



CERTIFICATE OF APPROVAL

SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

2014 - 2015

Approved by the Mayor as required in Section 53(1)(c)(ii) of the Municipal Finance Management Act, Act No.56 of 2003

APPROVED BY:



CLLR BCP MAZIBUKO

MAYOR

26 JUNE 2014



MR S.M. KUNENE
MUNICIPAL MANAGER

26 June 2014



SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

2014-15



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FOREWORD BY THE MAYOR

As the Mayor of Uthukela District Municipality, I hereby approve this document as the Service Delivery and Budget Implementation Plan (SDBIP) of this municipality and thus constituting the Annual Plan for the Municipality for the financial year 2014/15.

Section 1 of the Municipal Finance Management Act (No.56 of 2003) defines the SDBIP as:

“a detailed plan approved by the mayor of a municipality in terms of section 53 (1)(c)(ii) for implementing the municipality’s delivery of services and the execution of its annual budget and which must include (as part of the top layer) the following:

- (a) Projections for each month of-
- (i) Revenue to be collected, by source; and
- (ii) Operational and capital expenditure, by vote;
- (b) Service delivery targets and performance indicators for each quarter”.

In developing a good performance management tool for the municipality, the IDP is drafted, the budget is drafted and the service delivery and budget implementation plan (SDBIP) is developed in order to put into effect the budget. The SDBIP is a monitoring and implementation tool that is the vital link between the Mayor, Council and Administration as it facilitates the process for holding management accountable for its performance. The SDBIP quantifies the strategic objectives as highlighted in the budget to measurable outcomes. It is then, that as a monitoring tool, the Mayor and Council are able to monitor the performance of Senior Managers and the Community is able to monitor the municipality.

Adherence to this SDBIP will ensure that the objectives set out in the budget are achieved and hence the objectives and goals identified in the IDP will be realised, thus ensuring service delivery and that the municipality meets the needs of the community.

The Integrated Development Plan (IDP) of the Uthukela District Municipality as a five year transformational plan as well as the Medium Term Revenue and Expenditure Framework (Budget) has been adopted by Council. The Service Delivery and Budget Implementation Plan (SDBIP), aligned to the IDP and Budget, which serves as the one year implementation and monitoring tool, is hereby presented.



INTRODUCTION BY THE MUNICIPAL MANAGER

The SDBIP is a contract between the Administration, Council and Community where the goals and objectives as set out by the council are quantified and can be implemented by the administration of the municipality. Municipal Managers are encouraged to develop the SDBIP concept further so that it is meaningful and useful to managers.

Whilst the budget sets yearly service delivery and budget targets (revenue and expenditure per vote), it is imperative that in-year mechanisms are able to measure performance and progress on a continuous basis. Hence, the end-of-year targets must be based on quarterly and monthly targets, and the Municipal manager must ensure that the budget is built around quarterly and monthly information. Being a start-of-year planning and target tool, the SDBIP gives meaning to both in-year reporting in terms of section 71 (monthly reporting), section 72 (mid-year report) and end-of-year annual reports.

The SDBIP is essentially the management and implementation tool which sets in-year information, such as quarterly service delivery and monthly budget targets, and links each service delivery output to the budget of the municipality, thus providing credible management information and a detailed plan for how the municipality will provide such services and the inputs and financial resources to be used. The SDBIP indicates the responsibilities and outputs for each of the senior managers in the top management team, the inputs to be used, and the time deadlines for each output. The SDBIP will therefore determine the performance agreements of the municipal manager and senior managers, including the outputs and deadlines for which they will be held responsible. The SDBIP should also provide all expenditure information (for capital projects and services) per municipal ward, so that each output can be broken down per ward, where this is possible, to support ward councillors in service delivery information.

The SDBIP aims to ensure that managers are problem-solvers, who routinely look out for unanticipated problems and resolve them as soon as possible and enables the Council to monitor the performance of the municipality against quarterly targets on service delivery.

Being a management and implementation plan (and not a policy proposal), the SDBIP is not required to be approved by the council. It is however tabled before council and made public for information and for the purpose of monitoring. The SDBIP should be seen as a dynamic document that may (at lower layers of the plan) be continually revised by the municipal manager and other top managers, as actual performance after each month or quarter is taken into account. However, the top-layer of the SDBIP and its targets cannot be revised without notifying the council, and if there is to be changes in service delivery targets and performance indicators, this must be with the approval of the council, following approval of an adjustments budget (section 54(1) (c) of MFMA). This Council approval is necessary to ensure that the Mayor or Municipal Manager do not revise service delivery targets downwards in the event where there is poor performance.



1. INTRODUCTION

The development, implementation and monitoring of a Service Delivery and Budget Implementation Plan (SDBIP) is required by the Municipal Finance Management Act (MFMA). In terms of Circular 13 of National Treasury, "the SDBIP gives effect to the Integrated Development Plan (IDP) and budget of the municipality and will be possible if the IDP and budget are fully aligned with each other, as required by the MFMA."

The SDBIP provides the basis for measuring performance in service delivery against quarterly targets and implementing the budget based on monthly projections. Circular 13 further suggests that "the SDBIP provides the vital link between the mayor, council (executive) and the administration, and facilitates the process for holding management accountable for its performance. The SDBIP is a management, implementation and monitoring tool that will assist the mayor, councillors, municipal manager, senior managers and community."

The purpose of the SDBIP is to monitor the execution of the budget, performance of senior management and achievement of the strategic objectives set by Council in the IDP. It enables the municipal manager to monitor the performance of senior managers, the mayor to monitor the performance of the municipal manager, and for the community to monitor the performance of the municipality.



2. LEGISLATION

According to the Municipal Finance Act (MfMA) the definition of a SDBIP is: 'a detailed plan approved by the mayor of a municipality in terms of section 53 (1) (c) (ii) for implementing the municipality's delivery of municipal services and its annual budget, and which must indicate-

- (a) projections for each month of-
- (i) revenue to be collected, by source; and
- (ii) operational and capital expenditure, by vote;
- (b) service delivery targets and performance indicators for each quarter'

Section 53 of the MfMA stipulates that the Mayor should approve the SDBIP within 28 days after the approval of the budget. The Mayor must also ensure that the revenue and expenditure projections for each month and the service delivery targets and performance indicators as set out in the SDBIP are made public within 14 days after their approval.

The following National Treasury prescriptions, in terms of MFMA Circular 13, as minimum requirements that must form part of the SDBIP are applicable to the Uthukela District Municipality:

1. Monthly projections of revenue to be collected by source
2. Monthly projections of expenditure (operating and capital) and revenue for each vote¹
3. Quarterly projections of service delivery targets and performance indicators for each vote
4. Detailed capital works plan over three years

¹ Section 1 of the MFMA defines a "vote" as:

- a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and
- b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned



3. METHODOLOGY AND CONTENT

The MFMA circular 13 provides clear directives on the contents and methodology to derive at the SDBIP. The IDP objectives need to be quantified and related into key performance indicators.

The Priorities, Objectives and Strategies contained in the IDP lead the way in the development of the Municipal SDBIP. The SDBIP of the Uthukela District Municipality is aligned to the Key Performance Areas (KPA's) as prescribed by the Performance Management Guide for Municipalities of 2001, with the addition of Spatial Rationale.

The service delivery and performance in indicators are assigned quarterly targets and responsibilities to monitor performance.

The SDBIP is described as a layered plan. The top layer deals with consolidated service delivery and other performance targets and time frames as indicated on this plan. More details per directorate and sub-directorate are contained in the second layer of the SDBIP in the form of departmental SDBIPs. This second layer need not be made public and mainly serves as internal organisational and individual monitoring tools. These details will form the basis for departmental and individual performance monitoring.



4. VISION, MISSION AND VALUES

The Vision of Uthukela District Municipality is:

A stable, sustainable and prosperous district with committed servants who serve with excellence in governance, service delivery and economic development

The strategic Mission is:

To promote a people-centred environment with emphasis on consultation, integrity, accountability, economy, effectiveness and efficiency

The Core Values of Uthukela District Municipality are:

- Solidary
- Honesty
- Ownership
- Professionalism
- Self-reliance

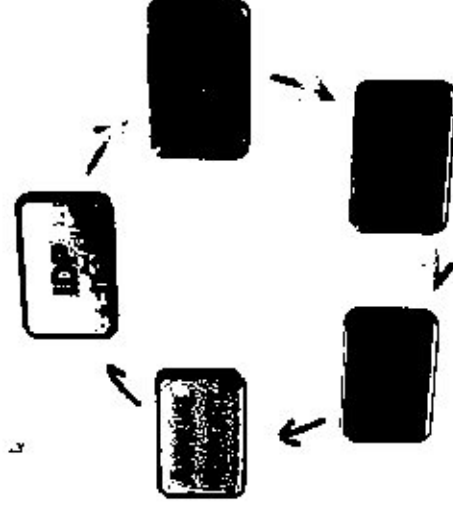


5. STRATEGIC OBJECTIVES

Alignment of IDP, Budget and SDBIP is very crucial in a municipality. It ensures the planning and budgeting processes as one process. The process leading to the adoption of the budget and the IDP should be incorporated into one process, together with the process of approving levies, taxes and property rates or any budget related policies. The alignment of IDP priorities and budget should start in the budget/IDP process plans where the municipality need to align the activities and timeframes of IDP, Budget, SDBIP and PMS. The municipality needs to start the planning and budgeting processes together in 10 months before the start of the new financial year when the mayor announces the process for reviewing the IDP and preparation of the budget.

In context the SDBIP gives effect to the IDP and budget of the municipality. It is clear that the SDBIP is an integral part of the budget process of any municipality and the various stakeholders are affected by this process. The budget gives effect to the strategic priorities of the municipality. The SDBIP therefore serves as a contract between the administration, council and community expressing the goals and objectives set. The SDBIP brings together a number of strategic plans and documents to give high level analysis of key deliverables against which are assigned accountability and responsibility. The SDBIP must be monitoring tool for the mayor and council to monitor in –year performance of the accounting officer and for the accounting officer to monitor the performance of all the managers within the financial year and this also assist the municipality to take remedial actions in the event of non performance.

The following diagram demonstrates the flow between the various municipal processes and indicates the position of the SDBIP.





6. MONTHLY REVENUE AND EXPENDITURE PROJECTIONS

One of the most important and basic priorities for any municipality is to collect all its revenue as budgeted for – the failure to collect all such revenue will undermine the ability of the municipality to deliver on services. The municipality must ensure that it has instituted measures to achieve monthly revenue targets for each revenue source. The revenue projections relate to actual cash expected to be collected and should reconcile to the cash flow statement approved with the budget documentation.

It is necessary to also show monthly projections of expenditure. The expenditure projections relate to cash paid and should reconcile to the cash flow (reconciliation between revenue and expenditure per month) it is necessary to manage and monitor cash flow on a monthly basis to ensure that expenditure do not exceed income, which if not properly managed might lead to the municipality running into financial difficulties. The reason for specifying cash flows is to ensure that expenditure does not exceed actual income.

This part of the plan will deal with the following:

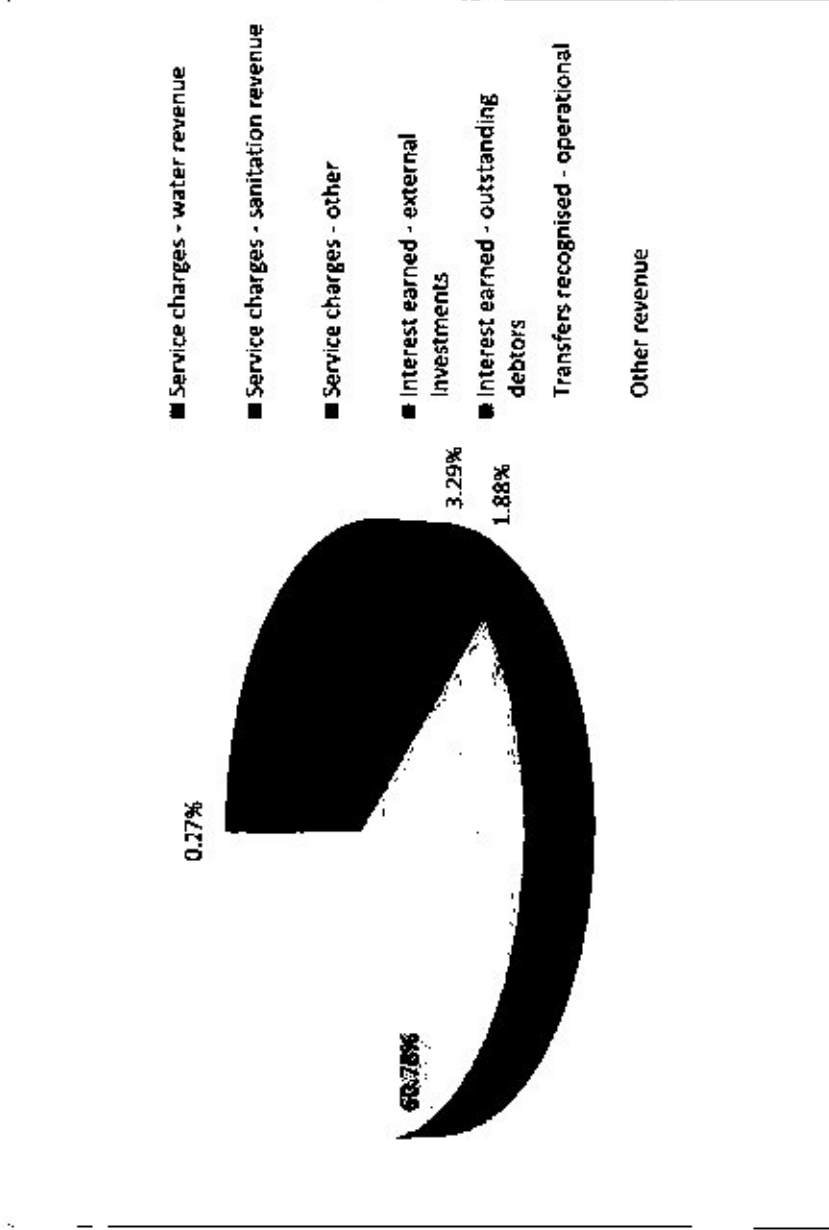
1. Monthly revenue projections:
 - a. Revenue by source;
 - b. Revenue by vote;
 - c. Revenue in terms of standard classifications.
2. Monthly expenditure projections:
 - a. Expenditure by type;
 - b. Operational expenditure:
 - i. By vote
 - ii. In terms of standard classifications
 - c. Capital expenditure:
 - i. By vote
 - ii. In terms of standard classifications
3. Cash flow projections
 - a. Cash receipts by source
 - b. Cash payments by type



Uthukela District Municipality SDBIP 2014-2015

1. REVENUE

From the graph below, it can be observed that the majority (60.78%) of the revenue for 2014-2015 is expected to come from operational transfers, followed by service charges for water (26.72%):





Uthukela District Municipality SDBIP 2014-2015

a. The revenue by source, broken down in projected revenue by month, is included below:

Description	Budget Year 2014/15												Historic Total Revenue and Expenditure						
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	
Revenue By Source																			
Property rates																			
Property rates - penalties & collection charges																			
Service charges - electricity revenue																			
Service charges - water revenue	11,242	11,242	11,242	11,242	11,242	11,242	11,242	11,242	11,242	11,242	11,242	11,242	134,908	147,050	160,285				
Service charges - sanitation revenue	1,383	1,383	1,383	1,383	1,383	1,383	1,383	1,383	1,383	1,383	1,383	1,383	16,598	18,052	19,635				
Service charges - rates revenue																			
Service charges - other																			
Rental of facilities and equipment																			
Interest earned - external investments	791	791	791	791	791	791	791	791	791	791	791	791	9,471	10,039	10,641				
Interest earned - outstanding debans	2,971	2,971	2,971	2,971	2,971	2,971	2,971	2,971	2,971	2,971	2,971	2,971	35,660	38,969	42,387				
Dividends received																			
Fines																			
Licences and permits																			
Agency services																			
Transfers recognised - operational	105,898				100,568				100,568					306,828	322,708	338,238			
Other revenue	114	114	114	114	114	114	114	114	114	114	114	114	1,372	1,460	1,554				
Gains on disposal of PPE																			
Total Revenue (excluding capital transfers and contributions)	122,190	16,591	16,591	16,591	117,066	16,591	16,591	16,591	117,896	16,591	16,591	16,487	504,836	538,178	572,720				

Supporting Table SA 25 Budget - monthly revenue



b. The projected monthly revenue by vote follows:

Vote	Municipal Year 2026												Budget Year Revenue and Expenditure		
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2026	2027	
Revenue by Vote															
100 - COUNCIL															
105 - MUNICIPAL MANAGER															
200 - CORPORATE SERVICES															
300 - BUDGET AND TREASURY															
400 - TECHNICAL AND INFRASTRUCTURAL DEV SERVICES															
405 - PLANNING AND SOCIAL ECONOMIC DEVELOPMENT															
408 - HEALTH SERVICES															
700 - WATER AND SANITATION SERVICES															
105 - MUNICIPAL MANAGER	41,140												41,140	44,106	47,937
200 - CORPORATE SERVICES															
300 - BUDGET AND TREASURY	164,526	200	160	200	64,340	200	200	200	87,507	200	200	214	258,158	273,440	288,668
400 - SOCIAL SERVICES	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60
500 - TECHNICAL SERVICES	17,671	17,671	17,671	17,671	17,671	17,671	17,671	17,671	17,671	17,671	17,671	17,671	17,671	17,671	17,671
610 - WATER AND SANITATION S	16,629	16,629	16,629	16,629	16,629	16,629	16,629	16,629	16,629	16,629	16,629	16,629	16,629	16,629	16,629
Vote 15 - (NAME OF VOTE 15)															
Total Revenue by Vote	180,226	34,706	34,716	34,740	116,509	34,740	34,740	34,740	182,187	34,740	34,740	34,740	34,740	34,740	34,740
Total Revenue															
Total Expenditure															
Surplus/Deficit															

Supporting Table SA26 - monthly revenue (municipal vote)



c. The projected monthly revenue in terms of standard classifications follows:

Standard Classification	Budget Year 2024/25												Total						
	July	August	Sept	Oct	Nov	Dec	January	February	March	April	May	June							
Revenue - Standard																			
Governance and administration	145 085	80	80	80	84 349	80	214	214	214	67 907	214	20	812	288 338	317 638	337 495			
Executive and council	41 140													41 140	44 196	47 937			
Budget and treasury office	104 626	80	80	80	84 349	80	214	214	214	67 907	214	20	812	258 186	273 440	289 558			
Corporate services																			
Community and public safety																			
Community and social services																			
Sport and recreation																			
Public safety																			
Housing																			
Health																			
Economic and environmental																			
Economic and environmental	526	526	526	526	526	526	526	526	526	526	526	526	531	6 317	13 747	9 718			
Planning and development	526	526	526	526	526	526	526	526	526	526	526	526	531	6 317	13 747	9 718			
Road transport																			
Environmental protection																			
Trading services																			
Trading services	34 034	34 034	34 034	34 034	34 034	34 034	34 034	34 034	34 034	34 034	34 034	34 034	34 034	408 408	448 370	438 784			
Electricity																			
Water	32 651	32 651	32 651	32 651	32 651	32 651	32 651	32 651	32 651	32 651	32 651	32 651	32 649	391 810	422 518	419 149			
Waste water management	1 383	1 383	1 383	1 383	1 383	1 383	1 383	1 383	1 383	1 383	1 383	1 383	1 385	18 596	18 052	19 635			
Waste management																			
Other																			
Other																			
Total Revenue - Standard	189 226	34 620	34 620	34 620	118 909	34 620	34 774	34 774	34 774	102 187	34 774	34 864	35 377	714 681	771 925	785 806			

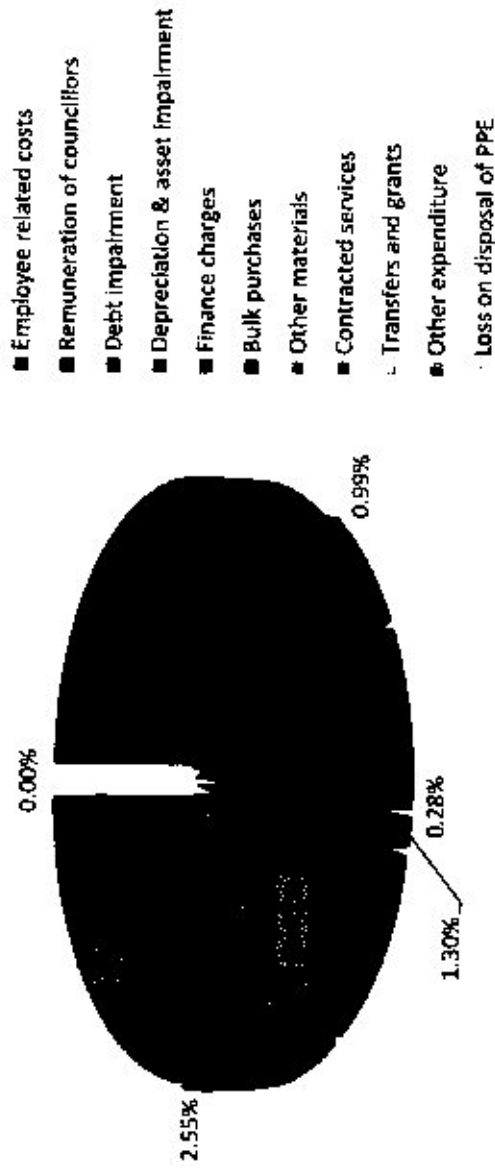
Supporting Table SA27 - monthly revenue (standard classification)



Uthukela District Municipality SDBIP 2014-2015

2. EXPENDITURE: a. Operational expenditure:

Of the Operating Expenditure projected for 2014-2015, employee related costs (34.36%), fall just outside the national norms, as can be seen on the graph below:





Uthukela District Municipality SDBIP 2014-2015

i. The monthly projections for operational expenditure by type follows:

Expenditure By Type	2014/15												2015/16		Total Expenditure				
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb					
Employee related costs	11 801	11 801	11 801	11 801	11 801	11 801	11 801	11 801	11 801	11 801	11 801	11 801	11 801	11 801	11 801	11 801	11 801	168 858	160 083
Remuneration of council	388	388	388	388	388	388	388	388	388	388	388	388	388	388	388	388	388	4 866	5 190
Debt impairment																		38 192	36 180
Depreciation & asset impairment																		44 689	47 370
Finance charges	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	1 184	1 184
Bulk purchases																		6 085	6 430
Other materials	1 827	1 827	1 827	1 827	1 827	1 827	1 827	1 827	1 827	1 827	1 827	1 827	1 827	1 827	1 827	1 827	1 827	54 430	50 827
Contracted services	3 138	3 138	3 138	3 138	3 138	3 138	3 138	3 138	3 138	3 138	3 138	3 138	3 138	3 138	3 138	3 138	3 138	39 936	43 887
Transits and grants	981	981	981	981	981	981	981	981	981	981	981	981	981	981	981	981	981	11 900	19 179
Other expenditure	9 581	9 581	9 581	9 581	9 581	9 581	9 581	9 581	9 581	9 581	9 581	9 581	9 581	9 581	9 581	9 581	9 581	113 700	121 746
Loss on disposal of PPE																		-	-
Total Expenditure	27 777	27 777	27 777	27 777	27 777	27 777	27 777	27 777	27 777	27 777	27 777	27 777	27 777	27 777	27 777	27 777	27 777	486 588	513 948

Supporting Table SA25 - monthly expenditure



Uthukela District Municipality SDBIP 2014-2015

ii. The monthly projections for operational expenditure by vote is included below:

Vote	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Total
Expenditure by Vote to be appropriated																		
100 - COUNCIL																		
105 - MUNICIPAL MANAGER																		
200 - CORPORATE SERVICES																		
300 - BUDGET AND TREASURY																		
400 - TECHNICAL AND INFRASTRUCTURAL DEV SERVICES																		
405 - PLANNING AND SOCIAL ECONOMIC DEVELOPMENT																		
408 - HEALTH SERVICES																		
700 - WATER AND SANITATION SERVICES																		
105 - MUNICIPAL MANAGER	2,905	2,905	2,905	2,905	2,905	2,905	2,905	2,905	2,905	2,905	2,905	2,905	2,905	2,905	2,905	2,905	2,905	2,905
200 - CORPORATE SERVICES	2,823	2,823	2,823	2,823	2,823	2,823	2,823	2,823	2,823	2,823	2,823	2,823	2,823	2,823	2,823	2,823	2,823	2,823
300 - BUDGET AND TREASURY	8,736	8,736	8,736	8,736	8,736	8,736	8,736	8,736	8,736	8,736	8,736	8,736	8,736	8,736	8,736	8,736	8,736	8,736
405 - SOCIAL SERVICES	3,168	3,168	3,168	3,168	3,168	3,168	3,168	3,168	3,168	3,168	3,168	3,168	3,168	3,168	3,168	3,168	3,168	3,168
500 - TECHNICAL SERVICES	650	650	650	650	650	650	650	650	650	650	650	650	650	650	650	650	650	650
510 - WATER AND SANITATION SERV	19,256	19,256	19,256	19,256	19,256	19,256	19,256	19,256	19,256	19,256	19,256	19,256	19,256	19,256	19,256	19,256	19,256	19,256
VOTE 15 - (NAME OF VOTE 15)	37,638	37,638	37,638	37,638	37,638	37,638	37,638	37,638	37,638	37,638	37,638	37,638	37,638	37,638	37,638	37,638	37,638	37,638
Total Expenditure by Vote																		
	57,041	57,041	57,041	57,041	57,041	57,041	57,041	57,041	57,041	57,041	57,041	57,041	57,041	57,041	57,041	57,041	57,041	57,041
	34,776	34,776	34,776	34,776	34,776	34,776	34,776	34,776	34,776	34,776	34,776	34,776	34,776	34,776	34,776	34,776	34,776	34,776
	119,136	119,136	119,136	119,136	119,136	119,136	119,136	119,136	119,136	119,136	119,136	119,136	119,136	119,136	119,136	119,136	119,136	119,136
	43,522	43,522	43,522	43,522	43,522	43,522	43,522	43,522	43,522	43,522	43,522	43,522	43,522	43,522	43,522	43,522	43,522	43,522
	5,044	5,044	5,044	5,044	5,044	5,044	5,044	5,044	5,044	5,044	5,044	5,044	5,044	5,044	5,044	5,044	5,044	5,044
	254,426	254,426	254,426	254,426	254,426	254,426	254,426	254,426	254,426	254,426	254,426	254,426	254,426	254,426	254,426	254,426	254,426	254,426
	488,429	488,429	488,429	488,429	488,429	488,429	488,429	488,429	488,429	488,429	488,429	488,429	488,429	488,429	488,429	488,429	488,429	488,429
	513,948	513,948	513,948	513,948	513,948	513,948	513,948	513,948	513,948	513,948	513,948	513,948	513,948	513,948	513,948	513,948	513,948	513,948

Supporting Table SA 26 - monthly expenditure (municipal vote)



Uthukela District Municipality SDBIP 2014-2015

Description	Budget for 2014/15											Budget for Revenue and Expenditure Programme																								
	Vote	Section	Sub-section	Code	Item	Unit	Qty	Rate	Amount	Vote	Section	Sub-section	Code	Item	Unit	Qty	Rate	Amount	Vote	Section	Sub-section	Code	Item	Unit	Qty	Rate	Amount									
Single-use expenditures to be appropriated																																				
100 - COUNCIL																																				
105 - MUNICIPAL MANAGER																																				
200 - CORPORATE SERVICES																																				
300 - BUDGET AND TREASURY																																				
400 - TECHNICAL AND INFRASTRUCTURAL DEV SERVICES																																				
405 - PLANNING AND SOCIAL ECONOMIC DEVELOPMENT																																				
408 - HEALTH SERVICES																																				
700 - WATER AND SANITATION SERVICES																																				
105 - MUNICIPAL MANAGER							902																													
200 - CORPORATE SERVICES							500																													
300 - BUDGET AND TREASURY							150																													
405 - SOCIAL SERVICES							467																													
500 - TECHNICAL SERVICES							17,688																													
510 - WATER AND SANITATION SE							100																													
Vote 15 - (NAME OF VOTE 15)																																				

Supporting Table SA 28 - monthly capital expenditure (municipal vote)

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Uthukela District Municipality SDBIP 2014-2015

iv. The monthly projections in terms of standard classification for capital expenditure follow:

Expenditure	Budget Year 2014/15												Total										
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec											
Capital Expenditure - Standard																							
Governance and administration	-	158	1,362	-	1,348	500	458	-	500	-	-	4,310	189	-	-	-	-	-	-	-	-	230	
Executive and Council			882		1,348							2,210	20									30	
Budget and treasury office		150					460					600	160									200	
Corporate services			500			500						1,500	-									-	
Community and public safety	-	-	467	100	-	8,819	-	-	-	9,800	-	17,596	290	-	-	-	-	-	-	-	-	290	
Community and social services			467	100		8,019				8,000		17,586	250									200	
Sport and recreation																						-	
Public safety																						-	
Housing																						-	
Health																						-	
Economic and environmental services	-	210	210	210	210	210	210	210	210	210	210	2,315	2,355	210	210	210	210	210	210	210	210	2,466	
Planning and development																						-	
Road transport	-	210	210	210	210	210	210	210	210	210	210	2,315	2,355	210	210	210	210	210	210	210	210	2,466	
Environmental protection																						-	
Trading services	21,105	21,105	21,105	21,105	21,105	21,185	21,185	21,105	21,105	21,185	21,185	203,294	267,311	21,185	21,185	21,185	21,185	21,185	21,185	21,185	21,185	254,459	
Electricity																						-	
Water	21,105	21,105	21,105	21,105	21,105	21,105	21,105	21,105	21,105	21,105	21,105	203,264	267,311	21,105	21,105	21,105	21,105	21,105	21,105	21,105	21,105	264,459	

Supporting Table SA 29 - monthly capital expenditure (standard classification)



Uthukela District Municipality SDBIP 2014-2015

3. CASH FLOWS:

The monthly projected cash flow (reconciliation between cash receipts by source and cash payments by type) is indicated below. The SDBIP information on revenue and expenditure will be monitored and reported on monthly basis in terms of section 71 of the MFMA.

Description	Budget Year 2014/15												Actual Year Ending 31/03/15			
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Actual	Variance	
Cash Receipts By Source																
Property rates																
Property rates - penalties & collection charges																
Service charges - electricity revenue																
Service charges - water revenue	5,059	5,059	5,059	5,059	5,059	5,059	5,059	5,059	5,059	5,059	5,059	5,059	5,059	60,708	73,525	98,171
Service charges - sanitation revenue	822	822	822	822	822	822	822	822	822	822	822	822	822	7,460	9,026	11,781
Service charges - refuse revenue																
Service charges - other																
Rent of facilities and equipment																
Interest earned - formal investments	789	789	789	789	789	789	789	789	789	789	789	789	789	8,471	10,039	10,641
Interest earned - outstanding debts	594	594	594	594	594	594	594	594	594	594	594	594	594	7,132	7,774	18,947
Dividends received																
Fines																
Licences and permits																
Agency services																
Transfer receipts - operational	106,221	1,100														
Other revenue	114	114	114	114	114	114	114	114	114	114	114	114	114	1,372	1,460	7,564
Cash Receipts by Source	113,460	8,279	7,179	16,178	10,178	7,179	7,179	7,179	7,179	7,179	7,179	7,179	7,179	392,880	424,533	475,332



Uthukela District Municipality SDBIP 2014-2015

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Other Cash Flows by Source															
Transfer receipts - capital	63 261	4 985	2 083	63 261	2 083	2 083	61 189	2 083	2 083	2 083	2 083	2 083	2 083	2 083	2 083
Contributions recognised - capital & Contributed assets															
Proceeds on disposal of PPE															
Short term loans															
Borrowing long term financing															
Increase (decrease) in consumer deposits	46	46	46	46	46	46	46	46	46	46	46	46	46	46	46
Decrease (increase) in non-current debtors															
Decrease (increase) other non-current receivables															
Decrease (increase) in non-current investments	30 000														
Total Cash Receipts by Source	93 261	4 985	2 083	63 261	2 083	2 083	61 189	2 083	2 083	2 083	2 083	2 083	2 083	2 083	2 083
Cash Payments by Type															
Employee related costs	13 360	13 360	13 360	13 360	13 360	13 360	13 360	13 360	13 360	13 360	13 360	13 360	13 360	13 360	13 360
Remuneration of councillors	385	385	385	385	385	385	385	385	385	385	385	385	385	385	385
Finance charges	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41
Blank purchases - Electricity															
Blank purchases - Water & Sewer	507	507	507	507	507	507	507	507	507	507	507	507	507	507	507
Other materials	3 136	3 136	3 136	3 136	3 136	3 136	3 136	3 136	3 136	3 136	3 136	3 136	3 136	3 136	3 136
Contracted services	4 538	4 538	4 538	4 538	4 538	4 538	4 538	4 538	4 538	4 538	4 538	4 538	4 538	4 538	4 538
Transfers and grants - other municipalities															
Transfers and grants - other	982	982	982	982	982	982	982	982	982	982	982	982	982	982	982
Other expenditure	9 592	9 592	9 592	9 592	9 592	9 592	9 592	9 592	9 592	9 592	9 592	9 592	9 592	9 592	9 592
Cash Payments by Type	32 953	32 953	32 953	32 953	32 953	32 953	32 953	32 953	32 953	32 953	32 953	32 953	32 953	32 953	32 953
Other Cash Flows/Payments by Type															
Capital assets	23 123	23 123	23 123	23 123	23 123	23 123	23 123	23 123	23 123	23 123	23 123	23 123	23 123	23 123	23 123
Repayment of borrowing															
Other Cash Flow at Payments															
Total Cash Payments by Type	55 876	55 876	55 876	55 876	55 876	55 876	55 876	55 876	55 876	55 876	55 876	55 876	55 876	55 876	55 876
NET INCREASE/DECREASE IN CASH HELD	37 385	4 985	2 083	63 261	2 083	2 083	61 189	2 083	2 083	2 083	2 083	2 083	2 083	2 083	2 083
Cash/equivalents at the month/year began:	151 308	151 308	151 308	151 308	151 308	151 308	151 308	151 308	151 308	151 308	151 308	151 308	151 308	151 308	151 308
Cash/equivalents at the month/year end:	188 693	156 293	153 391	214 569	153 391	153 391	212 497	153 391	153 391	153 391	153 391	153 391	153 391	153 391	153 391

Supporting Table SA30 - monthly cash flow

©Uthukela District Municipality

Objective	Indicator	Baseline	Target	Current Status	Responsible Party	Timeline	Notes
2.1. Increase the proportion of youth employed	2.1.1. Increase the number of youth employed	100	100	100	HR	2015	Target met
	2.1.2. Increase the number of youth employed in the private sector	50	50	50	HR	2015	Target met
	2.1.3. Increase the number of youth employed in the public sector	50	50	50	HR	2015	Target met
	2.1.4. Increase the number of youth employed in the voluntary sector	0	0	0	HR	2015	Target met
2.2. Increase the proportion of youth employed in the public sector	2.2.1. Increase the number of youth employed in the public sector	100	100	100	HR	2015	Target met
	2.2.2. Increase the number of youth employed in the public sector in the health sector	50	50	50	HR	2015	Target met
	2.2.3. Increase the number of youth employed in the public sector in the education sector	50	50	50	HR	2015	Target met
	2.2.4. Increase the number of youth employed in the public sector in the social services sector	0	0	0	HR	2015	Target met
2.3. Increase the proportion of youth employed in the private sector	2.3.1. Increase the number of youth employed in the private sector	100	100	100	HR	2015	Target met
	2.3.2. Increase the number of youth employed in the private sector in the manufacturing sector	50	50	50	HR	2015	Target met
	2.3.3. Increase the number of youth employed in the private sector in the services sector	50	50	50	HR	2015	Target met
	2.3.4. Increase the number of youth employed in the private sector in the agriculture sector	0	0	0	HR	2015	Target met
2.4. Increase the proportion of youth employed in the voluntary sector	2.4.1. Increase the number of youth employed in the voluntary sector	0	0	0	HR	2015	Target met
	2.4.2. Increase the number of youth employed in the voluntary sector in the health sector	0	0	0	HR	2015	Target met
	2.4.3. Increase the number of youth employed in the voluntary sector in the education sector	0	0	0	HR	2015	Target met
	2.4.4. Increase the number of youth employed in the voluntary sector in the social services sector	0	0	0	HR	2015	Target met
2.5. Increase the proportion of youth employed in the public sector in the health sector	2.5.1. Increase the number of youth employed in the public sector in the health sector	100	100	100	HR	2015	Target met
	2.5.2. Increase the number of youth employed in the public sector in the health sector in the primary care sector	50	50	50	HR	2015	Target met
	2.5.3. Increase the number of youth employed in the public sector in the health sector in the hospital sector	50	50	50	HR	2015	Target met
	2.5.4. Increase the number of youth employed in the public sector in the health sector in the community health sector	0	0	0	HR	2015	Target met
2.6. Increase the proportion of youth employed in the public sector in the education sector	2.6.1. Increase the number of youth employed in the public sector in the education sector	100	100	100	HR	2015	Target met
	2.6.2. Increase the number of youth employed in the public sector in the education sector in the primary education sector	50	50	50	HR	2015	Target met
	2.6.3. Increase the number of youth employed in the public sector in the education sector in the secondary education sector	50	50	50	HR	2015	Target met
	2.6.4. Increase the number of youth employed in the public sector in the education sector in the tertiary education sector	0	0	0	HR	2015	Target met
2.7. Increase the proportion of youth employed in the public sector in the social services sector	2.7.1. Increase the number of youth employed in the public sector in the social services sector	100	100	100	HR	2015	Target met
	2.7.2. Increase the number of youth employed in the public sector in the social services sector in the housing sector	50	50	50	HR	2015	Target met
	2.7.3. Increase the number of youth employed in the public sector in the social services sector in the social care sector	50	50	50	HR	2015	Target met
	2.7.4. Increase the number of youth employed in the public sector in the social services sector in the community development sector	0	0	0	HR	2015	Target met

Item	Objective	Key Performance Indicators (KPIs)	Current Status	Next Steps	Responsible Parties	Timeline	Reporting Mechanism	Notes
1.1	Enhance governance and oversight	Board effectiveness survey	Score of 4.5/5	Review survey results and implement improvements	Board members	Annual	Annual Report	Score improved from 4.2/5 in 2023
1.2	Strengthen financial management	Financial ratios (e.g., Debt-to-Equity)	Debt-to-Equity ratio of 0.8	Reduce debt and improve liquidity	Finance Committee	Quarterly	Financial Statements	Debt-to-Equity ratio decreased from 1.2 in 2023
1.3	Improve operational efficiency	Operational metrics (e.g., Cost per unit)	Cost per unit of \$120	Optimize processes and reduce costs	Operations Manager	Monthly	Operational Reports	Cost per unit reduced by 5% in 2024
1.4	Enhance risk management	Risk assessment score	Score of 85%	Identify and mitigate risks	Risk Management	Annual	Risk Register	Score improved from 80% in 2023
1.5	Strengthen stakeholder engagement	Stakeholder satisfaction survey	Score of 4.0/5	Improve communication and responsiveness	Communications	Quarterly	Stakeholder Reports	Score improved from 3.8/5 in 2023
1.6	Improve environmental and social performance	ESG metrics (e.g., Carbon footprint)	Carbon footprint of 10,000 tons	Reduce carbon emissions and improve social impact	ESG Committee	Annual	ESG Report	Carbon footprint reduced by 10% in 2024
1.7	Enhance digital transformation	Digital adoption rate	Rate of 75%	Accelerate digital initiatives	IT Department	Quarterly	Digital Transformation Report	Rate improved from 70% in 2023
1.8	Strengthen compliance and ethics	Compliance audit results	Audit score of 95%	Address non-compliance issues	Compliance	Annual	Compliance Report	Audit score improved from 90% in 2023
1.9	Improve talent management	Employee retention rate	Retention rate of 88%	Enhance employee experience and development	HR Department	Annual	Employee Engagement Survey	Retention rate improved from 85% in 2023
1.10	Strengthen community relations	Community engagement score	Score of 4.2/5	Initiate community projects and outreach	Community Relations	Quarterly	Community Impact Report	Score improved from 4.0/5 in 2023

Item	Objective	Key Performance Indicators (KPIs)	Current Status	Next Steps	Responsible Parties	Timeline	Reporting Mechanism	Notes
2.1	Enhance financial performance	Revenue growth	Revenue up 15%	Expand market reach and optimize pricing	Finance	Quarterly	Financial Statements	Revenue growth exceeded target of 12%
2.2	Improve operational efficiency	Production costs	Costs down 8%	Streamline processes and reduce waste	Operations	Monthly	Operational Reports	Costs reduced by 10% in 2024
2.3	Strengthen customer loyalty	Customer retention rate	Retention rate of 90%	Enhance customer service and loyalty programs	Marketing	Annual	Customer Satisfaction Survey	Retention rate improved from 88% in 2023
2.4	Enhance innovation and R&D	New product launches	3 new products	Invest in R&D and explore new markets	R&D	Annual	Innovation Pipeline	3 new products launched in 2024
2.5	Improve sustainability	ESG metrics	ESG score of 80%	Reduce environmental impact and improve social performance	ESG	Annual	ESG Report	ESG score improved from 75% in 2023
2.6	Strengthen digital presence	Digital marketing ROI	ROI of 120%	Optimize digital marketing strategies	Marketing	Quarterly	Digital Marketing Report	ROI improved from 110% in 2023
2.7	Enhance talent acquisition	Time-to-hire	Time-to-hire of 30 days	Streamline recruitment process	HR	Monthly	Talent Acquisition Report	Time-to-hire reduced from 35 days in 2023
2.8	Improve supply chain management	Supply chain resilience	Resilience score of 85%	Diversify suppliers and improve logistics	Supply Chain	Quarterly	Supply Chain Report	Resilience score improved from 80% in 2023
2.9	Strengthen cybersecurity	Security audit results	Audit score of 98%	Implement security updates and training	IT Security	Annual	Cybersecurity Report	Audit score improved from 95% in 2023
2.10	Enhance corporate governance	Board diversity	Diversity score of 80%	Recruit diverse board members	Board	Annual	Board Composition Report	Diversity score improved from 75% in 2023



8. UTHUKELA DISTRICT MUNICIPALITY CAPITAL INVESTMENT PLAN

MUNICIPAL MANAGERS'S OFFICE

PMS		MM's office	UTDM	60 000	500 000	530 000,00	561 800,00
Internal Lab accreditation		MM's office	UTDM	200 000	200 000,00	212 000,00	224 720,00
Replace lab equipment		MM's office	UTDM	200 000	200 000,00	-	-
Radio Ukhozi slot	District wide	MM's office	UTDM	500 000	700 000	742 000,00	786 520,00
Consultation process(IDP& Budget)	District wide	MM's office	UTDM	700 000	840 000	890 400,00	943 824,00
Implementation of communication strategy	District wide	MM's office	UTDM	In-house	In-house	In-house	In-house
Communication and information	District wide	MM's office	UTDM	-	10 10 000	1070 600	1134 836



Uthukela District Municipality SDBIP 2014-2015

	Mayoral Imbizo	District wide	MIM's office		UTDM	-	200 000	212 000	224 720
	Tools of trade		MIM's office		UTDM	-	170 000	-	-
	uThukela annual jazz and picnic	District wide	MIM's office		UTDM	-	200 000	212 000	224 720
	Employees mayoral excellence awards		MIM's office		UTDM	-	200 000	212 000	224 720
	Blue drop and Green drop	District wide	MIM's office		UTDM	3 500 000, 00	15000 000	15900 000	16854 000
	Municipal water infrastructure		MIM's office		NT	14 525 000	-	-	-



Uthukela District Municipality SDBIP 2014-2015

BUDGET AND TREASURY

			Treasury		UTDM	1 500 000	500 000	530 000	561 000
	Assets verification				UTDM				
	Review of Financial Policies		Treasury		UTDM	100 000	-	-	-

PLANNING

	Development of shared services	District wide	Planning and LED		UTDM	500 000	250 000,00	250 000,00	1 200 000
	Hosting of the DGDS	District wide	Planning and LED		UTDM	100 000	500 000,00	530 000,00	561 800,00
	Sport code development programme	District wide	Planning and LED		UTDM	2 000 000	2000 000,00	2 120 000	2 247 200
	uThukela Manufacturing Sector Strategy(LED)	District wide	Planning and LED		UTDM	2 000 000	500 000	650 000	755 000



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uThukela Agricultural Sector Strategy(LED)	District wide	Planning and LED		UTDM	-	500 000	780 000	850 000
Tourism brochure, map and marketing material	District wide	Planning and LED		UTDM	1 000 000	100 000	1 060 000	1 123 600
District Tourism Marketing Strategy and Policy	District wide	Planning and LED		UTDM	-	100 000	260 000	340 000
Estcourt Water Reticulation Master Plan on GIS		Planning and LED		UTDM	1000 000	1 000 000	1 060 000	1 123 600
Feasibility study of waste disposal site	District wide	Planning and LED		UTDM	100 000	500 000,00	530 000,00	561 800,00
Implementation of health and safety programme	District wide	Planning and LED		UTDM	R100 000	200 000,00	212 000,00	224 720,00



Uthukela District Municipality SDBIP 2014-2015

Water conservation	District wide	Planning and LED	UTDM	R40 000	500 000	530 000	561 800
District Aids Council activities	District wide	Planning and LED	UTDM	130 000	0	0	0
Review and implement disaster management strategy	District wide	Planning and LED	UTDM	150 000	500 000,00	530 000,00	561 800,00
Firefighting equipment		Planning and LED	UTDM	150 000	-	-	-
Facilitate the disaster Management Advisory Forum	District wide	Planning and LED		-	20 000,00	21 200 00	22 472 ,00
Facilitate the Joint Operation Committee	District wide	Planning and LED	UTDM	100 000	-	-	-
Installation of the disaster communication system	District wide	Planning and LED	UTDM	150 000	-	-	-
Emergency disaster provision/relief	District wide	Planning and LED	UTDM	3000 000	2 779792	29 27 894	31 03567



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Development agency	District wide	Planning and LED		UTDM	-	1000 000	1 060 000	1 123 600
Health equipment		Planning and LED		UTDM	10 000	459 000	-	-
MSIG		Planning and LED		COGTA	467 000.00	934 000	967 000	1018 000
Gender Aged and disability programme	District wide	Planning and LED		UTDM	-	500 000	530 000	561 000
Awareness campaigns(HIV/AIDS, Water)	District wide	Planning and LED		UTDM		2 200 000	2 332 000	2 471 920
SALGA Games	District wide	Planning and LED		UTDM		2 000 000	2 120 000	2 247 200
Pauper burials	District wide	Planning and LED		UTDM	-	100 000,00	106 000,00	112 360,00
IDP	District wide	Planning and LED		UTDM	100 000	120 000	127 200,00	134 832, 00
UThukela district carnival	District wide	Planning and LED		UTDM	-	1000 000	1060 000	1123 600



Uthukela District Municipality SDBIP 2014-2015

TECHNICAL SERVICES

Sanitation projects	Technical		IDT	5 000 000	-	-	-
RRAMS	Technical	District wide	DOT	1999 000	2 3 15000	2 3 55 000	24 66000
(VIP Latrines) Sanitation	Technical	Emnambithi/L adysmith.(17)	MIG	R 28,109,402.00	8 700 000		
(VIP Latrines) Sanitation	Technical	Emnambithi/L adysmith(15)	MIG	R15,258,937.74	-	-	-
Driefontein upgrading of Burford water supply scheme	Technical	Emnambithi/L adysmith(14, 15, 16, 17, 18)	MIG	R 28,000,000.00	-	-	-
(VIP Latrines) Sanitation	Technical	Emnambithi/L adysmith(14)	MIG	R 22,950,565.95	4000 000		
(VIP Latrines) Sanitation	Technical	Indaka(7)	MIG	R17,440,081.00	-	-	-
Umhlumayo Fitty Park	Technical	Indaka(8, 9, 10)	MIG	R17,057,022.00	-	-	-
(VIP Latrines) Sanitation	Technical	Umtshezi(5)	MIG	R30,517,148.40	-	-	-



Uthukela District Municipality SDBIP 2014-2015

	{VIP Latrines) Sanitation	Umtshezi(7)	Technical		MIG	R19,501,784.65	-	-	
	Water Supply Scheme	Kwanobamba/ Ezitendeni(5,7 ,8)(Umtshezi)	Technical		MIG	R 35,000,000.00	31 700 000		
	Bergville Phase 2 water Supply Scheme	Okhahlamba(1 3)	Technical		MIG	R10,086,071.10	-	-	
	Bhekuzulu / Ephangiwini Water Supply Scheme	Imbabazane	Technical		MIG	R100,235,494.7 4	69 000 000		



Uthukela District Municipality SDBIP 2014-2015

	Nkabamhlophe Phase 5 reticulation (24/2010)	Imbabazane	Technical		MIG	R19,155,608.79	12 785 300		
	Ezakheni/Emnambithi bulk water infrastructure bulk water	Emnambithi	Technical		MIG		2 950 000		
	Umtshezi sanitation(4)	Umtshezi	Technical				10 450 000		
	Okhahlamba ward 12/Acton homes	Okhahlamba	Technical		MIG		7 690 000		
	Indaka ward 3 sanitation	Indaka	Technical		MIG		10 450 000		
	Umtshezi ward 4	Umtshezi	Technical		MIG		10 547 000		
	Ezakheni E sewer	Emnambithi	Technical		MIG		14 500 000		
	Moyeni/Zwelisha upgrade	Okhahlamba	Technical		MIG		5 880 000		



Uthukela District Municipality SDBIP 2014-2015

Driefontein upgrading of Burford water supply scheme	Emnambithi	Technical services		(DWA)R BIG	R 40,000,000.00	25 000 000	30 000 000	5 000 000
Upgrading sewer to a water borne system	Okhahlamba	Technical services		COGTA	19 000, 000	19 000, 000		
Ezakheni water conservation and demand management	Emnambithi	Technical services		(DWA) MWIG (20 000 000)		5 500 000		
Ezakheni E(642 houses)	Emnambithi					8000 000		
Okhahlamba & Indaka Boreholes	Okhahlamba & Indaka	Technical services				6 500 000		
Umhlumayo phase 2 water supply(Fitty park)	Indaka	Technical services			7 800 000	-	-	-



Uthukela District Municipality SDBIP 2014-2015

CORPORATE SERVICES

	Review and amend the District workplace skills Plan	corporate services		UTDM	In-house	In-house	In-house	In-house
	Support the district policing forum	corporate services	District wide	UTDM	In-house	In-house	In-house	In-house
	Network, repair of pc's	corporate services		UTDM	0	0	0	0
	IT equipment, upgrade and maintenance	corporate services		UTDM	3 000 000	1000 000	10 60 000	11 23 600
	Bursaries(student financial assistance)	corporate services	District wide	UTDM	-	1000 000	-	-
	In-service training	corporate services	District wide	UTDM	-	500 000	-	-



Uthukela District Municipality SDBIP 2014-2015

WATER SERVICES

Plant & equipment hire for water and sanitation	District wide	Water services	UTDM	3 135 000	4 682 872	10 972 776	12 070 053
Chemicals	District wide	Water services	UTDM	6 000 000	10 351 675	10 974 991	12 072 490
Security	District wide	Water services	UTDM		10 353 765		
Water tankering		Water services	UTDM	20 321 160,00	-	-	-
EPWP grant expenses/Job creation	District wide	Water services	UTDM	1 000 000	3 299 000	-	-
Plant(repairs and maintenance)	District wide	Water services	UTDM	-	5 210 149	5 522 758	5 854 123
Pumps	District wide	Water services	UTDM	-	7000 000	7420 000	7865 200
Roads	District wide	Water services	UTDM	-	1 575 000	1 669 500	1 7 69 670



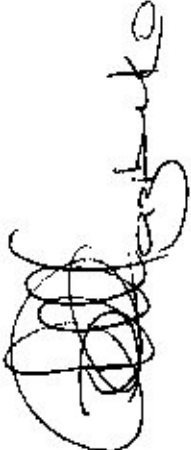
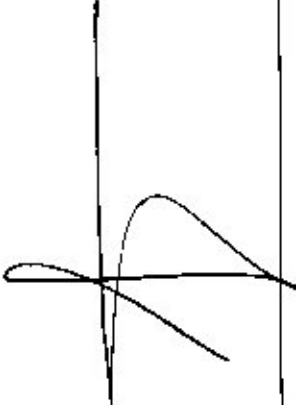
9. CONCLUSION

The SDBIP gives meaning to both in-year reporting in terms of section 71 (monthly financial reporting), section 72 (mid-year report) and section 46 (end-of-year annual reports) and is a vital monitoring tool for the Executive Mayor and Council to monitor in-year performance of the municipality within the financial year. This enables the Executive Mayor and Municipal Manager to be pro-active and take remedial steps in the event of poor performance. The SDBIP aims to ensure that Directors are problem-solvers, who routinely look out for unanticipated problems and resolve them as soon as possible. The SDBIP also enables the Council to monitor the performance of the municipality against quarterly targets on service delivery and to serve as early warning for underperformance.

The SDBIP serves as a management, implementation and monitoring tool that will assist the Executive Mayor, Councillors, Municipal Manager and Directors in delivering services to the community.



The 2014/2015 Service Delivery and Budget Implementation Plan (SDBIP) for the uThukela District Municipality is signed as follows:

TITLE	NAME	SIGNATURE	DATE
MAYOR	CLLR. DCP MAZIBUKO		26 June 2014
MUNICIPAL MANAGER	MR. SN KUNENE		26 June 2014