

**10.1.8 REPORT ON CONSIDERATION/APPROVAL OF AMATHOLE
DISTRICT MUNICIPALITY IDP, BUDGET, PMS AND
ESTABLISHMENT PLAN FOR 2009/10 FINANCIAL**

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[Councilv]

PURPOSE

- [i] To present to Council the Amathole District Municipality's reviewed Integrated Development Plan (IDP) 2009/2010 for approval.
- [ii] To present to Council the ASPIRE proposed budget for the 2009/2010 financial year for approval.
- [iii] To present to Council, the Amathole District Municipality's (ADM) proposed budget for the 2009/2010 financial year for approval and the forecast budgets for 2010/11 and 2011/12 for noting
- [iv] To obtain Council's approval regarding tariffs in the 2009/2010 financial year with respect to the following:-
 - Building Plan Fees
 - Calgary Museum and Conference Centre Fees
 - Eastern Region Solid Waste Tariffs
 - Fire Services Tariffs
 - Water & Sanitation Tariffs
- [v] To present to Council the Amathole District Municipality's reviewed Performance Management System (PMS) Framework Policy 2009/2010 for approval.
- [vi] To present to Council the Amathole District Municipality's reviewed Establishment Plan for 2009/2010 financial year for approval.

LEGAL/STATUTORY REQUIREMENTS

- The Constitution of the Republic of South Africa Act 108 of 1996
- The Municipal Finance Management Act 56 of 2003
- The Division of Revenue Act 2009
- The Local Government Municipal Systems Act 32 of 2000

- The Local Government Municipal Structures Act 117 of 1998
- The National Health Act 61 of 2003
- The Local Government Municipal Property Rates Act 6 of 2004
- The Water Services Act 108 of 1997
- The Strategic Framework on Water Services
- General Recognized Accounting Practice [GRAP]

REASONING/BACKGROUND

In terms of section 34 of the Municipal Systems Act no 32 of 2000 – A municipal council – (a) must review its integrated development plan (i) annually in accordance with the assessment in terms of section 41 (ii) to the extent that changing circumstances so demand; and may amend its integrated development plan in accordance with a prescribed process.

In August 2008, the Amathole District Municipality adopted a Framework Plan for the IDP throughout its area of jurisdiction followed by a Process Plan. These plans were adopted in accordance with the relevant legal prescripts and have dictated the process to be followed for the review of the 2008/2009 IDP.

Particular attention was paid to Institutional issues, IDP-budget link and an updated list of projects AND THE Performance Management System.

THE IDP

During the review process, the analysis was conducted in respect of various needs of the District and also thus focusing on Sector Plans attached to the ADM's IDP. As a result thereof, some of the Sector Plans within the existing IDP were found to be still relevant, others required a review, due to change in circumstances within those sectors of focus. Further in addressing the identified needs during the period of review, new areas of focus were identified, thus leading to the development of new Sector Plans for such.

These are as listed in Chapter 5 of the IDP, that will be tabled under a **separate page as Annexure "A"**. As a result therefore the new Sector Plans being the SMME Strategy, Heritage Resource Framework, Donor Management Strategy and Employment Equity Plans were developed. However, the Sector Plans, being the Integrated Waste Management Plan, Water Services Development Plan, Integrated Transport Plan, Spatial Development Framework, Housing Development Strategy, Communicable Disease and Prevention Strategy and Community Safety Plans were reviewed.

Therefore the revised IDP with its Sector Plans with Programmes and Projects is submitted to Council for consideration.

Organizational arrangements were put in place as per the IDP Process Plan and all legislative prescripts were adhered to. Of particular note, have been the operations of structures, such as IGR, DIMAFO, IDP Steering Committee and IDP Representative Forum, Cluster workshops and the IDP/Budget Public Participation Road shows. These have executed their mandates in terms of the adopted Process Plan and ensured the achievements of key milestones and deliverables.

THE BUDGET

Amathole District Municipality this year faced its most trying budgeting process ever. Requirements far outweighed the funding pockets available, and the institution was faced with weeks of cost cutting initiatives in an attempt to achieve a balanced budget, remembering the requirements of realistic anticipated revenue. Revenue collection for water and sanitation services has not shown good trends in collecting billed amounts, with the collection rate at the end of February 2009, being only 30%. Depreciation costs have almost doubled, due to the revalued water infrastructure assets and grant funding has only grown by 17%.

The ADM has once again focused its budget allocations on its core functions of basic services of water and sanitation provisioning and Municipal Health, with these two departments not being subject to the same levels of cost cutting as the rest of the departments within Council.

As Minister Trevor A Manuel quoted in his Budget Speech delivered on 11 February 2009, a saying by Ben Okri:

“If the things we face are greater and more important than the things we refuse to face, then at least we have begun the re-evaluation of our world. At least we have begun to learn to see and live again.

But if we refuse to face any of our awkward and deepest truths, then sooner or later, we are going to have to become deaf and blind. And then, eventually, we are going to have to silence our dreams and the dreams of others. In other words, we die. We die in life. “

ADM BUDGET 2009/2010

EXECUTIVE SUMMARY

PROJECTS

Operating budgets were analyzed, and programmes of a project nature were separated and including in the project listing. The total requirements for projects being R41 496 383. These projects identified are not capital in nature, and are therefore included in Council's General Expenses. The funding contribution to Aspire for the

2009/10 financial year is limited to R5 000 000. This is included in the R41 496 383 for projects and is funded by the 25% share of the Levy Replacement Grant allocated for projects. ADM remains committed to the agency, and will endeavour through fund hunting, savings declarations and reallocations of funding to increase the allocation to Aspire.

PRIMARY HEALTH CARE

ADM is still continuing with the provisioning of primary health care with a budget requirement of R15 696 204 for the 2009/10 financial year. Level of funding from province not yet confirmed, but assuming a fully funded service.

BUILDING PLAN FEES

Building plan fees to remain constant for 2009/10 after the increases implemented in the 2008/09 financial year. Fees will be based on 0.5% of project value, with the minimum charge being R415, except for the R100 fee applicable to low cost housing, which also remains unchanged. The rates are per m². To illustrate, if you submit plans for a dwelling of 100m², you will pay: $(100\text{m}^2 \times R1500) \times 0.5\% = R750.00$

CALGARY MUSEUM AND CONFERENCE CENTRE

Internal Rate: R225 for 1st 15 people then R25 a head

External Rate: R275 for 1st 15 people then R35 a head with a R350 refundable deposit

Museum entrance fee of R6 an adult and R3 a child.

Current income earned reflects no external usage for the 2008/09 year. ADM needs to focus on increasing the usage and income generation ability of this facility.

SOLID WASTE SITE

The solid waste site is not operational as yet, but the tender has been advertised and due to insufficient budget in the 2008/09 year it was not awarded. It is anticipated to be operational in the 2009/10 year. The proposed tariffs remain constant for 2009/10 being R345 per ton and a minimum service charge of R194 697 for Mnquma and R13 636 for Mbhashe respectively, based on the number of sites in each Local Municipality.

FIRE SERVICES TARIFFS

Tariffs for fire services also remain unchanged, with varying rates for different class of vehicles ranging from R600 per hour for a major pumper to R160 per hour for a service vehicle. For incidents outside ADM's municipal jurisdiction, an additional rate per km is to be levied.

However, 2009/10 sees the introduction of Fire levy of R10 per household and R15 per business in Dutywa, Butterworth, Komga and Peddie, where the fire service is readily available.

In Centane, Ngqamakwe, Elliotdale, Willowvale, Chintsa East, Chintsa West, Kei Mouth, Morgans Bay, Mooiplaas, Bluewaters, Kwelera, Hamburg and Wesley where the service is not readily available due to the vast distance, a fire availability levy of R5 per household and R10 for businesses will be implemented. Indigents will be exempt from these levies.

BUDGET POLICY STATEMENTS

EXTERNAL FUNDS

The Division of Revenue Act of 2009 includes the following funding for 2009/2010:

Equitable Share	R 225 742 000
Replacement of Levy Income Grant	R 175 737 000
Water Services Operating Subsidy Grant (DWAF)	R 12 402 000
Municipal Infrastructure Grant (MIG)	R 237 998 000
Municipal Systems Improvement Grant (MSIG)	R 735 000
Financial Management Grant (FMG)	R 750 000
Neighbourhood Development Partnership Grant	R 4 000 000

Allocations in kind:

Water Services Operating Subsidy Grant (DWAF)	R 5 100 000
Neighbourhood Development Partnership Grant (Tech Assist)	R 3 000 000
Backlogs in Water & Sanitation at Clinics and Schools Grant	R 5 000 000
Regional Bulk Infrastructure Grant	R 40 000 000
Incentives to meet targets with respect to Priority Government Programmes	R 4 398 000

BUDGET MOVES

In terms of re-allocating funds from line item to line item and from cost centre to cost centre, within the same area of control, the Head of Department is entitled to authorize such budget moves, provided it is merely a move of budget and not an overall increase or decrease in the budget. The Executive Mayor's approval is required if the budget is to be increased or decreased overall or to be moved from one vote to another, example, from Budget & Treasury Office to Engineering Services. Any such moves to be ratified by Council thereafter by inclusion in the annual adjustments budget process.

MUNICIPAL HEALTH SERVICES (MHS)

The devolution of health services has still not been finalized. The ADM will continue with the arrangement entered into with Buffalo City Municipality for BCM to render services on ADM's behalf for the 2009/10 financial year, with a budget commitment of

R13 277 306. No revenue has been included from Provincial Department of Health as no confirmation has been received whether the funding will continue and if so to what extent.

UTILISATION OF R100 000 000 OF PRIOR YEAR SURPLUSES

This year, the prior year surpluses will be used to fund the day to day operations of Council, after the cost cutting exercise done through the institution still resulted in a deficit of R100 000 000. The full R100 000 000 is required to balance the 2009/10 budget.

PENSIONERS

Included in this budget is R 2.1 million rands worth of liability for pensioners medical aid costs as well as R 62 931 for ex gratia pensioners.

PROCESSES FOLLOWED IN DEVELOPING THE BUDGET

The Budget Technical Team was re-established, consisting of a representative for each cost center, nominated by the Head of Department (HOD). Structural changes to the budget saw the addition of four new cost centres for water schemes and three new cost centres for sanitation, as well as new line items to accommodate Amatola Water Boards bulk costs. Administration Department has been split – with Supply Chain Management section now falling under Budget and Treasury and Human Resources amalgamating with Administration to form Corporate Services. The prior Budget Process Plan was revisited and changed to meet the next year requirements. This process plan was approved by Council on 29 August 2008.

An extract of the currently employed staff was drawn from the ADM's payroll system, this was then compared to the approved organograms, and vacant posts as well as all the new required posts were then added to this database.

Budget templates reflecting the 2008/2009 budget figures, forecast expenditure for the 2009/10 year and two prior years actual expenditure were distributed for population of the line item details. Guidelines in terms of growth parameters as well as maximum expenditure levels for office furniture and computers were also given.

The first consolidated budget summary resulted in a deficit of R523 million.

Budget meetings between each Head of Department (HOD) and the Municipal Manager were held where the deficit situation was explained and HOD's began the process of making budget cuts. After all the cuts were made, Council was still in a major deficit situation, and this is when policy decisions, detailed further on were implemented. Council has a long way to go to ensure that budget allocations are focused on core functions in the future as the revenue base is not increasing in the same ratio as requirements.

OVERVIEW OF THE 2008/2009 BUDGET

Council requires an overall budget of R 890 217 171 to perform its functions during the 2009/2010 financial year, detailed as follows:

2009/10 INCOME ANALYSIS

SERVICE CHARGES

Income for service charges for water & sanitation was based on billed income for 2008/09 up to end of February 2009, projected for the balance of the year with a 5% growth. Although the total billable amount reflects a decrease of 4% on the 2008/09 level, it is seen as a more realistic anticipated revenue level. The tariffs for water and sanitation reflect on average a 5% increase with the volumetric stepped tariff standardized per local municipality being levied.

RENT OF FACILITIES & EQUIPMENT

Likewise, this level of income shows a 4% reduction, but is based on actual income earned in the 2008/09 financial year. It is clear that Calgary Museum as a conference centre for external stake holders needs to be focused on in the future to increase the income generation potential of this facility.

INTEREST EARNED EXTERNAL INVESTMENTS

This is pitched at a level of R13 million, based on actual interest earned in the 2008/09 financial year, with the interest earned on investments at 8.75% for period ending 28 February 2009.

GRANTS & SUBSIDIES

This includes:

Equitable share	R 225 742 000
Levy Replacement Grant	R 175 737 000
Financial Management Grant	R 750 000
Project Management fee	R 3 500 000
DWAF Operating Subsidy	R 12 402 000
Primary Health Care	R 15 696 204
Neighbourhood Development Partnership Grant	R 4 000 000
Municipal Systems Improvement Grant	R 735 000
Municipal Infrastructure Grant	R 237 998 000

In terms of the distribution of grant funding, levy replacement grant is to be split into four. One quarter, to fund support services, second quarter to fund priority projects, third quarter to fund shared services and final quarter to be split between fire, health, water & sanitation proportionality.

Equitable share to be split between Fire, Health, Water and sanitation proportionality as per below.

	RSC Levy Replacement Grant	Equitable Share
Support Services	R 43 934 250	
Priority Projects	R 43 934 250	
Shared Services	R 43 934 250	
Fire Services	R 1 563 789	R 7 196 962
Health Services	R 3 936 488	R 18 459 994
Water & Sanitation	R 38 433 973	R 200 085 044
TOTAL:	R175 737 000	R 225 742 000

OTHER INCOME

This includes:

R 100 000 000 from prior year reserves, required to balance budget. This funding was originally earmarked for the new building, but has now been re-directed towards funding the 2009/10 budget. Alternative methods will be engaged to look at funding the new building project.

R 2 152 319 from interest on current account and commissions earned

R 6 072 875 from prior year income, representing interest earned on housing projects implemented.

R 2 499 996 being anticipated revenue from Mbhashe and Mnquma from the operation of the Ibeka solid waste site.

R 7 678 833 from Water schemes for sundry charges such as emergency tanked water, connection fees, prepaid water sales, conservancy clearance.

It is proposed that in future, all new contracts entered into with external funders, are to include a clause whereby an interest earned on these funds invested, will accrued to the Municipality to assist with the operational costs of administering and implement these externally funded projects.

2009/10 EXPENDITURE ANALYSIS

SALARIES

The total Salaries budget, including social contributions and remuneration of Councillors, constitutes 27.7 % of the overall budgeted expenditure for 2009/10. At the initial stages of the budgeting process, an overall 12.2% increase was applied to salaries, based on the

nine month CPIX index from January 2008 to October 2008 of 11.2% plus 1%, in line with previous salary increases negotiated with the unions and bargaining council. The current average CPIX index as at end of January 2009 is at 11,92%.

Other increases applied to Salary related costs based on current trends are as follows:

9% increase for Travel Allowances
13% increase for Medical Aid
10% increase for Group Life
20% for other allowances.

The 12.2% increase was applied to all employees, including Councillors and Section 57 employees. The 12.2% increase was applied to the current level of remuneration of Councillors which recently saw an 11% increase in terms of the 2008/09 gazetted increases. The 12.2% is also applied to the current minimum wage of R 3 350.72.

Current organograms were assessed, vacant posts identified as well as requirements for new posts.

As the budget process progressed and it became evident that Council was facing a massive deficit situation, a policy decision was made to cut all new posts, except in the core functions of Health and Water & Sanitation. This exercise was further extended to assess the validity of vacant posts, and the budget for any non essential vacant posts was also cut.

The concept of General Managers was introduced during the Strategic session leading up to the 2009/10 budget process. The idea behind this post level was to attempt to bridge the gap between Section 57 employees and Deputy Director Level. Unfortunately, due to the new post cutting initiatives, only two General Manager posts remain, one under Water Service Authority and one under Shared Services Water & Sanitation, representing the operations and maintenance division of Water & Sanitation.

PERFORMANCE BONUSES

In line with the severe cost cutting measures which were necessary, the performance bonuses for the Section 57 employees, amounting to a budgeted amount of approximately R1 million, were also cut.

EMPLOYEE STUDY ASSISTANCE SCHEME

This area also saw major cuts, with the principle of no new studies being sponsored for in 2009/10 and only honouring 2008/09 study commitments, reducing the budget from R1.4 million to R287 078.

REDEMPTION OF LEAVE

A budget equivalent to 14 days leave was provided for redemption of leave, based on the increased salary levels of all posts budgeted for, including existing, vacant and new posts.

WORKMANS COMPENSATION

0.009 % of salary cost of each department provided for this liability.

PROVISION FOR BAD DEBTS

Provision for bad debts has been set at 50% of anticipated billed revenue. Current collection rate at end of February 2009 is at 30%. The database cleansing exercise is well under way and with the revenue enhancement strategy and reviewal of the credit control policies, it is anticipated that this collection rate will improve in the 2009/10 financial year.

COLLECTION COSTS

These costs amounting to R1 million, are for anticipated legal costs incurred by the institution as a whole.

DEPRECIATION

This non cash flow item has seen a budget increase of almost 100% from 2008/09 of R 47,033,743 to R 93,367,941 for 2009/10. This is a result of the asset verification and re-valuation exercise done on the water infrastructure assets. This being one of the biggest contributors to the deficit budget situation initially experienced.

REPAIRS AND MAINTENANCE

This amounts to R19 million, showing an 11% increase on the 2008/09 level, with the majority being spent on maintaining infrastructure assets.

INTEREST & REDEMPTION EXPENSES

No interest and redemption budgeted for 2009/10, as it is anticipated that Council will settle all outstanding loans inherited from the local municipalities with the take over of the water infrastructure assets.

GENERAL EXPENSES

Included in these general expenses are R41.4 million rands worth of projects identified during the budgeting process.

Overall cost cutting initiatives were applied to certain general expense item, including:

Annual Event: Budget allocation for this year end function for staff cut completely.

Bulk Costs: New expenditure items in the 2009/10 budget referring to Bulk Chemicals, Bulk General Expenses, Bulk Repairs & Maintenance, Bulk Labour Travel & Supervision, refer to the proposed budget requirements of Amatola Water for running the bulk services on behalf of ADM.

Capital: New & Replacement: Most new capital requirements have been put on hold, except for a few exceptions of vehicle purchases for Health Services. Water & Sanitation will endeavour to hire vehicles, with a budget of R6, 89 million allocated, as apposed to buying new vehicles.

Capital Refurbishment: Due to the funding shortages, no contribution is being made to the refurbishment grant for 2009/10.

Cost of Conferences: 20% reduction on final agreed upon budget. In future any requests for conference attendance related to training initiatives, are to be scrutinized by Corporate Services and only approved subject to relevance and to budget availability.

Consultants: Requirements of departments for consultants included in project listings and removed from general expenses.

Indigent Support: Budget set at a level of R7 million. Actual current indigent support expenses incurred are at a level of R1.7 million. It is anticipated that this level will increase with the indigent support drives and the proposed increased income threshold level, hence the 2009/10 provision set at R7 million.

Insurance Premium Costs: Growth of 32% in this budget attributable to the increased value of water infrastructure assets.

International Travel and Grants in Aid: As with Consultants, these budgets contained within the project listings and removed from general expenses. International travel allocated R1 million in order to honour existing twinning arrangements. Grants in aid limited to R500 000 for 2009/10 years.

Job Evaluation: An amount of R1 million set aside under projects to ensure that Council is able to meet its commitments, once the pay scale issues have been finalised.

Miscellaneous Expenses: Limited to R5 000 per department.

Protective clothing: Budget all centralized under Corporate Services for 2009/10.

Refreshments: Budget only exists under Corporate Services to accommodate staff tea and coffee, Council Meetings and Mayoral & Mayors Committee meetings. This budget has also seen a 20% reduction in final budget requests, and costs of meals provided by service providers to be re-looked at by Supply Chain Management.

Staff recruitment: Entire budgets cut due to the “no new posts policy” in all but core functions.

Subsistence & Travel: Entire final requests cut by 20%. Heads of Departments to apply strict control over trips and ensure that the budget limitations are respected.

Telephone Expenses: All departments’ final budget requirements cut by 20%. Corporate services to implement restrictions on telephone usage and IT department to restrict usage of 3G facilities.

T shirts & Caps: It is proposed that Council no longer engages in the printing and distribution of such promotional items.

Expenditure in total sees an overall 15% growth on the 2008/09 level.

PMS FRAMEWORK

ADM in line with the provisions of the Municipal Planning and Performance Regulations, 2006 developed the PMS Framework. **Annexure C will be tabled under a separate page.**

The reviewed PMS Framework is also conforming to the provisions of the Systems Act, 2000. Further, it focuses on the 5 Key Performance Areas (KPA’s) on Local Government. It is a system that is constituted as mechanism to plan for performance management, monitor, review and improve the IDP implementation.

The PMS is therefore aimed at facilitating increased accountability, learning and development, showing early warning signs and decision making. Its tools include matters related to Performance Management Framework, Employment Contracts, Performance Agreement, Scorecard System, Accountability Agreements and Performance Promises all linked to the District Management Information System.

The revised PMS also has cleared value chain system to review the performance. It outlines the two levels of Scorecard system being the Organisational and SDBIP with critical timelines thereon. It further does consider the weighting system of performance by way of 80% KPA and 20% CCR.

The reviewed Framework outlines that the Performance Agreements and Contracts be concluded with Acting Managers (HOD’s) and the Municipal Manager, including consideration of performance bonuses.

Therefore as a way of ensuring management in the IDP and Budget, the Revised PMS Framework is also submitted for Council consideration.

REVISED ESTABLISHMENT PLAN

Section 66 of the Municipality Systems Act (Act 32 of 2000) requires a Municipal Manger to, within a policy framework determined by the Municipal Council and subject to pay applicable legislation, establish a mechanism to regularly evaluate the staff establishment of a Municipality and, if necessary, review the staff establishment.

The process of reviewing the Establishment Plan for 2009/2010 Financial Year began in August 2008 in line with the IDP Framework Plan. All Departments / Clusters submitted their Human Resources requirements for 2009/2010 financial year to conform with the IDP/ Budget review process. This process was concluded and finalized in February 2009. ADM's annual strategic planning session which resulted in a number of proposed changes in the organizational structure of ADM in line with the IDP Objectives.

The Plan focuses at reconfiguring the staff component to be in line with the IDP review process, including but not limited to changes in circumstances. It further focuses on both the Administrative and Political Structure.

The proposed changes to the revised Plan are as summarized herein below:

PROPOSED CHANGES 2009/10

DEPARTMENT : OVERALL PROPOSED CHANGES

NO	EXISTING DEPARTMENTS	PROPOSED DEPARTMENTS
1	Office of the Executive Support(Mayor's Office)	Office of the Executive Support (Mayor's Office)
2	Office of the Speaker	Office of the Speaker
3	Municipal Manager's Office	Municipal Manager's Office [excluding LED, Enterprise & Tourism, Environmental & Heritage]
4	Budget & Treasury Office (BTO)	Budget & Treasury Office (BTO)
5	Corporate Services	Corporate Services
6.	Health & Protection Services	Health & Protection Services
7.	Engineering Services	Engineering Services [Excluding Land & Housing]
8	-	Land, Housing & Economic Development [inclusive Land & Housing and LED, Enterprise & Tourism, Environment & Heritage]

The budgeted personnel cost for 2009/10 financial year are R 246 575 010.00

The revised Establishment Plan attached as **Annexure D** is also hereby submitted for approval with its proposed Organisational and post structure for ADM Council.

STAFF IMPLICATIONS

The full staff implications is as per the attached Establishment Plan with all the details of each Department..

FINANCIAL IMPLICATIONS

The full financial effect of the 2009/10 budget is summarized in the attached budget summaries.

OTHER PARTIES CONSULTED

Heads of Departments
Office of the Municipal Manager
The Budget Technical Task Team
IDP Representative Forum
ADM Communities
ADM Council

ANNEXURES

- Annexure “A”** - Detailed Reviewed IDP
- Annexure “B”** - Revised Budget
- Annexure “B1”** - Detailed Income Budget for 2009/10, 2010/11, 2011/12
Detailed Expenditure Budget for 2009/10, 2010/11, 2011/12
- Annexure “B2”** - Income and Expenditure per GFS Classification
- Annexure “B3”** - Capital Budget 2009/2010 per Cluster
- Annexure “B4”** - MIG Three Year Capital Plan
- Annexure “B5”** - Aspire Summary Budget
- Annexure “B6”** - Split of RSC Replacement Grant & Equitable Share
- Annexure “B7”** - Division of Revenue Act Allocations for 2009 to 2012
- Annexure “B8”** - Internally Funded Projects Allocations for 2009/2010
- Annexure “B9”** - Cost Centre Summary 2009/2010
- Annexure “B10”** - Tariffs for 2009/10
- Annexure “B11”** - Water & Sanitation Tariffs for 2009/10
- Annexure “B12”** - Cluster Breakdown and Cluster Summary for 2009/10
- Annexure “B13”** - Income and Expenditure Breakdown per subtotal for 2009/10
- Annexure “B14”** - Income Graph 2009/10
- Annexure “B15”** - Expenditure Graph 2009/10

- Annexure “B16”** - Departmental Breakdown 2009/10
- Annexure “B17”** - Share of Budget Per Priority Area
- Annexure “C”** - PMS Framework
- Annexure “D”** - Establishment Plan

ALL ANNEXURES WILL BE TABLED UNDER A SEPARATE PAGE

RECOMMENDATIONS

- [a] That the reviewed IDP with its Sector Plans of the Amathole District Municipality for the financial year 2009/2010 be approved as reflect in **Annexure A**.
- [b] That the Annual Budget of the Amathole District Municipality for the financial year 2009/10 be approved as set out in the following schedules:
- Detailed Income budget per source for 2009/10, 2010/11 and 2011/2012 **Annexure B1**
 - Detailed Expenditure Budget per vote for 2009/10, 2010/11 and 2011/2012 **Annexure B1**
 - Income and Expenditure per GFS classification **Annexure B2**
 - Capital Expenditure 2009/10 per cluster **Annexure B3**
 - That the tariffs as set out in **Annexure B10** and **Annexure B11** be approved.
- [c] That the MIG three year capital plan be approved as reflected in **Annexure B4**
- [d] That the budget for the Aspire be considered as reflected in **Annexure B5**
- [e] That the reviewed Performance Management System (PMS) Framework of the Amathole District Municipality of the financial year 2009/10 as set out in **Annexure C** be approved.
- [f] That the revised Establishment Plan of the Amathole District Municipality for the financial year 2009/10 as set out in **Annexure D** be approved.