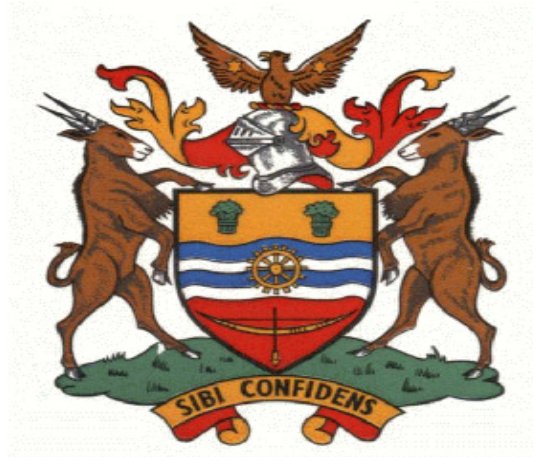


UMTSHEZI MUNICIPALITY



DRAFT SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) 2013/2014

Table of Contents

1. M AYORS FOREWORD	3
2. INTRODUCTION BY THE MUNICIPAL MANAGER	3
2.1 Vision, Mission And Core Values.....	4
Mission Statement	4
2.2 Legislative Mandates	5
2.3 The SDBIP Process	5
2.4 Strategic Outcomes.....	6
3. WARD INFORMATION	7
4. MONTHLY PROJECTIONS OF REVENUE TO BE COLLECTED BY SOURCE	8
5. MONTHLY PROJECTIONS OF OPERATING EXPENDITURE AND REVENUE FOR EACH VOTE.....	9
6. MONTHLY PROJECTIONS OF CAPITAL EXPENDITURE FOR EACH VOTE.....	10
7. MONTHLY CASH FLOW PROJECTIONS BY SOURCE.....	11
8. QUARTERLY PROJECTIONS OF SERVICE DELIVERY TARGETS AND PERFORMANCE INDICATORS	12
9. THREE YEAR DETAILED CAPITAL WORKS PLAN	20
10. OVERVIEW	24
11. CONCLUSION.....	26

1. M AYORS FOREWORD

The Municipal Finance Management Act defines the SDBIP in Section 1 as follows: “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 the following:

- (a) projections of each month of-
 - revenue to be collected by source; and
 - operational and capital expenditure, by vote

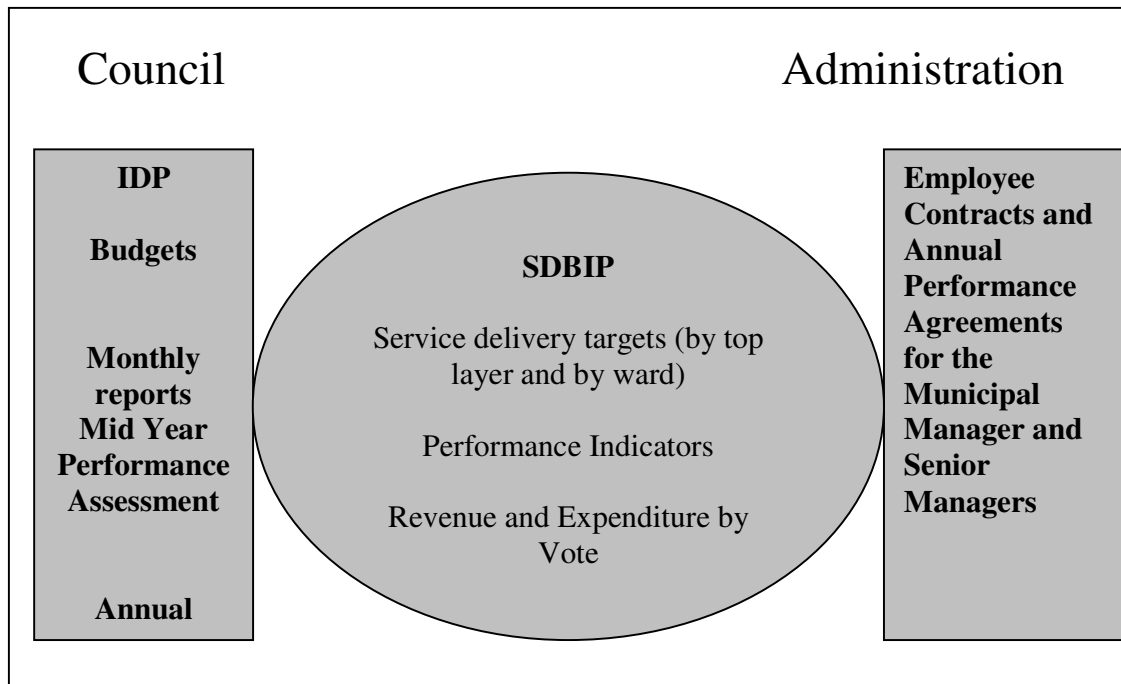
- (b) service delivery targets and performance indicators for each quarter.”

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 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 the Municipal Manager. The Municipal Manager can also monitor the performance of Senior Managers and the Community is able to monitor the Municipality.

The SDBIP is an important management tool as it allows for monitoring of performance and implementation of identified strategies and goals. 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 realized, thus ensuring service delivery and that the Municipality meets the needs of the people.

2. INTRODUCTION BY THE MUNICIPAL MANAGER

The SDBIP is defined as 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. National Treasury, MFMA Circular No. 13, diagrammatically depicts this relationship as follows:



2.1 Vision, Mission And Core Values

The vision of the uMtshezi Municipality is as follows:

By 2016, uMtshezi Municipality will be the champion of a sustainable growth with an aim of building better communities

Mission Statement

The Umtshezi Municipality in partnership with other stakeholders are committed to:

- Providing an enabling economic and social development environment
- Provide a robust plan for the vulnerable, including youth, physically challenged, gender and aged persons
- Work co-operatively to unlock resources from other spheres of government and the private sector
- Continuously provide services in an equitable manner taking Batho Pele Principles into cognizance
- Establish and maintain community networks that promote healthy engagements between the municipality and our stakeholders

- Strive to facilitate the provision of basic services
- Develop Umtshezi in a sustainable manner that does not compromise current and future generations.

The Municipality has used its vision and mission as its corporate strategy. The IDP is aligned to this strategy, the budget is aligned to the IDP, which means that the budget contains projects that fulfill the vision and mission of the Municipality. The SDBIP which is the ‘action plan’ for the budget and which is based on the budget, therefore encompasses the Municipality’s vision and mission.

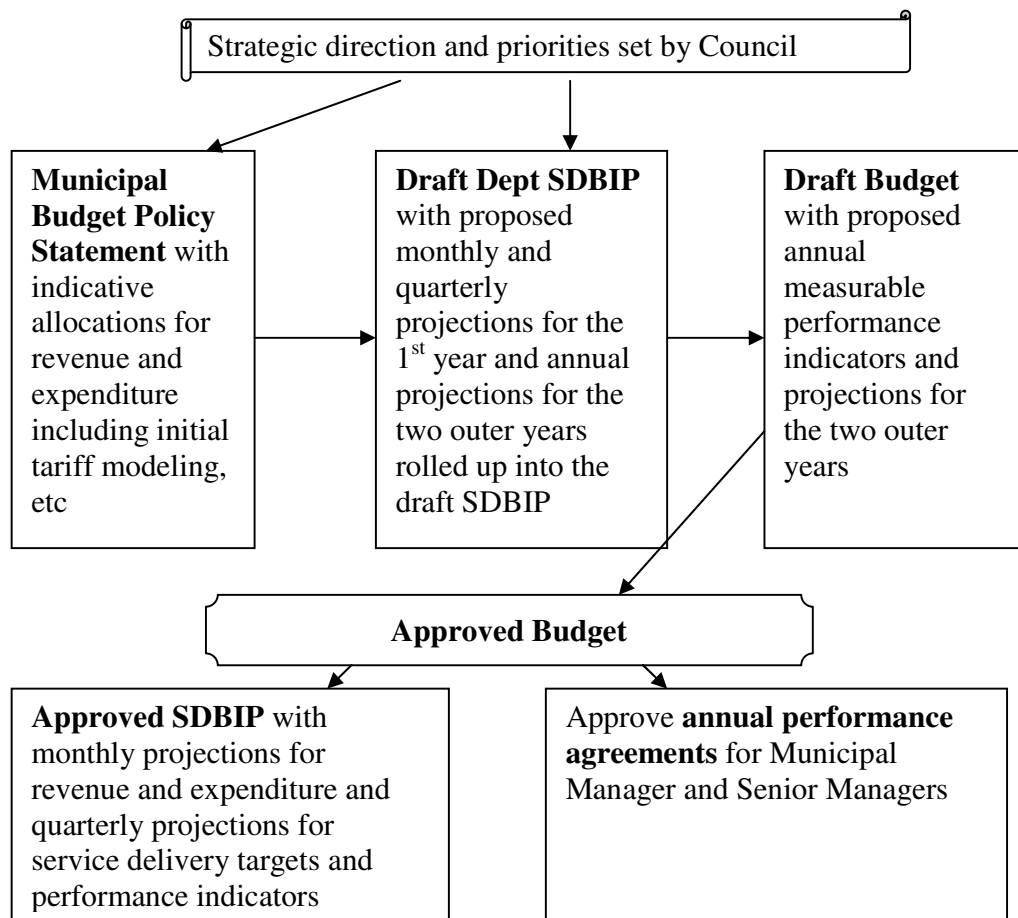
2.2 Legislative Mandates

NATIONAL PRIORITIES	
1.	Creation of decent work and economic growth
2.	Social and economic infrastructure
3.	Rural development linked to Land Reform
4.	Skills and human resource base
5.	Improving the nations health profile
6.	Fight against crime and corruption
7.	Cohesive and sustainable communities
8.	International co-operation
9.	Sustainable resource management
10.	Democratic development state

PROVINCIAL PRIORITIES	
1.	Create an image of new administration
2.	Caring and humane government
3.	Good governance
4.	Inclusive government
5.	Present a practical, measurable programme of action for government with time frames
6.	Use agriculture as the main platform for integration
7.	Household food security

2.3 The SDBIP Process

The process for preparing and approving the SDBIP, as depicted in MFMA Circular No.13, is diagrammatically summarized as follows:



2.4 Strategic Outcomes

KPA	STRATEGIC OBJECTIVES (IDP)
1. Basic Service Delivery	Access to electricity Access to solid waste disposal Free basic services Access to roads Community and public facilities Human Settlements Managing health facilities Safe and secure environment
2. Municipal Institutional Development & Transformation	Human Resources Development Batho Pele principles Integrated development plan Performance Management systems Telecommunications

3. Local Economic Development (LED)	IT System Economic growth Poverty alleviation Tourism development Development of prioritized groups and learnerships Promotion of local economy
4. Municipal Financial Viability & Management	Revenue enhancement Financial management Budgeting and reporting Expenditure control
5. Good Governance & Public Participation	Community awareness Public participation Stakeholder liaison Policy development Internal auditing function Anti-corruption strategy

3. WARD INFORMATION

WARD NO.	NO. OF HOUSEHOLDS
1	2022
2	1720
3	1987
4	1969
5	1836
6	1733
7	2210
8	1794
9	1954

4. MONTHLY PROJECTIONS OF REVENUE TO BE COLLECTED BY SOURCE

Description	Ref	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue By Source																
Property rates		3,592	3,592	3,592	3,592	3,592	3,592	3,592	3,592	3,592	3,592	3,592	3,590	43,102	45,258	47,521
Property rates - penalties & collection charges		487	487	487	487	487	487	487	487	487	487	487	490	5,847	5,905	5,964
Service charges - electricity revenue		17,908	21,130	14,327	12,536	11,640	11,640	11,640	11,640	12,536	14,327	17,908	21,850	179,083	195,200	212,768
Service charges - water revenue													-	-	-	-
Service charges - sanitation revenue													-	-	-	-
Service charges - refuse revenue		587	587	587	587	587	587	587	587	587	587	587	597	7,054	7,407	7,777
Service charges - other													-	-	-	-
Rental of facilities and equipment		19	19	19	19	19	19	19	19	19	19	19	24	233	245	2,567
Interest earned - external investments		41	41	41	41	41	41	41	41	41	41	41	49	500	525	552
Interest earned - outstanding debtors		23	23	23	23	23	23	23	23	23	23	23	24	277	280	283
Dividends received													-	-	-	-
Fines		26	26	26	26	26	26	26	26	26	26	26	31	317	332	349
Licences and permits		428	428	428	428	428	428	428	428	428	428	428	424	5,132	5,389	5,658
Agency services													-	-	-	-
Transfers recognised - operational		10,282	1,550	890	2,404	11,282				12,632			0	39,040	44,472	55,816
Other revenue		244	244	244	244	244	244	244	244	244	244	244	244	2,928	3,309	3,711
Gains on disposal of PPE													-	-	-	-
Total Revenue (excluding capital transfers and contributions)		33,637	28,127	20,664	20,387	28,369	17,087	17,087	17,087	30,615	19,774	23,355	27,325	283,514	308,321	342,966
Expenditure By Type																
Employee related costs		5,335	5,335	5,335	5,335	5,335	5,335	5,335	5,335	5,335	5,335	5,335	5,330	64,015	67,856	71,926
Remuneration of councillors		439	439	439	439	439	439	439	439	439	439	439	439	5,268	5,531	5,808
Debt impairment		1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000	12,000	12,000
Depreciation & asset impairment		2,917	2,917	2,917	2,917	2,917	2,917	2,917	2,917	2,917	2,917	2,917	2,913	35,000	40,000	45,000
Finance charges		291	291	291	291	291	291	291	291	291	291	291	293	3,494	3,400	3,300
Bulk purchases		13,988	16,785	11,190	9,791	9,092	9,092	9,092	9,092	9,791	11,190	13,988	16,785	139,875	152,464	166,185
Other materials		952	952	952	952	952	952	952	952	952	952	952	956	11,428	11,999	12,599
Contracted services		733	733	733	733	733	733	733	733	733	733	733	737	8,800	9,683	8,030
Transfers and grants		589	589	589	589	589	589	589	589	589	589	589	589	7,069	7,776	8,553
Other expenditure		2,245	2,245	2,245	2,245	2,245	2,245	2,245	2,245	2,245	2,245	2,245	2,282	26,977	28,065	29,424
Loss on disposal of PPE													-	-	-	-
Total Expenditure		28,489	31,286	25,691	24,292	23,593	23,593	23,593	23,593	24,292	25,691	28,489	31,326	313,927	338,775	362,825
Surplus/(Deficit)																
Transfers recognised - capital		5,148	(3,159)	(5,027)	(3,905)	4,777	(6,505)	(6,505)	(6,505)	6,323	(5,917)	(5,133)	(4,001)	(30,412)	(30,453)	(19,860)
Contributions recognised - capital			2,000	7,581	5,000		5,000	7,581						27,161	19,299	18,420
Contributed assets									3,955		3,955	3,955	3,955			
Surplus/(Deficit) after capital transfers & contributions		5,148	(1,159)	2,553	1,095	4,777	(1,505)	1,075	(2,550)	6,323	(1,962)	(1,178)	(46)	12,569	2,917	13,395
Taxation													-	-	-	-
Attributable to minorities													-	-	-	-
Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)	1	5,148	(1,159)	2,553	1,095	4,777	(1,505)	1,075	(2,550)	6,323	(1,962)	(1,178)	(46)	12,569	2,917	13,395

5. MONTHLY PROJECTIONS OF OPERATING EXPENDITURE AND REVENUE FOR EACH VOTE

Description	Ref	Budget Year 2013/14											Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue by Vote																
Vote 1 - Corporate Service		891	891	891	891	891	891	891	891	891	891	891	902	10,703	11,742	12,286
Vote 2 - Municipal Manager													-	-	-	-
Vote 3 - Finance and budget		14,571	7,839	5,179	6,693	15,571	4,289	4,290	4,789	16,921	4,789	4,789	3,808	93,528	101,170	118,691
Vote 4 - Civil Services				7,581				7,580					-	15,161	17,299	18,420
Vote 5 - Planning, Economic, and Community Service		267	267	267	267	267	267	267	267	267	267	267	263	3,200	3,209	221
Vote 6 - Electrical Service		17,908	21,130	14,327	17,536	11,640	16,640	11,640	15,095	12,536	17,782	21,363	26,306	203,903	208,271	226,603
Total Revenue by Vote		33,637	30,127	28,245	25,387	28,369	22,087	24,668	21,042	30,615	23,729	27,310	31,279	326,495	341,691	376,221
Expenditure by Vote to be appropriated																
Vote 1 - Corporate Service		1,961	1,961	1,961	1,961	1,961	1,961	1,961	1,961	1,961	1,961	1,961	1,961	23,537	25,251	24,477
Vote 2 - Municipal Manager		112	112	112	112	112	112	112	112	112	112	112	112	1,349	1,430	1,515
Vote 3 - Finance and budget		4,715	4,715	4,715	4,715	4,715	4,715	4,715	4,715	4,715	4,715	4,715	4,758	56,623	62,357	68,471
Vote 4 - Civil Services		2,164	2,164	2,164	2,164	2,164	2,164	2,164	2,164	2,164	2,164	2,164	2,164	25,966	27,524	29,174
Vote 5 - Planning, Economic, and Community Service		3,145	3,145	3,145	3,145	3,145	3,145	3,145	3,145	3,145	3,145	3,145	3,145	37,740	40,004	42,403
Vote 6 - Electrical Service		16,391	19,188	13,593	12,194	11,495	11,495	11,495	11,495	12,194	13,593	16,391	19,187	168,712	182,209	196,786
Total Expenditure by Vote		28,489	31,286	25,691	24,292	23,593	23,593	23,593	23,593	24,292	25,691	28,489	31,327	313,927	338,775	362,825
Surplus/(Deficit) before assoc.		5,148	(1,159)	2,554	1,095	4,776	(1,506)	1,075	(2,551)	6,323	(1,962)	(1,179)	(48)	12,569	2,917	13,395
Taxation													-	-	-	-
Attributable to minorities													-	-	-	-
Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)	1	5,148	(1,159)	2,554	1,095	4,776	(1,506)	1,075	(2,551)	6,323	(1,962)	(1,179)	(48)	12,569	2,917	13,395

6. MONTHLY PROJECTIONS OF CAPITAL EXPENDITURE FOR EACH VOTE

Description	Ref	Budget Year 2013/14											Medium Term Revenue and Expenditure Framework				
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	
Multi-year expenditure to be appropriated	1																
Vote 1 - Corporate Service														-	-	-	
Vote 2 - Municipal Manager														-	-	-	
Vote 3 - Finance and budget														-	-	-	
Vote 4 - Civil Services														-	-	-	
Vote 5 - Planning,Economic,and Community Service														-	-	-	
Vote 6 - Electrical Service														-	-	-	
Capital multi-year expenditure sub-total	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Single-year expenditure to be appropriated																	
Vote 1 - Corporate Service			150			150			48					-	348	124	321
Vote 2 - Municipal Manager														-	-	-	-
Vote 3 - Finance and budget				55										-	55	65	85
Vote 4 - Civil Services		2,109	2,109	2,109	2,109	2,109	2,109	2,109	2,109	2,109	2,109	2,109	2,109	25,307	17,494	18,814	
Vote 5 - Planning,Economic,and Community Service		472	472	472	472	472	472	472	472	472	472	472	472	5,661	2,480	1,770	
Vote 6 - Electrical Service		1,025	1,025	1,025	1,025	1,025	1,025	1,025	1,025	1,025	1,025	1,025	1,025	12,300	2,660	2,320	
Capital single-year expenditure sub-total	2	3,606	3,756	3,661	3,606	3,756	3,606	3,606	3,654	3,606	3,606	3,606	3,606	43,671	22,823	23,310	
Total Capital Expenditure	2	3,606	3,756	3,661	3,606	3,756	3,606	3,606	3,654	3,606	3,606	3,606	3,606	43,671	22,823	23,310	

7. MONTHLY CASH FLOW PROJECTIONS BY SOURCE

MONTHLY CASH FLOWS	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Cash Receipts By Source																
Property rates	2,998	2,998	2,998	2,998	2,998	2,998	2,998	2,998	2,998	2,998	2,998	2,998	2,996	35,974	37,426	39,673
Property rates - penalties & collection charges	458	458	458	458	458	458	458	458	458	458	458	458	461	5,499	5,555	5,610
Service charges - electricity revenue	13,432	10,916	12,303	11,032	10,052	8,396	6,017	8,302	14,489	18,373	19,385	22,117	154,814	182,949	207,647	
Service charges - water revenue													-			
Service charges - sanitation revenue													-			
Service charges - refuse revenue	464	464	464	464	464	464	464	464	464	464	464	470	5,574	5,908	6,262	
Service charges - other													-			
Rental of facilities and equipment	13	12	11	13	15	24	20	9	7	14	14	16	168	179	189	
Interest earned - external investments													-			
Interest earned - outstanding debtors	22	22	22	22	22	22	22	22	22	22	22	22	264	280	297	
Dividends received													-			
Fines	10	15	25	14	35	45	36	24	26	22	24	26	302	305	308	
Licences and permits	358	487	357	356	756	451	331	387	356	321	301	357	4,818	5,059	5,312	
Agency services													-			
Transfer receipts - operational	2,756	3,512	2,756	2,756	2,756	2,756	2,756	2,756	2,756	2,756	2,756	2,006	33,078	36,675	39,714	
Other revenue	94	94	94	94	94	94	94	94	94	94	94	97	1,131	14,624	16,329	
Cash Receipts by Source	20,605	18,978	19,488	18,207	17,650	15,708	13,196	15,514	21,670	25,522	26,516	28,568	241,622	288,960	321,341	
Other Cash Flows by Source																
Transfer receipts - capital	1,392	1,392	1,392	1,392	1,392	1,392	1,392	1,392	1,392	1,392	1,392	1,397	16,709	28,449	29,227	
Contributions recognised - capital & Contributed assets													-			
Proceeds on disposal of PPE													-			
Short term loans													-			
Borrowing long term/refinancing	167	167	167	167	3,500	167	167	167	167	167	167	2,030	7,200			
Increase (decrease) in consumer deposits													-			
Decrease (increase) in non-current debtors													-			
Decrease (increase) other non-current receivable	25	25	25	25	25	25	25	25	25	25	25	21	296	60	100	
Decrease (increase) in non-current investments	16	17	17	17	17	17	17	17	17	17	17	14	200			
Total Cash Receipts by Source	22,205	20,579	21,089	19,808	22,584	17,309	14,797	17,115	23,271	27,123	28,117	32,030	266,027	317,469	350,668	
Cash Payments by Type																
Employee related costs	4,960	4,960	4,960	4,960	4,960	4,960	4,960	4,960	4,960	4,960	4,960	4,966	59,526	63,097	66,885	
Remuneration of councillors	410	410	410	410	410	410	410	410	410	410	410	416	4,926	5,172	5,430	
Finance charges	179	179	179	179	179	179	179	179	179	179	179	184	2,153	2,266	2,373	
Bulk purchases - Electricity	11,534	9,521	9,121	8,012	7,421	6,452	6,102	9,875	10,140	14,451	17,895	21,791	132,315	157,096	178,304	
Bulk purchases - Water & Sewer													-			
Other materials	609	609	609	609	609	609	609	609	609	609	609	605	7,304	7,671	8,054	
Contracted services	543	543	543	543	543	543	543	543	543	543	543	545	6,518	7,169	7,886	
Transfers and grants - other municipalities													-			
Transfers and grants - other													-			
Other expenditure	1,947	1,947	1,947	1,947	1,947	1,947	1,947	1,947	1,947	1,947	1,947	1,943	23,360	39,635	45,249	
Cash Payments by Type	20,182	18,169	17,769	16,660	16,069	15,100	14,750	18,523	18,788	23,099	26,543	30,450	236,102	282,100	314,181	
Other Cash Flows/Payments by Type																
Capital assets	2,034	2,034	2,034	2,034	2,034	2,034	2,034	2,034	2,034	2,034	2,034	2,035	24,409	28,449	29,227	
Repayment of borrowing	433	433	433	433	433	433	433	433	433	433	433	437	5,200	5,900	5,700	
Other Cash Flows/Payments													-			
Total Cash Payments by Type	22,649	20,636	20,236	19,127	18,536	17,567	17,217	20,990	21,255	25,566	29,010	32,922	265,711	316,449	349,108	
NET INCREASE/(DECREASE) IN CASH HELD	(444)	(57)	853	681	4,048	(258)	(2,420)	(3,875)	2,016	1,557	(893)	(892)	316	1,020	1,560	
Cash/cash equivalents at the month/year begin:	2,271	1,827	1,770	2,623	3,304	7,352	7,094	4,674	799	2,815	4,372	3,479	2,271	2,587	3,607	
Cash/cash equivalents at the month/year end:	1,827	1,770	2,623	3,304	7,352	7,094	4,674	799	2,815	4,372	3,479	2,587	2,587	3,607	5,167	

8. QUARTERLY PROJECTIONS OF SERVICE DELIVERY TARGETS AND PERFORMANCE INDICATORS

IDP Indicator No.	IDP Reference	National KPA	Strategic Objective	Measurable Objective / Output	Performance Measure/Indicator (Unit Of Measure)	Demand	Baseline (2012/13 estimates)	Backlog	Annual Target	Q1	Q2	Q3	Q4	Responsible Department	Financial Implications / Budget	Wards
										Jul - Sep	Oct - Dec	Jan - Mar	Apr - June			
IDP 2013/001		Municipal Transformation and Institutional Development	To provide efficient and effective Human Resource Services	An organogram reviewed annually	Date approved	30 June 2014	30-Jun-13	0	30-Jun-14	0	0	0	30 June 2014	Corporate services	150 000	All
IDP 2013/002				Approved Workplace Skills Plan	Date approved	30 June 2014	29-Jun-13	0	30-Jun-14	0	0	0	30 June 2014	Corporate services	150 000	All
IDP 2013/003				Percentage of a municipality's Budget actually spent on Workplace Skills Plan	Percentage spent	100%	100%	0%	100%	0	0	0	100%	Corporate services	Skills Levy	All
IDP 2013/004				The number of people from employment equity target employed in the three highest levels of management in compliance with a	Number of staff employed in terms of the Plan	6	5	1	1	0	1	0	0	Corporate services	Salary Budget	N/A

			municipality's approved equity plan													
IDP 2013/05			To conform to the Principles of Batho Pele	Customer satisfaction survey to be conducted	Survey completed quarterly by 30 June 2014	1	0	1	30-Jun-14	1	1	1	1	Corporate services	150 000	All
IDP 2013/06				Performance Management System in place	Date of approval	30-Jun-14	28/11/2012	0	30-Jun-14	0	0	0	30 June 2014	Office of the MM	150 000	All
IDP 2013/07			To develop and implement the Municipal Turnaround strategy	Implementation of the National Municipal Turnaround Strategy - (10 point plan)	Date adopted	n/a	27/02/2013	n/a	30-Jun-14	0	30/10/2013	0	0	Office of the MM	50 000	All
IDP 2013/08		Infrastructure Development	To provide access to roads	Kilometres of tarred roads established	No of Kilometres established	50 km	0	50	0	0	0	0	0	Technical services	R 0	All
IDP 2013/09				Kilometres of gravel roads established	No of Kilometres established	19.4KM	2.4KM	17KM	2.4KM	0	2,4 KM	0 KM	0	0	Technical services	2,420,000

			d												
IDP 2013/010			Kilometres of roads maintained	Kilometres (tarred)	50 KM	30 KM	20 KM	20 KM	5	10	10	5	Technical services	R 3,000,000	All
IDP 2013/011				Kilometres (gravel)	103.54	35	68,54	21	4	5	6	6	Technical services	(part of 7250000)	All
IDP 2013/012				No of creches constructed by 30/06/2014	9	2	7	2	0	1	0	1	Technical services		
IDP 2013/013				No of parks / play areas / recreational areas established	26	10	15	2	1	0	1	0	PECS	external	1,2
IDP 2013/014			To provide access to electricity	Percentage of Households with access to basic electricity	12,151	12,151	0	100%	100%	100%	100%	100%	Technical services	150 000	All
IDP 2013/015			To provide access to solid waste disposal services	Number of Households with access to solid waste removal	15232 (100%)	7567 (100%)	0	8000 (100%)	100%	100%	100%	100%	PECS	170 000	All

IDP 2013/016		To provide access to free basic electricity	Number of Households earning less than two times the government pension with access to free basic electricity	Percentage of households	3362	3362	0	100% connection on all applications received	100% connection on all applications received	100% connection on all applications received	100% connection on all applications received	Electricity	In House	All
IDP 2013/017			Number of Households earning less than two times the government pension with access to free solid waste removal	Number of households	3362	3362	n/a	3362	3362	3362	3362	3362	PECS	150 000
IDP 2013/02		To provide access to housing	New houses constructed	Number of units	8,450	0	8,450	0	0	0	0	Department of Human Settlements / PECS	Internal Process	All
IDP 2013//018			Application to DoHS for approval of subsidy allocation	Number of subsidies approved by 30/06/2012	8,450	0	8,450	5000 APPROVAL	0		2000 Cond Approval and 1000 Stage 1 Approval	2,000 Stage two Approval	Department of Human Settlements / PECS	DOHS Subsidy

IDP 2013/019			To provide safe and secure environment	Law Enforcement	Number of road traffic violence fines issued	n/a	1000	n/a	1500	375	375	375	375	Corporate services	150 000	
IDP 2013//020		Local Economic Development	To stimulate economic growth	Promotion of new investment and expansion through the municipality	Number of new investments in the municipality	n/a	2	n/a	2	0	1	0	1	PECS	N/A	All
IDP 2013//021				Number of new business expansions within the municipality	n/a	2	n/a	3	1	0	1	1	Office of the MM		All	
IDP 2013/022			To alleviate poverty	Poverty Alleviation Programmes undertaken	Number of programmes	n/a	2	n/a	2	0	0	0	2	Office of the MM	30 000	All
IDP 2013//023			To promote the development of prioritised groups	Capacity building initiatives undertaken	Number of SMME/s trained	n/a	0	n/a	2	0	1	0	1	PECS	10 000	All
IDP 2013//024					Number of Co-Opts trained	10	0	5	10	5	2	2	1	PECS	10 000	All
IDP 2013//025			To promote the local economy	Jobs created through the municipality's LED initiatives including capital projects	Number of jobs created	n/a	43	n/a	126	84	42	0	0	PECS	N/A	All

IDP 2013/026			To ensure effective expenditure control	MIG Expenditure as a % of annual allocation	% spent	100%		n/a	100%	25%	25%	25%	25%	Technical services	MIG Grant		
IDP 2013//027		Good Governance, Community Participation and Ward Committee Systems	To ensure an effective internal audit function	Functional Audit /Performance committee	Number of meetings held	Functional Committee	Functional Committee	0	4	1	1	1	1	Office of the MM	45 000	All	
IDP 2013/028				Mayoral imbizo's	Number of Imbizo's	4	3	0	4	1	1	1	1	Office of the MM	30 000	All	
IDP 2013/029				Budget and IDP roadshows	Number of roadshows	8	8	0	8	0	0	4	4	Office of the MM /	30 000	All	
IDP 2013/030				Functional Ward Committees	Number of meetings held in all wards	36	9	27	36	9	9	9	9	Corporate services	20 000	All	
IDP 2013/031				Business Forum / Chamber of Commerce meetings	Number of meetings held	4	3	1	4	1	1	1	1	Office of the MM	10 000	All	
IDP 2013/032				To actively participate in IGR structures	Mayoral Forum	Number of meetings held	4	1	4	4	1	1	1	1	Office of the MM	10 000	All
IDP 2013/033					Municipal managers' Forum	Number of meetings held	4	1	3	4	1	1	1	1	Office of the MM	10 000	All
IDP 2013/034					CFO Forum	Number of meetings held	4	0	4	4	1	1	1	1	Finance	10 000	All

IDP 2013/035		Municipal Financial Viability and Management	Audit opinion 2012/13	Unqualified audit opinion	Clean audit	Clean Audit	N/a	Clean Audit with no Queries	0	Clean Audit with no Queries	0	0	Finance	300 000	All
IDP 2013/036			Percentage of a municipality's capital budget actually spent on Capital projects identified for a particular financial year in terms of the municipality's IDP	Percentage	100%	100%	N/a	100%	25%	25%	25%	25%	Pecs / Technical Services	In house	All
IDP 2013/037			Financial viability - debt coverage ratio	Ratio per MSA regulation of 2001	n/a	01:01	n/a	01:01	01:01	01:01	01:01	01:01	Finance	150 000	All
IDP 2013/038			Financial Viability - outstanding service debtors to revenue	Ratio per MSA regulation of 2001	n/a	none	none	01:01	01:01	01:01	01:01	01:01	Finance	150 000	All
IDP 2013/039			Financial Viability - cost coverage ratio	Ratio per MSA regulation of 2001	n/a	01:01	n/a	01:01	01:01	01:01	01:01	01:01	Finance	150 000	All

IDP 2013/0 40			To ensure compliance to SCM prescriptions	Compliance with SCM regulations	Total number of contracts / rand value awarded to BEE Compliant suppliers	100%	100%	n/a	100%	100%	100%	100%	100%	100%	Finance	170 000	All
IDP 2013/0 41					% compliance with SCM policy	100%	100%	0	100%	100%	100%	100%	100%	100%	Finance	170 000	All

9. THREE YEAR DETAILED CAPITAL WORKS PLAN

Capital Expenditure For the financial year 2013/14	FUNDING	2013/14	2014/15	2015/16
		R	R	R
CORPORATE SERVICE DEPARTMENT				
Steel Filing Cabinet(8)	CNL	0	20,000	10,000
Airconditioners (2)	CNL	0	12,000	0
Printers x1 HR	CNL	1,000	3,000	1,000
Office Chair with swivel & Tilt	CNL	0	2,000	0
Scanner,Printer,Copier	CNL	0	4,000	0
Voice Recorder CLO	CNL	0	2,000	0
Standard desk CLO	CNL	2,500	0	0
Office chairs x6 (CLO,RECORDS,P.A,NEW OFFICES)	CNL	1,000	0	0
DESKS X3 (NEW OFFICES)	CNL	7,500	0	0
Visitors Chairs (x8) (Director ,ABM)	CNL	0	6,000	5,000
Laptop and Printer(ABM)	CNL	0	7,500	0
Digital Camera x2 (ABM/CLO)	CNL	0	5,000	0
Upgrade Switchboard	CNL	50,000	0	0
Vaccum Cleaner (Town Hall)	CNL	4,000	0	0
Airconditioner Town Library	CNL	25,000	0	0
Airconditioner and Air Curtain (Wembezi Library)	CNL	20,000	0	0
Chairs x50/ study tables x3(Wembezi & Town library)	CNL	20,000	20,000	30,000
Study Cubicles & Chairs x10	CNL	10,000	5,000	5,000
Computers x4 /Printer x1	CNL	21,500	0	0
Re-carpetting of town library	CNL	25,000	0	0
Blinds for Weenen library	CNL	5,000	0	0
T.V Stands for all libraries	CNL	1,500	0	0
Carpetting for weenen library	CNL	10,000	0	0
New Fridge for wembezi & town library	CNL	5,000	0	0
Vaccum cleaner	CNL	0	4,000	0
Cupboards against the wall at wembezi library	CNL	0	25,000	0
Book shelves at Estcourt Library	CNL	20,000	0	20,000
Digicam speed timing device & Accessories	CNL	100,000	0	250,000
Airconditioners 24 000 BTU	CNL	12,000	0	0
Fully Equiped trojan GYM set for traffic	CNL	0	8,000	0
Air conditioner for weenen boardroom 24 000 BTU	CNL	7,000	0	0
TOTAL		348,000	123,500	321,000

CIVIL DEPARTMENT				
Purchase of plant and Equipment				
Grader x1	EXT LOAN	2,300,000	0	0
Tipper truck x3	EXT LOAN	2,500,000	0	0
Excavator x1	EXT LOAN	1,200,000	0	0
Lowbed x1	EXT LOAN	800,000	0	0
T.L.B x1	EXT LOAN	950,000	0	0
Roller 10 tonne x1	EXT LOAN	650,000	0	0
Horse for Lowbed x1	EXT LOAN	800,000	0	0
Tipper Trailer x1	EXT LOAN	190,000	0	0
Jack Hammers x3	CNL	0	50,000	0
Generators x2	CNL	0	0	24,000
Rammers Compactors x3	CNL	75,000	0	0
Pedestrian Roller x1	EXT LOAN	120,000	0	0
Sit on Roller	EXT LOAN	350,000	0	0
Conveyors for Premix Machine	CNL	65,000	0	0
New Gravel Roads				
Computers Laptop x3	CNL		30,000	0
Printers	CNL	1,000	5,000	0
A plotter/printer	CNL	0	0	250,000
Upgrading offices Minerva Road	CNL	100,000	100,000	100,000
MIG Projects	MIG	15,161,000	17,299,000	18,420,000
Upgrading of pavements	CNL			
TOTAL		25,307,000	17,494,000	18,814,000
PECS				
YOUTH CENTER	CNL	100,000	50,000	60,000
HEALTH & SAFETY EQUIPM- BUILDING	CNL	50,000	20,000	30,000
Office Furniture & Equipment	CNL	0	25,000	30,000
Ground Marking Machine	CNL	10,000	0	0
Soccer Net	CNL	3,000	0	0
Sport Equipment	CNL	0	10,000	15,000
Cricket Screen	CNL	5,000	0	5,000
1X Cementary(new development)	CNL	100,000	0	0
Furniture and Equipment	CNL	10,000	0	15,000
Berttucker pool - Upgrade	CNL	100,000	150,000	0
Hildene swimming pool upgrade	CNL	100,000	0	250,000
double diff trolley	CNL	0	25,000	0
Clocking Machine / Biometric scanners	CNL	10,000	0	0
Tractors	CNL	0	120,000	0

Laptop computers x 4	CNL	20,000	0	25,000
Gyromower roller	CNL	25,000	0	30,000
Chainsaws – Estcourt	CNL	20,000	0	0
Brush cutters	CNL	85,000	0	50,000
Slashers	CNL	50,000	0	0
Brush cutters-Weenen	CNL	35,000	0	0
Purchase of ploughing equipment	CNL	0	0	100,000
Upgrade of Stores and workshop	CNL	100,000	0	0
Borehole	CNL	40,000	0	0
water pump	CNL	50,000	0	0
Weigh bridge	CNL	320,000	0	0
Tools	CNL	10,000	0	0
Heavy duty grease gun	CNL	2,000	0	0
bulk skip containers	CNL	30,000	40,000	50,000
refuse bins concrete c&d section	CNL	20,000	0	0
refuse bins concrete all sections	CNL	0	30,000	40,000
Machines sewing weenen centre	CNL	0	0	50,000
Plant and Equipment	CNL			
Refuse truck	CNL	0	0	1,000,000
Tipper trucks x3	EXT LOAN	2,000,000	0	0
Trailer x1	CNL	50,000	0	0
Purchase of fire Equipment	CNL	50,000	0	0
Pecs Housing Camera	CNL	1,000	0	0
Bulk Service upgrade	CNL			
Chairs x3	CNL	0	3,000	0
Laptop	CNL	0	7,000	0
Pc and Laptop x1	CNL	5,000	0	0
Lift - Main Building	CNL			
NDPG Projects	NDPG	2,000,000	2,000,000	0
Office Furniture &Equipment	CNL	5,000	0	0
Total		5,661,000	2,480,000	1,770,000
ELECTRICITY DEPARTMENT				
BATTERY CHARGER UNITS	CNL	100,000	150,000	200,000
QUANTUM - TESTING VEHICLE	CNL			
STREET LIGHT	CNL	200,000	250,000	300,000
PROTECTION UPGRADE FOR SUBSTATION	CNL	200,000	250,000	300,000
VEHICLE REPLACEMENT (BUCKET TRUCK)	EXT LOAN	600,000	0	0
UNDERTAKE STREET LIGHTS IMPROVEMENTS	CNL	250,000	350,000	400,000
TOOLS AND EQUIPMENT	CNL	200,000	0	0
SCADA SYSTEM	CNL	350,000	500,000	550,000

STREET LIGHTS WEMBEZI A& C	CNL			
PROTECTION UPGRADE FOR SUBSTATION	CNL	50,000	100,000	150,000
UNDER TAKE STREETLIGHT IMPROVEMENTS	CNL			
ELECTRIFICATION PROJECT	INEP	10,000,000	0	0
20 ton crane truck	CNL	0	600,000	0
TOTAL		12,300,000	2,660,000	2,320,000
FINANCE				
Desktops x 5 and Software		40,000	50,000	60,000
Desks and chairs		15,000	15,000	25,000
TOTAL		55,000	65,000	85,000
Corporate Sevices		348,000	123,500	321,000
Civil Department		25,307,000	17,494,000	18,814,000
PECS Department		5,661,000	2,480,000	1,770,000
Electricity Department		12,300,000	2,660,000	2,320,000
Finance Department		55,000	65,000	85,000
Total Capital Expenditure		<u>43,671,000</u>	<u>22,822,500</u>	<u>23,310,000</u>
FUNDING SOURCE:				
External Loan		12,460,000	0	0
Council		4,050,000	3,523,500	4,890,000
MIG		15,161,000	17,299,000	18,420,000
INEP		10,000,000	0	0
NDPG		2,000,000	2,000,000	0
		43,671,000	22,822,500	23,310,000

10. OVERVIEW

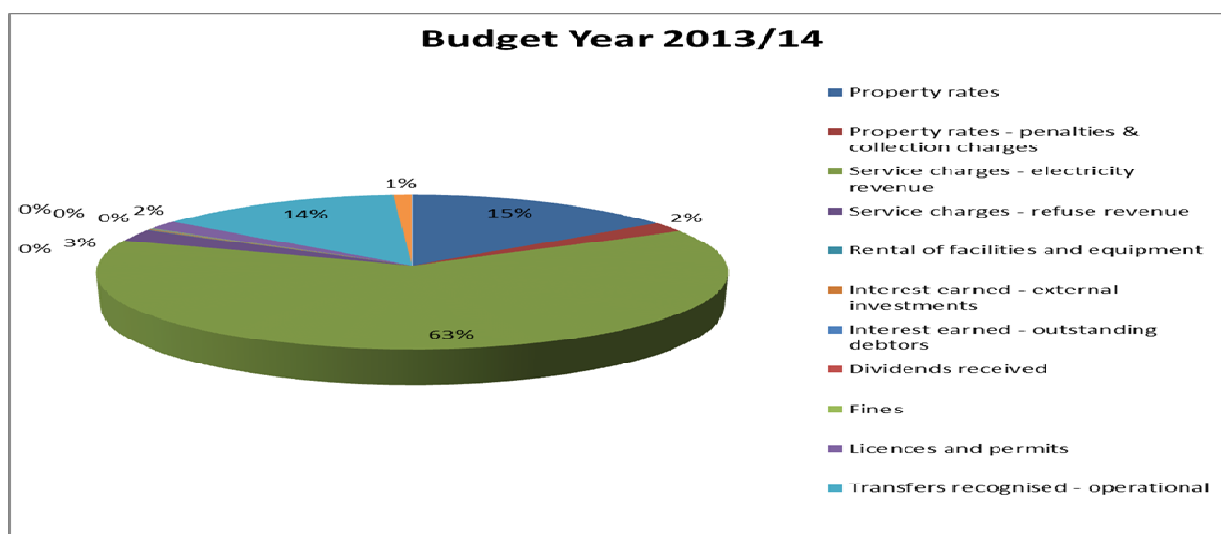
Revenue to be collected, by source

The total revenue to be collected by the Municipality as shown in the budget is R283.514 million. This amount is made up of revenue billed for services and other municipal charges, as well as operating grants receivable. A monthly cash flow budget is included in the SDBIP to highlight the actual amounts receivable. These figures do differ from the amounts that would be billed. Below is a table and graph that detail the three year operating income in terms of the 2013/2014 MRTEF.

Table 1 Summary of revenue classified by main revenue source

Description	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue and Expenditure Framework		
				Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year+1 2014/15	Budget Year+2 2015/16
R thousand										
Revenue By Source										
Property rates	29,164	33,739	35,063	52,050	41,050	41,050	41,050	43,102	45,258	47,521
Property rates - penalties & collection charges	5,008	6,239	5,732	5,789	5,789	5,789	5,789	5,847	5,905	5,964
Service charges - electricity revenue	96,662	121,165	143,741	163,610	163,167	163,167	163,167	179,083	195,200	212,768
Service charges - refuse revenue	5,055	5,348	5,535	8,718	6,718	6,718	6,718	7,054	7,407	7,777
Rental of facilities and equipment	748	408	167	177	222	222	222	233	245	2,567
Interest earned - external investments	0	0	0	0	0	0	0	500	525	552
Interest earned - outstanding debtors	333	1,069	249	264	264	264	264	277	280	283
Dividends received										
Fines	345	201	299	302	302	302	302	317	332	349
Licences and permits	4,010	4,239	4,589	4,818	4,818	4,818	4,818	5,132	5,389	5,658
Transfers recognised - operational	20,894	24,727	29,480	33,078	34,519	34,519	34,519	39,040	44,472	55,816
Other revenue	2,371	2,469	2,011	2,132	2,858	2,858	2,858	2,928	3,309	3,711
Total Revenue (excluding capital transfers and contributions)	164,597	199,604	226,866	270,938	259,707	259,707	259,707	283,514	308,321	342,966

Figure 1: Income for the 2013/14 MTREF

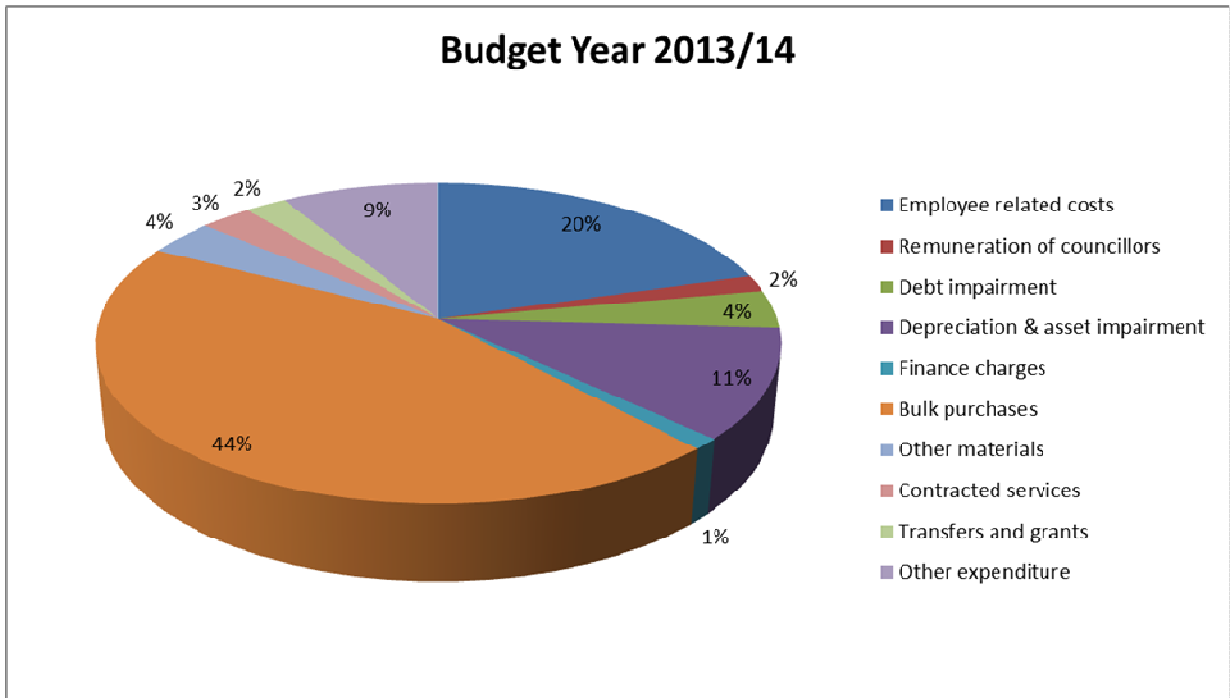


Operational and Capital expenditure by Vote

The table below details the operating budgets, separating them into their expenditure and revenue components, and also provides capital expenditure by vote. This would be monitored on a monthly basis. Below is a summary of the operating expenditure for the 2012/2013 MTREF.

Table 2 Summary of operating expenditure by standard classification item

Description	Audited 2009/10	Audited 2010/11	Audited 2011/12	Current Year 2013/14				2013/14 Medium Term Revenue & Expenditure Framework		
				Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R Thousand										
Expenditure By Type										
Employee related costs	47,352	50,340	56,157	59,526	59,526	59,526	59,526	64,015	67,856	71,926
Remuneration of council	3,843	3,673	4,691	4,926	4,926	4,926	4,926	5,268	5,531	5,808
Debt impairment	10,489	2,789	12,800	10,000	10,000	10,000	10,000	12,000	12,000	12,000
Depreciation & asset im	18,576	38,677	31,686	35,000	35,000	35,000	35,000	35,000	40,000	45,000
Finance charges	915	1,012	2,050	2,153	3,153	3,153	3,153	3,494	3,400	3,300
Bulk purchases	74,023	92,582	121,948	132,315	132,315	132,315	132,315	139,875	152,464	166,185
Other materials	-	3,142	-	7,304	9,035	9,035	9,035	11,428	11,999	12,599
Contracted services	2,477	2,987	5,925	6,518	7,990	7,990	7,990	8,800	9,683	8,030
Transfers and grants	-	-	-	22,669	6,669	6,669	6,669	7,069	7,776	8,553
Other expenditure	27,594	19,922	29,609	21,850	25,845	25,845	25,845	26,977	28,065	25,424
Loss on disposal of PPE	134	33	-	-	-	-	-	-	-	-
Total Expenditure	185,403	215,157	264,866	302,261	294,459	294,459	294,459	313,927	338,775	362,825



Quarterly Projections

Whilst the above two components focused on amounts of revenue and expenditure, this component contains objectives in the form of service delivery targets and other performance indicators which is detailed on page

11. CONCLUSION

The implementation of sound financial planning and budgeting will ensure sustainable service delivery that would result in growth for the municipality. These budgets, business plans and strategies have been developed to ensure that backlogs are addressed and that future financial problems are avoided and timeously corrected. It is also to ensure that projects planned are adequately funded and that future projects can be realistically planned and budgeted.

Ms P.N Njoko
Municipal Manager