

EXECUTIVE SUMMARY

Introduction

This budget marks a change from previous ones in that it is prepared in the Generally Acceptable Municipal Accounting Practice format to allow for the municipality's transition to this format in 2009/2010. Although the format seems daunting in size and information, it provides a splendid base for the management of different departments (now called votes) and the monitoring of performance.

Budget strategies

Ikwezi, like most typically rural local authorities, has the undesirable task of matching massive demand and expectations with meagre resources. This is of particular importance when one considers the capital budget.

The philosophy has to be one that looks to prioritise service delivery in line with municipal functions. These services are offered at basic levels to the entire community. The remaining resources are assigned to address strategic objectives as identified in the Integrated Development Plan. While assistance to the poor is a government policy widely embraced in the Council, it has to take place through a targeted approach and minimize cross-subsidization of those who can afford to pay for services.

Past and current performance and challenges

The 2007/2008 financial year started off with councillors and officials, together with the District Municipality, interrogating the strategic direction and priorities of the institution. The outcomes from these deliberations were then submitted for public scrutiny and allowed the political leadership to set clear communication strategies and economic signpost for the medium term.

Office of the Accounting Officer

The audit committees for the Karoo cluster started its work and although the reports were not rosy, it clearly set the tone for future financial priorities and management intervention.

The Integrated Development Plan and Municipal Planning function was allocated to the District Municipality. This necessitated a cooperation model between the two authorities and one has to agree that this proved successful in that our staff members were empowered in the process.

Budget and Treasury Office

The transition from the Finance Department to a fully operational Budget and Treasury Office is not yet completed. Besides its normal activities, the following projects were undertaken :

Training of staff
GAMAP preparation
Compiling an asset register
Upgrading of electricity vending system

The main challenge for this vote remains the efficient collection of revenue and the training of or sourcing capable staff to perform its function.

Technical services

The Technical services vote deals with the supply and maintenance of water, electricity, sanitation and refuse removal services. This constitutes the heart of service delivery in the municipality. The appointment of a manager has enhanced these functions and sped up the infrastructure project spending.

Challenges remain to be the electricity network maintenance, water resource management and the sanitation service.

Community and Social Services

The delivery of health services in the rural community of Klipplaat has been an ongoing challenge, especially when it comes to finding health workers who are willing to settle in this town. This visit of Provincial and LSA officials, together with the District assisted to address matters. However, the funding of this service by the province may lead to a total breakdown and needs attention.

Local Economic Development

Although the municipality has had the privilege of enough grant funding to inject into this type of activity, the organization of the function continues to hamper progress. The latest tendency to direct the focus towards agricultural activities seems to be the correct one. Many positive interactions with commercial farmers may bear the right fruits for a sustainable growth in the local economy.

Free and Subsidized basic services

The municipality offers the following free services in a package targeting the poor :

Free electricity 75kwh

Free basic water 8kl

Free basic sanitation

The compilation of a credible indigent register is a challenge that needs urgent address.

Property rates and valuation

The municipality is currently undertaking a property valuation of all urban and rural properties. Although soon to be finalised, the impact of this exercise is not shown in this budget. The budget that Council will finally approve in May 2008, may vary from this one in the property rates tariff.