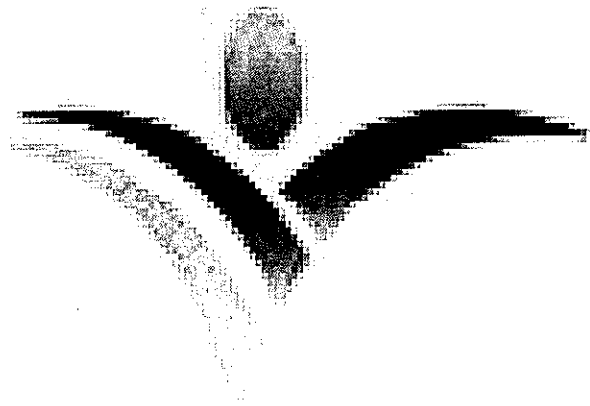
Paragraph 5.13.9 Replacement Norms be changed from "Assets are replaced as soon as the asset has no economic value / service potential to the municipality. Senior managers should annually identify possible replacement needs and inform the CFO by no later than 31 January of the estimated costs to be placed on the capital budget for approval" to "Assets are replaced as soon as the asset has no economic value / service potential to the municipality. Senior managers should annually identify possible replacement needs and inform the CFO of capital items to be included in the capital budget for approval."

That the **Risk Management Policy** be amended as follows:

- The name "Cacadu" changed to "Sarah Baartman";
- The word "Institution" changed to "municipality"; and
- The phrase "risk policy statement" changed to "risk management policy"



# **CHAPTER 9**



## **Overview Of Budget Assumptions**

## **CHAPTER 9**

### **OVERVIEW OF BUDGET ASSUMPTIONS**

The 2015/16 – 2017/18 Medium Term Budget has been prepared in a more volatile global and local economic market. Internal and external factors have been considered in ensuring that realistic and accurate budget assumptions have been adopted in the preparation of a credible budget.

#### **Global Economic Trends**

A weak global economic recovery is projected over the next several years, with growth forecast to rise from 3.3 per cent in 2014 to 3.5 per cent in 2015 and 3.7 per cent in 2016. Volatility in capital flows is expected to continue.

Among advanced economies, growth is picking up in the United States, but economic activity remains tepid in Europe and Japan. Weak domestic demand and falling inflation expectations have prompted the central banks of Europe and Japan to introduce additional monetary stimulus, which should support growth rates slightly above 2014 levels. However, the outcome of negotiations between Greece and its creditors could have destabilising economic and political consequences for the European Union.

The forecast growth rates of large emerging markets have been revised downwards. In emerging markets and developing economies, growth is projected to dip to 4.3 per cent in 2015, improving to 4.7 per cent in 2016. China's GDP growth rate is projected to slow to 6.8 per cent in 2015. The growth outlook for sub-Saharan Africa remains robust, averaging 5 per cent over the next three years, despite lower commodity prices. Economies in the region have diversified over the past decade, attracting increased foreign direct investment and benefiting from rising investment in ports, electricity capacity and transportation. Buoyant growth in agriculture and services has also broadened economic activity. For net oil importers, the decline in oil prices should offset lower non-oil commodity export prices over the short term. However, the region faces significant risks. These include uncertainty about the consequences of lower commodity prices on investment, unresolved security issues and weak demand from Europe.

#### **The world economy and South Africa**

Lower commodity prices, slow growth among major trading partners and volatility in global monetary policy and capital flows will directly affect South Africa over the next several years. The European monetary stimulus is expected to have a muted impact on GDP growth in Europe, and the anticipated weakness of the euro will limit South Africa's currency competitiveness. Weaker commodity demand from China in particular is expected to have a negative effect on South Africa's exports.

The net result of these trends, however, is offset by several developments. South Africa's deepening trade links with sub-Saharan Africa, where investment has begun to diversify towards manufacturing, services and infrastructure, should continue to provide expanded export markets, though there may be negative effects from reduced Chinese demand. In the

short term, lower oil prices are expected to reduce transport costs and improve the terms of trade. Disciplined government spending will reduce the economy's vulnerability to capital outflows, and create sufficient space for monetary policy to support investment and a competitive real exchange rate.

Projected GDP growth is revised down from 2.5 to 2 per cent in 2015, with a gradual rise to 3 per cent by 2017. Average growth over the forecast period is 0.4 percentage points lower than at the time of the 2014 *Medium Term Budget Policy Statement*.

The economic forecast takes into account a wide range of factors. Global growth has been revised downwards. While there is uncertainty about the impact of key variables (see box on following page), in comparison with the pre-2008 period, a protracted period of lower global economic growth is expected. Terms of trade gains might provide temporary relief for domestic prospects, but they are likely to be offset by constraints on output growth, notably the electricity constraint. Inadequate and unreliable electricity supply has also reduced investor and consumer confidence.

Over the medium term, the electricity supply constraint will curtail output and limit expansion. Investment growth has been revised down, but private investment growth is expected to pick up as firms invest in maintenance and upgrading of equipment. Public-sector investment will remain robust, but will moderate due to lower estimates in the medium-term investment plans of Transnet and Eskom. The positive impact of low oil prices on GDP growth in 2015 is expected to recede in 2016 as oil prices are projected to increase.

Household consumption is projected to grow by only 2 per cent in 2015 as a result of subdued employment growth, lower income growth and high debt levels. Higher purchasing power and lower inflation will not fully offset these effects.

#### *Employment and remuneration*

The unemployment rate was 24.3 per cent at the end of 2014, or 34.6 per cent including discouraged job seekers. Among the unemployed, long-term joblessness is 66 per cent, underlining how lengthy exclusion from the labour market erodes skills and reduces employability. Unemployment for those between 15 and 24 years old remains extremely high at 48.8 per cent.

#### *Balance of payments, exchange rates and inflation*

South Africa is running an elevated current account deficit of 5.8 per cent of GDP. Negative terms of trade have worsened the trade balance since 2012, but the sharp decline in oil prices is expected to reverse this trend and narrow the current account deficit to 4.5 per cent of GDP in 2015.

## **Socio Economic Trends in the District – Background and Basic Demographic**

Stats SA today released Census 2011 results, showing that the country's population grew to 51.8 million people. The Census of 2001 put South Africa's population at 44.8 million people, and the 2011 Census returned a count of 51.8 million. The difference in the population numbers between 2001 and 2011 is seven million and represents a 15.5% population increase over the last decade.

Census 2011 puts the country's average age at 25, an indicator that South Africa, albeit getting slightly older compared to the two previous censuses, continues to have a youthful population. The average age according to the 1996 and 2001 census was 22 and 23 respectively. The country has a relatively youthful population, and just over a third of the population was under the age of 15.

The Census 2011 was the third national population and housing count in post-apartheid South Africa. The exercise saw 156 000 field staff employed last year to count more than 14.6 million households.

In line with global trends, South Africa's sex ratio was skewed in favour of women; there were two million more females in the country than men. The 2011 census recorded 27 million females. "This means that on average, South Africa had a sex ratio of 95 (95 males per 100 females).

Meanwhile, South Africa's average household income increased nominally by 113% in 2011 compared to the last census in 2001. The average household income for black Africans was R60 613 while whites were highest at R365 134.

In real terms, the consumer price index (CPI) indicates that income should have increased by 77,5% during this period to have stayed in line with inflation. Therefore income grew above inflation thus suggesting standards of living have improved.

### **District Economy**

Local municipalities are:

Makana (Grahamstown);  
Ndlambe (Port Alfred, Alexandria);  
Sunday's River Valley, (Kirkwood, Addo);  
Blue Crane Route (Pearston, Somerset East, Cookhouse);  
Camdeboo (Graaf-Reinet, Aberdeen);  
Ikwezi (Jansenville, Kliplaat); Baviaans (Willowmore, Steytlerville);  
Kou-Kamma (Kareedouw, Tsitsikamma);  
Kouga (Humansdorp, Jeffrey's Bay, St Francis Bay).

Sarah Baartman covers the rural western areas of the province. At 58,242 square kilometres, it is the largest of the six districts. The district forms the rural hinterland beyond Port Elizabeth. The coastal belt is a temperate, winter-rainfall area, with rains of 500 to 700 mm per annum and above. The beautiful Tsitsikamma and Baviaans Parks lie in the extreme west of the district, close to the Western Cape. The interior is mostly dry Karoo and grasslands

composed of large commercial farms and vast expanses. The historic town of Graaf-Reinet is an important centre in the north of the district. Despite the arid interior, the Sundays and Fish Rivers support extensive irrigated farming and are fed by water from the Orange River under the Fish River Transfer Scheme. Grahamstown, in the east, is home to Rhodes University and the National Arts Festival.

This rural district has a population of about 390,000, with a low population density of seven people per square kilometre. The district has a substantial coloured population (36% of the population), with Africans in the majority (52%) and a higher proportion of whites (11%) than other districts.

Sarah Baartman ranks as a third largest economy of the province, with 9% of provincial value added. Agriculture dominates the district's economy, contributing 28% of all value added and 41% of formal employment. Small-stock farming predominates in the dry Karoo interior. This is the centre of wool and mohair farming in the Eastern Cape, providing a high proportion of world mohair production. Karoo mutton is known for its high quality and is also exported. Cattle and dairy farming are strong in the areas around Grahamstown, Cookhouse, Alexandria and Humansdorp. The Langkloof valley is home to deciduous fruit production of apples and pears. Major citrus farming areas are irrigated from the Sundays and Fish Rivers. Deciduous and citrus fruit is exported through Port Elizabeth. Commercial forestry is present around Tsitsikamma and Grahamstown. A small fishing industry operates from St Francis, centred on rock lobster.

The biggest employer is agriculture (32.4%). Manufacturing, centred on agro-processing, is a relatively small sector, providing 10% of value added and 7% of employment. Food and dairy processing and furniture production are present in the larger towns of Grahamstown and Humansdorp. Small businesses and craft co-operatives in the small towns of the Karoo produce wool and mohair garments, mostly hand-knitted. Tourism is well established in Sarah Baartman and the district has established its own network of tourism routes. Tourism attractions include the well-known Tsitsikamma, Baviaans and Addo National Parks and the coastal resorts of Jeffrey's Bay and Port Alfred. Farm tourism is beginning to develop in the Karoo, and Graaf-Reinet is visited for its history and architecture. Many of the place names in the far south of the district have Khoi and San roots. The Khoisan Cultural Village at Tsitsikamma is the first of many planned attractions to reflect this heritage. Government services play a significant role in the economy, providing 28% of value and 23% of formal employment.

## OPPORTUNITIES

- **Livestock:** Small-stock farming (sheep and goats) in the Karoo can be expanded through farm worker enterprises and to provide wool, mohair and meat for processing. Cattle farming can be developed through mixed farming with game. The commercial dairy industry has its base in the district and is a source for growth.
- **Crops:** Irrigation can be expanded in the Fish and Sundays River catchments by increasing water transferred from the Orange River, giving opportunities for further citrus production and high value horticultural production (vegetables, flowers, exotics). Sugar beet is being developed in the Fish River Valley between Cookhouse and Cradock.

- Forestry can be expanded to a limited extent in the Tsitsikamma and the areas around Grahamstown, but potential lies more in wood products and links to furniture.
- Fishing: A small fishing fleet operating from St Francis Bay and Port Alfred may have limited opportunities to expand with new quota allocations to the province. Potential lies more in aquaculture.
- Food processing is currently centred on the strong local dairy industry with room for further expansion. Canning and bottling of deciduous and citrus fruits and fruit juices is a major opportunity.
- Wool and mohair can provide the raw material for a growing apparel and garments industry, growing initially from the existing small weavers and craft co-operatives, but diversifying into high-value hand knitted fashion items.
- Furniture has high potential with existing forestry in Tsitsikamma and Grahamstown. High-value custom-made hand-crafted furniture will have higher potential and can develop local employment, with limited opportunities for hardwood furniture.
- Leather and leather goods are already a small local industry, with a base in Grahamstown. The potential lies in high-value fashion leather goods and clothing, automotive seat leather and in exotic hides and skins. As livestock revives, the industry can expand.
- Tourism has massive potential for growth. The Addo and Baviaans Parks and the Fish River reserve are expanding, and will increase the attraction of game reserves in the district. A strong base in beach, marina and sports tourism, including surfing, can be developed further. The district has many diverse attractions and has already established tourism to link up and promote tourism.
- Downstream opportunities in the Energy Industry – job creation, skills development, SMME development, etc.

The average growth rate of the Sarah Baartman District is estimated at 1.1%, which is higher than the Provincial growth rate, estimated at 0.3% and slightly lower than the National growth rate of 1.2%. There has been a significant decrease in the growth rate of the District between 1996 (2.6%) to 2007 (1.1%).

There is a correlation between the concentration of people and population growth trends, with Makana, Kouga & Ndlambe experiencing the most significant increases between 1996 and 2007. Camdeboo and Sundays River Valley have also experienced increases over this period. Locally, internal migration trends are predominantly towards the more affluent centres of Makana, Kouga and Ndlambe, presumably by people in search of improved economic opportunities.

Migration trends increase the number of people seeking employment, demand for housing and other associated services in more secure economic areas. Living in larger cities permits individuals and families to take advantage of the opportunities of proximity, diversity, and marketplace competition. Rural migrants are attracted by the possibilities that larger cities can offer, but can find themselves in informal settlements and experience extreme poverty. Migration trends need to be studied and formulated as a planned phenomenon to prevent urban sprawl and the perpetuation of impoverishment. The Medium Term Spatial Framework (MTSF) stipulates that effective and efficient urban management and development should provide employment and economic growth opportunities. Statistical trends of migration within

the Sarah Baartman area should be used to influence the Spatial Development Frameworks of affected local municipalities to ensure that correct measures are in place to accommodate an anticipated influx.

### **The Sarah Baartman District Municipality's Progress Development Indicators**

There has been progress on improving the standards of living in the district. The improvement in the Human Development Index between 1996 and 2007 has been significant.

The HDI in Sarah Baartman has specific spatial and social characteristics. Those municipalities with an urban bias display a stronger Human Development Index (HDI) demonstrating that human development was higher in urban rather than rural areas. These LMs include:

- Camdeboo (0.58)
- Makana (0.58)
- Ndlambe (0.58)
- Kouga (0.64)

The reduction in poverty and improvement in living standards can be attributed to steady economic growth over the same period. The problem with unemployment especially in the rural areas is a challenge and is the main reason many people live in poverty. Although social grants have provided a safety net for some people, it is not enough to ensure people live above the poverty line.

According to STATS SA, South Africa's unemployment rate has declined from 23.1% in 2008 to 21.9% April 2009. The unemployment rate in Sarah Baartman also declined between 2006 (32.1 %) and 2007 (31.4%). The Sarah Baartman unemployment rate however remains substantially higher than the South African average. The rate of unemployment in Sarah Baartman can be compared to other African Countries of Cameroon and Equatorial Guinea both of whom hold an unemployment rate of 30%. According to the GID, the unemployment rate has increased from 28.9% in 1996 to 31.4% in 2007.

Unemployment in Sarah Baartman is coupled with slow job growth. Sarah Baartman specific industries are limited with little expansion and or revitalization plans. This situation has resulted in the obvious increase in the number of job seekers. The increasing numbers of unemployed residents erodes the private income source of service provision and increases the demand for social services.

An economy with high unemployment is not utilising all of the labour resources available to it and is thus operating below its productive potential. Such an economy could have higher outputs if all of the available workforce were gainfully employed in industrious enterprises.

The MTSF calls specifically for efforts to be taken to identify and enhance existing economic opportunities in the interests of work creation and sustainable livelihoods.

The current situation in Sarah Baartman requires:

- The mobilisation of existing industries to increase production or add value to existing products;
- The investigation and establishment of new or alternative production industries;
- Labour to become skilled in providing the services required by existing industries;
- A drive to establish and support gainful self-employment; and
- The establishment of a committed work ethic.

Long term unemployment has negative effects beyond impoverishment and social dependency of the jobless. These include:

- During a long period of unemployment, workers can lose their skills, causing a loss of human capital;
- Being unemployed can also reduce the life expectancy of workers by approximately 7 years; and
- High unemployment can encourage xenophobia as workers fear that foreigners could occupy available positions

### **Summary of Budget Assumptions**

The global and national economic outlook is improving and higher growth rates are expected over the medium term. This impact positively on collection rates of municipalities. The current harsh economic conditions are hard for both the businesses and households which have impacted negatively on the payment for municipal services.

The table hereafter gives a summary of the assumptions used to prepare the medium term budget.



Supporting Table: Social, Economic and Demographic Statistics and Assumptions

Description of Indicator	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
<b>Demographics</b>					
Population (Census 2011)					
<b>Economic</b>					
Inflation / inflation outlook (CPIX)	5,9	5,6	5,4	5,8	5,5
Interest rate – borrowing	N/A	N/A	N/A	N/A	N/A
Interest rate – investment	6	6	6.5	6.5	6.5
Remuneration increases	5	6.5	6.8	6.0	5.5
<b>Collection Rates</b>					
Property tax / services charges					
Rental of facilities & equipment					
Interest – external investments					
Interest – debtors					
Revenue from agency services					

# **CHAPTER 10**



## **Overview of Budget Funding**

## **CHAPTER 10**

### **OVERVIEW OF BUDGET FUNDING**

#### **Review of past performance**

##### **Operating expenditure**

The overall financial performance results for the 2014/2015 financial year forecasts an operating deficit of R28.2 million. Included in this forecasted deficit are amounts of Accumulated Surplus allocated to projects, based on budget principles and procedures. This is therefore a budgeted deficit and not a real deficit which can only be calculated after the financial year end.

A summarized extract of the statement of financial performance is as follows:

<b>Details</b>	<b>Forecasted Actuals 2014/2015</b>
Revenue	109.8
Expenditure	138.0
Operating Deficit	(28.2)

Expenditure exceeds Revenue by an amount of R28.2 million.

### **BUDGET STRATEGIES**

The Municipality's budget reflects the strategic outcomes embodied in the IDP and related strategic policies. Such a focus represents a shift away from detailed line-item budgeting that tend to focus on inputs. The budget that the Council will consider is at a high level vote, enabling the accounting officer to oversee the implementation and management of the budget in accordance with appropriate policies and internal controls through regular monthly, quarterly and half yearly reports (sections 71, 52 and 72) to Council on financial and outcome performance. The Service Delivery Budget Implementation Plan (SDBIP) linked to the IDP and Budget is also tabled today which will enable performance measurement as agreed in performance contracts of senior officials.

### **FINANCIAL CHALLENGES AND CONSTRAINTS**

Since its levy base was reduced by 94% in 2000 with the establishment of the Nelson Mandela Metropolitan Municipality, the SBDM has become dependent on its interest earnings to fund its operating expenditure.

The SBDM still faces two main financial challenges:

- either increasing its discretionary revenue base or reducing its operating expenditure in order to become less dependent on interest earnings and contributions from the accumulated surpluses to balance its budget; and
- Achieving long term financial sustainability.

In the ever evolving local government environment there are significant challenges for municipalities to meet legislative requirements, particularly in the areas of governance and the MFMA. The SBDM's efforts to comply with the MFMA Accounting Standards for municipalities and audit opinion are a good example. In order to meet these ever increasing obligations, new skills, systems, additional financial resources and personnel are required.

Over the last few years, staff numbers have remained constant, with compliance requirements increasing and additional functions to be performed. The increased payroll costs is due to inflation increases and is been funded from interest earnings, equitable share and the Levy Replacement Grant.

Unfortunately, the Equitable Share of national revenue is inadequate, which has forced the SBDM to become even more reliant on interest earnings and accumulated surplus to finance operating expenditure. The SBDM's Equitable Share Grant increased by a mere 0.9%, whilst payroll costs increased by 5.8%. The municipality's effort to balance the budget, to achieve financial sustainability in the medium term remains a challenge.

While SBDM expected the equitable share to increase in line with the CPIX figures provided in the Treasury circular, this did not materialize.

The SBDM believes that it cannot credibly promote its district or successfully lobby for funds from other sources unless it demonstrates that it:

- Can plan and manage strategically;
- Can prioritize and spend funds efficiently on development programmes; and
- Promote the development facilitation role.

In respect of the first, it believes that its new approach to strategic planning through its spatial development framework is a step in the right direction.

In order to achieve the second, the SBDM needs to do two things:

- Complete projects in a timely manner and on budget; and
- Identify ways of increasing its productivity and reducing its operating expenditure to a level which can be funded within its sustainable discretionary funding envelope.

The medium-term budget for the next three years was prepared within the context of government's macro-economic framework as well as NT guidelines.

## 2.2 Main Sources of Revenue

The Municipality's main sources of sustainable own discretionary revenue over the medium term will be Equitable Share, which includes the Levy Replacement Grant and will amount to R80.7 million for the 2015/2016 financial year. The allocations for the outer years are R82.4 million and R83.4 million respectively, which represents an increase of 2.1% and 1.1% respectively. The review of the local government fiscal framework by NT has had a significant impact on the SBDM's revenue budget with the phasing out of RSC levies; the municipality is now exclusively dependent on grant funding to finance its operations.

The estimated income from our main sources of discretionary revenue for the 2015/2016 financial year amounts to R91.3 million, this excludes other Income.

These are:

Income Source	Forecast 2014/2015	Budget 2015/2016	Increase/ Decrease
	R	R	%
Interest on Investments	11.5	10.6	(8.0)
Equitable Share	22.5	21.8	(3.0)
Levy Replacement Grant	57.5	58.9	2.0
Total	91.5	91.3	(0.01)

### Financial Sustainability

Financial sustainability can be defined as government's ability to manage its finances so it can meet its spending commitments, both now and in the future. It ensures future generations of taxpayers do not face an unmanageable tax burden for government services provided to the current generation.

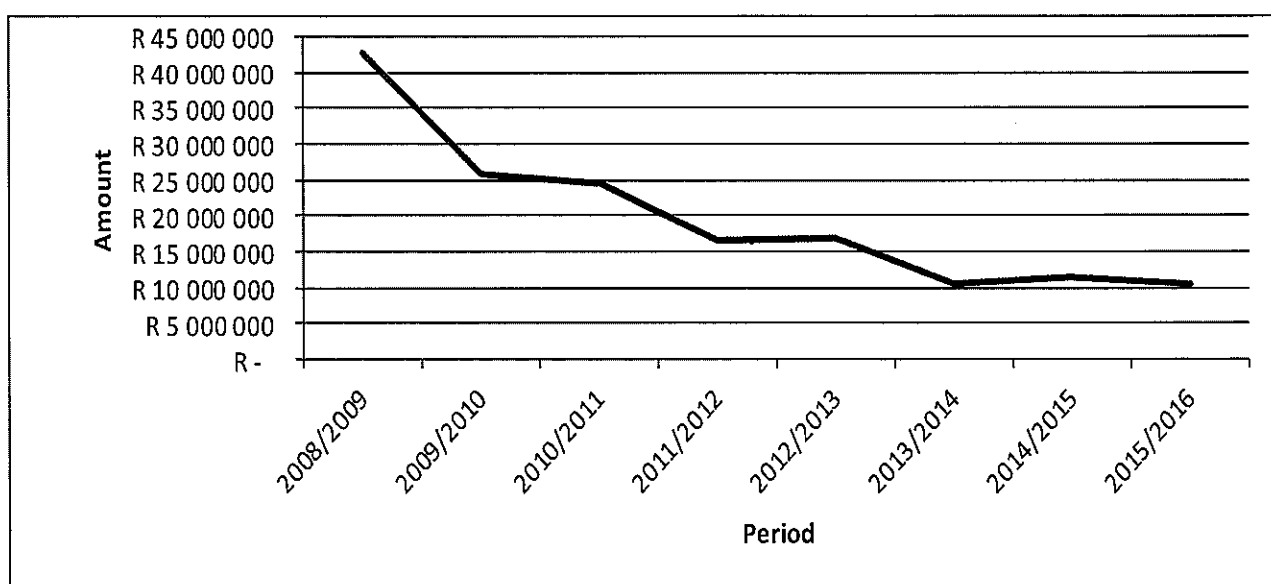
Indicators which could provide evidence of unsustainable or sustainable financial practices can be classified into:

- Income generating efforts;
- Efficiently delivered services that are appropriate to needs;
- Short term and long term financial obligations; and
- Ability to maintain, renew and upgrade assets.

The SBDM has struggled to perform its legal mandate because of its inadequate revenue base. Due to the fact that it had its tax base significantly reduced since the abolishment of RSC levies; it is now totally dependent on national government grants to finance its operating expenditure. Since 2002, in spite of a limited revenue base, additional functions such as fire fighting services, environmental health as well as onerous legislative compliance requirements which have placed enormous demands on the institution, which resulted in the increase in its staff establishment to respond to the additional responsibilities, it nevertheless managed to make a significant contribution to the improvement of the quality of life of the inhabitants in the district.

In order to respond to these challenges, the municipality had to adopt a pragmatic approach to ensure that it is able to continue providing services and add value in the district. Over a number of years it has been able to maintain reserve funds (Capital Replacement Reserve), which have recently been transferred to the Accumulated Surplus Account. It has only been possible to maintain service standards through the use of interest on investments to finance operating expenditure. In the 2015/16 Operating Budget it is estimated that an amount of R10.6 million will be used to finance operating expenditure. This represents 12.0% of available discretionary sources of revenue. The interest income has been based on an average interest rate of 6.5% being earned in the 2014/15 financial year. Interest rates are being increased and currently money invested earns an average of 6 % interest. Detailed below is a graph which gives an indication of how interest earnings have been used to balance the budget.

### Growth in the use of interest to finance Operating Expenditure



Although there are concerns that this financing approach is not sustainable in the long term, the municipality has no other funding option at this stage in its history. It is obvious that the municipality would be ineffective if it had to reduce its expenditure and its staff establishment within the limits of available discretionary resources excluding interest income.

National Treasury has advised that it will continue to compensate district municipalities through the Levy Replacement Grant (LRG).

Reforms will however be made to the Levy Replacement Grant in future to make it more reflective of the extent of service delivery responsibilities of the municipality rather than historical RSC levy collection rates. This is very good news for the Sarah Baartman District, as grants to the municipality have been calculated on a low baseline amount. Revisions to the local government fiscal framework are being considered, including determining appropriate funding for district municipalities, which will be informed by the outcomes of the COGTA White Paper policy review.

Until that process has been finalized, it is evident that the current funding approach will have to be maintained to ensure that service provision is not disrupted or compromised.

It is, however, incumbent on the management and political representatives to ensure that the utilization of unsustainable revenue sources to finance operating expenditure is undertaken in a responsible manner and that a capping is placed on the utilization of the accumulated surplus until a clearer picture emerges of future district municipality's revenue sources.

### **Capital expenditure**

Capital expenditure for the 2015/2016 financial year is detailed in **Annexure "E"**.

### **Funding sources**

The capital expenditure will be funded from Accumulated Surpluses. In 2015/2016 financial year, approximately R5.5 million will be financed from Accumulated surpluses.

### **Funding arrangements and strategies**

The Sarah Baartman District Municipality has numerous funding options available, both short term and long term financing that are in line with the MFMA. The Sarah Baartman District Municipality Budget and Treasury Office (BTO) continuously analyses current and available financing arrangements, with an aim of identifying best financing mix. The BTO also monitors that the funding mix is in line with prudent indicators such as the revenue-to-debt ratio.

### **Short term funding**

Section 45 of MFMA guides short-term borrowing of municipalities. Liquidity management is of paramount significance in a robust risk management framework. Due to a weak tax base Sarah Baartman District Municipality does not use loan funding to finance capital expenditure.

### **Investments**

Investments for the Sarah Baartman District Municipality are done in accordance with and adherence to the Municipal Investment Regulation of the MFMA, Sarah Baartman District Municipality's Investments Policy and other relevant legislation. Cash flow forecast and liquidity needs by the Sarah Baartman District Municipality provides guidance for the type of investments employed and tenor thereof. The investments are made with primary regard for the risk profile and appetite of the investment, liquidity needs of the Sarah Baartman District Municipality and the return on investments.

The BTO is obliged to invest all the Sarah Baartman District Municipality's funds within approved limits with counter parties' approval by Council. Due to high liquidity needs of the Sarah Baartman District Municipality, the investment portfolio constitutes mainly of money market instruments. The BTO continuously analyses the market for good investment opportunities relative to appropriate benchmarks and market conditions.

**Measures of financial performance**

- Current ratio shall not be less than 1 %
- Debt revenue shall be limited to 25%
- Salaries to operating not more than 30%
- Cost coverage ratio should cover at least one month.

The table below reflects the projected ratio's of the Sarah Baartman District Municipality.

	<b>Bench- mark</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>
Current Ratio	2:1	2:1	2:1	2:1
Salaries as a % of Operating Expenditure (excl. Grants)	30%	30.0%	34.8%	34%

**Current ratio**

- Current ratio measures the ability of the Sarah Baartman District Municipality to pay its current liabilities out of the current assets. The industry usually looks for a ratio of 2:1; however the acceptable current ratio is 1:1 for municipalities.
- The current ratio is above 1:1 which means that the Sarah Baartman District Municipality will be able to meet its short term obligation if the trend continues.
- The ratio needs to be given utmost attention and the Sarah Baartman District Municipality will have to create cash through the operating account (minimise costs) to maintain liquidity.

**Salaries ratio**

Employee costs represent 32% of the total expenditure including project expenditure for the 2014/15 financial year. It should however be pointed out that the payroll costs as a percentage of the discretionary revenue is 49%.

**Ratio analysis**

The current debt to revenue ratio need to be maintained going forward. The financial plan tries not to place more pressure on those ratios that are stretched (current ratios) and projects improved financial ratios in the outer financial years.

The level of capital investment and infrastructure projects in the outer years depends on (cash) surpluses and the financial plan is utilizing these (cash) surpluses towards capital infrastructure investments and soft support and capacity building programmes.



## Challenges

The Sarah Baartman District Municipality is facing the following challenges:

- Dependence on grant funding;
- Collectively managing the cost down (doing more with less);
- Reviewing all Sarah Baartman District Municipality's services and programs for operational efficiencies to improve service levels and delivery;
- Exploring opportunities for cost saving (shared services); and
- Exploring Management and Renewals Strategy.
- Additional function such as Environment Health services and Fire Fighting services and decreasing Equitable of national revenues.

## Financial Risks

The financial risks include:

- Changes in economic variables like inflation, petrol price, etc;
- Current economic downscale and the impact on payment levels and grant funding;
- Unemployment trends; and
- Global financial instability.

The Sarah Baartman District Municipality's financial viability has been planned through financial modeling over five (5) years, the focus being on its financial performance, financial position and the cash flow statement. The plan is based on a number of assumptions. The assumptions have been developed to reflect a sustainable financial position over a planned period and to ensure that there is sufficient capacity to fund operating and capital expenditure. The plan seeks to address short-term and to achieve long-term financial stability while maintaining user charges/tariffs within reasonable levels.

The long-term financial plan has taken a conservative approach in projecting the Sarah Baartman District Municipality's financial position in the outer years. A Sustainability Assessment Report was first tabled in a council meeting held on 26 August 2009.

This report clearly identified the risks of current funding strategies and gave advice with regard to avoiding future cash flow problems in the medium term.

## Statement of tariff setting and revenue strategies

The MFMA requires annual budgets of municipalities to be funded by realistically anticipated revenue to be collected, based on the collection level to date and the actual revenue collected in previous financial years.

The Sarah Baartman District Municipality annually reviews the tariffs to ascertain whether they are still capable of producing the required revenue envelope, taking note of the prevailing trends. This process of tariff setting takes place within the framework of the Sarah Baartman

District Municipality's Tariff Policy, which is based on social, economic and financial principles.

While the Sarah Baartman District Municipality is committed to maintain tariff increases within the forecasted inflation, increases above inflation are applied to some services (mainly major trading services) due to budgetary requirements aimed at sustaining service provision.

For the 2015/16 financial year tariff increases for the major services were driven by the following broad considerations:

- The projected electricity and fuel levy increases;
- The deteriorated economic outlook; and
- The impact of inflation and other cost increases.

Informed by the aforementioned considerations, the Sarah Baartman District Municipality will increase tariffs for its services

The scheduled of tariffs and charges is attached as Annexure "F".

# **CHAPTER 11**



## **Expenditure On Allocations And Grant Programme**

DC10 Cacadu - Supporting Table SA18 Transfers and grant receipts

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>RECEIPTS:</b>									
<b>Operating Transfers and Grants</b>									
<b>National Government:</b>	69 260	74 442	77 620	85 538	86 193	86 193	86 282	86 915	88 030
Local Government Equitable Share	14 691	17 118	19 258	22 501	22 501	22 501	21 827	21 850	21 189
RSC Levy Replacement	52 629	54 207	55 833	57 507	57 507	57 507	58 932	60 594	62 184
Finance Management	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250
Municipal Systems Improvement	790	867	1 279	934	934	934	940	960	1 033
Restructuring grant	-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	-	-	-	-	-	-	-	-	-
Other grants	-	1 000	-	3 346	4 001	4 001	3 333	2 261	2 374
<b>Provincial Government:</b>	20 004	15 264	11 807	6 381	6 730	6 730	4 983	5 255	5 586
Health subsidy	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Disaster Management	-	-	-	-	-	-	-	-	-
Pensioners	3 742	4 538	4 581	5 146	5 146	5 146	4 983	5 255	5 586
Other grants	16 262	10 726	7 226	1 235	1 584	1 584	-	-	-
<b>District Municipality:</b>	-	-	3 941	-	-	-	-	-	-
Local Municipalities	-	-	3 941	-	-	-	-	-	-
<b>Other grant providers:</b>	1 418	-	1 138	456	4 459	4 459	-	-	-
Development Bank of South Africa	1 418	-	1 138	-	-	-	-	-	-
Other grant providers:	-	-	-	456	4 459	4 459	-	-	-
<b>Total Operating Transfers and Grants</b>	<b>90 682</b>	<b>89 706</b>	<b>94 506</b>	<b>92 375</b>	<b>97 382</b>	<b>97 382</b>	<b>91 265</b>	<b>92 170</b>	<b>93 616</b>
<b>Capital Transfers and Grants</b>									
<b>National Government:</b>	-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert desc]	-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>	-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]	-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>	-	-	-	-	-	-	-	-	-
Local Municipalities	-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>	-	-	-	-	-	-	-	-	-
Development Bank of So	-	-	-	-	-	-	-	-	-
<b>Total Capital Transfers and Grants</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	<b>90 682</b>	<b>89 706</b>	<b>94 506</b>	<b>92 375</b>	<b>97 382</b>	<b>97 382</b>	<b>91 265</b>	<b>92 170</b>	<b>93 616</b>

DC10 Cacadu - Supporting Table SA19 Expenditure on transfers and grant programme

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>									
<b>EXPENDITURE:</b>									
<b>Operating expenditure of Transfers and Grants</b>									
<b>National Government:</b>	<b>78 017</b>	<b>74 442</b>	<b>77 620</b>	<b>85 538</b>	<b>86 193</b>	<b>86 193</b>	<b>86 282</b>	<b>86 915</b>	<b>88 030</b>
Local Government Equitable Share	14 591	17 118	19 258	22 501	22 501	22 501	21 827	21 850	21 189
RSC Levy Replacement	52 629	54 207	55 833	57 507	57 507	57 507	58 932	60 594	62 184
Finance Management	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250
Municipal Systems Improvement	779	867	1 279	934	934	934	940	960	1 033
Restructuring grant	-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	8 768	-	-	-	-	-	-	-	-
Other grants	-	1 000	-	3 346	4 001	4 001	3 333	2 261	2 374
<b>Provincial Government:</b>	<b>12 463</b>	<b>15 264</b>	<b>11 807</b>	<b>6 381</b>	<b>6 730</b>	<b>6 730</b>	<b>4 983</b>	<b>5 255</b>	<b>5 586</b>
Health subsidy	-	-	-	-	-	-	-	-	-
Housing	1 234	-	-	-	-	-	-	-	-
Disaster Management	3 742	-	-	-	-	-	-	-	-
Pensioners	7 488	4 538	4 581	5 146	5 146	5 146	4 983	5 255	5 586
Other grants	-	10 726	7 226	1 235	1 584	1 584	-	-	-
<b>District Municipality:</b>	<b>-</b>	<b>-</b>	<b>3 941</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Local Municipalities	-	-	3 941	-	-	-	-	-	-
<b>Other grant providers:</b>	<b>1 202</b>	<b>-</b>	<b>1 138</b>	<b>456</b>	<b>4 459</b>	<b>4 459</b>	<b>-</b>	<b>-</b>	<b>-</b>
Development Bank of South Africa	1 202	-	1 138	456	4 459	4 459	-	-	-
<b>Total operating expenditure of Transfers and Grants:</b>	<b>91 682</b>	<b>89 706</b>	<b>94 506</b>	<b>92 375</b>	<b>97 382</b>	<b>97 382</b>	<b>91 265</b>	<b>92 170</b>	<b>93 616</b>
<b>Capital expenditure of Transfers and Grants</b>									
<b>National Government:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other capital transfers/grants [insert desc]	-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other capital transfers/grants [insert description]	-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Local Municipalities	-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Development Bank of So	-	-	-	-	-	-	-	-	-
<b>Total capital expenditure of Transfers and Grants</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>	<b>91 682</b>	<b>89 706</b>	<b>94 506</b>	<b>92 375</b>	<b>97 382</b>	<b>97 382</b>	<b>91 265</b>	<b>92 170</b>	<b>93 616</b>

DC10 Cacadu - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Operating transfers and grants:</b>									
<b>National Government:</b>									
Balance unspent at beginning of the year	11 516	5 004	280	-	-	-	-	-	-
Current year receipts	69 260	71 235	80 133	85 538	86 193	86 193	86 282	86 915	88 030
<b>Conditions met - transferred to revenue</b>	<b>75 771</b>	<b>75 964</b>	<b>80 413</b>	<b>85 538</b>	<b>86 193</b>	<b>86 193</b>	<b>86 282</b>	<b>86 915</b>	<b>88 030</b>
Conditions still to be met - transferred to liabilities	5 004	275	-	-	-	-	-	-	-
<b>Provincial Government:</b>									
Balance unspent at beginning of the year	26 130	12 536	19 617	1 235	1 235	1 235	-	-	-
Current year receipts	13 960	4 136	-	5 146	5 495	5 495	4 983	5 255	5 586
<b>Conditions met - transferred to revenue</b>	<b>14 407</b>	<b>13 695</b>	<b>9 014</b>	<b>6 381</b>	<b>6 730</b>	<b>6 730</b>	<b>4 983</b>	<b>5 255</b>	<b>5 586</b>
Conditions still to be met - transferred to liabilities	25 683	2 977	10 603	-	-	-	-	-	-
<b>District Municipality:</b>									
Balance unspent at beginning of the year	-	-	2 118	-	3 973	3 973	-	-	-
Current year receipts	-	-	5 797	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>	<b>-</b>	<b>-</b>	<b>3 941</b>	<b>-</b>	<b>3 973</b>	<b>3 973</b>	<b>-</b>	<b>-</b>	<b>-</b>
Conditions still to be met - transferred to liabilities	-	-	3 973	-	-	-	-	-	-
<b>Other grant providers:</b>									
Balance unspent at beginning of the year	85	-	1 168	456	486	486	-	-	-
Current year receipts	1 418	47	456	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>	<b>1 503</b>	<b>47</b>	<b>1 138</b>	<b>456</b>	<b>486</b>	<b>486</b>	<b>-</b>	<b>-</b>	<b>-</b>
Conditions still to be met - transferred to liabilities	-	-	486	-	-	-	-	-	-
<b>Total operating transfers and grants revenue</b>	<b>91 682</b>	<b>89 706</b>	<b>94 506</b>	<b>92 375</b>	<b>97 382</b>	<b>97 382</b>	<b>91 265</b>	<b>92 170</b>	<b>93 616</b>
<b>Total operating transfers and grants - CTBM</b>	<b>30 687</b>	<b>3 252</b>	<b>15 062</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Capital transfers and grants:</b>									
<b>National Government:</b>									
Balance unspent at beginning of the year	-	-	-	-	-	-	-	-	-
Current year receipts	-	-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Conditions still to be met - transferred to liabilities	-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>									
Balance unspent at beginning of the year	-	-	-	-	-	-	-	-	-
Current year receipts	-	-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Conditions still to be met - transferred to liabilities	-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>									
Balance unspent at beginning of the year	-	-	-	-	-	-	-	-	-
Current year receipts	-	-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Conditions still to be met - transferred to liabilities	-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>									
Balance unspent at beginning of the year	-	-	-	-	-	-	-	-	-
Current year receipts	-	-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Conditions still to be met - transferred to liabilities	-	-	-	-	-	-	-	-	-
<b>Total capital transfers and grants revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total capital transfers and grants - CTBM</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL TRANSFERS AND GRANTS REVENUE</b>	<b>91 682</b>	<b>89 706</b>	<b>94 506</b>	<b>92 375</b>	<b>97 382</b>	<b>97 382</b>	<b>91 265</b>	<b>92 170</b>	<b>93 616</b>
<b>TOTAL TRANSFERS AND GRANTS - CTBM</b>	<b>30 687</b>	<b>3 252</b>	<b>15 062</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# **CHAPTER 12**



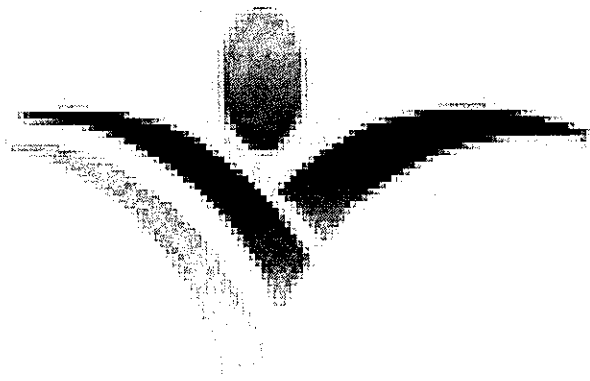
## **Allocation And Grants Made By The Municipality**

DC10 Cacadu - Supporting Table SA21 Transfers and grants made by the municipality

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>									
<b>Cash Transfers to other municipalities</b>									
<i>Environmental Health Subsidy</i>	7 086	7 500	7 699	9 000	9 000	9 000	9 500	10 000	10 500
<i>Fire Services</i>	488	3 054	6 851	3 000	3 000	2 500	4 500	10 000	10 000
<b>Total Cash Transfers To Municipalities:</b>	<b>7 575</b>	<b>10 554</b>	<b>14 550</b>	<b>12 000</b>	<b>12 000</b>	<b>11 500</b>	<b>14 000</b>	<b>20 000</b>	<b>20 500</b>
<b>Cash Transfers to Entities/Other External Mechanisms</b>									
<i>Development Agency</i>	1 148	1 055	4 957	4 000	4 000	4 000	1 000	4 500	4 500
<i>Grant operating expenditure</i>	17 496	7 573	12 930	5 156	10 163	10 163	10 506	9 726	10 243
<b>Total Cash Transfers To Entities/Ems'</b>	<b>18 644</b>	<b>8 628</b>	<b>17 887</b>	<b>9 156</b>	<b>14 163</b>	<b>14 163</b>	<b>11 506</b>	<b>14 226</b>	<b>14 743</b>
<b>Cash Transfers to other Organs of State</b>									
<i>Environmental Health Subsidy</i>									
<b>Total Cash Transfers To Other Organs Of State:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash Transfers to Organisations</b>									
<i>Environmental Health Subsidy</i>									
<b>Total Cash Transfers To Organisations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash Transfers to Groups of Individuals</b>									
<i>Environmental Health Subsidy</i>									
<b>Total Cash Transfers To Groups Of Individuals:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL CASH TRANSFERS AND GRANTS</b>	<b>26 219</b>	<b>19 182</b>	<b>32 437</b>	<b>21 156</b>	<b>26 163</b>	<b>25 663</b>	<b>25 506</b>	<b>34 226</b>	<b>35 243</b>
<b>Non-Cash Transfers to other municipalities</b>									
<i>Insert description</i>									
<b>Total Non-Cash Transfers To Municipalities:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Non-Cash Transfers to Entities/Other External Mechanisms</b>									
<i>Environmental Health Subsidy</i>									
<b>Total Non-Cash Transfers To Entities/Ems'</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Non-Cash Transfers to other Organs of State</b>									
<i>Environmental Health Subsidy</i>									
<b>Total Non-Cash Transfers To Other Organs Of State:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Non-Cash Grants to Organisations</b>									
<i>Environmental Health Subsidy</i>									
<b>Total Non-Cash Grants To Organisations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Groups of Individuals</b>									
<i>Environmental Health Subsidy</i>									
<b>Total Non-Cash Grants To Groups Of Individuals:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL NON-CASH TRANSFERS AND GRANTS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL TRANSFERS AND GRANTS</b>	<b>26 219</b>	<b>19 182</b>	<b>32 437</b>	<b>21 156</b>	<b>26 163</b>	<b>25 663</b>	<b>25 506</b>	<b>34 226</b>	<b>35 243</b>



# **CHAPTER 13**



## **Councillor and Board Members Allowances and Employee Benefits**

DC10 Cacadu - Supporting Table SA22 Summary councillor and staff benefits

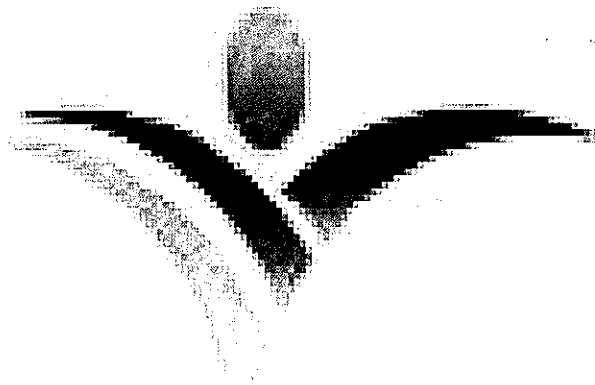
Summary of Employee and Councillor remuneration	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand	A	B	C	D	E	F	G	H	I
<b>Councillors (Political Office Bearers plus Other)</b>									
Basic Salaries and Wages	3 509	4 095	3 910	4 196	4 196	3 929	4 471	4 717	4 967
Pension and UIF Contributions	-	-	-	-	-	-	-	-	-
Medical Aid Contributions	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	1 468	1 249	1 893	1 394	1 694	1 678	2 153	2 271	2 391
Cellphone Allowance	210	221	250	268	268	250	284	300	316
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	76	101	91	1 036	1 036	53	117	123	129
<b>Sub Total - Councillors</b>	<b>5 264</b>	<b>5 665</b>	<b>6 144</b>	<b>6 894</b>	<b>7 194</b>	<b>5 914</b>	<b>7 025</b>	<b>7 411</b>	<b>7 804</b>
<b>% Increase</b>		<b>7.6%</b>	<b>8.4%</b>	<b>12.2%</b>	<b>4.4%</b>	<b>(17.8%)</b>	<b>18.9%</b>	<b>5.5%</b>	<b>5.3%</b>
<b>Senior Managers of the Municipality</b>									
Basic Salaries and Wages	4 462	3 978	4 277	4 622	4 622	4 585	3 605	3 804	4 005
Pension and UIF Contributions	417	357	389	416	416	415	354	374	394
Medical Aid Contributions	79	39	57	34	34	31	-	-	-
Overtime	-	-	-	-	-	-	-	-	-
Performance Bonus	179	110	154	304	304	81	273	288	304
Motor Vehicle Allowance	656	564	605	564	564	564	713	752	792
Cellphone Allowance	25	25	25	25	25	25	25	27	28
Housing Allowances	25	13	6	31	31	6	-	-	-
Other benefits and allowances	155	85	137	169	169	131	72	76	80
Payments in lieu of leave	239	-	-	-	-	-	-	-	-
Long service awards	-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Municipality</b>	<b>6 237</b>	<b>5 170</b>	<b>5 650</b>	<b>6 165</b>	<b>6 165</b>	<b>5 838</b>	<b>5 043</b>	<b>5 320</b>	<b>5 602</b>
<b>% Increase</b>		<b>(17.1%)</b>	<b>9.3%</b>	<b>9.1%</b>	<b>-</b>	<b>(5.3%)</b>	<b>(13.6%)</b>	<b>5.5%</b>	<b>5.3%</b>
<b>Other Municipal Staff</b>									
Basic Salaries and Wages	19 486	19 427	22 746	24 672	25 247	22 396	27 913	29 377	30 934
Pension and UIF Contributions	1 381	1 532	1 839	2 063	2 063	1 966	2 072	2 261	2 387
Medical Aid Contributions	3 301	7 683	4 434	9 554	9 554	8 935	9 686	10 373	11 198
Overtime	311	204	336	-	-	-	-	-	-
Performance Bonus	296	420	501	688	688	605	746	787	829
Motor Vehicle Allowance	977	1 284	1 130	980	980	980	832	678	924
Cellphone Allowance	130	133	135	144	144	135	138	146	153
Housing Allowances	87	89	90	362	362	100	131	139	147
Other benefits and allowances	689	498	979	1 470	1 470	1 044	1 145	1 207	1 270
Payments in lieu of leave	-	-	-	-	-	-	-	-	-
Long service awards	56	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
<b>Sub Total - Other Municipal Staff</b>	<b>26 725</b>	<b>31 270</b>	<b>32 192</b>	<b>40 113</b>	<b>40 488</b>	<b>36 161</b>	<b>42 663</b>	<b>45 168</b>	<b>47 842</b>
<b>% Increase</b>		<b>17.0%</b>	<b>2.9%</b>	<b>24.6%</b>	<b>0.9%</b>	<b>(10.7%)</b>	<b>18.0%</b>	<b>5.9%</b>	<b>5.9%</b>
<b>Total Parent Municipality</b>	<b>38 226</b>	<b>42 106</b>	<b>43 986</b>	<b>53 172</b>	<b>53 847</b>	<b>47 909</b>	<b>54 730</b>	<b>57 899</b>	<b>61 248</b>
		<b>10.2%</b>	<b>4.6%</b>	<b>20.9%</b>	<b>1.3%</b>	<b>(11.0%)</b>	<b>14.2%</b>	<b>5.8%</b>	<b>5.8%</b>
<b>Board Members of Entities</b>									
Basic Salaries and Wages	-	-	-	-	-	-	-	-	-
Pension and UIF Contributions	-	-	-	-	-	-	-	-	-
Medical Aid Contributions	-	-	-	-	-	-	-	-	-
Overtime	-	-	-	-	-	-	-	-	-
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	-	-	-	-	-	-	-	-	-
Cellphone Allowance	196	215	-	-	-	-	-	-	-
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	93	109	-	-	-	-	-	-	-
Board Fees	-	-	-	-	-	-	-	-	-
Payments in lieu of leave	-	-	-	-	-	-	-	-	-
Long service awards	-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
<b>Sub Total - Board Members of Entities</b>	<b>289</b>	<b>324</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>% Increase</b>		<b>12.1%</b>	<b>(100.0%)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Senior Managers of Entities</b>									
Basic Salaries and Wages	-	-	-	-	-	-	-	-	-
Pension and UIF Contributions	-	-	-	-	-	-	-	-	-
Medical Aid Contributions	-	-	-	-	-	-	-	-	-
Overtime	-	-	-	-	-	-	-	-	-
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	-	-	-	-	-	-	-	-	-
Cellphone Allowance	-	-	-	-	-	-	-	-	-
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	-	-	-	-	-	-	-	-	-
Payments in lieu of leave	-	-	-	-	-	-	-	-	-
Long service awards	-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Entities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>% Increase</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other Staff of Entities</b>									
Basic Salaries and Wages	-	-	-	-	-	-	-	-	-
Pension and UIF Contributions	-	-	-	-	-	-	-	-	-
Medical Aid Contributions	-	-	-	-	-	-	-	-	-
Overtime	-	-	-	-	-	-	-	-	-
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	-	-	-	-	-	-	-	-	-
Cellphone Allowance	-	-	-	-	-	-	-	-	-
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	-	-	-	-	-	-	-	-	-
Payments in lieu of leave	-	-	-	-	-	-	-	-	-
Long service awards	-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
<b>Sub Total - Other Staff of Entities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>% Increase</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Municipal Entities</b>	<b>289</b>	<b>324</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>	<b>38 514</b>	<b>42 430</b>	<b>43 986</b>	<b>53 172</b>	<b>53 847</b>	<b>47 909</b>	<b>54 730</b>	<b>57 899</b>	<b>61 248</b>
<b>% Increase</b>		<b>10.2%</b>	<b>3.7%</b>	<b>20.9%</b>	<b>1.3%</b>	<b>(11.0%)</b>	<b>14.2%</b>	<b>5.8%</b>	<b>5.8%</b>
<b>TOTAL MANAGERS AND STAFF</b>	<b>32 962</b>	<b>36 441</b>	<b>37 842</b>	<b>46 278</b>	<b>46 653</b>	<b>41 999</b>	<b>47 705</b>	<b>50 488</b>	<b>53 444</b>



DC10 Cacadu - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers Number	2013/14			Current Year 2014/15			Budget Year 2015/16		
	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
<b>Municipal Council and Boards of Municipal Entities</b>									
Councillors (Political Office Bearers plus Other Councillors)	27	-	27	30	-	30	30	-	30
Board Members of municipal entities				4	-	4	5	-	5
<b>Municipal employees</b>									
Municipal Manager and Senior Managers	4	-	4	4	-	4	4	-	4
Other Managers	16	-	16	16	-	16	15	-	15
Professionals	12	4	9	16	9	7	7	5	2
Finance	3	1	3	7	4	3	6	4	2
Spatial/town planning									
Information Technology				3	2	1	1	1	-
Roads									
Electricity									
Water									
Sanitation									
Refuse									
Other	9	3	6	6	3	3			
Technicians	7	3	4	6	3	3	25	12	13
Finance	5	3	2				8	3	5
Spatial/town planning	1	-	1	1	-	1	1	-	1
Information Technology	1	-	1				1	1	-
Roads									
Electricity									
Water									
Sanitation									
Refuse									
Other				5	3	2	15	8	7
Clerks (Clerical and administrative)	26	7	19	56	18	38	25	18	7
Service and sales workers	19	7	12	4	3	1	7	4	3
Skilled agricultural and fishery workers									
Craft and related trades									
Plant and Machine Operators									
Elementary Occupations	11	-	11	-	-	-			
<b>TOTAL PERSONNEL NUMBERS</b>	<b>122</b>	<b>21</b>	<b>102</b>	<b>136</b>	<b>33</b>	<b>103</b>	<b>118</b>	<b>39</b>	<b>79</b>
% increase				11.5%	57.1%	1.0%	(13.2%)	18.2%	(23.3%)
<b>Total municipal employees headcount</b>	<b>95</b>	<b>21</b>	<b>75</b>	<b>106</b>	<b>33</b>	<b>73</b>	<b>83</b>	<b>39</b>	<b>44</b>
Finance personnel headcount	23	9	14	23	9	14	24	11	13
Human Resources personnel headcount	3	1	2	3	1	2	3	1	2

# **CHAPTER 14**



## **Monthly Targets For Revenue, Expenditure And Cash Flow**



DC10 Cacadu - Supporting Table SA26 Consolidated budgeted monthly revenue and expenditure (municipal vote)

Description	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework			
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	
<b>R thousand</b>																
<u>Revenue by Vote</u>																
Vote 1 - Executive and council	134	134	134	134	134	134	134	134	134	134	134	133	1 610	5 344	5 390	
Vote 2 - Finance and Corporate Services	10 854	32 411	108	108	24 335	108	108	108	24 335	108	108	8 361	101 052	101 013	100 331	
Vote 3 - Planning and Infrastructure development	-	919	-	2 651	-	-	2 510	-	1 600	1 699	264	1 746	2 665	3 084	4 451	
Vote 4 - Health	-	-	-	-	-	-	-	-	-	-	-	2 401	11 125	10 586	11 097	
Vote 5 - Community Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 6 - Housing	-	-	-	-	-	-	-	-	-	-	-	590	590	-	-	
Vote 7 - Public Safety	-	-	1 899	-	1 700	1 799	3 866	10 576	-	-	6 312	-	26 152	23 026	15 142	
Vote 8 - Sport and Recreation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 9 - Waste Management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 10 - Roads	-	-	-	550	-	-	550	-	-	550	-	550	2 200	2 261	2 374	
Vote 11 - Water	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 12 - Electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 13 - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 14 - [NAME OF VOTE 14]	-	-	-	-	-	-	-	-	-	-	-	-	-	791	1 878	
Vote 15 - [NAME OF VOTE 15]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Revenue by Vote</b>	<b>10 988</b>	<b>33 464</b>	<b>2 141</b>	<b>3 443</b>	<b>26 169</b>	<b>2 041</b>	<b>7 168</b>	<b>10 818</b>	<b>26 069</b>	<b>2 491</b>	<b>6 818</b>	<b>13 780</b>	<b>145 393</b>	<b>146 105</b>	<b>140 863</b>	
<u>Expenditure by Vote to be appropriated</u>																
Vote 1 - Executive and council	6 055	5 055	5 885	-	3 885	3 885	-	3 885	3 885	-	-	721	33 259	37 444	38 841	
Vote 2 - Finance and Corporate Services	3 626	3 626	3 626	1 769	5 626	5 626	1 569	5 626	5 626	1 769	3 626	1 402	43 517	44 601	46 142	
Vote 3 - Planning and Infrastructure development	384	384	384	2 441	384	384	2 441	384	384	2 441	384	2 441	12 836	9 056	9 307	
Vote 4 - Health	135	135	135	2 510	135	135	2 510	135	135	2 510	135	3 941	12 551	12 300	12 900	
Vote 5 - Community Services	183	183	183	183	183	183	183	183	183	183	183	187	2 200	2 321	2 444	
Vote 6 - Housing	35	35	35	35	35	35	35	35	35	35	35	626	1 015	448	471	
Vote 7 - Public Safety	430	4 930	430	4 540	430	430	4 540	430	430	4 540	6 315	1 867	29 312	31 381	21 801	
Vote 8 - Sport and Recreation	-	-	-	-	-	-	-	-	-	-	-	300	300	300	300	
Vote 9 - Waste Management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 10 - Roads	-	-	-	550	-	-	550	-	-	550	-	579	2 229	2 292	2 406	
Vote 11 - Water	69	69	69	69	69	69	269	69	69	69	69	73	1 032	878	924	
Vote 12 - Electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 13 - Other	70	70	70	1 645	70	70	1 645	70	70	1 645	70	1 644	7 142	5 084	5 128	
Vote 14 - [NAME OF VOTE 14]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 15 - [NAME OF VOTE 15]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Expenditure by Vote</b>	<b>10 988</b>	<b>14 488</b>	<b>10 818</b>	<b>13 743</b>	<b>10 818</b>	<b>10 818</b>	<b>13 743</b>	<b>10 818</b>	<b>10 818</b>	<b>13 743</b>	<b>10 818</b>	<b>13 780</b>	<b>145 393</b>	<b>146 105</b>	<b>140 663</b>	
<b>Surplus/(Deficit) before assoc.</b>	<b>0</b>	<b>18 976</b>	<b>(8 677)</b>	<b>(10 300)</b>	<b>15 351</b>	<b>(8 777)</b>	<b>(6 575)</b>	<b>0</b>	<b>15 251</b>	<b>(11 252)</b>	<b>(4 000)</b>	<b>(0)</b>	<b>-</b>	<b>-</b>	<b>-</b>	
Taxation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Attributable to minorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit)</b>	<b>0</b>	<b>18 976</b>	<b>(8 677)</b>	<b>(10 300)</b>	<b>15 351</b>	<b>(8 777)</b>	<b>(6 575)</b>	<b>0</b>	<b>15 251</b>	<b>(11 252)</b>	<b>(4 000)</b>	<b>(0)</b>	<b>-</b>	<b>-</b>	<b>-</b>	





DC10 Cacadu - Supporting Table SA28 Consolidated budgeted monthly capital expenditure (municipal vote)

R thousand	Description	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework				
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18		
		<b>Multi-year expenditure to be appropriated</b>																
	Vote 1 - Executive and council	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 2 - Finance and Corporate Services	-	-	104	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 3 - Planning and Infrastructure development	-	-	423	-	-	-	2 000	-	-	-	-	-	-	2 000	-	-	-
	Vote 4 - Health	-	-	120	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 5 - Community Services	-	-	820	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 6 - Housing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 7 - Public Safety	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 8 - Sport and Recreation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 9 - Waste Management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 10 - Roads	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 11 - Water	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 12 - Electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 13 - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 14 - [NAME OF VOTE 14]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 15 - [NAME OF VOTE 15]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Capital multi-year expenditure sub-total</b>	-	-	<b>1 467</b>	-	-	-	<b>2 000</b>	-	-	-	-	-	-	<b>2 000</b>	-	-	<b>5 467</b>
	<b>Single-year expenditure to be appropriated</b>	-	-	<b>1 467</b>	-	-	-	<b>2 000</b>	-	-	-	-	-	-	<b>2 000</b>	-	-	<b>5 467</b>
	Vote 1 - Executive and council	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 2 - Finance and Corporate Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 3 - Planning and Infrastructure development	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 4 - Health	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 5 - Community Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 6 - Housing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 7 - Public Safety	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 8 - Sport and Recreation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 9 - Waste Management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 10 - Roads	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 11 - Water	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 12 - Electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 13 - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 14 - [NAME OF VOTE 14]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 15 - [NAME OF VOTE 15]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Capital single-year expenditure sub-total</b>	-	-	<b>1 467</b>	-	-	-	<b>2 000</b>	-	-	-	-	-	-	<b>2 000</b>	-	-	<b>5 467</b>
	<b>Total Capital Expenditure</b>	-	-	<b>1 467</b>	-	-	-	<b>2 000</b>	-	-	-	-	-	-	<b>2 000</b>	-	-	<b>5 467</b>

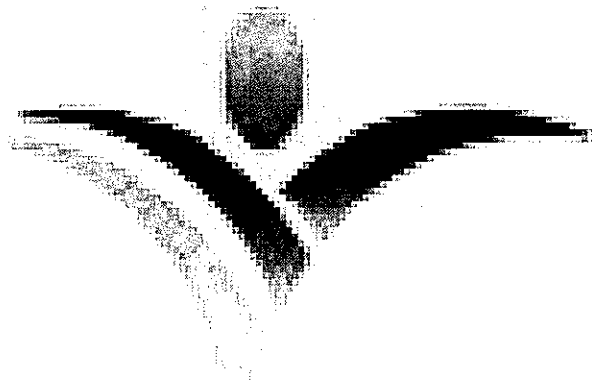
DC10 Cacadu - Supporting Table SA29 Consolidated budgeted monthly capital expenditure (standard classification)

R thousand	Description	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	
	<b>Capital Expenditure - Standard</b>																
	<i>Governance and administration</i>																
	Executive and council	-	-	485	-	-	2 000	-	-	-	-	-	2 000	-	2 000	-	4 485
	Budget and treasury office			62			2 000								2 000		62
	Corporate services			347													4 347
	<b>Community and public safety</b>																
	Community and social services			76													76
	Sport and recreation			820													820
	Public safety																
	Housing																
	Health					820											820
	<b>Economic and environmental services</b>																
	Planning and development			163													163
	Road transport			163													163
	Environmental protection																
	<b>Trading services</b>																
	Electricity																
	Water																
	Waste water management																
	Waste management																
	<b>Other</b>																
	<b>Total Capital Expenditure - Standard</b>			<b>1 467</b>			<b>2 000</b>								<b>2 000</b>		<b>5 467</b>
	<b>Funded by:</b>																
	National Government																
	Provincial Government																

DC10 Cacadu - Supporting Table SA30 Consolidated budgeted monthly cash flow

R thousand	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework			
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	
<b>Cash Receipts By Source</b>																
Property rates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Property rates - panelias & collection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	108	108	108	108	108	108	108	108	108	108	108	112	1 300	1 372	1 445	
Interest earned - external investments	1 000	900	1 050	950	850	950	850	800	750	850	850	800	10 600	8 500	6 400	
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licences and permits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Agency services	3	3	3	3	3	3	3	3	3	3	3	4	40	42	44	
Transfer receipts - operational	-	32 303	830	1 380	25 058	830	1 380	830	25 058	1 380	830	1 386	91 265	92 170	93 616	
Other revenue	9 877	150	150	1 002	150	150	4 827	9 077	150	150	5 027	11 478	42 188	44 021	39 158	
<b>Cash Receipts by Source</b>	<b>10 988</b>	<b>33 464</b>	<b>2 141</b>	<b>3 443</b>	<b>26 169</b>	<b>2 041</b>	<b>7 168</b>	<b>10 818</b>	<b>26 069</b>	<b>2 491</b>	<b>6 818</b>	<b>13 780</b>	<b>145 393</b>	<b>146 105</b>	<b>140 663</b>	
<b>Other Cash Flows by Source</b>																
Transfer receipts - capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions recognised - capital & Contributed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/renfancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Receipts by Source</b>	<b>10 988</b>	<b>33 464</b>	<b>2 141</b>	<b>3 443</b>	<b>26 169</b>	<b>2 041</b>	<b>7 168</b>	<b>10 818</b>	<b>26 069</b>	<b>2 491</b>	<b>6 818</b>	<b>13 780</b>	<b>145 393</b>	<b>146 105</b>	<b>140 663</b>	
<b>Cash Payments by Type</b>																
Employee related costs	3 643	3 643	3 643	3 643	3 643	3 643	3 643	3 643	3 643	3 643	3 643	3 648	43 721	46 504	49 460	
Remuneration of councillors	585	585	585	585	585	585	585	585	585	585	585	580	7 025	7 411	7 804	
Finance charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - Electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services	372	372	372	372	372	372	372	372	372	372	372	373	4 465	4 654	4 877	
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	1 000	4 500	830	3 755	830	830	3 755	830	830	3 755	830	3 761	25 505	34 226	35 243	
Other expenditure	4 900	4 900	4 900	4 900	4 900	4 900	4 900	4 900	4 900	4 900	4 900	4 910	58 810	47 444	37 413	
<b>Cash Payments by Type</b>	<b>10 500</b>	<b>14 000</b>	<b>10 330</b>	<b>13 255</b>	<b>10 330</b>	<b>10 330</b>	<b>13 255</b>	<b>10 330</b>	<b>10 330</b>	<b>13 255</b>	<b>10 330</b>	<b>13 282</b>	<b>139 527</b>	<b>140 239</b>	<b>134 797</b>	
<b>Other Cash Flows/Payments by Type</b>																
Capital assets	-	-	1 467	-	-	2 000	-	-	-	-	2 000	-	5 467	-	-	-
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments	332	332	332	332	332	332	332	332	332	332	332	332	3 984	3 984	3 984	
<b>Total Cash Payments by Type</b>	<b>10 832</b>	<b>14 332</b>	<b>12 129</b>	<b>13 587</b>	<b>10 662</b>	<b>12 662</b>	<b>13 587</b>	<b>10 662</b>	<b>10 662</b>	<b>13 587</b>	<b>12 662</b>	<b>13 614</b>	<b>148 978</b>	<b>144 223</b>	<b>138 761</b>	
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>156</b>	<b>19 132</b>	<b>(9 988)</b>	<b>(10 144)</b>	<b>15 507</b>	<b>(10 621)</b>	<b>(6 419)</b>	<b>156</b>	<b>15 407</b>	<b>(11 096)</b>	<b>(5 844)</b>	<b>166</b>	<b>(3 565)</b>	<b>1 882</b>	<b>1 882</b>	
Cash/cash equivalents at the month/year begin:	226 180	226 336	245 468	235 461	225 337	240 844	230 224	223 805	223 961	239 369	228 273	222 429	226 180	222 585	224 477	
Cash/cash equivalents at the month/year end:	226 336	245 468	235 481	225 337	240 844	230 224	223 805	223 961	223 961	239 369	228 273	222 595	222 585	224 477	226 359	

# **CHAPTER 15**



## **Annual Budgets & SDBIP: Internal Departments**

**CHAPTER 15**

**ANNUAL BUDGETS AND SDBIP – INTERNAL DEPARTMENTS**

(For information refer **Annexure “G”**)

# **CHAPTER 16**



## **Contracts having Future Budgetary Implications**

DC10 Cacadu - Supporting Table SA33 Contracts having future budgetary implications

Description	Preceding Years	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework			Forecast 2018/19	Forecast 2019/20	Forecast 2020/21	Forecast 2021/22	Forecast 2022/23	Forecast 2023/24	Forecast 2024/25	Total Contract Value
		Total	Original Budget	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	Estimate								
<b>R thousand</b>															
<b>Parent Municipality:</b>															
<u>Revenue Obligation By Contract</u>															
Contract 1															
Contract 2															
Contract 3 etc															
<b>Total Operating Revenue Implication</b>															
<u>Expenditure Obligation By Contract</u>															
Contract 1															
Contract 2															
Contract 3 etc															
<b>Total Operating Expenditure Implication</b>															
<u>Capital Expenditure Obligation By Contract</u>															
Contract 1															
Contract 2															
Contract 3 etc															
<b>Total Capital Expenditure Implication</b>															
<b>Total Parent Expenditure Implication</b>															
<b>Entities:</b>															
<u>Revenue Obligation By Contract</u>															
Contract 1															
Contract 2															
Contract 3 etc															
<b>Total Operating Revenue Implication</b>															
<u>Expenditure Obligation By Contract</u>															
Contract 1															
Contract 2															
Contract 3 etc															
<b>Total Operating Expenditure Implication</b>															
<u>Capital Expenditure Obligation By Contract</u>															
Contract 1															
Contract 2															
Contract 3 etc															
<b>Total Capital Expenditure Implication</b>															
<b>Total Entity Expenditure Implication</b>															

The Municipality does not have any contracts with future financial obligations beyond the three years covered by the MTREF

# **CHAPTER 17**



## **Capital Expenditure Details**



## **CHAPTER 17**

### **CAPITAL EXPENDITURE DETAILS**

(For more information refer **Annexure "E"**)

## **Explanatory notes to Table A9 - Asset Management**

1. Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.
2. National Treasury has recommended that municipalities should allocate at least 40 per cent of their capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8 per cent of PPE. Sarah Baartman District Municipality does not meet these recommendations, because it does not have infrastructural assets.

DC10 Cacadu - Table A9 Consolidated Asset Management

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>									
<b>CAPITAL EXPENDITURE</b>									
<b>Total New Assets</b>	1 864	3 514	2 746	13 731	2 405	2 405	5 467	-	-
Infrastructure - Road transport	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity	-	-	-	-	-	-	-	-	-
Infrastructure - Water	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation	-	-	-	-	-	-	-	-	-
Infrastructure - Other	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Community	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	1 864	3 514	2 746	13 731	2 405	2 405	5 467	-	-
Agricultural Assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
<b>Total Renewal of Existing Assets</b>	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity	-	-	-	-	-	-	-	-	-
Infrastructure - Water	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation	-	-	-	-	-	-	-	-	-
Infrastructure - Other	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Community	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
Agricultural Assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure</b>	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity	-	-	-	-	-	-	-	-	-
Infrastructure - Water	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation	-	-	-	-	-	-	-	-	-
Infrastructure - Other	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Community	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	1 864	3 514	2 746	13 731	2 405	2 405	5 467	-	-
Agricultural Assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
<b>TOTAL CAPITAL EXPENDITURE - Asset class</b>	<b>1 864</b>	<b>3 514</b>	<b>2 746</b>	<b>13 731</b>	<b>2 405</b>	<b>2 405</b>	<b>5 467</b>	<b>-</b>	<b>-</b>
<b>ASSET REGISTER SUMMARY - PPE (WDV)</b>									
Infrastructure - Road transport	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity	-	-	-	-	-	-	-	-	-
Infrastructure - Water	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation	-	-	-	-	-	-	-	-	-
Infrastructure - Other	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Community	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	14 526	23 808	24 840	14 881	14 881	25 490	26 140	26 790	27 440
Other assets	65 901	61 120	63 188	84 780	73 454	64 089	67 674	65 792	63 910
Agricultural Assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	87	87	87	87	87	87	87	87	87
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	<b>80 514</b>	<b>85 014</b>	<b>88 115</b>	<b>99 747</b>	<b>88 421</b>	<b>89 665</b>	<b>93 900</b>	<b>92 668</b>	<b>91 436</b>
<b>EXPENDITURE OTHER ITEMS</b>									
Depreciation & asset impairment	1 622	975	1 299	1 505	1 505	1 505	1 882	1 882	1 882
Repairs and Maintenance by Asset Class	574	388	640	1 232	1 433	1 058	1 438	1 476	1 410
Infrastructure - Road transport	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity	-	-	-	-	-	-	-	-	-
Infrastructure - Water	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation	-	-	-	-	-	-	-	-	-
Infrastructure - Other	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Community	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	574	388	640	1 232	1 433	1 058	1 438	1 476	1 410
<b>TOTAL EXPENDITURE OTHER ITEMS</b>	<b>2 196</b>	<b>1 363</b>	<b>1 939</b>	<b>2 737</b>	<b>2 938</b>	<b>2 563</b>	<b>3 320</b>	<b>3 358</b>	<b>3 292</b>
<b>Renewal of Existing Assets as % of total capex</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>Renewal of Existing Assets as % of deprecn"</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>R&amp;M as a % of PPE</b>	<b>1.7%</b>	<b>1.4%</b>	<b>2.2%</b>	<b>2.4%</b>	<b>3.6%</b>	<b>3.5%</b>	<b>4.3%</b>	<b>4.6%</b>	<b>4.7%</b>
<b>Renewal and R&amp;M as a % of PPE</b>	<b>1.0%</b>	<b>0.0%</b>	<b>1.0%</b>	<b>1.0%</b>	<b>2.0%</b>	<b>1.0%</b>	<b>2.0%</b>	<b>2.0%</b>	<b>2.0%</b>

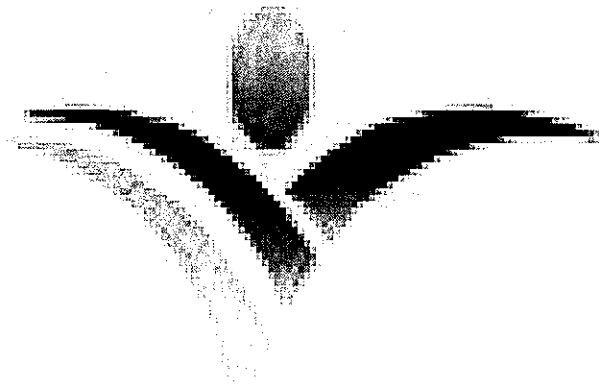
DC10 Cacadu - Supporting Table SA34a Consolidated capital expenditure on new assets by asset class

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport	-	-	-	-	-	-	-	-	-
Roads, Pavements & Bridges	-	-	-	-	-	-	-	-	-
Storm water	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity	-	-	-	-	-	-	-	-	-
Generation	-	-	-	-	-	-	-	-	-
Transmission & Reticulation	-	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	-	-	-
Infrastructure - Water	-	-	-	-	-	-	-	-	-
Dams & Reservoirs	-	-	-	-	-	-	-	-	-
Water purification	-	-	-	-	-	-	-	-	-
Reticulation	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation	-	-	-	-	-	-	-	-	-
Reticulation	-	-	-	-	-	-	-	-	-
Sewerage purification	-	-	-	-	-	-	-	-	-
Infrastructure - Other	-	-	-	-	-	-	-	-	-
Waste Management	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-
Gas	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Community</b>	-	-	-	-	-	-	-	-	-
Parks & gardens	-	-	-	-	-	-	-	-	-
Sportsfields & stadia	-	-	-	-	-	-	-	-	-
Swimming pools	-	-	-	-	-	-	-	-	-
Community halls	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Recreational facilities	-	-	-	-	-	-	-	-	-
Fire, safety & emergency	-	-	-	-	-	-	-	-	-
Security and policing	-	-	-	-	-	-	-	-	-
Buses	-	-	-	-	-	-	-	-	-
Clinics	-	-	-	-	-	-	-	-	-
Museums & Art Galleries	-	-	-	-	-	-	-	-	-
Cemeteries	-	-	-	-	-	-	-	-	-
Social rental housing	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Investment properties</b>	-	-	-	-	-	-	-	-	-
Housing development	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Other assets</b>	1 864	3 514	2 746	13 731	2 405	2 405	5 467	-	-
General vehicles	532	2 345	599	-	-	-	750	-	-
Specialised vehicles	451	-	-	-	-	-	-	-	-
Plant & equipment	-	-	-	-	-	-	-	-	-
Computers - hardware/equipment	-	899	404	-	-	-	285	-	-
Furniture and other office equipment	881	270	1 647	3 731	2 405	2 405	432	-	-
Abattoirs	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Civic Land and Buildings	-	-	-	-	-	-	-	-	-
Other Buildings	-	-	96	10 000	-	-	4 000	-	-
Other Land	-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Agricultural assets</b>	-	-	-	-	-	-	-	-	-
List sub-class	-	-	-	-	-	-	-	-	-
<b>Biological assets</b>	-	-	-	-	-	-	-	-	-
List sub-class	-	-	-	-	-	-	-	-	-
<b>Intangibles</b>	-	-	-	-	-	-	-	-	-
Computers - software & programming	-	-	-	-	-	-	-	-	-
Other (list sub-class)	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on new assets</b>	1 864	3 514	2 746	13 731	2 405	2 405	5 467	-	-
<b>Specialised vehicles</b>	451	-	-	-	-	-	-	-	-
Refuse	-	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-	-
Conservancy	-	-	-	-	-	-	-	-	-
Ambulances	451	-	-	-	-	-	-	-	-

DC10 Cacadu - Supporting Table SA34b Consolidated capital expenditure on existing assets by asset class

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>									
<b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport	-	-	-	-	-	-	-	-	-
Roads, Pavements & Bridges									
Storm water									
Infrastructure - Electricity	-	-	-	-	-	-	-	-	-
Generation									
Transmission & Reticulation									
Street Lighting									
Infrastructure - Water	-	-	-	-	-	-	-	-	-
Dams & Reservoirs									
Water purification									
Reticulation									
Infrastructure - Sanitation	-	-	-	-	-	-	-	-	-
Reticulation									
Sewerage purification									
Infrastructure - Other	-	-	-	-	-	-	-	-	-
Waste Management									
Transportation									
Gas									
Other									
<b>Community</b>	-	-	-	-	-	-	-	-	-
Parks & gardens									
Sportsfields & stadia									
Swimming pools									
Community halls									
Libraries									
Recreational facilities									
Fire, safety & emergency									
Security and policing									
Buses									
Clinics									
Museums & Art Galleries									
Cemeteries									
Social rental housing									
Other									
<b>Heritage assets</b>	-	-	-	-	-	-	-	-	-
Buildings									
Other									
<b>Investment properties</b>	-	-	-	-	-	-	-	-	-
Housing development									
Other									
<b>Other assets</b>	-	-	-	-	-	-	-	-	-
General vehicles									
Specialised vehicles									
Plant & equipment									
Computers - hardware/equipment									
Furniture and other office equipment									
Abattoirs									
Markets									
Civic Land and Buildings									
Other Buildings									
Other Land									
Surplus Assets - (Investment or Inventory)									
Other									
<b>Agricultural assets</b>	-	-	-	-	-	-	-	-	-
List sub-class									
<b>Biological assets</b>	-	-	-	-	-	-	-	-	-
List sub-class									
<b>Intangibles</b>	-	-	-	-	-	-	-	-	-
Computers - software & programming									
Other (list sub-class)									
<b>Total Capital Expenditure on renewal of existing assets</b>	-	-	-	-	-	-	-	-	-
<b>Specialised vehicles</b>	-	-	-	-	-	-	-	-	-
Refuse									
Fire									
Conservancy									
Ambulances									
<b>Renewal of Existing Assets as % of total capex</b>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Renewal of Existing Assets as % of deprecn*</b>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

# **CHAPTER 18**



## **Legislative Compliance Status**

## **CHAPTER 18**

### **LEGISLATIVE COMPLIANCE STATUS**

The promulgation of the Municipal Finance Management Act (The Act) has brought in proficiency and control measures to local government in terms of budgeting, monitoring and accounting on public funds. The Act and budget regulations have had a profound effect on local government operations that required transformation in financial discipline and planning processes. The budget preparation for 2015/2016 complies with these key requirements.

The Act and regulations have created clear reporting standards for local government that conforms to international standards. In addition to providing for improved reporting by local government, the Act stipulates that new accounting and financial standards must be complied with. The Sarah Baartman District Municipality's electronic reporting to National Treasury has also been complied with and has also improved over time. The monthly and quarterly returns to National Treasury have been submitted on time.

In accordance with the provisions of the Act, Sarah Baartman District Municipality has an approved Supply Chain Management Policy, which was extensively consulted on. The policy is intended to regulate the supply chain management environment within the district. Required resources (human, financial and otherwise) have been allocated to the Supply Chain Management section to enhance capacity.

The reform agenda set out through the Municipal Finance Management Act provides new accounting standards, which includes national standards such as Generally Recognised Accounting Practice (GRAP). The above mentioned accounting practice has been adhered to during the development of the budget.

The Sarah Baartman District Municipality's financial statements were prepared to comply with GRAP.

When preparing the budget, the Sarah Baartman District Municipality has complied with the requirements of the MFMA Budget Regulations and circulars which requires the municipality to draft the budget in a specific format and which specifies the contents of the budget.

# **CHAPTER 19**



## **Details of Budgets per Department**



## CHAPTER 19

### SUMMARY OF EXPENDITURE BUDGETS PER DEPARTMENT: 2015/16

DEPARTMENT	AMOUNT R'000	%
Infrastructure Development & Planning	58 172	40%
Finance & Corporate Services	43 518	30%
Economic Development	16 126	11%
Office of the Mayor	17 735	12%
Office of the Municipal Manager	9 843	7%
<b>Total</b>	<b>145 394</b>	<b>100%</b>

# **CHAPTER 20**



## **Municipal Entity Budget Information**

DC10 Cacadu - Supporting Table SA31 Aggregated entity budget

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R million</b>									
<b>Financial Performance</b>									
Property rates									
Service charges									
Investment revenue			170	150	150	150	190	100	100
Transfers recognised - operational			4 957	4 000	4 000	4 000	2 480	4 500	4 500
Other own revenue			0	2	2	-	6	1	1
Contributions recognised - capital & contributed assets									
<b>Total Revenue (excluding capital transfers and contri</b>	-	-	5	6	6	4	8	6	6
Employee costs			1	4	4	2	4	4	4
Remuneration of Board Members			0	0	0	0	0	0	0
Depreciation & asset impairment			0	0	0	0	0	0	0
Finance charges			0	-	-	-	-	-	-
Materials and bulk purchases			-	-	-	-	-	-	-
Transfers and grants			-	-	-	-	1 480	-	-
Other expenditure			0	2	2	1	3	1	2
<b>Total Expenditure</b>	-	-	1	6	6	2	8	6	6
<b>Surplus/(Deficit)</b>	-	-	4	0	0	2	-	-	-
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>									
Transfers recognised - operational			0	0	0	0			
Public contributions & donations			0						
Borrowing									
Internally generated funds							0		
<b>Total sources</b>	-	-	0	0	0	0	0	-	-
<b>Financial position</b>									
Total current assets			5	1	1	7	-	0	0
Total non current assets			0	0	0	0	0	0	0
Total current liabilities			2	0	0	2	0	0	0
Total non current liabilities			-	-	-	-	-	-	-
Equity			4	1	1	5	0	0	0
<b>Cash flows</b>									
Net cash from (used) operating			5	(4)	(4)	2	(7)	0	-
Net cash from (used) investing			(0)	(0)	(0)	(0)	(0)	-	-
Net cash from (used) financing			-	-	-	-	-	-	-
<b>Cash/cash equivalents at the year end</b>									

CACADU DEVELOPMENT AGENCY - Table D1 Budget Summary

Description	2011/12	2012/13	2013/14	Current Year 2014/15			Medium Term Revenue and Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Investment revenue	-	-	170	150	150	150	190	100	100
Transfers recognised - operational	-	-	4 957	4 000	4 000	4 000	2 480	4 500	4 500
Other own revenue	-	-	81	1 700	1 700	-	5 510	1 129	1 430
<b>Total Revenue (excluding capital transfers and contributions)</b>	-	-	<b>5 208</b>	<b>5 850</b>	<b>5 850</b>	<b>4 150</b>	<b>8 180</b>	<b>5 729</b>	<b>6 030</b>
Employee costs	-	-	1 094	3 643	3 643	1 600	3 908	4 124	4 343
Remuneration of Board Members	-	-	87	155	155	155	126	133	140
Depreciation and debt impairment	-	-	0	-	-	-	-	-	-
Finance charges	-	-	2	-	-	-	-	-	-
Materials and bulk purchases	-	-	-	-	-	-	-	-	-
Transfers and grants	-	-	-	-	-	-	1 480	-	-
Other expenditure	-	-	259	1 907	1 907	675	2 667	1 472	1 547
<b>Total Expenditure</b>	-	-	<b>1 442</b>	<b>5 705</b>	<b>5 705</b>	<b>2 430</b>	<b>8 180</b>	<b>5 729</b>	<b>6 030</b>
<b>Surplus/(Deficit)</b>	-	-	<b>3 766</b>	<b>145</b>	<b>145</b>	<b>1 720</b>	-	-	-
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	-	-	<b>3 766</b>	<b>145</b>	<b>145</b>	<b>1 720</b>	-	-	-
Taxation	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	-	-	<b>3 766</b>	<b>145</b>	<b>145</b>	<b>1 720</b>	-	-	-
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	-	-	<b>101</b>	<b>145</b>	<b>145</b>	<b>145</b>	<b>50</b>	-	-
Transfers recognised - capital	-	-	20	145	145	145	-	-	-
Public contributions & donations	-	-	81	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	-	-	50	-	-
<b>Total sources of capital funds</b>	-	-	<b>101</b>	<b>145</b>	<b>145</b>	<b>145</b>	<b>50</b>	-	-
<b>Financial position</b>									
Total current assets	-	-	5 393	1 158	1 158	6 950	-	55	55
Total non current assets	-	-	88	270	270	208	233	208	183
Total current liabilities	-	-	1 715	60	60	1 685	130	138	146
Total non current liabilities	-	-	-	-	-	-	-	-	-
Community wealth/Equity	-	-	3 766	1 368	1 368	5 493	103	125	92
<b>Cash flows</b>									
Net cash from (used) operating	-	-	5 396	(4 073)	(4 073)	1 720	(6 900)	55	-
Net cash from (used) investing	-	-	(20)	(145)	(145)	(145)	(50)	-	-
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
<b>Cash/cash equivalents at the year end</b>	-	-	<b>5 376</b>	<b>1 158</b>	<b>1 158</b>	<b>6 950</b>	-	<b>55</b>	<b>55</b>

CACADU DEVELOPMENT AGENCY - Table D2 Budgeted Financial Performance (revenue and expenditure)

Description	2011/12	2012/13	2013/14	Current Year 2014/15			Medium Term Revenue and Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousands</b>									
<b>Revenue by Source</b>									
Property rates	-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-
Service charges - other	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	-	-	-	-	-	-	-	-	-
Interest earned - external investments	-	-	170	150	150	150	190	100	100
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-
Fines	-	-	-	-	-	-	-	-	-
Licences and permits	-	-	-	-	-	-	-	-	-
Agency services	-	-	-	-	-	-	-	-	-
Transfers recognised - operational	-	-	4 957	4 000	4 000	4 000	2 480	4 500	4 500
Other revenue	-	-	81	1 700	1 700	-	5 510	1 129	1 430
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	-	-	<b>5 208</b>	<b>5 850</b>	<b>5 850</b>	<b>4 150</b>	<b>8 180</b>	<b>5 729</b>	<b>6 030</b>
<b>Expenditure By Type</b>									
Employee related costs	-	-	1 094	3 643	3 643	1 600	3 908	4 124	4 343
Remuneration of Directors	-	-	87	155	155	155	126	133	140
Debt impairment	-	-	0	-	-	-	-	-	-
Collection costs	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	-	-	13	25	25	25	25	25	25
Finance charges	-	-	2	-	-	-	-	-	-
Bulk purchases	-	-	-	-	-	-	-	-	-
Other materials	-	-	-	-	-	-	-	-	-
Contracted services	-	-	-	-	-	-	-	-	-
Transfers and grants	-	-	-	-	-	-	1 480	-	-
Other expenditure	-	-	246	1 882	1 882	650	2 642	1 447	1 522
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>	-	-	<b>1 442</b>	<b>5 705</b>	<b>5 705</b>	<b>2 430</b>	<b>8 180</b>	<b>5 729</b>	<b>6 030</b>
<b>Surplus/(Deficit)</b>	-	-	<b>3 766</b>	<b>145</b>	<b>145</b>	<b>1 720</b>	-	-	-
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Contributions recognised - capital	-	-	-	-	-	-	-	-	-
Contributions of PPE	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	-	-	<b>3 766</b>	<b>145</b>	<b>145</b>	<b>1 720</b>	-	-	-
Taxation	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	-	-	<b>3 766</b>	<b>145</b>	<b>145</b>	<b>1 720</b>	-	-	-

CACADU DEVELOPMENT AGENCY - Table D3 Capital Budget by vote and funding

Vote Description	2011/12	2012/13	2013/14	Current Year 2014/15			Medium Term Revenue and Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousands</b>									
<b>Multi-Year expenditure</b>									
<i>Insert programme/projects description</i>									
<b>Capital multi-year expenditure sub-total</b>	-	-	-	-	-	-	-	-	-
<b>Single Year expenditure</b>									
<i>Computer equipment</i>			37	50	50	50	50	-	-
<i>Computer software</i>				25	25	25	-	-	-
<i>Furniture and fittings</i>			58	50	50	50	-	-	-
<i>Office Equipment</i>			6	20	20	20	-	-	-
<b>Capital single-year expenditure sub-total</b>	-	-	101	145	145	145	50	-	-
<b>Total Capital Expenditure</b>	-	-	101	145	145	145	50	-	-
<b>Funded by:</b>									
National Government									
Provincial Government									
Parent Municipality			20	145	145	145	-	-	-
District Municipality									
Transfers recognised - capital	-	-	20	145	145	145	-	-	-
Public contributions & donations	-	-	81	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	-	-	50	-	-
<b>Total Capital Funding</b>	-	-	101	145	145	145	50	-	-

CACADU DEVELOPMENT AGENCY - Table D4 Budgeted Financial Position

Description	2011/12	2012/13	2013/14	Current Year 2014/15			Medium Term Revenue and Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousands</b>									
<b>ASSETS</b>									
<b>Current assets</b>									
Cash	-	-	5 376	1 158	1 158	6 950	-	55	55
Call investment deposits	-	-	-	-	-	-	-	-	-
Consumer debtors	-	-	-	-	-	-	-	-	-
Other debtors	-	-	17	-	-	-	-	-	-
Current portion of long-term receivables	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-
<b>Total current assets</b>	-	-	<b>5 393</b>	<b>1 158</b>	<b>1 158</b>	<b>6 950</b>	-	<b>55</b>	<b>55</b>
<b>Non current assets</b>									
Long-term receivables	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-
Investment property	-	-	-	-	-	-	-	-	-
Property, plant and equipment	-	-	88	250	250	183	208	183	158
Agricultural assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	20	20	25	25	25	25
<b>Total non current assets</b>	-	-	<b>88</b>	<b>270</b>	<b>270</b>	<b>208</b>	<b>233</b>	<b>208</b>	<b>183</b>
<b>TOTAL ASSETS</b>	-	-	<b>5 481</b>	<b>1 428</b>	<b>1 428</b>	<b>7 158</b>	<b>233</b>	<b>263</b>	<b>238</b>
<b>LIABILITIES</b>									
<b>Current liabilities</b>									
Bank overdraft	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Consumer deposits	-	-	-	-	-	-	-	-	-
Trade and other payables	-	-	1 589	60	60	1 665	130	138	146
Provisions	-	-	126	-	-	-	-	-	-
<b>Total current liabilities</b>	-	-	<b>1 715</b>	<b>60</b>	<b>60</b>	<b>1 665</b>	<b>130</b>	<b>138</b>	<b>146</b>
<b>Non current liabilities</b>									
Borrowing	-	-	-	-	-	-	-	-	-
Provisions	-	-	-	-	-	-	-	-	-
<b>Total non current liabilities</b>	-	-	-	-	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	-	-	<b>1 715</b>	<b>60</b>	<b>60</b>	<b>1 665</b>	<b>130</b>	<b>138</b>	<b>146</b>
<b>NET ASSETS</b>	-	-	<b>3 766</b>	<b>1 368</b>	<b>1 368</b>	<b>5 493</b>	<b>103</b>	<b>125</b>	<b>92</b>
<b>COMMUNITY WEALTH/EQUITY</b>									
Accumulated Surplus/(Deficit)	-	-	3 766	1 368	1 368	5 493	103	125	92
Reserves	-	-	-	-	-	-	-	-	-
Share capital	-	-	-	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	-	-	<b>3 766</b>	<b>1 368</b>	<b>1 368</b>	<b>5 493</b>	<b>103</b>	<b>125</b>	<b>92</b>

CACADU DEVELOPMENT AGENCY - Table D5 Budgeted Cash Flow

Description	2011/12	2012/13	2013/14	Current Year 2014/15			Medium Term Revenue and Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousands</b>									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>									
<b>Receipts</b>									
Ratepayers and other	-	-	-	-	-	-	-	1 129	1 430
Government - operating	-	-	4 957	4 000	4 000	4 000	1 000	4 500	4 500
Government - capital	-	-	1 480	-	-	-	-	-	-
Interest	-	-	170	150	150	150	190	100	100
Dividends	-	-	-	-	-	-	-	-	-
<b>Payments</b>									
Suppliers and employees	-	-	(1 211)	(8 223)	(8 223)	(2 430)	(8 090)	(5 674)	(6 030)
Finance charges	-	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-
Transfers and Grants	-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	-	-	5 396	(4 073)	(4 073)	1 720	(6 900)	55	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>									
<b>Receipts</b>									
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-
<b>Payments</b>									
Capital assets	-	-	(20)	(145)	(145)	(145)	(50)	-	-
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	-	-	(20)	(145)	(145)	(145)	(50)	-	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>									
<b>Receipts</b>									
Short term loans	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-
<b>Payments</b>									
Repayment of borrowing	-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	-	-	-	-	-	-	-	-	-
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	-	-	5 376	(4 218)	(4 218)	1 575	(6 950)	55	-
Cash/cash equivalents at the year begin:	-	-	-	5 376	5 376	5 376	6 950	-	55
Cash/cash equivalents at the year end:	-	-	5 376	1 158	1 158	6 950	-	55	55



CACADU DEVELOPMENT AGENCY - Supporting Table SD1 Measurable performance targets

Performance target description	Unit of measurement	2011/12	2012/13	2013/14	Current Year 2014/15			Medium Term Revenue and Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Refer to SDBIP of Parent Municipality										

CACADU DEVELOPMENT AGENCY - Supporting Table SD2 Financial and non-financial indicators

Description of indicator	Basis of calculation	2011/12	2012/13	2013/14	Current Year 2014/15			Medium Term Revenue and Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Borrowing Management</b>										
Borrowing to Asset Ratio	Total Long-term Borrowing/ Total Assets	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital Charges to Operating Expenditure	Finance charges & Depreciation / Operating Expenditure	0%	0%	0%	0%	0%	0%	0%	0%	0%
Borrowed funding of capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Safety of Capital</b>										
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision / Funds & Reserves	0.0%	0.0%	42.2%	4.4%	4.4%	30.3%	126.2%	110.2%	158.3%
Gearing	Long Term Borrowing / Funds & Reserves	0%	0%	0%	0%	0%	0%	0%	0%	0%
<b>Liquidity</b>										
Current Ratio	Current assets / current liabilities	0.00	0.00	3.14	19.30	19.30	4.17	0.00	0.40	0.38
Current Ratio adjusted for debtors	Current assets/current liabilities less debtors > 90 days	0.00	0.00	3.14	19.30	19.30	4.17	0.00	0.40	0.38
Liquidity Ratio	Monetary Assets / Current Liabilities	0.00	0.00	3.13	19.30	19.30	4.17	0.00	0.40	0.38
<b>Revenue Management</b>										
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts / Last 12 Mths Billing	0%	0%	0%	0%	0%	0%	0%	0%	100%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	0%	0%	0%	0%	0%	0%	0%	0%	0%
Longstanding Debtors Reduction Due To Recovery	Debtors > 12 Mths Recovered / Total Debtors > 12 Months Old	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Creditors Management</b>										
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))	n/a	n/a	100%	100%	100%	100%	100%	100%	100%
<b>Funding of Provisions</b>										
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions									
<b>Other Indicators</b>										
Electricity Distribution Losses	% Volume (Total units purchased + generated less total units sold)/Total units purchased + generated	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Water Distribution Losses	% Volume (Total units purchased + own source less total units sold)/Total units purchased + own source	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Employee costs	Employee costs/Total Revenue - capital revenue	0.0%	0.0%	21.0%	62%	62%	39%	48%	72%	72%
Repairs & Maintenance	R&M/Total Revenue - capital revenue	0.0%	0.0%	0.0%	0%	0%	0%	0%	0%	0%
Interest & Depreciation	I&D/Total Revenue - capital revenue	0.0%	0.0%	0.0%	0%	0%	0%	0%	0%	0%
<b>Financial viability indicators</b>										
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	-	-	-	-	-	-	-	-	-
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	0%	0.0%	0.0%	0%	0%	0%	0%	0%	0%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	0%	-	6.3	0.3	0.3	4.8	-	0.0	0.0

CACADU DEVELOPMENT AGENCY - Supporting Table SD3 Budgeted Investment Portfolio

Investments by maturity		Budget Year 2015/16					
Name of institution & investment ID	Period of investment	Type of investment	Expiry date of investment	Market value		Interest	
	Months			Begin	End	Fully accrued	Yield %
R thousands							
The Agency does not have an investment portfolio							
				-	-	-	

CACADU DEVELOPMENT AGENCY - Supporting Table SD4 Board member allowances and staff benefits

Summary of Employee and Board Member remuneration	2011/12	2012/13	2013/14	Current Year 2014/15			Medium Term Revenue and Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousands	A	B	C	D	E	F	G	H	I
<b>Remuneration</b>									
<b>Board Members of Entities</b>									
Basic Salaries	-	-	-	-	-	-	-	-	-
Pension Contributions	-	-	-	-	-	-	-	-	-
Medical Aid Contributions	-	-	-	-	-	-	-	-	-
Motor vehicle allowance	-	-	-	-	-	-	-	-	-
Cell phone allowance	-	-	-	-	-	-	-	-	-
Housing allowance	-	-	-	-	-	-	-	-	-
Other benefits and allowances	-	-	33	-	-	-	-	-	-
In-kind benefits	-	-	-	-	-	-	-	-	-
Board Fees	-	-	54	155	-	155	126	133	140
<b>Sub Total - Board Members of Entities</b>	-	-	87	155	-	155	126	133	140
<b>% increase</b>			#DIV/0!	0		0	(0)	0	5.3%
<b>Senior Managers of Entities</b>									
Basic Salaries	-	-	900	954	-	954	1 011	1 067	1 124
Pension Contributions	-	-	-	-	-	-	-	-	-
Medical Aid Contributions	-	-	-	-	-	-	-	-	-
Motor vehicle allowance	-	-	-	-	-	-	-	-	-
Cell phone allowance	-	-	-	-	-	-	-	-	-
Housing allowance	-	-	-	-	-	-	-	-	-
Performance Bonus	-	-	194	-	-	-	-	-	-
Other benefits or allowances	-	-	-	12	-	12	12	12	13
In-kind benefits	-	-	-	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Entities</b>	-	-	1 094	966	-	966	1 023	1 079	1 137
<b>% increase</b>			#DIV/0!	(0)		(0)	0	0	5.4%
<b>Other Staff of Entities</b>									
Basic Salaries	-	-	-	2 363	-	2 363	2 630	2 775	2 922
Pension Contributions	-	-	-	-	-	-	-	-	-
Medical Aid Contributions	-	-	-	-	-	-	-	-	-
Motor vehicle allowance	-	-	-	-	-	-	-	-	-
Cell phone allowance	-	-	-	-	-	-	-	-	-
Housing allowance	-	-	-	-	-	-	-	-	-
Overtime	-	-	-	-	-	-	-	-	-
Performance Bonus	-	-	-	130	-	130	220	232	244
Other benefits or allowances	-	-	-	29	-	29	35	38	40
In-kind benefits	-	-	-	-	-	-	-	-	-
<b>Sub Total - Other Staff of Entities</b>	-	-	-	2 522	-	2 522	2 885	3 045	3 206
<b>% increase</b>				#DIV/0!		#DIV/0!	0	0	5.3%
<b>Total Municipal Entities remuneration</b>	-	-	1 181	3 643	-	3 643	4 034	4 257	4 483

**CACADU DEVELOPMENT AGENCY - Supporting Table SD5 Summary of personnel numbers**

Number	2013/14			Current Year 2014/15			Budget Year 2015/16		
	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
<b>Summary of Personnel Numbers</b>									
<b>Municipal Council and Boards of Municipal Entities</b>									
Councillors (Political Office Bearers plus Other Councillors)	-	-	-	-	-	-	-	-	-
Board Members of municipal entities	4	-	4	4	-	4	5	-	5
<b>Municipal entity employees</b>									
CEO and Senior Managers	1	-	1	1	-	1	1	-	1
Other Managers	-	-	-	3	-	3	4	-	4
Professionals	-	-	-	-	-	-	-	-	-
Finance	-	-	-	-	-	-	-	-	-
Spatial/town planning	-	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-	-
Roads	-	-	-	-	-	-	-	-	-
Electricity	-	-	-	-	-	-	-	-	-
Water	-	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-	-
Refuse	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Technicians	-	-	-	-	-	-	-	-	-
Finance	-	-	-	-	-	-	-	-	-
Spatial/town planning	-	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-	-
Roads	-	-	-	-	-	-	-	-	-
Electricity	-	-	-	-	-	-	-	-	-
Water	-	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-	-
Refuse	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Clerks (Clerical and administrative)	-	-	-	1	-	1	1	-	1
Service and sales workers	-	-	-	-	-	-	-	-	-
Skilled agricultural and fishery workers	-	-	-	-	-	-	-	-	-
Craft and related trades	-	-	-	-	-	-	-	-	-
Plant and Machine Operators	-	-	-	-	-	-	-	-	-
Elementary Occupations	-	-	-	-	-	-	-	-	-
<b>Total Personnel Numbers</b>	<b>5</b>	<b>-</b>	<b>5</b>	<b>9</b>	<b>-</b>	<b>9</b>	<b>11</b>	<b>-</b>	<b>11</b>
% increase		(100.0%)		80.0%	(100.0%)	80.0%	22.2%	(100.0%)	
<b>Total entity employees headcount</b>			<b>1</b>	<b>5</b>		<b>5</b>	<b>6</b>		<b>6</b>
Finance personnel headcount				<b>1</b>		<b>1</b>	<b>1</b>		<b>1</b>
Human Resources personnel headcount				<b>1</b>		<b>1</b>	<b>1</b>		<b>1</b>



CACADU DEVELOPMENT AGENCY - Supporting Table SD7a Capital expenditure on new assets by asset class

Description	2011/12	2012/13	2013/14	Current Year 2014/15			Medium Term Revenue and Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousands</b>									
<b>Capital expenditure on new assets by asset category</b>									
<b>Infrastructure</b>	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport	-	-	-	-	-	-	-	-	-
Roads, Pavements & Bridges	-	-	-	-	-	-	-	-	-
Storm water	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity	-	-	-	-	-	-	-	-	-
Generation	-	-	-	-	-	-	-	-	-
Transmission & Reticulation	-	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	-	-	-
Infrastructure - Water	-	-	-	-	-	-	-	-	-
Dams & Reservoirs	-	-	-	-	-	-	-	-	-
Water purification	-	-	-	-	-	-	-	-	-
Reticulation	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation	-	-	-	-	-	-	-	-	-
Reticulation	-	-	-	-	-	-	-	-	-
Sewerage purification	-	-	-	-	-	-	-	-	-
Infrastructure - Other	-	-	-	-	-	-	-	-	-
Waste Management	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-
Gas	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Community</b>	-	-	-	-	-	-	-	-	-
Parks & gardens	-	-	-	-	-	-	-	-	-
Sportsfields & stadia	-	-	-	-	-	-	-	-	-
Swimming pools	-	-	-	-	-	-	-	-	-
Community halls	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Recreational facilities	-	-	-	-	-	-	-	-	-
Fire, safety & emergency	-	-	-	-	-	-	-	-	-
Security and policing	-	-	-	-	-	-	-	-	-
Buses	-	-	-	-	-	-	-	-	-
Clinics	-	-	-	-	-	-	-	-	-
Museums & Art Galleries	-	-	-	-	-	-	-	-	-
Cemeteries	-	-	-	-	-	-	-	-	-
Social rental housing	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Investment properties</b>	-	-	-	-	-	-	-	-	-
Housing development	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Other assets</b>	-	-	101	120	120	120	50	-	-
General vehicles	-	-	-	-	-	-	-	-	-
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	-	-	-	-	-	-	-	-	-
Computers - hardware/equipment	-	-	37	50	50	50	50	-	-
Furniture and other office equipment	-	-	65	70	70	70	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Civic Land and Buildings	-	-	-	-	-	-	-	-	-
Other Buildings	-	-	-	-	-	-	-	-	-
Other Land	-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Agricultural assets</b>	-	-	-	-	-	-	-	-	-
List sub-class	-	-	-	-	-	-	-	-	-
<b>Biological assets</b>	-	-	-	-	-	-	-	-	-
List sub-class	-	-	-	-	-	-	-	-	-
<b>Intangibles</b>	-	-	-	25	25	25	-	-	-
Computers - software & programming	-	-	-	25	25	25	-	-	-
Other (list sub-class)	-	-	-	-	-	-	-	-	-
<b>Total capital expenditure on new assets</b>	-	-	101	145	145	145	50	-	-

CACADU DEVELOPMENT AGENCY - Supporting Table SD7b Capital expenditure on renewal of existing assets by asset class

Description	2011/12	2012/13	2013/14	Current Year 2014/15			Medium Term Revenue and Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousands</b>									
<b>Capital expenditure on renewal of existing assets by asset category</b>									
<b>Infrastructure</b>	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport	-	-	-	-	-	-	-	-	-
Roads, Pavements & Bridges	-	-	-	-	-	-	-	-	-
Storm water	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity	-	-	-	-	-	-	-	-	-
Generation	-	-	-	-	-	-	-	-	-
Transmission & Reticulation	-	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	-	-	-
Infrastructure - Water	-	-	-	-	-	-	-	-	-
Dams & Reservoirs	-	-	-	-	-	-	-	-	-
Water purification	-	-	-	-	-	-	-	-	-
Reticulation	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation	-	-	-	-	-	-	-	-	-
Reticulation	-	-	-	-	-	-	-	-	-
Sewerage purification	-	-	-	-	-	-	-	-	-
Infrastructure - Other	-	-	-	-	-	-	-	-	-
Waste Management	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-
Gas	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Community</b>	-	-	-	-	-	-	-	-	-
Parks & gardens	-	-	-	-	-	-	-	-	-
Sportsfields & stadia	-	-	-	-	-	-	-	-	-
Swimming pools	-	-	-	-	-	-	-	-	-
Community halls	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Recreational facilities	-	-	-	-	-	-	-	-	-
Fire, safety & emergency	-	-	-	-	-	-	-	-	-
Security and policing	-	-	-	-	-	-	-	-	-
Buses	-	-	-	-	-	-	-	-	-
Clinics	-	-	-	-	-	-	-	-	-
Museums & Art Galleries	-	-	-	-	-	-	-	-	-
Cemeteries	-	-	-	-	-	-	-	-	-
Social rental housing	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Investment properties</b>	-	-	-	-	-	-	-	-	-
Housing development	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Other assets</b>	-	-	-	-	-	-	-	-	-
General vehicles	-	-	-	-	-	-	-	-	-
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	-	-	-	-	-	-	-	-	-
Computers - hardware/equipment	-	-	-	-	-	-	-	-	-
Furniture and other office equipment	-	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Civic Land and Buildings	-	-	-	-	-	-	-	-	-
Other Buildings	-	-	-	-	-	-	-	-	-
Other Land	-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Agricultural assets</b>	-	-	-	-	-	-	-	-	-
List sub-class	-	-	-	-	-	-	-	-	-
<b>Biological assets</b>	-	-	-	-	-	-	-	-	-
List sub-class	-	-	-	-	-	-	-	-	-
<b>Intangibles</b>	-	-	-	-	-	-	-	-	-
Computers - software & programming	-	-	-	-	-	-	-	-	-
Other (list sub-class)	-	-	-	-	-	-	-	-	-
<b>Total capital expenditure on renewal of existing assets</b>	-	-	-	-	-	-	-	-	-
<b>Specialised vehicles</b>	-	-	-	-	-	-	-	-	-
Refuse	-	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-	-
Conservancy	-	-	-	-	-	-	-	-	-
Ambulances	-	-	-	-	-	-	-	-	-



CACADU DEVELOPMENT AGENCY - Supporting Table SD7c Expenditure on repairs and maintenance by asset class

Description	2011/12	2012/13	2013/14	Current Year 2014/15			Medium Term Revenue and Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousands</b>									
<b>Expenditure on repairs and maintenance by asset category</b>									
<b>Infrastructure</b>	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport	-	-	-	-	-	-	-	-	-
Roads, Pavements & Bridges	-	-	-	-	-	-	-	-	-
Storm water	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity	-	-	-	-	-	-	-	-	-
Generation	-	-	-	-	-	-	-	-	-
Transmission & Reticulation	-	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	-	-	-
Infrastructure - Water	-	-	-	-	-	-	-	-	-
Dams & Reservoirs	-	-	-	-	-	-	-	-	-
Water purification	-	-	-	-	-	-	-	-	-
Reticulation	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation	-	-	-	-	-	-	-	-	-
Reticulation	-	-	-	-	-	-	-	-	-
Sewerage purification	-	-	-	-	-	-	-	-	-
Infrastructure - Other	-	-	-	-	-	-	-	-	-
Waste Management	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-
Gas	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Community</b>	-	-	-	-	-	-	-	-	-
Parks & gardens	-	-	-	-	-	-	-	-	-
Sportsfields & stadia	-	-	-	-	-	-	-	-	-
Swimming pools	-	-	-	-	-	-	-	-	-
Community halls	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Recreational facilities	-	-	-	-	-	-	-	-	-
Fire, safety & emergency	-	-	-	-	-	-	-	-	-
Security and policing	-	-	-	-	-	-	-	-	-
Buses	-	-	-	-	-	-	-	-	-
Clinics	-	-	-	-	-	-	-	-	-
Museums & Art Galleries	-	-	-	-	-	-	-	-	-
Cemeteries	-	-	-	-	-	-	-	-	-
Social rental housing	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Investment properties</b>	-	-	-	-	-	-	-	-	-
Housing development	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Other assets</b>	-	-	-	25	-	25	20	21	22
General vehicles	-	-	-	-	-	-	-	-	-
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	-	-	-	-	-	-	-	-	-
Computers - hardware/equipment	-	-	-	22	-	22	20	21	22
Furniture and other office equipment	-	-	-	3	-	3	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Civic Land and Buildings	-	-	-	-	-	-	-	-	-
Other Buildings	-	-	-	-	-	-	-	-	-
Other Land	-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Agricultural assets</b>	-	-	-	-	-	-	-	-	-
List sub-class	-	-	-	-	-	-	-	-	-
<b>Biological assets</b>	-	-	-	-	-	-	-	-	-
List sub-class	-	-	-	-	-	-	-	-	-
<b>Intangibles</b>	-	-	-	-	-	-	-	-	-
Computers - software & programming	-	-	-	-	-	-	-	-	-
Other (list sub-class)	-	-	-	-	-	-	-	-	-
<b>Total expenditure on repairs and maintenance</b>	-	-	-	25	-	25	20	21	22
<b>Specialised vehicles</b>	-	-	-	-	-	-	-	-	-
Refuse	-	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-	-
Conservancy	-	-	-	-	-	-	-	-	-
Ambulances	-	-	-	-	-	-	-	-	-

CACADU DEVELOPMENT AGENCY - Supporting Table SD8 Future financial implications of the capital expenditure budget

Vote Description	Medium Term Revenue and Expenditure Framework			Forecasts			
	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	Forecast 2018/19	Forecast 2019/20	Forecast 2020/21	Present value
<b>R thousands</b>							
<b>Capital expenditure</b>							
<i>List program summary</i>	-	-	-	-	-	-	-
<b>Total capital expenditure</b>	-	-	-	-	-	-	-
<b>Future operational costs by vote</b>							
<i>Summarise future operational costs by program</i>	-	-	-	-	-	-	-
<b>Total future operational costs</b>	-	-	-	-	-	-	-
<b>Future revenue by source</b>							
<i>Summarise future revenue implications by revenue source</i>	-	-	-	-	-	-	-
<b>Total future revenue</b>	-	-	-	-	-	-	-
<b>Net Financial Implications</b>	-	-	-	-	-	-	-



CACADU DEVELOPMENT AGENCY - Supporting Table SD10 Long term contracts

Description	Preceding Years	Current Year 2014/15	Medium Term Revenue and Expenditure Framework			Forecast 2018/19	Forecast 2019/20	Forecast 2020/21	Forecast 2021/22	Forecast 2022/23	Forecast 2023/24	Forecast 2024/25	Total Contract Value
			Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18								
<b>R thousands</b>	<b>Total</b>												
<u>Revenue Obligation By Contract - Operating</u>													
Contract 1	-	-	-	-	-	-	-	-	-	-	-	-	-
Contract 2	-	-	-	-	-	-	-	-	-	-	-	-	-
Contract 3 etc	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Operating Revenue Implication</b>													
<u>Expenditure Obligation By Contract - Operating</u>													
Contract 1	-	-	-	-	-	-	-	-	-	-	-	-	-
Contract 2	-	-	-	-	-	-	-	-	-	-	-	-	-
Contract 3 etc	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Operating Expenditure Implication</b>													
<u>Expenditure Obligation By Contract - Capital</u>													
Contract 1	-	-	-	-	-	-	-	-	-	-	-	-	-
Contract 2	-	-	-	-	-	-	-	-	-	-	-	-	-
Contract 3 etc	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure Implication</b>													
<b>Total Expenditure Implication</b>													

**CACADU DEVELOPMENT AGENCY - Supporting Table SD11 External mechanisms**

External mechanism	Period of agreement 1	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2
Name of organisation	Years/months			
<b>R thousands</b>				
Rakoma and Associates	27 months	Internal Audit Services	30 Jun 2017	120
HRG Rennies Travel	21 months	Travel Agency Services	09 Dec 2016	360
ABSA Bank	60 months	Banking Services	30Jun 2020	6
				<b>486</b>

# **CHAPTER 21**



## **Performance Contracts of Senior Managers**

## CHAPTER 21

### **PERFORMANCE CONTRACTS OF SENIOR MANAGERS**

The measurable performance indicators and the respective contracts of the Sarah Baartman District Municipality's senior managers are detailed in the following:

- \* **Annexure "H"**: Municipal Manager
- \* **Annexure "I"**: Director: Planning and Infrastructure Services
- \* **Annexure "J"**: Director: Economic Development
- \* **Annexure "K"**: Director: Finance and Corporate Services

# **CHAPTER 22**



## **Other Supporting Documentation**



DC10 Cacadu - Supporting Table SA11 Property rates summary

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Valuation:</b>									
Date of valuation:	2009/10								
Financial year valuation used	Yes								
Municipal by-laws s6 in place? (Y/N)	Yes								
Municipal/assistant valuer appointed? (Y/N)	Yes								
Municipal partnership s38 used? (Y/N)	Yes								
No. of assistant valuers (FTE)									
No. of data collectors (FTE)									
No. of internal valuers (FTE)									
No. of external valuers (FTE)									
No. of additional valuers (FTE)									
Valuation appeal board established? (Y/N)									
Implementation time of new valuation roll (mths)									
No. of properties	2 323								
No. of sectional title values									
No. of unreasonably difficult properties s7(2)									
No. of supplementary valuations									
No. of valuation roll amendments									
No. of objections by rate payers									
No. of appeals by rate payers									
No. of successful objections									
No. of successful objections > 10%									
Supplementary valuation	1								
Public service infrastructure value (Rm)	4								
Municipality owned property value (Rm)									
<b>Valuation reductions:</b>									
Valuation reductions-public infrastructure (Rm)									
Valuation reductions-nature reserves/park (Rm)									
Valuation reductions-mineral rights (Rm)									
Valuation reductions-R15,000 threshold (Rm)	1								
Valuation reductions-public worship (Rm)	2								
Valuation reductions-other (Rm)	919								
<b>Total valuation reductions:</b>	<b>922</b>	-	-	-	-	-	-	-	-
Total value used for rating (Rm)									
Total land value (Rm)									
Total value of improvements (Rm)	943								
Total market value (Rm)									
<b>Rating:</b>									
Residential rate used to determine rate for other categories? (Y/N)									
Differential rates used? (Y/N)									
Limit on annual rate increase (s20)? (Y/N)									
Special rating area used? (Y/N)									
Phasing-in properties s21 (number)									
Rates policy accompanying budget? (Y/N)									
Fixed amount minimum value (R'000)									
Non-residential prescribed ratio s19? (%)									
<b>Rate revenue:</b>									
Rate revenue budget (R'000)	365								
Rate revenue expected to collect (R'000)	365								
Expected cash collection rate (%)	100.0%								
Special rating areas (R'000)									
Rebates, exemptions - indigent (R'000)									
Rebates, exemptions - pensioners (R'000)									
Rebates, exemptions - bona fide farm. (R'000)									
Rebates, exemptions - other (R'000)									
Phase-in reductions/discounts (R'000)									
<b>Total rebates, exemptns, reductns, discs (R'000)</b>	-	-	-	-	-	-	-	-	-

DC10 Cacadu - Supporting Table SA12a Property rates by category (current year)

Description	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monuments	Public benefit organs.	Mining Props.
<b>Current Year 2014/15</b>																
<b>Valuations:</b>																
No. of properties																
No. of sectional title property values																
No. of unreasonably difficult properties s7(2)																
No. of supplementary valuations																
Supplementary valuation (Rm)																
No. of valuation roll amendments																
No. of objections by rate-payers																
No. of appeals by rate-payers																
No. of appeals by rate-payers finalised																
No. of successful objections																
No. of successful objections > 10%																
Estimated no. of properties not valued																
Years since last valuation (select)																
Frequency of valuation (select)																
Method of valuation used (select)																
Base of valuation (select)																
Phasing-in properties s21 (number)																
Combination of rating types used? (Y/N)																
Flat rate used? (Y/N)																
Is balance rated by uniform rate/variable rate?																
<b>Valuation reductions:</b>																
Valuation reductions-public infrastructure (Rm)																
Valuation reductions-nature reserves/park (Rm)																
Valuation reductions-mineral rights (Rm)																
Valuation reductions-R15,000 threshold (Rm)																
Valuation reductions-public worship (Rm)																
Valuation reductions-other (Rm)																
<b>Total valuation reductions:</b>																
Total value used for rating (Rm)																
Total land value (Rm)																
Total value of improvements (Rm)																
Total market value (Rm)																
<b>Rating:</b>																
Average rate																
Rate revenue budget (R '000)																
Rate revenue expected to collect (R'000)																
Expected cash collection rate (%)																
Special rating areas (R'000)																
Rebates, exemptions - indigent (R'000)																
Rebates, exemptions - pensioners (R'000)																
Rebates, exemptions - bona fide farm. (R'000)																
Rebates, exemptions - other (R'000)																
Phase-in reductions/discounis (R'000)																
<b>Total rebates,exemptns,eductns,discs (R'000)</b>																

The District Municipality do not collect rates as there is no demarcated area allocated to the District. This schedule is therefore not applicable

DC10 Cacadu - Supporting Table SA12b Property rates by category (budget year)

Description	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monuments	Public benefit organs.	Mining Props.
<b>Budget Year: 2015/16</b>																
<b>Valuation:</b>																
No. of properties																
No. of sectional title property values																
No. of unreasonably difficult properties s7(2)																
No. of supplementary valuations																
Supplementary valuation (Rm)																
No. of valuation roll amendments																
No. of objections by rate-payers																
No. of appeals by rate-payers finalised																
No. of successful objections																
No. of successful objections > 10%																
Estimated no. of properties not valued																
Years since last valuation (select)																
Frequency of valuation (select)																
Method of valuation used (select)																
Base of valuation (select)																
Phasing-in properties s21 (number)																
Combination of rating types used? (Y/N)																
Flat rate used? (Y/N)																
Is balance rated by uniform rate/variable rate?																
<b>Valuation reductions:</b>																
Valuation reductions-public infrastructure (Rm)																
Valuation reductions-mature reserves/park (Rm)																
Valuation reductions-mineral rights (Rm)																
Valuation reductions-R15,000 threshold (Rm)																
Valuation reductions-public worship (Rm)																
Valuation reductions-other (Rm)																
<b>Total valuation reductions:</b>																
Total value used for rating (Rm)																
Total land value (Rm)																
Total value of improvements (Rm)																
Total market value (Rm)																
<b>Rating:</b>																
Average rate																
Rate revenue budget (R'000)																
Rate revenue expected to collect (R'000)																
Expected cash collection rate (%)																
Special rating areas (R'000)																
Rebates, exemptions - indigent (R'000)																
Rebates, exemptions - pensioners (R'000)																
Rebates, exemptions - bona fide farm. (R'000)																
Rebates, exemptions - other (R'000)																
Phase-in reductions/discounts (R'000)																
<b>Total rebates, exemptions, reductions, discs (R'000)</b>																

The District Municipality do not collect rates as there is no demarcated area allocated to the District. This schedule is therefore not applicable

DC10 Cacadu - Supporting Table SA13a Service Tariffs by category

Description	Provide description of tariff structure where appropriate	2011/12	2012/13	2013/14	Current Year 2014/15	2015/16 Medium Term Revenue & Expenditure Framework		
						Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Property rates (rate in the Rand)</b>								
Residential properties								
Residential properties - vacant land								
Formal/informal settlements								
Small holdings								
Farm properties - used								
Farm properties - not used								
Industrial properties								
Business and commercial properties								
Communal land - residential								
Communal land - small holdings								
Communal land - farm property								
Communal land - business and commercial								
Communal land - other								
State-owned properties								
Municipal properties								
Public service infrastructure								
Privately owned towns serviced by the owner								
State trust land								
Restitution and redistribution properties								
Protected areas								
National monuments properties								
<b>Exemptions, reductions and rebates (Rands)</b>								
<b>Residential properties</b>								
R15 000 threshold rebate		15 000	15 000	15 000	15 000	15 000	15 000	15 000
General residential rebate								
Indigent rebate or exemption								
Pensioners/social grants rebate or exemption								
Temporary relief rebate or exemption								
Bona fide farmers rebate or exemption								
<b>Other rebates or exemptions</b>								
<b>Water tariffs</b>								
<b>Domestic</b>								
Basic charge/fix fee (Rands/month)								
Service point - vacant land (Rands/month)								
Water usage - flat rate tariff (c/k)								
Water usage - life line tariff	(describe structure)							
Water usage - Block 1 (c/k)	(fill in thresholds)							
Water usage - Block 2 (c/k)	(fill in thresholds)							
Water usage - Block 3 (c/k)	(fill in thresholds)							
Water usage - Block 4 (c/k)	(fill in thresholds)							
<b>Other</b>								
<b>Waste water tariffs</b>								
<b>Domestic</b>								
Basic charge/fix fee (Rands/month)								
Service point - vacant land (Rands/month)								
Waste water - flat rate tariff (c/k)								
Volumetric charge - Block 1 (c/k)	(fill in structure)							
Volumetric charge - Block 2 (c/k)	(fill in structure)							
Volumetric charge - Block 3 (c/k)	(fill in structure)							
Volumetric charge - Block 4 (c/k)	(fill in structure)							
<b>Other</b>								
<b>Electricity tariffs</b>								
<b>Domestic</b>								
Basic charge/fix fee (Rands/month)								
Service point - vacant land (Rands/month)								
FBE	(how is this targeted?)							
Life-line tariff - meter	(describe structure)							
Life-line tariff - prepaid	(describe structure)							
Flat rate tariff - meter (c/kwh)								
Flat rate tariff - prepaid (c/kwh)								
Meter - IBT Block 1 (c/kwh)	(fill in thresholds)							
Meter - IBT Block 2 (c/kwh)	(fill in thresholds)							
Meter - IBT Block 3 (c/kwh)	(fill in thresholds)							
Meter - IBT Block 4 (c/kwh)	(fill in thresholds)							
Meter - IBT Block 5 (c/kwh)	(fill in thresholds)							
Prepaid - IBT Block 1 (c/kwh)	(fill in thresholds)							
Prepaid - IBT Block 2 (c/kwh)	(fill in thresholds)							
Prepaid - IBT Block 3 (c/kwh)	(fill in thresholds)							
Prepaid - IBT Block 4 (c/kwh)	(fill in thresholds)							
Prepaid - IBT Block 5 (c/kwh)	(fill in thresholds)							
<b>Other</b>								
<b>Waste management tariffs</b>								
<b>Domestic</b>								
Street cleaning charge								
Basic charge/fix fee								
80l bin - once a week								
250l bin - once a week								

**DC10 Cacadu - Supporting Table SA13b Service Tariffs by category - explanatory**

Description	Provide description of tariff structure where appropriate	2011/12	2012/13	2013/14	Current Year 2014/15	2015/16 Medium Term Revenue & Expenditure Framework		
						Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Exemptions, reductions and rebates (Rands)</b> <i>[Insert lines as applicable]</i>	The District Municipality do not							
<b>Water tariffs</b> <i>[Insert blocks as applicable]</i>	(fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds)							
<b>Waste water tariffs</b> <i>[Insert blocks as applicable]</i>	(fill in structure) (fill in structure) (fill in structure) (fill in structure) (fill in structure) (fill in structure) (fill in structure) (fill in structure) (fill in structure)							
<b>Electricity tariffs</b> <i>[Insert blocks as applicable]</i>	(fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds)							

DC10 Cacadu - Supporting Table SA14 Household bills

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework			
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16 % incr.	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Rand/cent</b>										
<b>Monthly Account for Household - 'Middle Income Range'</b>										
<b>Rates and services charges:</b>										
Property rates										
Electricity: Basic levy										
Electricity: Consumption										
Water: Basic levy										
Water: Consumption										
Sanitation										
Refuse removal										
Other										
<b>sub-total</b>	-	-	-	-	-	-	-	-	-	-
VAT on Services										
<b>Total large household bill:</b>	-	-	-	-	-	-	-	-	-	-
<b>% increase/-decrease</b>		-	-	-	-	-	-	-	-	-
<b>Monthly Account for Household - 'Affordable Range'</b>										
<b>Rates and services charges:</b>										
Property rates										
Electricity: Basic levy										
Electricity: Consumption										
Water: Basic levy										
Water: Consumption										
Sanitation										
Refuse removal										
Other										
<b>sub-total</b>	-	-	-	-	-	-	-	-	-	-
VAT on Services										
<b>Total small household bill:</b>	-	-	-	-	-	-	-	-	-	-
<b>% increase/-decrease</b>		-	-	-	-	-	-	-	-	-
<b>Monthly Account for Household - 'Indigent' Household receiving free basic services</b>										
<b>Rates and services charges:</b>										
Property rates										
Electricity: Basic levy										
Electricity: Consumption										
Water: Basic levy										
Water: Consumption										
Sanitation										
Refuse removal										
Other										
<b>sub-total</b>	-	-	-	-	-	-	-	-	-	-
VAT on Services										
<b>Total small household bill:</b>	-	-	-	-	-	-	-	-	-	-
<b>% increase/-decrease</b>		-	-	-	-	-	-	-	-	-

DC10 Cacadu - Supporting Table SA15 Investment particulars by type

Investment type	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>									
<b>Parent municipality</b>									
Securities - National Government									
Listed Corporate Bonds									
Deposits - Bank	268 613	253 850	254 434	163 891	163 891	226 180	185 992	143 971	106 813
Deposits - Public Investment Commissioners									
Deposits - Corporation for Public Deposits									
Bankers Acceptance Certificates									
Negotiable Certificates of Deposit - Banks									
Guaranteed Endowment Policies (sinking)									
Repurchase Agreements - Banks									
Municipal Bonds									
<b>Municipality sub-total</b>	<b>268 613</b>	<b>253 850</b>	<b>254 434</b>	<b>163 891</b>	<b>163 891</b>	<b>226 180</b>	<b>185 992</b>	<b>143 971</b>	<b>106 813</b>
<b>Entities</b>									
Securities - National Government									
Listed Corporate Bonds									
Deposits - Bank									
Deposits - Public Investment Commissioners									
Deposits - Corporation for Public Deposits									
Bankers Acceptance Certificates									
Negotiable Certificates of Deposit - Banks									
Guaranteed Endowment Policies (sinking)									
Repurchase Agreements - Banks									
<b>Entities sub-total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Consolidated total:</b>	<b>268 613</b>	<b>253 850</b>	<b>254 434</b>	<b>163 891</b>	<b>163 891</b>	<b>226 180</b>	<b>185 992</b>	<b>143 971</b>	<b>106 813</b>

DC10 Cacadu - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity	Period of Investment		Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed Interest rate	Interest Rate 3.	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
	Year	Months												
<b>Parent municipality</b>														
ABSA Bank	Various		Fixed Deposit	No	Fixed	Various			Various	65 473	3 000	(14 633)		53 840
Standard Bank	Various		Fixed Deposit	No	Fixed	Various			Various	51 585	2 400	(11 566)		42 419
Nedcor	Various		Fixed Deposit	No	Fixed	Various			Various	44 541	2 000	(9 932)		36 709
First Rand	Various		Fixed Deposit	No	Fixed	Various			Various	44 541	2 000	(9 932)		36 709
Investec	Various		Fixed Deposit	No	Fixed	Various			Various	19 540	1 200	(4 725)		16 315
<b>Municipality sub-total</b>										<b>226 180</b>		<b>(50 788)</b>		<b>185 592</b>
<b>Entities</b>														
<b>Entities sub-total</b>														
<b>TOTAL INVESTMENTS AND INTEREST</b>														
										<b>226 180</b>		<b>(50 788)</b>		<b>185 592</b>



DC10 Cacadu - Supporting Table SA17 Borrowing

Borrowing - Categorized by type R thousand	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Parent municipality</b>									
Long-Term Loans (annuity/reducing balance)	-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)	-	-	-	-	-	-	-	-	-
Local registered stock	-	-	-	-	-	-	-	-	-
Instalment Credit	-	-	-	-	-	-	-	-	-
Financial Leases	-	-	-	-	-	-	-	-	-
PPP liabilities	-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier	-	-	-	-	-	-	-	-	-
Marketable Bonds	-	-	-	-	-	-	-	-	-
Non-Marketable Bonds	-	-	-	-	-	-	-	-	-
Bankers Acceptances	-	-	-	-	-	-	-	-	-
Financial derivatives	-	-	-	-	-	-	-	-	-
Other Securities	-	-	-	-	-	-	-	-	-
<b>Municipality sub-total</b>	-	-	-	-	-	-	-	-	-
<b>Entities</b>									
Long-Term Loans (annuity/reducing balance)	-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)	-	-	-	-	-	-	-	-	-
Local registered stock	-	-	-	-	-	-	-	-	-
Instalment Credit	-	-	-	-	-	-	-	-	-
Financial Leases	-	-	-	-	-	-	-	-	-
PPP liabilities	-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier	-	-	-	-	-	-	-	-	-
Marketable Bonds	-	-	-	-	-	-	-	-	-
Non-Marketable Bonds	-	-	-	-	-	-	-	-	-
Bankers Acceptances	-	-	-	-	-	-	-	-	-
Financial derivatives	-	-	-	-	-	-	-	-	-
Other Securities	-	-	-	-	-	-	-	-	-
<b>Entities sub-total</b>	-	-	-	-	-	-	-	-	-
<b>Total Borrowing</b>	-	-	-	-	-	-	-	-	-

<b>Unspent Borrowing - Categorized by type</b>									
<b>Parent municipality</b>									
Long-Term Loans (annuity/reducing balance)	-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)	-	-	-	-	-	-	-	-	-
Local registered stock	-	-	-	-	-	-	-	-	-
Instalment Credit	-	-	-	-	-	-	-	-	-
Financial Leases	-	-	-	-	-	-	-	-	-
PPP liabilities	-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier	-	-	-	-	-	-	-	-	-
Marketable Bonds	-	-	-	-	-	-	-	-	-
Non-Marketable Bonds	-	-	-	-	-	-	-	-	-
Bankers Acceptances	-	-	-	-	-	-	-	-	-
Financial derivatives	-	-	-	-	-	-	-	-	-
Other Securities	-	-	-	-	-	-	-	-	-
<b>Municipality sub-total</b>	-	-	-	-	-	-	-	-	-
<b>Entities</b>									
Long-Term Loans (annuity/reducing balance)	-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)	-	-	-	-	-	-	-	-	-
Local registered stock	-	-	-	-	-	-	-	-	-
Instalment Credit	-	-	-	-	-	-	-	-	-
Financial Leases	-	-	-	-	-	-	-	-	-
PPP liabilities	-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier	-	-	-	-	-	-	-	-	-
Marketable Bonds	-	-	-	-	-	-	-	-	-
Non-Marketable Bonds	-	-	-	-	-	-	-	-	-
Bankers Acceptances	-	-	-	-	-	-	-	-	-
Financial derivatives	-	-	-	-	-	-	-	-	-
Other Securities	-	-	-	-	-	-	-	-	-
<b>Entities sub-total</b>	-	-	-	-	-	-	-	-	-
<b>Total Unspent Borrowing</b>	-	-	-	-	-	-	-	-	-

DC10 Cacadu - Supporting Table SA32 List of external mechanisms

External mechanism Name of organisation	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
		Number			R thousand
Impumelelo Computers	Yrs	3	Financial System Support	30 June 2016	2 000
Rakoma and Associates	Yrs	3	Internal Audit Services	30 June 2017	750
ABSA Bank	Yrs	5	Banking Services	30 June 2020	65
Indwe Risk Services	Yrs	3	Insurance Brokerage services	30 June 2016	400
Earnest and Young and Kapano A1	Yrs	3	Assistance in Improving Audit outcomes for Local Municip	30 June 2017	2 500
HRG Rennies Travel	Yrs	3	Travel Agency Services	09 December 2016	300
Ultimate Recruitment Solutions	Yrs	3	Advertising Services	31 December 2017	300

DC10 Cacadu - Supporting Table SA34c Consolidated repairs and maintenance by asset class

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>									
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport	-	-	-	-	-	-	-	-	-
Roads, Pavements & Bridges	-	-	-	-	-	-	-	-	-
Storm water	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity	-	-	-	-	-	-	-	-	-
Generation	-	-	-	-	-	-	-	-	-
Transmission & Reticulation	-	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	-	-	-
Infrastructure - Water	-	-	-	-	-	-	-	-	-
Dams & Reservoirs	-	-	-	-	-	-	-	-	-
Water purification	-	-	-	-	-	-	-	-	-
Reticulation	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation	-	-	-	-	-	-	-	-	-
Reticulation	-	-	-	-	-	-	-	-	-
Sewerage purification	-	-	-	-	-	-	-	-	-
Infrastructure - Other	-	-	-	-	-	-	-	-	-
Waste Management	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-
Gas	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Community</b>	-	-	-	-	-	-	-	-	-
Parks & gardens	-	-	-	-	-	-	-	-	-
Sportsfields & stadia	-	-	-	-	-	-	-	-	-
Swimming pools	-	-	-	-	-	-	-	-	-
Community halls	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Recreational facilities	-	-	-	-	-	-	-	-	-
Fire, safety & emergency	-	-	-	-	-	-	-	-	-
Security and policing	-	-	-	-	-	-	-	-	-
Buses	-	-	-	-	-	-	-	-	-
Clinics	-	-	-	-	-	-	-	-	-
Museums & Art Galleries	-	-	-	-	-	-	-	-	-
Cemeteries	-	-	-	-	-	-	-	-	-
Social rental housing	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Investment properties</b>	-	-	-	-	-	-	-	-	-
Housing development	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Other assets</b>	574	388	640	1 232	1 433	1 058	1 438	1 476	1 410
General vehicles	-	-	-	-	-	-	-	-	-
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	266	206	193	555	555	565	733	772	811
Computers - hardware/equipment	48	33	17	136	337	157	158	158	53
Furniture and other office equipment	41	7	7	41	41	46	47	46	46
Abattoirs	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Civic Land and Buildings	-	-	-	-	-	-	-	-	-
Other Buildings	219	142	424	500	500	300	500	500	500
Other Land	-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Agricultural assets</b>	-	-	-	-	-	-	-	-	-
List sub-class	-	-	-	-	-	-	-	-	-
<b>Biological assets</b>	-	-	-	-	-	-	-	-	-
List sub-class	-	-	-	-	-	-	-	-	-
<b>Intangibles</b>	-	-	-	-	-	-	-	-	-
Computers - software & programming	-	-	-	-	-	-	-	-	-
Other (list sub-class)	-	-	-	-	-	-	-	-	-
<b>Total Repairs and Maintenance Expenditure</b>	574	388	640	1 232	1 433	1 058	1 438	1 476	1 410
<b>Specialised vehicles</b>	-	-	-	-	-	-	-	-	-
Refuse	-	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-	-
Conservancy	-	-	-	-	-	-	-	-	-
Ambulances	-	-	-	-	-	-	-	-	-
<b>R&amp;M as a % of PPE</b>	1.7%	1.4%	2.2%	2.4%	3.6%	3.5%	4.3%	4.6%	4.7%
<b>R&amp;M as % Operating Expenditure</b>	0.4%	0.3%	0.5%	0.6%	0.9%	0.8%	1.0%	1.0%	1.0%

DC10 Cacadu - Supporting Table SA34d Consolidated Depreciation by asset class

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>									
<b>Depreciation by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport	-	-	-	-	-	-	-	-	-
Roads, Pavements & Bridges	-	-	-	-	-	-	-	-	-
Storm water	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity	-	-	-	-	-	-	-	-	-
Generation	-	-	-	-	-	-	-	-	-
Transmission & Retiulation	-	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	-	-	-
Infrastructure - Water	-	-	-	-	-	-	-	-	-
Dams & Reservoirs	-	-	-	-	-	-	-	-	-
Water purification	-	-	-	-	-	-	-	-	-
Retiulation	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation	-	-	-	-	-	-	-	-	-
Retiulation	-	-	-	-	-	-	-	-	-
Sewerage purification	-	-	-	-	-	-	-	-	-
Infrastructure - Other	-	-	-	-	-	-	-	-	-
Waste Management	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-
Gas	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Community</b>	-	-	-	-	-	-	-	-	-
Parks & gardens	-	-	-	-	-	-	-	-	-
Sportsfields & stadia	-	-	-	-	-	-	-	-	-
Swimming pools	-	-	-	-	-	-	-	-	-
Community halls	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Recreational facilities	-	-	-	-	-	-	-	-	-
Fire, safety & emergency	-	-	-	-	-	-	-	-	-
Security and policing	-	-	-	-	-	-	-	-	-
Buses	-	-	-	-	-	-	-	-	-
Clinics	-	-	-	-	-	-	-	-	-
Museums & Art Galleries	-	-	-	-	-	-	-	-	-
Cemeteries	-	-	-	-	-	-	-	-	-
Social rental housing	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Investment properties</b>	-	-	-	-	-	-	-	-	-
Housing development	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Other assets</b>	1 622	975	1 299	1 505	1 505	1 505	1 882	1 882	1 882
General vehicles	552	422	417	483	483	483	604	604	604
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	565	395	390	452	452	452	566	566	566
Computers - hardware/equipment	-	-	-	-	-	-	-	-	-
Furniture and other office equipment	-	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Civic Land and Buildings	-	-	-	-	-	-	-	-	-
Other Buildings	505	158	492	570	570	570	713	713	713
Other Land	-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Agricultural assets</b>	-	-	-	-	-	-	-	-	-
List sub-class	-	-	-	-	-	-	-	-	-
<b>Biological assets</b>	-	-	-	-	-	-	-	-	-
List sub-class	-	-	-	-	-	-	-	-	-
<b>Intangibles</b>	-	-	-	-	-	-	-	-	-
Computers - software & programming	-	-	-	-	-	-	-	-	-
Other (Rit sub-class)	-	-	-	-	-	-	-	-	-
<b>Total Depreciation</b>	1 622	975	1 299	1 505	1 505	1 505	1 882	1 882	1 882
<b>Specialised vehicles</b>	-	-	-	-	-	-	-	-	-
Refuse	-	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-	-
Conservancy	-	-	-	-	-	-	-	-	-
Ambulances	-	-	-	-	-	-	-	-	-

DC10 Cacadu - Supporting Table SA35 Consolidated future financial implications of the capital budget

Vote Description R thousand	2015/16 Medium Term Revenue & Expenditure Framework			Forecasts			
	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	Forecast 2018/19	Forecast 2019/20	Forecast 2020/21	Present value
<b>Capital expenditure</b>							
Vote 1 - Executive and council	104	-	-	-	-	-	-
Vote 2 - Finance and Corporate Services	4 423	-	-	-	-	-	-
Vote 3 - Planning and Infrastructure development	120	-	-	-	-	-	-
Vote 4 - Health	820	-	-	-	-	-	-
Vote 5 - Community Services	-	-	-	-	-	-	-
Vote 6 - Housing	-	-	-	-	-	-	-
Vote 7 - Public Safety	-	-	-	-	-	-	-
Vote 8 - Sport and Recreation	-	-	-	-	-	-	-
Vote 9 - Waste Management	-	-	-	-	-	-	-
Vote 10 - Roads	-	-	-	-	-	-	-
Vote 11 - Water	-	-	-	-	-	-	-
Vote 12 - Electricity	-	-	-	-	-	-	-
Vote 13 - Other	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]	-	-	-	-	-	-	-
List entity summary if applicable	-	-	-	-	-	-	-
<b>Total Capital Expenditure</b>	<b>5 467</b>	-	-	-	-	-	-
<b>Future operational costs by vote</b>							
Vote 1 - Executive and council	-	-	-	-	-	-	-
Vote 2 - Finance and Corporate Services	-	-	-	-	-	-	-
Vote 3 - Planning and Infrastructure development	-	-	-	-	-	-	-
Vote 4 - Health	-	-	-	-	-	-	-
Vote 5 - Community Services	-	-	-	-	-	-	-
Vote 6 - Housing	-	-	-	-	-	-	-
Vote 7 - Public Safety	-	-	-	-	-	-	-
Vote 8 - Sport and Recreation	-	-	-	-	-	-	-
Vote 9 - Waste Management	-	-	-	-	-	-	-
Vote 10 - Roads	-	-	-	-	-	-	-
Vote 11 - Water	-	-	-	-	-	-	-
Vote 12 - Electricity	-	-	-	-	-	-	-
Vote 13 - Other	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]	-	-	-	-	-	-	-
List entity summary if applicable	-	-	-	-	-	-	-
<b>Total future operational costs</b>	-	-	-	-	-	-	-
<b>Future revenue by source</b>							
Property rates	-	-	-	-	-	-	-
Property rates - penalties & collection charges	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	-	-	-	-
Service charges - other	-	-	-	-	-	-	-
Rental of facilities and equipment	-	-	-	-	-	-	-
List other revenues sources if applicable	-	-	-	-	-	-	-
List entity summary if applicable	-	-	-	-	-	-	-
<b>Total future revenue</b>	-	-	-	-	-	-	-
<b>Net Financial Implications</b>	<b>5 467</b>	-	-	-	-	-	-

DC10 Cacadu - Supporting Table SA36 Consolidated detailed capital budget

Municipal Vote/Capital project R thousand	Program/Project description	Project number	IDP Goal code	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2015/16 Medium Term Revenue & Expenditure Framework			Project Information		
									Accrued Outcome 2013/14	Current Year 2014/15 Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	Ward location	New or renewal	
	Parent municipality: List all capital projects grouped by Municipal Vote						5									
	The District Municipality does not have any Capital Projects which would result in the capitalisation of Infrastructural assets. All assets budgeted for is for operational use and is categorised as PPE															
	<b>Parent Capital expenditure</b>															
	<b>Entity:</b> List all capital projects grouped by Entity															
	<b>Entity A</b> Water project A															
	<b>Entity B</b> Electricity project B															
	<b>Entity capital expenditure</b>															
	<b>Total Capital expenditure</b>															

DC10 Cacatu - Supporting Table SA37 Consolidated projects delayed from previous financial years

Municipal Vote/Capital project	Ref. 1,2	Project name	Project number	Asset Class 3	Asset Sub-Class 3	GPS co-ordinates 4	Previous target year to complete Year	Current Year 2014/15		2015/16 Medium Term Revenue & Expenditure Framework		
								Original Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Parent municipality: List all capital projects grouped by Municipal Vote  The District Municipality does not have any Capital Projects which would result in the capitalisation of Infrastructural assets. All assets budgeted for is for operational use and is categorised as PPE				Examples	Examples							
Entities: List all capital projects grouped by Municipal Entity  Entity Name Project name												

DC10 Cacadu - Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2011/12	2012/13	2013/14	Current Year 2014/15	2015/16 Medium Term Revenue Framework	
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome
<b>Demographics</b>											
Population											
Females aged 5 - 14											
Males aged 5 - 14											
Females aged 15 - 34											
Males aged 15 - 34											
Unemployment											
<b>Monthly household income (no. of households)</b>											
No income	1, 12										
R1 - R1 600											
R1 601 - R3 200											
R3 201 - R6 400											
R6 401 - R12 800											
R12 801 - R25 600											
R25 601 - R51 200											
R52 201 - R102 400											
R102 401 - R204 800											
R204 801 - R409 600											
R409 601 - R819 200											
> R819 200											
<b>Poverty profiles (no. of households)</b>											
< R2 060 per household per month	13										
Insert description	2										
<b>Household demographics (000)</b>											
Number of people in municipal area											
Number of poor people in municipal area											
Number of households in municipal area											
Number of poor households in municipal area											
Definition of poor household (R per month)											
<b>Housing statistics</b>											
Formal	3										
Informal											
Total number of households											
Dwellings provided by municipality	4										
Dwellings provided by province/s											
Dwellings provided by private sector	5										
Total new housing dwellings											
<b>Economic</b>											
Inflation/inflation outlook (CPIX)	6										
Interest rate - borrowing											
Interest rate - investment											
Remuneration increases											
Consumption growth (electricity)											
Consumption growth (water)											
<b>Collection rates</b>											
Property tax/service charges	7										
Rental of facilities & equipment											
Interest - external investments											
Interest - debtors											
Revenue from agency services											

Detail on the provision of municipal services for A10

Total municipal services	Ref.	Basis of calculation	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue Framework	
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17
<b>Household service targets (000)</b>										
<b>Water:</b>										
		Piped water inside dwelling								
		Piped water inside yard (but not in dwelling)								



# **ANNEXURES**

## ANNEXURE "A"

## PROJECT BUDGET - 2015/2016

<u>PROJECTS</u>	<u>AMOUNTS</u>	<u>FUNDING SOURCE</u>
<b><u>OFFICE OF THE MUNICIPAL MANAGER</u></b>		
<b>SPECIAL PROJECT UNIT - YOUTH, GENDER AND DISABLED</b>		
COMMEMORATION DAY CELEBRATION	200 000	Accumulated Surplus
DISABILITY EMPOWERMENT	300 000	Accumulated Surplus
WOMEN EMPOWERMENT	300 000	Accumulated Surplus
YOUTH DEVELOPMENT	300 000	Accumulated Surplus
	<u>1 100 000</u>	
<b>LIBRARIES</b>		
LIBRARIES	2 200 000	Accumulated Surplus
	<u>2 200 000</u>	
<b>HIV/AIDS</b>		
IMPLEMENTATION OF THE HIV/AIDS PLAN	300 000	Accumulated Surplus
	<u>300 000</u>	
<b>TOTAL OFFICE OF THE MUNICIPAL MANAGER</b>	<u>3 600 000</u>	
<b><u>DEPARTMENT: PLANNING AND DEVELOPMENT</u></b>		
<b>PLANNING UNIT</b>		
TECHNICAL TOWN PLANNING ASSISTANCE	500 000	Accumulated Surplus
	<u>500 000</u>	
<b>PROJECT MANAGEMENT</b>		
EPWP PROJECT	1 133 000	Grant - EPWP
PLANNING AND FEASIBILITY STUDY	700 000	Accumulated Surplus
WASTE WATER TREATMENT SUPPORT TO LM'S	565 000	Accumulated Surplus
DISTRICT WIDE INFRASTRUCTURE PLAN	750 000	Accumulated Surplus
	<u>3 148 000</u>	
<b>ENVIRONMENTAL HEALTH</b>		
REVIEW OF INTERGRATED WASTE MANAGEMENT PLANS	600 000	
AIR QUALITY MANAGEMENT PLAN	250 000	Accumulated Surplus
	<u>850 000</u>	

**HOUSING COORDINATOR**

HOUSING TRANSFER AND BENEFICIARY	400 000	Sundry Creditors
INFR DMA: ALIENATION	190 000	Sundry Creditors
	<u>590 000</u>	

**FIRE SERVICE - HEAD OFFICE**

CONTRIBUTION TO MUNICIPALITIES	4 500 000	Accumulated Surplus
FIRE STATION - KOU KAMMA	2 208 000	Accumulated Surplus
FIRE STATION - NDLAMBE	4 823 000	Accumulated Surplus
FIRE STATION - BLUE CRANE ROUTE	250 000	Accumulated Surplus
FIRE FIGHTING EQUIPMENT	800 000	Accumulated Surplus
PATERSON INTERGRATED EMERGENCY CENTRE	5 000 000	Accumulated Surplus
RESTORATION OF FIRE HYDRANT DISTRICT WIDE	360 000	Accumulated Surplus
	<u>17 941 000</u>	

**DISASTER MANAGEMENT**

REVIEW DISASTER RISK ASSESSMENT	2 000 000	Accumulated Surplus
DISASTER RISK REDUCTION	1 000 000	Accumulated Surplus
	<u>3 000 000</u>	

**TRANSPORT, ROADS & CAPACITY BUILDING**

RRAMS PROJECT	2 200 000	Grant - RRAMS
	<u>2 200 000</u>	

**WATER DISTRIBUTION**

JANSEVILLE WATER TREATMENT WORKS	200 000	Accumulated Surplus
	<u>200 000</u>	

<b>TOTAL DEPARTMENT: PLANNING &amp; DEVELOPMENT</b>	<u><b>28 429 000</b></u>	
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**DEPARTMENT : ECONOMIC DEVELOPMENT****LOCAL ECONOMIC DEVELOPMENT**

AGRICULTURAL SUPPORT	1 500 000	Accumulated Surplus
DISTRICT DEVELOPMENT AGENCY	1 000 000	Accumulated Surplus
LED DISTRT SUPPORT	700 000	Accumulated Surplus
LED PROJECTS	300 000	Accumulated Surplus
CDM SMME SUPPORT PROGRAMME	2 000 000	Accumulated Surplus
BUSINESS DEVELOPMENT FORUM	80 000	Accumulated Surplus
	<u>5 580 000</u>	

**TOURISM PROMOTION & DEVELOPMENT**

TOURISM SECTOR DEVELOPMENT SUPPORT	1 500 000	Accumulated Surplus
SUPPORT TO LOCAL TOURISM ORGANISATIONS	800 000	Accumulated Surplus
TOURISM MARKETING	2 500 000	Accumulated Surplus
TOURISM INFRASTRUCTURE INVESTMENT	600 000	Accumulated Surplus
CREATIVE INDUSTRIES	900 000	Accumulated Surplus
	<u>6 300 000</u>	

<b>TOTAL DEPARTMENT: ECONOMIC DEVELOPMENT</b>	<u><b>11 880 000</b></u>	
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**DEPARTMENT: FINANCE AND CORPORATE SERVICES**

**FINANCIAL ACCOUNTING DIVISION**

SUPPORT TO DISTRICT FOR IMPROVING AUDIT OUTCOMES	<u>2 500 000</u>	Accumulated Surplus
	<u><u>2 500 000</u></u>	
 <b>TOTAL FINANCE &amp; CORPORATE SERVICES</b>	 <u><b>2 500 000</b></u>	
 <b>TOTAL PROJECT BUDGET</b>	 <u><b>46 409 000</b></u>	

**SUMMARY OF FUNDING**

GRANTS:	
NATIONAL	3 333 000
ACCUMULATED SURPLUS	42 486 000
SUNDRY CREDITORS	590 000
<b>TOTAL FUNDING / PROJECT BUDGET</b>	<u><b>46 409 000</b></u>

**Annexure "B"**

**Mandatory Performance Measures 2014/15**

Mandatory Measure	SBDM
% of households with access to basic level of water	97%*
% of households with access to basic level of sanitation	83%*
% of households with access to basic level of electricity	NA
% of households with access to basic level of solid waste removal	96%*
% of households earning less than R1100 per monthly with access to free basic services	Not measured*
% of municipality's capital budget actually spent on capital projects identified in the IDP	100%
Number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality approved employment equity plan	12 out of 16 (75%)
% of a municipality's budget actually spent on implementing its workplace skills plan	0.1%
Debt Coverage: Total operating revenue received – operating grants divided by debt servicing payments	NA
Service debtors to revenue: Total outstanding debtors divided by annual revenue actually received for services	NA
Cost coverage: Cash available and investments at 30 June, 2008 divided by monthly fixed operating expenditure	18.50

**Reporting measure only, not measured as performance as autonomy is with respective Local Municipalities**

Annexure “C”

ANNUAL PERFORMANCE OBJECTIVES BY VOTE – OPERATIONAL MEASURES

Vote	GFS Function	Objective	Key Performance Indicator
Executive Mayor	Executive and Council	<ul style="list-style-type: none"> <li>Oversight of council operations and exercise delegated authority</li> </ul>	<ul style="list-style-type: none"> <li>100% of planned Council meetings held</li> </ul>
	Executive and Council	<ul style="list-style-type: none"> <li>Ensure the institution is managed in an effective and efficient manner*</li> </ul>	<ul style="list-style-type: none"> <li>100% of SDBIP (operational and capital projects) implemented.</li> </ul>
Municipal Manager	Finance and Administration	<ul style="list-style-type: none"> <li>Ensure that the Municipality complies with Legislation applicable to it*</li> </ul>	<ul style="list-style-type: none"> <li>Zero incidence of repeat exception reports from Internal Audit (excl. those pre-identified as multiple year implementation programmes)</li> <li>Existence of a disaster Management Plan</li> <li>Income and expenditure variance not to exceed 10%</li> </ul>
		<ul style="list-style-type: none"> <li>Budgetary control of operating income and expenditure*</li> <li>Ensure that SBDM is active within the district in which it serves</li> <li>Compliance with OHASA</li> <li>Ensure that capacity of the District is given priority</li> </ul>	<ul style="list-style-type: none"> <li>Completion of an investigation into a relocation to Kirkwood</li> <li>Completion of the quarterly safety checklist</li> <li>Maintenance of the SBDM Capacity building strategy</li> </ul>
Planning and Infrastructure Development	Planning and Development	<ul style="list-style-type: none"> <li>Market SBDM to attract tourism, trade and investment</li> </ul>	<ul style="list-style-type: none"> <li>Annual communication plan in place</li> </ul>
	Performance Management	<ul style="list-style-type: none"> <li>Support the implementation of the IDP through the performance management of the institution and its workforce*</li> </ul>	<ul style="list-style-type: none"> <li>100% of SBDM employees under the PMS</li> </ul>
Economic Development	Planning and Development	<ul style="list-style-type: none"> <li>Ensure that development occurs in the most logical way possible and in a manner that is in line with the adopted SDF principles</li> </ul>	<ul style="list-style-type: none"> <li>100% Projects prioritized and funded in accordance with the SDF principles</li> </ul>
	Planning and Development	<ul style="list-style-type: none"> <li>Ensure that the growth and development agreement is implemented and used as the basis for cooperative district-wide development*</li> </ul>	<ul style="list-style-type: none"> <li>Monitor monetary commitments from social partners as per the GDS agreement</li> </ul>

Vote	GFS Function	Objective	Key Performance Indicator (2014/15)
Finance and Corporate Services	Finance and Administration	<ul style="list-style-type: none"> <li>• Compilation of budget and financial statements</li> <li>• Ensure that Council finances are well managed</li> <li>• Ensure HR issues are effectively dealt with</li> </ul>	<ul style="list-style-type: none"> <li>• Delivery of financial statements to OAG on or before 31 August</li> <li>• Annual approved budget</li> <li>• 100% Financial obligations required by MFMA adhered to in accordance with National Treasury MFMA implementation priorities</li> <li>• 100% job descriptions in place</li> <li>• Recruitment process completed within 8 weeks</li> <li>• Training takes place in accordance with the work skills development plan.*</li> <li>• 100% disciplinary hearings organized within 15 working days after service of notice of misconduct.</li> </ul>
	Executive and Council	<ul style="list-style-type: none"> <li>• Ensure decision makers receive information</li> </ul>	<ul style="list-style-type: none"> <li>• 100% council agendas delivered prior to 5 days of meeting</li> </ul>

\* Indicator supported and implemented across all Votes

## Annexure "D"

### Revenue by Source

<b>Source</b>	<b>Performance Measure</b>	<b>Performance Target</b>
Other income	% of sundry income collected	100 %
Rental of facilities & Equipment	% of fees received	100 %
Interest earned - external investments	Average rate of return/ prime rate	70 %
Interest earned – outstanding debtors	Average rate of return/ prime rate	100 %
Settlement discounts	% of settlement discounts negotiated	1 %
Contributions – other municipalities	% of contributions recovered (if applicable)	100%
Government Grants and Subsidies	% of Grants received	100%
Contribution: Surplus account	% of cash backed surplus utilized	100%

**Note:** All other income sources are determined by National and Provincial Departments and as promulgated by DORA Act.



## SARAH BAARTMAN DISTRICT MUNICIPALITY

ANNEXURE "E"

## CAPITAL BUDGET 2015/16

Department/Division	Asset Type	Qty	Unit Cost	Total cost	Funding Source
<b>EXECUTIVE AND COUNCIL - GFS</b>					
<b>OFFICE OF THE MAYOR</b>					
<b>COUNCIL EXPENSES</b>					
L shaped desk with 2 pedestals	Furniture and Fittings	1	8 000	8 000	Accumulated Surplus
Swivel Chair	Furniture and Fittings	1	3 500	3 500	Accumulated Surplus
Filling Cabinet	Furniture and Fittings	1	3 000	3 000	Accumulated Surplus
Round Table	Furniture and Fittings	1	3 000	3 000	Accumulated Surplus
Visitors chairs	Furniture and Fittings	4	3 000	12 000	Accumulated Surplus
<b>TOTAL VOTE : OFFICE OF MAYOR</b>				29 500	
<b>OFFICE OF THE MUNICIPAL MANAGER</b>				29 500	
<b>MANAGEMENT</b>					
Fridge	Office equipment	1	8 000	8 000	Accumulated Surplus
<b>SPECIAL PROJECTS</b>				8 000	
Microwave	Office equipment	1	3 000	3 000	Accumulated Surplus
Fridge	Office equipment	1	5 000	5 000	Accumulated Surplus
<b>PERFORMANCE MANAGEMENT</b>				8 000	
Projector	Office equipment	1	4 000	4 000	Accumulated Surplus
<b>CAPACITY BUILDING</b>				4 000	
Visitor Chairs	Furniture and Fittings	4	3 000	12 000	Accumulated Surplus
<b>TOTAL VOTE : OFFICE OF MUNICIPAL MANAGER</b>				12 000	
<b>DEPARTMENT : FINANCE AND CORPORATE SERVICES</b>				32 000	
<b>TOTAL : EXECUTIVE AND COUNCIL - GFS</b>				61 500	
<b>FINANCE AND ADMINISTRATION - GFS</b>					
<b>DEPARTMENT : FINANCE AND CORPORATE SERVICES</b>					
<b>CORPORATE SERVICES</b>					
<b>SECRETARIAT</b>					
Stationery cabinets	Furniture and Fittings	3	3 000	9 000	Accumulated Surplus
Laptops	Computer Equipment	2	12 000	24 000	Accumulated Surplus
Office desk	Furniture and Fittings	1	5 000	5 000	Accumulated Surplus
Visitor chairs	Furniture and Fittings	2	3 000	6 000	Accumulated Surplus
Shredder	Office equipment	1	3 000	3 000	Accumulated Surplus
Small recorder	Office equipment	1	3 000	3 000	Accumulated Surplus
Glass notice board	Furniture and Fittings	1	10 000	10 000	Accumulated Surplus
				60 000	

<b>ARCHIVES</b>					
Fax machine	Office equipment	1	4 000	4 000	Accumulated Surplus
Swivel chair	Furniture and Fittings	1	3 500	3 500	Accumulated Surplus
				7 500	
<b>PRINTING</b>					
Swivel chairs	Furniture and Fittings	1	3 500	3 500	Accumulated Surplus
Office desk	Furniture and Fittings	1	5 000	5 000	Accumulated Surplus
				8 500	
<b>TOTAL : CORPORATE SERVICES</b>				<b>76 000</b>	
<b>FINANCE</b>					
<b>ASSET MANAGEMENT</b>					
Computer	Computer Equipment	1	12 000	12 000	Accumulated Surplus
Desk	Furniture and Fittings	1	5 000	5 000	Accumulated Surplus
Swivel chairs	Furniture and Fittings	1	3 500	3 500	Accumulated Surplus
				20 500	
<b>PUBLIC RELATIONS</b>					
Swivel chair	Furniture and Fittings	1	3 500	3 500	Accumulated Surplus
				3 500	
<b>PAYROLL</b>					
Schredder	Office equipment	1	3 000	3 000	Accumulated Surplus
				3 000	
<b>TOTAL : FINANCE</b>				<b>27 000</b>	
<b>INFORMATION TECHNOLOGY</b>					
<b>IT</b>					
IT infrastructure	Office equipment	1	200 000	200 000	Accumulated Surplus
<b>TOTAL : INFORMATION TECHNOLOGY</b>				<b>200 000</b>	
<b>PROPERTY SERVICES</b>					
<b>ESTATES</b>					
Airconditioners	Office equipment	8	15 000	120 000	Accumulated Surplus
Building refurbishment	Office equipment	1	4 000 000	4 000 000	Accumulated Surplus
<b>TOTAL: PROPERTY SERVICES</b>				<b>4 120 000</b>	
<b>TOTAL VOTE : DEPARTMENT : FINANCE AND CORPORATE SERVICES</b>				<b>4 423 000</b>	
<b>TOTAL : FINANCE AND ADMINISTRATION - GFS</b>				<b>4 423 000</b>	

<b>PLANNING AND DEVELOPMENT - GFS</b>					
<b>DEPARTMENT : PLANNING AND INFRASTRUCTURE DEVELOPMENT</b>					
<b>MANAGEMENT</b>					
Small recorder	Office equipment	1	3 000	3 000	Accumulated Surplus
Projector	Office equipment	1	5 000	5 000	Accumulated Surplus
				8 000	
<b>PLANNING UNIT</b>					
GPS	Office equipment	3	25 000	75 000	Accumulated Surplus
Computer	Computer Equipment	1	9 000	9 000	Accumulated Surplus
laptops	Computer Equipment	2	12 000	24 000	Accumulated Surplus
				108 000	
<b>PROJECT MANAGEMENT</b>					
Laptop	Computer Equipment	1	12 000	12 000	Accumulated Surplus
				12 000	
<b>ENVIRONMENTAL HEALTH</b>					
Car - Idv	Vehicles	3	250 000	750 000	Accumulated Surplus
Cameras	Office equipment	5	5 000	25 000	Accumulated Surplus
Oil testing equipment	Office equipment	9	5 000	45 000	Accumulated Surplus
				820 000	
<b>VOTE TOTAL : DEPARTMENT : PLANNING AND INFRASTRUCTURE DEVELOPMENT</b>				<b>948 000</b>	
<b>TOTAL : PLANNING AND INFRASTRUCTURE DEVELOPMENT - GFS</b>				<b>948 000</b>	
<b>DEPARTMENT : ECONOMIC DEVELOPMENT</b>					
<b>MANAGEMENT</b>					
Desk	Furniture and Fittings	1	5 000	5 000	Accumulated Surplus
Swivel Chair	Furniture and Fittings	1	3 500	3 500	Accumulated Surplus
Visitors Chair	Furniture and Fittings	2	3 000	6 000	Accumulated Surplus
Cabinet	Furniture and Fittings	1	6 000	6 000	Accumulated Surplus
Couch / chairs	Furniture and Fittings	2	3 000	6 000	Accumulated Surplus
Coffee table	Furniture and Fittings	1	3 000	3 000	Accumulated Surplus
Bar fridge	Office equipment	1	3 000	3 000	Accumulated Surplus
Urn 10 litres	Office equipment	1	2 000	2 000	Accumulated Surplus
				34 500	
<b>TOTAL VOTE : DEPARTMENT : ECONOMIC DEVELOPMENT</b>				<b>34 500</b>	
<b>TOTAL : ECONOMIC DEVELOPMENT - GFS</b>				<b>34 500</b>	
<b>Total Capital Budget</b>				<b>5 467 000</b>	
<b>FUNDING OF CAPITAL BUDGET</b>					
CDM - Accumulated Profits				5 467 000	
				5 467 000	

## TARIFFS 2015/2016

**1 COMPUTERISED INFORMATION**

1.1 Computer Prints - per eyeline page	b	each	R 3.50
1.2 Computer Disks			
1.2.1 Basic service fee	b	each	R 265.00
1.2.2 Price per record (Inclusive of the price of the floppy disk)	b	each	R 0.60

**2 FAXES**

2.1 Cost of transmitting fax - per page	b	each	R 1.30
2.2 Cost of receiving fax - per page	b	each	R 1.30

**3 INTEREST RATE**

3.1 Standard Rate of Interest means a rate of interest which is two percent higher than the rate of interest payable by a Council to its bank in respect of an overdraft	a		
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**4 PHOTOCOPIES**

A3	b	each	R 1.60
A4	b	each	R 1.20

**5 PARKING**

<u>Private (Staff)</u> Standard Bank	b	each	R 50.00
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**6 ESTATES**

6.1 Rental - Internal	b	per m <sup>2</sup>	R 66.00
6.2 Rental - External	b	As per negotiated lease agreements	

**7 BID DOCUMENTS**

7.1 Bid document Administration Fee - 80/20 PPP	b	each	R 100.00
7.2 Bid document Administration Fee - 90/10 PPP	b	each	R 250.00

**8 COMPUTER GENERATED PLANS**

8.1 <u>Paper</u>			
A3 (cut sheets)	b	each	R 13.00
A4 prints Laser & Colour	b	each	R 8.00
8.2 <u>Extract of digital Data to disc</u>			
First Disc	b	each	R 340.00
Second disc and thereafter	b	each	R 85.00
8.3 <u>Search and Inspection Fees</u>			
Furnishing mapping information	b	per hour	R 85.00

9 ENVIRONMENTAL HEALTH

9.1 Certificate of Acceptability

b each

R 70.00

10 PROMOTION OF ACCESS TO INFORMATION ACT

Part ii of Notice 187 in the Government Gazette on 1 November 2006

- 1 The fee for a copy of the manual is in accordance with regulation 5(c) of the Act
- 2 The fees for reproduction is in accordance with regulation 7(1) of the Act
- 3 The request fee payable by every requester, other than a personal requester, is in accordance with regulation 7(2) of the Act
- 4 The access fees payable by a requester is in accordance with regulation 7(3) of the Act
- 5 For purposes of section 22(2) of the Act, the following applies:
  - a) Six hours as the hours to be exceeded before a deposit is payable; and
  - b) one third of the access fee is payable as a deposit by the requester.
- 6 The actual postage is payable when a copy of a record must be posted to a requester.

a *Tariff exempt from VAT*

b *Tariff is standard rated and VAT inclusive*

SARAH BAARTMAN DISTRICT MUNICIPALITY: DRAFT SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2015/16										ANNEXURE G			
										Performance Milestones			
Objective	Strategy	Draft Project	Draft Key Performance Indicator	Draft Annual Target 2015/16	Department	GFS	2014/15 Account Number	2014/15 R's	30 Sep 2015 Draft Target	31 Dec 2015 Draft Target	31 Mar 2016 Draft Target	30 Jun 2016 Draft Target	
<b>DEVELOPMENT PRIORITY 1: INFRASTRUCTURE INVESTMENT</b>													
To provide costed infrastructure plans	Appointment of experienced professional team	District Wide Infrastructure Plan	District Wide Infrastructure Plan Developed	Five year Infrastructure Plan Developed for CDM	Planning and Infrastructure Services	Planning & Development	0120278165	R 750 000	Data Capturing 50% complete	Data Capturing complete	Submission of Draft Report	Submission of Final Report and project complete	
To promote and co-ordinate integrated spatial planning in the District	Co-ordinate the implementation of Spatial Planning and Land Use Management Act (SPLUMA)	Review and Consolidation of Makana Zoning Scheme Regulations	Reviewed Makana Zoning Scheme	Draft Regulations and Status Quo Maps Complete	Planning and Infrastructure Services	Planning & Development	0115278284	R 300 000	Appointment of Service Provider	Submission of Status Quo Report	Public Participation Complete	Draft Regulations Complete	
To promote integration between spatial planning and transportation	Implementation of transportation projects	Construction of a Inter-city Bus terminal in Graaff Reinet	Construction of Inter-City Bus Terminal in Graaff Reinet	Initiation of project construction	Planning and Infrastructure Services	Road Transport	0115478145 0115478255	R 4 570 788	Construction in progress	Construction 50% complete	Construction 75% complete	Project 100% complete	
To provide roads infrastructure from basic service to a higher level in key strategic areas for at least 10km's per annum over 5 years	Implementation of road projects as mandated by LMS	Rural Roads Asset Management System (RRAMS)	Rural Roads Asset Management System set up for CDM	Visual Assessments and Inventory surveys complete	Planning and Infrastructure Services	Roads	0115478360	R 2 200 000	To be determined	To be determined	To be determined	To be determined	
To promote the prevention of air pollution and degradation air quality throughout the district	Implementation of Air Quality Management Plan	Development of Air Quality Management Plan in SBDM	Construction of main road in Ngathamsanga, SRV	Upgrading of main road 75% complete	Planning and Infrastructure Services	Planning & Development	0120278164	R 1 236 000	Construction commences	30% of Construction completed	50% of Construction completed	75% of Construction completed	
To provide support on cleanliness of the towns and townships and to mitigate health risks posed by each landfill site in all the 9 LMS by 2017	Implementation of Waste Management Plan	Review of Integrated Waste Management Plan for Makana, Kouga and SRV	Review of Integrated Waste Management Plan in Makana, Kouga and SRV	Air Quality Management Plan Complete	Planning and Infrastructure Services	Planning & Development	To be determined	R 250 000	Tender process complete	Appointment of Service Provider	Submission of Final AQM Plan	Submission of Final AQM Plan	
To reduce the effects of stormwater in prone areas by building 10 km of drainage per year	Stormwater Management Plan	Stormwater Masterplans for Port Alfred and Bushmans in Ndlambe Complete	Stormwater Masterplans for Port Alfred and Bushmans in Ndlambe Complete	Review of Stormwater Masterplan for Makana, Kouga and SRV Complete	Planning and Infrastructure Services	Planning & Development	To be determined	R 300 000	Tender process complete	Appointment of Service Provider	Submission of Draft IWM Plan	Submission of Final IWM Plan	
To be determined	To be determined	Renovation of the SBDM building	To be determined	To be determined	Planning and Infrastructure Services	Planning & Development	To be determined	To be determined	To be determined	Data capturing & Analysis for Port Alfred complete	Draft Masterplan for Port Alfred complete	Final Masterplan for Port Alfred complete	
To be determined	To be determined		To be determined	To be determined	Planning and Infrastructure Services	Planning & Development	To be determined	To be determined	To be determined	To be determined	To be determined	To be determined	

		Performance Milestones														
Objective	Strategy	Draft Project	Draft Key Performance Indicator	Draft Annual Target 2015/16	Department	GFS	2014/15 Account Number	2014/15 R's	30 Sep 2015 Draft Target	31 Dec 2015 Draft Target	31 Mar 2016 Draft Target	30 Jun 2016 Draft Target				
<b>DEVELOPMENT PRIORITY 2: CAPACITY BUILDING AND SUPPORT TO LMS</b>																
To improve effectiveness in municipal financial management	Improve corporate governance systems both in the district and LMs	GRAP implementation	Provision of assistance to 5 LMs in respect to GRAP compliance and improve Audit Outcomes	Provide assistance through 1 training workshops held in GRAP compliance and new standards by making available financial management support to deal with issues raised in the LM's AG's management letter.	Finance & Corporate Services	Finance and Admin	01 055 78207	R 2 500 000	Improved Financial Management process, policies, procedures and internal controls	Improved Financial Management process, policies, procedures and internal controls	Improved Financial Management process, policies, procedures and internal controls	Improved Financial Management process, policies, procedures and internal controls				
<b>DEVELOPMENT PRIORITY 3: ECONOMIC DEVELOPMENT</b>																
Broaden economic participation and inclusion by increasing the number and support to small enterprises by 10%	Promote Social Economy Investment	Development Support to SMMEs/Cooperatives in the Local Municipalities	5 SMME and Cooperatives and Business supported. CDM hosting one SMME Fair	2 SMME from LMs supported. 3 Cooperatives supported. One SMME fair organised.	Economic Development	LED	01 147 78216	R 2 000 000	Invite proposals from LMs for Coop support. Select SMME programmes/projects from LED sector plans of LMs. Submit to Mayco for approval	SLAs signed with LMs. Implementation commence	Host CDM SMME Fair. M&E of SMME and Co-operatives	Submit closing reports to Mayco and Council.				
Building local and regional networks and collaboration through the creation of partnerships with (a) government, (b) the private sector and (c) education / research.	Facilitate community and worker participation in share ownership	Honey Bush Tea Project - Coop partnership support	3 Co-ops for Honeybush Tea Project supported.	Honeybush Tea Project in Koukamma LM is formalised and	Economic Development	LED	0114778275	R 300 000	PSC to identify Co-ops for support	Implementation agreements approved	M&E conducted and report progress to Mayco and Council	Closing report submitted to Council				
Build Government to Government Partnerships	Build Government to Government Partnerships	Implement DST annual programme/action plan	LED Capacity Building for LMs is undertaken. 4 DST meetings held. LED capacity building programme implemented	DST plans are implemented. LED capacity building programme developed	Economic Development	LED	0140078249	R 700 000	1 meeting of DST held. 1 PSC meeting of LED Cap Bldg held. Report progress to Mayco	LED capacity Building programme adopted. 1 DST meeting held and Progress report submitted to Mayco	1 meeting of DST held. Report progress to Mayco	1 DST meeting held. Report progress to Mayco				
Regenerate core towns as service and Economic Hubs	Promote Rural tourism and Niche services and manufacturing	Tourism Marketing	To conduct review and implementation of tourism marketing strategy	Tourism marketing strategy reviewed and implemented	Economic Development	Tourism	01 400 78124	R 2 500 000	Review marketing strategy and formulate implementation plan of the Tourism Marketing strategy.	Implement Tourism marketing Strategy through Participation at the Getaway show. The implementation of Monthly Getaway for Locals; Placements of Advertisements in at least 2 media channels and conduct summer campaign	Additional Placements in at least 2 media channels; Complete concept for Winter Campaign; and print 7 wenders area brochures	Participate at Tourism Incaba, Winter Campaign roll out; Placements of adverts in at least 2 media channels				
	Support to LTOs	Support to LTOs	To support at least 3 LTOs in the District	3 LTOs supported in the District	Economic Development	Tourism	01 400 78052	R 800 000	Proposals reviewed, evaluated and submitted to Mayoral Committee for approval	Service level Agreements signed with LTOs/Beneficiaries	3 LTO projects implemented and monitored	Cross-out Report submitted to Mayco and Council				

Objective	Strategy	Draft Project	Draft Key Performance Indicator	Draft Annual Target 2015/16	Department	GFS	2014/15 Account Number	2014/15 R's	Performance Milestones			
									30 Sep 2015 Draft Target	31 Dec 2015 Draft Target	31 Mar 2016 Draft Target	30 Jun 2016 Draft Target
Developing skills and education base by increasing the number of semi-skilled and skilled by 10%.	Create further education opportunities	Tourism Sector Development Support to LMs	Tourism Sector Development 2 Tourism Infrastructure Development projects supported	2 Tourism Infrastructure Development projects supported	Economic Development	Tourism	01 400 78052	R 1 500 000	Request for proposals from LMs as per Tourism Sector Plans. Proposals reviewed, evaluated and submitted to Mayoral Committee for approval	Service Level Agreements signed with LMs / Beneficiaries	2 LM projects implemented and monitored	Close-out Report submitted to Mayco and Council
Increase Agricultural Income	Develop skills through mentorship in the Agricultural Sector by increasing the number of semi-skilled emerging farmers by	Creative Industries support programme	Membership implemented for Emerging Farmers and evaluated in 8 LMs	3 creative industries projects supported in the District	Economic Development	Creative Industries	0140078341	R 900 000	Invite proposals from LMs for Coop support. Select SMME programmes/projects from LED sector plans of LMs. Submit to Mayco for approval	Service Level agreements signed with LMs / Beneficiaries	3 Creative Industries projects implemented and monitored	Close-out report submitted to MC and Council
To provide effective fire fighting to all LMs in the district by 2017	Provide fire fighting capacity	Standardisation of Fire Hydrants in the District	Restoration and standardisation of Fire Hydrants in Koukamma, Camdeboo, Blue Crane Route, Sundays River Valley, Ikwazi, and Bavlaans	3 New mentorship sites identified and 5 existing mentorship sites mentored and monitored	Economic Development	LED	01 147 78188	R 500 000	5 sites are active and operational. Additional 3 new sites are identified	5 sites implemented and monitored quarterly reports submitted. 3 new sites approved and SLA are signed	5 sites evaluated. Recommend outcomes of evaluation to Mayco. 3 new sites implemented	5 sites Completed. Quarterly reports submitted to Mayco on 3 new sites.
<b>DEVELOPMENT PRIORITY 4: COMMUNITY AND SOCIAL SERVICES</b>												
To provide effective fire fighting to all LMs in the district by 2017	Provide fire fighting capacity	Standardisation of Fire Hydrants in the District	Restoration and standardisation of Fire Hydrants in Koukamma, Camdeboo, Blue Crane Route, Sundays River Valley, Ikwazi, and Bavlaans	Restoration and standardisation of 408 Fire Hydrants in Koukamma, Camdeboo; Blue Crane Route; Sundays River Valley; Ikwazi; and Bavlaans	Planning and Infrastructure Services	Public Safety	0111378201 -EPWP Grant	R 1 493 000	To be determined	To be determined	To be determined	To be determined
Provide resources	Integrated Emergency Response Centre	Construction of Ndlabembe Integrated Emergency Response Centre	Integrated Emergency Response Centre completed in Ndlabembe	Initiation of project construction	Planning and Infrastructure Services	Public Safety	0111378353	R 4 823 000	Construction commences	Construction 40% complete	Construction 70% complete	Project 100% complete
To be determined	Disaster Risk Reduction	Disaster Risk Reduction	To be determined	Phase 1 (20%) of Disaster Centre Completed	Planning and Infrastructure Services	Public Safety	0111378202	R 5 000 000	Appointment of Consultant	Finalisation of Designs Complete	Contractor appointed	20% of Construction completed
To be determined	Disaster Risk Assessment	Disaster Risk Assessment	To be determined	100% of construction complete	Planning and Infrastructure Services	Public Safety	0111378352	R 2 208 000	Construction in progress	40% of Construction completed	40% of Construction completed	Project 100% complete
To be determined	Disaster Risk Assessment	Disaster Risk Assessment	To be determined	To be determined	Planning and Infrastructure Services	Public Safety	To be determined	To be determined	To be determined	To be determined	To be determined	To be determined
To be determined	Disaster Risk Assessment	Disaster Risk Assessment	To be determined	To be determined	Planning and Infrastructure Services	Public Safety	To be determined	To be determined	To be determined	To be determined	To be determined	To be determined
<b>DEVELOPMENT PRIORITY 5: INSTITUTIONAL DEVELOPMENT</b>												





# PERFORMANCE AGREEMENT

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MADE AND ENTERED INTO BY AND BETWEEN:



**THE CACADU DISTRICT MUNICIPALITY  
AS REPRESENTED BY THE EXECUTIVE MAYOR**

**KHUNJUZWA KEKANA**  
(HEREIN REFERED TO AS THE 'EMPLOYER')

**AND**

**DAYALAN MURUVEN PILLAY**  
**MUNICIPAL MANAGER**  
(HEREIN REFERED TO AS THE 'EMPLOYEE')

FOR THE FINANCIAL YEAR:  
1 JULY 2014 - 30 JUNE 2015

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**WHEREBY IT IS AGREED AS FOLLOWS:**

**1. INTRODUCTION**

- 1.1 The **Employer** has entered into a contract of employment with the **Employee** in terms of section 57(1)(a) of the Local Government: Municipal Systems Act 32 of 2000 ("the Systems Act"). The **Employer** and the **Employee** are hereinafter referred to as "the Parties".
- 1.2 Section 57(1)(b) of the Systems Act, read with the Contract of Employment concluded between the parties, requires the parties to conclude an annual performance agreement.
- 1.3 The parties wish to ensure that they are clear about the goals to be achieved, and secure the commitment of the **Employee** to a set of outcomes that will secure local government policy goals.
- 1.4 The parties wish to ensure that there is compliance with Sections 57(4A), 57(4B) and 57(5) of the Systems Act.
- 1.2 That in terms of the MFMA Regulations and Government Gazette Vol. 585, No. 37432 dated 14 March 2014, the **Employee** will obtain the minimum competency requirements to execute his/her function is achieved by **30 September 2015**.

**2. PURPOSE OF THIS AGREEMENT**

The purpose of this Agreement is to -

- 2.1 comply with the provisions of Section 57(1)(b),(4A),(4B) and (5) of the Act as well as the employment contract entered into between the parties;
- 2.2 specify objectives and targets defined and agreed with the employee and to communicate to the employee the employer's expectations of the employee's performance and accountabilities in alignment with the Integrated Development Plan, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the municipality;
- 2.3 specify accountabilities as set out in a performance plan, which forms an annexure to the performance agreement;
- 2.4 monitor and measure performance against set targeted outputs;
- 2.5 use the performance agreement as the basis for assessing whether the employee has met the performance expectations applicable to his or her job;
- 2.6 in the event of outstanding performance, to appropriately reward the employee; and
- 2.7 give effect to the employer's commitment to a performance-orientated relationship with its employee in attaining equitable and improved service delivery.

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ZG  
K...  
CAB

### 3 COMMENCEMENT AND DURATION

- 3.1 This Agreement will commence on the **1<sup>st</sup> July 2014** and will remain in force until **30<sup>th</sup> June 2015** thereafter a new Performance Agreement, Performance Plan and Personal Development Plan shall be concluded between the parties for the next financial year or any portion thereof.
- 3.2 The parties will review the provisions of this Agreement during June each year. The parties will conclude a new Performance Agreement and Performance Plan that replaces this Agreement at least once a year by not later than the beginning of each successive financial year.
- 3.3 This Agreement will terminate on the termination of the **Employee's** contract of employment for any reason.
- 3.4 The content of this Agreement may be revised at any time during the above-mentioned period to determine the applicability of the matters agreed upon.
- 3.5 If at any time during the validity of this Agreement the work environment alters (whether as a result of government or council decisions or otherwise) to the extent that the contents of this Agreement are no longer appropriate, the contents shall immediately be revised.

### 4 PERFORMANCE OBJECTIVES

- 4.1 The Performance Plan (Annexure A) sets out-
- 4.1.1 the performance objectives and targets that must be met by the **Employee**;  
and
- 4.1.2 the time frames within which those performance objectives and targets must be met.
- 4.2 The performance objectives and targets reflected in Annexure A are set by the **Employer** in consultation with the **Employee** and based on the Integrated Development Plan, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the **Employer**, and shall include key objectives; key performance indicators; target dates and weightings.
- 4.2.1 The key objectives describe the main tasks that need to be done.
- 4.2.2 The key performance indicators and means of verification provide the details of the evidence that must be provided to show that a key objective has been achieved.
- 4.2.3 The target dates describe the timeframe in which the work must be achieved.
- 4.2.4 The weightings show the relative importance of the key objectives to each other.
- 4.3 The **Employee's** performance will, in addition, be measured in terms of contributions to the goals and strategies set out in the **Employer's** Integrated Development Plan.

## 5 PERFORMANCE MANAGEMENT SYSTEM

- 5.1 The **Employee** agrees to participate in the performance management system that the **Employer** adopts or introduces for the **Employer**, management and municipal staff of the **Employer**.
- 5.2 The **Employee** accepts that the purpose of the performance management system will be to provide a comprehensive system with specific performance standards to assist the **Employer**, management and municipal staff to perform to the standards required.
- 5.3 The **Employer** will consult the **Employee** about the specific performance standards that will be included in the performance management system as applicable to the **Employee**.
- 5.4 The **Employee** undertakes to actively focus towards the promotion and implementation of the KPAs (including special projects relevant to the employee's responsibilities) within the local government framework.
- 5.5 The criteria upon which the performance of the **Employee** shall be assessed shall consist of two components, both of which shall be contained in the Performance Agreement.
- 5.5.1 The **Employee** must be assessed against both components, with a weighting of 80:20 allocated to the Key Performance Areas (KPAs) and the Core Competency Requirements (CCRs) respectively.
- 5.5.2 Each area of assessment will be weighted and will contribute a specific part to the total score.
- 5.5.3 KPAs covering the main areas of work will account for 80% and CCRs will account for 20% of the final assessment.
- 5.6 The **Employee's** assessment will be based on his / her performance in terms of the outputs / outcomes (performance indicators) identified as per attached Performance Plan (**Annexure A**), which are linked to the KPA's, and will constitute 80% of the overall assessment result as per the weightings agreed to between the **Employer** and **Employee**:

Key Performance Areas (KPA's)	Weighting
Municipal Institutional Development and Transformation	19,3%
Basic Service Delivery	10,9%
Local Economic Development (LED)	16%
Municipal Financial Viability and Management	30,3%
Good Governance and Public Participation	23,5%
<b>Total</b>	<b>100%</b>

- 5.7 In the case of managers directly accountable to the municipal manager, key performance areas related to the functional area of the relevant manager, must be subject to negotiation between the municipal manager and the relevant manager.
- 5.8 The CCRs will make up the other 20% of the **Employee's** assessment score. CCRs that are deemed to be most critical for the **Employee's** specific job should be selected (✓) from the list below as agreed to between the **Employer** and **Employee**. Three of the CCRs are compulsory for Municipal Managers:

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 H. K. K.  
 C. S. B.

CORE COMPETENCY REQUIREMENTS (CCR) FOR EMPLOYEES		
CORE MANAGERIAL COMPETENCIES (CMC)	√	WEIGHT
Strategic Capability and Leadership		
Programme and Project Management		
Financial Management	compulsory	25
Change Management		
Knowledge Management		
Service Delivery Innovation		
Problem Solving and Analysis		
People Management and Empowerment	compulsory	25
Client Orientation and Customer Focus	compulsory	25
Communication		
Honesty and Integrity		
CORE OCCUPATIONAL COMPETENCIES (COC)		
Competence in Self Management		
Interpretation of and implementation within the legislative and national policy frameworks	√	25
Knowledge of Performance Management and Reporting		
Knowledge of global and South African specific political, social and economic contexts		
Competence in policy conceptualisation, analysis and implementation		
Knowledge of more than one functional municipal field / discipline		
Skills in Mediation		
Skills in Governance		
Competence as required by other national line sector departments		
Exceptional and dynamic creativity to improve the functioning of the municipality		
Total percentage	-	100%

## 6. EVALUATING PERFORMANCE

- 6.1 The Performance Plan (Annexure A) to this Agreement sets out -
- 6.1.1 the standards and procedures for evaluating the **Employee's** performance; and
- 6.1.2 the intervals for the evaluation of the **Employee's** performance.
- 6.2 Despite the establishment of agreed intervals for evaluation, the **Employer** may in addition review the **Employee's** performance at any stage while the contract of employment remains in force.
- 6.3 Personal growth and development needs identified during any performance review discussion must be documented in a Personal Development Plan as well as the actions agreed to and implementation must take place within set time frames.
- 6.4 The **Employee's** performance will be measured in terms of contributions to the goals and strategies set out in the **Employer's** IDP.
- 6.5 The annual performance appraisal will involve:

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 K. K. B. B.

**6.5.1 Assessment of the achievement of results as outlined in the performance plan:**

- (a) Each KPA should be assessed according to the extent to which the specified standards or performance indicators have been met and with due regard to ad hoc tasks that had to be performed under the KPA.
- (b) An indicative rating on the five-point scale should be provided for each KPA.
- (c) The applicable assessment rating calculator (refer to paragraph 6.5.3 below) must then be used to add the scores and calculate a final KPA score.

**6.5.2 Assessment of the CCRs**

- (a) Each CCR should be assessed according to the extent to which the specified standards have been met.
- (b) An indicative rating on the five-point scale should be provided for each CCR.
- (c) This rating should be multiplied by the weighting given to each CCR during the contracting process, to provide a score.
- (d) The applicable assessment rating calculator (refer to paragraph 6.5.1) must then be used to add the scores and calculate a final CCR score.

**6.5.3 Overall rating**

An overall rating is calculated by using the applicable assessment-rating calculator. Such overall rating represents the outcome of the performance appraisal.

6.6 The assessment of the performance of the **Employee** will be based on the following rating scale for KPA's and CCRs:

Level	Terminology	Description	Rating				
			1	2	3	4	5
5	Outstanding performance	Performance far exceeds the standard expected of an employee at this level. The appraisal indicates that the Employee has achieved above fully effective results against all performance criteria and indicators as specified in the PA and Performance plan and maintained this in all areas of responsibility throughout the year.					
4	Performance significantly above expectations	Performance is significantly higher than the standard expected in the job. The appraisal indicates that the Employee has achieved above fully effective results against more than half of the performance criteria and indicators and fully achieved all others throughout the year.					

Level	Terminology	Description	Rating				
			1	2	3	4	5
3	Fully effective	Performance fully meets the standards expected in all areas of the job. The appraisal indicates that the Employee has fully achieved effective results against all significant performance criteria and indicators as specified in the PA and Performance Plan.					
2	Not fully effective	Performance is below the standard required for the job in key areas. Performance meets some of the standards expected for the job. The review/assessment indicates that the employee has achieved below fully effective results against more than half the key performance criteria and indicators as specified in the PA and Performance Plan.					
1	Unacceptable performance	Performance does not meet the standard expected for the job. The review/assessment indicates that the employee has achieved below fully effective results against almost all of the performance criteria and indicators as specified in the PA and Performance Plan. The employee has failed to demonstrate the commitment or ability to bring performance up to the level expected in the job despite management efforts to encourage improvement.					

- 6.7 For purposes of evaluating the annual performance of the municipal manager, an evaluation panel constituted of the following persons must be established -
- 6.7.1 Executive Mayor or Mayor;
  - 6.7.2 Chairperson of the performance audit committee or the audit committee in the absence of a performance audit committee;
  - 6.7.3 Member of the mayoral or executive committee or in respect of a plenary type municipality, another member of council;
  - 6.7.4 Mayor and/or municipal manager from another municipality; and
  - 6.7.5 Member of a ward committee as nominated by the Executive Mayor or Mayor.
- 6.8 For purposes of evaluating the annual performance of managers directly accountable to the municipal managers, an evaluation panel constituted of the following persons must be established -
- 6.8.1 Municipal Manager;
  - 6.8.2 Chairperson of the performance audit committee or the audit committee in the absence of a performance audit committee;
  - 6.8.3 Member of the mayoral or executive committee or in respect of a plenary type municipality, another member of council; and
  - 6.8.4 Municipal manager from another municipality.
- 6.9 The manager responsible for human resources of the municipality must provide secretariat services to the evaluation panels referred to in sub-regulations (6.7) and (6.8).

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 [Initials] [Initials] [Initials]



## 7. SCHEDULE FOR PERFORMANCE REVIEWS

7.1 The performance of each **Employee** in relation to his / her performance agreement shall be reviewed on the following dates with the understanding that reviews in the first and third quarter may be verbal if performance is satisfactory:

<b>First quarter</b>	:	July – September	<b>Before end October 2014</b>
<b>Second quarter</b>	:	October – December	<b>Before end January 2015</b>
<b>Third quarter</b>	:	January – March	<b>Before end April 2015</b>
<b>Fourth quarter</b>	:	April – June	<b>Before end January 2016</b>

7.2 The **Employer** shall keep a record of the mid-year review and annual assessment meetings.

7.3 Performance feedback shall be based on the **Employer's** assessment of the **Employee's** performance.

7.4 The **Employer** will be entitled to review and make reasonable changes to the provisions of Annexure "A" from time to time for operational reasons. The **Employee** will be fully consulted before any such change is made.

7.5 The **Employer** may amend the provisions of Annexure A whenever the performance management system is adopted, implemented and / or amended as the case may be. In that case the **Employee** will be fully consulted before any such change is made.

## 8. DEVELOPMENTAL REQUIREMENTS

The Personal Development Plan (PDP) for addressing developmental gaps is attached as Annexure B.

## 9. OBLIGATIONS OF THE EMPLOYER

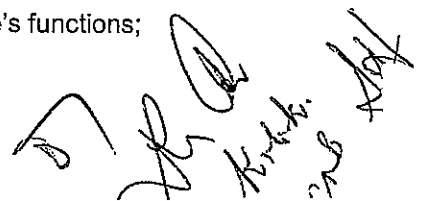
9.1 The Employer shall –

- 9.1.1 create an enabling environment to facilitate effective performance by the employee;
- 9.1.2 provide access to skills development and capacity building opportunities;
- 9.1.3 work collaboratively with the **Employee** to solve problems and generate solutions to common problems that may impact on the performance of the **Employee**;
- 9.1.4 on the request of the **Employee** delegate such powers reasonably required by the **Employee** to enable him / her to meet the performance objectives and targets established in terms of this Agreement; and
- 9.1.5 make available to the **Employee** such resources as the **Employee** may reasonably require from time to time to assist him / her to meet the performance objectives and targets established in terms of this Agreement.

## 10. CONSULTATION

10.1 The **Employer** agrees to consult the **Employee** timeously where the exercising of the powers will have amongst others –

- 10.1.1 a direct effect on the performance of any of the **Employee's** functions;



10.1.2 commit the **Employee** to implement or to give effect to a decision made by the **Employer**; and

10.1.3 a substantial financial effect on the **Employer**.

10.2 The **Employer** agrees to inform the **Employee** of the outcome of any decisions taken pursuant to the exercise of powers contemplated in 10.1 as soon as is practicable to enable the **Employee** to take any necessary action without delay.

## 11. MANAGEMENT OF EVALUATION OUTCOMES

11.1 The evaluation of the **Employee's** performance will form the basis for rewarding outstanding performance or correcting unacceptable performance.

11.2 A performance bonus of between 5% to 14% of the all-inclusive annual remuneration package may be paid to the **Employee** in recognition of outstanding performance to be constituted as follows:

11.2.1 a score of 130% to 149% is awarded a performance bonus ranging from 5% to 9%; and

11.2.2 a score of 150% and above is awarded a performance bonus ranging from 10% to 14%.

SCORE	BONUS %
130 - 133	5
134 - 137	6
138 - 141	7
142 - 145	8
146 - 149	9
150 - 153	10
154 - 157	11
158 - 161	12
162 - 165	13
166 - 167	14

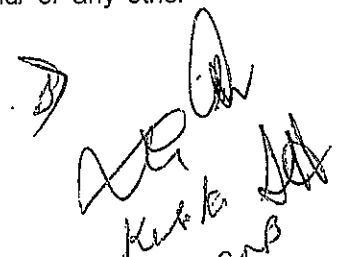
11.3 In the case of unacceptable performance, the **Employer** shall –

11.3.1 provide systematic remedial or developmental support to assist the **Employee** to improve his or her performance; and

11.3.2 after appropriate performance counselling and having provided the necessary guidance and/ or support as well as reasonable time for improvement in performance, the **Employer** may consider steps to terminate the contract of employment of the **Employee** on grounds of unfitness or incapacity to carry out his or her duties.

## 12. DISPUTE RESOLUTION

12.1 Any disputes about the nature of the **Employee's** performance agreement, whether it relates to key responsibilities, priorities, methods of assessment and/ or any other matter provided for, shall be mediated by –



12.1.1 the MEC for local government in the province within thirty (30) days of receipt of a formal dispute from the **Employee**; or

12.1.2 any other person appointed by the MEC.

12.1.3 In the case of managers directly accountable to the municipal manager, a member of the municipal council, provided that such member was not part of the evaluation panel provided for in sub-regulation 27(4)(e) of the Municipal Performance Regulations, 2006, within thirty (30) days of receipt of a formal dispute from the employee;

whose decision shall be final and binding on both parties.

12.2 In the event that the mediation process contemplated above fails, clause 20 of the Contract of Employment shall apply.

### 13. GENERAL

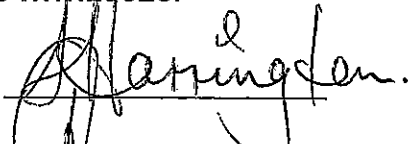

13.1 The contents of this agreement and the outcome of any review conducted in terms of Annexure A may be made available to the public by the **Employer**.


13.2 Nothing in this agreement diminishes the obligations, duties or accountabilities of the **Employee** in terms of his/ her contract of employment, or the effects of existing or new regulations, circulars, policies, directives or other instruments.

13.3 The performance assessment results of the municipal manager must be submitted to the MEC responsible for local government in the relevant province as well as the national minister responsible for local government, within fourteen (14) days after the conclusion of the assessment.

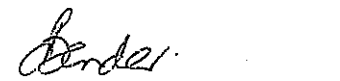
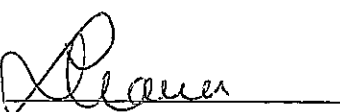
Thus done and signed at PORT ELIZABETH on this the 14 day of July 2014

#### AS WITNESSES:

1.   
2. 

  
EMPLOYEE

#### AS WITNESSES:

1.   
2. 

  
EXECUTIVE MAYOR/ MAYOR



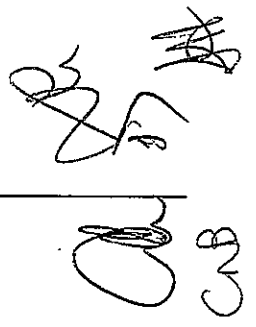


**PERFORMANCE PLAN : Ted Pillay (Municipal Manager)**

Objective	Strategy	Key Performance Indicator (Project)	Annual Target	Proof	Weighting	September 2014/2015	December 2014/2015	March 2014/2015	June 2014/2015
<b>KPA 1. BASIC SERVICE DELIVERY</b>									
General	100% of SDBIP (operational and capital projects) implemented.	Ensure 100% implementation and spending of SDBIP projects in Infrastructure and Planning Services Department	100% implementation and implementation	SDBIP quarter report and Annual Performance Report	4.8%	1st Q SDBIP REPORT submitted to MAYCO and COUNCIL	2nd Q SDBIP REPORT submitted to MAYCO and COUNCIL	3rd Q SDBIP REPORT submitted to MAYCO and COUNCIL	100% implementation
		Ensure 100% implementation and spending of SDBIP projects in Economic Development Department	100% implementation and implementation	SDBIP quarter report and Annual Performance Report	4.8%	1st Q SDBIP REPORT submitted to MAYCO and COUNCIL	2nd Q SDBIP REPORT submitted to MAYCO and COUNCIL	3rd Q SDBIP REPORT submitted to MAYCO and COUNCIL	100% implementation
Improving connectivity infrastructure in all nine local municipalities	Rural connectivity infrastructure particularly broadband and mobile phones access	To ensure the operations of the Connect with Cacadu programme	100% operations of CWC	Report to Municipal Manager	2.4%	100% of CWC at LM's	100% of CWC at LM's	100% of CWC at LM's	100% of CWC at LM's
<b>KPA 2. MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION</b>									
General	Co-ordinate recruitment and selection processes	Oversee the development, implementation and evaluation, monitoring of the CDM's EE plan and ensure compliance of the EE Act in the institution	100% implementation of CDM's equity plan as per the target for 12/13	CDM EE Plan	1.4%	Full compliance to EE Plan targets for 13/14	Full compliance to EE Plan targets for 13/14	Full compliance to EE Plan targets for 13/14	Full compliance to EE Plan targets for 13/14
	Training	Ensuring implementation to CDM's workplace skills plan	100% implementation of employee workplace skills plan in place	Employee workplace skills plan	1.9%	NA	Report against plan	NA	R300,000 spent and recorded as a figure and %
	Render administration support to training and development	To ensure training and development of staff takes place in the Office of the MM	90% T&D needs addressed	Record of training in accordance with the needs through reviews	1%	Training needs identified at the previous performance review addressed	Training needs identified at the previous performance review addressed	Training needs identified at the previous performance review addressed	Training needs identified at the previous performance review addressed
	Compliance to National Treasury Competency Requirements	To ensure 100% Compliance to National Treasury Competency Requirements	100% compliance of unit standards achieved	Reports on unit standards achieved	1.9%	25% of unit standards achieved	50% of unit standards achieved	75% of unit standards achieved	100% of unit standards achieved

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**PERFORMANCE PLAN : Ted Pillay (Municipal Manager)**  
2014/2015

Objective	Strategy	Key Performance Indicator (Project)	Annual Target	Proof	Weighting	September 2014/2015	December 2014/2015	March 2014/2015	June 2014/2015	
	Ensure that capacity support to LMs is given priority	Review and Implementation of the CDM Capacity Building Strategy report	Evidence of reviewed strategy and implementation report	Report	3.8%	Capacity Building Strategy reviewed and implemented	Capacity Building Strategy implemented	Capacity Building Strategy implemented	Capacity Building Strategy implemented	
	To ensure implementation of decisions	100% implementation of decisions taken at Strategic Planning Sessions	100% Strategic decisions implemented	Report	2.9%	NA	NA	50% Strategic decisions implemented	100% Strategic decisions implemented	
To establish an CDM institution to its area of jurisdiction by 2013	Relocation CDM offices to Kirkwood	Securing of a building (office block) for the relocation to Kirkwood	Securing of a office block in Kirkwood for CDM relocation	Report	4.8%	Progress report on securing of building and submitted to Council	Progress report on securing of building and submitted to Council	Progress report on securing of building and submitted to Council	Building for CDM secured in Kirkwood	
<b>KPA 3. LOCAL ECONOMIC DEVELOPMENT (LED)</b>										
General	To implement CDM's marketing strategy	Ensure annual marketing plan is in place	100 % progress in reporting against plan	Report on implementation of plan	2.9%	Branding and communication plan in place	Report against plan	Report against plan	Report against plan	
	Establishment of District Development Agency	Board of Directors of CDA appointed, SLA signed and MFMA and relevant legislation compiled with by CDM	Board of Directors of CDA appointed and SLA signed and relevant legislation compiled with by CDM	Report to Mayoral Committee	4.8%	Board of Directors of CDA appointed and SLA signed ito of all relevant legislation	NA	NA	NA	
<b>KPA 4. MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT</b>										
General	Exercise financial control over CDM budget	Annual approved budget	Approved budget by 31 May	Council minutes	6.7%	NA	Roll-over budgets received	Draft budget approved by 31 March	Budget approved by 31 May	
	Operating Expenditure variance not to exceed 10%	Within 10% of actual expenditure	Actual expenditure	Annual financial statements	1%	NA	Projected expenditure within 10%	NA	Actual expenditure within 10%	
	Control of Financial Resources to meet Council Commitments	Balanced Cash Flow	Balanced Cash Flow	Financial Records	2.4%	Quarterly Financial Report	Quarterly Financial Report	Quarterly Financial Report	Quarterly Financial Report	
	Timely completion of Financial Statements ito of legislation	Delivery of financial statements to OAG on or before 31 August	Delivery of statements by 31 August annually	Proof of delivery	6.7%	Financial Statements delivered	NA	NA	NA	
	100% of SDBIP (operational and capital projects) implemented.	Ensure 100% implementation and spending of SDBIP projects in Finance	100% implementation and implementation of SDBIP projects in Finance	Quarterly SDBIP Report and Annual Performance	1.9%	NA	NA	NA	100%	

  
  
  
 7/11/2014

**PERFORMANCE PLAN : Ted Pillay (Municipal Manager)**

Objective	Strategy	Key Performance Indicator (Project) and Corporate Services Department	Annual Target	Proof	Weighting	September 2014/2015	December 2014/2015	March 2014/2015	June 2014/2015
To ensure financial sustainability		Submission of an annual mid-year Financial Sustainability Report to Council	Submission of an annual mid-year Financial Sustainability Report to Council	FSR to Council	2.9% NA	Submission of an annual mid-year Financial Sustainability Report to Council	NA	NA	NA
Lobby for funding		4 Successful submissions to sector departments / possible funders	Increased funding or investment as result of submissions	Reports/copies of submissions	5.7%	1 Successful submission to sector departments/funders	1 Successful submission to sector departments/funders	1 Successful submission to sector departments/funders	1 Successful submission to sector departments/funders
<b>KPA 5. GOOD GOVERNANCE AND PUBLIC PARTICIPATION</b>									
To facilitate HIV Arranging and Counselling and Testing (HCT) of 87 000 community members in all LMs annually		Full Implementation of the HIV/AIDS Plan (MMO00124)	HIV/AIDS Plan implemented through, HCT and TB Campaigns and Household surveys	Report	1.9%	Admin and Preparation phase	Engagement with LM's 50% of and Field work	Implementation of HIV/AIDS Plan	100% of implementation of HIV/AIDS Plan
General	Spatial Development Framework Compliance of 9 Local Municipalities	An approved SDF and IDP	IDP approved by 31 May annually	Council minutes	6.7%	Analysis phase commenced	Projects registered on the system	Draft IDP submitted to Council	Draft IDP submitted to Approved IDP by Council
To ensure that the PMS is implemented and maintained in accordance with Legislation		100% of employees under the PMS and reviewed	100% of employees under for inspection PMS and reviewed	Plans available for inspection	1.9%	100% employees with plans signed and reviewed	100% employees with plans signed and reviewed	100% employees with plans signed and reviewed	100% employees with plans signed and reviewed
Exercise financial control over CDM		Receipt of a Clean Audit Report	Clean Audit Report	Clean Audit Report from AG	4.8%	NA	Response provided to Draft Management letter	Receipt of a Clean Audit report and inclusion of same in annual report	NA
Ensure that the Municipality complies with Legislation applicable to it		Full compliance with OHASA	4 x checklists	4 x quarterly meetings	1%	1st checklist completed and quarterly meeting held	2nd checklist completed and quarterly meeting held	3rd checklist completed and quarterly meeting held	4th checklist completed and quarterly meeting held
Ensure the ongoing partnership agreements with other municipalities		Implementation of the partnership agreement with other municipalities	Report to Council on the success of partnership agreements	Partnership agreement in place and end-year report	2.4%	NA	Report on progress wrt partnership	Report on progress wrt partnership	Annual report

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PERFORMANCE PLAN : Ted Pillay (Municipal Manager)

Objective	Strategy	Key Performance Indicator (Project)	Annual Target	Proof	Weighting	September 2014/2015	December 2014/2015	March 2014/2015	June 2014/2015
other municipalities	Communication and continuous improvement strategy	Ensure conformance to CDM's communication strategy plan	100% implementation of CDM's communication strategy plan	Quarterly report on implementation	1.9%	Report against plan	Report against plan	Report against plan	Report against plan
A legally compliant municipality		100% implementation of all relevant legislation and regulations	100% implementation of all relevant legislation and regulations	Legislation and Regulations checklist	3.8%	100% implementation of all relevant legislation and regulations	100% implementation of all relevant legislation and regulations	100% implementation of all relevant legislation and regulations	100% implementation of all relevant legislation and regulations
No Exceptions raised in Internal and External Audit Reports		100% compliance to internal controls	100% compliance to internal controls	Internal Audit reports and AG Reports	2.9%	NA	Response provided to Draft Management letter	Receipt of a Clean Audit report and inclusion of same in annual report	NA
Risk Management		Ensure that sufficient and effective controls are in place to manage risks in the institution	100% controls in place to manage risks	Internal Audit reports	2.9%	100% controls in place to counter risks	100% controls in place to counter risks	100% controls in place to counter risks	100% controls in place to counter risks
Exercises budget control in order to prevent over/ unauthorised, Irregular, Fruitless expenditure. This includes		100% compliance to SCM and Unauthorised, Irregular, Fruitless and Wasteful Expenditure Policy	100% compliance to SCM and Unauthorised, Irregular, Fruitless and Wasteful Expenditure Policy	Internal and External Audit Reports	2.9%	100% compliance to policy	100% compliance to policy	100% compliance to policy	100% compliance to policy
To ensure Council Meetings administration		100% Implementation of Council Resolutions	100% Council Resolutions implemented	Report on implementation of Council Resolutions	2.9%	100% Council Resolutions implemented	100% Council Resolutions implemented	100% Council Resolutions implemented	100% Council Resolutions implemented

CORE COMPETENCY REQUIREMENTS (CCR's) : Ted Pillay (Municipal Manager)

Core Competency Requirement	Annual Target	Proof	Weighting	September 2014/2015	December 2014/2015	March 2014/2015	June 2014/2015
<b>CCR 1. MANAGERIAL</b> Strategic Capability and Leadership	Displays standard aligned to that recommended in the MSA competency guidelines	Evidence of standard achieved as documented in a written report	20%	Evidence of achievement / working towards the standard	Evidence of achievement / working towards the standard	Evidence of achievement / working towards the standard	Displays standard aligned to that recommended in the MSA competency guidelines

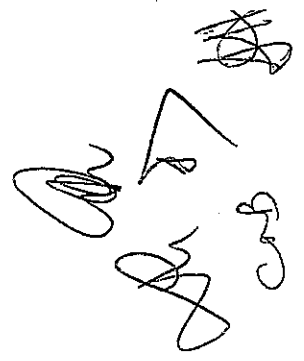
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## CORE COMPETENCY REQUIREMENTS (CCRs) : Ted Pillay (Municipal Manager)

Core Competency Requirement	Annual Target	Proof	Weighting	Targets		
				September 2014/2015	December 2014/2015	March 2014/2015
<b>CCR 2. OCCUPATIONAL</b>						
Financial Management	Displays standard recommended in the MSA competency guidelines	Evidence of standard achieved as documented in a written report	20%	Evidence of achievement / working towards the standard recommended in the MSA competency guidelines	Evidence of achievement / working towards the standard recommended in the MSA competency guidelines	Displays standard recommended in the MSA competency guidelines
People Management and Empowerment	Displays standard recommended in the MSA competency guidelines	Evidence of standard achieved as documented in a written report	20%	Evidence of achievement / working towards the standard recommended in the MSA competency guidelines	Evidence of achievement / working towards the standard recommended in the MSA competency guidelines	Displays standard recommended in the MSA competency guidelines
Client orientation and Customer Focus	Displays standard recommended in the MSA competency guidelines	Evidence of standard achieved as documented in a written report	20%	Evidence of achievement / working towards the standard recommended in the MSA competency guidelines	Evidence of achievement / working towards the standard recommended in the MSA competency guidelines	Displays standard recommended in the MSA competency guidelines
Interpretation of and implementation within the legislative and national policy frameworks	Displays standard recommended in the MSA competency guidelines	Evidence of standard achieved as documented in a written report	20%	Evidence of achievement / working towards the standard recommended in the MSA competency guidelines	Evidence of achievement / working towards the standard recommended in the MSA competency guidelines	Displays standard recommended in the MSA competency guidelines





## PERFORMANCE AGREEMENT

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MADE AND ENTERED INTO BY AND BETWEEN:



**THE CACADU DISTRICT MUNICIPALITY**  
**AS REPRESENTED BY THE MUNICIPAL MANAGER**

**DAYALAN MURUVEN PILLAY**  
(HEREIN REFERED TO AS THE 'EMPLOYER')

**AND**

**BHEKUYISE MAKEDAMA**  
**DIRECTOR: PLANNING AND INFRASTRUCTURE**  
**SERVICES**  
(HEREIN REFERED TO AS THE 'EMPLOYEE')

FOR THE FINANCIAL YEAR:  
1 JULY 2014 - 30 JUNE 2015

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**WHEREBY IT IS AGREED AS FOLLOWS:**

**1. INTRODUCTION**

- 1.1 The **Employer** has entered into a contract of employment with the **Employee** in terms of section 57(1)(a) of the Local Government: Municipal Systems Act 32 of 2000 ("the Systems Act"). The **Employer** and the **Employee** are hereinafter referred to as "the Parties".
- 1.2 Section 57(1)(b) of the Systems Act, refer to "subject to a separate performance agreement concluded annually", read with the Contract of Employment concluded between the parties, requires the parties to conclude an annual performance agreement.
- 1.3 The parties wish to ensure that they are clear about the goals to be achieved, and secure the commitment of the **Employee** to a set of outcomes that will secure local government policy goals.
- 1.4 The parties wish to ensure that there is compliance with Sections 57(4A), 57(4B) of the Systems Act refer to "performance objectives and targets that must be met, and the time frames within which those performance objectives and targets must be met" and 57(5) which states that "the performance objectives and targets referred to in subsection (4)(a) must be practical, measurable and based on the key performance indicators set out from time to time in the municipality's integrated development plan.
- 1.5 That in terms of the MFMA Regulations and Government Gazette Vol. 585, No. 37432 dated 14 March 2014, the **Employee** will obtain the minimum competency requirements to execute his/her function is achieved by **30 September 2015**.

**2. PURPOSE OF THIS AGREEMENT**

The purpose of this Agreement is to -

- 2.1 comply with the provisions of Section 57(1)(b),(4A),(4B) and (5) of the Act as well as the employment contract entered into between the parties;
- 2.2 specify objectives and targets defined and agreed with the employee and to communicate to the employee the employer's expectations of the employee's performance and accountabilities in alignment with the Integrated Development Plan, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the municipality;
- 2.3 specify accountabilities as set out in a performance plan, which forms an annexure to the performance agreement;
- 2.4 monitor and measure performance against set targeted outputs;
- 2.5 use the performance agreement as the basis for assessing whether the employee has met the performance expectations applicable to his or her job;
- 2.6 in the event of outstanding performance, to appropriately reward the employee; and
- 2.7 give effect to the employer's commitment to a performance-orientated relationship with its employee in attaining equitable and improved service delivery.

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### 3 COMMENCEMENT AND DURATION

- 3.1 This Agreement will commence on the **1<sup>st</sup> July 2014** and will remain in force until **30<sup>th</sup> June 2015** thereafter a new Performance Agreement, Performance Plan and Personal Development Plan shall be concluded between the parties for the next financial year or any portion thereof.
- 3.2 The parties will review the provisions of this Agreement during June each year. The parties will conclude a new Performance Agreement and Performance Plan that replaces this Agreement at least once a year by not later than the beginning of each successive financial year.
- 3.3 This Agreement will terminate on the termination of the **Employee's** contract of employment for any reason.
- 3.4 The content of this Agreement may be revised at any time during the above-mentioned period to determine the applicability of the matters agreed upon.
- 3.5 If at any time during the validity of this Agreement the work environment alters (whether as a result of government or council decisions or otherwise) to the extent that the contents of this Agreement are no longer appropriate, the contents shall immediately be revised.

### 4 PERFORMANCE OBJECTIVES

- 4.1 The Performance Plan (Annexure A) sets out-
- 4.1.1 the performance objectives and targets that must be met by the **Employee**;  
and
- 4.1.2 the time frames within which those performance objectives and targets must be met.
- 4.2 The performance objectives and targets reflected in Annexure A are set by the **Employer** in consultation with the **Employee** and based on the Integrated Development Plan, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the **Employer**, and shall include key objectives; key performance indicators; target dates and weightings.
- 4.2.1 The key objectives describe the main tasks that need to be done.
- 4.2.2 The key performance indicators and means of verification provide the details of the evidence that must be provided to show that a key objective has been achieved.
- 4.2.3 The target dates describe the timeframe in which the work must be achieved.
- 4.2.4 The weightings show the relative importance of the key objectives to each other.
- 4.3 The **Employee's** performance will, in addition, be measured in terms of contributions to the goals and strategies set out in the **Employer's** Integrated Development Plan.

### 5 PERFORMANCE MANAGEMENT SYSTEM

- 5.1 The **Employee** agrees to participate in the performance management system that the **Employer** adopts or introduces for the **Employer**, management and municipal staff of the **Employer**.

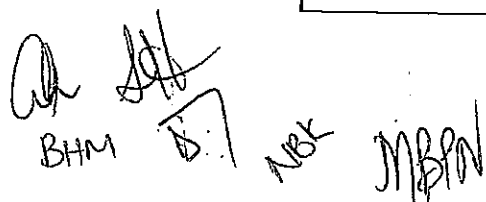
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- 5.2 The **Employee** accepts that the purpose of the performance management system will be to provide a comprehensive system with specific performance standards to assist the **Employer**, management and municipal staff to perform to the standards required.
- 5.3 The **Employer** will consult the **Employee** about the specific performance standards that will be included in the performance management system as applicable to the **Employee**.
- 5.4 The **Employee** undertakes to actively focus towards the promotion and implementation of the KPAs (including special projects relevant to the employee's responsibilities) within the local government framework.
- 5.5 The criteria upon which the performance of the **Employee** shall be assessed shall consist of two components, both of which shall be contained in the Performance Agreement.
- 5.5.1 The **Employee** must be assessed against both components, with a weighting of 80:20 allocated to the Key Performance Areas (KPAs) and the Core Competency Requirements (CCRs) respectively.
- 5.5.2 Each area of assessment will be weighted and will contribute a specific part to the total score.
- 5.5.3 KPAs covering the main areas of work will account for 80% and CCRs will account for 20% of the final assessment.
- 5.6 The **Employee's** assessment will be based on his / her performance in terms of the outputs / outcomes (performance indicators) identified as per attached Performance Plan (**Annexure A**), which are linked to the KPA's, and will constitute 80% of the overall assessment result as per the weightings agreed to between the **Employer** and **Employee**:

Key Performance Areas (KPA's)	Weighting
Municipal Institutional Development and Transformation	9.8%
Basic Service Delivery	56.9%
Local Economic Development (LED)	4.9%
Municipal Financial Viability and Management	15.7%
Good Governance and Public Participation	12.7%
<b>Total</b>	<b>100%</b>

- 5.7 In the case of managers directly accountable to the municipal manager, key performance areas related to the functional area of the relevant manager, must be subject to negotiation between the municipal manager and the relevant manager.
- 5.8 The CCRs will make up the other 20% of the **Employee's** assessment score. CCRs that are deemed to be most critical for the **Employee's** specific job should be selected (✓) from the list below as agreed to between the **Employer** and **Employee**. Three of the CCRs are compulsory for Municipal Managers:

CORE COMPETENCY REQUIREMENTS (CCR) FOR EMPLOYEES		
CORE MANAGERIAL COMPETENCIES (CMC)	✓	WEIGHT


  
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CORE COMPETENCY REQUIREMENTS (CCR) FOR EMPLOYEES		
CORE MANAGERIAL COMPETENCIES (CMC)	√	WEIGHT
Financial Management		
Change Management		
Knowledge Management		
Service Delivery Innovation		
Problem Solving and Analysis		
People Management and Empowerment	√	25
Client Orientation and Customer Focus	√	15
Communication		
Honesty and Integrity		
CORE OCCUPATIONAL COMPETENCIES (COC)		
Competence in Self Management		
Interpretation of and implementation within the legislative an national policy frameworks		
Knowledge of Performance Management and Reporting		
Knowledge of global and South African specific political, social and economic contexts		
Competence in policy conceptualisation, analysis and implementation		
Knowledge of more than one functional municipal field / discipline		
Skills in Mediation and Negotiation		
Skills in Governance		
Competence as required by other national line sector departments		
Display and guidance of Programme and Project and Fund Management	√	35
Application of Strategic Capability and Leadership	√	25
Exceptional and dynamic creativity to improve the functioning of the municipality		
Total percentage	-	100%

## 6. EVALUATING PERFORMANCE

- 6.1 The Performance Plan (Annexure A) to this Agreement sets out -
- 6.1.1 the standards and procedures for evaluating the **Employee's** performance; and
- 6.1.2 the intervals for the evaluation of the **Employee's** performance.
- 6.2 Despite the establishment of agreed intervals for evaluation, the **Employer** may in addition review the **Employee's** performance at any stage while the contract of employment remains in force.
- 6.3 Personal growth and development needs identified during any performance review discussion must be documented in a Personal Development Plan as well as the actions agreed to and implementation must take place within set time frames.
- 6.4 The **Employee's** performance will be measured in terms of contributions to the goals and strategies set out in the **Employer's** IDP.

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6.5 The annual performance appraisal will involve:

**6.5.1 Assessment of the achievement of results as outlined in the performance plan:**

- (a) Each KPA should be assessed according to the extent to which the specified standards or performance indicators have been met and with due regard to ad hoc tasks that had to be performed under the KPA.
- (b) An indicative rating on the five-point scale should be provided for each KPA.
- (c) The applicable assessment rating calculator (refer to paragraph 6.5.3 below) must then be used to add the scores and calculate a final KPA score.

**6.5.2 Assessment of the CCRs**

- (a) Each CCR should be assessed according to the extent to which the specified standards have been met.
- (b) An indicative rating on the five-point scale should be provided for each CCR.
- (c) This rating should be multiplied by the weighting given to each CCR during the contracting process, to provide a score.
- (d) The applicable assessment rating calculator (refer to paragraph 6.5.1) must then be used to add the scores and calculate a final CCR score.

**6.5.3 Overall rating**

An overall rating is calculated by using the applicable assessment-rating calculator. Such overall rating represents the outcome of the performance appraisal.

6.6 The assessment of the performance of the **Employee** will be based on the following rating scale for KPA's and CCRs:

Level	Terminology	Description	Rating				
			1	2	3	4	5
5	Outstanding performance	Performance far exceeds the standard expected of an employee at this level. The appraisal indicates that the Employee has achieved above fully effective results against all performance criteria and indicators as specified in the PA and Performance plan and maintained this in all areas of responsibility throughout the year.					
4	Performance significantly above expectations	Performance is significantly higher than the standard expected in the job. The appraisal indicates that the Employee has achieved above fully effective results against more than half of the performance criteria and indicators and fully achieved all others throughout the year.					

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Level	Terminology	Description	Rating				
			1	2	3	4	5
3	Fully effective	Performance fully meets the standards expected in all areas of the job. The appraisal indicates that the Employee has fully achieved effective results against all significant performance criteria and indicators as specified in the PA and Performance Plan.					
2	Not fully effective	Performance is below the standard required for the job in key areas. Performance meets some of the standards expected for the job. The review/assessment indicates that the employee has achieved below fully effective results against more than half the key performance criteria and indicators as specified in the PA and Performance Plan.					
1	Unacceptable performance	Performance does not meet the standard expected for the job. The review/assessment indicates that the employee has achieved below fully effective results against almost all of the performance criteria and indicators as specified in the PA and Performance Plan. The employee has failed to demonstrate the commitment or ability to bring performance up to the level expected in the job despite management efforts to encourage improvement.					

6.7 For purposes of evaluating the annual performance of the municipal manager, an evaluation panel constituted of the following persons must be established -

- 6.7.1 Executive Mayor;
- 6.7.2 Chairperson of the performance audit committee or the Chairperson or designated performance management specialist of the audit committee in the absence of a performance audit committee;
- 6.7.3 Member of the mayoral or executive committee or in respect of a plenary type municipality, another member of council;
- 6.7.4 Mayor and/or municipal manager from another municipality; and
- 6.7.5 Member of a ward committee as nominated by the Executive Mayor.

6.8 For purposes of evaluating the annual performance of managers directly accountable to the municipal managers, an evaluation panel constituted of the following persons must be established -

- 6.8.1 Municipal Manager;
- 6.8.2 Chairperson of the performance audit committee or the Chairperson or designated performance management specialist of the audit committee in the absence of a performance audit committee;
- 6.8.3 Member of the mayoral or executive committee or in respect of a plenary type municipality, another member of council; and
- 6.8.4 Municipal manager from another municipality.

6.9 The manager responsible for human resources of the municipality must provide secretariat services to the evaluation panels referred to in sub-regulations (6.7) and (6.8).

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## 7. SCHEDULE FOR PERFORMANCE REVIEWS

7.1 The performance of each **Employee** in relation to his / her performance agreement shall be reviewed on the following dates with the understanding that reviews in the first and third quarter may be verbal if performance is satisfactory:

First quarter	:	July – September	<b>Before end October 2014</b>
Second quarter	:	October – December	<b>Before end January 2015</b>
Third quarter	:	January – March	<b>Before end April 2015</b>
Fourth quarter	:	April – June	<b>Before end January 2016</b>

7.2 The **Employer** shall keep a record of the mid-year review and annual assessment meetings.

7.3 Performance feedback shall be based on the **Employer's** assessment of the **Employee's** performance.

7.4 The **Employer** will be entitled to review and make reasonable changes to the provisions of Annexure "A" from time to time for operational reasons. The **Employee** will be fully consulted before any such change is made.

7.5 The **Employer** may amend the provisions of Annexure A whenever the performance management system is adopted, implemented and / or amended as the case may be. In that case the **Employee** will be fully consulted before any such change is made.

## 8. DEVELOPMENTAL REQUIREMENTS

The Personal Development Plan (PDP) for addressing developmental gaps is attached as Annexure B.

## 9. OBLIGATIONS OF THE EMPLOYER

9.1 The Employer shall –

- 9.1.1 create an enabling environment to facilitate effective performance by the employee;
- 9.1.2 provide access to skills development and capacity building opportunities;
- 9.1.3 work collaboratively with the **Employee** to solve problems and generate solutions to common problems that may impact on the performance of the **Employee**;
- 9.1.4 on the request of the **Employee** delegate such powers reasonably required by the **Employee** to enable him / her to meet the performance objectives and targets established in terms of this Agreement; and
- 9.1.5 make available to the **Employee** such resources as the **Employee** may reasonably require from time to time to assist him / her to meet the performance objectives and targets established in terms of this Agreement.

## 10. CONSULTATION

10.1 The **Employer** agrees to consult the **Employee** timeously where the exercising of the powers will have amongst others –

- 10.1.1 a direct effect on the performance of any of the **Employee's** functions;



10.1.2 commit the **Employee** to implement or to give effect to a decision made by the **Employer**; and

10.1.3 a substantial financial effect on the **Employer**.

10.2 The **Employer** agrees to inform the **Employee** of the outcome of any decisions taken pursuant to the exercise of powers contemplated in 10.1 as soon as is practicable to enable the **Employee** to take any necessary action without delay.

## 11. MANAGEMENT OF EVALUATION OUTCOMES

11.1 The evaluation of the **Employee's** performance will form the basis for rewarding outstanding performance or correcting unacceptable performance.

11.2 A performance bonus of between 5% to 14% of the all-inclusive annual remuneration package may be paid to the **Employee** in recognition of outstanding performance to be constituted as follows:

11.2.1 a score of 130% to 149% is awarded a performance bonus ranging from 5% to 9%; and

11.2.2 a score of 150% and above is awarded a performance bonus ranging from 10% to 14%.

SCORE	BONUS %
130 - 133	5
134 - 137	6
138 - 141	7
142 - 145	8
146 - 149	9
150 - 153	10
154 - 157	11
158 - 161	12
162 - 165	13
166 - 167	14

11.2.3 A pro rata bonus will be payable to the **Employee** based on the amount of full months employed, in the event that the evaluation period is not for a full financial year subject to the following: -.

That the evaluation period be no less than 6 months

That the employee be employed on the last day of the financial year and undergo a review during the agreed review period.

11.3 In the case of unacceptable performance, the **Employer** shall –

11.3.1 provide systematic remedial or developmental support to assist the **Employee** to improve his or her performance; and

11.3.2 after appropriate performance counselling and having provided the necessary guidance and/ or support as well as reasonable time for improvement in performance, the **Employer** may consider steps to terminate the contract of employment of the **Employee** on grounds of unfitness or incapacity to carry out his or her duties.

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**12. DISPUTE RESOLUTION**

- 12.1 Any disputes about the nature of the **Employee's** performance agreement, whether it relates to key responsibilities, priorities, methods of assessment and/ or any other matter provided for, shall be mediated by –
  - 12.1.1 the MEC for local government in the province within thirty (30) days of receipt of a formal dispute from the **Employee**; or
  - 12.1.2 any other person appointed by the MEC.
  - 12.1.3 In the case of managers directly accountable to the municipal manager, a member of the municipal council, provided that such member was not part of the evaluation panel provided for in sub-regulation 27(4) (e) of the Municipal Performance Regulations, 2006, which states that "for purposes of evaluating the annual performance of managers directly accountable to the municipal managers, an evaluation panel must be constituted", within thirty (30) days of receipt of a formal dispute from the employee; whose decision shall be final and binding on both parties.
- 12.2 In the event that the mediation process contemplated above fails, clause 20 of the Contract of Employment shall apply.

**13. GENERAL**

- 13.1 The contents of this agreement and the outcome of any review conducted in terms of Annexure A may be made available to the public by the **Employer**.
- 13.2 Nothing in this agreement diminishes the obligations, duties or accountabilities of the **Employee** in terms of his/ her contract of employment, or the effects of existing or new regulations, circulars, policies, directives or other instruments.
- 13.3 The performance assessment results of the municipal manager must be submitted to the MEC responsible for local government in the relevant province as well as the national minister responsible for local government, within fourteen (14) days after the conclusion of the assessment.

Thus done and signed at POET ELIZABETH on this the 14<sup>th</sup> day of July 2014

**AS WITNESSES:**

1. [Signature]

2. [Signature]

[Signature]  
EMPLOYEE

**AS WITNESSES:**

1. [Signature]

2. [Signature]

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MUNICIPAL MANAGER



**PERFORMANCE PLAN : Bhekuyise Makedama (Director: Infrastructure and Planning)**

Objective	Strategy	Key Performance Indicator (Project)	Annual Target	Proof	Weighting	September 2014/2015	December 2014/2015	March 2014/2015	June 2014/2015
<b>KPA 1. BASIC SERVICE DELIVERY</b>									
To provide costed infrastructure plans	Appointment of experienced professional team	District-Wide Infrastructure Plan Developed (INF00097)	100% complete	Report	5.6%	Terms of reference complete	Consultant appointed	Status Quo Report Complete	100% complete
To reduce the effects of stormwater in prone areas by building 10 km of drainage per year	Stormwater management plan	Stormwater Masterplans for Kou-kamma and Ndlambe LMs Complete (INF00102)	N/A	Report	.6%	Draft Masterplan complete for Mdlambe (Bushman's)	Draft Masterplan complete for Kou-kamma (Louterwater)	Masterplan for Ndlambe and Kou-kamma Complete	N/A
To provide effective fire fighting to all LMs in the district by 2017	Provide fire fighting capacity	Restoration and standardisation of Fire Hydrants in Koukamma, Camdeboo; Blue Crane Route; Sundays River Valley; Ikwezi; and Baviaans (INF00118)	408 fire hydrants complete	Report	3.9%	Construction commences	200 fire hydrants complete	350 fire hydrants complete	408 fire hydrants complete
		Agreements entered into for LM's for the provision of Fire Services	Agreements of all LM's in place	Agreements of LM's in place	5.6%	NA	3 Agreements	3 Agreements	3 Agreements
	Provide resources	Integrated Emergency Response Centre completed in Ndlambe (INF00119)	Construction commences	Report	4.5%	Lobby For funding	Re-tendering process complete (Subject to availability of funding)	Contractor appointed	Construction commences
		Disaster Centre in Paterson (INF00120)	20% of Construction completed	Report	5.6%	Appointment of Consultant	Finalisation of Designs Complete	Contractor appointed	20% of Construction completed
		Construction of Hankey Fire Station (INF00121)	N/A	Report	.6%	100% complete	N/A	N/A	N/A
		Construction of Blue Crane Route Fire Station (INF00122)	NA	Report	1.1%	100% complete	NA	NA	NA
		Construction of Koukamma Fire	100% of Construction	Report	5.6%	Tendering Process Complete	Construction commences	40% of Construction completed	100% of Construction completed

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**PERFORMANCE PLAN : Bhekuyise Makedama (Director: Infrastructure and Planning)**  
2014/2015

Objective	Strategy	Key Performance Indicator (Project)	Annual Target	Proof	Weighting	September 2014/2015	December 2014/2015	March 2014/2015	June 2014/2015
To promote and co-ordinate integrated spatial planning in the District	Co-ordinate the implementation of Spatial Planning and Land Use Management Act (SPLUMA)	Station (INF00123) Reviewed Camdeboo Zoning Scheme (INF00098)	N/A	Report	1.1%	Draft regulations complete	Regulations Finalised	N/A	N/A
To provide support to LMs on planning and implementation of bulk water supply projects, contributing to the reduction of the backlog to 5% by 2017	Implementation of water projects as mandated by LMs	Installation of 18 Water Meters in Jansenville (INF00095)	100% Complete	Report	1.1%	25% complete	50%	75% Complete	100% Complete
To promote integration between spatial planning and transportation to achieve sustainable human settlements	Implementation of roads projects as mandated by key strategic areas for at least 10 kms per annum over 5 years	Installation of 270 Water Tanks in Paterson (INF00096)	N/A	Report	.6%	100% complete	N/A	N/A	N/A
To provide roads infrastructure from basic service to a higher level in LMs	Implementation of roads projects as mandated by key strategic areas for at least 10 kms per annum over 5 years	Construction of Inter-City Bus Terminal in Graaff Reinet (INF00099)	Construction commences	Report	5.6%	Lobby For funding	Re-tendering process complete (Subject to availability of funding)	Contractor appointed	Construction commences
To improve connectivity infrastructure in all nine local municipalities	Implementation of roads projects as mandated by key strategic areas for at least 10 kms per annum over 5 years	Rural Roads Asset Management System set up for CDIM (INF00100)	Report on RRAMS to MC and Council	Report	.6%	50% information plotted on GIS	75% information plotted on GIS	100% information plotted on GIS	Report on RRAMS to MC and Council
To improve connectivity infrastructure in all nine local municipalities	Construction of access road in Langbos SRV (INF00101)	Construction of a New Community Library in Alexandria (INF00117)	100% of Construction completed	Report	4.5%	Tendering Process Complete	Construction commences	40% of Construction completed	100% of Construction completed
To improve connectivity infrastructure in all nine local municipalities	Provision of a New Community Library in Alexandria (INF00117)	Provision of a New Community Library in Alexandria (INF00117)	N/A	Report	2.2%	Construction commences	60% construction of library completed	100% construction of library completed	N/A

**KPA 2. MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION**

General Training 100% of the Record of 100% of the Record of  
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PERFORMANCE PLAN : Bhekuyise Makedama (Director: Infrastructure and Planning)

2014/2015

Objective	Strategy	Key Performance Indicator (Project)	Annual Target	Proof	Weighting	September 2014/2015	December 2014/2015	March 2014/2015	June 2014/2015	Targets
		and development takes place in accordance of the requirements of the department	department's T&D needs identified through reviews to SDO	training in accordance with the needs of the department through reviews		identified at the previous performance review and trg information sent to SDO for further action	identified at the previous performance review and trg information sent to SDO for further action	identified at the previous performance review and trg information sent to SDO for further action	identified at the previous performance review and trg information sent to SDO for further action	
	Ensure that capacity support to LMs is given priority	Review and Implementation of the CDM Capacity building strategy - support to Infrastructure LM's Services	Evidence of reviewed strategy and support to LM's	Report on capacity building to LM's	4.5%	Reviewed Capacity Building Strategy for Infrastructure Services Developed	Implementation of Capacity Building Strategy	Implementation of Capacity Building Strategy	Implementation of Capacity Building Strategy	
	Compliance to National Treasury Competency Requirements	To ensure 100% compliance to National Treasury Competency Requirements	100% compliance of unit standards achieved	Reports on unit standards achieved	1.1%	15% of unit standards achieved	30% of unit standards achieved	45% of unit standards achieved	50% of unit standards achieved	
	To ensure implementation of decisions	100% implementation of Strategic Decisions taken at Strategic Planning Sessions	100% compliance of decisions implemented for the Department	Report	3.4%	NA	NA	50% Strategic decisions implemented	100% Strategic decisions implemented	
To establish an CDM institution to its area of jurisdiction by 2013	Relocation CDM offices to Kirkwood	Securing of a building and the development of plans for the construction for the relocation to Kirkwood	Securing of a office block in Kirkwood for CDM relocation	Report	5.6%	Progress report on securing of building and submitted to Council	Progress report on securing of building and submitted to Council	Progress report on securing of building and submitted to Council	Building for CDM secured in Kirkwood	
<b>KPA 3. LOCAL ECONOMIC DEVELOPMENT (LED)</b>										
General	Lobby for funding	4 Successful submissions to sector departments / possible funders for Planning and Infrastructure projects	Increased funding or investment as result of submissions and presentations	Reports/copies of submissions	5.6%	1 Successful submission to sector departments/funders	1 Successful submission to sector departments/funders	1 Successful submission to sector departments/funders	1 Successful submission to sector departments/funders	
<b>KPA 4. MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT</b>										
General	Exercise financial control over CDM	Department operating budget within 10%	Within 10% of budget	Annual financial statements	1.1%	Within 10% of budget	Within 10% of budget	Within 10% of budget	Within 10% of budget	
		At least 90% of project budget implemented	90% of project budget implemented	Annual financial statements	11.2%	NA	Projected expenditure within 10%	NA	90% of project budget implemented	

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**PERFORMANCE PLAN : Bhekuyise Makedama (Director: Infrastructure and Planning)**

2014/2015

Objective	Strategy	Key Performance Indicator (Project)	Annual Target	Proof	Weighting	September 2014/2015	December 2014/2015	March 2014/2015	June 2014/2015
<b>KPA 5. GOOD GOVERNANCE AND PUBLIC PARTICIPATION</b>									
To ensure that the Support LMs on IDPs of the LMs are in place and are annually reviewed		An approved IDP	IDP approved by 31st May annually	Council minutes	4.5%	Analysis phase commenced	Consultation completed	Draft IDP submitted to Council	IDP Adopted
General	To ensure that the PMS is implemented and performance maintained in accordance with Legislation	100% reviews done and performance challenges addressed to targets in Performance Plans	100% of indicators achieved	Performance review reports for 4Q's	1.1%	100% of performance plans signed off on the PMS System and 100% performance challenges addressed through 1Q reviews	100% 2Q reviews done and performance challenges addressed to targets in Performance Plans	100% 3Q reviews done and performance challenges addressed to targets in Performance Plans	100% 4Q reviews done and performance challenges addressed to targets in Performance Plans
	To ensure that the Department with legislation applicable to it	Completion of the OHASA quarterly safety checklist and Safety Standards adhered to	4 x checklists and 4 quarterly meetings	4 x checklists and minutes of meetings	.6%	1st checklist completed and quarterly meeting held	2nd checklist completed and quarterly meeting held	3rd checklist completed and quarterly meeting held	4th checklist completed and quarterly meeting held
Risk Management	Ensure that sufficient and effective controls are in place to management risks in the institution	100% controls in place to manage risks	Internal Audit reports	Internal Audit reports	1.1%	100% controls in place to counter risks	100% controls in place to counter risks	100% controls in place to counter risks	100% controls in place to counter risks
	Exercises budget control in order to prevent over/ unauthorized expenditure. This includes	100% compliance to SCM and Unauthorised, Irregular, Fruitless and Wasteful Expenditure Policy	Internal and External Audit Reports	Internal and External Audit Reports	2.2%	100% compliance to policy	100% compliance to policy	100% compliance to policy	100% compliance to policy
	A legally compliant municipality	100% compliance to Internal and External Audit controls	Internal Audit reports and AG Reports	Internal Audit reports and AG Reports	2.2%	NA	Response provided to Draft Management letter	Receipt of a Clean Audit report and inclusion of same in annual report	NA
	Exercise financial control over CDM	Ensuring the Department contribute towards the Receipt of a Clean Audit Report	Clean Audit Report from AG	Clean Audit Report from AG	1.1%	NA	Response provided to Draft Management letter	Receipt of a Clean Audit report and inclusion of same in annual report	NA
	To ensure effective Council Meetings administration	100% Implementation of Council Resolutions	100% Council Resolutions implemented pertaining to the Department	Report on implementation of Council Resolutions	2.2%	100% Council Resolutions implemented	100% Council Resolutions implemented	100% Council Resolutions implemented	100% Council Resolutions implemented

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## CORE COMPETENCY REQUIREMENTS (CCR's) : Bhekuyise Makedama (Director: Infrastructure and Planning)

Core Competency Requirement	Annual Target	Proof	Weighting	Targets		
				September 2014/2015	December 2014/2015	June 2014/2015
<b>CCR 1. MANAGERIAL</b> Strategic Capability and Leadership	Displays standard aligned to that recommended in the MSA competency guidelines	Evidence of standard achieved as documented in a written report	20% Evidence of achievement / working towards the standard	Evidence of achievement / working towards the standard	Evidence of achievement / working towards the standard	Displays standard aligned to that recommended in the MSA competency guidelines
Programme and Project Management	Displays standard aligned to that recommended in the MSA competency guidelines	Evidence of standard achieved as documented in a written report	20% Evidence of achievement / working towards the standard	Evidence of achievement / working towards the standard	Evidence of achievement / working towards the standard	Displays standard aligned to that recommended in the MSA competency guidelines
<b>CCR 2. OCCUPATIONAL</b> People Management and Empowerment	Demonstrated evidence accordingly	Evidence of standard achieved as documented in a written report	20% Demonstrated evidence accordingly	Demonstrated evidence accordingly	Demonstrated evidence accordingly	Demonstrated evidence accordingly
Client orientation and Customer Focus	Demonstrated evidence accordingly	Evidence of standard achieved as documented in a written report	15% Demonstrated evidence accordingly	Demonstrated evidence accordingly	Demonstrated evidence accordingly	Demonstrated evidence accordingly
Financial Management	Demonstrated evidence accordingly	Evidence of standard achieved as documented in a written report	15% Demonstrated evidence accordingly	Demonstrated evidence accordingly	Demonstrated evidence accordingly	Demonstrated evidence accordingly
Interpretation of and implementation within the legislative and national policy frameworks	Demonstrated evidence accordingly	Evidence of standard achieved as documented in a written report	10% Demonstrated evidence accordingly	Demonstrated evidence accordingly	Demonstrated evidence accordingly	Demonstrated evidence accordingly

  
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# PERFORMANCE AGREEMENT

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MADE AND ENTERED INTO BY AND BETWEEN:



**THE CACADU DISTRICT MUNICIPALITY**  
AS REPRESENTED BY THE MUNICIPAL MANAGER

**DAYALAN MURUVEN PILLAY**  
(HEREIN REFERED TO AS THE 'EMPLOYER')

**AND**

**PUMELELO KATE**  
**DIRECTOR: ECONOMIC DEVELOPMENT**  
(HEREIN REFERED TO AS THE 'EMPLOYEE')

FOR THE FINANCIAL YEAR:  
1 JULY 2014 - 30 JUNE 2015

*Handwritten signatures and initials:*  
To [Signature] P. M. S. K.

**WHEREBY IT IS AGREED AS FOLLOWS:**

**1. INTRODUCTION**

- 1.1 The **Employer** has entered into a contract of employment with the **Employee** in terms of section 57(1)(a) of the Local Government: Municipal Systems Act 32 of 2000 ("the Systems Act"). The **Employer** and the **Employee** are hereinafter referred to as "the Parties".
- 1.2 Section 57(1)(b) of the Systems Act, read with the Contract of Employment concluded between the parties, requires the parties to conclude an annual performance agreement.
- 1.3 The parties wish to ensure that they are clear about the goals to be achieved, and secure the commitment of the **Employee** to a set of outcomes that will secure local government policy goals.
- 1.4 The parties wish to ensure that there is compliance with Sections 57(4A), 57(4B) and 57(5) of the Systems Act.
- 1.2 That in terms of the MFMA Regulations and Government Gazette Vol. 585, No. 37432 dated 14 March 2014, the **Employee** will obtain the minimum competency requirements to execute his/her function is achieved by **30 September 2015**.

**2. PURPOSE OF THIS AGREEMENT**

The purpose of this Agreement is to -

- 2.1 comply with the provisions of Section 57(1)(b),(4A),(4B) and (5) of the Act as well as the employment contract entered into between the parties;
- 2.2 specify objectives and targets defined and agreed with the employee and to communicate to the employee the employer's expectations of the employee's performance and accountabilities in alignment with the Integrated Development Plan, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the municipality;
- 2.3 specify accountabilities as set out in a performance plan, which forms an annexure to the performance agreement;
- 2.4 monitor and measure performance against set targeted outputs;
- 2.5 use the performance agreement as the basis for assessing whether the employee has met the performance expectations applicable to his or her job;
- 2.6 in the event of outstanding performance, to appropriately reward the employee; and
- 2.7 give effect to the employer's commitment to a performance-orientated relationship with its employee in attaining equitable and improved service delivery.

**3 COMMENCEMENT AND DURATION**

- 3.1 This Agreement will commence on the **1<sup>st</sup> July 2014** and will remain in force until **30<sup>th</sup> June 2015** thereafter a new Performance Agreement, Performance Plan and Personal Development Plan shall be concluded between the parties for the next financial year or any portion thereof.

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- 3.2 The parties will review the provisions of this Agreement during June each year. The parties will conclude a new Performance Agreement and Performance Plan that replaces this Agreement at least once a year by not later than the beginning of each successive financial year.
- 3.3 This Agreement will terminate on the termination of the **Employee's** contract of employment for any reason.
- 3.4 The content of this Agreement may be revised at any time during the above-mentioned period to determine the applicability of the matters agreed upon.
- 3.5 If at any time during the validity of this Agreement the work environment alters (whether as a result of government or council decisions or otherwise) to the extent that the contents of this Agreement are no longer appropriate, the contents shall immediately be revised.

#### 4 PERFORMANCE OBJECTIVES

- 4.1 The Performance Plan (Annexure A) sets out-
- 4.1.1 the performance objectives and targets that must be met by the **Employee**;  
and
  - 4.1.2 the time frames within which those performance objectives and targets must be met.
- 4.2 The performance objectives and targets reflected in Annexure A are set by the **Employer** in consultation with the **Employee** and based on the Integrated Development Plan, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the **Employer**, and shall include key objectives; key performance indicators; target dates and weightings.
- 4.2.1 The key objectives describe the main tasks that need to be done.
  - 4.2.2 The key performance indicators and means of verification provide the details of the evidence that must be provided to show that a key objective has been achieved.
  - 4.2.3 The target dates describe the timeframe in which the work must be achieved.
  - 4.2.4 The weightings show the relative importance of the key objectives to each other.
- 4.3 The **Employee's** performance will, in addition, be measured in terms of contributions to the goals and strategies set out in the **Employer's** Integrated Development Plan.

#### 5 PERFORMANCE MANAGEMENT SYSTEM

- 5.1 The **Employee** agrees to participate in the performance management system that the **Employer** adopts or introduces for the **Employee**, management and municipal staff of the **Employer**.
- 5.2 The **Employee** accepts that the purpose of the performance management system will be to provide a comprehensive system with specific performance standards to assist the **Employer**, management and municipal staff to perform to the standards required.

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- 5.3 The **Employer** will consult the **Employee** about the specific performance standards that will be included in the performance management system as applicable to the **Employee**.
- 5.4 The **Employee** undertakes to actively focus towards the promotion and implementation of the KPAs (including special projects relevant to the employee's responsibilities) within the local government framework.
- 5.5 The criteria upon which the performance of the **Employee** shall be assessed shall consist of two components, both of which shall be contained in the Performance Agreement.
- 5.5.1 The **Employee** must be assessed against both components, with a weighting of 80:20 allocated to the Key Performance Areas (KPAs) and the Core Competency Requirements (CCRs) respectively.
- 5.5.2 Each area of assessment will be weighted and will contribute a specific part to the total score.
- 5.5.3 KPAs covering the main areas of work will account for 80% and CCRs will account for 20% of the final assessment.
- 5.6 The **Employee's** assessment will be based on his / her performance in terms of the outputs / outcomes (performance indicators) identified as per attached Performance Plan (**Annexure A**), which are linked to the KPA's, and will constitute 80% of the overall assessment result as per the weightings agreed to between the **Employer** and **Employee**:

Key Performance Areas (KPA's)	Weighting
Municipal Institutional Development and Transformation	3.64%
Basic Service Delivery	0
Local Economic Development (LED)	52.74%
Municipal Financial Viability and Management	18.18
Good Governance and Public Participation	25.46%
<b>Total</b>	<b>100%</b>

- 5.7 In the case of managers directly accountable to the municipal manager, key performance areas related to the functional area of the relevant manager must be subject to negotiation between the municipal manager and the relevant manager.
- 5.8 The CCRs will make up the other 20% of the **Employee's** assessment score. CCRs that are deemed to be most critical for the **Employee's** specific job should be selected (✓) from the list below as agreed to between the **Employer** and **Employee**. Three of the CCRs are compulsory for Municipal Managers:

CORE COMPETENCY REQUIREMENTS (CCR) FOR EMPLOYEES		
CORE MANAGERIAL COMPETENCIES (CMC)	✓	WEIGHT
Strategic Capability and Leadership	✓	25
Programme and Project Management	✓	25
Financial Management	✓	15
Change Management		

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CORE COMPETENCY REQUIREMENTS (CCR) FOR EMPLOYEES		
CORE MANAGERIAL COMPETENCIES (CMC)	✓	WEIGHT
Knowledge Management		
Service Delivery Innovation		
Problem Solving and Analysis		
People Management and Empowerment	✓	5
Client Orientation and Customer Focus	✓	10
Communication		
Honesty and Integrity		
CORE OCCUPATIONAL COMPETENCIES (COC)		
Competence in Self Management		
Interpretation of and implementation within the legislative and national policy frameworks	✓	5
Knowledge of Performance Management and Reporting	✓	5
Knowledge of global and South African specific political, social and economic contexts	✓	5
Competence in policy conceptualisation, analysis and implementation	✓	5
Knowledge of more than one functional municipal field / discipline		
Skills in Mediation		
Skills in Governance		
Competence as required by other national line sector departments		
Exceptional and dynamic creativity to improve the functioning of the municipality		
Total percentage	-	100%

## 6. EVALUATING PERFORMANCE

- 6.1 The Performance Plan (Annexure A) to this Agreement sets out -
- 6.1.1 the standards and procedures for evaluating the **Employee's** performance; and
- 6.1.2 the intervals for the evaluation of the **Employee's** performance.
- 6.2 Despite the establishment of agreed intervals for evaluation, the **Employer** may in addition review the **Employee's** performance at any stage while the contract of employment remains in force.
- 6.3 Personal growth and development needs identified during any performance review discussion must be documented in a Personal Development Plan as well as the actions agreed to and implementation must take place within set time frames.
- 6.4 The **Employee's** performance will be measured in terms of contributions to the goals and strategies set out in the **Employer's** IDP.
- 6.5 The annual performance appraisal will involve:
- 6.5.1 Assessment of the achievement of results as outlined in the performance plan:

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D.K.

Level	Terminology	Description	Rating				
			1	2	3	4	5
3	Fully effective	Performance fully meets the standards expected in all areas of the job. The appraisal indicates that the Employee has fully achieved effective results against all significant performance criteria and indicators as specified in the PA and Performance Plan.					
2	Not fully effective	Performance is below the standard required for the job in key areas. Performance meets some of the standards expected for the job. The review/assessment indicates that the employee has achieved below fully effective results against more than half the key performance criteria and indicators as specified in the PA and Performance Plan.					
1	Unacceptable performance	Performance does not meet the standard expected for the job. The review/assessment indicates that the employee has achieved below fully effective results against almost all of the performance criteria and indicators as specified in the PA and Performance Plan. The employee has failed to demonstrate the commitment or ability to bring performance up to the level expected in the job despite management efforts to encourage improvement.					

6.7 For purposes of evaluating the annual performance of the municipal manager, an evaluation panel constituted of the following persons must be established -

- 6.7.1 Executive Mayor;
- 6.7.2 Chairperson of the performance audit committee or the Chairperson or designated performance management specialist of the audit committee in the absence of a performance audit committee;
- 6.7.3 Member of the mayoral or executive committee or in respect of a plenary type municipality, another member of council;
- 6.7.4 Mayor and/or municipal manager from another municipality; and
- 6.7.5 Member of a ward committee as nominated by the Executive Mayor.

6.8 For purposes of evaluating the annual performance of managers directly accountable to the municipal managers, an evaluation panel constituted of the following persons must be established -

- 6.8.1 Municipal Manager;
- 6.8.2 Chairperson of the performance audit committee or the Chairperson or designated performance management specialist of the audit committee in the absence of a performance audit committee;
- 6.8.3 Member of the mayoral or executive committee or in respect of a plenary type municipality, another member of council; and
- 6.8.4 Municipal manager from another municipality.

6.9 The manager responsible for human resources of the municipality must provide secretariat services to the evaluation panels referred to in sub-regulations (6.7) and (6.8).

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## 7. SCHEDULE FOR PERFORMANCE REVIEWS

7.1 The performance of each **Employee** in relation to his / her performance agreement shall be reviewed on the following dates with the understanding that reviews in the first and third quarter may be verbal if performance is satisfactory:

<b>First quarter</b>	:	July – September	<b>Before end October 2014</b>
<b>Second quarter</b>	:	October – December	<b>Before end January 2015</b>
<b>Third quarter</b>	:	January – March	<b>Before end April 2015</b>
<b>Fourth quarter</b>	:	April – June	<b>Before end January 2016</b>

7.2 The **Employer** shall keep a record of the mid-year review and annual assessment meetings.

7.3 Performance feedback shall be based on the **Employer's** assessment of the **Employee's** performance.

7.4 The **Employer** will be entitled to review and make reasonable changes to the provisions of Annexure "A" from time to time for operational reasons. The **Employee** will be fully consulted before any such change is made.

7.5 The **Employer** may amend the provisions of Annexure A whenever the performance management system is adopted, implemented and / or amended as the case may be. In that case the **Employee** will be fully consulted before any such change is made.

## 8. DEVELOPMENTAL REQUIREMENTS

The Personal Development Plan (PDP) for addressing developmental gaps is attached as Annexure B.

## 9. OBLIGATIONS OF THE EMPLOYER

9.1 The Employer shall –

- 9.1.1 create an enabling environment to facilitate effective performance by the employee;
- 9.1.2 provide access to skills development and capacity building opportunities;
- 9.1.3 work collaboratively with the **Employee** to solve problems and generate solutions to common problems that may impact on the performance of the **Employee**;
- 9.1.4 on the request of the **Employee** delegate such powers reasonably required by the **Employee** to enable him / her to meet the performance objectives and targets established in terms of this Agreement; and
- 9.1.5 make available to the **Employee** such resources as the **Employee** may reasonably require from time to time to assist him / her to meet the performance objectives and targets established in terms of this Agreement.

## 10. CONSULTATION

10.1 The **Employer** agrees to consult the **Employee** timeously where the exercising of the powers will have amongst others –

- 10.1.1 a direct effect on the performance of any of the **Employee's** functions;

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10.1.2 commit the **Employee** to implement or to give effect to a decision made by the **Employer**; and

10.1.3 a substantial financial effect on the **Employer**.

10.2 The **Employer** agrees to inform the **Employee** of the outcome of any decisions taken pursuant to the exercise of powers contemplated in 10.1 as soon as is practicable to enable the **Employee** to take any necessary action without delay.

## 11. MANAGEMENT OF EVALUATION OUTCOMES

11.1 The evaluation of the **Employee's** performance will form the basis for rewarding outstanding performance or correcting unacceptable performance.

11.2 A performance bonus of between 5% to 14% of the all-inclusive annual remuneration package may be paid to the **Employee** in recognition of outstanding performance to be constituted as follows:

11.2.1 a score of 130% to 149% is awarded a performance bonus ranging from 5% to 9%; and

11.2.2 a score of 150% and above is awarded a performance bonus ranging from 10% to 14%.

SCORE	BONUS %
130 - 133	5
134 - 137	6
138 - 141	7
142 - 145	8
146 - 149	9
150 - 153	10
154 - 157	11
158 - 161	12
162 - 165	13
166 - 167	14

11.2.3 A pro rata bonus will be payable to the **Employee** based on the amount of full months employed, in the event that the evaluation period is not for a full financial year subject to the following: -.

That the evaluation period be no less than 6 months

That the employee be employed on the last day of the financial year and undergo a review during the agreed review period.

11.3 In the case of unacceptable performance, the **Employer** shall –

11.3.1 provide systematic remedial or developmental support to assist the **Employee** to improve his or her performance; and

11.3.2 after appropriate performance counselling and having provided the necessary guidance and/ or support as well as reasonable time for improvement in performance, the **Employer** may consider steps to terminate the contract of employment of the **Employee** on grounds of unfitness or incapacity to carry out his or her duties.

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Initials "T.M" and "H.K".  
A signature that appears to be "P. M. K."

**12. DISPUTE RESOLUTION**

- 12.1 Any disputes about the nature of the **Employee's** performance agreement, whether it relates to key responsibilities, priorities, methods of assessment and/ or any other matter provided for, shall be mediated by –
  - 12.1.1 the MEC for local government in the province within thirty (30) days of receipt of a formal dispute from the **Employee**; or
  - 12.1.2 any other person appointed by the MEC.
  - 12.1.3 In the case of managers directly accountable to the municipal manager, a member of the municipal council, provided that such member was not part of the evaluation panel provided for in sub-regulation 27(4)(e) of the Municipal Performance Regulations, 2006, within thirty (30) days of receipt of a formal dispute from the employee;

whose decision shall be final and binding on both parties.

- 12.2 In the event that the mediation process contemplated above fails, clause 20 of the Contract of Employment shall apply.

**13. GENERAL**

- 13.1 The contents of this agreement and the outcome of any review conducted in terms of Annexure A may be made available to the public by the **Employer**.
- 13.2 Nothing in this agreement diminishes the obligations, duties or accountabilities of the **Employee** in terms of his/ her contract of employment, or the effects of existing or new regulations, circulars, policies, directives or other instruments.
- 13.3 The performance assessment results of the municipal manager must be submitted to the MEC responsible for local government in the relevant province as well as the national minister responsible for local government, within fourteen (14) days after the conclusion of the assessment.

Thus done and signed at Port Elizabeth on this the 16<sup>th</sup> day of July 2014

**AS WITNESSES:**

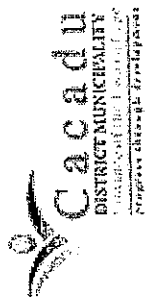
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[Signature]  
EMPLOYEE

**AS WITNESSES:**

- 1. [Signature]
- 2. [Signature]

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MUNICIPAL MANAGER



## CACADU DISTRICT MUNICIPALITY

### PERFORMANCE PLAN : Pumelelo Kate

2014/2015

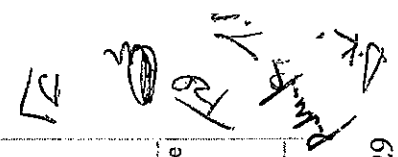
Director: Economic Development  
Economic Development

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PERFORMANCE PLAN : Pumelelo Kate (Director: Economic Development)  
2014/2015

Objective	Strategy	Key Performance Indicator (Project)	Annual Target	Proof	Weighting	Targets		
						September 2014/2015	December 2014/2015	March 2014/2015
<b>KPA 2. MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION</b>								
General	Training	Training takes place in accordance with the needs identified through the performance reviews	100% T&D addressed according to the needs identified in the performance reviews	Record of training in accordance with performance reviews	2.5%	100% T&D in accordance to need of the department through performance reviews	100% T&D in accordance to need of the department through performance reviews	100% T&D in accordance to need of the department through performance reviews
	Compliance to National Treasury Competency Requirements	To ensure 100% Compliance to National Treasury Competency Requirements	100% compliance of unit standards achieved	Reports on unit standards achieved	2.5%	25% of unit standards achieved	75% of unit standards achieved	100% of unit standards achieved
	To ensure implementation of decisions	100% implementation of decisions for Department taken at Strategic Planning Sessions	100% Strategic decisions implemented for the Department	Report	3.7%	NA	50% Strategic decisions implemented	100% Strategic decisions implemented
<b>KPA 3. LOCAL ECONOMIC DEVELOPMENT (LED)</b>								
Increase agricultural income to achieve a 1% year on year growth in the agriculture and agro-processing sectors.	Facilitate investment in local and regional agro-processing plant to increase product demands and improve prices	Business Plans reviewed and Commercial Farmers mobilised (DEV00104)	NA	Report	3.7%	Business Plan reviewed. Key Stakeholders mobilised for buy-in	Pre-Est Phase report completed, submitted to Council to resolve the future of the Pellet Factory project	NA
	Support local and regional food systems that keep wealth in rural communities	Mentorship implemented for Emerging Farmers and evaluated in 7 LMS (DEV00116)	4 sites Completed. 2 new sites evaluated.	Report	5%	8 sites are active and operational. Additional 2 new sites are identified	8 sites implemented and monitored. 2 new sites approved and SLA are signed	4 sites evaluated. Recommend outcomes of evaluation to Mayco
Broaden economic participation and inclusion by increasing the number and support to small enterprises by 10%.	Promote social economy investments	5 SMME and Cooperatives and Business supported. CDM hosting one SMME Fair (DEV00105)	Submit closing reports to Mayco and Council.	Report	5%	Invite proposals from LMs for Coop support. Select SMME programmes/projects from LED sector plans of LMs. Submit to Mayco for approval	SLA's signed with LMs. Implementation commence	Submit closing reports to Mayco and Council.
		Trade and Investment Web-based system developed and continually updated	Functional Website in place	Website	4.3%	Develop content	Trade and investment portal finalised	Launch Website

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PERFORMANCE PLAN : Pumelelo Kate (Director: Economic Development)

2014/2015

Objective	Strategy	Key Performance Indicator (Project)	Annual Target	Proof	Weighting	September 2014/2015	December 2014/2015	March 2014/2015	June 2014/2015
	Facilitate community and worker participation in share ownership	Honeybush Tea Project in Koukamma LM is formalised and implemented. (DEV00106)	Closing report submitted to Council	Report	3.7%	Business Plan Developed. PSC established	Implementation agreements approved	M&E conducted and report progress to Mayco and Council	Closing report submitted to Council
Building local and regional networks and collaboration through the creation of partnerships with (a) government, (b) the private sector and (c) education / research.	Building government to government partnerships	LED Capacity Building for LMs is undertaken. 4 DST meetings held. LED capacity building programme implemented (DEV00107)	1 DST meeting held. Report progress to Mayco	Report	.6%	1 meeting of DST held. 1 PSC meeting of LED Cap Bldg. held. Report progress to Mayco	LED capacity Building programme adopted. 1 DST meeting held and Progress report submitted to Mayco	1 meeting of DST held. Report progress to Mayco	1 DST meeting held. Report progress to Mayco
Invest in natural capital to contribute to government's target of creating 20,000 'green' jobs by 2020.	Grow rural tourism economy	To support at least 1 tourism infrastructure project by installing signage for the Greater Addo Tourism Route (DEV00108)	Greater Addo Route signs erected	Report	5%	TOR completed and Service Provider appointed	Approval of identified and confirmed sites by regulating bodies	Design and manufacturing of signs completed	Greater Addo Route signs erected
Regenerating at least four core towns as service and economic hubs	Promote rural tourism and niche services and manufacturing	To conduct review and implementation of tourism marketing strategy (DEV00109)	Participate at Tourism Indaba, Winter Campaign roll out; Placements of adverts in at least 2 media channels	Report	5%	Review marketing strategy and formulate implementation plan of the Tourism Marketing strategy. Printing of Coffee table Book	Implement Tourism marketing Strategy through Participation at the Getaway show; The implementation of Monthly Getaway for Locals; Placements of advertisements in at least 2 media channels and conduct summer campaign	Additional Placements in at least 2 media channels; Complete concept for Winter Campaign; and print 7 wonders area brochures	Participate at Tourism Indaba, Winter Campaign roll out; Placements of adverts in at least 2 media channels
		To support at least 3 LTO's in the District (DEV00110)	Close-out Report submitted to Mayco and Council	Report	5%	Proposals reviewed, evaluated and submitted to Mayoral Committee for approval	Service level Agreements signed with LTOs/Beneficiaries	3 LTO projects implemented and monitored	Close-out Report submitted to Mayco and Council
		Tourism Sector Development to support at least 2 LM's (DEV00111)	Close-out Report submitted to Mayco and Council	Report	5%	Request for proposals from LM's as per Tourism Sector Plans. Proposals reviewed, evaluated and submitted to Mayoral Committee for approval	Service Level Agreements signed	3 LM projects implemented and monitored	Close-out Report submitted to Mayco and Council
		Destination and Sub-branding		Report	.6%				

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 P.K.  
 M.K.  
 T.P.  
 J.P.



PERFORMANCE PLAN : Pumelelo Kate (Director: Economic Development)

2014/2015

Objective	Strategy	Key Performance Indicator (Project)	Annual Target	Proof	Weighting	Targets			
						September 2014/2015	December 2014/2015	March 2014/2015	
Developing skills and education base by increasing the number of semi-skilled and skilled by 10%.	Create further education opportunities	Signature in Grahamstown, Addo and Baviaans (DEV00113)	Close-out Report submitted to Mayco and Council			September 2014/2015 TOR completed and Service Provider appointed	Approval of identified and confirmed sites by regulating bodies	March 2014/2015 Grahamstown, Tsitsikamma, Addo and Baviaans signs erected	June 2014/2015 Close-out Report submitted to Mayco and Council
		Conduct Tourism visitor Survey and collect district tourism statistics in 5 LMs	Close-out Report submitted to Mayco and Council	Report	2.5%	Service Provider appointed	Tourism Visitor Survey conducted in SRV, BCR and Makana. Tourism Stats collected in the LM's	Tourism Visitor Survey conducted in Ikwezi and Ndlambe. Tourism Stats collected in the LM's. Progress Report submitted to Mayco	Close-out Report submitted to Mayco and Council
		Funding Support to Wilderness Foundation Training Programme (Umzi Wethu) for at least 6 district participants (DEV00114)	Training programme completed and close-out report to MC	Report	2.5%	6 participants from the District selected and training commenced	Training in progress	Half year progress report submitted	Training programme completed and close-out report to MC
General	Lobby for funding	To support at least 3 Creative Industries' projects in LMs (DEV00112)	Close-out report submitted to MC and Council	Report	3.7%	Request for proposals from LMs as per Tourism Sector Plans. Proposals reviewed, evaluated and submitted to MC for approval	Service Level agreements signed with LMs / Beneficiaries	3 Creative Industries projects implemented and monitored	Close-out report submitted to MC and Council
		3 submissions to sector departments / possible funders for Economic Development projects	Increased funding or investment as result of submissions and presentations	Reports/copies of submissions	7.5%	1 submission to sector departments/funders	1 submission to sector departments/funders	1 submission to sector departments/funders	NA
<b>KPA 4. MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT</b>									
General	Exercise financial control over CDM	At least 90% of project budget implemented	90% of project budget implemented	Annual financial statements	7.5%	NA	Projected expenditure within 10%	NA	90% of project budget implemented
<b>KPA 5. GOOD GOVERNANCE AND PUBLIC PARTICIPATION</b>									
General	Ensure that capacity support to LMs is given priority	Implementation of the CDM Capacity building strategy - Economic Development	Evidence of assistance to 9 LM's	Plan and reports	6.2%	Draft capacity building and support program developed	Report tabled and confirmed with LM's	Report to Capacity Building Manager	Evidence of assistance to 9 LM's
		Implementation of 2 projects from		Reports	3.7%	Quarterly Report	Quarterly Report	Quarterly Report	Quarterly Report on implementation

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PERFORMANCE PLAN : Pumelelo Kate (Director: Economic Development)

2014/2015

Targets

Objective	Strategy	Key Performance Indicator (Project)	Annual Target	Proof	Weighting	September 2014/2015	December 2014/2015	March 2014/2015	June 2014/2015
		Partnership with other city municipalities	Implementation of project arising out of partnership						of project arising out of partnership
	To ensure that the Department complies with legislation applicable to it	Completion of the OHASA quarterly safety checklist and Safety Standards adhered to	4 x checklists and 4 quarterly meetings	4 x checklists and minutes of meetings	1.2%	1st checklist completed and quarterly meeting held	2nd checklist completed and quarterly meeting held	3rd checklist completed and quarterly meeting held	4th checklist completed and quarterly meeting held
	Risk Management	Ensure that sufficient and effective controls are in place to manage risks in the institution	100% controls in place to manage risks	Internal Audit reports	1.2%	100% controls in place to counter risks	100% controls in place to counter risks	100% controls in place to counter risks	100% controls in place to counter risks
	Exercises budget control in order to prevent over/ unauthorized expenditure. This includes	100% compliance to SCM and Unauthorised, Irregular, Fruitless and Wasteful Expenditure Policy	100% compliance	Internal and External Audit Reports	3.7%	100% compliance to policy	100% compliance to policy	100% compliance to policy	100% compliance to policy
	A legally compliant municipality	No repeat findings raised in Internal and External Audit Reports	100% compliance to internal controls	Internal Audit reports and AG Reports	2.5%	NA	Response provided to Draft Management letter	Receipt of a Clean Audit report and inclusion of same in annual report	NA
	Exercise financial control over CDM	Ensuring the Department contribute towards the Receipt of a Clean Audit Report	Clean Audit Report	Clean Audit Report from AG	3.7%	NA	Response provided to Draft Management letter	Receipt of a Clean Audit report and inclusion of same in annual report	NA
	To ensure effective Council Meetings administration	100% Implementation of Council Resolutions	100% Council Resolutions implemented pertaining to the Department	Report on implementation of Council Resolutions	2.5%	100% Council Resolutions implemented	100% Council Resolutions implemented	100% Council Resolutions implemented	100% Council Resolutions implemented

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**CORE COMPETENCY REQUIREMENTS (CCR's) : Pumelelo Kate (Director: Economic Development)**

2014/2015

Core Competency Requirement	Annual Target	Proof	Weighting	Targets		
				September 2014/2015	December 2014/2015	March 2014/2015
<b>CCR 1. MANAGERIAL</b>						
Strategic Capability and Leadership	Demonstrated evidence accordingly	Evidence of standard achieved as documented in a written report	25%	Demonstrated evidence accordingly	Demonstrated evidence accordingly	Demonstrated evidence accordingly
Programme and Project Management	Demonstrated evidence accordingly	Evidence of standard achieved as documented in a written report	25%	Demonstrated evidence accordingly	Demonstrated evidence accordingly	Demonstrated evidence accordingly
<b>CCR 2. OCCUPATIONAL</b>						
Financial Management	Demonstrated evidence accordingly	Evidence of standard achieved as documented in a written report	15%	Demonstrated evidence accordingly	Demonstrated evidence accordingly	Demonstrated evidence accordingly
Client orientation and Customer Focus	Demonstrated evidence accordingly	Evidence of standard achieved as documented in a written report	10%	Demonstrated evidence accordingly	Demonstrated evidence accordingly	Demonstrated evidence accordingly
Competence in policy conceptualisation, analysis and implementation	Demonstrated evidence accordingly	Evidence of standard achieved as documented in a written report	5%	Demonstrated evidence accordingly	Demonstrated evidence accordingly	Demonstrated evidence accordingly
People Management and Empowerment	Displays standard aligned to that recommended in the MSA competency guidelines	Evidence of standard achieved as documented in a written report	10%	Evidence of achievement / working towards the standard	Evidence of achievement / working towards the standard	Displays standard aligned to that recommended in the MSA competency guidelines
Interpretation of and implementation within the legislative and national policy frameworks	Demonstrated evidence accordingly	Evidence of standard achieved as documented in a written report	10%	Demonstrated evidence accordingly	Demonstrated evidence accordingly	Demonstrated evidence accordingly

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 W.L.  
 P.K.  
 H.P.



## PERFORMANCE AGREEMENT

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MADE AND ENTERED INTO BY AND BETWEEN:



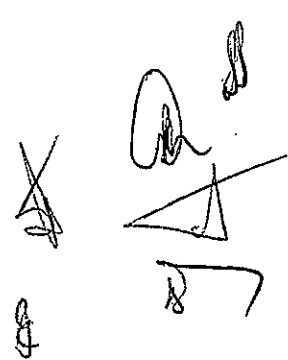
**THE CACADU DISTRICT MUNICIPALITY**  
**AS REPRESENTED BY THE MUNICIPAL MANAGER**

**DAYALAN MURUVEN PILLAY**  
(HEREIN REFERED TO AS THE 'EMPLOYER')

**AND**

**DANIEL JOHANNES DE LANGE**  
**DIRECTOR: FINANCE AND CORPORATE SERVICES**  
(HEREIN REFERED TO AS THE 'EMPLOYEE')

FOR THE FINANCIAL YEAR:  
1 JULY 2014 - 30 JUNE 2015



**WHEREBY IT IS AGREED AS FOLLOWS:**

**1. INTRODUCTION**

- 1.1 The **Employer** has entered into a contract of employment with the **Employee** in terms of section 57(1)(a) of the Local Government: Municipal Systems Act 32 of 2000 ("the Systems Act"). The **Employer** and the **Employee** are hereinafter referred to as "the Parties".
- 1.2 Section 57(1)(b) of the Systems Act, read with the Contract of Employment concluded between the parties, requires the parties to conclude an annual performance agreement.
- 1.3 The parties wish to ensure that they are clear about the goals to be achieved, and secure the commitment of the **Employee** to a set of outcomes that will secure local government policy goals.
- 1.4 The parties wish to ensure that there is compliance with Sections 57(4A), 57(4B) and 57(5) of the Systems Act.
- 1.5 That in terms of the MFMA Regulations and Government Gazette Vol. 585, No. 37432 dated 14 March 2014, the **Employee** will obtain the minimum competency requirements to execute his/her function is achieved by **30 September 2015**.

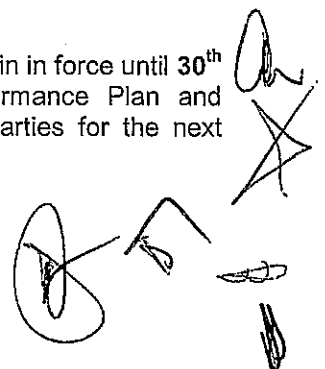
**2. PURPOSE OF THIS AGREEMENT**

The purpose of this Agreement is to -

- 2.1 comply with the provisions of Section 57(1)(b),(4A),(4B) and (5) of the Act as well as the employment contract entered into between the parties;
- 2.2 specify objectives and targets defined and agreed with the employee and to communicate to the employee the employer's expectations of the employee's performance and accountabilities in alignment with the Integrated Development Plan, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the municipality;
- 2.3 specify accountabilities as set out in a performance plan, which forms an annexure to the performance agreement;
- 2.4 monitor and measure performance against set targeted outputs;
- 2.5 use the performance agreement as the basis for assessing whether the employee has met the performance expectations applicable to his or her job;
- 2.6 in the event of outstanding performance, to appropriately reward the employee; and
- 2.7 give effect to the employer's commitment to a performance-orientated relationship with its employee in attaining equitable and improved service delivery.

**3. COMMENCEMENT AND DURATION**

- 3.1 This Agreement will commence on the **1<sup>st</sup> July 2014** and will remain in force until **30<sup>th</sup> June 2015** thereafter a new Performance Agreement, Performance Plan and Personal Development Plan shall be concluded between the parties for the next financial year or any portion thereof.



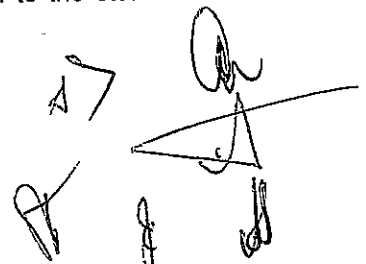
- 3.2 The parties will review the provisions of this Agreement during June each year. The parties will conclude a new Performance Agreement and Performance Plan that replaces this Agreement at least once a year by not later than the beginning of each successive financial year.
- 3.3 This Agreement will terminate on the termination of the **Employee's** contract of employment for any reason.
- 3.4 The content of this Agreement may be revised at any time during the above-mentioned period to determine the applicability of the matters agreed upon.
- 3.5 If at any time during the validity of this Agreement the work environment alters (whether as a result of government or council decisions or otherwise) to the extent that the contents of this Agreement are no longer appropriate, the contents shall immediately be revised.

#### 4 PERFORMANCE OBJECTIVES

- 4.1 The Performance Plan (Annexure A) sets out-
- 4.1.1 the performance objectives and targets that must be met by the **Employee**; and
- 4.1.2 the time frames within which those performance objectives and targets must be met.
- 4.2 The performance objectives and targets reflected in Annexure A are set by the **Employer** in consultation with the **Employee** and based on the Integrated Development Plan, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the **Employer**, and shall include key objectives; key performance indicators; target dates and weightings.
- 4.2.1 The key objectives describe the main tasks that need to be done.
- 4.2.2 The key performance indicators and means of verification provide the details of the evidence that must be provided to show that a key objective has been achieved.
- 4.2.3 The target dates describe the timeframe in which the work must be achieved.
- 4.2.4 The weightings show the relative importance of the key objectives to each other.
- 4.3 The **Employee's** performance will, in addition, be measured in terms of contributions to the goals and strategies set out in the **Employer's** Integrated Development Plan.

#### 5 PERFORMANCE MANAGEMENT SYSTEM

- 5.1 The **Employee** agrees to participate in the performance management system that the **Employer** adopts or introduces for the **Employer**, management and municipal staff of the **Employer**.
- 5.2 The **Employee** accepts that the purpose of the performance management system will be to provide a comprehensive system with specific performance standards to assist the **Employer**, management and municipal staff to perform to the standards required.



- 5.3 The **Employer** will consult the **Employee** about the specific performance standards that will be included in the performance management system as applicable to the **Employee**.
- 5.4 The **Employee** undertakes to actively focus towards the promotion and implementation of the KPAs (including special projects relevant to the employee's responsibilities) within the local government framework.
- 5.5 The criteria upon which the performance of the **Employee** shall be assessed shall consist of two components, both of which shall be contained in the Performance Agreement.
- 5.5.1 The **Employee** must be assessed against both components, with a weighting of 80:20 allocated to the Key Performance Areas (KPAs) and the Core Competency Requirements (CCRs) respectively.
- 5.5.2 Each area of assessment will be weighted and will contribute a specific part to the total score.
- 5.5.3 KPAs covering the main areas of work will account for 80% and CCRs will account for 20% of the final assessment.
- 5.6 The **Employee's** assessment will be based on his / her performance in terms of the outputs / outcomes (performance indicators) identified as per attached Performance Plan (**Annexure A**), which are linked to the KPA's, and will constitute 80% of the overall assessment result as per the weightings agreed to between the **Employer** and **Employee**:

Key Performance Areas (KPA's)	Weighting
Municipal Institutional Development and Transformation	19.8%
Basic Service Delivery	1.2%
Local Economic Development (LED)	0%
Municipal Financial Viability and Management	50%
Good Governance and Public Participation	29.1
<b>Total</b>	<b>100%</b>

- 5.7 In the case of managers directly accountable to the municipal manager, key performance areas related to the functional area of the relevant manager, must be subject to negotiation between the municipal manager and the relevant manager.
- 5.8 The CCRs will make up the other 20% of the **Employee's** assessment score. CCRs that are deemed to be most critical for the **Employee's** specific job should be selected (✓) from the list below as agreed to between the **Employer** and **Employee**. Three of the CCRs are compulsory for Municipal Managers:

CORE COMPETENCY REQUIREMENTS (CCR) FOR EMPLOYEES		
CORE MANAGERIAL COMPETENCIES (CMC)	✓	WEIGHT
Strategic Capability and Leadership	✓	25
Programme and Project Management		
Financial Management	✓	25
Change Management		
Knowledge Management		



CORE COMPETENCY REQUIREMENTS (CCR) FOR EMPLOYEES		
CORE MANAGERIAL COMPETENCIES (CMC)	✓	WEIGHT
Service Delivery Innovation		
Problem Solving and Analysis		
People Management and Empowerment	✓	25
Client Orientation and Customer Focus		
Communication		
Honesty and Integrity		
CORE OCCUPATIONAL COMPETENCIES (COC)		
Competence in Self Management		
Interpretation of and implementation within the legislative and national policy frameworks	✓	25
Knowledge of Performance Management and Reporting		
Knowledge of global and South African specific political, social and economic contexts		
Competence in policy conceptualisation, analysis and implementation		
Knowledge of more than one functional municipal field / discipline		
Skills in Mediation		
Skills in Governance		
Skills in Mentorship		
Competence as required by other national line sector departments		
Exceptional and dynamic creativity to improve the functioning of the municipality		
Total percentage	-	100%

## 6. EVALUATING PERFORMANCE

- 6.1 The Performance Plan (Annexure A) to this Agreement sets out -
- 6.1.1 the standards and procedures for evaluating the **Employee's** performance; and
- 6.1.2 the intervals for the evaluation of the **Employee's** performance.
- 6.2 Despite the establishment of agreed intervals for evaluation, the **Employer** may in addition review the **Employee's** performance at any stage while the contract of employment remains in force.
- 6.3 Personal growth and development needs identified during any performance review discussion must be documented in a Personal Development Plan as well as the actions agreed to and implementation must take place within set time frames.
- 6.4 The **Employee's** performance will be measured in terms of contributions to the goals and strategies set out in the **Employer's** IDP.
- 6.5 The annual performance appraisal will involve:
- 6.5.1 **Assessment of the achievement of results as outlined in the performance plan:**

- (a) Each KPA should be assessed according to the extent to which the specified standards or performance indicators have been met and with due regard to ad hoc tasks that had to be performed under the KPA.
- (b) An indicative rating on the five-point scale should be provided for each KPA.
- (c) The applicable assessment rating calculator (refer to paragraph 6.5.3 below) must then be used to add the scores and calculate a final KPA score.

**6.5.2 Assessment of the CCRs**

- (a) Each CCR should be assessed according to the extent to which the specified standards have been met.
- (b) An indicative rating on the five-point scale should be provided for each CCR.
- (c) This rating should be multiplied by the weighting given to each CCR during the contracting process, to provide a score.
- (d) The applicable assessment rating calculator (refer to paragraph 6.5.1) must then be used to add the scores and calculate a final CCR score.

**6.5.3 Overall rating**

An overall rating is calculated by using the applicable assessment-rating calculator. Such overall rating represents the outcome of the performance appraisal.

6.6 The assessment of the performance of the **Employee** will be based on the following rating scale for KPA's and CCRs:

Level	Terminology	Description	Rating				
			1	2	3	4	5
5	Outstanding performance	Performance far exceeds the standard expected of an employee at this level. The appraisal indicates that the Employee has achieved above fully effective results against all performance criteria and indicators as specified in the PA and Performance plan and maintained this in all areas of responsibility throughout the year.					
4	Performance significantly above expectations	Performance is significantly higher than the standard expected in the job. The appraisal indicates that the Employee has achieved above fully effective results against more than half of the performance criteria and indicators and fully achieved all others throughout the year.					

Level	Terminology	Description	Rating				
			1	2	3	4	5
3	Fully effective	Performance fully meets the standards expected in all areas of the job. The appraisal indicates that the Employee has fully achieved effective results against all significant performance criteria and indicators as specified in the PA and Performance Plan.					
2	Not fully effective	Performance is below the standard required for the job in key areas. Performance meets some of the standards expected for the job. The review/assessment indicates that the employee has achieved below fully effective results against more than half the key performance criteria and indicators as specified in the PA and Performance Plan.					
1	Unacceptable performance	Performance does not meet the standard expected for the job. The review/assessment indicates that the employee has achieved below fully effective results against almost all of the performance criteria and indicators as specified in the PA and Performance Plan. The employee has failed to demonstrate the commitment or ability to bring performance up to the level expected in the job despite management efforts to encourage improvement.					

- 6.7 For purposes of evaluating the annual performance of the municipal manager, an evaluation panel constituted of the following persons must be established -
- 6.7.1 Executive Mayor;
  - 6.7.2 Chairperson of the performance audit committee or the Chairperson or designated performance management specialist of the audit committee in the absence of a performance audit committee;
  - 6.7.3 Member of the mayoral or executive committee or in respect of a plenary type municipality, another member of council;
  - 6.7.4 Mayor and/or municipal manager from another municipality; and
  - 6.7.5 Member of a ward committee as nominated by the Executive Mayor.
- 6.8 For purposes of evaluating the annual performance of managers directly accountable to the municipal managers, an evaluation panel constituted of the following persons must be established -
- 6.8.1 Municipal Manager;
  - 6.8.2 Chairperson of the performance audit committee or the Chairperson or designated performance management specialist of the audit committee in the absence of a performance audit committee;
  - 6.8.3 Member of the mayoral or executive committee or in respect of a plenary type municipality, another member of council; and
  - 6.8.4 Municipal manager from another municipality.
- 6.9 The manager responsible for human resources of the municipality must provide secretariat services to the evaluation panels referred to in sub-regulations (6.7) and (6.8).

## 7. SCHEDULE FOR PERFORMANCE REVIEWS

7.1 The performance of each **Employee** in relation to his / her performance agreement shall be reviewed on the following dates with the understanding that reviews in the first and third quarter may be verbal if performance is satisfactory:

<b>First quarter</b>	:	July – September	<b>Before end October 2014</b>
<b>Second quarter</b>	:	October – December	<b>Before end January 2015</b>
<b>Third quarter</b>	:	January – March	<b>Before end April 2015</b>
<b>Fourth quarter</b>	:	April – June	<b>Before end January 2016</b>

7.2 The **Employer** shall keep a record of the mid-year review and annual assessment meetings.

7.3 Performance feedback shall be based on the **Employer's** assessment of the **Employee's** performance.

7.4 The **Employer** will be entitled to review and make reasonable changes to the provisions of Annexure "A" from time to time for operational reasons. The **Employee** will be fully consulted before any such change is made.

7.5 The **Employer** may amend the provisions of Annexure A whenever the performance management system is adopted, implemented and / or amended as the case may be. In that case the **Employee** will be fully consulted before any such change is made.

## 8. DEVELOPMENTAL REQUIREMENTS

The Personal Development Plan (PDP) for addressing developmental gaps is attached as Annexure B.

## 9. OBLIGATIONS OF THE EMPLOYER

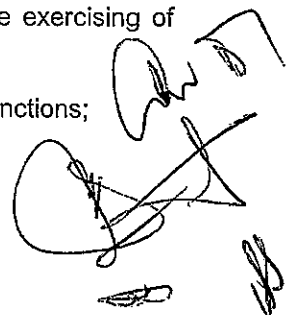
9.1 The Employer shall –

- 9.1.1 create an enabling environment to facilitate effective performance by the employee;
- 9.1.2 provide access to skills development and capacity building opportunities;
- 9.1.3 work collaboratively with the **Employee** to solve problems and generate solutions to common problems that may impact on the performance of the **Employee**;
- 9.1.4 on the request of the **Employee** delegate such powers reasonably required by the **Employee** to enable him / her to meet the performance objectives and targets established in terms of this Agreement; and
- 9.1.5 make available to the **Employee** such resources as the **Employee** may reasonably require from time to time to assist him / her to meet the performance objectives and targets established in terms of this Agreement.

## 10. CONSULTATION

10.1 The **Employer** agrees to consult the **Employee** timeously where the exercising of the powers will have amongst others –

- 10.1.1 a direct effect on the performance of any of the **Employee's** functions;



10.1.2 commit the **Employee** to implement or to give effect to a decision made by the **Employer**; and

10.1.3 a substantial financial effect on the **Employer**.

10.2 The **Employer** agrees to inform the **Employee** of the outcome of any decisions taken pursuant to the exercise of powers contemplated in 10.1 as soon as is practicable to enable the **Employee** to take any necessary action without delay.

## 11. MANAGEMENT OF EVALUATION OUTCOMES

11.1 The evaluation of the **Employee's** performance will form the basis for rewarding outstanding performance or correcting unacceptable performance.

11.2 A performance bonus of between 5% to 14% of the all-inclusive annual remuneration package may be paid to the **Employee** in recognition of outstanding performance to be constituted as follows:

11.2.1 a score of 130% to 149% is awarded a performance bonus ranging from 5% to 9%; and

11.2.2 a score of 150% and above is awarded a performance bonus ranging from 10% to 14%.

SCORE	BONUS %
130 - 133	5
134 - 137	6
138 - 141	7
142 - 145	8
146 - 149	9
150 - 153	10
154 - 157	11
158 - 161	12
162 - 165	13
166 - 167	14

11.2.3 A pro rata bonus will be payable to the **Employee** based on the amount of full months employed, in the event that the evaluation period is not for a full financial year subject to the following: -.

That the evaluation period be no less than 6 months

That the **employee** be employed on the last day of the financial year and undergo a review during the agreed review period.

11.3 In the case of unacceptable performance, the **Employer** shall -

11.3.1 provide systematic remedial or developmental support to assist the **Employee** to improve his or her performance; and

11.3.2 after appropriate performance counselling and having provided the necessary guidance and/ or support as well as reasonable time for improvement in performance, the **Employer** may consider steps to terminate the contract of employment of the **Employee** on grounds of unfitness or incapacity to carry out his or her duties.

**12. DISPUTE RESOLUTION**

- 12.1 Any disputes about the nature of the **Employee's** performance agreement, whether it relates to key responsibilities, priorities, methods of assessment and/ or any other matter provided for, shall be mediated by –
  - 12.1.1 the MEC for local government in the province within thirty (30) days of receipt of a formal dispute from the **Employee**; or
  - 12.1.2 any other person appointed by the MEC.
  - 12.1.3 In the case of managers directly accountable to the municipal manager, a member of the municipal council, provided that such member was not part of the evaluation panel provided for in sub-regulation 27(4)(e) of the Municipal Performance Regulations, 2006, within thirty (30) days of receipt of a formal dispute from the employee;

whose decision shall be final and binding on both parties.

- 12.2 In the event that the mediation process contemplated above fails, clause 20 of the Contract of Employment shall apply.

**13. GENERAL**

- 13.1 The contents of this agreement and the outcome of any review conducted in terms of Annexure A may be made available to the public by the **Employer**.
- 13.2 Nothing in this agreement diminishes the obligations, duties or accountabilities of the **Employee** in terms of his/ her contract of employment, or the effects of existing or new regulations, circulars, policies, directives or other instruments.
- 13.3 The performance assessment results of the municipal manager must be submitted to the MEC responsible for local government in the relevant province as well as the national minister responsible for local government, within fourteen (14) days after the conclusion of the assessment.

Thus done and signed at DOESBURGH.....on this the 14<sup>th</sup> day of July 2014

AS WITNESSES:

1. [Signature]

2. [Signature]

[Signature]  
EMPLOYEE

AS WITNESSES:

1. [Signature]

2. [Signature]

[Signature]  
MUNICIPAL MANAGER



**PERFORMANCE PLAN : Danie de Lange (Director: Finance and Corporate Services) 2014/2015**

Objective	Strategy	Key Performance Indicator (Project)	Annual Target	Proof	Weighting	September 2014/2015	December 2014/2015	March 2014/2015	June 2014/2015
<b>KPA 1. BASIC SERVICE DELIVERY</b>	Ensure that the Municipality complies with Legislation applicable to it	Completion of the OHASA quarterly safety checklist	4 x checklists	4 x checklists	1.1%	1 checklist	2 checklist	3 checklist	4 checklist
<b>KPA 2. MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION</b>	Co-ordinate recruitment and selection processes	Recruitment process completed within 12 weeks	100% compliance to Log the 12 week turn-around time by HR	Log	3.4%	100% completed	100% completed	100% completed	100% completed
	A legally compliant municipality	100% disciplinary hearings organised within 2 months after service of notice of misconduct.	100%	Log	3.4%	100%	100%	100%	100%
	Training	100% Development and implementation and expenditure skills development plan for F&CS	100% Approved SDF, Implementation and Expenditure	Proof of completed courses, budget spent aligned to skills development plan	2.3%	100% Progress and Expenditure in terms of plan	100% Progress and Expenditure in terms of plan	100% Progress and Expenditure in terms of plan	100% Progress and Expenditure in terms of plan
	Exercise financial control over CDM	100% of CDM budget spent on implementing its workplace skills plan	100% recorded as actual	Correspondence (Mayoral, MM, Directors)	2.3%	Reports to Mayoral and % recorded as actual	Reports to Mayoral and % recorded as actual	Reports to Mayoral and % recorded as actual	Reports to Mayoral and % recorded as actual
	Facilitate the development and implementation of budget related policies	Approved budget related policies	Approved budget related policies	Council approved policies	2.3%	n/a	n/a	revision of budgete related policies	policies approved by council
	To ensure that the PMS is implemented and directly maintained in accordance with Legislation	100% of indicators met by officials reporting directly to Performance Plans (shown through review documentation)	100%	Performance review report (all officials) 4th quarter	3.4%	All plans in place, signed and sent to PMS Officer	First quarter reports and reviews sent to PMS Officer	Second quarter reports and reviews sent to PMS Officer	Third and Fourth quarter reports and reviews sent to PMS Officer
	To maintain harmonious and content labour relations	Existence of a functional LLF	4 Quarterly meetings	Minutes of meetings	2.3%	Ensure 100% functionality of LLF	Ensure 100% functionality of LLF	Ensure 100% functionality of LLF	Ensure 100% functionality of LLF

*(Handwritten signatures and initials)*



PERFORMANCE PLAN : Danie de Lange (Director: Finance and Corporate Services)							
Objective	Strategy	Key Performance Indicator (Project)	Annual Target	Proof	Weighting	Targets	
						September 2014/2015	December 2014/2015
To establish an CDM institution offices to its area of jurisdiction by 2013	To ensure implementation of decisions	Department taken at Strategic Planning Sessions	100% Strategic decisions implemented for the Department				
		Securing of funding for the relocation to Kirkwood	Securing of a office block in Kirkwood for CDM relocation	Report	5.4%	Progress report on securing of funding and submitted to Council	Progress report on securing of funding and submitted to Council
<b>KPA 4. MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT</b>							
To improve effectiveness in municipal financial management	Improve corporate systems both in the district and LMs	Provision of assistance to 5 LMs in respect to GRAP compliance and improve Audit Outcomes (FIN00103)	Provide assistance through 1 training workshops held in GRAP compliance and new standards by making available financial management support to deal with issues raised in the LM's AG's management letter	Report	5.4%	Improved Financial Management process, policies, procedures and internal controls	
		Preparation of a funded budget	Adopted budget	Adoption by Council	10.8%	Roll-over budgets received	Improved Financial Management process, policies, procedures and internal controls
General	Exercises financial control over CDM	Delivery of reviewed financial statements to OAG on or before 31 August annually prepared in terms of the prescribed framework	Delivered on or before 31 August	Proof of delivery	10.8%	Statements delivered on or before 31 August	Final letter included in annual report
		At least 90% of project budget implemented	90% of project budget implemented	Annual financial statements	3.2%	NA	Projected expenditure within 10%
Adherence to budgetary matters		Collection of outstanding debt and unconditional grants	90%	Financial statements	2.2%	NA	NA
		Operating expenditure variance for F&CS not to exceed 10%	<10%	Financial statements	2.2%	NA	NA
To ensure financial sustainability		Achieving a balanced cash flow where the municipality is able to meet all its financial commitments in the financial year	Balanced cash flow for year	Financial statements	3.2%	NA	NA
		Lobby for funding	Increased funding or investment as result of	Reports/copies of submissions	5.4%		

*[Handwritten marks]*

*[Handwritten signatures and date: 2014/07/24]*

**PERFORMANCE PLAN : Danie de Lange (Director: Finance and Corporate Services) 2014/2015**

Objective	Strategy	Key Performance Indicator (Project)	Annual Target	Proof	Weighting	September 2014/2015	December 2014/2015	March 2014/2015	June 2014/2015	Targets
To ensure financial sustainability		Achieving a balanced cash flow where the municipality is able to meet all its financial commitments in the financial year	Balanced cash flow for year	Financial statements	3.4% NA	NA	NA	NA	Balanced cash flow. Meeting financial commitments	
Lobby for funding		4 Successful submissions to sector departments / possible funders for Finance and Corporate Services Department	Increased funding or investment as result of submissions and presentations	Reports/copies of submissions	5.7%	1 Successful submission to sector departments/funders	1 Successful submission to sector departments/funders	1 Successful submission to sector departments/funders	1 Successful submission to sector departments/funders	
<b>KPA 5. GOOD GOVERNANCE AND PUBLIC PARTICIPATION</b>										
General	Ensure that capacity support to LMs is given priority	Implementation of the CDM Capacity building strategy - Finance and Corporate Services	3 Reports (quarterly) to Capacity Building Manager	Plan and 3 reports	3.4%	Capacity building plan for Finance and Corporate Services Developed	Report to Capacity Building Manager	Report to Capacity Building Manager	Report to Capacity Building Manager	
	Ensure that the Municipality complies with Legislation applicable to it	Delivery of consolidated financial statements to OAG on or before 30 September annually	Delivered on or before 30 September	Proof of delivery	3.4%	Statements delivered on or before 30 September	Response provided to Draft Management letter	Final letter included in annual report	Final letter included in annual report	
Risk Management		100% Legal compliance to all key legislation and by-laws	90%	MFMA checklist complete with comments; In-year reporting	2.3%	100% overall legal compliance to all key legislation	100% overall legal compliance to all key legislation	100% overall legal compliance to all key legislation	100% overall legal compliance to all key legislation	
		Ensure that sufficient and effective controls are in place to management risks (Risk Management Register, Meetings held and Annual Risk Management Workshop)	100% controls in place to manage risks	Internal Audit reports	3.4%	100% controls in place to counter risks	100% controls in place to counter risks	100% controls in place to counter risks	100% controls in place to counter risks	
Exercise financial control over CDM Audit Report		Receipt of a Clean Audit Report	Clean Audit Report	Clean Audit Report from AG	9.1% NA	NA	Response provided to Draft Management letter	Receipt of a Clean Audit report and inclusion of same in annual report	NA	

**PERFORMANCE PLAN : Danie de Lange (Director: Finance and Corporate Services)**  
2014/2015

Objective	Strategy	Key Performance Indicator (Project)	Annual Target	Proof	Weighting	September 2014/2015	December 2014/2015	Targets	June 2014/2015
A legally compliant municipality	No Exceptions raised in Internal and External Audit Reports	100% compliance to internal controls	Internal Audit reports and AG Reports	3.4% NA	Response provided to Draft Management letter	100% compliance to policy	100% Council Resolutions implemented	Receipt of a Clean Audit report and inclusion of same in annual report	NA
Exercises budget control in order to prevent over/ unauthorised, Irregular, Fruitless expenditure. This and Wasteful Expenditure Policy includes	100% Council Resolutions implemented pertaining to the Department	100% compliance	Internal and External Audit Reports	3.4% 100% compliance to policy	100% compliance to policy	100% Council Resolutions implemented	100% Council Resolutions implemented	100% compliance to policy	100% compliance to policy
To ensure effective Council Meetings administration	100% Council Resolutions implemented pertaining to the Department	100% Council Resolutions implemented pertaining to the Department	Report on implementation of Council Resolutions	2.3% 100% Council Resolutions implemented	100% Council Resolutions implemented	100% Council Resolutions implemented	100% Council Resolutions implemented	100% Council Resolutions implemented	100% Council Resolutions implemented

**CORE COMPETENCY REQUIREMENTS (CCR's) : Danie de Lange (Director: Finance and Corporate Services)**  
2014/2015

Core Competency Requirement	Annual Target	Proof	Weighting	September 2014/2015	December 2014/2015	Targets	June 2014/2015
<b>CCR 1. MANAGERIAL</b> Strategic Capability and Leadership	Displays standard aligned to that recommended in the MSA competency guidelines	Evidence of standard achieved as documented in a written report	20%	Evidence of achievement / working towards the standard	Evidence of achievement / working towards the standard	Evidence of achievement / working towards the standard	Displays standard aligned to that recommended in the MSA competency guidelines
<b>CCR 2. OCCUPATIONAL</b> Financial Management	Displays standard aligned to that recommended in the MSA competency guidelines	Evidence of standard achieved as documented in a written report	20%	Evidence of achievement / working towards the standard	Evidence of achievement / working towards the standard	Evidence of achievement / working towards the standard	Displays standard aligned to that recommended in the MSA competency guidelines
People Management and Empowerment	Displays standard aligned to that recommended in the MSA competency guidelines	Evidence of standard achieved as documented in a written report	20%	Evidence of achievement / working towards the standard	Evidence of achievement / working towards the standard	Evidence of achievement / working towards the standard	Displays standard aligned to that recommended in the MSA competency guidelines
Interpretation and implementation within the legislative and national policy frameworks	Demonstrated evidence accordingly	Evidence of standard achieved as documented in a written report	20%	Demonstrated evidence accordingly	Demonstrated evidence accordingly	Demonstrated evidence accordingly	Demonstrated evidence accordingly
Client orientation and	Displays standard	Evidence of	20%	Evidence of achievement /	Evidence of achievement /	Evidence of achievement /	Displays standard

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### CORE COMPETENCY REQUIREMENTS (CCR's) : Danie de Lange (Director: Finance and Corporate Services)

2014/2015

Core Competency Requirement	Annual Target	Proof	Weighting	Targets
Customer Focus	recommended in the MSA competency guidelines	standard achieved as documented in a written report		<p>September 2014/2015 working towards the standard recommended in the MSA competency guidelines</p> <p>December 2014/2015 working towards the standard recommended in the MSA competency guidelines</p> <p>March 2014/2015 working towards the standard recommended in the MSA competency guidelines</p> <p>June 2014/2015 recommended in the MSA competency guidelines</p>

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Sarah Baartman District Municipality 2015/16 Annual Budget and  
MTREF

**2.15 Municipal Manager's quality certificate**

I, D M Pillay, Municipal Manager of Sarah Baartman District Municipality, hereby certify that the draft annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the draft annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name DAYALAN MURUVEN PILLAY  
Municipal Manager of Sarah Baartman District Municipality

Signature 

Date 28/05/2015