

INGQUZA HILL LOCAL MUNICIPALITY



Section 72 Report MID YEAR REPORT

2/24/2009

PRESENTED BY HIS WORSHIP THE MAYOR: COUNCILOR W. NGOZI

INTRODUCTION

Section 72 of the Municipal Finance Management Act (MFMA) prescribes that a Mid Year budget and performance assessment needs to be performed by the accounting Officer. The assessment should review the performance of the municipality during the first half of the financial year, taking into account the reportable matters referred to in Section 71 of the MFMA.

2008/09 is a very difficult year at Ingquza Hill. This is because of the non-payment culture by citizens that was adopted long before new dispensation of 1994 and as a result of the political turmoil that engulfed the then Lusikisiki TLC and the invoking of S. 139 of the Constitution. Non-payment occurred even before the S. 139 intervention and that makes it difficult for the municipality to generate revenue.

The Integrated Development Plan (IDP) of 2007 -2012 is very clear about the strategic direction that must be taken by the Municipality. There is a challenge in the budget in that it does not cater for all the key priorities of the IDP that were identified by the people due to financial constraints. During the IDP review new strategies were developed and reprioritization was done to align municipal objectives with those of the national and provincial government.

The mid-term report that is being presented today contains some programs and projects that have not yet been completed though target dates have since gone by. The reason for this is that a program will depend on the other Department's program for it to be implemented. This has since been addressed by re-aligning programs and timelines. Some programmes depended of funding from grants and when the grants have not been transferred that affects implementation of those projects or programmes.

The management has since assessed and evaluated and resolved on the mechanism to be pursued and action plans to be implemented. The mid report is per the business plan of each department and those that are in the office of the municipal manager.

INTERNAL AUDIT UNIT

Municipal Finance Management Act No. 55 of 2003 requires municipalities to have internal audit units. A Service Level Agreement (SLA) was signed with OR Tambo District Municipality for a shared service unit. The Internal Audit unit visits the municipality on a monthly basis to ensure that our municipality adheres to the laws of

the country and best practices in accounting. This is independent from our administration and reports to the Audit committee.

AUDIT COMMITTEE

The audit committee is functional and sits bi-monthly to assess the municipal internal controls as well as the institutional performance. In its first meeting the Audit committee considered the Internal Audit Charter. The last meeting held on the 22nd of August assessed annual Financial Statements that were due to the Auditor General by 30 August 2008. It also considered the Management Action Plan based on the management report from the office of the Auditor General as there was no audit report at that time. The meeting scheduled for the first week of March will consider Auditor General's report for the financial year ending June 2007.

DBSA LOAN

The Development Bank of Southern Africa was approached by the municipality for acquiring R10 million loan for Infrastructural development. The Bank developed a Loan Agreement that had to be signed by both parties. We signed the agreement and forwarded it to the Bank. Completion of signing the loan agreement has been delayed by long bureaucratic processes that are to be followed in the Bank. The Eastern Cape Regional Manager was terminated and that resulted in Eastern Cape projects being delayed. DBSA's legal services officer was in and out of hospital and that also caused delays in signing of the loan agreement. The agreements have been signed and the municipality has gone through the Supply Chain Management processes.

One of the requirements was that the municipality should publicize the intention to acquire the loan. We publicized the intention to acquire this loan as required by Section 46, 47, 48 and 49 of the Municipal Finance Management Act (Act No. 56 of 2003) and Section 21A of the Municipal Systems Act (Act No. 32 of 2000). The Municipality had to get a letter from the Department of Economic development and Environmental Affairs (DEDEA) confirming that there is no need for environmental impact assessment. We have since received that confirmation. The plant will be acquired when the transfer has been made by the Bank into our coffers.

TURN AROUND PLAN

The Executive Council of the Eastern Cape convened a cabinet Lekgotla immediately after the new premier was sworn in and assume of the office. They came with strategy to turn around the situation of lack of service delivery. This plan is called Turn Around Plan (TAP).

Objectives of the TAP

The objectives of the TAP are the following:-

1. To improve the financial management of municipalities
 - Improve audit outcomes

2. Improve Financial viability through:-
 - Improving the credit worthiness of municipalities
 - Providing the impetus for small town revitalization
 - Addressing infrastructure quick wins at KSD
 - Improving the water quality at priority sites
3. Fast track the transformation process of Traditional leadership in institutions
 - Transformation of Traditional Authorities into Traditional Councils
 - Capacity of traditional institutions and infrastructure improvement
 - Commemoration of battles
4. Mobilize the organizational capacity to fast track the implementation of the turn around strategy

FOCUS AREAS

The plan focuses on

- Financial management
- To improve audit outcomes in 16 municipalities
- 9 local municipalities and Nelson Mandela Metro that obtained “qualified opinions”
- 6 District Municipalities- central to supporting Local Municipalities
- 1 Local Municipality that obtained a disclaimer.

BENEFICIATION OF INGQUZA HILL

Our municipality will benefit from the programme of improving financial viability and infrastructure. There will be surfacing of arterial road in Flagstaff for 6 months at R2 400 000.

How must we prepare for this s municipality?

- Meeting with the multi-disciplinary team within two weeks from now
- Involve politicians, officials and communities from the beginning.
- Project steering committee be established and its accountability.
- Monitoring and evaluation through reporting

LUSI PARK DEVELOPMENT

This development was supposed to start by August 2009. A portion of land was to be leased for the development of shopping complex and offices for a period 35 years. Another portion of land was supposed to be sold to JQM for middle income housing development. JQM had an agreement with Old Mutual for financial assistance. This development will be delayed due to pulling off by Old Mutual citing economic meltdown. JQM has been looking for other financiers and it is promising.

SHOPPING COMPLEX- QUANZA GROUP

The development of the Shopping complex by Quanza Group was supposed to be complete and opening was scheduled for March this year. In the agreement between the municipality and Quanza Group there is a clause that stipulates that the developers would negotiate with site owners that are close to the site where development would be done. They submitted a building plan inclusive of the sites. The building plan was disapproved by the Department of Environmental Affairs lack of Bulk Infrastructure (water and sanitation).

The municipality suggested that Quanza Group should construct a septic tank to accommodate water and sanitation needs. The District municipality has recently approved a Water Service Plan for this development. There is a snail pace in this project.

CORPORATE SERVICES

A. RECRUITMENT

The following appointments were made and the appointees assumed duties on the dates specified below:-

POST TITLE	APPOINTEE
1. Revenue Accountant	Ms. Nozipho Hlonti
2. Library Officer	Mr. Wezo Nqalo
3. Junior Technician	Mr. Lizo Nkebe
4. Security Supervisor	Mr. Zongezile Sobhuza
5. Security Supervisor	Mr. Sibulele Fihlani
6. Parks Supervisor	Mr. Bonga Somana
7. Parks Supervisor	Ms. Fezeka Ntsiyane
8. Administration Clerk	Ms. Ngcwelekazi Ngcengece
9. Recording Clerk	Ms. Nomvula Zoko
10. Recording Clerk	Ms. Lungakazi Ndabeni
11. P.A : Office of the Municipal Manager	Nandipha Mdiya
12. P.A: Corporate Services	Ntombizandile Mdoda
13. Building Control Officer	Lungelwa Mhlahlo
14. Cashier: Enatis	Nonkonzo Ngxaliwe
15. Assistant Superintendent: Traffic	Israel Mjobo
16. Junior Accountant: Expenditure	Nontsikelelo Mgilane

17. Asset Clerk	Mlondolozzi Matrose
18. Senior Technician: Infrastructure	Bavuyise Tshitshi

B. EMPLOYMENT EQUITY

The Employment Equity Committee for the municipality has been established. The following are serving members of the Committee:-

MEMBER	CONSTITUENCY
1. Mr. N. Mkhombe	Employer Representative
2. Ms. N. Jam Jam	Employer Representative
3. Mr. F. Mphako	Responsible Manager
4. Ms. N. Ngomane	Employee Representative
5. Mr. B. Lugongolo	Employee Representative
6. Mr. S. Mvunelo	Management Representative
7. Ms. N.C. Sompetha	

The Committee members were sent to a workshop so that all its members are well aware of the legislative framework that will guide them in their mandate.

C. POLICY DEVELOPMENT

The department is continuing to co-ordinate policy development process. Draft policies have been developed and workshopped to all managers and councilors. The policies will now be rolled out on a public participation process. The following policies have been developed by our department:-

- Training and Development Policy
- Employee Assistance Programme
- Skills Retention Policy
- ICT Policy
- Workplace Policy on HIV/AIDS

D. LEAVE ADMINISTRATION

The Leave Module has been installed in our salary system (PayDay). This will go a long way in improving our administration of leaves for all our employees. Leaves have been audited and captured in the system for all employees, the system is able to update itself automatically.

This will help in getting regular monthly reports in our payslips, and it will be easier to do leave register during external audits. The leave system will also help to be more precise when budgeting for leave provision for the following financial year.

RECOMMENDATIONS

- 1) That the municipality should not localize Leave Policy, but instead the Council adopts the Collective Agreement as concluded in the Bargaining Council as its leave policy;
- 2) All employees must be allowed to accumulate not more than forty-eight (48) leave days at the start of their annual leave cycle this year.

E. CUSTOMER SERVICES

Telephone Management

The following have been implemented in order to tighten our controls pertaining to telephone costs:

- **Teltrace with budget control units** is in place and operational
- **Interconnection of Lines** between Lusikisiki & Flagstaff is in place & fully functional.
- **Budget Control Management system** is in place & operational with each employee operating with his/her pin code.

Customer Service throughout the Institution

In an effort to sensitise customer service/service delivery, a workshop involving supervisors was successfully organised and the following were presented:

- Ethics in the Workplace
- Service Delivery Culture
- Basic Conditions of Employment

However, there is a need to ensure that these initiatives are implemented within respective teams to add value to the institution's goals & objectives .

Generally, customer service has been normalised even though some improvement is needed as there are still complaints from Enatis. These being dealt with on a case to case basis by Community Services Department.

Staff complement

As a result of vacancies that have been created the following posts have been advertised:

Two Supervisors : Solid Waste
Customer Care Services Clerk
Special Programs Officer
Two LED Officers
PA : Strategic & Planning Development Department

F. INFORMATION TECHNOLOGY

Procurement of ICT Infrastructure

Nine personal computers and fourteen printers were procured.

G. TRAINING AND DEVELOPMENT

The following training has been conducted:

COURSE NAME	SERVICE PROVIDER	TRAINEES
1. Project Management	PFSA	Ms. Z. Mancotywa
2. Municipal Finance	PFSA	Ms N Ngalavu
		Ms. N. Hlonti
		Ms. N. Noqolela
Asset Management	PFSA	Mr. Z. Matolo
Project Management	PFSA	Mr. M.C. Gaulana
		Mr. B. Lugongolo
		Mr. V. Tukani
		Mr. L.S. Ruleni
		Ms. N. Ntlangano
		Clr. P.J. Mdingi
		Clr. M Mvulana
		Clr. S. Nkwakhwa
		Clr. A. Manda
		Ms. B. Njilo
		Ms. Mabena
		Mr. S. Mvunelo
1. Municipal Finance	PFSA	Ms P. Mgoduka
		Ms. Z.C. Zoko

This training is provided by the Provincial Treasury, in partnership with Public Finance Services Agency (PFSA) together with the University of Fort Hare (UFH). These training programmes are of high standard and provided free. The municipality only pays for accommodation.

RECOMMENDATION

It is recommended that :-

- the training program be followed as it complies with LGSETA requirements.
- The services of UFH/PFSA must always be used for future training unless they do not offer specific training required at the moment.

H. DISCIPLINARY CASES

The municipality has initiated disciplinary proceedings against officials over abuse of petrol cards, vehicles and negligence pertaining to fleet management. The officials are Mr. Madikane, Qumba, Syrum, Mahlangeni, Rhini, Mangcotywa. The hearing has set once and it is due to be concluded during the week starting on the 16th March 2009.

I. RESIGNATIONS

A number of officials have resigned from the municipality. These are:

Mr. Dlelanga
Ms Buthelezi
Mr. Zoko
Ms Qezu
Mr. Syrum

All the above posts have since been advertised and will be filled before March 2009.

TECHNICAL SERVICES

Performance highlights

Review of the departmental programmes

Social services and infrastructure play a vital role in the development of both, urban and rural in the development of both urban and rural communities and this section is meant to assess the existing level of development as well problems that exist in the department and /or projects which are in 2008/2009 SDBIP will be assessed and those which are also being implemented out of SDBIP. These include roads and storm water, social facilities, solid waste management and electrification.

The Ingquza Hill LM is neither WSA nor electricity distributor, hence we can only comment on facilitation of these programmes.

From the planning and environmental point, solid waste is supposed to be collected at least two(2) day per week in the residential area while those in the CBDs should be collected on daily basis. Currently this services is limited to urban centres and peri-urban areas of both towns, namely Lusiksiki and Flagstaff. The waste that is being collected is getting dispose off in dumping site which have almost reason reach their full capacity. As per the approved SDBIP,

the table below shows projects which are implemented in the 2008/2009 financial year using either grant funding or equitable share.

W AR D	PROJECT NAME	LENG TH	FIN. YEAR	NAME OF CONTRACTO RS	PROJECT STATUS	% PROGR ESS	BUDGET	COMMENTS
18	Bazana A/R	1.5	08/09	Dream Team	Construction stage	95%	394 411.52	Project is on its final stage towards completion
18	Mgojweni A/R	3.4	08/09	Rhweba JV Sakhisizwe	Construction stage	40%	1 097 820.00	Project is progressing well
17	Mpoza to Mjikalale A/R	7.2	08/09	Nkungu JV Bright Ideas	Construction stage	35%	2 661 875.00	Project progressing well
11	Ngqwabeni A/R	5	08/09	Madlanya Trading	Construction stage	80%	1 961 145.15	Project is towards completion
05	Ngcungeni A/R	4.5	08/09	Dika Projects	Construction stage	50%	1 432 303.68	Project is progressing well
04	Dikidikini A/R	10	08/09	Dika Projects JV Sivermoon	Construction stage	55%	5 599 634.26	There is a challenge with the terrain and the hard rock that was unforeseen which needs blasting and it will have impact on the budget, i.e more funds will be needed.

BACKLOG IN SERVICE DELIVERY

Refuse Removal Services

Refuse removal services as explained earlier is only focused on the CBDs and peri-urban areas of both units. This leaves out quite a number of households practicing their own rubbish disposal and owning their own refuse dumps. The council does not have legitimate dumping sites as required by environmental affairs. We need to identify two sites for the purposes of feasibility study. SALGA and the Department of Environmental Affairs have committed in assisting the municipality with legalising the dumping sites once identified.

Electricity

Electrification is the competency of Eskom and therefore the municipality can only play a facilitation role.

Backlog in the electrification of Ingquza Hill LM is very significant and as a big number of households are using other alternatives sources of energy. The municipality has engaged DME for electrification of villages from 2009-2011 and now that project is on tender stage.

The municipality engaged RACEC Power for upgrade of municipal electrification and upgrade of back up engine in Flagstaff offices and that project has been completed.

The street lighting /public lighting which is the function of the municipality concentrates on peri-urban and CBDs. The municipality has hired RACEC Power to undertake the maintenance of the street lights for both towns. The feasibility study has been undertaken on December 2008 and the maintenance to resume shortly before the end of this month, material is already on site.

Roads and Storm water

Regional Road (R61) connects both units to other towns, namely Mbizana and Flagstaff and the rest of the road network is secondary roads linking villages to either regional road or central business districts.

The general condition of road network within the Ingquza Hill LM is poor and continuing to decline. This is the result of maintenance budget being below the acceptable percentage compared to capital budget.

Social Facilities

The Ingquza Hill LM has facilities and ranging from community halls to municipal office buildings.

The conditions of those facilities are deteriorating day by day and this is due to the dependency of the council in developers to provide better office space, which may be well maintained “ private developers do look after capital investment better than government”

RELATING BACKLOG TO MUNICIPAL SPENDING

Service delivery backlog of Ingquza Hill Local Municipality is very significant and to be able to accurately qualify a study is required. This study will assist during budgeting process and will also be used to source funds from any potential funders.

DEPARTMENT OF COMMUNITY SERVICES

SDBIP TARGET	TIME FRAME	PROGRESS	COMMENTS
HEALTH			
Establishment of health committees	July 2009	50 %	A Mental Health Forum was established in July 2008.
Establishment of Health Posts	June 2008 – July 2009	30%	<ul style="list-style-type: none">- A community health post was established in Lubala Village (Ward 13) as part of the war on poverty campaign spearheaded by the Department of Social Development with all the other Social Cluster Departments playing a role.- Premises for health posts in other wards are being negotiated with traditional leaders with the assistance of ward councillors

Awareness campaigns in wards	July 2008 – June 2009	Ongoing	<ul style="list-style-type: none"> • 10 street meat vendors were trained in conjunction with the Department of Agriculture and Department of Health in July 2008 • The Provincial Department of Health, OR Tambo DM and the Local Aids Council launched a Prevention of Mother to Child in August 2008. • A prevention of Child Fatalities and Breastfeeding Campaign in Lusikisiki in October 2008 • Post Exposure Prophylaxis Seminar was hosted by the District Municipality in November 2008. The LAC formed part of the District PEP Committee • The Ingquza Hill LAC was nominated for two District Aids Council awards (Best Performing LAC and Best Performing Support Group) • The LAC held a two day workshop in December 2008.
Celebration of Commemorable Days	July 2007 to June 2008	Ongoing	The LAC held a World Aids Day at Maqulu Village in Lambasi Administrative area (Ward 21) in November 2008.

POVERTY ALLEVIATION

To conduct baseline needs analysis	September 2007	100%	Due to the incomparable state of poverty in all wards of the municipality, the council resolved that for the current financial year, assistance for poverty alleviation be focused on disabled, orphans on vulnerable children (OVC's) HIV/AIDS projects.
Identification of deserving projects and allocation of funds to projects	September 2007 to June 2008	100%	<p>Four (4) projects were identified for assistance at R100 000 each for the current financial year:</p> <ul style="list-style-type: none"> • Qaukeni Women Empowerment Project (Ward 18) • Ikhwezi Agricultural Project (Ward 15) • Palmerton Home for the Disabled • Masizakhe Home for the Disabled (Ward 6) in Flagstaff • Eluphilisweni Home for the Disabled and Vulnerable Children (Ward 1) in Emantlaneni was assisted with R100 000 towards building extensions from the Mayoral Discretionary Fund
Sustainable Poverty Alleviation	July 2008 – June	70%	- The Department of Social

projects	2009		<p>Development in conjunction with other Social Needs Cluster Departments launched a War on Poverty Programme in which the following projects were implemented:</p> <ul style="list-style-type: none"> • Dept of Housing Committed to build 15 houses for the poorest households that didn't have adequate housing • Dept of Water Affairs <ul style="list-style-type: none"> - Supplied 15 communal tanks - Training was provided by the Working for Water Programme - Training in Trees for Food programme - 4 toilets built in Lubala SPS • Dept of Economic Development & Environmental Affairs <ul style="list-style-type: none"> - Contributed R500 000 towards the poultry project - A bursary offered to a Grade 12 learner to do a course in an institution of choice • Dept of Agriculture <ul style="list-style-type: none"> - Fenced and ploughed 20 gardens - Provided training, protective clothing and seedlings for the gardens • The 4 identified projects have been assessed to identify key needs and the procurement processes have
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			begun
PUBLIC SAFETY			
Traffic Safety			<ul style="list-style-type: none"> - Training of personnel in the traffic section has shown tremendous improvement in law enforcement and revenue collection however, the improvement was not as anticipated due to lack of resources such as equipment, uniforms and vehicles. - There has been an increase in fines for offences - Special Festive Operations were carried out to address the challenge of traffic congestion in the two towns including conversion of the main streets into one-way streets which was highly appreciated by the patrons and road users.
Establishment of Community Safety Forum	August/September 2008	100%	The Community Safety Forum is fully operational and sits Bi-monthly to discuss issues relating to combating of crime.
Revival of Local Transport Forum	December 2008	100%	<ul style="list-style-type: none"> - The Local Transport Forum was revived and sits regularly. - The Executive Committee for Ingquza Hill Transport Forum was elected on

			4 th December 2008.
Regulation of liquor trading hours and enforcement	July 2008 –June 2009	Ongoing	The South African Police Services in conjunction with the Eastern Cape Liquor Board conduct regular inspections of liquor trading places in towns and rural taverns to implement liquor regulations.
Procurement of equipment and uniform	July 2008	50%	<ul style="list-style-type: none"> - New uniform and equipment has been purchased for Traffic and Security Officers - Procurement process has been started for the purchase of uniform and protective clothing for Parks, Pounds and Cemeteries staff.
Promotion of coastal safety			<ul style="list-style-type: none"> - Traffic and Security officers were deployed in the three beaches to ensure tourist safety and local communities. - Mobile Toilets were put up in the three beaches for sanitation purposes
EDUCATION			
Establish ABET Centres in wards	September 2009		-
Establish Community Libraries	June 2009	30%	

Awareness campaigns for library use	July 2008 to June 2009	Ongoing	<ul style="list-style-type: none"> - Schools in areas surrounding the two libraries were visited to motivate learners to make use of the libraries - A Library Committee was formed in October and comprises of representatives from stakeholders such as Department of Education, Communities, Ward Councillors, and municipal officials
Research for establishment of a science laboratory			<ul style="list-style-type: none"> - Business Plans have been submitted to Anglo Platinum, OR Tambo DM and the Vodacom foundation for possible funding of a science laboratory - Anglo Platinum indicated that the application will be considered in the next financial year since it had already funded the establishment of the libraries in the current financial year
Provision of bursaries/scholarships		Ongoing	
SPECIAL PROGRAMMES			
Facilitation of training programs for skills development		50%	<ul style="list-style-type: none"> - Training on Children's rights was attended by two officials with an intention to assist in the

			<p>strengthening the capacity of the Office of the Rights of Children (ORC)'s focal points within the municipality.</p> <ul style="list-style-type: none"> - The OR Tambo DM in conjunction with Efata School for the Disabled trained disabled people in skills such as Welding, Weaving and Sewing.
Organization of youth summit and sport activities	April 2009		<ul style="list-style-type: none"> - The Youth summit is due to be held after the youth month (June 2009) activities
Organization of exhibition event e.g. flea market	December 2008	0%	<ul style="list-style-type: none"> - The objective was to showcase local cultural talent in tourist attractions during the festive season - The exhibition did not take place because the municipality was under financial strain
Youth Advisory Centre	July 2008 – July 2009	Ongoing	<ul style="list-style-type: none"> - 17 Youth entrepreneurs were assisted and approved to receive vouchers for branding and marketing of the companies by Umsobomvu Youth Fund. - Out of the 17 one female owned business (Mvemve Lodge) was approved for Website development - 6 youth businesses were assisted with the development of Business Plans - Marketing of the YAC has

			been planned
DISASTER RISK MANAGEMENT			
Conduct awareness campaigns in communities			- Disaster Risk Management Forum was revived with a meeting in September 2008
Formulation of a disaster risk management plan			- The Disaster Risk Management Framework was presented at Ingquza Hill Local Municipality at Lusikisiki and Flagstaff in September 2008
Disaster Risk Response			- In November 2008 a storm affected nine wards (7, 15, 16, 17, 18, 19, 20, 21, 22, 23 and 24). A response team consisting of the DM, the Municipality, Social Development and SASSA did an assessment of the affected households however no immediate response could be done due to

STRATEGIC AND DEVELOPMENT PLANNING DEPARTMENT

SDBIP TARGET	PROGRESS	TIMEFRAME	COMMENTS
1. TOWN PLANNING			
Shopping Complex Development, Lusikisiki (Not included in the SDBIP)	Building plans have been disapproved by the Department of Health due to inadequate services, sanitation in particular is observed to be a challenge.	2008/2009	Various organizations have been approached with the view of assisting the municipality with the upgrading of the existing infrastructure and as a result an advert was placed in the national newspaper requesting an expression of interest for infrastructural investigation.
Middle Income	Billboards have been erected and		The project is proceeding at a slow pace

Settlement, Lusikisiki (Not in the SDBIP)	agreement between the developers & Old Mutual has withdrawn their initial agreement. There is also a land claim that has been re-submitted. That is expected to have further delays to the project.	2008/2009	due to the magnitude of the project and funding challenges that are also influenced by international credit markets and the general slowdown of the property market.
Erf 80, Lusikisiki (Not in the SDBIP)	Sites have been disposed and conditions outlined as per the council requirements. An application for revalidation of the township establishment approval has been lodged as the approval has lapsed in terms of the Ordinance 33 of 1934.	2008/2009	There was a court case opened by Mr Mdiya claiming that land and the court has dismissed the allegations with full costs. The funding for infrastructural requirements have not been obtained and therefore the council has got include the budget for services such as road; water & sanitation in the next financial year bearing in mind that the purchasers can only start to build the houses after October in the 2009/2010 financial year.
Flagstaff Site Disposals	The sites have been disposed in Flagstaff; however there are sites that have not been purchased. The response rate has not been as positive as Lusikisiki and there is a problem with affordability levels in Flagstaff as quite a number of people have not paid their	2008/2009	There is a challenge with the sites below Strachan, according to the town plan the road was constructed incorrectly and therefore the municipality has an obligation to ensure that the road is correctly reconstructed. This therefore means that the municipality has to budget for the road to constructed;

	deposit in full.		community be advised because there sites that were extended by property owners without the survey done. The municipality should further cut the trees that are on site.
Flagstaff Taxi Rank (not in the SDBIP)	A call for proposal to dispose erf 260 for the purpose of building a Taxi rank and shopping complex was done; the intention to lease the land would be a maximum of 60 years noting the cost of construction.	2008/2009	Council wanted to consider primarily local developers and as such local News Papers were used for the purpose of encouraging and affirming local developers. Adjudication and appointment of a successful bidder shall be concluded by 2009 as there were delays in the appointment of the service providers.
In-situ upgrading for Unity Park (Lusikisiki) & Holy Cross (Flagstaff)	The layout plans have been submitted to the municipality and the community meeting was held in order to obtain project support from the community members.	2008/2009	Technical comments have been dispatched to relevant service providers. Therefore there is a need for engineering study.
Extension cemetery site	The geotechnical report has been obtained from the service providers and	2008/2009	The site needs to be subdivided and registered in the name of the

(Not in the SDBIP)	the area identified is suitable for cemetery purposes.		Municipality. EIA must be undertaken and all of these must be undertaken before the end of the financial.
Audit of building plans	<p>The department has an available record of all the building plans approved for the financial year. The department intends to request every resident who has extended his/her site to come up with building plans.</p> <p>The municipality has obtained according to the revenue records of the municipality about R 10 000.00 in total for the submitted plans.</p>	2008/2009	<p>The detailed analysis and auditing of the buildings is being undertaken by the Building Control Officer. There are challenges with the number of building plans received because people are continuing to build illegally and this will therefore lead to legal challenges.</p> <p>The department is currently keeping records for all the building plans received. In general there is huge number of submission for building residential sites as opposed to business sites. This therefore directly affects the potential revenue the municipality shall collect.</p>
Billboards	<p>Billboards have been identified and contracts verified. A process of application has been developed.</p> <p>Tariffs for approval of building plans and advertising boards was proposed but still</p>	2008-2009	<p>All the illegal billboards have been notified in writing & the municipality will remove all the illegal billboards.</p> <p>This needs to be included on the tariff structure of council</p>

	has to be adopted by council		
Identification and demolition of dilapidated buildings	Letters were circulated to all rate payers with the statements notifying those with undesirable building to act accordingly.	2008-2009	The process is ongoing & therefore a detailed plan will be developed. The building control officer is currently observing new buildings built without the necessary approval. There has not been response from anyone.
Land Invasions	Land invasions have been controlled with illegal fencing removed and structures that have not been approved by the municipality.	2008-2009	This is having legal implications because of the lengthy period the court takes for court interdicts
Land Use Management System (LUMS)	The Department of Land Affairs intends to engage DBSA in order to finalize the funding arrangement.	2008-2009	First meeting has been held with the department and another meeting is proposed for early 2009; a service level agreement was discussed and will be signed in due course.
Spatial Development Framework (SDF)	The SDF project is delaying and the memorandum of understanding has not been signed.	2008-2009	A meeting was held with the department & the municipality has facilitated another meeting whereby the funding issue will be clarified.

New Township establishment applications	<p>The following are applications that are implementation level:</p> <ul style="list-style-type: none"> • 250 residential sites for middle to high income are to be adjudicated • Service providers have been appointed for the following projects: business sites in Flagstaff and Lusikisiki; • Subdivision & rezoning of the prison site; • Subdivision & rezoning of the cluster offices in Lusikisiki; • Subdivision & rezoning of Sectional title development; and • Revalidation of the middle income residential sites in Flagstaff 	December 2008	There is a need to undertake the geotechnical studies and EIA which have to be considered for budgeting purposes
Funeral Parlor sites	An audit will be completed by the end of the financial year to determine the number of funeral parlors	2008/2009	Reason is to limit the number of parlors per town
Extension of the site	Declined	September 2008	There are servitudes to be noted

by Kob Lodge			
Option to acquire servitude by Eskom on erf 93 -400Kv	Accepted in principle and the municipality is still awaiting Eskom to identify the exact areas where the erection of the servitude will be made.	2008-2009	Eskom has to pay Municipality for the servitude
Option to acquire servitude by Eskom on erf 49 -132Kv	Declined because of the ridiculous offer for land value	2008-2009	Municipality to discuss with eskom to relook on the offer for land
The Disaster Management Centre site	We still await the OR Tambo DM to hire service provider for subdivision and rezoning	2008-2009	The district municipality has not responded to the IHLM with regards to the land grant.
GIS	An MOU was signed with the DM to support the Municipality with the infrastructure and software for GIS	December 2008	Still waiting for the DM to start the process of wiring
Rezoning of current B&Bs	B&Bs were assisted by the Municipality to do rezoning for the existing B&Bs	December 2009	Application has been submitted for approval by council.
	LED strategy process has been presented		Inception report has been accepted by the

LED strategy	by the appointed service provider.	2008-2009	project steering meeting
Housing Sector Plan	HSP has been discussed with other policies and it is due for adoption by council.	2008-2009	The council will adopt the HSP in the next quarter
Completion of existing projects (Thabo Mbeki & Joe Slovo)	The contractor has been appointed by the Department of Housing for Thabo Mbeki settlement.	2008-2009	This project is currently delaying and as a result the deadline line for the project completion being set for March 09 shall not be realized.
New Projects	The following projects were submitted for the MTEF period: <ul style="list-style-type: none"> • Holly Cross 500 –R • Xhopozo 500 –R • Dimpfi 500 –R • Mpoza 500 –R • Ngquza 500 –R • Nkululekweni 500–U • Unity Park 500–U 	2009-2012	Most of the projects have been approved, but the Department of Housing intends to undertake a geo-tech study.

2. LOCAL ECONOMIC DEVELOPMENT			
(SMME Development)			
<u>Enterprise Support System</u>			
SDBIP TARGET	PROGRESS	TIMEFRAME	COMMENTS
Identify NGO's, Parastatals and relevant government departments for support to SMMEs	NGO's such as Lusikisiki paralegal, Parastatals such as eskom, telkom & financial institutions such as ABSA, TEBA, NAFCOC, Khula, SEDA and MAFISA and Government Departments such as Agriculture, Labour, Health, Social Development and Environmental Affairs.	2008-09 financial year	Therefore organizations listed above will be engaged in the formulation of the LED strategy and agreements have not yet been reached.
Cooperative Development Movement	All the identified projects being Mtshayelo Community Gardens, Vukani Self Help project, Khulani Bakery Project, Masakhane Poultry Project, Mangquzu Poultry	2008-09 financial year	The department of agriculture has further requested that they lend support to local municipality through funding of the co-operatives. The municipality has requested the department to finalise the

	project, Khonjwayo community garden, Nkunzimbini community garden and Khulani sewing project. The baseline study has been conducted. The training of all 7 local municipality officials has been completed.		agreements & ensure that there is common understanding of the implementation process.
Khulani Bakery project	Training of 15 project members on baking related skills has been conducted through the Emfundisweni Skills Development & Resource Centre. Social facilitation has been done; business plan has been developed and marketing plan.	2008/2009	There were challenges in terms of the baking materials and therefore the community was assisted and the project is progressing fairly well
Vukani Self Help	The project visit for assessment was done, appointment of the service provider has been done, and therefore the project construction is 98 % complete.	July – Dec 2007-2008	According to the Infrastructure Manager, there were unforeseen problems which were encountered when the roof trusses and sheeting were fixed. Therefore this will have budget constraints due to the amount of work that needs to be done. It is recommended that the aforesaid constraint be accommodated in the budget adjustment or in the next financial year.

Khulani Sewing Project	There is less support from the community as most people prefer going to towns. Therefore the project viability is affected.	2008/2009	The budget for this project should increase because the project members are committed
AGRICULTURAL DEVELOPMENT			
Mtshayelo Community Garden	This project has been supplied of their production inputs and furthermore the department is currently working around the issues of designs of toilets.	2008/2009	There is a need for ongoing capacity building for project members.
Khonjwayo Community Garden	The supplier has been appointed to supply the production inputs and the community has chased the supplier away & the municipality has got to engage the community in order for this matter to be resolved.	2008/2009	There is a need for the re-location of the pump house and the technical services department has been advised of this relocation. There is also a need of constructing toilets which is earmarked for the third quarter of the financial year.
Nkunzimbini Community Garden	The fencing and ploughing has been done. The steering committee and social facilitation has been concluded. The supplier has been appointed for the project implementation.	2008/2009	Business plans have not been prepared and there are infrastructural challenges that must be addressed.

Masizame women's project	The soil cultivation and procurement of production inputs is delaying due to procurement processes.	2008/2009	The technical team comprising of the municipal officials has attended the fencing of the project whereby they were doing estimates for the total fencing of the project.
Masakhane Poultry Project	Social facilitation and procurement of production inputs has been done. There is a need to prepare specification for renovations of the store rooms.	2008/2009	The community has requested that the walls will need to be painted. Generally there is a short coming in terms of the existing infrastructure for the project.
Magquzu Poultry Project	Production inputs have been done & therefore there is a need for application of the electricity supply.	2008/2009	The municipality has not developed the business plan as yet and therefore a special request was made to the Department of Agriculture to assist in this regard.
Sophumelela Mtontsasa	The supplier has been appointed and the community has not been fully engaged on the project process.	2008/2009	The budgeted amount is very little and the community members have not been fully trained for general project management.
Mthombolwazi Community Garden	There is also a challenge in the project implementation & the municipality has	2008/2009	There is a need for training & improvement for budget provision.

	not fully engaged the community.		
Mkhumeni project	The supply has been appointed; but has not supplied. The department needs to engage other government departs to assist with further funding assistance.	2008/2009	There is a need for training & improvement for budget provision.
TOURISM DEVELOPMENT & MARKETING			
Ingquza Hill Tourism Information Centre	Tourism grading has been completed, the establishments have been registered with the Eastern Cape Tourism Board, Service provider has been appointed for the signage, and the subdivision is underway with the S.G Diagrams being submitted to the Surveyor General's office.	2008/2009	Project frozen due to Regional Land Claims Commission. The commissioner will be engaged in the third term of 2008/2009 financial year.
Signage of B&B establishment	Tourism Board has committed funds for the development signage for all the establishments	2008/2009	The applications for signages were approved by Ingquza Hill Local Municipality and the municipality still awaits the erection process of the signages.

FORESTRY DEVELOPMENT			
Facilitation of commercial forestry development	The meeting with DWAF and potential forestry investors has been conducted,	2008/2009	<p>According to the SDBIP there is a need to have individual community meetings and they have not been done reason being that the councilors from the respective wards have not been available to attend such meetings; the municipality needs to identify the potential organization for the forestry protocol.</p> <p>Forestry resource mapping has not been obtained from DWAF. Further, a meeting with asgisa CEO has been held so as to get support to include communities in the forestry development process</p>
Management of indigenous forests	The meeting with DWAF with regards to the status of indigenous forest has been held.	2008/2009	<p>Meeting with the stakeholders such as traditional leaders and communities have not been held,</p> <p>Workshop on indigenous forest management has not been held,</p> <p>The harvest qouters have not been set up.</p> <p>Awareness campaigns have not been held.</p> <p>Monitoring & evaluation has not been</p>

			developed
	Communications and Public Participation		
PROJECT NAME	PROGRESS	TIMEFRAME	COMMENTS
CDWs	no clarity of report lines for CDWs and the office of the Premier and DL&TA must be engaged for clarity on how do they work with councilors and they political activities	December 2008	Needs to be pursued urgently
Ward Committees	Training of ward committees and paying of their remittances to their accounts	December 2008	There should be better co-ordination of ward committee activities.
Mayors outreach	Office of the Mayor has hosted Amakhosi imbizo to elect a coordinating structure	October 2008	The Mayor has also held one on one meetings with amakhosi

Budget & Treasury.

Budget.

The current budget of R112 992 000 has budget items some of which cannot be realized this year because of the fact that these items were based on unconfirmed amounts, that is, there was no document in the form of contract or gazette to say we shall receive such amounts. This then suggests that in the adjustment budget there is going to be cut on all those unconfirmed amounts.

These are some of the amounts that are not going to be included as part of revenue in the adjustment budget:

	R
Income from plant hire	3 600 000
Interest from investment	563 740
DBSA grant	3 200 000
Debtors	9 000 000
Traffic fines	1 815 700
Advertising rental	752 272
Grants from Province	<u>1 200 000</u>
	<u>20 138 712</u>

Reconciliation of the General Ledger.

The Main Bank Account has not been reconciled. Recons are very important as they are done to verify accuracy of transactions and may also assist in picking up fraud. The challenge was that Meeg Bank is not sending statements on a monthly basis as they are supposed to.

The solution to this challenge is for Municipality to register on internet banking where statements can be accessed any time we want them. This has been done as a result statements can be viewed at any time. The bank recons are done by the system itself but it requires the bank statement to be in a CSV format. Now that we have been trained by Munisoft Consultants to reconcile all bank recons will be done.

Revenue Management.

The system shows total amount of rates that have been billed to our customers as per the report by the system. This amount is R5 276 991. The actual amount that was collected for the period ending 31st December was R 530 838.95 The total amount of refuse billed to customers is R652 505 while amount actually collected was R38 758.64

This non payment by our debtors suggests that defaulters have to be handed over to attorneys for debt collection.

In fact the status quo on debt collection is that people do sign acknowledgement of debt where they undertake to pay their debt unfortunately they do not keep their promises.

Bank balances as at 31 December 2008 are reflected as follows:

Date	Acc Number	Acc type	Bank Name	Balance
31/12/2008	388760435 -005	NATIC	Standard Bank	R633,450.21
31/12/2008	6890874001	Invest	Standard Bank	R3,972.99
31/12/2008	280805950	Invest	Standard Bank	R21551.16
31/12/2008	388760435004	Invest	Standard Bank	R3,317.37
31/12/2008	0820655012	Invest	Standard Bank	R86,656.59
31/12/2008	388760435002	Invest	Standard Bank	R32,995.21
31/12/2008	280784090	Invest	Standard Bank	R255,896.40
31/12/2008	4052764652	Main ACC	Meeg bank	R2,865,841.60
31/12/2008	9180844733	Invest Acc	Meeg Bank	R2,150.26
31/12/2008	9119635044	Invest Acc	Meeg Bank	R37,478.47
31/12/2008	9180608634	Invest Acc	Meeg Bank	R10,843.86

28/12/2008	9180720799	Invest Acc	Meeg Bank	R30,999.63
28/12/2008	62003235307	Invest Acc	FNB	R8,141.49

Expenditure Management

Variiances analyzed(Please refer to the attachment).

1. Salaries.

The budgeted amount for salaries is R49, 646,025(statutory deduction inclusive) and the total expenditure to date is R18 930 013.23 which is still within the limit. This reflects a cost savings because by now we are suppose to have been spent R24 823 012.50.

2. Telephone expenses.

The municipality has introduced pine codes for all employees during this financial year and the system is now effective though it gave us problems at the beginning.

Original Budgeted amount is R500, 000.00 and expenditure to date is R613,519.31 This also shows an over expenditure which is informed by the pin code system which was not effective during installation (from the beginning of the financial year).

3. Legal fees .

Budgeted amounts to R2M and the amount spent to date is R1, 351,384.34 which is about 68% of the budgeted amount and has exceeded the limit. This request an adjustment budget as this shows an expenditure that exceeds 50% for five months period.

4. Crime prevention.

The original budget amounts to R250, 000.00 and the expenditure to date amounts to R8, 629.80. This means that there must be adjustment budget (reduction).

5. Printing and stationary.

The original budget was R280,000.00 and expenditure to date is R254,647.08 which reflect high level of expenditure and this also means funds has to to shifted though budget adjustment process.

6. Youth and development.

Budgeted amount was R400, 000.00 and the expenditure to date amounts to R11587.72. This shows less expenditure and shifting of funds to other line items has to be done

7. Disaster Management.

Budgeted amount was R100,000.00 and it reflect no expenditure to date though we are expecting to spend in the month of January 2009 based on the disaster that occurred in the surrounding areas of IHLM.

FOCUS AREA/ DELIVERABLES	ACTIVITIES	KPI	TARGET	TIMEFRAME	PORTFOLIO OF EVIDENCE	PERFORMANCE ACHIEVED
Filling of vacant posts (Revenue Accountant, Asset Clerk	Submitting of request form with job description to HR for the vacant posts	Acknowledgement of receipt of request form by H.R.	1.Asset Clerk. 1. Revenue Accountant	July 2008	Copy of acknowledgment of receipt form endorsed by HR .	<i>These positions were filled and the vacancy of the Junior Accountant is still vacant as N. Hlonti moved to the position of Revenue Acc.</i>
Re-skilling of employees	Organize training of employees with accredited institutions like Fort Hare & SAMDI		Competent staff as per the NT requirement	2008/09	Effective performance and compliance with N.T. regulations.	<i>The following attended MFMA training with the Fort Hare Institute on Governance: N. Ngalavu, N. Mabena, N. Noqolela, Z. Matolo, Z Zoko & Z. Mancotywa</i>
Adequate training and skills transfer to staff on Munisoft	Identification of needs that staff must be trained at, & also identify areas on Munisoft that staff must be trained at.	Attendance register signed by the Trainee and certificate of attendance List of training needs from staff	All employees working with Munisoft	30 June 2008	File of attendance registers. File containing training needs of staff	<i>The municipality has gone live on Munisoft as part of our FMS. All PA's, and a greater portion of Finance staff were trained on requisitioning, writing out of purchase orders & budget maintenance. These functions come up with delegations. Segregation of duties is always taken into account</i>

FOCUS AREA/ DELIVERABLE S	ACTIVITIES	KPI	TARGET	TIMEFRAME	PORTFOLIO OF EVIDENCE	PERFORMANCE ACHIEVED
Accounting for conditional grants for service delivery	Open bank account for each conditional grant	Bank account for each conditional grant	No. of bank accounts equal to No. of conditional grants	2008/2009	File for bank accounts on each conditional grant	<i>3 grants have been received, namely, MIG, FMG & MSIG. Out of 3 grants that were received, 2 grants have their bank accounts opened separately.</i>
	Transfer funds equal to invoices from relevant grant accounts to the main bank account for payment	Schedule on grant monthly payments	1 schedule per month	Monthly	File authorizing bank transfers	<i>A file that contains transfer of funds is kept. To date 2 transfers have been made.</i>
	Generation of reports on receipts & expenditure on grants	Revenue & expenditure reports	1 report per month	Monthly	File of monthly reports on utilization of grants	<i>Spreadsheets that reflect how much expenditure have been incurred to date, form part of the a variance monthly report on a cumulative basis.</i>

	General ledger reflects each grant and each balance adjusted by journal entries	Existence of each grant on G/L	5 grant funds to be shown on the GL	As & when necessary	File of journals authorized by senior personnel	<i>Funds that are received, are credited on their respective funds received accounts and debited on bank account on the GL. A print-out of the GL can be generated by the system.</i>
Procurement of goods & services following best procurement practices	Advertise procurement of goods & services that have to be procured via tender processes	File for all adverts for goods procured via tender processes	Every time that goods to a value that exceeds R200 000 are procured.	As & when necessary	File for all adverts for goods procured via tender processes	<i>All procurements that were exceeding R200 000 in value were made via a tender process. A sample of purchases that are randomly selected can be tested to verify this fact.</i>

FOCUS AREA/ DELIVERABLES	ACTIVITIES	KPI	TARGET	TIMEFRAME	PORTFOLIO OF EVIDENCE	PERFORMANCE ACHIEVED
Employment of local service providers provided service can be done locally	Development of supplier database	Ability of the system to generate supplier's listing	All service providers that get jobs, are the ones that on the supplier database	2008/09	Schedule of used suppliers	<i>The supplier database exists. The system only allows payments only to suppliers that are on the database.</i>
	Rotation of suppliers	Report on different service providers used for the month	100% rotation of suppliers	2008/09	Work not all given to a one supplier	<i>No job is given to the same supplier repeatedly The SCM report on the monthly report reflects jobs that were given to various service providers</i>
	Timeous payment of SMMEs	All suppliers paid within 30 days	All suppliers	2008/09	Invoices stamped "Received & paid"	<i>Invoices on payment vouchers are stamped "received" and at the same time stamped "paid" with dates respectively.</i>

FOCUS AREA/ DELIVERABLES	ACTIVITIES	KPI	TARGET	TIMEFRAME	PORTFOLIO OF EVIDENCE	PERFORMANCE ACHIEVED
Capturing of the budget on Munsoft, monitoring & control	Coding of budget line items & capture on system	Print-out of budget line items	100% budget captured	2008/09	Munsoft able to generate electronic budget	<i>Each budget line item has code that is unique & also Departments have unique codes</i>
	Clubbing of similar items into a master item	Print-out of individual accounts	1 summary account for every similar items	2008/09	Control accounts in the GL	<i>The moment one account is updated as an individual account, the master account in the GL is also updated, e.g, individual debtor account updates the control account in the GL</i>
	Budget maintenance	Print-out of balances on each line item	All 6 dept. budgets monitored	2008/09	Budget that does not have negatives	<i>Whenever a budget line item does not have sufficient funds, the system does not allow further expenditure. Where funds have to be shifted/ virement made, these have to be authorized. A file of fund shifts is maintained.</i>

Procurement of goods & services that is in line with supply chain management best practices	Acquisition of goods & services to the value of R200 000 via a quotation system	Quotations supplied on acquisitions less than R200 000	3 written quotes	2008/09	Quotes submitted by different suppliers for every acquisition	Procurement of goods/services that are less than R200 000 are made via a quotation system.
	Payment made based on purchase order and invoice	Payment supported by orders, invoice or delivery note or GRV	100% issuing of order on every acquisition	2008/09	Every payment supported by an order & an invoice/delivery note/GRV	An order indicates a commitment and is accounted for in the period in which that commitment relates. Where invoices for the orders have not been paid, such invoices are raised as accruals. The system is able to generate accrual listing.
	Perform creditors recon to pick up errors made to creditors	File for recons & creditor statements as supporting documents	1 recon for every creditor	2008/09	File for recons & creditor statements as supporting documents	Creditor recon has been done only on Ntlakohlaza & Summer Sun Trading. More recons are expected to be done on other creditors to pick up any possible duplicate payments. Training is still needed as most staff have no accounting background.
	Perform VAT recon to pick up errors on	File for recons & VAT	1 recon for every VAT 201 claim	2008/09	File for recons & VAT working papers as	

	VAT	working papers as supporting documents			supporting documents	VAT recon not done yet as more training is needed
	Perform IRP5 recon to pick up errors	File for recons & SARS PAYE calculations as supporting document	1 recon done end of tax year	2008/09	File for recons & SARS PAYE calculations as supporting document	IRP5 recon not done yet as more training is needed
Generation & submission of reports to management for decision making & early warning	Generation of reports by various sections & their consolidation	File containing Dept. monthly reports	1 File per annum	Monthly	Minutes of monthly standing committee meetings	Monthly reports are compiled and presented on Standing Committee Meetings for Finance. Minutes of these meetings are available.
Increasing revenue by enforcing credit control best practices	Accompanying monthly statements by letters that requires arrear debtors to make payment arrangements.	File for each arrear debtor containing reminders	All arrear debtors 1	Monthly	Register as proof that statements were hand delivered	Each defaulter has a file where she/he signs the acknowledgement of debt form. Where people have signed these forms but have not honoured their promises, they will be handed over to attorneys for collection

	Diarize debtor responses & make follow-ups	File on each debtor containing promised dates for payment	communication per debtor per month	Monthly	File on each debtor containing promised dates for payment	<i>On the file for each debtor, follow-up dates are reflected especially on debtors that are making promises. Their contact details are also reflected.</i>
	Giving rebates on early settlement on property rates tax	List of debtors that settled their accounts before due dates	All debtors that opt for early settlement	Monthly	File containing list of debtors that were granted rebates due to early settlement	<i>This has not been done as there are no people who settle debts before required dates.</i> <i>Arrear amounts that received from debtors are reported</i>
	Receipt monies that are received from arrear debtors	Reports on monies collected on arrear debts	All debtors that are in arrears	Monthly	File containing monthly reports	
Production of Annual Financial Statements	Perform Accounting updates Ensuring that figures on TB	Reconciled ledger accounts System able to generate	As and when required	30 Aug 2008	Reconciled ledger accounts System able to generate TB & G/L print-outs	<i>AFS were compiled & submitted to AG on the 30th August 2008. Still unable to produce Financial statement on monthly as we would like to.</i>

	tie up with figures on G/L	TB & G/L print-outs				<i>Both GL & TB for agree.</i>
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ANNEXURE "B"

REVENUE FINANCIAL REPORT

ITEM	BUDGET 2008/2009	1st quarter	Nov-08	Dec-08	2nd quarter	TOTAL ACTUAL REVENUE	YTD BUD
ASSESSMENT RATES	4,000,000	-	58,743.87	48,939.65	224,521.10	224,521.10	4,000,000
DEBTORS : OUTSTANDING ACCOUNTS	9,000,000	306,317.85			-		9,000,000
REFUSE REMOVAL	800,000	13,855.68	11,087.89	4,517.72	24,902.96		
ADVERTISING RENTAL BILLBOARDS	800,000	606.00	797.18		23,215.65		800,000
RENT HALL	5,000	10,143.00	4,300.00	2,800.00	11,842.00	21,985.00	5,000
POUND FEES	100,000	6,070.00	750.00	1,665.00	3,545.00	9,615.00	100,000
SALE OF SITES	3,456,000	5,000.00	366,053.49	283,773.20	1,275,526.69	1,280,526.69	3,456,000
TRAFFIC FINES	2,000,000	44,100.00	12,100.00	6,700.00	49,350.00	93,450.00	2,000,000
PLAN FEES & SERVITUDE	250,000	2,425.50	1,803.00		9,449.00	11,874.50	250,000
FUNERAL FEES	15,000	4,000.00	2,600.00	250.00	4,850.00	8,850.00	15,000
LEASE RENTALS- ALLIANCE PROPERTY	300,000	61,075.02	13,554.77	15,369.51	39,387.45	100,462.47	300,000
GRASSING FEES	0	-		1,200.00	1,200.00		-
GENERAL FINES	5,000	-	900.00		1,100.00	1,100.00	5,000
TENDER DOCUMENT	36,000	7,600.00	44,950.00		46,880.00	54,480.00	36,000
GRASS CUTTING	10,000						

		-		300.00	600.00	600.00	10,000
RENT COMMONAGE	0	-			-	-	-
VENDING & HAWKING	30,000	899.00	494.00		956.00		30,000
LICENSES: BUSINESS	20,000	1,550.00	800.00	1,400.00	6,090.00	7,640.00	20,000
SALE OF WOOD	5,000	22,260.96	5,312.58	3,273.96	14,874.31	37,135.27	5,000
INTEREST : INVESTMENTS	600,000	31,838.57			-	31,838.57	600,000
PLANT HIRE	3,600,000	-			-		3,600,000
NATIS AGENCY FEES	500,000	-			-	-	500,000
REZONING & SUBDIVISION	25,000	190.00		60.00	60.00		25,000
SALE OF VEHICLES	400,000	-			-		400,000
VODACOM REFUND		180.00		5,000.00	5,000.00		-
REFUND MEDICAL AID			13,000.00		13,167.00		
TOTALS		518,111.58	537,246.78	375,249.04	1,756,517.16	1,884,078.60	25,157,000.00
		-			-		
EQUITABLE SHARE	43,632,000	14,543,866.00	10,907,899.00		10,907,899.00	25,451,765.00	43,632,000
FMG	250,000	250,000.00			-	250,000.00	250,000
MSIG	735,000	735,000.00			-	735,000.00	735,000
MIG	17,418,000	6,154,000.00			6,305,000.00	12,459,000.00	17,418,000
VAT REFUND	7,600,000						

		4,476,122.62		1,491,859.09	4,333,777.48	8,809,900.10	7,600,000
DHLGTA: SURVEY PLANNING	1,000,000	-			-	-	1,000,000
OR TAMBO DM	0	240.00		40.00	1,700,080.00	1,700,320.00	-
DHLGTA - MSP	1,200,000	-			-	-	1,200,000
LG SETA	0	19,798.74			36,172.95	55,971.69	-
TESTING CENTRE	2,000,000	-			-	-	2,000,000
LOANS DBSA	10,000,000	-			-	-	10,000,000
DBSA SUPORT GRANT	3,200,000	-			-	-	3,200,000
TOTALS		26,179,027.36	10,907,899.00	1,491,899.09	23,282,929.43	49,461,956.79	-
OVERALL TOTALS	112,992,000	26,697,138.94	11,445,145.78	1,867,148.13	25,039,446.59	51,736,585.53	155,209,799

