



NDLAMBE MUNICIPALITY

SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP)

BUDGET 2008/2009

Our VISION

Ndlambe Municipality strives to be a growing and investment friendly region that provides sustainable, efficient, cost-effective, adequate and affordable services to all citizens in a healthy and safe environment

FORWARD BY THE EXECUTIVE MAYOR

There are no joys without mountains having been climbed.

There are no joys without the nightmares that precede them and spring them into light.....

The joys that spring from the challenges are profound and the challenges will always be there. As long as there are human beings there will be challenges. Let no one speak (to me) of frontiers exhausted, all challenges met, all problems solved.

There is always the joy of discovering, uncovering, and forging new forms, new ways....

(Ben Okri, A Way of Being Free, 1997)

The United Nations members states in the Millenium Declaration in 2000 agreed to spare no effort to free our fellow men, women and children from the object and dehumanizing conditions of extreme poverty, to which more than a billion of them are currently subjected. This commitment was then codified into a total of 8 millennium developmental goals and 18 targets to be reached between 1990 and 2020. The eight goals included:

- **Eradicating extreme poverty and hunger,**
- **Achieving Universal primary education,**
- **Promoting gender equality and empowering women,**
- **Reducing child mortality,**
- **Improving material health,**
- **Combating HIV and Aids, Malaria and other diseases,**
- **Ensuring environmental sustainability and**
- **Developing global partnerships for development.**

The South African National Government adopted the above goals and some of the targets which affect us directly were set out as follows:

- **Water for all by 2008**
- **Sanitation for all by 2008**
- **Eradication of the sewer bucket system by 2007**
- **Electrification for all by 2012**
- **Halving poverty by 2014.**

Ndlambe Municipality in its Integrated Development Plan has adopted the following strategic goals and objectives in line with the National Spatial Development Perspective and the Provincial Growth and Development Plan.

- **To reduce unemployment by half**
- **Poverty eradication**
- **Investing in sustainable infrastructure development**
- **Enhancing the economy of the area and**

- To reduce the impact of HIV and Aids

The Service Delivery Budget Implementation Plan (SDBIP) is a response to ensure that year to year we are coming closer in meeting these targets in spite of our limitations in finances and capacity. Poverty keeps rearing its ugly head.

The Service Delivery Budget Implementation Plan (SDBIP) gives effect to the Integrated Development Plan and the Budget of the Ndlambe Municipality. The budget states the monetary value linked to each aspect of service delivery but is not set up as an action plan or an implementation tool. The service delivery budget implementation plan now provides the details on how the money is to be spent on service delivery and provides the timeframes in which the delivery is to take place. It serves as a contract between administration, council and the community and is the tool form which performance can be measured. The SDBIP provides the vital link between the mayor, council and administration and facilitates the process for holding management accountable for performance.

The IDP and budget process for Ndlambe Municipality for the 2007/2008 financial year did not meet all objectives with regards to the SDBIP and this will be corrected during the 2008/2009 financial years IDP and budget process where the SDBIP will be developed to indicate the responsibilities of each of the senior managers with deadlines to which they will be held responsible. The SDBIP for the 2008/2009 financial year will contain all expenditure information including capital projects per municipal ward so that each output can be broken down per ward where possible to support ward Councilors in service delivery information.

The basic priority of the Ndlambe Municipality is to collect all its revenue as budgeted as failure to collect all revenue will undermine the ability of the municipality to deliver on services and thus impact negatively on its Service Delivery and Budget Implementation Plan.

The 2007/2008 financial year Service Delivery Budget Implementation Plan is the start to the linking of the IDP and budget to provide service delivery targets per vote to set the strategic direction in which Council intends to move to enhance service delivery throughout the entire Ndlambe area.

MAYOR V M BALURA

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SECTION 1: GENERAL INFORMATION

A. OBJECTIVE

The primary objective is to develop a 12 month plan within which the Municipality has to achieve the following:

- The services represented by the expenditure in the budget
- The income to fund the service delivery.

Circular 13 from National Treasury attempts to commitment all stakeholders to agree to work towards specific objectives. This is done within the framework of consultation as outline in Chapter 4 of the Systems Act.

The secondary objective is to reduce in writing the activities of the organization so that it may be subject to assessment and benchmarking.

It serves as supplementary support document to the approved budget represented as a policy document. It further serves as a record of the Key Performance Areas (KPA) with their corresponding Key Performance Indicators (KPI) or Critical Success Factors (CSF).

DEFINITION

S	-----	SERVICE	-----	THAT TANGIBLE AND INTANGLE GOOD(S) AND/OR SERVICE(S) THAT IS A PRODUCT OF OUR EXISTENCE BY MANDATE
D	-----	DELIVERY	-----	THE "VEHICLE" USE TO ACHIEVE THE SERVICE AT THE RIGHT TIME, PLACE , QUANTITY AND QUALITY
B	-----	BUDGET	-----	A POLICY DOCUMENT, THAT RECORDS REALISTIC INCOME AND EXPENDITURE AS WELL AS THE INTENDED ACTIVITIES
I	-----	IMPLEMENTATION	--	THIS REFERS TO THE CONSEQUENCE AND REALIZATION OF DELIVERY. THE ACTION OR EFFORT
				THIS IS THE SDBIP STRATEGY DOCUMENT SO AGREED BY THE

P ----- PLAN -----

B. INTRODUCTION

Once the budget has been approved, at least one week before the commencement of the new financial year the SDBIP must be presented to the Mayor by the Accounting Officer after consultations with Senior Manager and other Head of Departments.

Even though it is not a policy document like the IDP and the Budget it is a vital tool for planning and strategy development. It is a vital tool for decision making and contracting mandates from communities.

The layers of this document will see the objectives report by the following listed components as well as the comparisons to the Organizational Performance and in turn linked to the individual directors and their activities with in their votes.

The major components of the SDBIP are:

1. Quarterly projections of budgeted income and actual income per vote and per activity
2. Quarterly projections of budgeted expenditure against actual per vote and per activity
3. Quarterly projections of the service (KPA) achieved against budget spending and comment.

These will be illustrated both tabular and graphically with comments

The procedure

The SDBIP was fundamentally divided in two sections namely:

a. The Service Delivery Component(SD)

Here we made use of controlled stationer and analyzed the purpose for the existence of the budget into the KPA and the corresponding KPI together with its delivery mechanism. Find filed behind each Department the KPA for all associated vote.

b. The Budget Implementation Plan (BIP)

Hereto we made use of controlled stationers to provide the detail associated with every line on the budget. This was to determine the

justification for the budget as well as ascertain it directive in support of a KPA.

The following Departments exist are:

No	Main Vote	Sub Vote
1	Council	Special Programmes
2	Office of the Municipal Manager	IDP/LED
3	Directorate: Fin Management	
4	Directorate: Corporate Service	
5	Directorate: Infrastructural Development	
6	Directorate: Community and Protection Service	

The Concept

It is that spending will be indicative of service delivery as a major consideration of whether the KPA was achieved. It is supplemented by an overview report by the Director and endorsed by the Municipal Manager.

C. LEGISLATION

The Municipal Finance Management Act 2004, Chapter 7, Section 53 (c)(ii), states:

“take reasonable steps to ensure the Municipalities SDBIP is approved by the Mayor within 28 Days after the approval of the budget and made public no later than 14 days after that”

Circular 13, from National Treasury provides the departure point for the SDBIP.

Chapter 8 of the MFMA stipulates that the Accounting Officer must submit a draft of the SDBIP to the Mayor within 14 days of the budget being approved as well as a draft of the annual performance agreements required by the Municipal Systems Act

Section 72 (1),(a),(ii) states “ the accounting officer of the municipality must by 25 January of each year-assess the performance of the municipality during the first half of financial year, taking into account-the municipality's service delivery performance during the first half of the financial year, and the service delivery targets and performance indicators set in the service delivery and budget implementation plan”

These sections leads us to the budget monitoring requirements as per section 71 and he rest of section 72 of the MFMA where it is stipulated that the Mayor

must check whether the budget is being implemented in accordance with the SDBIP

It should be note that service delivery and its related expenditure is based on the ability to fund the budget. Should a shortage of income be realized an Adjustment Budgets, in terms of the MFMA, will be tabled. The effect is that expenditure will be reduced inline with realistic income. This in turn means that service as contained in the SDBIP will then be reduces as well.

D. ROLEPLAYERS

They include and their respective roles are:

1. The Mayor

As head of the Council and to provide political leadership and direction.
Section 21(a),(b)

2. The Ward Councilor

As representative of a certain sector of the population and as promoter of Ward Committee structure

3. The Municipal Manager

As Accounting Officer and administratively charged

4. The Director: Financial Management

As advisor to the AO and responsible for the administration of the budget.
(Section 84, (1))

Senior accountants for reporting and assistance. Delegation- MFMA

5. Senior Managers

As appointed as head of department for the respective services. (Section 78, (1))

6. Senior officials and Section Heads

Reporting to Senior Manages and acting under delegation of their superiors.

7. Unions

As recognized body for organized labour being SAMWU and IMATU.

8. External Parties

National Treasury- MFMA
Provincial Officers and Departments.-MFMA

9. Internal Documents

IDP

10. Other

E ORGANOGRAM AND INISTITUIONAL ARRANGEMENTS

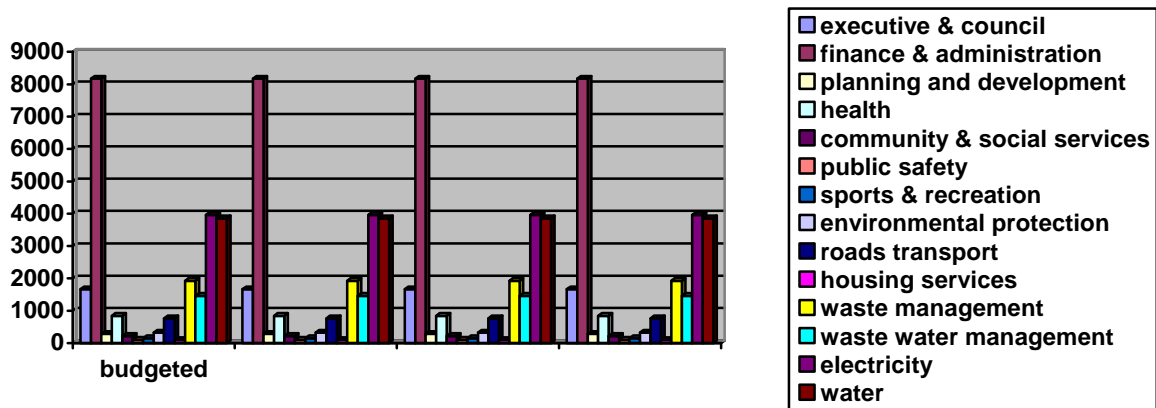
Refer to the Ndlambe organogram that depicts the structure of employees that supports and delivered the objectives of the organization. The budget is divided into activities together with the employees associated with it.

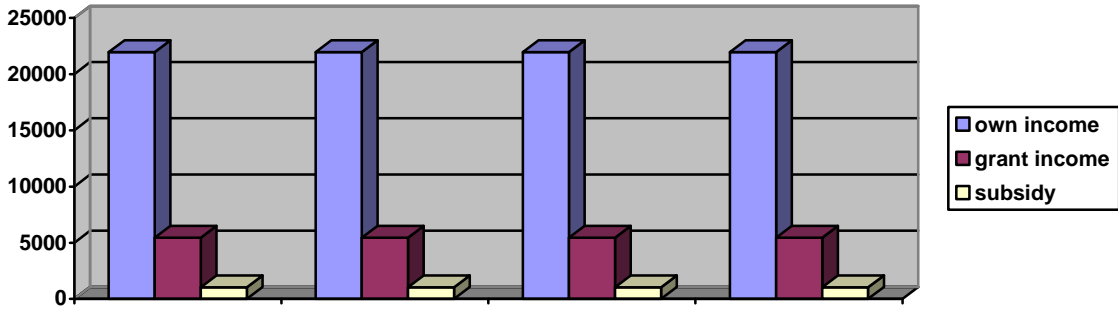
F. The Budget

The following is the overview of the budget to 2008/2009

F 1 Operating Income

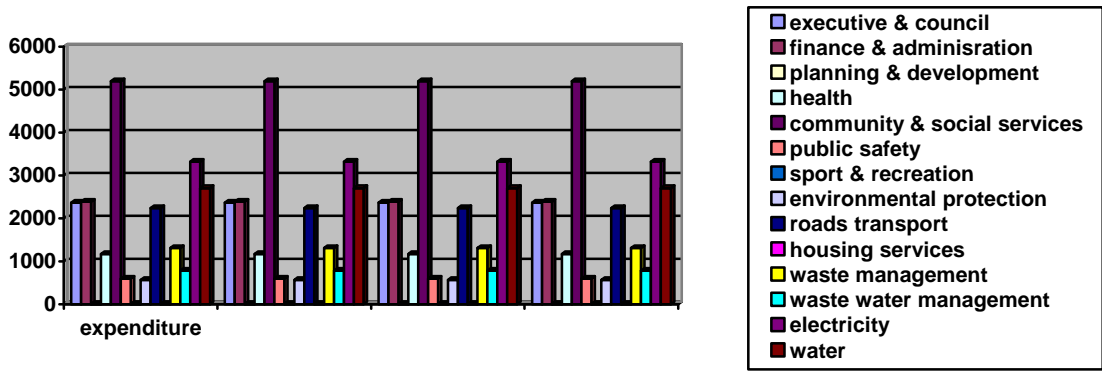
The total budgeted income amount to R123 846 958





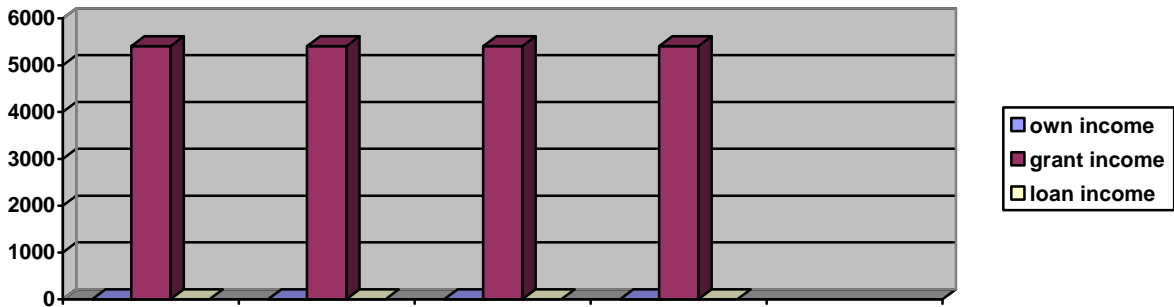
F 2 Operating Expenditure

The total budgeted expenditure amount to R123 795 102



F 3 Capital Expenditure

The total capital budget amounted to R38 248 796



How do we deal with Assets?

Assets are classified according to the funding source.

- The total asset list will be prioritized per Vote subject to timing.
- It will then be divided in 4 parts and authorized for start and ending spending dates
- Written motivation for any deviation
- Closing deadline 30/5/06

It lists the assets per department and then classified it into three funding sources, namely:

11. Own funding- these assets are acquire with our own funds
12. Grant funding- these assets are acquire via national, provincial or District funds that does not have to be repaid.
13. Loan funding- These assets are acquire via loans made from institutions e.g. Development Bank of SA.

What is a "Vote"?

In terms of the MFMA, a Vote is defined as one of the main sections of the budget. This stands to reason that the budget will comprise of many votes

F 4 GFS

It stands for Government Finance Statistics classifications which aims to provide a consistent basis fro defining a vote so that information can be gathered fro comparative purposes e.g. Executive & Council, Finance and Administration

GFS Sub function


This is similar to an activity classification within the GFS.


The monitoring tables are classified per GFS function and GFS sub-function

How do I interpret the percentages %:


- 0 % to 50%.....poor
- 51% to 65%.....satisfactory
- 66% to 75%.....good
- 76% to 86%.....very good
- 87% to 100%.....excellent


Legend: Quarter 1- July to September
Quarter 2- October to December
Quarter 3- January to March
Quarter 4- April to June


Office of the Mayor


Office of the Municipal Manager


Directorate: Corporate Services


Directorate: Community Services


Directorate: Financial Services


Directorate: Technical Services


SECTION 2: MONITORING AND REPORT

E1. Budget Implementation

Table 1: Budget Performance by Quarter reporting /GFS and Department

GFS	GFS Sub-function	Budget	Actual	Spending Period				Less Capital spent-%	
				Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD %	QTR %
		R	R						
EXECUTIVE AND COUNCL	Council General	9 239 878		2 309 969	2 309 969	2 309 970	2 309 970		
	Municipal Manager	1 347 690		336 922	336 922	336 923	336 923		
FINANCE AND ADMINISTRATION	Directorate: Finance	12 103 612		3 025 903	3 025 903	3 025 903	3 025 903		
	Administration	2 790 510		697 628	697 628	697 627	697 627		
	Human Resources	1 097 980		2 744 995	2 744 995	2 744 995	2 744 995		
	Property Services	1 758 220		439 555	439 555	439 555	439 555		
	Directorate: Technical Services	3 076 681		769 179	769 170	769 170	769 171		
PLANNING & DEVELOPMENT	IDP	323 280		80 820	80 820	80 820	80 820		
	LED Office	391 890		97 972	97 972	97 973	97 973		
	General Works	918 374		229 593	229 523	229 523	229 524		
	Workshop	3 275 965		818 991	818 991	818 992	818 992		
	Town Planning	705 120		176 280	176 280	176 280	176 280		
	Building Control	1 256 643		314 160	314 161	314 161	314 161		
HEALTH	Clinics	2 693 300		673 325	673 25	673 325	673 325		
	Directorate: Community Service	1 097 470		274 368	274 368	274 367	274 367		
	Libraries	1 313 000		328 250	328 250	328 250	328 250		
PUBLIC SAFETY	Disaster Management	607 336		151 834	151 834	151 834	151 834		
	Fire Fighting	2 623 450		655 862	655 862	655 863	655 863		
	Traffic	2 713 200		678 300	678 300	678 300	678 300		
SPORTS AND RECREATION	Parks, Recreation & Cemeteries	4 201 160		1 050 290	1 050 290	1 050 290	1 050 290		
	Nature Conservation	1 180 101		295 025	295 025	295 025	295 026		
	Beaches	854 134		213 533	213 533	213 534	213 533		
ENVIRONMENTAL PROTECTION	Environmental Services	2 278 379		569 594	569 595	569 595	569 595		
ROADS AND TRANSPORT	Roads	11 055 704		2 763 926	2 763 926	2 763 926	2 763 926		
	Vehicle Licensing & Testing	584 032		146 008	146 008	146 008	146 008		
HOUSING	Housing Services	858 180		214 545	214 545	214 545	214 545		

WASTE MANAGEMENT	Solid Waste	10 020 216		2 505 054	2 505 054	2 505 054	2 505 054		
WASTE WATER MANAGEMENT	Sewerage Reticulation	1 962 483		490 621	490 621	490 621	490 621		
	Sewerage Purification	7 712 077		1 928 019	1 928 019	1 928 019	1 928 020		
ELECTRICITY	Electricity	13 631 874		3 407 968	3 407 968	3 407 969	3 407 969		
WATER	Water	17 929 206		4 482 381	4 482 381	4 482 382	4 482 382		

Table 2: Income per source by monthly against to date (,000)

Type	Budget	Actual	Q 1	Q 2	Q 3	Q 4	%YTD
Property Rates	33 000		8 250	8 250	8 250	8 250	
Property rates-penalties impose and collection charges	0		0	0	0	0	
Service charges-electricity revenue from tariff billing	14 417		3 604	3 604	3 604	3 604	
Service charges-water revenue from tariff billing	19 114		4 778	4 778	4 779	4 779	
Service charges-sanitation revenue from tariff billing	7 546		1 886	1 886	1 887	1 887	
Service charges-refuse removal revenue from tariff billing	13 359		3 339	3 340	3 340	3 340	
Service charges-other	4 082		1 020	1 020	1 021	1 021	
Rental of facilities and equipment	0		0	0	0	0	
Interest earned – external investment	466		116	116	117	117	
Interest earned – outstanding debtor	1 056		264	264	264	264	
Fines	1 399		349	349	350	350	
Licenses and permits	1 501		375	375	375	375	
Government grants and Subsidies	57 417		14 354	14 354	14 354	14 354	

Every quarter is indicated monthly, then accumulated at the end of the quarter and shown as a reference.

Table 3: Expenditure per Department/ monthly against to date (000's)

Type	Budget	Actual	Q 1	Q 2	Q 3	Q 4	%Y TD
Office of the Mayor	9 240		2 310	2 310	2 310	2 310	
Office of the Municipal Manager	1 348		337	337	337	337	
Directorate: Corporate Services	7 616		1 904	1 904	1 904	1 904	
Directorate: Community Service	30 316		7 579	7 579	7 579	7 579	
Directorate: Financial Services	12 104		3 026	3 026	3 026	3 026	
Directorate: Technical Services	63 173		15 793	15 793	15 793	15 793	

Comment:

Every quarter is indicated monthly, then accumulated at the end of the quarter and shown as a reference.

Table 4: Capital/Infrastructure projects implementation time line

Budget Year: 2008/2009

Capital /Infrastructure project implementation timeline					
Project Name	Ward	Pre-implementation	design	implementation	completed
No Internal Capital					

Budget Year: 2008/2009

Capital /Infrastructure project implementation timeline					
Project Name	Ward	Pre-implementation	design	implementation	completed
No Internal Capital					

Budget Year: 2009/2010

Capital /Infrastructural project implementation timeline

Project Name	Ward	Pre-implementation	design	implementation	completed
No Internal Capital					

Comment:

The percentage (%) indicated will be representative of the extent to which implementation, at that stage has been achieved.

Budget spending is indicative of the achievement of the objective of the line item. This in turn is an indication of the spending towards the achievement of the objects of the spending category, which ultimately contributes to the total budget spending and thus the achievement of the objective.

Municipal capital programme refers to the acquisition of furniture, tools, equipment and other capital repairs and maintenance that is funded from our own income.

In general the percentage indicated would be benchmarked on quarters. The above table includes both operating and capital spending.

SECTION 3: SERVICE DELIVERY

Table 1: Key Performance Areas/ Quarterly

Organizational performance = to following at 3 level

Note: Due to the extensive amount of information the respective KPA and KPI may be obtain from the bottom layer information. However the link will be inserted
(000,s)

GFS	GFS Sub-function	Key Performance Area (KPA)	Quarter 1	Quarter 2	Quarter 3	Quarter 4
EXECUTIVE AND COUNCIL	Office of Mayor	To provide an oversight role on service delivery				
	Council	To provide an oversight role on service delivery	2 310	2 310	2 310	2 310
	Municipal Manager	To be accountable for the implementation of the IDP and budgets of the municipality within the applicable legislative framework	337	337	337	337
FINANCE AND ADMINISTRATION	Directorate: Finance	Provide financial support to all directorates / offices and operate in terms of applicable legislation	3 026	3 026	3 026	3 026
	Administration		698	698	698	698
	Human Resources	Provide the employees of Ndlambe with all necessary services to create a healthy working environment	2 745	2 745	2 745	2 745
	Property Services	Maintain and manage all properties belonging to Ndlambe Municipality	440	440	440	440
PLANNING & DEVELOPMENT	Directorate: Technical Services	Administer all engineering services within Ndlambe	769	769	769	769
	Idp/led Office	To develop the IDP and look at economic development that will enhance the area and create employment for the residents	179	179	179	179
	General Engineering		230	230	230	230
	General Maintenance	To maintain all the infrastructural assets throughout Ndlambe	819	819	819	819
	Town Planning and land Use	Control and enhance development throughout Ndlambe	176	176	176	176
	Building and land Administration	To control building and development throughout the entire Ndlambe	314	314	314	314
HEALTH	Clinics	Provide comprehensive PHC services	673	673	673	673
COMMUNITY & SOCIAL SERVICES	Directorate: Community Service	Provide an effective and sustainable community and protection service to the community of Ndlambe	274	274	274	274
	Libraries	Provide reading and educational facilities to all residents	328	328	328	328
PUBLIC SAFETY	Disaster Management	Plan and provide a responsive disaster management	152	152	152	152
	Fire Fighting	Provide adequate fire services to respond to emergency situations	656	656	656	656
	Traffic	Ensure a safe road and traffic network	678	678	678	678

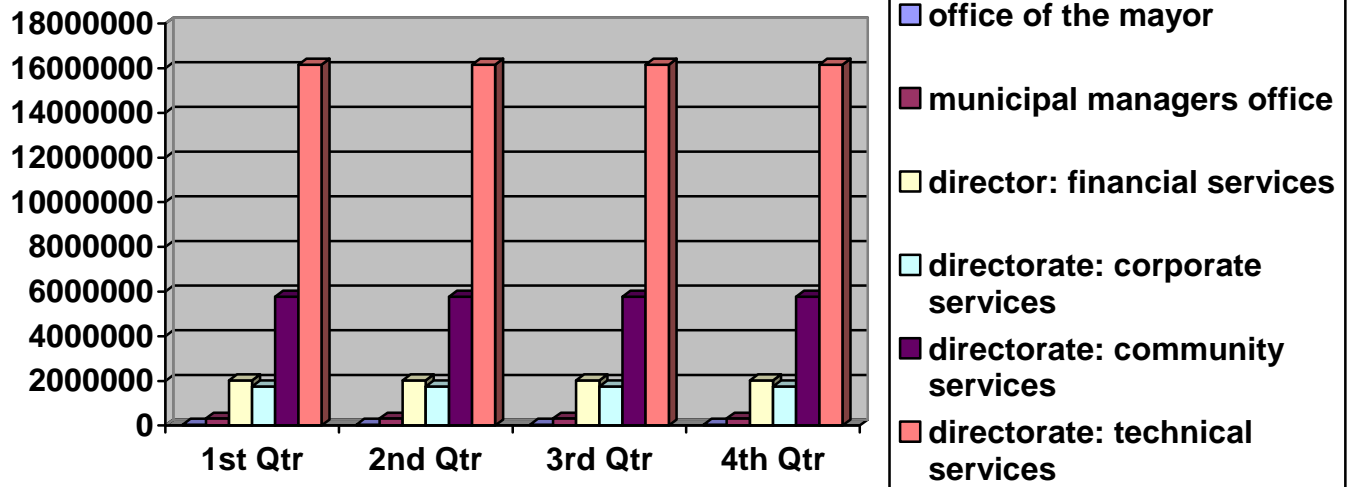
SPORTS AND RECREATION	Parks, Recreation and Cemeteries	Provide and maintain parks and recreation areas throughout Ndlambe		1 050	1 050	1 050	1 050
	Nature Conserve	Preservation of flora and fauna and law enforcement		295	295	295	295
	Beaches	Provide safe beaches with adequate facilities		214	214	214	214
ENVIRONMENTAL SERVICES	Cleansing	Provide and maintain public ablution facilities and street cleaning		570	570	570	570
ROADS AND TRANSPORT	Roads	Provide and maintain the road network in the Ndlambe area		2 764	2 764	2 764	2 764
	Vehicle Licensing & Testing	Provide an effective and efficient service in accordance with DOT guidelines		146	146	146	146
HOUSING	Housing Services	Provision of housing to the community of Ndlambe		215	215	215	215
WASTE MANAGEMENT	Solid Waste	To provide a healthy and clean environment to all residents		2 505	2 505	2 505	2 505
WASTE WATER MANAGEMENT	Sewerage Reticulation	To make sanitation available to all residents of Ndlambe		491	491	491	491
	Sewerage Purification	To treat all waste water generated through the sewer system		1 928	1 928	1 928	1 928
ELECTRICITY	Electricity Reticulation Township Lighting	To provide a sustainable electricity service to the residents To provide lighting in the township to create a secure environment for the residents		3 408	3 408	3 408	3 408
WATER	Water Purification	To provide safe drinking water for all consumers		4 482	4 482	4 482	4 482
	Water Reticulation	To provide the residents of Ndlambe with water to their places of residence					

DEPARTMENTAL PERFORMANCE

This graph express that contribution may be each department to the achievement of the quarter's performance to the total budget per quarter.

It should be note that the department finance and corporate are support departments.

Graph 1:



SERVICE DELIVERY - PER WARD

Table 2: Service Delivery per core function "Vote" per ward

Ward	Quarter1	Quarter 2	Quarter 3	Quarter 4
1	Not Yet Available			
2				
3				
4				
5				
6				
7				
8				
9				

Comment:

The percentage indicates is indicative of the achievement of Table 1 per wards all inclusive.

Please note that systems are being developed to start maintaining this data.

SECTION 4: SUPPLEMENTARY INFORMATION

A. WARD INFORMATION

Ward	Councilor	Areas
1	Thembisile Mayinje	Kwanonqubela
2	Cecil Wentzel	Alexandria / Cannon Rocks Bokness / Geelhoutboom
3	Maria Mike	Marselle / Klipfontein / Belton
4	Doctor Mnyungula	Kasouga / Kenton-on-Sea Ekuphumeleni / Southwell
5	Nonkululeko Maphaphu	Bathurst / Nolukhanyo Freestone / Wilsons Park
6	Sipho Tandani	Trappes Valley / Seafield / Coombs Kleinemonde / Shaw Park / Kuyasa
7	M-L Swanepoel	Port Alfred / Station Hill
8	Lazola Maneli	Dumbuza / Nomzamo
9	Nomlindo Mani-Gwata	Jauka

B. SPENDING CLASSIFICATIONS

Spending protocol is vitally important if the budget, especially within a 12 month period is to be achieved. It has to conform to internal and external policies and legislation. E.g. Supply Chain Management Policy.

Type of spending

1. Deliberate spending (priority 4)

Here expenditure is incurred as a result of a directive to be achieved e.g. purchasing of later model computers. This spending need necessarily not have take place but may be as a result of a future plan for spreading expenses or a maintenances plan.

2. Compulsory spending (priority 1)

Here no choice is possible and if not incurred will result in a break down in service delivery E.g. salaries and wages, loan repayments.

3. Voluntary spending (priority 3)

This spending type refers to expenses that add to an existing service that part that could be done without or restrict but is seen as contributions to matters other that basic service delivery or indirectly we do not know is full extent e.g. Donation, provisions, telephone, stationery.

4. Involuntary spending (priority 2)

These expenses we have no control over and will include bank charges, delivery fees, P.A.Y.E, vat

The priority of spending may necessarily not be directly related to the timing of when the expenses take place. What is intended is that when cash flow become a problem one should be able to prioritize spending so as not to halt service delivery. Every head of department should indicate next to the spending line the priority and so for e.g. a compulsory spending budget may be achieved. This will facilitate emergency reform action on a minutes notice.

C. MEDIUM TERM EXPENDITURE FRAMEWORK

The MTEF for the years ending 2008/2009 is complete and open for inspection.

This document will eventually contain the same supporting evident as require. It will primarily encourage forward planning and support to all role-players.

D. LONG TERM CAPITAL PROGRAM

This will be extract from the MTEF and explain in detail funding from the IDP perspective. A detail funding plan will be developed and so correlating with the capital, loans repayments.

The LTCP for the year ending 2008/2009 to be incorporated in the MTEF.

E. FINANCIAL RECOVERY PLAN

This plan will exclusive focus on three areas;

- To arrive at a full funded cash budget where this years budgeted income will not rely on outstanding debts to achieve budget spending.
- To achieve tariffs that are supportive of the budget and comply with fair, economical, effective and correct in timing.
- Enable adjustment budget that will reflect this decisions of Council.

F. TARIFFS AND SUBSIDIES

Here we table the reasons why a tariff has been determined at its value per vote.

The income and expenditure relating to the supply of indigent subsidy and free basic services will be tabled for the current and MTEF.

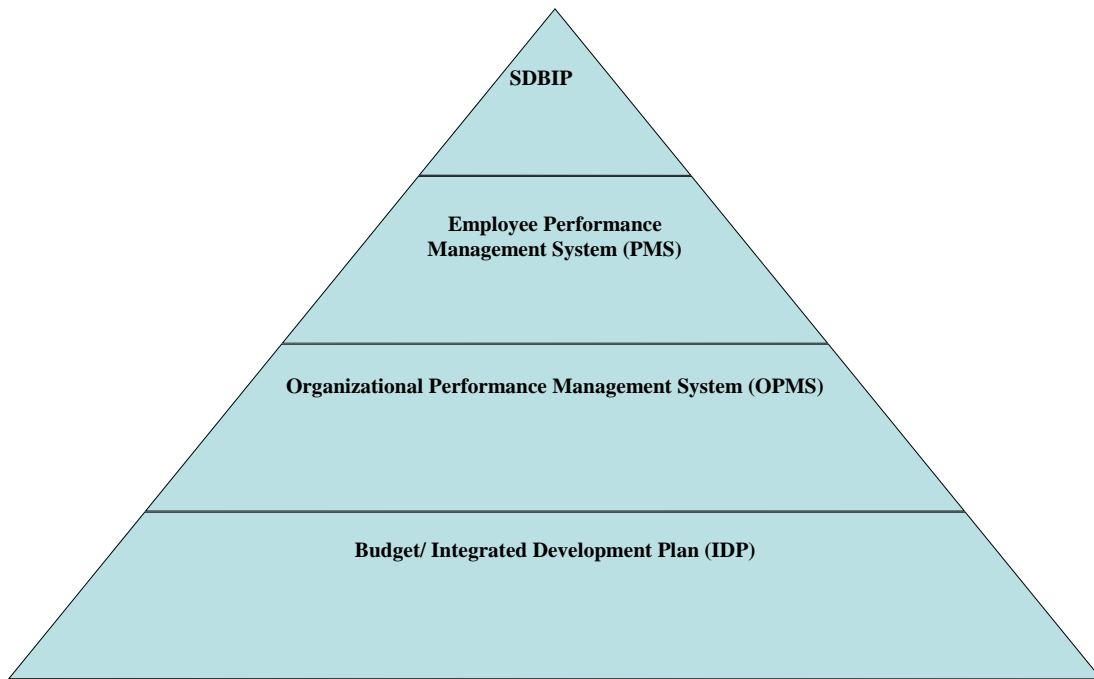
The Tariff and Charges schedule for the years ending 2008/2009 is to be used as a reference.

G. PERFORMANCE MANAGEMENT

The SDBIP forms and integral part of the Organizational Performance management system (to be developed) and cascade into the performance management contract of senior manager. This is subject to independent scrutiny by the Office of the Auditor-general and tabled at the Audit Committee.

The results thereof will be available on our website.

The pyramid illustrate the span between the SDBIP and the Policy Document

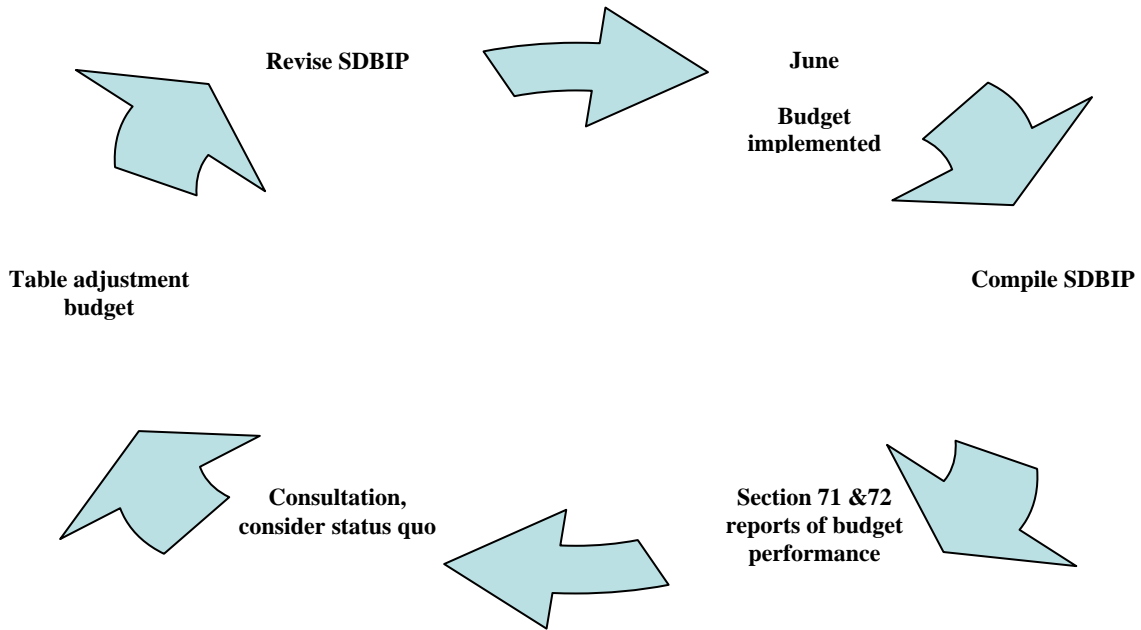


H. SDBIP REVISION

As budget administrator the CFO will forward to the Accounting Officer the reports in terms of section 71 and 72. The results of trading between realistic income and expenditure will prompt the need to revise the SDBIP.

- The areas of concern will be highlighted
- The Adjustment Budget will be made available.
- The corresponding KPA will be identified
- The Director in charge will be requested to provide written comment as the need to adjust the SDBIP, considering the priority status.
- The choice of alternatives will be tabled in an effort to avert downwards adjustment.
- Consultation will be held with the Mayor and management
- A report will be compiled and tabled at Council.
- Performance measurements will be adjusted.
- Role over for capital projects will be note and the funds set aside at the year end should financial resources permit.

The circular diagram illustrates the flow of functions to revise the SDBIP



REFERENCE DOCUMENTS

1. Total budget
2. Capital Budgets Prioritized
3. Organogram
4. Performance Management Policy
5. The IDP
6. Medium Term Expenditure Framework
7. 2008/2009 Tariff and Charges Schedule