



Sundays River Valley Municipality

Final

Service Delivery & Budget Implementation Plan

Year: 2011/2012

FOREWARD BY THE MAYOR

“While the organization is wrapped in legislations and procedures the focus of the community is on service delivery as well as good governance. It is my duty to ensure that both objectives are achieved timeously and in harmony

The Service Delivery and Budget Implementation Plan (SDBIP) is likened to a complete ship with the ship or vessel being the administrator and the sails being indicative of the (SDBIP) objectives. In plain terms it will determine the direction in which we will travel. The map or course used to navigate these waters will be this document. The Captain being myself, as Mayor and my first mate being the Municipal Manager. The wind is the will of the people. The rudder is the IDP directing purposefully the services and projects to be delivered from consultation. The crew is the staff.

There is no doubt in my mind that the SDBIP could bring together the budget and the IDP as policy documents, subject to the availability of funds and commitment.

We are committed to success and I wish my crew good luck as the sea is rough but the destination is clear.

**MAYOR
MWW KEBE**

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1. INTRODUCTION

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 attempt to commitment all stakeholders to the agreement 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 to writing the activities of the organization so that it may be subjected 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
P -----	PLAN -----	THIS IS THE SDBIP STRATEGY DOCUMENT SO AGREED BY THE STAKEHOLDERS.

Once the budget has been approved, at least one week before the commencement of the new financial year the SD&BIP 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. The monitor capability of the PMS system is vitally important towards reporting and achieving service delivery. 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 within 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)*

This is derived from the Performance Management System from which the KPA and it's score are extracted. Here we analyzed the purpose for the existence of the budget into the KPA and the corresponding KPI together with its delivery mechanism.

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. Find filed behind each Departments budget the Budget Input Forms for every line item of expenditure.

The following Departments exist are:

Main Vote	Sub Vote
Council	Special Programmes
Office of the Municipal Manager	IDP/LED
Directorate: Financial Service	
Directorate: Corporate Service	
Directorate: Technical Services	
Directorate: Community 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.

LEGISLATION

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

“take reasonable steps to ensure the Municipalities SD&BIP 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 of section 71 and the 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 SDBIP.

It should be noted that service delivery and its related expenditure is based on the ability to fund the budget. Should a shortage income realize an Adjustment Budgets, in terms of the MFMA, will be tabled.

The effect is that expenditure will be reduced in line with realistic income. This in turn means that service as contained in the SDBIP will then be reduced as well.

ROLEPLAYERS

They include and their respective roles are:

1. The Mayor
As head of the Executive Committee Council provides political leadership and directive.
2. The Ward Councillor
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 Chief Financial Officer
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 Managers 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
 - Integrated Development Plan
 - Spatial Development Plans

- Local Economic Development Plan

10. Other

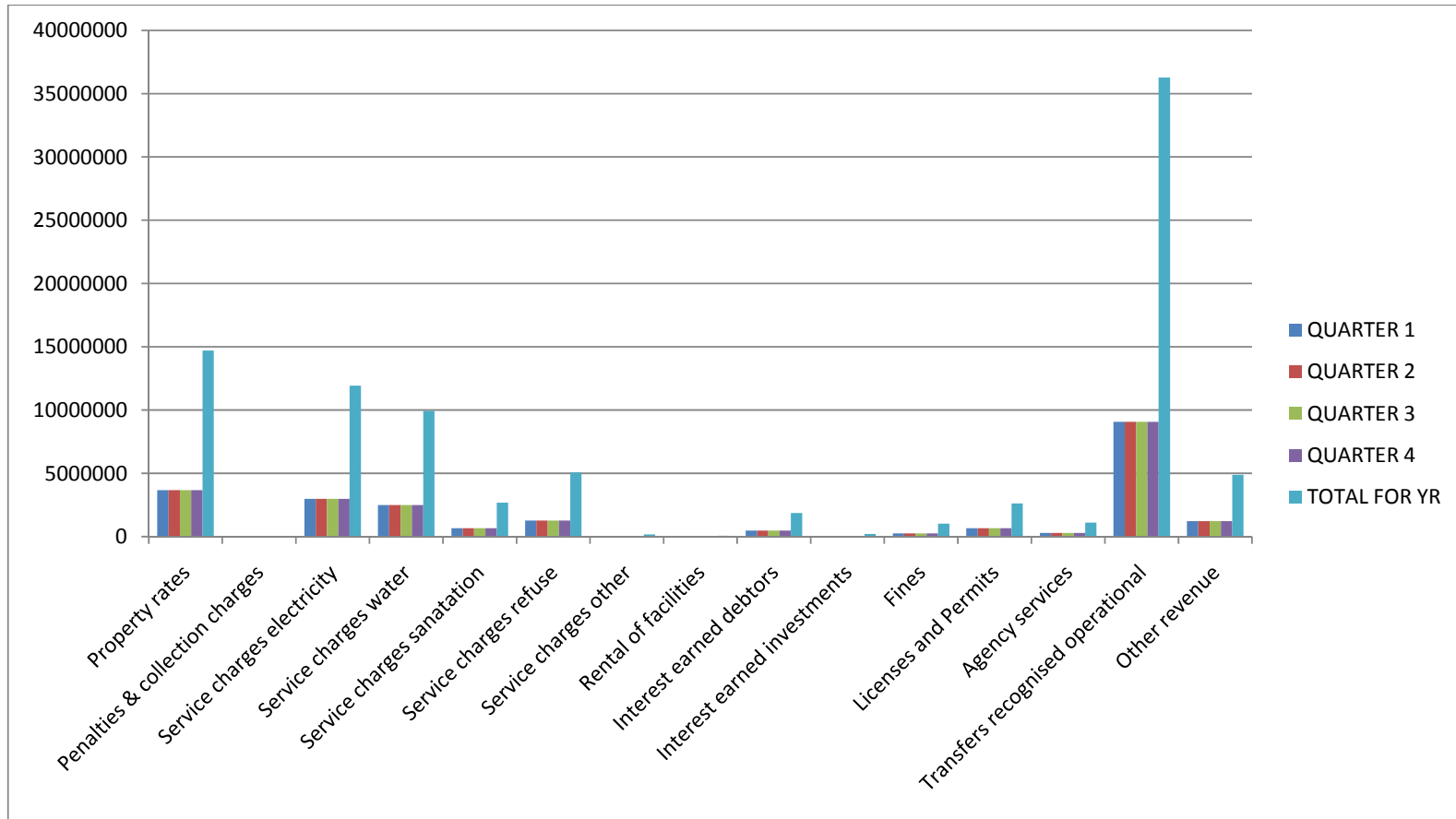
ORGANOGRAM AND INISTITUIIONAL ARRANGEMENTS

The 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.

2. BUDGETED REVENUE BY SOURCE

2.1. Monthly projections of revenue to be collected for each source

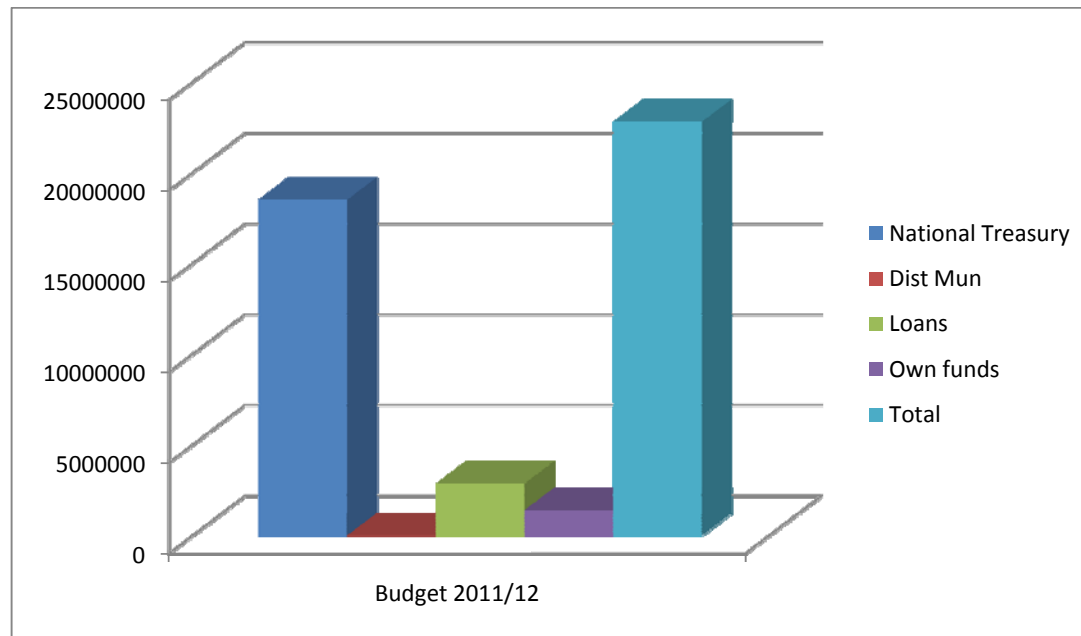
2.2. Quarterly projections of revenue to be collected for each source - Graph



2.3. Source of Capital Funding

Funded by Source	Budget 2010/11
National Government (Transfers recognised – capital)	R 18 529 000.00
District Municipality (Environmental health)	R 8 500.00
Loans	R2 880 000
Internally generated funds	R 1 410 050.00
Total Capital Funding	R22 827 550.00

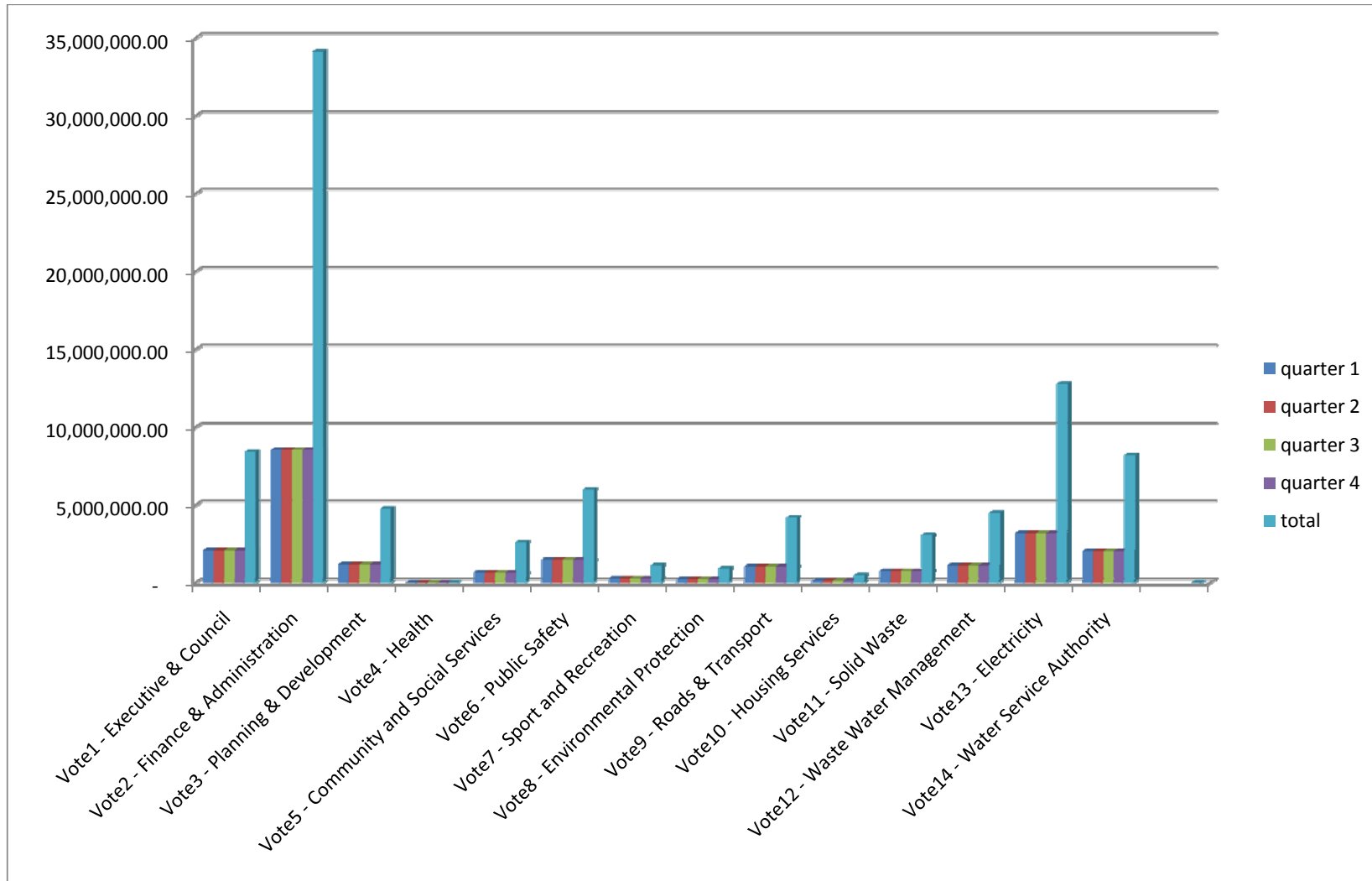
2.4. Source of Capital Funding – Graph



3. BUDGETED EXPENDITURE BY VOTE

3.1. Monthly projections of expenditure for each vote

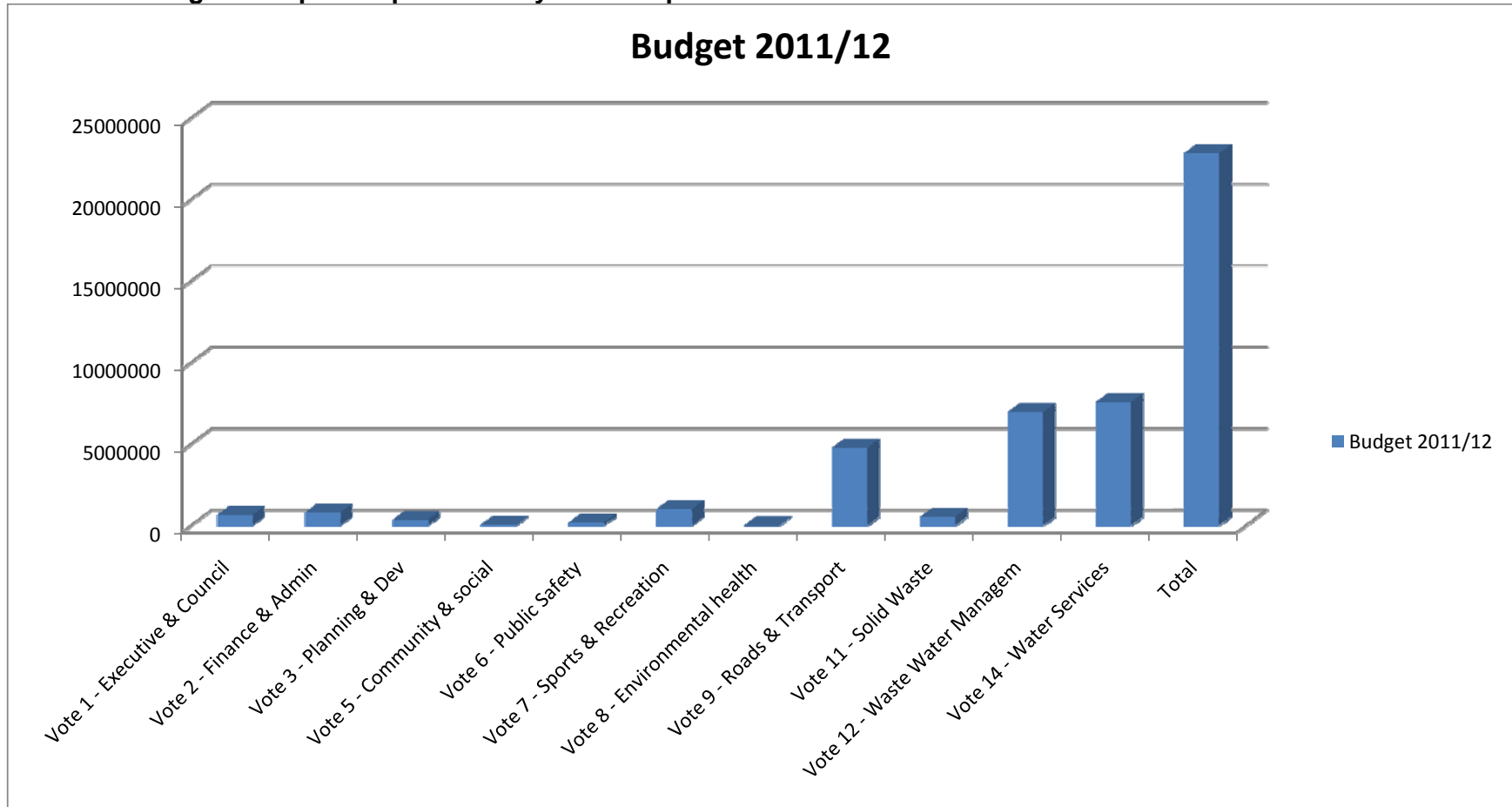
3.2. Quarterly projections of expenditure for each vote - Graph



3.3. Budgeted Capital Expenditure by Vote

Capital Expenditure - Vote	Budget 2010/11
Vote 1 - Executive & Council	R 628 000.00
Vote 2 - Finance & Administration	R 779 650.00
Vote 3 - Planning and development	R 350 000.00
Vote 5 - Community and social services	R 31 300.00
Vote 6 - Public Safety	R 171 100.00
Vote 7 - Sports & Recreation	R 1 000 000.00
Vote 8 - Environmental health	R 8 500.00
Vote 9 - Roads and Transport	R 4 780 000.00
Vote 11 - Solid Waste	R 530 000.00
Vote 12 - Waste Water Management	R 6 973 745.00
Vote 14 - Water Service Authority	R 7 575 055.00
Total	R 22 827 350.00

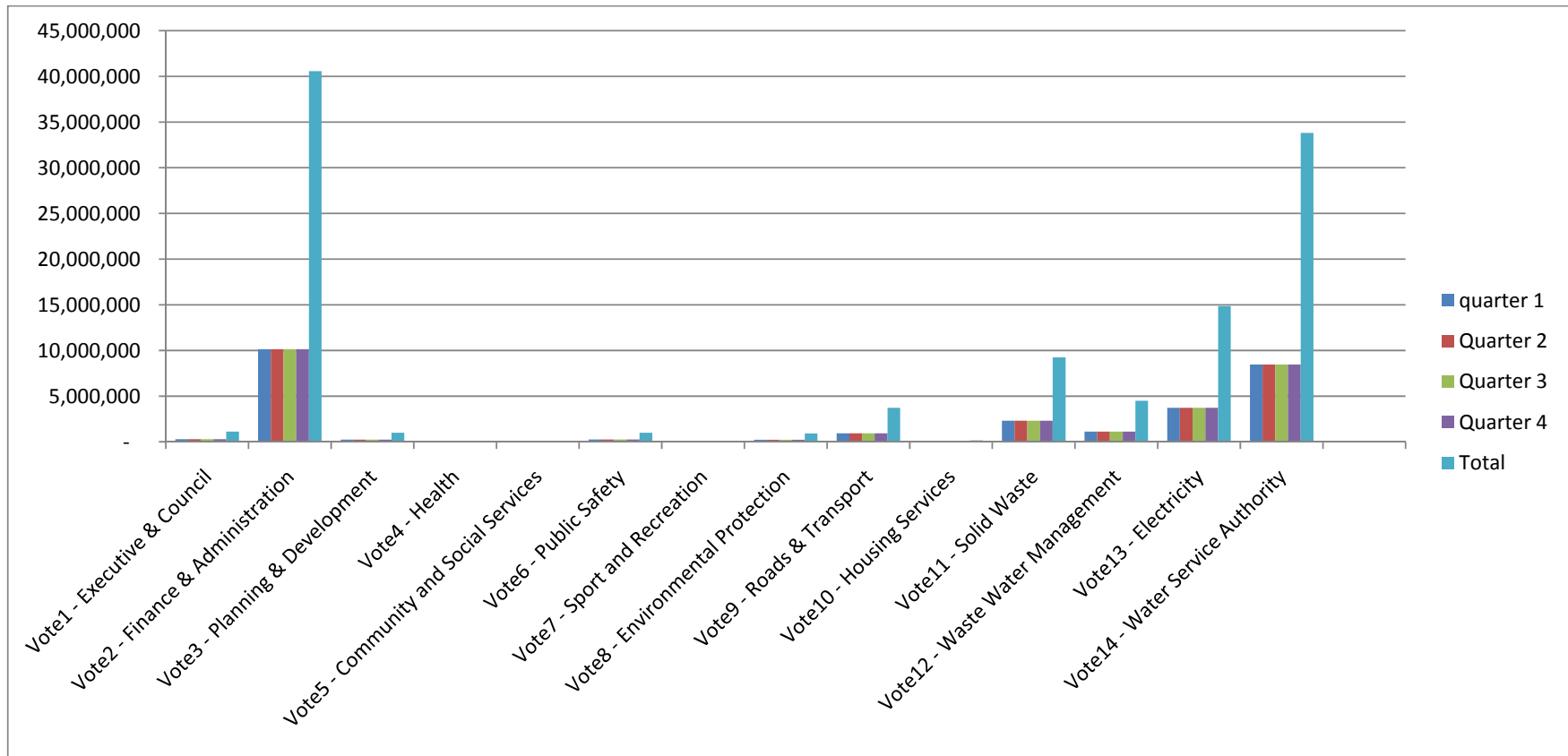
3.4. Budgeted Capital Expenditure by Vote Graph



4. BUDGETED REVENUE BY VOTE

4.1. Monthly projections of revenue for each vote

4.2. Quarterly projections of revenue for each vote - Graph



5. CAPITAL WORKS PLAN

Program/Project description	Total Project Estimate	Prior year outcomes		2010/11 Medium Term Revenue & Expenditure Framework			Project information	
		Audited Outcome 2009/10	Current Year 2010/11 Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14	Ward location	New or renewal
Waterborne Sewerage (Phase 2)	R 17 536 620.00	R 3 191 104.00	R 3 507 200.00				MOSES MABIDA	NEW
Waterborne Sewerage (Phase 2)	R 12 869 531.00	R 7 214 203.00	R 4 625 704.00				EMSENGENI	NEW
Upgrading of water supply	R 3 278 000.00		R 3 278 000.00				ENON & BEERSHEBA	RENEW
Upgrading of waste water treatment works (Phase 1)	R 1 917 446.00		R 1 917 446.00				ENON & BEERSHEBA	RENEW
Upgrading of waste water treatment works (Phase 2)	R 5 424 645.00			R 4 424 645.00			ENON & BEERSHEBA	RENEW
Sewerage pump station	R 725 000.00		R 725 000.00	R 725 000.00			BERSHEBA	NEW
Various (office equipment & furniture, etc)		R7 245 332.00	R 404 700.00	R 918 550.00	R 30 000.00		ALL	NEW
Upgrading of bulk water supply	R 8 949 000.00			R 7 045 055.00	R22 558 300.00	R23 767 100	ADDO	RENEW
Bulk Water Pipeline	R 36 000 000.00	R 8 755 725.00					PATERSON	NEW
Upgrading of Waste Water treatment works (phase1)	R 7 011 000.00			R 944 100.00			ADDO	RENEW
Rehabilitation and upgrade of 7 sport fields (phase 1)	R 14 729 399			R1 000 000.00			ALL	RENEW
Bulk water supply	R 21 633 000.00						ADDO	NEW
Upgrade of gravel roads	R 19 700 000.00			R 4 390 000.00			ALL	RENEW
Sewerage Pump station	R 500 000.00			R 500 000.00			ALL	RENEW
Specialized vehicles	R 880 000.00			R 1 230 000.00			ALL	NEW
Office buildings	R 650 000.00			R 650 000.00			KIRKWOOD	NEW
Water pumps	R 500 000.00			R 500 000.00			ALL	RENEW
Prepaid water meters	R 500 000.00			R 500 000.00			ALL	NEW
Total Capital expenditure		R26 406 364.00	R 14 458 050.00	R22 827 350.00	R22 588 300.00	R23 767 100.00		

6. SERVICE DELIVERY TARGETS AND PERFORMANCE INDICATORS

6.1. Organisational Service Delivery Plan

6.2. Departmental Performance

6.2.1. Departmental Performance Table

Department	Score
Community & Social Services	As per quarterly assessment
Corporate Services	As per quarterly assessment
Executive & Council	As per quarterly assessment
Finance & Administration	As per quarterly assessment
Technical Services	As per quarterly assessment

6.2.2. Departmental Performance Graph

