



MUNICIPAL DEMARICATION BOARD

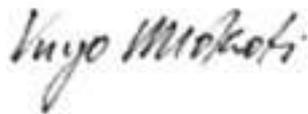
**AUDITED
ANNUAL REPORT
2007/08**

- The Speaker National Assembly
- The Chairperson National Council of Provinces
- The Speakers Provincial Legislatures

MUNICIPAL DEMARCATION BOARD
ANNUAL REPORT
1 APRIL 2007 / 31 MARCH 2008

In terms of Section 39 of the Local Government: Municipal Demarcation Act, 1998 the Municipal Demarcation Board hereby submits its annual report on its activities during the above mentioned financial year as well as the audited financial statements.

Yours sincerely



DR VUYO MLOKOTI
CHAIRPERSON: MUNICIPAL DEMARCATION BOARD

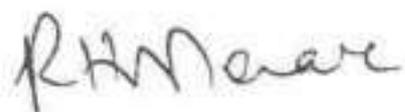
Annual Report:
Municipal Demarcation Board

To our Leadership

The Municipal Demarcation Board

It is my pleasure to present to you the Annual Report of the Municipal Demarcation Board (the Board/MDB) for the financial year 1 April 2007 to 31 March 2008.

I would like to record my appreciation to you, for the support you have given the entire Board staff in the year under review. We value your profound guidance and leadership and we once again pledge our support and commitment to you, in fulfilling the Board's mandate to the best of our abilities.

A handwritten signature in black ink, appearing to read 'RH Monare', is positioned above the printed name and title.

MR RAPULANA H MONARE
MANAGER: MUNICIPAL DEMARCATION BOARD

FOREWORD BY THE CHAIRPERSON: MUNICIPAL DEMARCATION BOARD

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OVERVIEW BY THE ACCOUNTING OFFICER

This annual report reflects on the progress and achievements attained, as well as challenges encountered by the Municipal Demarcation Board ("the Board") in the 2007/08 financial year. It also contains a summary of the Board's strategy, achievements which are measured against strategic objectives, outputs and performance indicators.

We also provide details of Financial Statements and the Oversight Report as required in terms of the Local Government: Municipal Demarcation Act (No 27) of 1998, and the Public Finance Management Act (No 1 as amended by No 29) of 1999.

Consistent pursuance of the Board's Mandate

The Board has continued to consistently pursue its Constitutional mandate in terms of the Local Government: Municipal Demarcation Act (No 27) of 1998, and the Local Government: Municipal Structures Act (No 118) of 1998. Our emphasis has been:

- A thorough, inclusive and transparent process of municipal and ward boundary determinations and re-determinations, that is also fully compliant with all relevant legislation. In this regard, we started preparations during the period under review, to finalise all outstanding and new changes to municipal boundaries by 2008, in order to allow us to start delimiting wards for the next local government elections, which are scheduled for 2011.
- Municipal capacity assessments and advice to the MEC's for local government, in a manner that is objective, reliable and technically sound;
- Driving of the alignment of service delivery boundaries with municipal boundaries, to enhance the Constitutional principles of co-operative government, the Constitutional provisions pertaining to service delivery, and the policies and legislation to give effect to the Constitution.
- Research and review of the Board's policy positions on one of the core aspects of the Board's functions – the future of the District Management Areas.

Challenges in 2007/08

a. Supply chain management

In his report for the year ended 31 March 2007, the Auditor-General reported on an irregular expenditure by the Board as a result of our procurement of certain consultants which was not in accordance with the requirements of Treasury Regulation 16A and Supply Chain Management practice notes issued by the National Treasury.

We had in the past indicated that, as a result of contractual obligations, we were going to have to allow this issue to phase itself out at the end of the year 2006/2007, as there were a number of consultants who had already been procured at the time when the Auditor-General raised the matter for the first time in his audit for the year 2005/06. As such the procurement of these consultants remained in contravention of Treasury Regulation 16A at the time of the 2006/07 external audit.

I am pleased to report that as at the end of the year 2007/2008, our procurement of consultants is now fully in line with Treasury Regulations.

b. Internal audit function

We experienced some challenges with our internal audit function, which we will strive to overcome in the new financial year. The function was outsourced for the period under review.

The Auditor-General has raised some shortcomings with respect to this function during the period under review, particularly with respect to compliance with the requirements of some of the Treasury Regulations.

We have noted and accepted the recommendations of the Auditor-General in this regard.

c. Material corrections made to the Financial Statements submitted for Audit

The Auditor-General has found that there were some misstatements in the financials submitted for audit, with respect to the Accounting treatment of bonus accruals, and our review of the useful life of assets.

Necessary adjustments in the above regard have subsequently been made.

d. Retention of Surplus Funds

At the end of the period under review, we did not have approval from the National Treasury to retain surplus funds, after having duly requested the approval from National Treasury.

Processes are underway to obtain such an approval.

e. Performance information

The Auditor-General has found that our strategic plan does not include measurable objectives, expected outcomes, programme outputs, indicators (measures) and targets of our programmes. It is important to confirm that this does not mean that there is complete lack of such information in the strategic plan, but rather that the information already in the plan will need to be re-arranged, to ensure that there is strict compliance to Treasury Regulation 5.2.3(d).

We are committed to re-arranging our performance information in a manner that will ensure strict compliance.

f. Financial Highlights

i) An unqualified Audit Report

The Board has received an unqualified audit report from the Auditor-General, as reflected in Chapter 5. The Board would like to thank the Auditor-General for its continued support and constructive inputs during the period under review.

ii) Improved Budget Management

Our budget management has continued to improve, and our computerised system is being monitored on a constant basis to ensure that we are able to manage every expense against budget, effectively.

Future Direction: Strategic Plan 2008/09 – 2010/11

Our medium term strategy for the period 2007/08 to 2010/11 has been approved by the Board. We will continue to pursue our mandate, with respect to a number of Strategic Themes which we have identified. The strategic themes remain as follows:

- Determination and Re-determination of municipal boundaries
- Assessment of Municipal Capacity
- Review of DMA boundaries
- Alignment of service delivery boundaries
- Relationship with Key Stakeholders
- Good Governance and organizational capacity.

What is important to highlight is that, we will continue to pursue a programme that will ensure that we finalise all re-determinations cases by August 2008, so that we can hand over the boundaries to the IEC, to allow them to prepare for the 2009 national and provincial elections, as well as the 2011 local government elections. This programme is based on an assumption that:

- The next national and provincial elections will be in April 2009, and
- The next local government elections will be in March 2011.

One of the significant developments that this institution must deal with soon, is the coming into office of the new Board on 1 February 2009, and this at a time when the rolling out of the ward re-delimitation process will be well underway. We hope that the transition will be in such a way as to allow for continuity, by retaining some of the key individuals in the service of this institution.

MR RAPULANA H MONARE
CEO: MUNICIPAL DEMARCATION BOARD

MUNICIPAL DEMARCATION BOARD

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MANDATE, VISION, MISSION & VALUES

The Board's mandate derives from:

The Constitution of the Republic of South Africa, 1996 (Act No 108 of 1996)

- The Board is mandated in terms of section 155(3)(b) to determine municipal Boundaries independently.

Local Government: Municipal Demarcation Act, 1998 (Act No 27 of 1998)

- Section 3 provides that the Board is a juristic person, is independent and must be impartial and must perform its function without fear, favour or prejudice.
- Section 4 provides that the Board must determine Municipal boundaries in accordance with this Act and other appropriate legislation enacted in terms of Chapter 7 of the Constitution, and must render an advisory service in respect of matters provided for in this act and other appropriate legislation.

Local Government: Municipal Structures Act, 1998 (Act 108 of 1998)

- Delimit wards in compliance with Schedule 1 to the Act.
- In terms of section 85 the Board must consider the capacity of District and Local municipalities to perform their function and to exercise their powers, and provide advice to MEC's responsible for Local Government.
- Section 6 empowers the Board to declare District Management Areas.

Cabinet resolutions

- In 1998 Cabinet resolved that departmental service delivery boundaries must be aligned to constitutional boundaries (National, Provincial and Local) and should be finalised by departments in consultation with the Municipal Demarcation Board.

VISION

The Board's vision is a picture of our ultimate success. This is what the Board hopes to achieve in the future as it successfully implements its strategies in pursuit of its mandate. The Board's vision sets out the reasons for the existence of the Board – to fulfil its constitutional mandate - and the "ideal" state that we aim to achieve.

The Board's vision therefore remains:

.....to contribute to Constitutional democracy through the spatial re-organisation of the whole territory of the Republic of South Africa, to make recommendations based on capacity assessments of the ability of municipalities to perform their powers and functions, and to give advice and support to enhance the development of a sound system of local government.

MISSION

The mission identifies major goals and performance objectives. Furthermore, it outlines how we do and why we do it.

In the above regard, the mission of the Board is **to perform its functions and exercise its powers in such a manner as to empower municipalities to:**

- **fulfil their constitutional obligations;**
- **provide democratic and accountable government for the local communities;**
- **provide services to communities in an equitable and sustainable manner;**
- **promote social and economic development;**
- **promote a safe and healthy environment;**
- **enhance effective local governance;**
- **plan and implement integrated development; and**
- **develop a tax base as inclusive as possible of users of municipal services in the municipality.**

VALUES

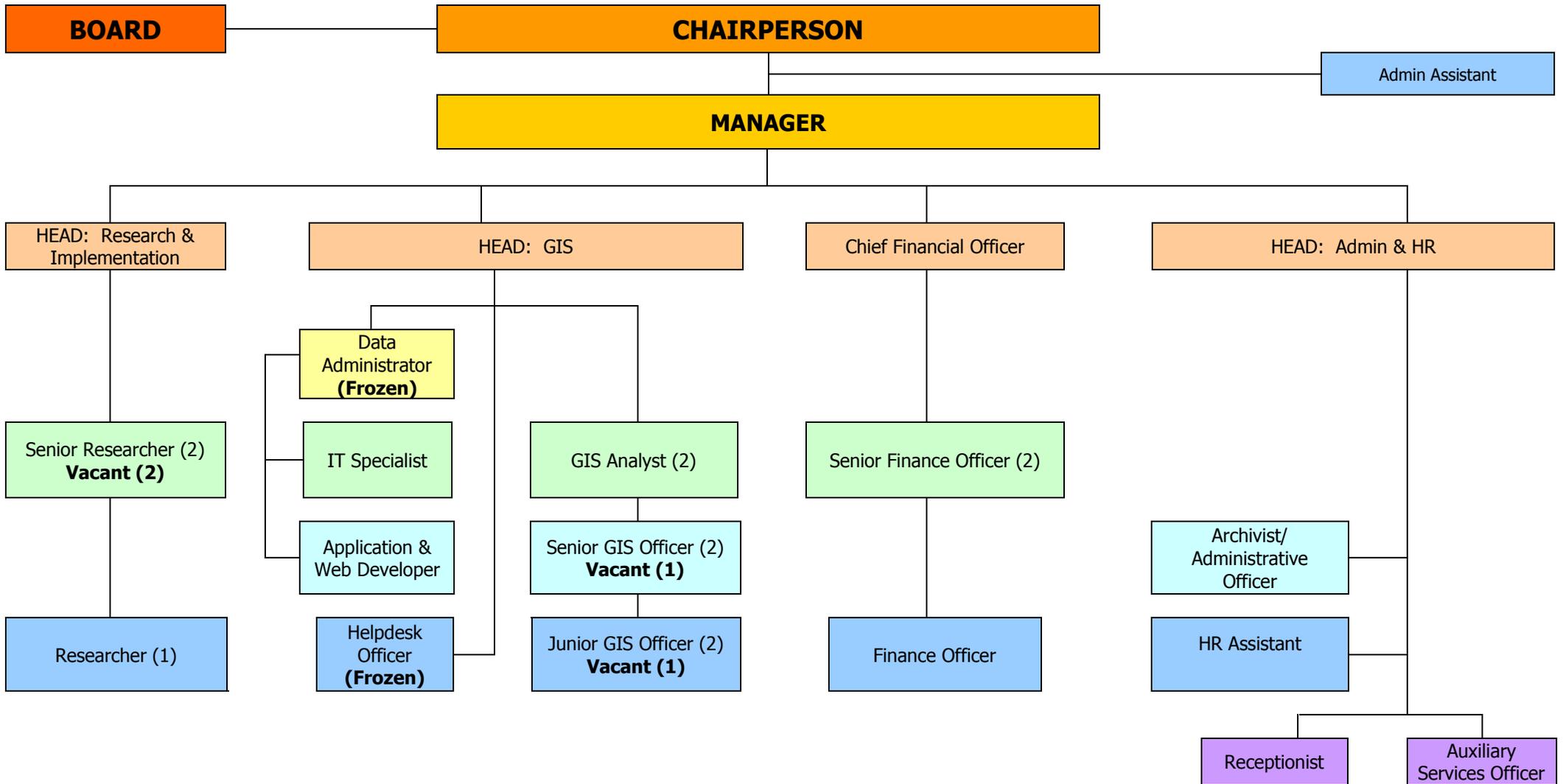
While our mission and objectives define what we are trying to achieve, our values shape the way we go about achieving them, and reflect the beliefs which underpin them. Our core values are a key to achieving high performance levels and are based on Batho Pele Principles. We are striving to have an organisation at the Board that will foster the following ethos:

1. **Management Practices that:**
 - Promote and maintain high standards of professional ethics;
 - Create opportunities for organisational and individual growth, and harness diversity to advance organizational effectiveness.
 - Encourage and promote accountability, i.e. taking full responsibility of all our actions;

2. **Dedication to:**
 - Efficient, economic and effective use of all assets and resources;
 - Excellence in doing our work, and in providing service to all stakeholders;
 - Doing our work without fear, favour or prejudice;
 - Respect and Integrity in our relations with each other and with stakeholders.

3. **Behavioural Patterns and Practices that:**
 - Set good examples and precedents for subordinates and fellow employees to follow;
 - Encourage fellow employees and subordinates to perform their duties to the maximum of their ability and to deliver acceptable objectives to the organisation;
 - Ensure the safety of all staff and that they be aware of any potential hazards that could be harmful;
 - Encourage fellow employees and subordinates to act in a courteous, respectful manner at all times and to adhere to decent dress standards.
 - Maintain a positive corporate image, to behave in a positive manner and assist the public and stakeholders where possible.
 - Shun the deliberate misuse or damage by any employee or member of the Board, of Board property in his/her possession, care or custody, and the use of Board assets, intellectual property or the services of other employees for private use or gain.

ORGANISATIONAL STRUCTURE AS AT 31 MARCH 2008



	Level 2
	Level 3

EMPLOYMENT EQUITY: The MDB has submitted its Employment Equity Plan and Report to the Department of Labour on 4 October 2006. The Board ensures that there is a formal implementation of the affirmative action measures in all the activities of the Board, to achieve and maintain employment equity.

Level 4	In summary, the staff complement of the Board is composed as follows: Blacks (Male & Female) - 14 Females (Black & White) - 9 Whites (Male & Female) - 5 Males (Black & White) - 10 Disabled - 0
Level 5	
Level 6	
Level 7	

MUNICIPAL DEMARCATION BOARD

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THE BOARD



Membership of the Municipal Demarcation Board remains as follows:

Dr Vuyo Mlokoti	<ul style="list-style-type: none">• Chairperson: MDB (Full-Time);• Chair: Executive Committee;• Member: All Board Committees.
Ms Morongoa Letsoalo	<ul style="list-style-type: none">• Deputy Chairperson: MDB;• Member: Executive Committee;• Chairperson: Corporate Services Committee• Member: Boundaries/Powers & Functions Committee
Dr Michael Sutcliffe	<ul style="list-style-type: none">• Member: Executive Committee;
Prof Nicolaas Steytler	<ul style="list-style-type: none">• Member: Executive Committee;• Member: Corporate Services Committee;• Chairperson: Boundaries/Powers & Functions Committee.
Khosi Tshililo Ramovha	<ul style="list-style-type: none">• Member: Corporate Services Committee;• Member: Audit Committee;• Member: Boundaries/Powers & Functions Committee.
Ms Modiehi Molebatsi	<ul style="list-style-type: none">• Member: Corporate Services Committee;• Member: Boundaries/Powers & Functions Committee.
Mr Landiwe Mahlangu	<ul style="list-style-type: none">• Member: Audit Committee;• Member: Boundaries/Powers & Functions Committee.
Ms Nondumiso Gwayi	<ul style="list-style-type: none">• Member: Audit Committee;• Member: Boundaries/Powers & Functions Committee
Mr Mpho Mogale	<ul style="list-style-type: none">• Member: Audit Committee;

	<ul style="list-style-type: none">• Member: Boundaries/Powers & Functions Committee.
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This Board assumed office on 1 February 2004, and will remain in office until 31 January 2009.

The Chairperson of the Audit Committee is Mr Johan P Botha, an outside person, and a practising Accountant and Auditor.

Chapter 1

Operational Clusters at the Board

Original Total MTEF Allocation	20,664,000
TOTAL	20,664,000

Aim

In terms of Section 39 of the Local Government: Municipal Demarcation Act, 1998 the Municipal Demarcation Board is accountable to Parliament, and must annually submit to both Houses of Parliament a written report on the activities of the Board.

The report must be submitted within six months after the end of the financial year, and must include audited financial statements.

Constitutional, legislative and policy mandates

The Board, comprising of one full time member and eight part time members, is in terms of section 55 of the Constitution read the Local Government: Municipal Demarcation Act, 1998 and the Local Government: Municipal Structures Act, 1998, and independent authority responsible for:

- The determination and re-determination of municipal boundaries
- The delimitation of wards for local elections
- The declaration of district management areas, and the withdrawal of such declarations
- The assessment of the capacity of district and local municipalities to perform their functions
- The rendering of an advisory service in respect of matters provided for in the applicable legislation.

In addition Cabinet mandated the Board to assist government departments to align their service delivery boundaries to municipal boundaries.

Functional activities of the Board's administration

The Board's twenty staff members are divided into four clusters namely GIS and IT, Research, Administration and Human Resources, and Finance. The aim of the Administration of the Board is to:

- provide the Board with the administrative, logistical and technical capacity to carry out its mandate;
- carry out the decisions of the Board.

Key Objectives

In dealing with its mandate the Board and its administration have focused on eight Strategic Themes to determine its objectives, targets, expected outcomes, and programmes:

- Theme 1 Re-determination of municipal boundaries, including the creation of credible set of boundaries for traditional areas, and the assessment of municipal boundaries
- Theme 2 Delimitation of wards
- Theme 3 Municipal capacity assessments
- Theme 4 Review of the declaration of district management areas
- Theme 5 Alignment of service delivery boundaries
- Theme 6 Strengthening our relationships with key stakeholders
- Theme 7 Strengthening the Board's organisational capacity
- Theme 8 Governance issues

In the 2007/8 financial year, significant progress has to date been made with regards to these objectives, even though challenges still remain. The Board's achievements to date are highlighted in this report.

Cluster 1

Administration and Human Resources Management

Aim

The aim of the Administration and Human Resources Cluster is to support the Board with high standards of efficient, effective and economical administrative operations to enable the Board to achieve its strategic objectives, and to support the Manager and Cluster Heads in developing competent and committed staff.

The Cluster provides administrative and logistical support to the Board and staff, in the following areas:-

- a. Administration and Internal Controls
- b. Human Resource Management
- c. Travel and Accommodation
- d. Board and Committee support
- e. Equipment Procurement and Maintenance
- f. Media Liaison
- g. Carry out any other function or activity that will enhance the administrative efficiency and effectiveness

Cluster Developments

During the period under review, the following key developments occurred in the Cluster:

- A Human Resources Assistant was employed to assist the Cluster Head with matters pertaining to HR.
- A fully integrated Human Resources Information System has been utilised for improved and accurate reporting with regards to leave, personal employee information and performance management.
- New Policies and Procedures have been developed, and some existing policies have been amended.
- An Incentive Policy Framework linked to performance management has been developed, implementation will begin in April 2008.
- Quarterly staff meetings were held to communicate relevant developments with regards to Policies and Procedures.
- The Training and Development Plan was implemented whereby staff progressively attended courses and workshops.
- A reliable, robust and responsive "D-Day" roster system has been used as a monitoring tool to assist Cluster Heads with regards to contributions with items that are related to their functions and meet deadlines.
- Scheduled meetings between the MDB and stakeholders.
- The Board and its Committees met regularly during the year. All logistical arrangements were made for Board and Committee meetings.
- Documents for Board and its Committees are collated, compiled and distributed prior to the meetings.
- Compiled minutes for all meetings and ensured the accuracy and distribution thereof.
- Vacant positions were identified, advertisements placed, the process of recruitment and selection was adhered to as per the Policies and Procedures of the Board.

These issues will be further discussed in Chapter 2 dealing with the 2007/8 performance against pre-determined objectives.

Cluster 2

Finance and Procurement Control

Aim

The aim of this Cluster is to provide overall Financial Management/Accounting and Procurement Control to the Board and staff, in the following areas:

- a. Budget Management
- b. Operational Accounting
- c. Payroll Management
- d. Financial Reports and Returns
- e. Procurement Control
- f. Assets Management

Cluster Developments

During the period under review, the following key developments occurred in the Cluster:

- There was a staff turnover in the cluster and the Finance Officer position was vacant for six months.
- Project implementation for accounting software, Great Plains, to manage our accounting and procurement systems was successfully completed with the timeframes set.
- Financial policies and procedures including Procurement policies were reviewed to ensure compliance with Treasury Regulations and relevance within the Board.
- Internal control at the Board were reviewed and monitored throughout the year.
- The annual risk assessment workshop has been conducted and Risk register has been updated.
- Budget management has substantially improved during the year.
- Reporting on donor funding shows some improvements
- There was substantial improvement on our procurement system
- All statutory returns has been completed and submitted regularly
- Management of assets has improved during the year

These issues will be further discussed in Chapter 2 dealing with the 2007/8 performance against pre-determined objectives.

Cluster 3

GIS and IT Support

Aim

The GIS cluster broadly has the responsibility for overseeing the spatial and information technology (IT) needs of the Board and providing all mapping, data, information services, research and analysis in support of the Boards' mandate.

More specifically, the clusters' aims are the following:

- Providing analysis, information and mapping requirements in support of the Board's mandate to determine and re-determination of municipal boundaries in accordance with relevant legal provisions;
- Providing analysis, information and mapping requirements in support of the Board's mandate to delimit each municipality that qualifies to have wards, into wards;
- Providing advice, analysis, information and mapping requirements to departments on the alignment of functional/service delivery boundaries with municipal boundaries;
- Within its areas of competence, provide advice, information and analyses to stakeholders (i.e. administering the Helpdesk for the Board);
- Supporting the Manager of the Municipal Demarcation Board to build an effective and efficient administration to support the Board in the performance of its functions.

Cluster Developments

During the period under review, the following key developments occurred in the Cluster:

- The Cluster Head and other key staff in this cluster resigned.
- All proposed changes to municipal boundaries were analysed and mapped
- Considerable progress was made with the alignment of service delivery boundaries to municipal boundaries
- A process commenced to create a credible set of boundaries for traditional areas

These issues will be further discussed in Chapter 2 dealing with the 2007/8 performance against pre-determined objectives.

Cluster 4

Research and Implementation

Aim

The aim of the cluster is to support the Board in achieving its vision and mission and to fulfil its mandate to:

- Determine and re-determine municipal boundaries in accordance with relevant legislation;
- Delimit each municipality that qualifies to have wards, into wards;
- Manage the assessment of the capacity of municipalities to perform their powers and functions;
- Within the Board's areas of competence, provide advice, information and analyses to stakeholders;
- Support the Manager of the Municipal Demarcation Board to build an effective and efficient administration.

Cluster Developments

During the period under review, the following key developments occurred in the Cluster:

- A number of municipal boundaries were reconsidered
- The annual capacity assessments were successfully completed, and reports covering all 46 district municipalities and 231 local municipalities were published.

These issues will be further discussed in Chapter 2 dealing with the 2007/8 performance against pre-determined objectives.

Chapter 2

Performance against pre-determined objectives

The following tables reflect the objectives, targets and expected outcomes set for 2007/2008 and the measurable performance outputs during 2007/2008:

Key Objective: Re-determination of municipal boundaries and the delimitation of wards (Strategic Themes 1 & 2)	
Targets and expected outcomes:	Measurable performance outputs: 2007/08
<p>In anticipation of the national and provincial elections in 2009, and the local elections in 2011, the Board is to work closely with the Minister of Provincial and Local Government, the IEC, the MEC responsible for local government and municipalities to ensure a sound spatial environment for the elections. Key to this is sound municipal voting districts and wards.</p>	<ul style="list-style-type: none"> • All outstanding cases for the re-determination of municipal boundaries were processed. • A number of re-determinations were dealt with in terms of section 26 of the Demarcation Act, 1998 • A number of re-determinations were dealt with in terms of section 21 and 21(5) of the Demarcation Act, 1998. • The process to withdraw the declaration of all district management areas (DMA's), with a view to include these areas within the areas of local municipalities, was concluded. • A process commenced to demarcate three additional metropolitan areas. • Responded to several queries relating to published re-determinations. • Municipal names that were officially changed were effected as such on all maps. • Prepared maps according to submissions and for Board to make informed decisions. • The municipal boundaries (spatial file) were updated with the MEC publishing Section 23 changes. • Provided the Section 21 file to the IEC and Stats SA. • Attended various meetings with stakeholders related to redeterminations. • Met with Stats SA and IEC to discuss timeframes and methodology to finalise the technical alignment regarding the outer boundaries for timeous hand over to the IEC. • Most of the technical alignments have been identified and descriptions generated. Verification was done on all the identified technical alignments. • Technical alignments for eight Provinces were finalised, work continued on outstanding province. • Continuous cooperation and regular technical meetings with IEC to finalise the technical VD alignment, especially Mpumalanga, Gauteng and Northern Cape. Work continues on other provinces. • Meeting in March to establish progress and determine possible finalisation for the IEC to start their processes. • The <u>databases</u> are continuously updated to reflect the latest names and images. • The municipal maps were also updated and made available on the website. • Document page on the website made more user friendly and to accommodate presentations. • The latest municipal name changes that the Board received confirmation of by means of Section 12 publications are

	<p>available from the website.</p> <ul style="list-style-type: none"> • The updated gazette list was made available on the website. • Section 26 notices were made available on the website.
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Key Objective: Municipal Capacity Assessments (Strategic Theme 3)	
Targets and expected outcomes:	Measurable performance outputs: 2007/08
<p>To provide quality annual assessments of Municipal Capacity & Recommendations to MECs responsible for local government. Forty-six reports covering the capacity of all 46 district municipalities and all 231 local municipalities to be submitted to MEC's for consideration by November/December 2007.</p>	<ul style="list-style-type: none"> • The 2007/2008 capacity assessment process was conducted and completed during this period. • Preparation of the tender documents was finalised and the tender was advertised in the newspapers in April 2007. • After the closing date tenders were evaluated accordingly and the preferred service provider was appointed by June 2007. • Provided the latest municipal boundaries along with the DMA's to the service provider as well as the latest councillor information as available from the IEC website and the demographic information as provided by StatsSA for the various municipalities. • Packs with questionnaires and letters to municipalities were sent to all the municipalities and members of the MDB Joint Boundaries/Powers and Functions Committee. • Training for all the consultants was conducted at the meeting of the committee referred above on 27 July 2007. • All the municipalities were visited and all questionnaires returned fully completed. • The process of data capturing and verification was also started. • Thereafter drafting of reports on capacity of all the District and local municipalities was started. • 47 Reports were received and considered by the Board on 6 December 2007, and distributed to MECs for Local Government for attention in terms of the Structures Act. • Provincial overview reports were provided to MEC and other stakeholders. • The National Overview report was launched on 18 March 2008 in a special ceremony and was widely distributed to stakeholders, the media etc. • GIS Staff assisted in the preparation for the Capacity Assessment Launch such as printing maps and preparation of database, cutting CDs with the reports and database • Assistance to provinces was rendered in dealing with the recommendations to MECs for the adjustment of powers and functions between district and local municipalities. • Maps created and updated for the National Capacity Assessment Report. • Updated the website with a newsflash regarding the Capacity Assessment launch. • Uploaded the Capacity Assessment reports, the errata and the presentations from the launch. • Doing continuous work with the National Treasury, Stats SA, DPLG and other stakeholders on Local Government Data collection forum, not less than three sessions were held in this period. The goal is the rationalisation of data collection activities in the local government sphere.

Key Objective: Review of District Management Areas (Strategic Theme 4)	
Targets and expected outcomes:	Measurable performance outputs: 2007/08

<p>The objective is to clean up the local government categories, by withdrawing the declaration of district management areas, if at all possible. This objective is subject to an in depth feasibility study.</p>	<ul style="list-style-type: none"> • Considerable progress was made in dealing with this matter. • However, some problem areas required special attention during the last term. • The consultation process was completed in October and November 2007. • The necessary resolutions were taken by the Board on 6 December 2007, and the necessary section 26 and 21 notices were published. • Prepared Section 21 maps as approved by the Board on 29 February 2008. • Attended meetings on the re-determinations of the DMA. • Linked maps to Circular 1/2008, and created and uploaded Circular 1/2008 regarding DEMs and DMAs on the website. • This project was to a certain extent delayed due to a request that it be put on halt for the White Paper process. • It was envisaged as at 31 March 2008, that all DMA's will be included into the municipal areas by May/June 2008. However, the boundary changes will only become effective on the date of the next local elections in 2011.
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Key Objective: Service Delivery Boundaries (Strategic Theme 5)	
Targets and expected outcomes:	Measurable performance outputs: 2007/08
<p>The objective is to align all service delivery boundaries to municipal boundaries, where possible, with a view to enhance service delivery and to strengthen the national spatial data Infrastructure.</p>	<ul style="list-style-type: none"> • Attended a meeting in North West to assist and integrate the inputs as determined by the North West SAPS "study/work group" on boundary alignment. • The maps for SAPS NW were updated with the necessary name changes at station level as well as the changes regarding the proposed SAPS boundaries. • The boundaries of Soutpansberg and Sekgosese were verified against the MDB datasets. • Soutpansberg and Sekgosese magisterial districts in the Limpopo Province, were re-proclaimed. • Attended a SAPS provincial workshop on the alignment of service boundaries. A presentation was made on the impact of the withdrawal of the DMAs at this workshop. • A decision was taken for the Board to assist the Department of Justice and Constitutional Development as part of the task team in the investigation of the viability as well as the verification of the magisterial boundaries. • In this regard, we attended a meeting where the ministerial task team was briefed on the investigation process. • Workshop was held in February 2008 to prepare for the provincial meetings. • The SAPS boundaries were updated to reflect the latest boundaries to make informed decisions – in collaboration with the Department of Justice and Constitutional Development. • Preparation of magisterial maps for provincial meetings and applying the changes as indicated at the meetings.

Key Objective: Relations with key stakeholders (Strategic Theme 6)	
Targets and expected outcomes:	Measurable performance outputs: 2007/08
<p>The objective is to continue building strong and vibrant working relationship with all key stakeholders, and to</p>	<ul style="list-style-type: none"> • The relationship with the Department of Justice and Constitutional Development and SAPS was maintained. There was also involvement with SITA, who maintain the SAPS boundaries to ensure that the SAPS boundaries are current and

<p>embark on solid projects and constant collaboration with them.</p>	<p>up to date to warrant that the best possible alignment is achieved.</p> <ul style="list-style-type: none"> • Continued working closely with the Department of Provincial and Local Government (DPLG), Department of Land Affairs (DLA) and the Department of Water Affairs and Forestry (DWAF) in the process of creating a credible TA data set. A process commenced whereby the various provincial data sets were cleaned up and verified by the various stakeholders/departments to ensure that a credible Traditional Authority (TA) Boundary data set exist that could assist with the re-determination of municipal boundaries. • SALGA's Strategic Planning session was attended by the Chairperson and valuable input given on the strategic direction that SALGA should take. • The National Council Of Provinces (NCOP) Summit on Intergovernmental relations was attended by all Board members and the CEO. • The CEO attended and presented to the SALGA EC Provincial Local Government and Youth Conference. • The relationship with Stats SA was strengthened as the SPOT5 images were converted from TIFF to SID. • An independent Round table discussion session on Local Government was attended by key staff members and the Chairperson. • Several meetings were held with National Treasury, Auditor General and DPLG regarding our request for additional funding. • The CEO and Chairperson attended the Department of Public Service and Administration's (DPSA's) 6th Annual Learning Academy. • The 2006/07 report was submitted to the portfolio committee on Provincial and Local Government on 30 October 2007 by the CEO and Acting CFO. Positive feedback was obtained. Further more the current situation and plans were also discussed. • Meeting with the Department of Justice & Constitutional Development to highlight the impact of the withdrawal of the DMAs on the magisterial boundaries. • Attended DPLG workshop on Traditional Authorities to discuss consultation meeting with provinces for/on the captured boundaries with the objective to finalise the boundaries for publication. • Round table discussion with DPLG and other stakeholders in view of the White Paper on Local Government regarding the availability and accessibility of data and spatial data. • Drafted report on the working and findings of the Data Collection Forum. • Demonstrated to DPSA the value of GIS in planning and locating suitable sites. • Meeting with Stats SA with regard to the Census 2011 demarcating of the EAs and the impact of split communities. Agreement to assist and possible work programme was determined. • 90 Queries were logged on the helpdesk system. • 129 maps were sold. • 52 SA Explorer CD's were sold. • The download utility on the website has been re-designed as well as the farm search engine. • Queries regarding maps, the website as well as demographics
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	<p>and contact information of the municipalities are received through the Helpdesk ticket system. Especially queries related to farms and subdivisions are received from attorneys, government departments, consulting companies and estate agents as well as individuals. These totalled for the second quarter 86.</p> <ul style="list-style-type: none"> • Spatial data, i.e. shape files was provided to consulting companies as well as government departments. • The supplier database was recaptured/updated after conversion to Access to ease capturing. Database will be imported into SQL once capturing and QA are completed. • A full backup of the Website was done. • Local Government Data Collection Forum: meeting scheduled for Feb 2008 was postponed and held in March 2008. Input from the stakeholders was consolidated and further input regarding practicality and impact were requested from stakeholders. • Met with Department of Economic Development in March 2008 to establish a working relationship and to provide them with information on redeterminations. • DPLG is in the process of determining the next meeting for the project to create a credible Traditional Authority boundary dataset. The objective is to finalise the project with the publication of an official TA boundaries set. • Attended a stakeholder meeting at CSIR SAC. The needs and or requirements as well as possible funding were discussed. • Several queries for information related to municipalities were logged on the helpdesk system, while maps and SA Explorer are still being sold. • The Chairman's press statement and Municipal Demarcation Board Annual Report 2007 were uploaded to the website. • Telephonic queries regarding the download of Municipal maps and municipal contacts were handled. • Served on and provided valuable inputs to the Parliamentary Task team on proposed amendments to sections 84 and 85 of the Structures Act.
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Key Objective: Organisational Capacity and Capability (Strategic Theme 7)	
Targets and expected outcomes:	Measurable performance outputs: 2007/08
Annual strategic milestones achieved across the organization.	<ul style="list-style-type: none"> • The Advanced Management Development Programmes was offered by SAMDI and some of the Cluster Heads attended.
Employees capable of delivering against targets.	<ul style="list-style-type: none"> • Quarterly organisational performance reports were prepared and duly submitted to the Board and DPLG, with desired results achieved. • Personal Development Plans were also prepared to enhance satisfactory outputs by employees.
Increased skills level	<ul style="list-style-type: none"> • Some staff members have attended courses and conferences relevant to their job specific to enhance their skills level and ascertain a better level of understanding. • Training and development plans were circulated to staff for an update to identify skills development, and concluded.
An orientation towards performance and accountability for results.	<ul style="list-style-type: none"> • The monthly timetable has been an effective tool with regards to submissions made by Cluster Heads as outlined in the strategic plan, timeframes have been met and targets achieved.

<p>Innovation and dedication to one's work appropriately recognised and rewarded.</p>	<ul style="list-style-type: none"> • A report was submitted to both Corporate Services Committee and the Board on the 19 April 2007 for approval of the staff remuneration and recognition and rewards for the staff in April 2007. • The rewards were measured in terms of the performance agreement that was signed and the outcomes thereof. • The outcome of the performance is monitored on a quarterly basis in line with the work plans. Rewards have since been made to deserving employees in line with a new approach, which is based on the DPSA remuneration system.
<p>Reliable, robust and responsive corporate system.</p>	<ul style="list-style-type: none"> • A monthly D-date roster has been circulated throughout the year, outlining dates on which documents or projects are due. This D-date roster was compiled from the timelines in our strategic plan and other project based plans.
<p>Smooth running organisation.</p>	<ul style="list-style-type: none"> • Forth-nightly management meetings held and also individual cluster meetings, plus staff meeting. • Draft Annual Report was duly produced. • A monthly D-date roster has been circulated to all Cluster Heads throughout the year, outlining dates on which documents or projects are due. This D-date roster was compiled from the timelines in our strategic plan and other project based plans. • Management and cluster meetings were held during the period under review. • Reports were submitted to the various Committees: EXCO, Corporate Services, Audit and the Board. • Contact was made with the Department of Public Works to link to the Re Kagibisa Tshwane Project to obtain cheaper office accommodation within a building owned by the Department. A meeting was held where two buildings were viewed, however these buildings required extensive alternations and improvements, as they have been occupied by vagrants, before the Board can take occupation. We are awaiting feedback from the Department of Public Works on alternative accommodation that is more readily available.
<p>Improved performance due to systems utilisation.</p>	<ul style="list-style-type: none"> • Monthly costs of consultants were compared to their contracts for the fixed rates. Where the fixed monthly costs deviated, reasons were obtained. In some cases more hours were needed to be spent.
<p>Application of best practice system.</p>	<ul style="list-style-type: none"> • System not established during the period under review. • The policy for reviewing performance of consultants is being reviewed and to be put in place as soon as possible.
<p>Finalise a suitable and generally acceptable way in which the staff remuneration structure ensures fair remuneration to staff.</p>	<ul style="list-style-type: none"> • The Draft Incentive Policy Framework and alignment of MDB salaries to that of the Public Service was submitted to Management during the period under review. • The alignment of MDB Salaries to the DPSA was submitted to the Board on 20 September 2007 for approval. This has been approved, implementation date being 1 April 2008. • The final policy regarding alignment of salaries to that of DPSA was approved by the Board on 6 December 2007. • The MDB has now utilised the DPSA remuneration framework as a guide to align staff salaries. The incentive policy framework of the DPSA was also used to finalise a policy for the MDB with regards to the performance management system.

Key Objective: Good Governance (Strategic Theme 8)	
Targets and expected outcomes:	Measurable performance outputs: 2006/07
<p>The objectives are to:</p> <ul style="list-style-type: none"> • Improve the efficiency and effectiveness of administrative processes and systems • Improve the quality and usage of management information • Plan and execute activities within budget • Managing risk effectively • Ensure effective leadership, management and decision making • Ensure positive audit opinion by the Auditor General • Improve lead times of key processes, such as the release of Board documents, completion of documents with administrative significance on or before the due date, etc 	<ul style="list-style-type: none"> • Continuous monitoring of the Access Control System with weekly print-out of time and attendance, which has been circulated to Cluster Heads. The ESS Leave System – leave was captured online on the system on a daily basis, printed once a month, reconciled for payroll purposes. • The SOP for stationery was developed – requested by the Auditor General. • Most activities were performed within the allocated budget. Where there were some over expenditures, the reasons were made clear. • Policies and Procedures were updated – circulated to staff and discussed prior to finalisation. • During the period under review, all documents for Board and committee meetings were compiled and distributed three days prior to the scheduled meeting dates. • Although some activities were spent over budget, measures were in place to explain the reasons and for the over-all budget not to be effected. • Monitored control measures which are in place to avoid risks. • Ensured that all policies and procedures plus legislation were adhered to by the Clusters. Quarterly reporting to DPLG and monitoring of individual work plans. • A draft annual report and a Strategic Plan for the period 2008 to 2011 was submitted to the Portfolio Committee on Provincial and Local Government, at its budget review briefing in March 2008. • An IT Steering Committee was established and its first meeting held during the period under review. Several policies suggested by the Committee is being originated. • A draft IT Policy and Procedure was compiled and is under review before implementation. • Management comments were compiled and submitted on the Auditor General Sekchek Review. • Initiated contact with the Public Service Commission to link up to the Anti-Corruption Hotline.
Risk Management.	<ul style="list-style-type: none"> • No meetings were held during this period.
Improving the financial and procurement practices to ensure effective and efficient internal operations of the organisation.	<ul style="list-style-type: none"> • The Great Plains procurement management system has been found to be working relatively well. • The Board approved changes to organisational structure change. As a result, a procurement officer will be appointed to the finance cluster to be responsible for procurement function. It is anticipated that Supply Chain Management will be improved
Leadership and Management programmes	<ul style="list-style-type: none"> • The Advanced Management Development Programme (AMDP) was finalised with SAMDI for Cluster Heads to attend. This is over a period of 15 days which is split into three blocks: Block 1: Strategy & Policy Block 2: Mastering Management Block 3: Integrating the People Factor • Some Cluster Heads have already attended Block 1.

MUNICIPAL DEMARCATION BOARD

Summary of Financial results
for the year ended 31 March 2007

Chapter 3

The total MTEF allocation for the year amounts to R20,664,000. Other income from sales of maps and sundry items amounted to R366,000. The total revenue for the current financial year is R21,030,000, an increase of 7% from the previous year.

The total expenditure for the year amounted to R 15,778,000, resulting in a surplus of R5,235,000. Detailed budget information is presented below, indicating the budget, actual expenditure and variance.

Table 1: Actual Expenditure per Cluster/Unit

Cluster/Unit	MTEF Allocation	Actual Expenditure
R'000		
1. Administration & HR	3,453	3,067
2. Finance & Procurement Control	3,434	3,055
3. GIS & IT Support	3,368	2,469
4. Research & Implementation	6,672	3,482
5. Management	2,160	2,891
6. Board and committee members	1,577	814
TOTAL	20,664	15,778

Table 2: Actual Expenditure per Expenditure Item

INCOME

Account	Revenue	Budget	Actual	Variance
100-1000-00	Government Grants - Finance	3,433,637.00	(3,433,637.00)	0.00
200-1000-00	Government Grants - GIS	3,367,734.00	(3,367,734.00)	0.00
300-1000-00	Government Grants - Research	6,672,522.00	(6,672,522.00)	0.00
400-1000-00	Government Grants - Admin & HR	3,452,839.00	(3,452,839.00)	0.00
500-1000-00	Government Grants - Management	2,159,942.00	(2,159,942.00)	0.00
600-1000-00	Government Grants - Board	1,577,326.00	(1,577,326.00)	0.00
	Other Income			
400-1050-01	Other Income - Admin	0.00	(16,299.88)	(16,299.88)
100-2750-00	Interest Received - Main account	99,000.00	(298,861.81)	(199,861.81)
200-2760-01	Sales of Maps	60,500.00	(33,104.60)	27,395.40
200-2760-02	Sales of SA Explorer	5,000.00	(10,114.50)	(5,114.50)
100-2800-00	Profit/Loss on Sale - Non Current Assets	0.00	16,999.38	16,999.38
	TOTAL INCOME	20,828,500.00	(21,005,311.41)	(176,811.41)

EXPENDITURE

Account	Revenue	Budget	Actual	Variance
400-3010-00	Advertisements & promotions - Admin	175,000.00	(114,758.78)	60,241.22
100-3850-05	Insurance - Group Scheme	158,809.06	(169,967.46)	(11,158.40)

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Account	Revenue	Budget	Actual	Variance
100-3850-10	Insurance - Fixed Assets	190,000.00	(176,462.92)	13,537.08
100-3020-05	Internal Audit	242,174.45	(241,544.50)	629.95
100-3020-10	External Audit Remuneration	923,239.08	(931,716.76)	(8,477.68)
300-3050-00	Publications, notices and gazettes	800,000.00	1,797,136.97	2,597,136.97
100-3200-00	Bank Charges - Main account	12,259.70	(12,248.10)	11.60
700-3205-10	Bank Charges - Danish	49.80	0.00	49.80
500-3210-01	Chairperson Basic Salary	448,069.80	(446,587.20)	1,482.60
500-3210-02	Chairperson Travel Allowance	216,556.92	(215,844.95)	711.97
500-3210-03	Chairperson Pension Allowance	27,131.17	(27,041.69)	89.48
500-3210-04	Chairperson Medical Allowance	13,194.62	(13,150.62)	44.00
500-3210-06	Chairperson Housing Allowance	43,597.93	(43,453.93)	144.00
500-3210-12	Communications - Management	2,024,561.62	(593,327.86)	1,431,233.76
600-3230-07	Members meeting expenses	79,616.07	(66,581.07)	13,035.00
600-3230-15	Members Travelling Expenses	8,674.50	(8,674.50)	0.00
600-3230-36	Members Telephone Reimbursement	500.00	0.00	500.00
600-3230-45	Members Subsistence Expenses	6,813.00	(2,688.00)	4,125.00
400-3250-00	Cleaning Services - Admin	32,706.08	(35,595.36)	(2,889.28)
400-3260-05	Conference & Seminar - Admin & HR	120,000.00	(47,433.67)	72,566.33
200-3310-00	Computer Expenses - Data Acquisition - GIS	125,000.00	0.00	125,000.00
100-3315-00	CE - Software Annual Subscription - Finance	27,871.45	(27,871.45)	0.00
200-3315-00	CE - Software Annual Subscription - GIS	196,776.67	(171,776.67)	25,000.00
400-3315-00	CE - Software Annual Subscription - Admin & HR	14,838.01	(14,838.01)	0.00
200-3330-00	Computer Consumables - GIS	31,765.21	(24,039.08)	7,726.13
100-3350-25	Consulting Fees - Accounting	98,468.38	(147,872.58)	(49,404.20)
300-3350-08	Consulting Fees-Capacity Assessment	3,268,430.40	(3,192,821.28)	75,609.12
300-3350-09	Consulting Fees-Cap Local Airfares	36,998.24	(36,998.24)	0.00
300-3350-15	Consulting Fees - Cap Travel	697,000.00	(696,081.16)	918.84
400-3350-20	Consulting Other Fees - Admin & HR	17,500.00	(19,125.21)	(1,625.21)
400-3400-00	Courier Services - Admin & HR	52,586.07	(49,840.86)	2,745.21
600-3400-00	Courier Services - Board	15,000.00	0.00	15,000.00
100-3450-25	Depreciation - Computer Equipment Finance	15,364.31	(5,560.42)	9,803.89
100-3450-26	Amortisation - Computer Software Finance	25,699.56	(28,035.89)	(2,336.33)
100-3450-30	Depreciation - Office Equipment Finance	12,363.14	(11,351.63)	1,011.51
100-3450-35	Depreciation - Furniture & Fitting Finance	7,716.20	(7,716.20)	0.00
200-3450-25	Depreciation - Computer Equipment GIS	306,163.20	(193,104.58)	113,058.62

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Account	Revenue	Budget	Actual	Variance
200-3450-26	Amortisation - Computer Software GIS	14,709.07	(13,724.08)	984.99
200-3450-30	Depreciation - Office Equipment GIS	121,864.56	(126,287.53)	(4,422.97)
200-3450-35	Depreciation - Furniture & Fittings GIS	11,983.62	(11,975.55)	8.07
300-3450-25	Depreciation - Computer Equipment Research	23,533.59	(18,110.29)	5,423.30
300-3450-30	Depreciation - Office Equipment Research	1,349.88	5.88	1,355.76
300-3450-35	Depreciation - Furniture & Fittings Research	3,742.17	(3,742.17)	0.00
400-3450-25	Depreciation - Computer Equipment Admin & HR	22,084.56	(13,484.98)	8,599.58
400-3450-26	Amortisation - Computer Software Admin & HR	18,302.28	(19,966.00)	(1,663.72)
400-3450-30	Depreciation - Office Equipment Admin & HR	33,075.48	(34,672.00)	(1,596.52)
400-3450-35	Depreciation - Furniture & Fittings Admin & HR	25,364.03	(25,372.26)	(8.23)
500-3450-25	Depreciation - Computer Equipment Management	11,774.43	(11,860.28)	(85.85)
500-3450-30	Depreciation - Office Equipment Management	1,078.16	(1,078.60)	(0.44)
500-3450-35	Depreciation - Furniture & Fittings Management	8,825.81	(8,824.90)	0.91
600-3450-25	Depreciation - Computer Equipment Board	10,486.56	(894.93)	9,591.63
600-3450-26	Amortisation - Computer Software Board	644.71	(643.33)	1.38
600-3450-30	Depreciation - Office Equipment Board	877.89	(46.30)	831.59
400-3560-00	Electricity & Water - Admin	91,334.18	(101,649.99)	(10,315.81)
400-3655-10	Security Services - Admin	3,462.84	(3,029.85)	432.99
100-3750-00	Finance Charges	20,000.00	(138,930.79)	(118,930.79)
100-3800-00	General Expenses - Finance	10,500.00	(11,566.42)	(1,066.42)
200-3800-00	General Expenses - GIS	600.00	(300.00)	300.00
300-3800-00	General Expenses - Research	3,792.67	(3,292.67)	500.00
400-3800-00	General Expenses - Admin & HR	2,581.94	(3,131.94)	(550.00)
500-3800-00	General Expenses - Management	14,093.59	(5,999.35)	8,094.24
100-3900-00	Interest Paid	0.00	(54.18)	(54.18)
500-4000-00	Legal Fees - Management	10,000.00	(7,638.00)	2,362.00
400-4160-10	Motor Vehicle Insurance	1,693.80	(2,497.44)	(803.64)
400-4190-20	Postage Service - Admin	7,760.00	(12,312.00)	(4,552.00)
400-4180-10	Motor Vehicle Fuel	4,425.02	(6,240.37)	(1,815.35)
400-4210-00	Printing & Photocopying - Admin & HR	109,836.45	(115,750.72)	(5,914.27)
400-4300-05	Rent paid - Building	1,074,999.96	(929,428.20)	145,571.76
400-4300-07	Rent paid - Office flowers	14,485.56	(17,211.36)	(2,725.80)
400-4350-00	Repairs & Maintenance - Admin & HR	31,419.04	(27,878.19)	3,540.85

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Account	Revenue	Budget	Actual	Variance
100-4450-05	Staff Salaries - Finance	740,519.52	(657,934.97)	82,584.55
100-4450-15	Annual Bonus - Finance	72,085.37	(17,426.99)	54,658.38
100-4450-20	Service Bonus - Finance	25,108.80	(29,230.37)	(4,121.57)
100-4450-25	Housing Allowance - Finance	8,744.95	(8,971.13)	(226.18)
100-4450-30	Medical Allowance - Finance	26,699.40	(29,183.62)	(2,484.22)
100-4450-35	Travel Allowance - Finance	184,527.72	(181,562.65)	2,965.07
100-4450-36	Leave Paid Out - Finance	96,858.12	(96,858.12)	0.00
100-4450-40	Pension Allowances - Finance	36,544.56	(40,983.12)	(4,438.56)
100-4450-45	Subsistence Allowance - Finance	67.50	(67.50)	0.00
100-4450-55	Staff Training - Finance	20,000.00	(19,665.80)	334.20
100-4450-61	Reimbursive Travel - Finance	4,435.32	(5,294.95)	(859.63)
100-4450-62	Reimbursive Telephone - Finance	6,500.00	(5,145.75)	1,354.25
100-4450-63	Reimbursive Other - Finance	2,990.40	(3,823.15)	(832.75)
100-4450-64	UIF Board Contribution	26,406.48	(27,697.40)	(1,290.92)
100-4450-97	Parking Recovered - Finance	0.00	450.00	450.00
200-4450-05	Staff Salaries - GIS	1,165,199.64	(1,087,300.00)	77,899.64
200-4450-15	Annual Bonus - GIS	129,904.03	(87,483.55)	42,420.48
200-4450-20	Service Bonus - GIS	68,096.72	(69,232.35)	(1,135.63)
200-4450-25	Housing Allowance - GIS	74,000.00	(68,307.48)	5,692.52
200-4450-30	Medical Allowance - GIS	99,799.90	(99,650.74)	149.16
200-4450-35	Travel Allowance - GIS	183,700.59	(189,200.59)	(5,500.00)
200-4450-40	Pension Allowances - GIS	68,443.59	(69,943.59)	(1,500.00)
200-4450-45	Subsistence Allowance - GIS	1,412.50	(1,012.50)	400.00
200-4450-55	Staff Training - GIS	35,000.00	(20,691.36)	14,308.64
200-4450-61	Reimbursive Travel - GIS	11,788.92	(12,651.74)	(862.82)
200-4450-62	Reimbursive Telephone - GIS	6,750.00	(3,584.31)	3,165.69
200-4450-63	Reimbursive Other - GIS	1,249.20	(2,235.65)	(986.45)
200-4450-97	Parking Recovered - GIS	0.00	450.00	450.00
300-4450-05	Staff Salaries - Research	644,661.96	(632,196.02)	12,465.94
300-4450-15	Annual Bonus - Research	96,635.94	(73,369.93)	23,266.01
300-4450-20	Service Bonus - Research	66,718.22	(68,448.66)	(1,730.44)
300-4450-25	Housing Allowance - Research	18,260.52	(18,115.42)	145.10
300-4450-30	Medical Allowance - Research	24,210.66	(26,600.99)	(2,390.33)
300-4450-35	Travel Allowance - Research	117,294.19	(117,481.02)	(186.83)
300-4450-36	Leave Paid Out - Research	36,496.80	(36,496.80)	0.00
300-4450-40	Pension Allowances - Research	84,800.00	(83,200.00)	1,600.00
300-4450-45	Subsistence Allowance - Research	1,745.04	(1,080.00)	665.04
300-4450-61	Reimbursive Travel - Research	24,672.41	(25,550.96)	(878.55)
300-4450-62	Reimbursive Telephone - Research	7,925.38	(7,742.07)	183.31
300-4450-63	Reimbursive Other - Research	1,885.56	(1,485.55)	400.01
300-4450-97	Parking Recovered - Research	0.00	600.00	600.00
400-4450-05	Staff Salaries - Admin & HR	686,469.84	(691,391.16)	(4,921.32)
400-4450-15	Annual Bonus - Admin & HR	83,401.73	(91,603.30)	(8,201.57)
400-4450-20	Service Bonus - Admin & HR	63,707.76	(67,789.72)	(4,081.96)
400-4450-25	Housing Allowance - Admin & HR	44,445.24	(44,445.24)	0.00
400-4450-30	Medical Allowance - Admin &	43,032.24	(43,032.24)	0.00

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Summary of Financial results
for the year ended 31 March 2008

Account	Revenue	Budget	Actual	Variance
	HR			
400-4450-35	Travel Allowance - Admin & HR	107,018.04	(107,018.00)	0.04
400-4450-36	Leave Paid Out - Admin & HR	15,517.19	(15,517.19)	0.00
400-4450-40	Pension Allowances - Admin & HR	61,200.00	(61,200.00)	0.00
400-4450-45	Subsistence Allowance - Admin & HR	0.00	(59.09)	(59.09)
400-4450-55	Staff Training - Admin & HR	14,719.00	(8,970.00)	5,749.00
400-4450-61	Reimbursive Travel - Admin & HR	6,126.90	(7,555.45)	(1,428.55)
400-4450-62	Reimbursive Telephone - Admin & HR	4,688.39	(5,161.88)	(473.49)
400-4450-63	Reimbursive Other - Admin & HR	2,422.82	(2,298.70)	124.12
400-4450-97	Parking Recovered - Admin & HR	0.00	600.00	600.00
500-4450-05	Staff Salaries - Management	453,976.44	(444,817.96)	9,158.48
500-4450-15	Annual Bonus - Management	31,617.40	(57,264.72)	(25,647.32)
500-4450-20	Service Bonus - Management	33,709.86	(33,917.40)	(207.54)
500-4450-25	Housing Allowance - Management	28,659.42	(28,658.64)	0.78
500-4450-30	Medical Allowance - Management	15,751.47	(17,208.06)	(1,456.59)
500-4450-35	Travel Allowance - Management	145,238.87	(145,238.04)	0.83
500-4450-36	Leave Paid Out - Management	14,694.26	(14,694.26)	0.00
500-4450-40	Pension Allowances - Management	46,317.58	(46,317.36)	0.22
500-4450-45	Subsistence Allowance - Management	183.53	(183.53)	0.00
500-4450-55	Staff Training - Management	8,000.16	(8,000.16)	0.00
500-4450-61	Reimbursive Travel - Management	28,071.33	(29,651.47)	(1,580.14)
500-4450-62	Reimbursive Telephone - Management	44,357.26	(44,254.59)	102.67
500-4450-63	Reimbursive Other - Management	2,758.66	(2,377.44)	381.22
500-4450-65	RSC Levy - Management	940.51	0.00	940.51
500-4450-97	Parking Recovered - Management	0.00	(2,107.14)	(2,107.14)
400-4500-00	Stationery - Admin & HR	90,000.00	(46,768.71)	43,231.29
300-4565-05	Subscription gazettes - Research	30,522.10	(19,535.10)	10,987.00
400-4560-05	Subscription newspaper & magazine	3,668.85	(1,292.10)	2,376.75
500-4560-05	Subscription Other Management	5,921.56	(9,067.96)	(3,146.40)
100-4570-00	Subscription Prof - Finance	3,472.00	(3,087.64)	384.36
200-4570-00	Subscription Prof - GIS	3,500.00	0.00	3,500.00
400-4570-00	Subscription Other - Admin & HR	19,748.67	(21,706.71)	(1,958.04)
400-4600-05	Telephone Expenses - Rental &	235,000.00	(227,319.99)	7,680.01

MUNICIPAL DEMARCATION BOARD

Summary of Financial results
for the year ended 31 March 2008

Account	Revenue	Budget	Actual	Variance
	Other			
100-4650-05	T&A Local Airfares - Finance	8,447.60	(8,447.60)	0.00
100-4650-10	T&A Local Car Hire - Finance	0.00	(946.94)	(946.94)
100-4650-20	T&A Local Hotel - Finance	9,141.85	(8,772.95)	368.90
200-4650-05	T&A Local Airfares - GIS	39,824.20	(39,824.20)	0.00
200-4650-10	T&A Local Car Hire - GIS	25,000.00	(9,856.13)	15,143.87
200-4650-20	T&A Local Hotel - GIS	45,000.00	(45,000.00)	0.00
300-4650-05	T&A Local Airfares - Research	49,735.60	(52,284.80)	(2,549.20)
300-4650-10	T&A Local Car Hire - Research	216,000.00	(139,504.17)	76,495.83
300-4650-20	T&A Local Hotel - Research	33,645.87	(25,709.86)	7,936.01
500-4650-05	T&A Local Airfares - Management	248,301.00	(244,281.80)	4,019.20
500-4650-10	T&A Local Car Hire - Management	143,560.03	(168,151.67)	(24,591.64)
500-4650-20	T&A Local Hotel - Management	227,503.40	(219,761.12)	7,742.28
600-4650-05	T&A Local Airfares - Board	270,264.17	(232,846.29)	37,417.88
600-4650-10	T&A Local Car Hire - Board	38,043.64	(35,908.58)	2,135.06
600-4650-20	T&A Local Hotel - Board	68,630.70	(65,167.47)	3,463.23
200-3320-01	Computer expense - Hardware maintenance	8,500.00	(7,538.48)	961.52
600-3230-10	Members Other Expenses	6,239.25	(5,239.25)	1,000.00
600-3230-05	Members Allowances	486,745.20	(395,154.00)	91,591.20
400-4310-10	Storage fees - Rent	17,898.60	(17,992.17)	(93.57)
400-3450-20	Depreciation - Motor Vehicle	10,187.23	(11,988.83)	(1,801.60)
200-4620-30	Hosting Services - Bandwidth	38,352.60	(62,663.79)	(24,311.19)
200-4620-20	ISP - Ion	0.00	(175.03)	(175.03)
200-4620-25	Hosting Services - Rental	15,477.30	(13,611.60)	1,865.70
200-4620-15	Telephone Non-voice	25,091.52	(23,519.76)	1,571.76
200-4620-10	ISP - Mweb	12,734.76	(14,446.75)	(1,711.99)
	TOTAL EXPENDITURE	20,828,500.00	(15,846,355.88)	4,982,144.12

MUNICIPAL DEMARCATION BOARD

Report of the Accounting Officer
for the year ended 31 March 2008

Chapter 4

Management Report

1. General review of the state of financial affairs

Details	2002/2003		2003/2004		2004/2005		2005/2006		2006/2007	
	R'000	%								
Income	16 109	100%	17 976	100%	26 884	100%	25 873	100%	19 707	100%
DPLG	11 670	72%	14 311	80%	22 523	84%	24 959	96%	16 827	85%
Donor	3 738	23%	3 165	18%	3 970	15%	650	3%	2 650	13%
Other	701	4%	500	3%	391	1%	264	1%	230	1%
Expenditure	20 465	100%	19 392	100%	28 767	100%	22 408	100%	20 578	100%
Administrative expenses	2 851	14%	6 486	33%	9 362	33%	5 786	26%	2 740	13%
Staff costs	4 719	23%	5 057	26%	7 520	26%	7 840	35%	6 994	34%
Audit fees	93	0%	268	1%	477	2%	578	3%	1 012	5%
Project expenses	8 181	40%	2 666	14%	6 072	21%	6 143	27%	4 019	20%
Foreign aid assistance paid	0	0%	3 165	16%	3 903	14%	647	3%	2 650	13%
Other operating expenses	3 667	18%	589	3%	933	3%	702	3%	2 435	12%
Depreciation and amortisation	954	5%	1 161	6%	500	2%	682	3%	639	3%
Finance costs	0	0%	0	0%	0	0%	30	0%	89	0%
(Deficit) / Surplus	-4 356	-27%	-1 416	-8%	-1 883	-7%	3 465	13%	-871	-4%

Financial management during the year

The MTEF allocation for the year increased by 7% to R20,664,000 compared to the previous financial year. The total expenditure is R15,778,000, resulting in a surplus of R 5,235,000. This is mainly ascribed to a reversal of provisions amounting of R 2,500,000. As at 31 March 2008, a total of R2,014,000 had been committed to various projects, include research and investigations.

2. Services rendered by the Board

The Board supplies to stakeholders maps showing municipal boundaries, as well as the SA Explorer on a compact discs on a cost to recover basis. Prices for maps are available for various sizes. A number of stakeholders have been provided maps or compact discs free of charge, at the discretion of the Manager: Municipal Demarcation Board.

3. Progress with addressing issues and queries raised by the Auditor-General in his 2005/06 report

In 2006/7, the Board received an unqualified report from the Auditor General. In his report the AG draw attention to some matters which are explained below.

- a) Material non-compliance with applicable legislation
"The procurement of certain consultants was not in accordance with Treasury Regulation 16A and the supply chain management practice notes issue by the National Treasury. As

MUNICIPAL DEMARCATION BOARD

Report of the Accounting Officer
for the year ended 31 March 2008

a result, irregular expenditure was incurred during the current and previous financial years.”

During the year, there has been considerable improvement of supply chain management. The Board has implemented proper policies and procedures regarding supply chain management. In addition, the procurement of consultants during 2007/8 was in accordance with Treasury regulations and supply chain management practices.

In case of internal controls in the finance cluster, the Auditor General noted non-compliance to Treasury Regulation 15.10.1.1. Management has implemented a bank and cash management policy. The requirement of this policy led to daily preparation and review of bank reconciliations.

b) SCOPA resolutions

The Auditor General noted that the Board had not implemented resolutions of the Fifteenth report of the Standing Committee on Public Accounts: Municipal Demarcation Board, dated 8 June 2005.

Management has implemented all resolutions as prescribed by the committee. These include improvement of IT security controls and supply chain management as detailed above.

c) Computer Information Systems

The Auditor General noted weakness in the IT environment amongst others, non-existence of a IT Steering Committee, disaster recovery plan and access security.

There has been notable improvement in this area. The Board established a IT Steering Committee which oversees and monitors the IT function. This committee comprises the Chief Executive Officer as the Chairman, Cluster Heads and IT Officials. Other developments include formulation and implementation of a disaster recovery plan, tightening of access controls and user account management.

Through its Audit Committee, the Board has been monitoring the implementation of audit recommendations. Significant progress has been made in addressing these issues.

5. **Trading Entities/Public Entities**

There are no trading entities and public entities under the control of the Board.

6. **Other organisations to whom transfer payments have been made**

None.

7. **Public/Private partnerships**

The Board has not entered into any such agreements.

8. **Corporate Governance Arrangements**

The Municipal Demarcation Board accepts that good corporate governance is essential to support the interests of its stakeholders. The Board therefore always aspires to conduct its business with integrity, and is committed to applying and enforcing appropriate corporate governance principles, policies and practices, in accordance with the guidelines of the King Report on Corporate Governance, 2002.

MUNICIPAL DEMARCATION BOARD

Report of the Accounting Officer
for the year ended 31 March 2008

An operating risk management committee is operational, and continues to review and manage the risks on a regular basis.

Furthermore, the Board conducted a formal review of corporate governance arrangements in 2006/07, to determine the extent to which we comply with requirements in this regard. The review indicated that our arrangements complied to a large extent. Since then we have, where we did not comply, take steps to rectify the situation, and we are now fully compliant.

Governance Structures are in place at the Board as follows:

8.1 The Board

The Municipal Demarcation Board ("the Board") is an independent and permanent institution while members of the Board are appointed for a term of five years.

Members of the Board, and the Chairperson and Deputy Chairperson are appointed by the President of the Republic of South Africa for a term. There is no limit to the number of terms a member of the Board may serve, but any reappointment of a member of the Board is subject to the conditions and procedures set out in section 8 of the Local Government: Municipal Demarcation Act, No 27 of 1998 ("Demarcation Act"). The Board must be impartial and perform its function without fear, favour or prejudice.

The functions and general powers of the Board are outlined in detail in the Local Government: Municipal Demarcation Act (Act 27 of 1998).

The Board operates either as a full Board, through its Chairperson, or through a number of its committees. A formal system is in place for government to evaluate Board member participation and performance.

8.2 The Chairperson: Municipal Demarcation Board

The President of the Republic of South Africa appoints one member of the Board as The Chairperson: Municipal Demarcation Board ("Chairperson"), to lead the Board in all aspects of it carrying out its mandate, for the duration of the term of the Board.

The President also appoints another member of the Board as the Deputy Chairperson: Municipal Demarcation Board ("Deputy Chairperson"), for the duration of the term of the Board.

The Deputy Chairperson acts as Chairperson if:

- The Chairperson is absent or unable to carry out the functions of the Chairperson;
- The position of Chairperson is vacant.

The Chairperson is delegated by the Board to do the following:

- Champion the Board's work and the implementation of its resolutions;
- Approve Board members claims and disbursements;
- Issue all official statements and Press releases for the Board, which shall be sent to all members of the Board prior to its release;
- Approve travel applications for Board members;
- Approve all requests by Board members with regard to training courses, seminars, meetings other than scheduled Board meetings, and any other request(s) to use Board resources that may be made by Board members;
- Together with Manager: Municipal Demarcation Board sign any contracts required for efficient and effective administration;
- Answer parliamentary questions;

MUNICIPAL DEMARCATION BOARD

Report of the Accounting Officer
for the year ended 31 March 2008

- Champion the drafting, maintenance and implementation of sound policies and procedures at the Board;
- Act as the Custodian-in-Chief of the Board's information and data bases;
- Facilitate the investigation of matters on behalf of the Board or EXCO;
- Facilitate preparations for Board and EXCO meetings, and ensure that all Board Meetings are duly convened and properly constituted.

8.3 The Manager: Municipal Demarcation Board

The Board appoints the Manager: Municipal Demarcation Board, to be the Chief Executive Officer and Accounting Officer for the Board.

The Manager: Municipal Demarcation Board ("Manager") holds office for an agreed upon term not exceeding five years, but which may be renewed, and subject to the terms and conditions applicable to the employees of the Board.

The roles of the Manager as Chief Executive and Accounting Officer are as follows:

As Chief Executive Officer

- Ensure efficient and effective administration
- Manage all employees
- Maintain discipline
- Carry out decisions of the Board
- Assign and re-assign functions between clusters and employees, in consultation with the Board, through the Chairperson.

As Accounting Officer

- Ensure proper financial controls
- Ensure effective, efficient, economical and transparent use of the resources of the Board.
- Ensure that funds are collected and managed properly and diligently
- Maintain assets and manage liabilities of the Board
- Comply with tax, levies, duty, pensions and audit commitments of the Board
- Settle debts and obligations within prescribed periods
- Report immediately unauthorised, irregular or fruitless and wasteful expenditure
- Take effective disciplinary steps against employees contravening provisions of the Demarcation Act, the Public Finance Management Act and other applicable legislation and/or policies.
- Ensure lawful transfer of funds
- Ensure propriety, regularity and value for money when policy proposals are considered
- Ensure proper management of the budget
- Ensure proper maintenance of records, financial statements and reporting
- Ensure proper delegations.

The Manager delegates aspects of his/her responsibilities to the Cluster Heads, but remains primarily responsible for the carrying out of those responsibilities.

8.4 Committees of the Board

- a. The Board may -
 - i) establish one or more committees to assist the Board in the performance of its function or the exercise of its powers; and
 - ii) may dissolve a committee at any time.
- b. The Board –
 - i) must determine the function of a committee;

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- ii) must appoint the members of a committee;
 - iii) must elect the Chairperson of the Committee;
 - iv) may authorise a committee to co-opt advisory members within limits determined by the Board;
 - v) may remove a member of a committee from office at any time; and
 - vi) may determine a committees procedure.
- c. When appointing members to a committee, the Board is not restricted to Board members.

All committees through which the Board operates derive their mandate from the Board. They are able to request whatever professional services are required for the performance of their mandate.

With the exception of the Management Committee and the Operating Risk Management Committee, all the committees of the Board meet with the concurrence of the Chairperson of the Board.

Decisions taken at all committee meetings, including the management committee and the operating risk management committee, must be recorded by way of formal minutes. All Board and Committee meetings are recorded electronically.

The Municipal Demarcation Board has the following committees:

i. The Management Committee

The Management Committee is responsible for strategy implementation and managing the day to day affairs of the Municipal Demarcation Board and its Clusters in accordance with the policies, procedures and objectives approved by the Board.

The Management Committee comprises:

- The Manager: Municipal Demarcation Board (Chief Executive Officer);
- Chief Financial Officer
- Head: Administration and Human Resources
- Head: GIS and IT
- Head: Research and Investigation

The Manager: Municipal Demarcation Board convenes meetings of the Management Committee to:

- Review progress with all projects that are being undertaken by the administration, identify and resolve all problems and issues that may impede progress;
- Consider and decide on all day to day matters with regard to:
 - Implementation of Board resolutions;
 - Office Administration;
 - Employment and deployment of Resources;
 - Adherence to policies and procedures;
 - Improvements to the work environment;
 - Concerns of staff members on various issues;
 - Budget Management;
 - Procurement of goods and services;
 - Compliance to relevant legislation and regulations;
 - Logistics for various Board-related events and work.

ii. The Operating Risk Management Committee

MUNICIPAL DEMARCATION BOARD

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for the year ended 31 March 2008

The Operating Risk Management Committee is responsible for identifying possible risks that the Board may face and the implementation of ways to mitigate those risks.

The Operating Risk Management Committee comprises:

- The Manager: Municipal Demarcation Board (Chief Executive Officer);
- Chief Financial Officer (Risk Officer)
- Head: Administration and Human Resources
- Head: GIS and IT
- Head: Research and Investigation
- Internal Auditors (By invitation)

iii. The Executive Committee

The Executive Committee oversees the strategic and operational activities of the Board, as implemented by management on a day to day basis.

The purpose of the Executive Committee is therefore to ensure that the Board functions efficiently and effectively, through a more regular interaction with the day to day activities of the Board, and making crucial and timeous decisions on behalf of the Board.

The Executive Committee comprises:

- The Chairperson: Municipal Demarcation Board;
- The Deputy Chairperson: Municipal Demarcation Board;
- Two other members of the Board;
- The Chairperson of the Audit Committee (Outside expert)
- The Manager: Municipal Demarcation Board (Ex-Officio)

The Chairperson: Municipal Demarcation Board or the Deputy Chairperson: Municipal Demarcation Board, as the case may be, convenes meetings of the Executive Committee.

The functions of the Executive Committee are to:

- Implement Board resolutions where functions of the Board have been delegated to EXCO and to the Chairperson.
- Oversee the administrative and financial arrangements of the Board, through interaction with the Manager.
- Do, with the concurrence of the Board, whatever is necessary to ensure effective and efficient implementation of the Demarcation Act, the Structures Act and other applicable legislation.
- Act as Selection Panel for all Senior Management Positions (Levels 1 & 2).

iv. The Corporate Services Committee

The Corporate Services committee oversees and reviews the overall operations and operational relations of the Board and its administration, and to make recommendations in this regard to the Board

The Committee evaluates the performance of all employees in its administration. It evaluates all senior management on its own, and works with the Manager to review the rest of the administration's performance.

The Corporate Services Committee comprises:

- Four members of the Board, with one as Committee Chairperson;
- The Manager: Municipal Demarcation Board (Ex-Officio).

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for the year ended 31 March 2008

The functions of the Corporate Services committee are to:

- sensitise the Manager about the importance of job descriptions
- ensure that every employee has a job description
- oversee and ensure that assessment methods are linked to job descriptions during assessment time
- act as a merit assessment committee and a moderating body to oversee assessment remarks
- oversee rank promotions of Board employees and be able to monitor objective implementation of that
- oversee the overall performance of the organisation
- periodically review the appropriateness of the organisational structure
- develop personal profiles of all employees of the Board
- ensure constant review of the conditions of service of employees and to monitor that management acts accordingly.
- monitor and review disciplinary actions taken in the organisation
- ensure that employees' service benefits conform to labour laws
- monitor the environment and capacity of the Board's organisation and to ensure that it is conducive for the Board to deliver desired outcomes
- oversee and make recommendations to the Board regarding the remuneration, allowances and other conditions of office of members of committees in terms of section 18 of the Demarcation Act.

v. The Audit Committee

The Audit Committee at the Board is responsible for improving management reporting by overseeing audit functions, internal controls and the financial reporting process. The Audit Committee has written terms of reference (the Audit Charter), which sufficiently describes its membership, authority and duties.

The Chairperson of the Audit Committee is an independent financial and audit expert who is not a member of the Board. The majority of the members of the Audit Committee at the Board are financially literate.

Duties of the Audit Committee at the Board include helping the Board and Management to comply with obligations under the Public Finance Management Act (PFMA) and providing a forum for communication between the Board Members, Senior Management and the Internal and External Auditors of the Board to ensure, *inter alia*, the adequacy of the Board's internal controls.

The Audit Committee comprises:

- A Chairperson - an independent accounting and auditing expert who is not a member of the Board;
- Three members of the Board, most of whom are financially literate;
- The Manager: Municipal Demarcation Board (Ex-Officio);
- The Chief Financial Officer (Ex-Officio);
- Representative(s) of the Internal Auditors (by invitation);
- Representative(s) of the External Auditors (by invitation).

vi. The Joint Boundaries/Powers & Functions Committee

The Boundaries Committee oversees and monitors the overall work programme of the Board around municipal boundary categorisation and re-determination, as well as Municipal Powers and Functions.

The committee comprises:

MUNICIPAL DEMARCATION BOARD

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for the year ended 31 March 2008

- Four members of the Board, with one as Committee Chairperson;
- Invited representation from the Department of Provincial and Local Government (DPLG), the South African Local Government Association (SALGA) and provincial departments of local government.

8.5 Meetings of the Board and its Committees

The Board and its committees meet regularly to attend to business at hand. Details of Board and Committee meetings during the period under review are as follows:

	Full Board		Executive Committee		Audit Committee		Corporate Services Committee		Joint Boundaries/ Powers & Functions Committee	
	M	A	M	A	M	A	M	A	M	A
Dr V Mlokoti (Chair)	5	4	4	4	4	2	3	2	3	1
Ms ME Letsoalo (Deputy Chair)	5	4	4	4			3	3	3	1
Ms N Gwayi	5	5			4	4			3	3
Mr LJ Mahlangu	5	5			4	4			3	1
Mr AM Mogale	5	3				3			3	2
Ms ME Molebatsi	5	5					3	3	3	1
Khosi TJ Ramovha	5	3			4	1	3	2	3	2
Prof NC Steytler	5	4	4	4			3	3	3	3
Dr MO Sutcliffe	5	3	4	3						
Mr JP Botha (Chair: Audit Committee) (Outside expert)	5	5	4	4	4	4				
Mr RH Monare (CEO) (Ex Officio)	5	4	4	4	4	4	3	2	3	2
Ms MD Zoller (Head: Admin & HR)	5	4	4	2	4	3	3	3		
Mr RM Somanje (CFO)		1			4	2		1		
Mr JF van Zyl (Acting CFO)					4	1				
Mr DKN Ligege (CFO)					4	1				
Mr RG Willemse (Head: Research)		3						1	3	3
Legend: M. Meetings convened. A. Attendance by Board Members and Staff										

8.6 Approval Framework

The Board has adopted a comprehensive set of policies and procedures, which outline an approval framework to govern the authorisation processes at the Board.

8.7 Language Medium

All documentation and/or correspondence of the Board will be in English, but reasonable requests may be directed to the Board to make documentation and/or correspondence available in any one of the official languages.

8.8 Batho Pele (People First) Principles

This is the service delivery flagship programme for the public service in South Africa. The programme applies to all constitutional institutions as well, and in this regard, the Board

MUNICIPAL DEMARCATION BOARD

Report of the Accounting Officer
for the year ended 31 March 2008

adheres to these principles. This programme is one of the government's initiatives to improve delivery in the public service.

For the transformation of public service delivery to succeed, Batho Pele requires service delivery principles be implemented. These principles highlight the need to:

- Regularly consult with customers
- Set service standards
- Increase access to services
- Ensure higher level of courtesy
- Provide more and better information about services
- Increase openness and transparency about services
- Remedy failures and mistakes; and
- Give the best possible value for money.

9. Internal Control Systems at the Municipal Demarcation Board

The internal control systems were introduced at the Board to provide management and the Board with comfort regarding the financial position of the Board, safeguarding of assets (including information) and compliance with related laws and regulations. Our internal auditors monitor the functioning of the internal control systems and make recommendations to management and to the Audit committee of the Board.

The Auditor General has considered our internal control systems as part of his audit and identified some deficiencies. All internal control systems do, however, have inherent shortcomings, including the possibility of human error and the evasion or flouting of control measures. Even the best internal control system may provide only partial assurance.

The Board's internal control and systems were designed to provide reasonable, and not absolute, assurance as to the integrity and reliability of the financial statements; to safeguard, verify and maintain accountability of its assets and to detect fraud, potential liability, loss and material misstatement, while complying with applicable laws and regulations.

The Board evaluated its internal control systems as at 31 March 2007 with specific regard to financial reporting and safeguarding of assets against unauthorised purchases or use. During the period under review, the internal control system found no material shortcomings which led to a material loss that should be reflected in the financial statements or the external report.

10. Internal Audit

The internal audit function is an independent appraisal mechanism which evaluates the Board's procedures and systems (including internal control, disclosure procedures and information system), ensuring that these are functioning effectively. During the year under review the Board appointed a new firm to undertake the internal audit function.

11. Discontinued Activities/activities to be discontinued

None.

12. Events after the reporting date

None.

13. Going Concern

MUNICIPAL DEMARCATION BOARD

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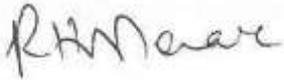
The financial statements have been prepared on the going concern basis, since there is every reason to believe that the Board has adequate resources to continue in operation for the foreseeable future.

14. Performance Information

The implementation of the PFMA was monitored during the period under review to ensure compliance. Performance information is presented on Chapter 2 of the Annual Report.

Approval

The annual financial statements are hereby approved by the Accounting Officer.



30 May 2008

**RH MONARE
ACCOUNTING OFFICER**

DATE

Report of the Audit Committee

We are pleased to present our report for the financial year ended 31 March 2008.

1. **Audit Committee members and Attendance**

The Audit Committee consists of the members listed below and meets at least four times per annum as per its approved Charter. During the year under review four meetings were held.

Name of Member	Number of meetings attended
Mr Johan P Botha (Chairperson)	4
Ms Nondumiso Gwayi (Deputy Chairperson)	4
Mr Landiwe J Mahlangu	4
Khosi Tshillo J Ramovha	1
Mr Mpho Mogale	3
Mr Rapulana H Monare (Chief Executive Officer)	4
Mr Richard M Somanje (Chief Financial Officer)	2
Mr Juan F van Zyl (Acting Chief Financial Officer)	1
Mr Dzivhuluwani KN Ligege (Chief Financial Officer)	1

2. **Audit Committee Responsibility**

The Audit Committee is satisfied that, it has complied with its responsibilities as outlined in Section 38(1)(a) of the Public Finance Management Act (No 1 of 1999, as amended by No 29 of 1999) and Treasury Regulation 3.1.13. The affairs of the Committee were regulated in compliance with the Audit Committee Charter and the responsibilities contained therein have been discharged efficiently.

3. **The Effectiveness of Internal Control**

The system of internal control was not entirely effective for the year under review, as compliance with Treasury Regulations was lacking in some instances. The following have been reported by the Auditor-General:

- Significant uncertainties with respect to approval requested for, but not having been obtained to retain the surplus in the financial year.
- Irregular expenditure due to tax clearance certificates not available for certain suppliers.
- Some material misstatements corrected that were not initially identified by the Board's control systems.
- Non Compliance of the internal audit function.
- Shortcomings in relation to the managing and reporting on performance information.

The Committee noted the various items raised by the Auditor-General, as well as responses from Management, that the findings are not a reflection on managerial deficiencies at the Board but rather as a result of:

- Delays from the side of National Treasury to provide approval for us to retain the surplus funds.
- Failure by the internal audit function, which was outsourced, to submit the work done in time to the Auditor General, and to fully comply with the internal audit function.
- The nature of the Board's performance information, which cannot be measured in conventional terms.

Management has confirmed that they will continue to pursue all issues that have been raised by the Auditor-General, to ensure that we are fully compliant at the next audit.

4. Evaluation of the Financial Statements

The Audit Committee has:

- Reviewed, suggested amendments where appropriate and discussed with the Auditor-General and the Accounting Officer the audited annual financial statements to be included in the annual report;
- Reviewed the Auditor-General's management letter and the management's responses thereto; and
- Reviewed all audit adjustments recommended and effected.

The Audit Committee accepts the conclusion of the Auditor-General on the Annual Financial Statements and is of the opinion that the audited Annual Financial Statements can be accepted and read together with the report of the Auditor-General.

MR JOHAN P BOTHA
CHAIRPERSON: AUDIT COMMITTEE

DATE

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Chapter 5

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION OF THE MUNICIPAL DEMARCATION BOARD FOR THE YEAR ENDED 31 MARCH 2008

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying financial statements of the Municipal Demarcation Board (MDB) which comprise the statement of financial position as at 31 March 2008, statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes as set out on pages 47 to 68.

Responsibility of the accounting officer for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the basis of accounting determined by the National Treasury, as set out in accounting policy note 1(b) to the financial statements and in the manner required by the Public Finance Management Act, 1999 (Act No 1 of 1999) (PFMA) and the Local Government Municipal Demarcation Act 1998, (Act no 27 of 1998). This responsibility includes:
 - designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error
 - selecting and applying appropriate accounting policies
 - making accounting estimates that are reasonable in the circumstances.

Responsibility of the Auditor-General

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 read with section 4 of the Public Audit Act, 2004 (Act No 25 of 2004) (PAA), my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with the International Standards on Auditing and *General Notice 616 of 2008*, issued in *Government Gazette No 31057 of 15 May 2008*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance on whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
6. An audit also includes evaluating the:
 - appropriateness of accounting policies used
 - reasonableness of accounting estimates made by management
 - overall presentation of the financial statements.
7. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Basis of accounting

8. The constitutional institution's policy is to prepare financial statements on the basis of accounting determined by the National Treasury, as set out in accounting policy note b, to the financial statements.

Opinion

9. In my opinion the financial statements present fairly, in all material respects, the financial position of the Municipal Demarcation Board as at 31 March 2008 and its financial performance and cash flows for the year then ended, in accordance with the basis of accounting determined by the National Treasury, as set out in accounting policy note b, to the financial statements and in the manner required by the PFMA.

Emphasis of matter

Without qualifying my audit opinion, I draw attention to the following matter:

Significant uncertainties

10. As disclosed in note 33 of the financial statements the MDB has requested approval from the National Treasury to retain surplus funds, to date no approval has been obtained. It is uncertain which portion of the surplus funds, if any, will have to be surrendered.

OTHER MATTERS

Without qualifying my audit opinion, I draw attention to the following matters that relates to my responsibilities in the audit of the financial statements:

Matters of governance

11. The PFMA tasks the accounting officer with a number of responsibilities concerning financial and risk management and internal control. Fundamental to achieving this is the implementation of certain key governance responsibilities, which I have assessed as follows:

Matter of governance	Yes	No
Audit committee		
• The constitutional institution had an audit committee in operation throughout the financial year.	✓	
• The audit committee operates in accordance with approved, written terms of reference.	✓	
• The audit committee substantially fulfilled its responsibilities for the year, as set out in section 77 of the PFMA and Treasury Regulation 3.1.10.	✓	
Internal audit		
• The constitutional institution had an internal audit function in operation throughout the financial year.	✓	
• The internal audit function operates in terms of an approved internal audit plan.	✓	
• The internal audit function substantially fulfilled its responsibilities for the year, as set out in Treasury Regulation 3.2.		✓
Other matters of governance		
The annual financial statements were submitted for audit as per the legislated deadlines (section 40 of the PFMA for departments and constitutional institutions).	✓	
The financial statements submitted for audit were not subject to any material amendments resulting from the audit.		✓

Matter of governance	Yes	No
No significant difficulties were experienced during the audit concerning delays or the unavailability of expected information and/or the unavailability of senior management.		✓
The prior year's external audit recommendations have been substantially implemented.	✓	

OTHER REPORTING RESPONSIBILITIES

REPORT ON PERFORMANCE INFORMATION

12. I have reviewed the performance information as set out on pages 19 to 25.

Responsibility of the accounting officer for the performance information

13. The accounting officer has additional responsibilities as required by section 40(3)(a) of the PFMA to ensure that the annual report and audited financial statements fairly present the performance against predetermined objectives of the constitutional institution.

Responsibility of the Auditor-General

14. I conducted my engagement in accordance with section 13 of the PAA read with *General Notice 616 of 2008*, issued in *Government Gazette No 31057 of 15 May 2008*.

15. In terms of the foregoing my engagement included performing procedures of an audit nature to obtain sufficient appropriate evidence about the performance information and related systems, processes and procedures. The procedures selected depend on the auditor's judgement.

16. I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for the audit findings reported below.

Audit findings (performance information)

Non-compliance with regulatory requirements

17. The strategic plan of the MDB did not include the measurable objectives, expected outcomes, programme outputs, indicators (measures) and targets of the entity's programmes as required by Treasury Regulation 5.2.3(d).

Lack of sufficient appropriate audit evidence

18. I could not obtain sufficient appropriate audit evidence for 10 of the 22 actual achievements reported for strategic theme one and two.

APPRECIATION

19. The assistance rendered by the staff of the Municipal Demarcation Board during the audit is sincerely appreciated.

Auditor-General

Pretoria
29 July 2008



AUDITOR - GENERAL

MUNICIPAL DEMARCATION BOARD

Statement of Financial Performance

for the year ended 31 March 2008

		31/03/2008	31/03/2007
	Notes	R'000	R'000
Revenue	<u>2</u>	43	72
Sale of goods		43	72
Grants and transfers	<u>3</u>	20,664	16,827
Foreign aid assistance received	<u>4</u>	0	2,650
Other income	<u>5</u>	315	141
TOTAL REVENUE		21,022	19,690
(Loss)/gain on disposal of assets	<u>6</u>	(17)	17
Administrative expenses	<u>7</u>	(671)	(2,740)
Employee benefits	<u>8</u>	(6,800)	(6,994)
Audit Fees	<u>9</u>	(932)	(1,012)
Project expenses	<u>10</u>	(4,093)	(4,019)
Foreign aid assistance paid	<u>11</u>	0	(2,650)
Other operating expenses	<u>12</u>	(2,586)	(2,435)
Depreciation and Amortisation	<u>13</u>	(625)	(639)
Finance costs		(139)	(89)
TOTAL EXPENDITURE		(15,846)	(20,578)
SURPLUS / (DEFICIT) FOR THE PERIOD		5,159	(871)

THE MUNICIPAL DEMARCATION BOARD

Statement of Financial Position

as at 31 March 2008

	Notes	31/03/2008 R'000	31/03/2007 R'000
ASSETS			
Current assets			
Inventory	<u>14</u>	75	80
Receivables	<u>15</u>	0	2
Prepayments and advances	<u>16</u>	29	107
Cash and cash equivalents	<u>17</u>	7,185	4,463
		7,289	4,652
Non-current assets			
Property, plant and equipment	<u>18</u>	987	1,381
Intangible assets	<u>19</u>	238	301
		1,225	1,682
TOTAL ASSETS		8,514	6,334
LIABILITIES			
Current liabilities			
Payables	<u>20</u>	1,933	3,506
Provisions	<u>21</u>	460	534
Deferred income	<u>22</u>	0	1,247
Finance lease obligations: current		100	86
		2,493	5,373
Non-current liabilities			
Finance lease obligations: non-current	<u>23</u>	0	99
Total Liabilities		2,493	5,472
Net assets		6,021	862
NET ASSETS			
Accumulated Surplus	<u>24</u>	6,021	862
Total net assets		6,021	862

THE MUNICIPAL DEMARCATION BOARD

Statement of Changes in Net assets

for the year ended 31 March 2008

	Notes	31/03/2008
		R'000
	<u>24</u>	
Accumulated surplus (Deficit)		
Balance at 31 March 2006		2,106
Correction of Prior Year error		(373)
Restated balance		1,733
Deficit for 31 March 2007 as previously stated		(831)
Prior year error		(40)
Restated deficit for 31 March 2007		(871)
Restate balance at end of period		862
Surplus for the period		5,159
Balance at end of period		6,021

THE MUNICIPAL DEMARCATION BOARD

Cash Flow Statement

for the year ended 31 March 2008

	Notes	31/03/2008 R'000	31/03/2007 R'000
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts		21,022	19,690
Sales of goods		43	72
Grants		20,664	16,827
Interest received		299	138
Other receipts		16	2,653
Payments		(18,045)	(23,075)
Employee costs		(6,800)	(6,994)
Suppliers		(11,106)	(15,992)
Interest paid		(139)	(89)
Net cash generated from operating activities	<u>25</u>	2,977	(3,385)
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds on disposal of property, plant and equipment		16	44
Acquisition of property, plant and equipment		(186)	(194)
Acquisition of intangible assets		0	(277)
Net cash flows from investing activities		(170)	(427)
CASH FLOW FROM FINANCING ACTIVITIES			
Repayments of finance lease obligations		(85)	(77)
Net cash flows from financing activities		(85)	(77)
Net increase/(decrease) in cash and cash equivalents		2,722	(3,889)
Cash and cash equivalents at the beginning of the year	<u>19</u>	4,463	8,352
Cash and cash equivalents at end of the period		<u>7,185</u>	<u>4,463</u>

1. Accounting Policies

The annual financial statements have been prepared on the historic cost basis, except for the measurement of certain financial instruments at fair value, and include the following accounting policies, which in all material aspects, are consistent with those applied in previous years, except as otherwise indicated.

a. Reporting entity

These financial statements are for the Municipal Demarcation Board. The financial statements encompass the reporting as specified in the relevant legislation (Public Finance Management Act, Act No 1 of 1999 as amended).

b. Basis of preparation

The financial statements have been prepared in accordance with the South African Statements of Generally Accepted Accounting Practices (GAAP) including any interpretations of such Statements issued by the Accounting Practices Board, with the effective Standards of Generally Recognised Accounting Practices (GRAP) issued by the Accounting Standards Board replacing the equivalent GAAP Statement as follows:

Standard of GRAP

GRAP 1: Presentation of financial statements

GRAP 2: Cash flow statements

GRAP 3: Accounting policies, changes in accounting estimates and errors

Replaced Statement of GAAP

AC101: Presentation of financial statements

AC118: Cash flow statements

AC103: Accounting policies, changes in accounting estimates and errors

Currently the recognition and measurement principles in the above GRAP and GAAP Statements do not differ or result in material differences in items presented and disclosed in the financial statements. The implementation of GRAP 1, 2 & 3 has resulted in the following changes in the presentation of the financial statements:

1. Terminology differences:

Standard of GRAP

Statement of financial performance

Statement of financial position

Statement of changes in net assets

Net assets

Surplus/deficit

Accumulated surplus/deficit

Contributions from owners

Distributions to owners

Replaced Statement of GAAP

Income statement

Balance sheet

Statement of changes in equity

Equity

Profit/loss

Retained earnings

Share capital

Dividends

2. The cash flow statement can only be prepared in accordance with the direct method.

3. Specific information has been presented separately on the statement of financial position such as:

a. Receivables from non-exchange transactions, including taxes and transfers;

b. Taxes and transfers payable;

c. Trade and other payables from non-exchange transactions;

4. Amount and nature of any restrictions on cash balances is required.

Paragraph 11 – 15 of GRAP 1 has not been implemented due to the fact that the local and international budget reporting standard is not effective for this financial year. Although the

inclusion of budget information would enhance the usefulness of the financial statements, non-disclosure will not affect the objective of the financial statements.

c. Standards issued not yet effective

During the year, the following accounting standards of Generally Recognised Accounting Principles (GRAP) were issued, but not yet effective.

GRAP 4 - The Effects of changes in Foreign Exchange Rates

GRAP 5 - Borrowing Costs (not applicable)

GRAP 6 - Consolidated and Separate Financial Statements (not applicable)

GRAP 7 - Investments in Associate (not applicable)

GRAP 8 - Interest in Joint Ventures (not applicable)

GRAP 9 - Revenue from Exchange Transactions

GRAP 10 - Financial Reporting in Hyperinflationary Economies (not applicable)

GRAP 11 - Construction Contracts (not applicable)

GRAP 12 - Inventories

GRAP 13 - Leases

GRAP 14 - Events after the reporting date

GRAP 16 - Investment Property (not applicable)

GRAP 17 - Property Plant and Equipment

GRAP 18 - Segment Reporting (not applicable)

GRAP 19 - Provisions, Contingent Liabilities and Contingent Assets

GRAP 23 - Revenue from Non-exchange Transactions (Taxes and Transfers)

GRAP 24 - Presentation of Budget Information in Financial Statements

GRAP 100 - Non-current Assets held for Sale and Discontinued Operations

GRAP 101 - Agriculture (not applicable)

GRAP 102 - Intangible Assets

Management believes that the adoption of these standards in future periods will have no material impact on the financial statements of the Board as most of them are irrelevant and those that are relevant are to a greater extent similar in application and disclosure as the GAAP standards applied currently.

The date of application of the standards issued but not yet effective as determined by the Minister of Finance is for annual periods beginning on or after April 2009.

d. Reporting currency

These financial statements are presented in South Africa Rand as it is the currency of the primary economic environment in which the entity operates.

e. Critical accounting estimates and judgments in applying accounting policies

The Board makes estimates and assumptions that affect the reported amounts of assets and liabilities within the current and subsequent financial years. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There does, however, not appear to be a significant risk that these assumptions will cause significant adjustments to the carrying amount of assets and liabilities within the subsequent financial years.

f. Revenue recognition

Revenue is recognised when it is probable that future economic benefits will flow to the Board and these benefits can be measured reliably. Revenue from the sale of goods is recognised when significant risks and rewards of ownership of the goods have been transferred to the buyer.

g. Interest income

Revenue is recognised as interest accrues using the effective interest rate.

h. Property, plant and equipment

Property, plant and equipment are initially recognised at cost price. Property, plant and equipment are subsequently measured at historical cost less accumulated depreciation and accumulated impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Board and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Some plant & equipment and Motor vehicle are depreciated after taking into account their respective residual values. Property, plant and equipment are depreciated on a straight line basis over their estimated useful, which are as follows:

Plant and equipment	5 - 12 years
Vehicles	5 years
Computer Equipment	3 - 9 years
Furniture and Fittings	10 years

At each reporting date, the residual values and useful lives of all property, plant and equipment are reviewed and adjusted if necessary.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses arising from the disposal or retirement of assets are determined by comparing proceeds with the carrying amount. These are included in the statement of financial performance.

Depreciation is charged to statement of financial performance.

i. Prior year errors

The Board shall correct material prior year errors retrospectively in the first set of financial statements authorised for issue after their discovery by:

- i) Restating the comparative amounts for the prior year(s) presented in which the error occurred; or
- ii) If the error occurred before the earliest prior year presented, restating the opening balances of assets, liabilities and accumulated surplus for the prior year presented.

j. Inventories

Inventories are assets held in the form of materials or supplies to be consumed in the production process or in the rendering of services. The cost of inventories shall comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Inventories are valued at the lower of cost or net realizable value. The cost of inventories shall be assigned by using weighted average cost formula.

k. Intangible assets

Intangible assets are amortised on a straight-line basis over their useful lives. After initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses. The amortisation period, amortisation method and residual value is reviewed at each financial year end. The residual value of intangible assets is assumed to be zero.

Computer software is stated at amortised cost and is amortised on a straight-line method over the estimated useful life of eight years.

l. Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Board as a lessee

Assets held under finance leases are recognised as assets of the Board at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to surplus or deficit for the period.

Capitalised lease assets are depreciated in accordance with the accounting policy applicable to property, plant and equipment.

Rentals payable under operating leases are charged to the statement of financial performance on a straight-line basis over the term of the lease.

m. Irregular and fruitless and wasteful expenditure

Irregular expenditure means expenditure incurred in contravention of, or not in accordance with, a requirement of any applicable legislation, including:

The PFMA

Fruitless and wasteful expenditure means expenditure that was made in vain and would have been avoided had reasonable care been exercised.

All irregular and fruitless and wasteful expenditure is charged to the statement of financial performance in the period in which they are incurred.

n. Financial instruments

Recognition

Financial assets and financial liabilities are recognised on the Board's statement of financial position when the Board becomes a party to the contractual provisions of the instrument.

Measurement

Financial instruments are initially measured at fair value, which includes transaction costs. Subsequent to initial recognition these instruments are measured as set out below.

Financial assets

The Board's principle financial assets are trade receivables and cash and cash equivalents. The financial assets are subject to review for impairment at each reporting date.

Financial liabilities

The Board's principle financial liabilities are trade payables and a finance lease.

Trade payables

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

Cash and cash equivalents

The carrying amount of cash and cash equivalents approximates fair value due to the relatively short-term maturity of these financial assets and financial liabilities.

Trade receivables

Trade receivables are stated at their nominal value reduced by appropriate allowances for estimated irrecoverable amounts. Trade receivables are not amortised due to immaterial balance.

o. Provisions

Provisions are recognised when the entity has a present obligation as a result of a past event, and it is probable that it will be required to settle that obligation. Provisions are measured using an estimate of the expenditure required to settle that obligation at reporting date, and are discounted to present value where the effect is material.

p. Impairment of assets

At each reporting date, the Board reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of an asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognized as income immediately.

q. Government grants

Government grants relating to foreign donor funding are recognised at their fair value when it is probable that future economic benefits will flow to the Board and these benefits can be measured reliably. When the grants relates to an expense item, it is recognised as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grants are unspent during the period under review, the fair value is credited to a deferred income and is released to the income statement when the expenditure has been incurred.

A government grant that becomes receivable for the purpose of giving immediate financial support to the Board with no future related costs shall be recognised as income once reasonable assurance has been obtained that all conditions of the grants have been complied with.

r. Comparative figures

Where necessary, comparative figures have been adjusted to conform to changes in presentation of current year items.

s. Short term employee benefits

The cost of short-term employee benefits (those payable within 12 months after service is rendered) such as, leave pay and bonuses are recognised in the period in which the service is rendered and is not discounted. The expected cost of short-term accumulating compensated absences is recognised as an expense as the employees render services that increases their entitlement or, in the case of non-accumulating absences, when the absences occur.

The expected cost of performance bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Provisions for leave pay and performance bonuses are recognised as a liability in the financial statements.

MUNICIPAL DEMARCATION BOARD

Notes to the Annual Financial Statements
for the year ended 31 March 2008

1 Financial Risk Management

The Board's activities expose it to some forms of risk. Although the exposure to financial risk is minimal, the following are risk categories and factors considered by management in preparation of the financial statements.

a. Credit risk

Credit risk is the risk that a party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The trading activities of the Board that could result in a financial instrument would be trade receivable originating from sale of maps and cash held with financial institutions.

Exposure to credit risk

R'000	2008	2007
Cash and cash equivalents*	7,185	4,463
Other receivables	0	2
Total	7,185	4,465

* Cash held with a registered bank in the Republic of South Africa

Concentration of credit risk

R'000	Neither past due nor impaired	Past due but not impaired	Carrying amount
2008			
Cash and cash equivalents	7,185	0	7,185
Other receivables	0	0	0
2007			
Cash and cash equivalents	4,463	0	4,463
Other receivables	2	0	2

b. Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Board operates primarily in South Africa, due to the nature of its activities the Board is not exposed to material currency risk.

c. Interest rate risk

Interest rate risk relates to fluctuation of fair value or future cash flows of financial instruments as a result of changes in market rates. The Board is party to finance lease agreement which is linked to a floating rate i.e. prime. The effect of changes to the market rates is as indicated on the sensitivity analysis.

Sensitivity analysis

Amounts in Rand	Change in interest rate	Increase or (Decrease) in net surplus for the year	
		Upward change	Downward change
2008			
Finance lease	1%	(686)	669
2007			
Finance lease	1%	(1,667)	1,641

d. Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. Management regularly reviews the Board's going concern. This includes reviewing the effectiveness of working capital management and budgetary control.

The following table indicates the maturity analysis for financial liabilities showing the remaining earliest contractual maturities.

R'000	Carrying amount	Due within 1 year	Due between 1 and 5 years
2008			
Finance lease	100	100	0
Other financial liabilities	1,933	1,933	0
2007			
Finance lease	185	85	100
Other financial liabilities	3,506	3,506	0

e. Financial instruments

Financial instrument	Classification	Carrying amount 2008 (R'000)	Carrying amount 2007 (R'000)
Cash and cash equivalents	Loans and receivables	7,185	4,463
Receivables	Loans and receivables	0	2
Payables	Financial liabilities	1,933	3,506
Finance leases	Financial liabilities measured at amortised cost	100	185

MUNICIPAL DEMARCATION BOARD

Notes to the Annual Financial Statements
for the year ended 31 March 2008

	31/03/2008	31/03/2007
	R'000	R'000
2 Revenue		
Sale of goods	43	72
Total	43	72
3 Grants and transfers		
National Departments	20,664	16,827
Total	20,664	16,827
4 Foreign aid assistance		
Foreign aid assistance received	<u>Annexure 1A</u> 0	2,650
5 (Loss) / Gain on disposal of assets		
(Loss) / Gain on sale of property, plant and equipments	(17)	17
Total	(17)	17
6 Other income		
Sundry income	16	3
Interest received	299	138
Total	315	141
7 Administrative expenses		
General and administrative expenses	988	509
Advertisement	115	63
Publications, Notices and gazette	<u>7.1</u> (1,797)	450
Telephone	227	266
Insurance	176	163
Members allowances	<u>29</u> 412	717
Internal audit fees	242	271
Legal fees	8	9
Stationery and printing	116	57
Venue and facilities	114	115
Bank charges	12	13
Training and staff development	58	107
Total	671	2,740

7.1 The amount is a reversal of provision for payables.

		31/03/2008	31/03/2007
		R'000	R'000
8 Employee benefits			
Wages and salaries		4,659	4,903
Basic salaries		2,029	3,192
Other non-pensionable allowance		2,109	1,182
Temporary staff		0	15
Leave payments		149	99
Overtime pay		0	2
Performance awards		372	413
Full Time Members'	<u>29</u>	1,955	1,915
Social contributions (Employer's contributions)		186	176
UIF		28	28
Other salary related costs		158	148
Total		6,800	6,994
9 Audit Fees			
Statutory audit		932	1,012
Total		932	1,012
10 Project expense			
Ward delimitation		-	-
Capacity assessment		3,926	3,611
Consulting fees		167	408
Total		4,093	4,019
11 Foreign aid			
Foreign aid assistance paid	<u>Annexure 1B</u>	0	2,650
Total		0	2,650
12 Other operating expenses			
License renewal		215	293
Travel and subsistence		1,297	942
Courier and delivery charges		50	72
Maintenance, repairs and running costs			
- Machinery and Equipment		28	103
Fruitless and wasteful expenditure	<u>28</u>	0	0
Rentals in respect of operating leases (minimum lease payments)			
- Buildings		929	929
- Plant, machinery and equipment		67	96
Total		2,586	2,435
13 Depreciation and Amortisation	<u>18/19</u>		
- Intangible assets		63	51
- Plant, machinery and equipment		189	168
- Vehicles		13	11
- Computer equipment and peripherals		302	351
- Office furniture and fittings		58	58
Total		625	639

	31/03/2008 R'000	31/03/2007 R'000
14 Inventories		
Opening inventory	80	5
Additions for the period	72	116
Utilized for the period	(77)	(41)
Balance at end of period	75	80
Consumables	23	49
Stationery	52	31
	75	80
15 Receivables		
Receivables	0	2
Amount due by employees	0	87
Provision for doubtful debts	0	(87)
Net carrying amount at end of period	0	2
16 Prepayments and Advances		
Prepayments	0	77
Deposits	21	21
Advance	8	9
Balance at end of period	29	107
17 Cash and cash equivalents		
Cash at bank	7,185	3,240
Administered funds	0	1,223
	7,185	4,463
For the purposes of the cash flow statement: Cash and cash equivalents at the beginning of the year	4,463	8,352
18 Property, plant and equipment		
Office equipment: Owned Assets		
Opening net carrying amount	495	663
Gross carrying amount	1,099	1,176
Accumulated depreciation	(604)	(513)
Additions	74	5
Disposals	(11)	(5)
Depreciation charge	(189)	(168)
Prior year error	(3)	0
Net carrying amount at end of period	366	495
Gross carrying amount	1,173	1,099
Accumulated depreciation	(807)	(604)
Office equipment: Capitalised finance lease		
Opening net carrying amount	184	251
Cost	334	334
Accumulated Depreciation	(150)	(83)
Depreciation	(67)	(67)
Net carrying amount at end of period	117	184
Gross carrying amount	334	334
Accumulated depreciation	(217)	(150)

	31/03/2008 R'000	31/03/2007 R'000
Motor vehicle		
Opening net carrying amount	137	148
Gross carrying amount	151	151
Accumulated depreciation	(14)	(3)
Accumulated impairment losses	0	0
Additions	0	151
Depreciation charge	(13)	(11)
Net carrying amount at end of period	124	137
Gross carrying amount	151	151
Accumulated depreciation	(27)	(14)
Computer equipment and peripherals		
Opening net carrying amount	550	735
Gross carrying amount	1,551	1,942
Accumulated depreciation	(1,001)	(1,207)
Accumulated impairment losses	0	0
Additions	110	187
Disposals	(4)	(21)
Depreciation charge	(302)	(351)
Recoupment of depreciation	0	0
Net carrying amount at end of period	354	550
Gross carrying amount	1,661	1,551
Accumulated depreciation	(1,307)	(1,001)
Office furniture and fittings		
Opening net carrying amount	199	256
Gross carrying amount	577	576
Accumulated depreciation	(378)	(320)
Accumulated impairment losses	0	0
Additions	2	2
Disposals	0	(1)
Depreciation charge	(58)	(58)
Net carrying amount at end of period	143	199
Gross carrying amount	579	577
Accumulated depreciation	(436)	(378)
TOTAL PROPERTY, PLANT AND EQUIPMENT		
Opening net carrying amount	1,381	1,802
Gross carrying amount	3,378	3,845
Accumulated depreciation	(1,997)	(2,043)
Accumulated impairment losses	0	0
Additions	186	194
Disposals	(15)	(27)
Depreciation charge	(562)	(588)
Plant and equipment – Prior year error	(3)	0
Computer equipment – Recoupment of depreciation	0	0
Net carrying amount at end of period	987	1,381
Gross carrying amount	3,564	3,378
Accumulated depreciation	(2,577)	(1,997)

	31/03/2008	31/03/2007
	R'000	R'000
Depreciation Charge	<u>13</u>	
Office equipment	(189)	(168)
Vehicles	(13)	(11)
Computer equipment and peripherals	(302)	(351)
Office furniture and fittings	(58)	(58)
Total	<u>(562)</u>	<u>(588)</u>
19 Intangible Assets		
Computer software		
Opening net carrying amount	301	77
Gross carrying amount	425	235
Accumulated amortisation	(124)	(158)
Accumulated impairment losses	0	0
Additions	0	277
Amortisation	(63)	(51)
Net carrying amount at end of period	238	301
Gross carrying amount	425	425
Accumulated depreciation	(187)	(124)
20 Payables		
Payables	1,179	363
Accruals	754	3,143
Expenses	427	2,730
Bonus	327	413
Balance at end of period	<u>1,933</u>	<u>3,506</u>
21 Provisions		
Salary and related expense provision		
Opening balance	534	500
Utilisation of provisions during the year	(164)	(99)
Provisions made during the year	90	133
Sub Total	<u>460</u>	<u>534</u>
Nature of the provision		
This provision results from leave days due to employees as at 31/03/2008.		
22 Deferred income		
Current portion	0	1,247
In terms of Article 9 of the agreement between The Government of the Kingdom of Denmark and the Municipal Demarcation Board (MDB) on local services boundary alignment, any unspent part of the grant, including any interest accrued, must be repaid at the same time as the final audited accounts are submitted to the Embassy.		
As at 31 March 2008, an amount of R1,247 was repaid to the Government of the Kingdom of Denmark		
23 Finance lease obligation		
Long term liability	0	183
Short term portion	100	(84)
Balance at end of period	<u>0</u>	<u>99</u>

31/03/2008
R'000

31/03/2007
R'000

Reconciliation of minimum lease payments: Finance lease

At the reporting date the Board had outstanding commitments under finance lease obligations, which fall due as follows:

Payable within 1 year	108	105
Payable from 1 to 5 years	0	108
	108	213
Less interest portion	(8)	(28)
Present value of lease liability	100	185
Payable within 1 year	100	86
Payable from 1 to 5 years	0	99

The Board has entered into lease arrangement with a service provider for the rental of office equipment over the period of four years at an effective interest rate of 11% per annum linked to a prime lending rate.

24 Accumulated surplus (Deficit)

Balance at 31 March 2006	2,106	(1,945)
Correction of prior year error	(373)	106
Restated balance	1,733	(1,839)
(Deficit)/Surplus for the period as previously stated	(831)	3,465
Correction of prior year error	(40)	480
Restated balance at end of period	862	2,106
Surplus / (Deficit) for the period	5,159	(1,244)
Balance at end of period	6,021	862

Effect on opening accumulated deficit

Nature of prior year error	
Reversal of over provision of depreciation	0
Re-instating of debtor previously written	0
Correction of recurring expenses	0
Re-instating inventory	0
Correction of 2005/6 error - performance bonus	373
Correction of 2006/7 error - performance bonus	40
	413

Prior year errors

During 2005/6 and 2006/7, provision for performance bonus were not recognised in those respective financial years. These errors were identified, quantified and corrected by restating accumulated surplus during the current. Comparative figures were also restated. The effect of the changes is detailed above.

Financial Report Line Item/Balances Affected

Statement of Financial Performance Extract

Expenses	
Increase in Employee benefits	(40)
Accumulated deficit	(40)

Statement of Financial Position Extract

Current Liabilities	
Increase in Payables	40
Total Current Liabilities	40

31/03/2008
R'000

31/03/2007
R'000

For prior periods not presented i.e. financial year 2005/06, an error occurred as a result of not recognizing a provision for performance bonus. The correction was made retrospectively. The effect of the correction on the financial statements is a decrease in accumulated surplus and an increase in current liabilities amounting to R373,000.

25 Reconciliation of surplus /(deficit) before taxation to cash generated from /(utilized in) operation

Surplus/(deficit) for the period	5,159	(871)
Adjusted for:		
- Depreciation on property, plant and equipment	562	588
- Amortisation of intangible assets	63	51
- Gains on sale of property, plant and equipment	17	(17)
- Proceeds from insurance	(16)	
- Increase/(decrease) in provisions	(74)	34
- Increase / (decrease) in borrowings		(84)
- Deferred income	(1,247)	(2,587)
Operating cash flows before working capital changes	4,464	(2,886)
Working capital changes	(1,487)	(499)
- (Increase)/ decrease in inventory	5	(75)
- Decrease/(increase) in receivables	80	(4)
- Increase/(decrease) in payables	(1,572)	(420)
Cash generated from operations	2,977	(3,385)

26 Operating lease arrangements

The Board as lessee

At the reporting date the Board had outstanding commitments under non-cancelable operating leases, which fall due as follows:

Up to 1 year	1,007	929
1 to 5 years	0	1,007
More than 5 years		
	1,007	1,936

27 Capital commitments

Commitment for the acquisition of intangible assets

- Unrecognised contractual commitments	2,014	-
Total future capital commitment	2,014	

28 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure – current year	-	-
---	---	---

29 Members' emoluments

Fulltime Chairperson DR V MLOKOTI	765	746
- Salary (as determined by the Minister: PLG)	765	746

	31/03/2008 R'000	31/03/2007 R'000
CEO: Municipal Demarcation Board MR RH MONARE	711	621
- Salary (as determined by the Board)	711	621
CFO: Municipal Demarcation Board MR RM SOMANJE (resigned 28/09/2007)	351	548
- Salary (as determined by the Board)	351	548
CFO: Municipal Demarcation Board MR DKN LIGEGE (appointed 02/01/2008)	128	0
- Salary (as determined by the Board)	128	0
Sub-Total	1,955	1,915
Part-time Board and Committee Members		
name of member: MS ME LETSOALO	49	96
- Allowances (as determined by the Minister) PLG)	49	96
name of member: MS ME MOLEBATSI	37	88
- Allowances (as determined by the Minister: PLG)	37	88
name of member: PROF NC STEYLER	54	86
- Allowances (as determined by the Minister: PLG)	54	86
name of member: MR AM MOGALE	25	88
- Allowances (as determined by the Minister: PLG)	25	88
name of member: KHOSI TJ RAMOVHA	45	94
- Allowances (as determined by the Minister: PLG)	45	94
name of member: MS N GWAYI	49	101
- Allowances (as determined by the Minister: PLG)	49	101
name of member: MR LJ MAHLANGU	48	88
- Allowances (as determined by the Minister: PLG)	48	88
name of member: MR JP BOTHA (Chairperson of the Audit Committee)	105	76
- Allowances (as determined by the Board)	105	76

	31/03/2008 R'000	31/03/2007 R'000
name of member: DR MO SUTCLIFFE	0	0
- Allowances (as determined by the Minister: PLG)	0	0
Full time member	1,955	1,915
Part time member	412	717
Total Members' emoluments	2,367	2,632

30 **Related party transactions**

Transaction with related parties are summarised below.

Key management are individuals who have authority and responsibility for planning, directing and controlling the activities of the Board, directly or indirectly. These are members of the Board and senior management. Transactions with key management are disclosed in note 29.

Trading transactions

During the year, the Board entered into the following trading transaction with related parties.

Botha Rekenmeesters, is an accounting firm which during the current financial year contracted to the Board. The Chairperson of the Audit Committee, Mr JP Botha has interest in the firm.

Related Parties	Expenses		Balances owed to related parties	
	31/03/2008	31/03/2007	31/03/2008	31/03/2007
	R'000	R'000	R'000	R'000
Transactions with Botha Rekenmeesters	75	0	0	0

The expenses incurred were due to a contractual agreement entered into by and between the Board and Botha Rekenmeesters, to provide an acting Chief Financial Officer from the period 25 September 2007 to 31 December 2007.

31 **Irregular expenditure**

Finance lease

The irregular expenditure arose as a result of a lease being entered into where substantially all risks and rewards incidental to ownership were transferred. This is synonymous with the definition of a finance lease as defined in the South African Statements of Generally Accepted Practice IAS 17 – Leases and Treasury Regulation 13.2.2. The intention of management was to acquire the use of an asset for an agreed period through the payment of a series of rentals. The amounts involved are R104,996 and R102,825 (2007) made up of interest and capital repayment. The interest expense portion is R19,893 and R26,710 (2007).

On 12 June 2008, National Treasury granted the approval in terms of the Treasury Regulation (Paragraph 32.2.5(b)) and Practice note 5 of 2006/7 for the board to retain the existing finance lease agreement in respect of the photocopier machine until the expiry date of the lease.

Non-compliance with Supply chain management practices

a. Tax clearance certificates

In terms of the National Treasury practice note 8 of 2007/2008, the accounting officer/authority must be in possession of an original tax clearance certificate for all price quotations and competitive bids exceeding the value of R30,000. During the current year, certain purchase orders were issued without obtaining valid tax clearance certificates. These amounted to R603,837. Although this was in contravention of the Treasury regulations, the Board did not suffer any financial loss in this regard. Whilst no disciplinary actions have been taken, management has put administrative measures in place to ensure that this does not recur.

In prior years, these regulations were contravened as a result of the fact that the formal process that was approved by the Board and applied in the procurement of consultants while fair and fully transparent did not fully meet the requirements of Treasury Regulation 16A in terms of bidding and tendering.

The total value of the abovementioned contracts were as follows R3,965,995 (2006/07), R6,271,059 (2005/06) and R8,754,564 (2004/05). On 11 July, the Board resolved to condone the entire irregular expenditure for the financial years 2004/5, 2005/6 and 2006/7.

32 **Events after balance sheet date**

There are no events after balance sheet date to be reported.

33 **Contingency liabilities**

In terms of a circular issued by the National Treasury, reference SQ 1/B, a constitutional institution has to declare all surpluses to the National Treasury at the end of each financial year. At reporting date, a surplus of R5,159,000 was realised, included in the surplus is an amount of R2,014,000 which was committed to projects but not yet disbursed. The Board subsequently made a submission to National Treasury to retain the entire surplus. If approval is not granted, a maximum amount of R5,159,000 would be payable in this regard.

34 **Income Tax exemption**

The Board is currently exempt from Income Tax in terms of section 10 (1) (a) of the Income Tax No 58 of 1962.

MUNICIPAL DEMARCATION BOARD

Annexure to the Annual Financial Statements
for the year ended 31 March 2008

Annexure 1A Statement of foreign aid assistance received

Name of Donor	Purpose	31/03/2008	31/03/2007
Foreign aid received		R'000	R'000
Danish Government	Alignment of government service delivery boundaries	0	2,650
Total foreign aid assistance received		0	650

MUNICIPAL DEMARCATION BOARD

Annexure to the Annual Financial Statements
for the year ended 31 March 2008

Annexure 1B Statement of foreign aid assistance paid

Name of Donor	Purpose	31/03/2008	31/03/2007
Foreign Aid paid		R'000	R'000
Danish Government	Alignment of government's service delivery boundaries	0	647
Total foreign aid assistance paid		0	2,650

Chapter 6

HUMAN RESOURCES OVERSIGHT STATISTICS FOR THE PERIOD APRIL 2007 TO MARCH 2008

The tables in this chapter provide important information on key human resource issues. The information aims to empower our key stakeholders and all who are interested in the Board and its work, to monitor whether the Board as an institution is, in addition to fulfilling its constitutional and other mandates, also achieving national transformation priorities.

1. Expenditure

The following tables summarise expenditure by Cluster (Table 1.1) and by Salary levels (Table 1.2). The tables provide an indication of the amount spent on personnel costs in terms of the Clusters or Salary levels within the Board.

TABLE 1.1 – Personnel Costs by Cluster, 2007/08

Cluster	Total Personnel costs R	Expenditure on remuneration R	Expenditure on Training and Other R	Cluster Personnel cost as a percentage of total personnel costs	Average Cluster personnel cost R
<u>Cluster 1</u> Administration and HR	1,001,223	986,475	14,748	16	166,870
<u>Cluster 2</u> Finance and Procurement	958,645	930,117	28,528	16	239,661
<u>Cluster 3</u> GIS and IT	1,510,283	1,485,440	24,843	25	215,755
<u>Cluster 4</u> Research and Implementation	1,006,852	980,549	26,303	17	335,617
Manager and Board Members	1,569,885	1,497,837	72,048	26	156,988

TABLE 1.2 – Personnel Costs by Salary Levels, 2007/08

Salary level	Total Personnel Expenditure R	% of Total personnel cost	Average personnel cost per employee R
<u>Level 7</u> • Auxiliary Services Officer • Receptionist	225,634	4	112,817
<u>Level 6</u> • Administrative Assistant • HR Assistant • Finance Officer • Help Desk Officer • Junior GIS Officer • Researcher	593,733	12	98,955

<u>Level 5</u> • Application and Web Developer • Archivist • Senior GIS Officer	497,708	10	124,427
<u>Level 4</u> • GIS Analyst • IT Specialist • Senior Finance Officer • Senior Researcher	1,504,951	29	250,825
<u>Level 3 & 2</u> • Data Administrator • Cluster Heads	1,660,607	32	332,121
<u>Level 1</u> Manager: Municipal Demarcation Board	662,712	13	662,712

2. Employment and Vacancies

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment. This information is also presented in terms of the two key variables: Cluster (Table 2.1), and salary level (Table 2.2)

TABLE 2.1 – Employment and vacancies by Cluster, 31 March 2008

Cluster	Number of posts	Number of posts filled	Vacancy rate	Number of posts filled additional to the establishment
Manager	1	1	0	Nil
Administrative Assistant	1	1	0	Nil
<u>Cluster 1</u> Administration and HR	5	5	0	Nil
<u>Cluster 2</u> Finance and Procurement	4	3	1	Nil
<u>Cluster 3</u> GIS and IT	12	7	5	Nil
<u>Cluster 4</u> Research and Implementation	4	2	2	Nil

TABLE 2.2 – Employment and vacancies by Salary level, 31 March 2008

Salary Level	Number of posts	Number of posts filled	Vacancy rate	Number of posts filled additional to the establishment
<u>Level 7</u> • Auxiliary Services Officer • Receptionist	1 1	1 1	0 0	Nil Nil
<u>Level 6</u> • Administrative Assistant • HR Assistant • Finance Officer	1 1 2	1 1 0	0 0 2	Nil Nil Nil

• Help Desk Officer	1	0	1	Nil
• Junior GIS Officer	2	1	1	Nil
• Researcher	1	1	0	Nil
<u>Level 5</u>				
• Application and Web Developer	1	1	0	Nil
• Archivist	1	1	0	Nil
• Senior GIS Officer	2	1	1	Nil
<u>Level 4</u>				
• GIS Analyst	2	2	0	Nil
• IT Specialist	1	1	0	Nil
• Senior Finance Officer	2	2	0	Nil
• Senior Researcher	1	1	0	Nil
<u>Levels 3 & 2</u>				
• Data Administrator	1	0	1	Nil
• Cluster Heads	4	4	0	Nil
<u>Level 1</u>				
Manager: Municipal Demarcation Board	1	1	0	Nil

3. Employment Changes

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the Board. The following tables provide a summary of turnover rates by Cluster (Table 3.1) and by Salary level (Table 3.2).

Table 3.1 – Annual turnover rates by Cluster - 1 April 2007 to 31 March 2008

Cluster	Number of employees per Cluster as on 1 April 2007	Appointments	Terminations	Turnover rate %
Manager	1	0	0	0
Administrative Assistant	1	0	0	0
<u>Cluster 1</u> Administration and HR	4	1	1	50
<u>Cluster 2</u> Finance and Procurement	4	2	3	125
<u>Cluster 3</u> GIS and IT	6	2	1	50
<u>Cluster 4</u> Research and Implementation	3	0	1	33

Table 3.2 – Annual turnover by Salary Level – 1 April 2007 to 31 March 2008

Salary Level	Number of employees per Cluster as on 1 April 2007	Appointments	Terminations	Turnover rate %
<u>Level 7</u>				0
• Auxiliary Services Officer	1	0	0	
• Receptionist	1	0	0	
<u>Level 6</u>				60
• Administrative Assistant	1	0	0	

• HR Assistant	1	1	1	
• Finance Officer	1	0	1	
• Help Desk Officer	0	0	0	
• Junior GIS Officer	1	0	0	
• Researcher	1	0	0	
Level 5				67
• Application and Web Developer	1	0	0	
• Archivist	1	0	0	
• Senior GIS Officer	1	1	1	
Level 4				50
• GIS Analyst	2	0	0	
• IT Specialist	1	0	0	
• Senior Finance Officer	2	1	1	
• Senior Researcher	1	0	1	
Levels 3 & 2				100
• Data Administrator	0	0	0	
• Cluster Heads	3	2	1	
Level 1				0
Manager: Municipal Demarcation Board	1	0	0	

Table 3.3 identifies the major reasons why staff left the Board.

Table 3.3 – Reasons why staff are leaving the Board

Termination Type	Number	% of total
Death	Nil	-
Resignation	5	23
Expiry of contract	Nil	-
Dismissal –operational changes	Nil	-
Dismissal – misconduct	Nil	-
Dismissal – inefficiency	Nil	-
Discharged due to ill-health	Nil	-
Retirement	Nil	-
Other	Nil	-
Total	5	
Total number of employees who left as a % of the total employed		23

4. Foreign Workers

No foreign nationals are employed at the Board.

5. Leave Utilisation for the period 1 April 2007 to 31 March 2008

The need to carefully monitor sick leave by Board employees has become a necessity. The following tables provide an indication of the use of sick leave by Cluster (Table 5.1) and by Salary Level (Table 5.2) during the period under review. The estimated cost of the leave is also provided.

Table 5.1 – Sick leave by Cluster, 1 April 2007 to 31 March 2008

Cluster	Total Days	% days with medical certification	Number of employees using sick leave	% of total employees	Average days per employee	Average Estimated Cost
<u>Cluster 1</u> Administration and HR Management	19	19	5	26	3	12,393
<u>Cluster 2</u> Finance and Procurement Control	29	29	4	22	7	20,645
<u>Cluster 3</u> GIS and IT	5	5	1	30	0.5	4,312
<u>Cluster 4</u> Research and Implementation	9	9	1	13	3	6,998
Manager and Chairperson	78	78	1	9	39	56,631

Table 5.2 – Sick Leave by Salary level, 1 April 2007 to 31 March 2008

Salary Level	Total days	Days with Medical Certificate	No of employees using sick leave	% of total employees	Average days per employee	Average Estimated cost
<u>Level 7</u> • Auxiliary Services Officer • Receptionist	3 4	7	1 1	9	3 4	3,531
<u>Level 6</u> • Administrative Assistant • HR Assistant • Finance Officer • Help Desk Officer • Junior GIS Officer • Researcher	9.5 0 3 0 0 9	21.5	1 1 1 0 1 1	23	2.5 0 3 0 0 9	9,521
<u>Level 5</u> • Application and Web Developer • Archivist • Senior GIS Officer	2 3 2	7	1 1 1	14	0 3 0	5,421
<u>Level 4</u> • GIS Analyst • IT Specialist • Senior Finance Officer • Senior Researcher	8 0 25 0	33	2 1 2 1	27	2.5 0 12.5 0	32,504
<u>Levels 3 & 2</u> • Data Administrator • Cluster Heads	0 7.5	7.5	0 4	23	0 1.8	9,309
<u>Level 1</u> Manager: Municipal Demarcation Board	78	78	1		78	212,957

Tables 5.3 and 5.4 summarise the utilization of annual leave. There is a need to monitor the annual leave to prevent as far as is possible, excessively high levels of accrued leave being paid at the time of termination of service.

Table 5.3 – Annual Leave by Cluster, 1 April 2007 to 31 March 2008

Cluster	Total Days taken	Average per employee
Cluster 1 Administration and HR	154	51
Cluster 2 Finance and Procurement	60	15
Cluster 3 GIS and IT	208	30
Cluster 4 Research and Implementation	74	25
Manager/Chairperson	78	39

Table 5.4 – Annual Leave by Salary Level, 1 April 2007 to 31 March 2008

Salary Level	Total Days taken	Average per employee
Level 7 • Auxiliary Services Officer • Receptionist	49	24,5
Level 6 • Administrative Assistant • HR Assistant • Finance Officer • Help Desk Officer • Junior GIS Officer • Researcher	97,5	16
Level 5 • Application and Web Developer • Archivist • Senior GIS Officer	69	23
Level 4 • GIS Analyst • IT Specialist • Senior Finance Officer • Senior Researcher	169	42
Levels 3 & 2 • Data Administrator • Cluster Heads	103	26
Level 1 Manager: Municipal Demarcation Board	49	49

6. Labour Relations

The following table summarises the outcome of disciplinary hearings conducted within the Board for the period under review.

Table 6.1 – Misconduct and disciplinary hearings finalized, 1 April 2007 to 31 March 2008

Outcomes of disciplinary hearings	Number	% of total
Correctional Counselling	Nil	0
Verbal Warning	Nil	0

Written Warning	Nil	0
Final written warning	Nil	0
Suspended without pay	Nil	0
Fine	Nil	0
Demotion	Nil	0
Dismissal	Nil	0
Not Guilty	Nil	0
Case withdrawn	Nil	0
Total	Nil	0

Table 6.2 – Grievances lodged for the period 1 April 2007 to 31 March 2008

Grievances	Number	% of total
Number of Grievances resolved	Nil	0
Number of Grievances not resolved	Nil	0
Total Number of grievances lodged	Nil	0

Table 6.3 – Strike Actions for the period 1 April 2007 to 31 March 2008

There were no strike actions during the period under review.

Table 6.4 – Precautionary Suspensions for the period 1 April 2007 to 31 March 2008

Number of people suspended	Nil
Number of people whose suspension exceeded 30 days	Nil
Average number of days suspended	Nil
Cost of suspensions	Nil

Chapter 7

FUTURE DIRECTION: STRATEGIC PLAN 2008/09 – 2011/12

To achieve the mission and vision of the organisation, to fulfil its mandate and perform its functions, the Municipal Demarcation Board has for this Strategic Plan identified strategic themes to focus and guide the organisation over the next five financial years. These Strategic Themes respond to the key areas that the organisation should continue to excel at, and those areas where the organisation needs to improve performance, and bring performance in such areas to expected levels, or even to exceed those expectations.

The Municipal Demarcation Board has also identified a set of strategic objectives within each theme, informed by the SWOT Analysis, which will be pursued in the short, medium, and long term with the MTEF periods from 2008-2012.

In order to implement the strategic plan, the organisation:

- embarked on a systematic strategic planning exercise and prioritised the initiatives in the plan;
- allocated available resources to implement the plan;
- identified the risks facing the organisation;
- developed operational plans and budgets; and
- developed a process for monitoring and measuring towards meeting these strategic goals.

Some of the key strengths identified in the organisation, which puts us in a good position to continue to excel in the strategic themes, were that:

- Our planning with respect to fulfilling our core mandates has over time improved substantially and is now in place;
- We have relative good information management systems in place;
- We have relative good infrastructure to do the work that we are required to do. However there is room for improvement which the budgetary allocation does not allow;
- Our staff are willing to go beyond the normal call of duty in pursuing the mandate of the Board;
- We have developed a good and unique relationship with municipalities and other stakeholders, in such a manner that we are able to access substantial internal and other information;
- We have a very effective and efficient website that is regularly updated.

This chapter deals with the strategic themes and direction of the Board for the upcoming MTEF period – 2008/9, 2009/10, 2010/11 and 2011/2012. Further this chapter highlight issues of strategic significance. Central to this is planning to again contribute to fair and free local elections within sound boundaries. The Strategic Themes are further refined in internal work plans and timeframes for projects.

The intention is not to cover work plans and timeframes in this chapter, but rather to highlight issues of strategic significance. Central to this is planning to again contribute to fair and free local elections within sound boundaries. The Strategic Themes are further refined in internal work plans and timeframes for projects.

Strategic Themes 1 to 4 deals with the core business of the Board, while the other themes deal with the related support activities of the Board.

Strategic Theme 1: Determination and re-determination of municipal boundaries in accordance with relevant legal provisions

The 2008 – 2012 Strategic Plan once again builds on the substantial progress that has been recorded since the Board's establishment in 1999. Following the major rationalisation of the number and boundaries of municipalities prior to the 2000 local elections, the process of reconfiguration and alignment of boundaries continues. In addition to the numerous municipal boundaries that have been re-determined over time, the Board also works closely with other organs of state dealing with boundary issues. In this regard the Board works on an ongoing basis with institutions such as the Provincial Departments of Local Government, IEC, StatsSA, CSIR, DPLG, Land Affairs and others. Assistance was also rendered to institutions such as the Department of Justice and the South African Police service to align the boundaries of magisterial districts and police areas to municipal boundaries. Close working relations are also maintained with DPLG, Land Affairs, Water Affairs and the Provincial Departments of Local Government in an endeavour to create a credible set of boundaries for traditional areas.

Changes to municipal boundaries is a continues process and all stakeholders are involved in trying to ensure the creation of a spatial environment that would promote and enhance sound elections, planning, service delivery and development within municipal boundaries. In this regard the Board receives on an ongoing basis requests from various persons, traditional leaders, institutions and organs of state to change municipal boundaries.

The Demarcation Act, 1998, provides that the Board can take the initiative to change municipal boundaries, or that boundaries can be re-determined by the Board on the request of the Minister of Provincial and Local Government, the nine Provincial MEC's responsible for Local Government, or the affected municipalities. In order to enhance local consensus on any proposed boundary change the Board would, in general, not initiate changes to boundaries, and prefers that any proposed changes be negotiated locally with the involvement of all affected municipalities, communities and the provincial government. Once consensus has been reached the MEC and/or the affected municipalities can submit a request to the Board to re-determine the boundaries after which the Board will follow the necessary procedures as provided for in the Demarcation Act, 1998.

Changes to municipal boundaries also impact on national, provincial and local elections, as voting district boundaries are aligned to municipal boundaries by the IEC. Close cooperation exist between the Board and the IEC in this regard.

In order to allow for the determination of the boundaries of voting districts by the IEC for the 2009 national and provincial elections, and the delimitation of wards by the MDB for the 2011 local elections, the Board will discontinue changes to municipal boundaries during 2008, till after the local elections in 2011. However, all necessary preparatory work will be done during this period to, after the local elections, give effect to any changes that may be requested during the period 2008-2011.

Key outputs per financial year

OUTPUTS – MUNICIPAL & WARD BOUNDARIES	MILESTONES			
	2008/09	2009/10	2010/11	2011/12
In anticipation of the national and provincial elections in 2009, and the local elections in 2011, the Board will, together with the relevant stake holders, attend to all outstanding requests for changes to municipal boundaries with a view to complete all changes during the 2008/2009 financial year. All legal requirements will be complied with.	<ul style="list-style-type: none"> • During this financial year all cases processed in 2007/2008 and not finalised, and all new requests received by December 2007, will be finalised. • It is planned to provide the IEC with the re-determined municipal boundaries by June - August 2008 for the determination of the boundaries of voting districts and the registration of voters for the 2009 national and provincial elections. 	<ul style="list-style-type: none"> • All section 22 requests for changes to municipal boundaries will be attended to with a view to give effect to such changes after the 2011 local elections. 	<ul style="list-style-type: none"> • All section 22 requests for changes to municipal boundaries will be attended to with a view to give effect to such changes after the 2011 local elections. 	<ul style="list-style-type: none"> • After the local elections the Board will continue with considering requests for changes to municipal boundaries. The first priority will be to attend to the applications received during the previous two financial years. (backlog as a result of elections and ward delimitation.)

Objectives

To deal with all requests received for the re-determination of municipal boundaries in compliance with the Local Government: Demarcation Act, 1998.

Assumptions

As the Board needs to temporarily close the re-determination of municipal boundaries from August 2008 till after the local elections in 2011, to allow for the alignment of voting districts for the 2009 national and provincial elections, and the ward delimitation process for the 2011 local elections, less requests for changes to municipal boundaries might be received. However, technical corrections to municipal boundaries to assist the IEC to align voting districts boundaries and to assist STATSSA to align the boundaries of enumerator areas will be necessary during 2008/2009 financial year.

The number of request for boundary changes that the Board may receive in terms of section 22 falls outside the control of the Board. However, it is estimated that some twenty requests may be received from outsiders. From STATSSA side some 100 requests are expected.

The budget below only provides for direct expenditure by the Research Cluster. The assumption is that other clusters will make provision for other expenditure such as mapping, travel costs, electronic infrastructure (computers, plotters, fax and copy machines, consumables etc) by the GIS cluster, and courier services, postage, logistical support, stationary, staff salaries etc by the Admin Cluster.

The GIS Cluster mainly provides support in terms of preparing, printing maps and technical assistance at meetings/workshops. Any additional cost will relate to the consumables for the printing and the distribution of the maps, although the courier cost forms part of the HR & Admin Cluster.

Key performance indicator

All requests in terms of boundaries re-determinations are dealt with in compliance with the Demarcation Act, 1998.

Outputs and Budget 2008/2009

Output	Cost	Cost - GIS
Publication of Section 26 Notices in newspapers	R200,000	
Consultations, investigations and public hearings –		
• Travel	R70,000	R70,000
• subsistence	R20,000	R20,000
• car hire	R25,000	R25,000
• accommodation	R30,000	R30,000
Publication of Section 21 Notices	R600,000	
Publication of Section 21(5) Notices	R50,000	

2009/2010

Output	Cost	Cost - GIS
All requests for boundary change to stand over till after the local elections. A nominal amount is budgeted for emergencies.	R100,000	

2010/2011

Output	Cost	Cost - GIS
All requests for boundary change to stand over till after the local elections. A nominal amount is budgeted for planning to deal with back logs after the local elections.	R200,000	

2011/2012

Output (Deal with back logs)	Cost	Cost - GIS
Publication of Section 26 Notices in newspapers	R600,000	
Consultations, investigations and public hearings –		
• Travel,	R80,000	R80,000
• subsistence,	R30,000	R30,000
• car hire	R30,000	R30,000
• accommodation	R40,000	R40,000
Publication of Section 21 Notices	R500,000	
Publication of Section 21(5) Notices	R60,000	

Strategic Theme 2: Delimitation of wards in accordance with relevant legal provisions**DELIMITATION OF WARDS**

This is another strategic theme that represents a core mandate of the Board, and must therefore remain key in the Board's Strategic Plan.

Ward delimitation must be done in terms of Local Government Municipal Structures Act, 1998, in preparation for the local government elections which are envisaged for March 2011. The process requires action by key stakeholders. In terms of the Structures Act, 1998, the Minister of Provincial and Local Government must publish a formula for the determination of the number of councillors. This is followed by the actual

determination of the number of councillors by the MEC's responsible for local government, the determination of the number of wards by the MDB and then the delimitation of ward boundaries by the MDB.

The current system and processes for local elections is time consuming and costly, and the MDB has in the past submitted proposals for a more simple and cost effective system that will also enhance stability and service delivery at local level.

Key outputs per financial year

OBJECTIVE	MILESTONES/EXPECTED MEASURABLE OUTCOMES			
	2008/09	2009/10	2010/11	2011/12
To delimit, in consultation with all relevant stakeholder, wards for all municipalities that qualify to have wards, in order to contribute to free and fair local elections in 2011, and to promote local democracy. All activities and compliance with the legislation are subject to the availability of sufficient funds.	<p>Preparatory work will be done during this financial year for the delimitation of wards that will formally commence in the 2009/2010 financial year. This includes:</p> <ul style="list-style-type: none"> the finalisation of changes to municipal boundaries; work with the IEC on alignment of voting districts; planning and preparatory meetings of the Local Elections Technical Committee, and the MDB Boundary Committee Close planning and cooperation with the Minister the IEC, and 	<p>This financial year will be marked by the delimitation of wards, and consultation with all stake holders on ward boundaries. The process will include:</p> <ul style="list-style-type: none"> formal consultation between MDB and IEC as required by structures act; setting up of delimitation committees; Drafting of boundaries for the estimated 4000 wards; public consultation on ward boundaries; public hearings (if permitted by the budget) 	<p>Ward delimitation will be finalised during this financial year. Activities will include:</p> <ul style="list-style-type: none"> Gazetting of ward boundaries for objections; Consideration of objections by Delimitation Committees; Confirmation of ward boundaries in provincial gazettes; Submission of ward boundaries to the IEC; calling of the elections date (Minister) the electoral process (IEC) and local elections. 	No ward activities.

	<p>the MEC's pertaining to the certification of the national common voters roll, the division of the national common voters roll into municipal segments, the publication of the formula for the number of councillors, the determination and publication of the number of councillors for each municipality, and the determination of the number of wards and the norm for ward delimitation.</p>			
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Measurable objective, Expected Outcomes, Programme Outputs

TIME FRAME	ACTION	RESPONSIBILITY
2008/2009 FINANCIAL YEAR		
April 2008	Closing date for Section 21 objections	MDB
April 2008	Board meeting to consider objections and to decide on Section 21(5) notices	MDB
May 2008	Finalise outer boundaries of municipalities – last Section 21(5) notices published before the elections and IEC informed	MDB
June 2008	IEC publishes all outstanding Section 23 notices	IEC
July 2008	MECs publish all outstanding Section 23 notices	MEC
August 2008	Municipal boundaries provided to IEC	MDB
August/September 2008	IEC align Voting District boundaries to municipal boundaries	IEC
September/October/ November 2008?	IEC Registration week ends for national and provincial elections	IEC

TIME FRAME	ACTION	RESPONSIBILITY
?	Registration of voters for national and provincial elections closes	IEC
?	Closure of Voters' roll for national and provincial elections	IEC
March 2009	Certify national common voters roll and gazette it	IEC
March 2009	Divide national common voters roll into municipal segments	IEC
March 2009	Publish formula for the number of councillors	Minister/DPLG
March 2009	MECs determine and publish number of councillors for each municipality	MECs
March 2009	MDB determines the number of wards and the norm for ward delimitation	MDB
2009/2010 FINANCIAL YEAR		
April 2009?	National and Provincial elections	IEC
April 2009	Formal consultation between MDB and IEC as required by Structures Act	MDB/IEC
April 2009	Formal structures in place (Boundary Committee/LETC/Delimitation Committees)	MDB/IEC/DPLG/ SALGA/Provinces etc
April-June 2009	MDB prepares first set of draft ward boundaries	MDB
July/August 2009	Public consultation process commences: <ul style="list-style-type: none"> • Circular and 1st set of ward maps to municipalities to kick start public participation in ward delimitation process • Media release and advertisements in media to invite public participation/proposals for ward delimitation 	MDB
31 August 2009	Closing date for public comments	Public
September/October 2009	Consider public comments and prepare map set 2 for public hearings	MDB
November/December 2009	Maps and notices distributed and logistics finalised for public hearings	MDB
January/February 2010	Public hearings	MDB
March 2010	Finalise map set 3 and gazette ward maps in provincial gazettes for objections	MDB/Public
2010/2011 FINANCIAL YEAR		
1 April 2010	Closing date for objections	
April/May 2010	Consider public objections	Delimitation Committees/ MDB
June 2010	Final ward boundaries handed to IEC	MDB/IEC
June/July 2010	Alignment of VD boundaries to ward boundaries	IEC/MDB
August 2010	Gazette final ward boundaries	MDB
August 2010	Election date gazetted	Minister

TIME FRAME	ACTION	RESPONSIBILITY
August – November 2010	Registration of voters	IEC
November 2010 – February 2011	Preparations for elections	IEC
March 2011?	Local elections	IEC
2011/2012 FINANCIAL YEAR		
	Deal with back logs: re-determination of municipal boundaries	MDB

Objectives

To delimit wards for the 2011 local elections in terms of the provisions in the Local Government: Municipal Structures Act, 1998.

Assumptions

The assumptions are that:

- Local elections will be held in March 2011
- The current legal framework will not change
- The national common voters' roll will be certified and divided into municipal segments during 2008/09
- The formula for the number of councillors and the number of councilors per municipality will be gazetted by the Minister of Provincial and Local Government and the MECs for local government towards the end of 2008/09 so that ward delimitation can commence in 2009/2010
- Some preparatory work will be done in 2008/2009
- The project will be finalised in 2009/10 and the beginning of 2010/11.

Key performance indicator

The ± 4000 ward boundaries will be reviewed for the 2011 local elections in compliance with the Structures Act, 1998.

Outputs and Budget

2008/2009

Output	Cost	Cost - GIS
Preparatory work for the delimitation of wards including consultations with stakeholders	R100,000	
Advertisements and update of database of consultants	R200,000	

2009/2010

Output	Cost	Cost - GIS
Additional temporary staff and professional fees		R2,000,000

Output	Cost	Cost - GIS
Public hearings, investigations and consultative meetings <ul style="list-style-type: none"> venues and logistics – (probably in all 283 municipalities) Travel, subsistence, car hire accommodation 	R2,000,000 R300,000 R50,000 R100,000 R150,000	R300,000 R50,000 R100,000 R150,000
Meetings of the National Local Elections Task Team, the Boundary Committee and Delimitation Committees	R800,000	
Publication of legal notices in terms of the Structures Act , circulars etc	R14,500,000	
Publication of Media advertisements, including radio	R4,500,000	
Printing of maps		R200,000
Courier notices and maps to municipalities	R2,100,000	
Replacement, upgrading and new infrastructure (photocopy machines, data projectors, tape recorders for public hearings, computers, plotters etc)		R1,064,000
Manage supporting logistics and infrastructure (Stationary including cartridges for plotters, mapping paper, CDs etc	R2,000,000	
Manage legal matters - Legal advice and litigation	R1,000,000	

2010/2011

Output	Cost	Cost - GIS
Meetings of Delimitations Committees to consider ward objections and meetings of the Local Elections Technical Committee and the Boundary Committee (logistics and venues)	R600,000	
Public hearings, investigations and consultative meetings with municipalities on disputed boundaries		
<ul style="list-style-type: none"> venues and logistics - probably in all 283 municipalities Travel subsistence car hire accommodation 	R50,000 R50 000 R20 000 R20 000 R25 000	R50 000 R20 000 R20 000 R25 000
Gazette final ward boundaries in Provincial Gazettes	R3,000,000	
Publication of Media advertisements, including radio	R4,500,000	
Courier final notices and maps to municipalities	R1,000,000	

Additional temporary staff and professional fees		R1,000,000
Upgrading of spatial data Spatial imagery (Expense)		R1,000,000

2011/12

No action and budget required for wards.

Strategic Theme3: Review of the declaration of District Management Areas

In terms of section 6 of the Structures Act, 1998, the Board is empowered to declare certain areas as district management areas, and also to withdraw such declarations.

During the 2007/08 financial year the Board released a discussion document on the future of DMAs, followed by the necessary consultations and legal steps to withdraw the declaration of all district management areas.

The Minister has requested that the project be delayed in anticipation of the release of a revised White Paper on local government. However, in order to provide the IEC with final municipal boundaries for the electoral processes and especially the boundaries of voting districts, the withdrawal should be completed by May 2008.

Key outputs per financial year

OUTPUTS – DISTRICT MANAGEMENT AREAS	MILESTONES			
	2008/09	2009/10	2010/11	2011/12
To withdraw the declaration of all district management areas.	<ul style="list-style-type: none"> Subject to further inputs, the intention is to complete all legal requirements and to have all declarations withdrawn by May. Revised boundaries of local municipalities will then be provided to the IEC for the alignment 	None	None	None

OUTPUTS – DISTRICT MANAGEMENT AREAS	MILESTONES			
	2008/09	2009/10	2010/11	2011/12
	of voting district boundaries.			

Measurable objective, Expected Outcomes, Programme Outputs

TIMEFRAME	ACTION
2008/2009 FINANCIAL YEAR	
May 2008	Finalise project and gazette reconfigured municipal boundaries (subject to submissions, consultations, and budget)
2009/2010 FINANCIAL YEAR	
	None
2010/2011 FINANCIAL YEAR	
	None
2011/2012 FINANCIAL YEAR	
	None

Objectives

To withdraw the declaration of district management areas in terms of the Local Government: Municipal Structures Act, 1998

Assumptions

The assumptions are that:

- consensus will be reached with all stakeholders pertaining to the inclusion of district management areas in the municipal areas of local municipalities
- it will be possible to finalizes the withdrawal by May 2008

Key performance indicator

All declarations of district management areas withdrawn during the 2008/2009 financial year in terms of Section 6 of the Structures Act, 1998.

Outputs and Budget

Output	Cost	Cost - GIS
Publication of Section 26 Notices in newspapers	R40,000	
Consultations, investigations and public hearings –		
• Travel,	R50,000	R50,000
• subsistence,	R10,000	R10,000
• car hire	R15,000	R15,000
• accommodation	R20,000	R20,000
Publication of Section 21 Notices	R60,000	
Publication of Section 21(5) Notices	R20,000	

Strategic Theme 4: Capacity Assessments for the adjustment of Powers and Functions between District and Local Municipalities

In terms of section 85(9) of the Municipal Structures Act, MEC's responsible for local government in a province must regularly review the capacity of a relevant municipality and reallocate a function or power to a municipality when that municipality acquires the capacity to perform its function or exercise its power. A reallocation must be made with the concurrence of the receiving municipality or, in the absence of such concurrence, after having consulted the Demarcation Board. Furthermore, section 85(4) requires that the Demarcation Board consider the capacity of a district or local municipality to perform the functions and exercise the powers vested in the municipality in terms of section 84(1) or (2) when determining or re-determining the boundaries of the district and the local municipality, or when so requested by the MEC for local government in the province concerned.

Since 2002, the annual capacity assessment project has been outsourced. Subject to the availability of funding it will again have to be outsourced in years to come.

Key outputs per financial year

OUTPUTS – CAPACITY ASSESSMENT	MILESTONES			
	2008/09	2009/10	2010/11	2011/2012
To do the annual assessments of the capacity of district and local municipalities, with a view to provide quality	• Finalise tender process in the preceding months and commence Capacity Assessment process	• Finalise tender process in the preceding months and commence Capacity Assessment process	• Finalise tender process in the preceding months and commence Capacity Assessment process	• Finalise tender process in the preceding months and commence Capacity Assessment process by

information to the MECs for the adjustment of powers and functions between district and local municipalities.	<ul style="list-style-type: none"> by 01 July 2008. Key areas that will be attended to during the remainder of the financial year will include data collection, data capturing and verification and the drafting of reports covering the capacity of all district and local municipalities. 	<ul style="list-style-type: none"> by 01 July 2009. Key areas that will be attended to during the remainder of the financial year will include data collection, data capturing and verification and the drafting of reports covering the capacity of all district and local municipalities. 	<ul style="list-style-type: none"> by 01 July 2010. Key areas that will be attended to during the remainder of the financial year will include data collection, data capturing and verification and the drafting of reports covering the capacity of all district and local municipalities 	<ul style="list-style-type: none"> 01 July 2011. Key areas that will be attended to during the remainder of the financial year will include data collection, data capturing and verification and the drafting of reports covering the capacity of all district and local municipalities
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Measurable objective, Expected Outcomes, Programme Outputs

TIMEFRAME	ACTION
2008/2009 FINANCIAL YEAR	
February/March 2008	Prepare tender documents – 2 weeks
March/April 2008	Advert – Call for proposals/tenders – 3 to 4 weeks
April/May 2008	Receive and evaluate – 4 weeks
May/June 2008	Award and sign contract with service provider – 2 weeks
June/July 2008	Planning, print collate and distribute questionnaires, Training of consultants, staff members and stakeholders
August 2008	Field visits by consultants, stakeholders and staff members to municipalities
September 2008	Data capturing and verification.
October - November 2008	46 District Council reports prepared
November - December 2008	9 Provincial overview reports prepared and circulated
February/March 2009	National Overview report available
2009/2010 FINANCIAL YEAR	
February/March 2009	Prepare tender documents – 2 weeks
March/April 2009	Advert – Call for proposals/tenders – 3 to 4 weeks
April/May 2009	Receive and evaluate – 4 weeks

May/June 2009	Award and sign contract with service provider – 2 weeks
June/July 2009	Planning, print collate and distribute questionnaires, Training of consultants, staff members and stakeholders
August 2009	Field visits by consultants, stakeholders and staff members to municipalities
September 2009	Data capturing and verification.
October - November 2009	46 District Council reports prepared
November - December 2009	9 Provincial overview reports prepared and circulated
February/March 2010	National Overview report available
2010/2011 FINANCIAL YEAR	
February/March 2010	Prepare tender documents – 2 weeks
March/April 2010	Advert – Call for proposals/tenders – 3 to 4 weeks
April/May 2010	Receive and evaluate – 4 weeks
May/June 2010	Award and sign contract with service provider – 2 weeks
June/July 2010	Planning, print collate and distribute questionnaires, Training of consultants, staff members and stakeholders
August 2010	Field visits by consultants, stakeholders and staff members to municipalities
September 2010	Data capturing and verification.
October - November 2010	46 District Council reports prepared
November - December 2010	9 Provincial overview reports prepared and circulated
February/March 2011	National Overview report available
2011/2012 FINANCIAL YEAR	
February/March 2011	Prepare tender documents – 2 weeks
March/April 2011	Advert – Call for proposals/tenders – 3 to 4 weeks
April/May 2011	Receive and evaluate – 4 weeks
May/June 2011	Award and sign contract with service provider – 2 weeks
June/July 2011	Planning, print collate and distribute questionnaires, Training of consultants, staff members and stakeholders
August 2011	Field visits by consultants, stakeholders and staff members to municipalities
September 2011	Data capturing and verification.
October - November 2011	46 District Council reports prepared
November - December 2011	9 Provincial overview reports prepared and circulated
February/March 2012	National Overview report available

Objectives

To, in terms of the Local Government: Municipal Structures Act, 1998, determine the capacity of each district and local municipalities to perform the 38 local government functions listed in Schedules 4B and 5B to the Constitution, in order to empower the MECs responsible for local government to adjust powers and functions between district and local municipalities

Assumptions

The assumptions are that:

- the Structures Act, 1998, will not be amended to allocate this function to DPLG or the provinces
- the Board will continue to do capacity assessments on an annual basis
- the Board will continue to outsource this project as it is not cost effective to build internal capacity for this project

The GIS Cluster to assist in the printing of reports/maps, writing of CD(s) and distribution of the reports to various stakeholders. The courier cost is included in the HR & Admin budget, while the cost of the consumables is included in the GIS cluster budget, especially the larger maps (i.e. A2/A1 and A0).

Key performance indicator

Provision to MECs responsible for local government and other stakeholders 56 reports on the capacity of all district and local municipalities in South Africa.

Outputs and Budget

This project is outsourced annually. The cost is subject to tender procedures. The Cluster only plays an overseeing role pertaining to the outputs.

2008/2009

Output	Costs	Costs - GIS
Review municipal capacity assessment questionnaire	R4,308,873	
Full plan of action on conducting municipal assessments		
Training of consultants to collect data and draft reports		
Collected data		
Collected data duly captured and verified		
46 District reports duly prepared		
MECs for local government duly advised on recommended adjustments		
9 Provincial reports duly drafted		
1 National report duly drafted		

2009/2010

Output	Costs	Costs - GIS
Review municipal capacity assessment questionnaire	R4,571,714	
Full plan of action on conducting municipal assessments		
Training of consultants to collect data and draft reports		
Collected data		
Collected data duly captured and verified		
46 District reports duly prepared		
MECs for local government duly advised on recommended adjustments		
9 Provincial reports duly drafted		
1 National report duly drafted		

2010/2011

Output	Costs	Costs - GIS
Review municipal capacity assessment questionnaire	R4,850,589	
Full plan of action on conducting municipal assessments		
Training of consultants to collect data and draft reports		
Collected data		
Collected data duly captured and verified		
46 District reports duly prepared		
MECs for local government duly advised on recommended adjustments		
9 Provincial reports duly drafted		
1 National report duly drafted		

2011/2012

Output	Costs	Costs - GIS
Review municipal capacity assessment questionnaire	R5,146,474	
Full plan of action on conducting municipal assessments		
Training of consultants to collect data and draft reports		
Collected data		
Collected data duly captured and verified		
46 District reports duly prepared		

MECs for local government duly advised on recommended adjustments		
9 Provincial reports duly drafted		
1 National report duly drafted		

Strategic Theme 5: Assistance to Departments in aligning service delivery boundaries with municipal boundaries

This theme strives to highlight the various projects divided in 5 parts that specifically address the alignment of service delivery boundaries with municipal boundaries by providing assistance and co-operating with the following government departments / institutions:

Part 1: South African Police Service in aligning the policing districts,

Part 2: Department of Justice and Constitutional Development (DoJ&CD) in alignment of the magisterial boundaries,

Part 3: IEC in aligning the Voting Districts,

Part 4: Stats SA in considering the Enumerator areas and

Part 5: DPLG/DLA in creating a credible Traditional Authority Boundary data set.

This theme further, gives effect to the Cabinet Resolution requiring of the Board to assist government departments in aligning their service delivery boundaries with municipal boundaries. Surveys were done in 2002 and 2006. A major project to deal with magisterial districts and SAPS boundaries, was funded by the Danish Government up to August 2006. Due to financial constraints the Board had to agree with Justice and SAPS to fund the continuation of the project. The project was initially envisaged to be concluded in the 2007/2008 financial year. However, the Department of Justice and Constitutional Development (DoJ&CD) is undertaking an investigation study as well as consulting provinces on the magisterial boundaries and all indications are that the Board's assistance will need to continue.

Co-operation with the IEC to align ward boundaries where voting district boundaries affect ward boundaries. This would tie in with the ward delimitation timeframe and expected outcomes/outputs.

Collaboration with Stats SA to identify, verify and align the municipal boundaries where communities are adversely affected. Again this would also tie in with the ward delimitation timeframe and expected outcomes/outputs.

Further, assist will be provided to DPLG/DLA with editing and mapping of the TA boundaries as well as with the envisaged provincial meetings/workshop to finalise the TA boundaries. Assistance to the DoJ&CD and other departments will continue where necessary.

Key outputs per financial year

OUTPUTS – SERVICE DELIVERY BOUNDARIES	MILESTONES			
	2008/09	2009/10	2010/11	2011/12
<p>The objective is to align all service delivery boundaries to municipal boundaries, where possible, with a view to enhance service delivery and to strengthen the national spatial data Infrastructure.</p>	<ul style="list-style-type: none"> • Assist any department requiring assistance with the alignment of their service delivery boundaries to municipal boundaries. • Assist IEC in verifying against most current/latest imagery and aligning the ward boundaries. • Assist Stats SA with alignment in preparation for Census 2011. • Assist DPLG/DLA with mapping of the TA and provincial meetings/workshop. • A credible TA data set will be finalised and published in co-operation with DLA, DPLG. 	<ul style="list-style-type: none"> • Assist any department requiring assistance with the alignment of their service delivery boundaries to municipal boundaries. • Assist DPLG/DLA with mapping of the TA and provincial meetings/workshop. 	<ul style="list-style-type: none"> • Assist any department requiring assistance with the alignment of their service delivery boundaries to municipal boundaries. 	<ul style="list-style-type: none"> • Assist any department requiring assistance with the alignment of their service delivery boundaries to municipal boundaries.

Measurable objective, Expected Outcomes, Programme Outputs

TIMEFRAME	ACTION	RESPONSIBILITY
2007/2008 FINANCIAL YEAR		
31 Jan 2008	Workshop to finalise the 10 areas to be proclaimed and briefing of task team and discussion of the project plan.	DoJ/SAPS/MDB
11 Feb 2008	Circulate the Provincial reports on alignment.	
20 – 21 Feb 2008	Workshop on inland magisterial boundaries alignment, identify anomalies to focus on during provincial workshops	DoJ/MDB/CSIR/HSRC/ DPLG
End February 2008	Mapping of all identified Section 26 re-determinations.	MDB/IEC/Stats SA
March 2008	Assistance as and when required.	DoJ/DPLG
3 March 2008	Reports to be circulated to the provinces	DoJ
6 March 2008	Identification of additional research, draft recommendations	
11 March 2008	Provincial Workshop: GT	DoJ/MDB/CSIR/HSRC/ DPLG
12 – 13 March 2008	Workshop on coastal magisterial boundaries alignment, identify anomalies to focus on during provincial workshops	
25 March 2008	Provincial Workshop: NC	
28 March 2008	Consider additional research and adjust recommendations	DoJ/MDB/CSIR/HSRC/ DPLG
2008/2009 FINANCIAL YEAR		
3 April 2008	Provincial Workshop: GT - ???	DoJ/MDB/CSIR/HSRC/ DPLG
8 April 2008	Provincial Workshop: MP	
	Closing date for Section 21 objections	MDB
11 April 2008	Provincial Workshop: LP	DoJ/MDB/CSIR/HSRC/ DPLG
14 April 2008	Provincial Workshop: FS	
16 April 2008	Board meeting to consider objections and to decide on Section 21(5) notices	MDB
18 April 2008	Provincial Workshop: NW	DoJ/MDB/CSIR/HSRC/ DPLG
29 - 30 April 2008	Finalise report(s) and recommendations for inland provinces.	

TIMEFRAME	ACTION	RESPONSIBILITY
May 2008	Finalise outer boundaries of municipalities – last Section 21(5) notices published before the elections and IEC informed	MDB
8 May 2008	Provincial Workshop: WC	DoJ/MDB/CSIR/HSRC/ DPLG
13 May 2008	Provincial Workshop: EC	
16 May 2008	Provincial Workshop: KZ	
20 - 23 May 2008	Finalise report and recommendations for coastal provinces.	
June 2008	Submission to Minister for submission to Cabinet	DoJ
July – Dec 2008	Assistance as and when required.	DoJ/DPLG
Jan – Mar 2009	Assistance as and when required.	
2009/2010 FINANCIAL YEAR		
Apr – Dec 2009	Assistance as and when required.	DoJ/DPLG
Jan – Mar 2010	Assistance as and when required.	
2010/2011 FINANCIAL YEAR		
Apr – Dec 2010	Assistance as and when required.	DoJ/DPLG
Jan – Mar 2011	Assistance as and when required.	
2011/2012 FINANCIAL YEAR		
Apr – Dec 2009	Assistance as and when required.	DoJ/DPLG
Jan – Mar 2010	Assistance as and when required.	

Objectives

- To assist government departments to align their service delivery boundaries to municipal boundaries.
- To assist stakeholders in establishing a credible set of Traditional Authority Boundaries.
- Development of a comprehensive database of well aligned administrative and functional boundaries, with a view to strengthen the National Spatial data Infrastructure for South Africa.
- Enhance service delivery, resource rationalisation and development.

Assumptions

The assumptions are that:

- A good working relationship/co-operation will continue to be maintained with other departments such as Department of Justice and Constitutional Development (DoJ&CD) and SAPS.
- The DoJ&CD will consult and publish the proposed magisterial boundaries – 2008/2009.
- Travel and accommodation cost incurred will be reimbursed by the DoJ&CD.
- The credible TA data set would be finalised in 2008/2009 - 2009/2010 and published since an official TA boundary data set is necessary to aid the MDB in the re-determination process.
- The re-determination of municipal boundaries and VDs will be aligned in accordance with the credible TA data set as well as other data sets i.e. most recent imagery.

Key performance indicator

2008/2009

- Focusing on preparations for the 2011 local elections relationships with the Minister, the MECs for local government, the IEC and municipalities will be formalised and intensified.
- All other formal and non-formal arrangements will be maintained and improved.
- Assist any department requiring assistance with the alignment of their service delivery boundaries to municipal boundaries.
- Assist DPLG/DLA with editing and mapping of the TA as well as provincial meetings/workshops.
- A credible TA data set will be finalised and published in co-operation with DLA, DPLG.

2009/2010

- Delimitations committees comprising of representatives of the MDB, IEC, DPLG and Provinces will be set up to deal with public objections during the ward delimitation process.
- All other formal and non-formal arrangements will be maintained and improved.
- Assist any department requiring assistance with the alignment of their service delivery boundaries to municipal boundaries.
- Assist DPLG/DLA with editing and mapping of the TA as well as provincial meetings/workshops.
- A credible TA data set will be finalised and published in co-operation with DLA, DPLG.

2010/2011

- Re-assess the effectiveness of the formal and informal structures for co-operation.
- Assist any department requiring assistance with the alignment of their service delivery boundaries to municipal boundaries.

**Outputs and Budget
2008/2009**

Output	Cost - Research	Cost - GIS
Publication of Section 26 Notices in newspapers (TAs)	R40,000	
Provincial workshops (TAs) –		
• Travel	R50,000	R50,000
• subsistence	R10,000	R10,000
• car hire	R15,000	R15,000
• accommodation	R20,000	R20,000
Publication of Section 21 Notices(TAs)	R60,000	
Publication of Section 21(5) Notices(TAs)	R20,000	

2009/2010

Output	Cost - Research	Cost - GIS
Publication of Section 26 Notices in newspapers(TAs)	R42,440	
Provincial workshops (TAs) –		
• Travel	R53,050	R53,050
• subsistence,	R10,610	R10,610
• car hire	R15,915	R15,915
• accommodation	R21,220	R21,220
Publication of Section 21 Notices(TAs)	R63,660	
Publication of Section 21(5) Notices(TAs)	R21,220	

2010/2011

Output	Cost - Research	Cost - GIS
Publication of Section 26 Notices in newspapers(TAs)	R45,029	
Provincial workshops (TAs) –		
• Travel,	R56,286	R56,286
• subsistence,	R11,257	R11,257
• car hire	R16,886	R16,886
• accommodation	R22,514	R22,514
Publication of Section 21 Notices(TAs)	R67,543	
Publication of Section 21(5) Notices(TAs)	R22,514	

2011/2012

Output	Cost - Research	Cost - GIS
Publication of Section 26 Notices in newspapers(TAs)	R47,776	
Provincial workshops (TAs) –		
• Travel,	R59,719	R59,719
• subsistence,	R11,944	R11,944
• car hire	R17,916	R17,916
• accommodation	R23,888	R23,888
Publication of Section 21 Notices(TAs)	R71,663	
Publication of Section 21(5) Notices(TAs)	R23,888	

Strategic Theme 6: Strengthening of relations and interaction with key stakeholders

Stakeholder relations are an integral part of corporate citizenship. The Board interacts with a range of stakeholders from whom information is obtained, and to whom information is supplied. To be successful, stakeholder relations have to be part of our overall strategic plan, and that is why the strengthening of our interaction with key stakeholders, is a key strategic objective for the Board.

It is therefore of critical importance that our stakeholders are duly identified, that we know who they are, what they can do for us, and what we can do for them. The Board's key stakeholders are:

- The people of South Africa
- National Sphere of Government
- Provincial Sphere of Government
- Local Sphere of Government
- Organised Local Government
- Houses of Traditional Leaders
- National Assembly
- National Council of Provinces
- Magistrates
- Board employees

The Strategic Objectives within this theme are:

- To build and manage relationships with our stakeholders that breed understanding and mutual respect.
- To review our stakeholders requirements in relation to the Board’s support and services.
- To facilitate co-ordination between all stakeholders.
- To be actively engaged in community organisations and issues as far as resources and time allow.
- To ensure a work environment that is safe, that encourages growth and development and inspires pride.
- To develop and adopt a set of values for the organisation.

Key outputs per financial year

OUTPUTS – RELATIONS WITH KEY STAKEHOLDERS	MILESTONES			
	2008/09	2009/10	2010/11	2011/12
The objective is to continue building strong and vibrant working relationship with all key stakeholders, and to embark on solid projects and constant collaboration with them	<ul style="list-style-type: none"> • Focusing on preparations for the 2011 local elections relationships with the Minister, the MECs for local government, the IEC and municipalities will be formalised and intensified. • All other formal and non-formal arrangements will be maintained and improved. 	<ul style="list-style-type: none"> • Delimitations committees comprising of representatives of the MDB, IEC, DPLG and Provinces will be set up to deal with public objections during the ward delimitation process. • All other formal and non-formal arrangements will be maintained and improved. 	<ul style="list-style-type: none"> • Re-assess the effectiveness of the formal and informal structures for co-operation. 	<ul style="list-style-type: none"> •

Objectives

- To build and manage relationships with our stakeholders that breed understanding and mutual respect.
- To assist government departments to align their service delivery boundaries to municipal boundaries.
- To assist stakeholders in establishing a credible set of Traditional Authority Boundaries.
- To review our stakeholders requirements in relation to the Board’s support and services.

- To facilitate co-ordination between all stakeholders.
- Development of a comprehensive database of well aligned administrative and functional boundaries, with a view to strengthen the National Spatial data Infrastructure for South Africa.
- Enhance service delivery, resource rationalisation and development.
- To be actively engaged in community organisations and issues as far as resources and time allow.
- To ensure a work environment that is safe, that encourages growth and development and inspires pride.
- To develop and adopt a set of values for the organisation.

Assumptions

The assumptions are that:

- A good working relationship/co-operation will continue to be maintained with other departments such as Department of Justice and Constitutional Development (DoJ&CD) and SAPS.
- The DoJ&CD will consult and publish the proposed magisterial boundaries – 2008/2009.
- Travel and accommodation cost incurred will be reimbursed by the DoJ&CD.
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- The re-determination of municipal boundaries and VDs will be aligned in accordance with the credible TA data set as well as other data sets i.e. most recent imagery.

Key performance indicator

2008/2009

- Focusing on preparations for the 2011 local elections relationships with the Minister, the MECs for local government, the IEC and municipalities will be formalised and intensified.
- All other formal and non-formal arrangements will be maintained and improved.
- Assist any department requiring assistance with the alignment of their service delivery boundaries to municipal boundaries.
- Assist DPLG/DLA with editing and mapping of the TA as well as provincial meetings/workshops.
- A credible TA data set will be finalised and published in co-operation with DLA, DPLG.

2009/2010

- Delimitations committees comprising of representatives of the MDB, IEC, DPLG and Provinces will be set up to deal with public objections during the ward delimitation process.
- All other formal and non-formal arrangements will be maintained and improved.
- Assist any department requiring assistance with the alignment of their service delivery boundaries to municipal boundaries.
- Assist DPLG/DLA with editing and mapping of the TA as well as provincial meetings/workshops.

- A credible TA data set will be finalised and published in co-operation with DLA, DPLG.

2010/2011

- Re-assess the effectiveness of the formal and informal structures for co-operation.
- Assist any department requiring assistance with the alignment of their service delivery boundaries to municipal boundaries.

Outputs and Budget

2008/2009

Output	Cost	Cost - GIS
Publication of Section 26 Notices in newspapers (TAs)	R40,000	
Provincial workshops (TAs) –		
• Travel	R50,000	R50,000
• subsistence,	R10,000	R10,000
• car hire	R15,000	R15,000
• accommodation	R20,000	R20,000
Publication of Section 21 Notices(TAs)	R60,000	
Publication of Section 21(5) Notices(TAs)	R20,000	

2009/2010

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• accommodation	R21,220	R21,220
Publication of Section 21 Notices(TAs)	R63,660	
Publication of Section 21(5) Notices(TAs)	R21,220	

Strategic Theme 7: Strengthening of the Board's organisational capacity and capability

Building the capacity of the Board's internal machinery is a priority for the Board. Previous Strategic Plans had a number of strategic objectives, aimed at building capability within the administrative arm of the Board, in order to improve performance. The Strategic Plan 2008 – 2012 must continue to pursue this strategic objective and find more innovative ways of facilitating the implementation of its objectives. The improvement of the Board's internal capacity continues to be adversely affected by budgetary constraints, 34% of the posts on the Board's staff establishment can not be filled due to an inadequate budget, and staff turnover was at its highest in 2007/2008.

The main capacity challenges to be addressed relate to:

- Organisational Development and Design ;
- Operational Processes and Systems;
- Monitoring and Evaluation; and
- Resources Mobilisation and Policy Development.

The capability challenges relate to:

Staff:

Every organisation needs highly skilled, well-led and experienced staff to achieve its strategic direction. Along with effective systems and support processes, the MDB relies on having the best people to meet the challenges of a continually changing environment. The MDB faces capability challenges such as retaining skilled staff, and increasing the proportion of staff with skills in the core Clusters. These and other capability issues will need to be addressed during the 2008/09 to ensure that the outcomes presented are achieved.

Processes:

The MDB maintains a highly secure and reliable information systems infrastructure, and it has a wide variety of information management and technology solutions. The MDB is evaluating its internal systems, processes and policies, and it needs to ensure that the benefits from the process improvement are realised.

Relationships:

To achieve its outcomes, the MDB needs the support of, and strong relationships with Government and its agencies, data providers, data users and the citizens. Currently, contact is maintained with key stakeholders through a variety of mechanisms ranging from informal networks to formal meetings of committees.

Maintaining long-term capability:

In terms of maintaining long-term capability, the MDB will:

- further develop relationship-building with stakeholders;
- increase competencies and skills among serving employees which are relevant and appropriate to ensure operational efficiencies, and thus more effective ways of achieving the Board's mandate;
- building a culture of high performance in all employees, and provide training, mentoring and guidance to staff requiring such support;

There are continuing pressures to do more with less, potentially putting at risk the quality and timing of products and services. To meet these pressures, the MDB will increase organisational productivity and responsiveness to change, and in particular:

- streamline internal processes to improve operational efficiency, flexibility and work prioritisation
- encourage a focus on performance, personal development, learning and continuous improvement,
- gain better leverage from technological advances, and
- continue to develop and apply new methodologies for cost-effective processes.

The MDB will also develop capability in two important areas. Firstly, it will put in place, within its structures, processes and people that are capable, hard-working and responsive to its mandate. Secondly, it will strengthen leadership and management capabilities and develop a larger pool of successors.

This theme will be achieved through the implementation of the following strategic objectives:

- **Develop and nurture capability at all levels within the Board.**

This strategy will entail:

- Managerial Development through implementing a leadership and management training programme; the aim of this programme is not only to provide middle managers with cutting-edge competencies, but also to prepare them for the challenges for the Senior Management Services.
- Human Resources Development through conducting training needs analysis on job specific competence requirements, Facilitating the development of Personal Development Plans, as well as implementing a seminar series programme to entrench employee research skills and competencies.
- Working on HR Administrative Processes and Systems to improve turn around times for minutes and documents, and to improve information storage and accessibility. Electronic systems to modernise HR processes researched and developed.
- Using consultants at the Board in such a manner as to add value to the work of the Board and to grow a pool of professionals to provide service and advice, optimise our financial resources, empower the employees of the Board, and progressively scale down on professional fees in a predictable and logical manner.

- **Create an enabling environment at the Board that allow for the acquisition of competencies and skills among serving employees which are relevant and appropriate to ensure operational efficiencies, and thus more effective ways of achieving the Board's mandate.**
- **Build a culture of high performance in all employees, and provide training, mentoring and guidance to staff requiring such support;**

- **Accounting for Performance – Requires that all staff perform at a high level. Performance management links individual performance objectives to the goals of the organization which is the accountability framework. Effective performance management will incorporate benchmarking of expectations and encourage performance-based rewards.**

Cumulatively, we believe that the implementation of these strategies will lead to the development of capable employees, with increased levels of skills, competencies and professionalism, and also better staff retention.

Building Human Capacity

Employees are the most valued asset of the organisation. Well-trained staff are essential for the sustainable production of quality products and services. This requires a strategy which will guide and systematise investment in human resources in order to transfer knowledge, broaden the skills base and raise staff motivation in the following ways:

- Recruitment and retention of employees, guided by an employment equity plan as well as the implementation of policies on staff rotation, career development and staff motivation;
- Development and implementation of a people development programme to enhance the qualifications, skills and competencies of staff;
- Quality and co-ordination of human development by ensuring compliance with the national skills development legislation and the workplace skills plan.

The strategy for developing human resources will focus in the medium term on achieving the following strategic objectives:-

- **Becoming an employer of choice** that attracts and retains valuable employees by ensuring that the organisation is respected for its products and services, competitive in its compensation packages, concerned with the welfare of its employees, and appreciated for its overall contribution to the development of the country. The Municipal Demarcation Board aims to achieve this through implementing a human resource strategy that focuses on competency-based career planning, aligning organisational and individual goals, and rewarding excellent performance.
- **Achieving equity and diversity in the workplace** by promoting equal opportunities and fair treatment of all employees, and implementing the Employment Equity Plan and Affirmative Action policy and programme, which include career advancement initiatives and the creation of a diverse workforce. The success of this objective will be measured against achieving and maintaining the set equity targets.
- **Creating a learning organisation** calls on the organisation to ensure that it develops its people and continually learns from its experiences in the quest for excellence.

The Municipal Demarcation Board aims to develop the necessary skills and expertise to effectively produce and deliver excellent service. An annual programme for training ensures the development of staff, based on the competencies required. This enables a career development system for all employees, which promote retention of critical skills.

The essence of a learning organisation is its ability to harness and optimise its experiences and lessons. A knowledge management system facilitates this objective.

- **Creating an enabling corporate culture and environment** where all people want to be involved in decisions that affect them, take pride in themselves, their jobs, one another and their place of work, and want to share in the success of their efforts.

Key outputs per financial year

OUTPUTS – ORGANISATIONAL CAPACITY AND CAPABILITY	MILESTONES			
	2008/09	2009/10	2010/11	2011/12
Annual strategic milestones achieved across the organisation.	<ul style="list-style-type: none"> • Re-assess the effectiveness of the management training programme by 30 April 2008, and improve on areas that are lacking in the programme, for the rest of the year. 	<ul style="list-style-type: none"> • Re-assess the effectiveness of the management training programme by 30 April 2009, and improve on areas that are lacking in the programme, for the rest of the year. 	<ul style="list-style-type: none"> • Re-assess the effectiveness of the management training programme by 30 April 2010, and improve on areas that are lacking in the programme, for the rest of the year. 	<ul style="list-style-type: none"> • Re-assess the effectiveness of the management training programme by 30 April 2011, and improve on areas that are lacking in the programme, for the rest of the year.

<p>Employees capable of delivering against targets.</p>	<ul style="list-style-type: none"> • Re-assess the effectiveness of the personal development plans by 30 April 2008, and improve on areas that are lacking in the programme, for the rest of the year. 	<ul style="list-style-type: none"> • Re-assess the effectiveness of the personal development plans by 30 April 2009, and improve on areas that are lacking in the programme, for the rest of the year. 	<ul style="list-style-type: none"> • Re-assess the effectiveness of the personal development plans by 30 April 2010, and improve on areas that are lacking in the programme, for the rest of the year. 	<ul style="list-style-type: none"> • Re-assess the effectiveness of the personal development plans by 30 April 2011, and improve on areas that are lacking in the programme, for the rest of the year.
<p>Increased skills levels</p>	<ul style="list-style-type: none"> • Re-assess the effectiveness of the Seminar Series programme by 30 April 2008, and improve on areas that are lacking in the programme. 	<ul style="list-style-type: none"> • Re-assess the effectiveness of the Seminar Series programme by 30 April 2009, and improve on areas that are lacking in the programme. 	<ul style="list-style-type: none"> • Re-assess the effectiveness of the Seminar Series programme by 30 April 2010, and improve on areas that are lacking in the programme. 	<ul style="list-style-type: none"> • Re-assess the effectiveness of the Seminar Series programme by 30 April 2011, and improve on areas that are lacking in the programme.
<p>An orientation towards performance and accountability for results.</p>	<ul style="list-style-type: none"> • Re-assess the effectiveness of the monthly timetable system by 30 April 2008, and improve on areas that are lacking. 	<ul style="list-style-type: none"> • Re-assess the effectiveness of the monthly timetable system by 30 April 2009, and improve on areas that are lacking. 	<ul style="list-style-type: none"> • Re-assess the effectiveness of the monthly timetable system by 30 April 2010, and improve on areas that are lacking. 	<ul style="list-style-type: none"> • Re-assess the effectiveness of the monthly timetable system by 30 April 2011, and improve on areas that are lacking.

<p>Innovation and dedication to one's work appropriately recognised and rewarded.</p>	<ul style="list-style-type: none"> • Manage and monitor the Performance Management and Rewards System on an annual basis. • Ensure that priorities for the employee accord with those identified by the Board, and aimed at fulfilling the mandate of the Board. 	<ul style="list-style-type: none"> • Manage and monitor the Performance Management and Rewards System on an annual basis. • Ensure that priorities for the employee accord with those identified by the Board, and aimed at fulfilling the mandate of the Board. 	<ul style="list-style-type: none"> • Manage and monitor the Performance Management and Rewards System on an annual basis. • Ensure that priorities for the employee accord with those identified by the Board, and aimed at fulfilling the mandate of the Board. 	<ul style="list-style-type: none"> • Manage and monitor the Performance Management and Rewards System on an annual basis. • Ensure that priorities for the employee accord with those identified by the Board, and aimed at fulfilling the mandate of the Board.
<p>Reliable, robust and responsive corporate systems.</p>	<ul style="list-style-type: none"> • Monitor monthly timetable system which indicates when everything is due, to facilitate and improve internal operation processes. 	<ul style="list-style-type: none"> • Monitor monthly timetable system which indicates when everything is due, to facilitate and improve internal operation processes. 	<ul style="list-style-type: none"> • Monitor monthly timetable system which indicates when everything is due, to facilitate and improve internal operation processes. 	<ul style="list-style-type: none"> • Monitor monthly timetable system which indicates when everything is due, to facilitate and improve internal operation processes.
<p>Smooth running organisation.</p>	<ul style="list-style-type: none"> • Set-up and implement formal monitoring mechanism to follow up on work that is due. 	<ul style="list-style-type: none"> • Set-up and implement formal monitoring mechanism to follow up on work that is due. 	<ul style="list-style-type: none"> • Set-up and implement formal monitoring mechanism to follow up on work that is due. 	<ul style="list-style-type: none"> • Set-up and implement formal monitoring mechanism to follow up on work that is due.

Improved performance due to systems utilisation.	<ul style="list-style-type: none"> • Monitor to ensure that the monthly costs of consultants do not deviate from those agreed upon. 	<ul style="list-style-type: none"> • Monitor to ensure that the monthly costs of consultants do not deviate from those agreed upon. 	<ul style="list-style-type: none"> • Monitor to ensure that the monthly costs of consultants do not deviate from those agreed upon. 	<ul style="list-style-type: none"> • Monitor to ensure that the monthly costs of consultants do not deviate from those agreed upon.
Application of best practice in system	<ul style="list-style-type: none"> • Implement the system that provides tangible proof that is beyond reasonable doubt that all consultants provide a service that they are being paid for. 	<ul style="list-style-type: none"> • Implement the system that provides tangible proof that is beyond reasonable doubt that all consultants provide a service that they are being paid for. 	<ul style="list-style-type: none"> • Implement the system that provides tangible proof that is beyond reasonable doubt that all consultants provide a service that they are being paid for. 	<ul style="list-style-type: none"> • Implement the system that provides tangible proof that is beyond reasonable doubt that all consultants provide a service that they are being paid for.
Finalise a suitable and generally acceptable way in which the staff remuneration structure ensures fair remuneration to staff	<ul style="list-style-type: none"> • Re-assess the remuneration structure by 1 April 2008, and improve where necessary. 	<ul style="list-style-type: none"> • Re-assess the remuneration structure by 1 April 2009, and improve where necessary. 	<ul style="list-style-type: none"> • Re-assess the remuneration structure by 1 April 2010, and improve where necessary. 	<ul style="list-style-type: none"> • Re-assess the remuneration structure by 1 April 2011, and improve where necessary.
To establish clearly defined management structure, systems and practices that effectively delivers quality services.	<ul style="list-style-type: none"> • To establish a well defined, clearly understood organisation structure which ensures all requisite roles are identified and aligned to the MDB's needs; which enhances individual's ability to make decisions and take full accountability for 	<ul style="list-style-type: none"> • To establish a well defined, clearly understood organisation structure which ensures all requisite roles are identified and aligned to the MDB's needs; which enhances individual's ability to make decisions and take full accountability for delivery of required 	<ul style="list-style-type: none"> • To establish a well defined, clearly understood organisation structure which ensures all requisite roles are identified and aligned to the MDB's needs; which enhances individual's ability to make decisions and take full accountability for delivery of required 	<ul style="list-style-type: none"> • To establish a well defined, clearly understood organisation structure which ensures all requisite roles are identified and aligned to the MDB's needs; which enhances individual's ability to make decisions and take full accountability for delivery of required

	<p>delivery of required services.</p> <ul style="list-style-type: none"> To improve performance, by aligning operational activities to strategic goals, by providing performance feedback, and by building development plans, targeted at aligning individual's skills with specific job requirements. 	<p>services.</p> <ul style="list-style-type: none"> To improve performance, by aligning operational activities to strategic goals, by providing performance feedback, and by building development plans, targeted at aligning individual's skills with specific job requirements. 	<p>services.</p> <ul style="list-style-type: none"> To improve performance, by aligning operational activities to strategic goals, by providing performance feedback, and by building development plans, targeted at aligning individual's skills with specific job requirements. 	<p>services.</p> <ul style="list-style-type: none"> To improve performance, by aligning operational activities to strategic goals, by providing performance feedback, and by building development plans, targeted at aligning individual's skills with specific job requirements.
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Outputs and Budget: Administration & HR

Output	2008/09	2009/10	2010/11	2011/12
Logistical support to all Clusters and to the Board with respect to Administration:				
- Advertisements and Promotions	R90,000	R105,000	R120,000	R138,000
- Conference and Seminars	R100,000	R112,000	R120,000	R140,000
- Printing and Photocopying	R120,000	R160,000	R150,000	R160,000
- Management of documentation, correspondence and archiving	R53,350	R90,145	R64,299	R72,642
Management of Staff Training and Development Programmes, and logistics incidental thereto:	R295,000	R279,000	R369,620	R331,000
Management of Staff Remuneration and Incentives (in collaboration with the	R8,203,505	R8,892,755	R9,639,990	R10,362,989

Finance Cluster)				
Office Administration (including office rental)	R2,471,900	R3,016,980	R3,191,774	R3,548,219

Measurable objective, Expected Outcomes, Programme Outputs

TIMEFRAME	ACTION
2008/2009 FINANCIAL YEAR	
<u>General Administration</u>	
On-going	<ul style="list-style-type: none"> ▪ The Manager and the Clusters are timeously assisted on matters pertaining to general administration, and office management.
Monthly	<ul style="list-style-type: none"> ▪ Contract from Service Providers are cost efficiently and effectively implemented.
On going	<ul style="list-style-type: none"> ▪ Relevant policy and procedural records are always up to date.
Daily	<ul style="list-style-type: none"> ▪ Day to day administrative duties are effectively and efficiently carried out.
Daily	<ul style="list-style-type: none"> ▪ Management/Administration of DB Text Database
On going	<ul style="list-style-type: none"> ▪ Management of Documents/ Registry/Archiving
Daily	<ul style="list-style-type: none"> ▪ Manage and update the Board's Contact Database
Monthly	<ul style="list-style-type: none"> ▪ Monitor the Telephone Management
Daily	<ul style="list-style-type: none"> ▪ Monitor and Manage Switchboard functions
Daily	<ul style="list-style-type: none"> ▪ Manage and monitor Reception functions
On request	<ul style="list-style-type: none"> ▪ Facilitate request from the public, furnishing quotations, capturing and receipting of invoices for SA Explorer and map sales.
Daily	<ul style="list-style-type: none"> ▪ Monitor and Manage the Maintenance/Driving of Board's vehicle
Daily	<ul style="list-style-type: none"> ▪ Manage and monitor the couriering and postage
<u>Travel and Accommodation</u>	
Monthly	<ul style="list-style-type: none"> ▪ Bookings for Board Members, Staff and Consultants are arranged promptly and cost effectively.
	<ul style="list-style-type: none"> • Capturing of monthly travel requisites for budgeting purpose.
On request	<ul style="list-style-type: none"> ▪ Arrange conferences/ workshops, Board and other Committee meetings.
Monthly	<ul style="list-style-type: none"> ▪ Compile minutes for all meetings and ensure the accuracy and distribution thereof.
	<ul style="list-style-type: none"> ▪ Necessary documents are available for relevant meetings, three days prior to the meetings.
<u>Equipment Procurement and Maintenance</u>	
As required	<ul style="list-style-type: none"> ▪ Ordering, refurbishing, services and repairs of all office equipment and furniture are cost effectively

TIMEFRAME	ACTION
	managed, according to policy and procedures.
Daily/Monthly	<ul style="list-style-type: none"> ▪ Capturing, issuing and stock control of stationery.
As required	<ul style="list-style-type: none"> ▪ Registering service providers on the MDB Supplier Database .
<u>Projects</u>	
July 2008	<ul style="list-style-type: none"> ▪ Capacity Assessment – Manage and oversee that all administration and logistical work is carried out according to the work programme.
	<ul style="list-style-type: none"> ▪ Other projects delegated by the Manager are completed effectively, efficiently and timeously.
<u>Performance Management</u>	
Quarterly	<ul style="list-style-type: none"> ▪ Profile individual contracts as per cluster strategic plans and align to organizational strategic plan. ▪ Amend contracts as indicated by individuals on a quarterly basis. ▪ Approvals of individual performance contracts by Cluster Heads and the Manager. ▪ Schedule quarterly assessment dates for self, oversee and the moderator. ▪ Monitoring individual assessments and the performance feedback. ▪ Compile all quarter's assessment report for analysis and moderation by the Manager.
<u>Reward and recognition</u>	
Annually	<ul style="list-style-type: none"> ▪ Assist the Manager annually with proposals in a draft document with regards to the Rewards and Recognition system.
<u>Training and Development</u>	
1 st Quarter	<ul style="list-style-type: none"> ▪ Carry out Skills Audit and compile a Work Skills Plan as per National Skills Development Act 1999. ▪ Unit Standards Evaluation to be carried out per post as per SAQA Regulations Act 1995. ▪ Register with LG SETA ▪ Compile an Annual Training Report (ATR).
<u>Succession Planning</u>	
Quarterly	<ul style="list-style-type: none"> ▪ Identify, monitor and evaluate skills transfer ▪ Compile Succession Planning report and implement.
<u>HR Management Systems</u>	
Daily/Monthly/Quarterly	Monitor, improve and enforce the following systems :
	<ul style="list-style-type: none"> ➢ Access Control ➢ VIP (Personnel Records) ➢ VIP ESS (Leave applications, monitoring and reconciliations for payroll)
Quarterly	<ul style="list-style-type: none"> ▪ Check to ensure that all staff contracts, policies and procedures are in compliance with the Acts and Regulations.

TIMEFRAME	ACTION
	➤ Performance Management System (Balance Scorecard S-Cubed).
Occupational Health and Safety	
2 nd Quarter	• HIV/AIDS at workplace – raise awareness and ensure a better understanding of HIV/AIDS
Quarterly	▪ Check to ensure that all staff contracts, policies and procedures are in compliance with the Acts and Regulations.
	▪ Drafting of Contingency Plan
Employment Equity	
Quarterly	▪ Implement, monitor and evaluate the EE Plan to ensure equity in the workplace.
Bi-annually	▪ Report to the Department of Labour after every two years as regulated in Section 21 of EEA.
Quarterly	▪ Monitor outputs from performance agreements in order to identify the gaps with regards to skills and poor performance.
Recruitment and Selection	
As approved by the Board.	<ul style="list-style-type: none"> ▪ The process for recruitment and selection is carried out as per the policies and procedures of the MDB. ▪ Prepare all the necessary documents for the interview. ▪ Post interview procedures. ▪ Offer of employment. ▪ Letters of regret to unsuccessful applicants
Good Governance	
Quarterly	▪ Cluster and Staff meetings to be held.
1 st Quarter	▪ Develop Standard Operational Procedures in the administration.
Monthly	▪ Intranet usage
On going	▪ Develop and amend Policies
Annually	▪ Compilation of the Human Resources Oversight statistics for the Annual Report
Weekly	▪ Monitor the progress of the Communications strategy.
Quarterly	▪ Compile and submit return of earnings to the Compensation Commissioner.
Stakeholders	
	Meetings to be arranged with the following:
1 st Quarter	➤ Department of Labour (Employment Equity and Compensation House)
1 st Quarter	➤ SAQA
1 st Quarter	➤ LGSETA

TIMEFRAME	ACTION
2 nd Quarter	➤ Department of Health
2 nd Quarter	➤ NOSA
1 st Quarter	➤ Other Institutions
Daily	The following legislations are applicable: Local Government: Municipal Demarcation Act, No 27 of 1998, as amended Local Government: Municipal Structures Act, 1998 Generally Recognised Accepted Practice Income Tax Act, No 58 of 1962 Value-Added Tax Act, No 89 of 1991 Public finance Management Act, No 1 of 1999, as amended Treasury Regulations, March 2005, issued in terms of the PFMA Preferential Procurement Policy Framework Act (No.5 of 2000) All practice notes on Supply Chain Management Act Employment Equity Act, No 55 of 1998 Basic Conditions of Employment Act, No 75 of 1997 Labour Relations Act, No 88 of 1998 Skills Development Act, No 97 of 1998 Skills Development Levies Act, No 9 of 1999 Unemployment Insurance Act, No 30 of 1966 Compensation for Occupational Injuries & diseases Act, No 130 of 1993 Occupational Health & Safety Act, No 85 of 1993
2009/2010 FINANCIAL YEAR	
General Administration	
On-going	▪ The Manager is always timeously assisted on matters pertaining to general administration, and office management.
Monthly	▪ Contract from Service Providers are cost efficiently and effectively implemented.
On going	▪ Relevant policy and procedural records are always up to date.
Daily	▪ Day to day administrative duties are effectively and efficiently carried out.
Daily	▪ Management/Administration of DB Text Database
On going	▪ Management of Documents/ Registry/Archiving
Daily	▪ Manage and update the Board's Contact Database
Monthly	▪ Telephone Management

TIMEFRAME	ACTION
Daily	<ul style="list-style-type: none"> ▪ Switchboard functions
Daily	<ul style="list-style-type: none"> ▪ Receptionist functions
On request	<ul style="list-style-type: none"> ▪ Facilitate request from the public, furnishing quotations, capturing and receipting of invoices for SA Explorer and map sales.
Daily	<ul style="list-style-type: none"> ▪ Maintenance/Driving of Board's vehicle
Daily	<ul style="list-style-type: none"> ▪ Couriering and postage
<u>Travel and Accommodation</u>	
Monthly	<ul style="list-style-type: none"> ▪ Bookings for Board Members, Staff and Consultants are arranged promptly and cost effectively. • Capturing of monthly travel requisites for budgeting purpose.
On request	<ul style="list-style-type: none"> ▪ Arrange conferences/ workshops, Board and other Committee meetings.
Monthly	<ul style="list-style-type: none"> ▪ Compile minutes for all meetings and ensure the accuracy and distribution thereof. ▪ Necessary documents are available for relevant meetings, three days prior to the meetings.
<u>Equipment Procurement and Maintenance</u>	
As required	<ul style="list-style-type: none"> ▪ Ordering, refurbishing, services and repairs of all office equipment and furniture are cost effectively managed, according to policy and procedures.
Daily/Monthly	<ul style="list-style-type: none"> ▪ Capturing, issuing and stock control of stationery.
As required	<ul style="list-style-type: none"> ▪ Registering service providers on the MDB Supplier Database .
<u>Projects</u>	
July 2009	<ul style="list-style-type: none"> ▪ Capacity Assessment – Manage and oversee that all administration and logistical work is carried out according to the work programme. ▪ Other projects delegated by the Manager are completed effectively, efficiently and timeously.
<u>Performance Management</u>	
Quarterly	<ul style="list-style-type: none"> ▪ Profile individual contracts as per cluster strategic plans and align to organizational strategic plan. ▪ Amend contracts as indicated by individuals on a quarterly basis. ▪ Approvals of individual performance contracts by Cluster Heads and the Manager. ▪ Schedule quarterly assessment dates for self, oversee and the moderator. ▪ Monitoring individual assessments and the performance feedback. ▪ Compile all quarter's assessment report for analysis and moderation by the Manager.
<u>Reward and recognition</u>	
Annually	<ul style="list-style-type: none"> ▪ Assist the Manage annually with proposals in a draft document with regards to the Rewards and Recognition system. ▪ Research on the latest survey to benchmark salaries

TIMEFRAME	ACTION
<u>Training and Development</u>	
1 st Quarter	<ul style="list-style-type: none"> ▪ Assess previous annual training report and identify skills gap. ▪ Carry out Skills Audit and compile a Work Skills Plan as per National Skills Development Act 1999. ▪ Unit Standards Evaluation to be carried out per post as per SAQA Regulations Act 1995. ▪ Compile an Annual Training Report (ATR).
<u>Succession Planning</u>	
Quarterly	<ul style="list-style-type: none"> ▪ Identify, monitor and evaluate skills transfer ▪ Compile Succession Planning report and implement.
<u>HR Management Systems</u>	
Daily/Monthly/Quarterly	Monitor, improve and enforce the following systems :
	<ul style="list-style-type: none"> ➢ Access Control ➢ VIP (Personnel Records) ➢ VIP ESS (Leave applications, monitoring and reconciliations for payroll) ➢ Performance Management System (Balance Scorecard S-Cubed).
<u>Occupational Health and Safety</u>	
2 nd Quarter	<ul style="list-style-type: none"> • HIV/AIDS at workplace – raise awareness and ensure a better understanding of HIV/AIDS
Quarterly	<ul style="list-style-type: none"> ▪ Check to ensure that all staff contracts, policies and procedures are in compliance with the Acts and Regulations. ▪ Workshop staff on new developments on Health and Safety matters.
<u>Employment Equity</u>	
Quarterly	<ul style="list-style-type: none"> ▪ Implement, monitor and evaluate the EE Plan to ensure equity in the workplace.
Bi-annually	<ul style="list-style-type: none"> ▪ Report to the Department of Labour after every two years as regulated in Section 21 of EEA.
Quarterly	<ul style="list-style-type: none"> ▪ Monitor outputs from performance agreements in order to identify the gaps with regards to skills and poor performance.
<u>Recruitment and Selection</u>	
As approved by the Board.	<ul style="list-style-type: none"> ▪ The process for recruitment and selection is carried out as per the policies and procedures of the MDB. ▪ Prepare the necessary documents for the interviews. ▪ Existing vacant positions in Clusters.
<u>Good Governance</u>	
Quarterly	<ul style="list-style-type: none"> ▪ Cluster and Staff meetings to be held.
1 st Quarter	<ul style="list-style-type: none"> ▪ Develop Standard Operations Procedures in the administration.

TIMEFRAME	ACTION
Monthly	<ul style="list-style-type: none"> ▪ Intranet usage
On going	<ul style="list-style-type: none"> ▪ Develop and amend Policies
Annually	<ul style="list-style-type: none"> ▪ Compilation of the Human Resources Oversight statistics for the Annual Report
Monthly	<ul style="list-style-type: none"> ▪ Assess the communications strategy and improve if possible.
Annually	<ul style="list-style-type: none"> ▪ Compile and submit return of earnings to the Compensation Commissioner.
<u>Stakeholders</u>	
	Meetings to be arranged with the following:
1 st Quarter	Department of Labour (Employment Equity and Compensation House)
1 st Quarter	➤ SAQA
1 st Quarter	➤ LGSETA
2 nd Quarter	➤ Department of Health
2 nd Quarter	➤ NOSA
1 st Quarter	➤ Other Institutions
Daily	<p>The following legislations are applicable:</p> <p>Local Government: Municipal Demarcation Act, No 27 of 1998, as amended</p> <p>Local Government: Municipal Structures Act, 1998</p> <p>Generally Recognised Accepted Practice</p> <p>Income Tax Act, No 58 of 1962</p> <p>Value-Added Tax Act, No 89 of 1991</p> <p>Public finance Management Act, No 1 of 1999, as amended</p> <p>Treasury Regulations, March 2005, issued in terms of the PFMA</p> <p>Preferential Procurement Policy Framework Act (No.5 of 2000)</p> <p>All practice notes on Supply Chain Management Act</p> <p>Employment Equity Act, No 55 of 1998</p> <p>Basic Conditions of Employment Act, No 75 of 1997</p> <p>Labour Relations Act, No 88 of 1998</p> <p>Skills Development Act, No 97 of 1998</p> <p>Skills Development Levies Act, No 9 of 1999</p> <p>Unemployment Insurance Act, No 30 of 1966</p> <p>Compensation for Occupational Injuries & diseases Act, No 130 of 1993</p> <p>Occupational Health & Safety Act, No 85 of 1993</p>

TIMEFRAME	ACTION
2010/2011 FINANCIAL YEAR	
<u>General Administration</u>	
On-going	<ul style="list-style-type: none"> ▪ The Manager is always timeously assisted on matters pertaining to general administration, and office management.
Monthly	<ul style="list-style-type: none"> ▪ Contract from Service Providers are cost efficiently and effectively implemented.
On going	<ul style="list-style-type: none"> ▪ Relevant policy and procedural records are always up to date.
Daily	<ul style="list-style-type: none"> ▪ Day to day administrative duties are effectively and efficiently carried out.
Daily	<ul style="list-style-type: none"> ▪ Management/Administration of DB Text Database
On going	<ul style="list-style-type: none"> ▪ Management of Documents/ Registry/Archiving
Daily	<ul style="list-style-type: none"> ▪ Manage and update the Board's Contact Database
Monthly	<ul style="list-style-type: none"> ▪ Telephone Management
Daily	<ul style="list-style-type: none"> ▪ Switchboard functions
Daily	<ul style="list-style-type: none"> ▪ Receptionist functions
On request	<ul style="list-style-type: none"> ▪ Facilitate request from the public, furnishing quotations, capturing and receipting of invoices for SA Explorer and map sales.
Daily	<ul style="list-style-type: none"> ▪ Maintenance/Driving of Board's vehicle
Daily	<ul style="list-style-type: none"> ▪ Couriering and postage
<u>Travel and Accommodation</u>	
Monthly	<ul style="list-style-type: none"> ▪ Bookings for Board Members, Staff and Consultants are arranged promptly and cost effectively.
	<ul style="list-style-type: none"> • Capturing of monthly travel requisites for budgeting purpose.
On request	<ul style="list-style-type: none"> ▪ Arrange conferences/ workshops, Board and other Committee meetings.
Monthly	<ul style="list-style-type: none"> ▪ Compile minutes for all meetings and ensure the accuracy and distribution thereof.
	<ul style="list-style-type: none"> ▪ Necessary documents are available for relevant meetings, three days prior to the meetings.
<u>Equipment Procurement and Maintenance</u>	
As required	<ul style="list-style-type: none"> ▪ Ordering, refurbishing, services and repairs of all office equipment and furniture are cost effectively managed, according to policy and procedures.
Daily/Monthly	<ul style="list-style-type: none"> ▪ Capturing, issuing and stock control of stationery.
As required	<ul style="list-style-type: none"> ▪ Registering service providers on the MDB Supplier Database.
<u>Projects</u>	
	<ul style="list-style-type: none"> ▪ Capacity Assessment – Manage and oversee that all administration and logistical work is carried out according to the work programme.
	<ul style="list-style-type: none"> ▪ Other projects delegated by the Manager are completed effectively, efficiently and timeously.

TIMEFRAME	ACTION
<u>Performance Management</u>	
Quarterly	<ul style="list-style-type: none"> ▪ Assess previous Annual Training Report to identify skills gap. ▪ Profile individual contracts as per cluster strategic plans and align to organizational strategic plan. ▪ Amend contracts as indicated by individuals on a quarterly basis. ▪ Approvals of individual performance contracts by Cluster Heads and the Manager. ▪ Schedule quarterly assessment dates for self, oversee and the moderator. ▪ Monitoring individual assessments and the performance feedback. ▪ Compile all quarter's assessment report for analysis and moderation by the Manager.
<u>Reward and recognition</u>	
Annually	<ul style="list-style-type: none"> ▪ Assist the Manage annually with proposals in a draft document with regards to the Rewards and Recognition system.
<u>Training and Development</u>	
1 st Quarter	<ul style="list-style-type: none"> ▪ Carry out Skills Audit and compile a Work Skills Plan as per National Skills Development Act 1999. ▪ Unit Standards Evaluation to be carried out per post as per SAQA Regulations Act 1995. ▪ Compile an Annual Training Report (ATR).
<u>Succession Planning</u>	
Quarterly	<ul style="list-style-type: none"> ▪ Identify, monitor and evaluate skills transfer ▪ Compile Succession Planning report and implement.
<u>HR Management Systems</u>	
Daily/Monthly/Quarterly	Monitor, improve and enforce the following systems :
	<ul style="list-style-type: none"> ➢ Access Control ➢ VIP (Personnel Records) ➢ VIP ESS (Leave applications, monitoring and reconciliations for payroll)
	<ul style="list-style-type: none"> ➢ Performance Management System (Balance Scorecard S-Cubed).
Quarterly	<ul style="list-style-type: none"> ▪ Check to ensure that all staff contracts, policies and procedures are in compliance with the Acts and Regulations.
<u>Occupational Health & Safety</u>	
2 nd Quarter	<ul style="list-style-type: none"> • HIV/AIDS at workplace – raise awareness and ensure a better understanding of HIV/AIDS
	<ul style="list-style-type: none"> ▪ Revisit NOSA on new amendments and update policies and procedures.
	<ul style="list-style-type: none"> ▪ Health and Safety Committee members to update their required skills and knowledge accordingly.
<u>Employment Equity</u>	
Quarterly	<ul style="list-style-type: none"> ▪ Implement, monitor and evaluate the EE Plan to ensure equity in the workplace.

TIMEFRAME	ACTION
Bi-annually	<ul style="list-style-type: none"> ▪ Report to the Department of Labour after every two years as regulated in Section 21 of EEA.
Quarterly	<ul style="list-style-type: none"> ▪ Monitor outputs from performance agreements in order to identify the gaps with regards to skills and poor performance.
<u>Recruitment and Selection</u>	
As approved by the Board.	<ul style="list-style-type: none"> ▪ The process for recruitment and selection is carried out as per the policies and procedures of the MDB. ▪ Prepare documents for the interviewing process. ▪ Existing vacant positions in Clusters.
<u>Good Governance</u>	
Quarterly	<ul style="list-style-type: none"> ▪ Cluster and Staff meetings to be held.
1 st Quarter	<ul style="list-style-type: none"> ▪ Develop Standard Operational Procedures in the administration.
Monthly	<ul style="list-style-type: none"> ▪ Monitor the Intranet usage for its effectiveness
On going	<ul style="list-style-type: none"> ▪ Develop and amend Policies
Annually	<ul style="list-style-type: none"> ▪ Compilation of the Human Resources Oversight statistics for the Annual Report
Monthly	<ul style="list-style-type: none"> ▪ Review communications strategy where possible.
Annually	<ul style="list-style-type: none"> ▪ Compile and submit return of earnings to the Compensation Commissioner.
<u>Stakeholders</u>	
	Meetings to be arranged with the following:
1 st Quarter	<ul style="list-style-type: none"> ➤ Department of Labour (Employment Equity and Compensation House)
1 st Quarter	<ul style="list-style-type: none"> ➤ SAQA
1 st Quarter	<ul style="list-style-type: none"> ➤ LGSETA
2 nd Quarter	<ul style="list-style-type: none"> ➤ Department of Health
2 nd Quarter	<ul style="list-style-type: none"> ➤ NOSA
1 st Quarter	<ul style="list-style-type: none"> ➤ Other Institutions
Daily	<p>The following legislations are applicable:</p> <p>Local Government: Municipal Demarcation Act, No 27 of 1998, as amended</p> <p>Local Government: Municipal Structures Act, 1998</p> <p>Generally Recognised Accepted Practice</p> <p>Income Tax Act, No 58 of 1962</p> <p>Value-Added Tax Act, No 89 of 1991</p> <p>Public finance Management Act, No 1 of 1999, as amended</p> <p>Treasury Regulations, March 2005, issued in terms of the PFMA</p>

TIMEFRAME	ACTION
	Preferential Procurement Policy Framework Act (No.5 of 2000) All practice notes on Supply Chain Management Act Employment Equity Act, No 55 of 1998 Basic Conditions of Employment Act, No 75 of 1997 Labour Relations Act, No 88 of 1998 Skills Development Act, No 97 of 1998 Skills Development Levies Act, No 9 of 1999 Unemployment Insurance Act, No 30 of 1966 Compensation for Occupational Injuries & diseases Act, No 130 of 1993 Occupational Health & Safety Act, No 85 of 1993
2011/2012 FINANCIAL YEAR	
General Administration	
On-going	<ul style="list-style-type: none"> ▪ The Manager and the Clusters are timeously assisted on matters pertaining to general administration, and office management.
Monthly	<ul style="list-style-type: none"> ▪ Contract from Service Providers are cost efficiently and effectively implemented.
On going	<ul style="list-style-type: none"> ▪ Relevant policy and procedural records are always up to date.
Daily	<ul style="list-style-type: none"> ▪ Day to day administrative duties are effectively and efficiently carried out.
Daily	<ul style="list-style-type: none"> ▪ Management/Administration of DB Text Database
On going	<ul style="list-style-type: none"> ▪ Management of Documents/ Registry/Archiving
Daily	<ul style="list-style-type: none"> ▪ Manage and update the Board's Contact Database
Monthly	<ul style="list-style-type: none"> ▪ Monitor the Telephone Management
Daily	<ul style="list-style-type: none"> ▪ Monitor and Manage Switchboard functions
Daily	<ul style="list-style-type: none"> ▪ Manage and monitor Reception functions
On request	<ul style="list-style-type: none"> ▪ Facilitate request from the public, furnishing quotations, capturing and receipting of invoices for SA Explorer and map sales.
Daily	<ul style="list-style-type: none"> ▪ Monitor and Manage the Maintenance/Driving of Board's vehicle
Daily	<ul style="list-style-type: none"> ▪ Manage and monitor the couriering and postage
Travel and Accommodation	
Monthly	<ul style="list-style-type: none"> ▪ Bookings for Board Members, Staff and Consultants are arranged promptly and cost effectively. • Capturing of monthly travel requisites for budgeting purpose.
On request	<ul style="list-style-type: none"> ▪ Arrange conferences/ workshops, Board and other Committee meetings.
Monthly	<ul style="list-style-type: none"> ▪ Compile minutes for all meetings and ensure the accuracy and distribution thereof.

TIMEFRAME	ACTION
	<ul style="list-style-type: none"> ▪ Necessary documents are available for relevant meetings, three days prior to the meetings.
<u>Equipment Procurement and Maintenance</u>	
As required	<ul style="list-style-type: none"> ▪ Ordering, refurbishing, services and repairs of all office equipment and furniture are cost effectively managed, according to policy and procedures.
Daily/Monthly	<ul style="list-style-type: none"> ▪ Capturing, issuing and stock control of stationery.
As required	<ul style="list-style-type: none"> ▪ Registering service providers on the MDB Supplier Database .
<u>Projects</u>	
July 2008	<ul style="list-style-type: none"> ▪ Capacity Assessment – Manage and oversee that all administration and logistical work is carried out according to the work programme.
	<ul style="list-style-type: none"> ▪ Other projects delegated by the Manager are completed effectively, efficiently and timeously.
<u>Performance Management</u>	
Quarterly	<ul style="list-style-type: none"> ▪ Profile individual contracts as per cluster strategic plans and align to organizational strategic plan. ▪ Amend contracts as indicated by individuals on a quarterly basis. ▪ Approvals of individual performance contracts by Cluster Heads and the Manager. ▪ Schedule quarterly assessment dates for self, oversee and the moderator. ▪ Monitoring individual assessments and the performance feedback. ▪ Compile all quarter's assessment report for analysis and moderation by the Manager.
<u>Reward and recognition</u>	
Annually	<ul style="list-style-type: none"> ▪ Assist the Manager annually with proposals in a draft document with regards to the Rewards and Recognition system.
<u>Training and Development</u>	
1 st Quarter	<ul style="list-style-type: none"> ▪ Carry out Skills Audit and compile a Work Skills Plan as per National Skills Development Act 1999. ▪ Unit Standards Evaluation to be carried out per post as per SAQA Regulations Act 1995. ▪ Register with LG SETA ▪ Compile an Annual Training Report (ATR).
<u>Succession Planning</u>	
Quarterly	<ul style="list-style-type: none"> ▪ Identify, monitor and evaluate skills transfer ▪ Compile Succession Planning report and implement.
<u>HR Management Systems</u>	
Daily/Monthly/Quarterly	Monitor, improve and enforce the following systems :
	<ul style="list-style-type: none"> ➤ Access Control ➤ VIP (Personnel Records)

TIMEFRAME	ACTION
	➤ VIP ESS (Leave applications, monitoring and reconciliations for payroll)
Quarterly	<ul style="list-style-type: none"> ▪ Check to ensure that all staff contracts, policies and procedures are in compliance with the Acts and Regulations.
	➤ Performance Management System (Balance Scorecard S-Cubed).
Occupational Health and Safety	
2 nd Quarter	<ul style="list-style-type: none"> • HIV/AIDS at workplace – raise awareness and ensure a better understanding of HIV/AIDS
Quarterly	<ul style="list-style-type: none"> ▪ Check to ensure that all staff contracts, policies and procedures are in compliance with the Acts and Regulations.
	<ul style="list-style-type: none"> ▪ Drafting of Contingency Plan
Employment Equity	
Quarterly	<ul style="list-style-type: none"> ▪ Implement, monitor and evaluate the EE Plan to ensure equity in the workplace.
Bi-annually	<ul style="list-style-type: none"> ▪ Report to the Department of Labour after every two years as regulated in Section 21 of EEA.
Quarterly	<ul style="list-style-type: none"> ▪ Monitor outputs from performance agreements in order to identify the gaps with regards to skills and poor performance.
Recruitment and Selection	
As approved by the Board.	<ul style="list-style-type: none"> ▪ The process for recruitment and selection is carried out as per the policies and procedures of the MDB. ▪ Prepare all the necessary documents for the interview. ▪ Post interview procedures. ▪ Offer of employment. ▪ Letters of regret to unsuccessful applicants
Good Governance	
Quarterly	<ul style="list-style-type: none"> ▪ Cluster and Staff meetings to be held.
1 st Quarter	<ul style="list-style-type: none"> ▪ Develop Standard Operational Procedures in the administration.
Monthly	<ul style="list-style-type: none"> ▪ Intranet usage
On going	<ul style="list-style-type: none"> ▪ Develop and amend Policies
Annually	<ul style="list-style-type: none"> ▪ Compilation of the Human Resources Oversight statistics for the Annual Report
Weekly	<ul style="list-style-type: none"> ▪ Monitor the progress of the Communications strategy.
Quarterly	<ul style="list-style-type: none"> ▪ Compile and submit return of earnings to the Compensation Commissioner.
Stakeholders	
	Meetings to be arranged with the following:
1 st Quarter	<ul style="list-style-type: none"> ➤ Department of Labour (Employment Equity and Compensation House)

TIMEFRAME	ACTION
1 st Quarter	➤ SAQA
1 st Quarter	➤ LGSETA
2 nd Quarter	➤ Department of Health
2 nd Quarter	➤ NOSA
1 st Quarter	➤ Other Institutions
Daily	<p>The following legislations are applicable:</p> <p>Local Government: Municipal Demarcation Act, No 27 of 1998, as amended</p> <p>Local Government: Municipal Structures Act, 1998</p> <p>Generally Recognised Accepted Practice</p> <p>Income Tax Act, No 58 of 1962</p> <p>Value-Added Tax Act, No 89 of 1991</p> <p>Public finance Management Act, No 1 of 1999, as amended</p> <p>Treasury Regulations, March 2005, issued in terms of the PFMA</p> <p>Preferential Procurement Policy Framework Act (No.5 of 2000)</p> <p>All practice notes on Supply Chain Management Act</p> <p>Employment Equity Act, No 55 of 1998</p> <p>Basic Conditions of Employment Act, No 75 of 1997</p> <p>Labour Relations Act, No 88 of 1998</p> <p>Skills Development Act, No 97 of 1998</p> <p>Skills Development Levies Act, No 9 of 1999</p> <p>Unemployment Insurance Act, No 30 of 1966</p> <p>Compensation for Occupational Injuries & diseases Act, No 130 of 1993</p> <p>Occupational Health & Safety Act, No 85 of 1993</p>

Strategic Theme 8: Ensuring Good Governance

The Municipal Demarcation Board endeavours to ensure that good governance arrangements are in place throughout the organization, to support the Board processes effectively and comply with legislation. Good governance arrangements already exist at the Board. It is however important that there is constant examination and review of these arrangements, to ensure that an appropriate set of checks and balances on the stewards of the organization, is maintained at all times.

We still need to improve steadily in the development and maintenance of administrative systems and processes. Furthermore, budgetary management must continue to improve to come to an acceptable standard, and we still need to maximise the operations of our integrated accounting and procurement systems

The following are the strategic objectives for this theme:

- **Complying with legal frameworks:** As a constitutional institution funded from appropriations by Parliament, the Board is compelled to comply with various legal frameworks such as the Public Finance Management Act, the Municipal Demarcation Act and others. We have developed policies and procedures to guide our compliance. We have also carried out a risk assessment, and have developed the risk management strategy. The strategy is being implemented to ensure that the organisation focuses on those areas of risk that have a high probability of affecting the performance of the organisation.
- **Improving the efficiency and effectiveness of administrative processes and systems** by enhancing capacity in the relevant areas, implementing policies, procedures and best practice, and redesigning processes to meet user requirements. The ultimate aim is to improve the lead times of key processes.
- **Improving the quality and usage of management information** is key to ensure sound management, decision-making and good governance. A central initiative in achieving this objective is to implement the Board's in-house management information system (Intranet) to provide relevant and regular updated management information.
- **Planning and executing activities within budget** is a key requirement to ensure that the Board provides cost-efficient products and services. The Board will seek to acquire a procurement management system, to assist the organisation to monitor the procurement and execution of activities against plans and budgets.
- **Managing risks effectively** is a managerial responsibility. The internal control component will play an important role in assisting management in mitigating risks through the implementation of the risk management strategy.
- **Effective leadership, management and decision-making** are required to ensure that the Board continues to excel in areas where we are performing well, and to improve significantly in areas where we are still lacking. The Board aims to create and develop a cadre of organisational leaders and managers that will guide the organisation to effectively manage performance, and to ensure that we capitalize on our strengths, minimize or address our weaknesses, take advantage of our opportunities, and manage our threats effectively.

Key outputs per financial year

OUTPUTS – GOOD GOVERNANCE	MILESTONES			
	2008/09	2009/10	2010/11	2011/12
<p>The objectives are to:</p> <ul style="list-style-type: none"> • Improve the efficiency and effectiveness of administrative processes and systems • Improve the quality and usage of management information • Plan and execute activities within budget • Managing risks effectively • Ensure effective leadership, management and decision-making • Ensure positive audit opinion by the Auditor-General. • Improve the lead times of key processes, such as the release of Board documents, completion of documents with administrative significance on or before the due date etc. 	<ul style="list-style-type: none"> • Administration: Monitor and manage the current systems with regards to the Board’s Policies and procedures. • Monitor the implementation of the SOPs. Human Resources: HRM systems to comply with the relevant Acts. To enforce HR policies and procedures. 	<ul style="list-style-type: none"> • Administration: Monitor and manage the current systems with regards to the Board’s Policies and procedures. • Monitor the implementation of the SOPs. • Human Resources: HRM systems to comply with the relevant Acts. To enforce HR policies and procedures. 	<ul style="list-style-type: none"> • Administration: Monitor and manage the current systems with regards to the Board’s Policies and procedures. • Monitor the implementation of the SOPs. • Investigate and develop new systems. • Human Resources: HRM systems to comply with the relevant Acts. To enforce HR policies and procedures. 	<ul style="list-style-type: none"> • Administration: Monitor and manage the current systems with regards to the Board’s Policies and procedures. • Monitor the implementation of the SOPs. • Investigate and develop new systems. • Human Resources: HRM systems to comply with the relevant Acts. To enforce HR policies and procedures.
<ul style="list-style-type: none"> • Risk management 	<ul style="list-style-type: none"> • Effectiveness of risk management strategy audited. 	<ul style="list-style-type: none"> • Continue in dealing with risks areas. 	<ul style="list-style-type: none"> • Continue in dealing with risks areas. 	<ul style="list-style-type: none"> •

<ul style="list-style-type: none"> Improving the financial and procurement practices to ensure effective and efficient internal operations of the organisation. 	<ul style="list-style-type: none"> Effectiveness of the procurement management system audited and reviewed. 	<ul style="list-style-type: none"> Effectiveness of the procurement management system audited and reviewed. 	<ul style="list-style-type: none"> Effectiveness of the procurement management system audited and reviewed. 	<ul style="list-style-type: none">
Leadership and Management Programmes	<ul style="list-style-type: none"> Effectiveness of the management and leadership development audited. 	<ul style="list-style-type: none"> Monitor the implementation and progress of the programme. 	<ul style="list-style-type: none"> Monitor the implementation and progress of the programme. 	<ul style="list-style-type: none"> Monitor the implementation and progress of the programme.

Administration and Corporate Information

Registered Address

Iparioli Park, Block B2, Ground Floor
1166 Park Street
Hatfield
0028

Legal form of the Board

Constitutional Institution

Jurisdiction within which it operates

The Republic of South Africa

Description of the nature of Board's operations and its principal activities

Reference to the relevant legislations governing the Board's operations

The following legislations are applicable:
Local Government: Municipal Demarcation Act No 27 of 1998, as amended
Local Government: Municipal Structures Act 1998
Generally Recognised Accepted Practice
Income Tax Act No 58 of 1962
Value-Added Tax Act No 89 of 1991
Public finance Management Act No 1 of 1999, as amended
Treasury Regulations, March 2005, issued in terms of the PFMA
Preferential Procurement Policy Framework Act No 5 of 2000
All practice notes on Supply Chain Management Act
Employment Equity Act No 55 of 1998
Basic Conditions of Employment Act No 75 of 1997
Labour Relations Act No 88 of 1998

Name of the controlling entity

The Municipal Demarcation Board is independent and therefore does not have controlling entity.

External Auditors

Auditor General

Attorneys

MacRoberts Incorporated Attorneys

Bankers

ABSA Bank of Southern Africa

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