

XHARIEP DISTRICT MUNICIPALITY

1. 2010/2011 BUDGET RELATED POLICIES

1.1. Revenue related policies

1.1.1 Tariff Policy

Council reviewed Tariff Policy in terms of Section 74(1) of the Municipal Systems Act (Act 32 of 2000) and was approved by Council on 31 March 2010.

1.1.2 Bad debt write-off Policy

Section 96 of the Local Government: Municipal Systems Act, 32 of 2000, provides that a municipality must collect all money that is due and payable to it, subject to provisions of the Act and other applicable legislation. It is recognized, however, that circumstances may arise which may make the recovery of certain debts impossible, impractical or financially unfeasible, and that such debts may have to be written off. This policy provides the framework and procedures to be followed for the write off of bad debt.

1.2. Supply Chain Management

1.2.1 Supply Chain Management Policy

To provide a policy framework within which the municipal manager and chief financial officer can institute and maintain a supply chain management system which is transparent, efficient, equitable, competitive, ensures best value for money for the municipality, applies the highest possible ethical standards, and promotes local economic development.

1.2.2 Procurement Procedure Manual

The objective of the Procurement Procedure Manual is to assist with the Supply Chain Management Policy. This is an integral part of the Supply Chain Management Policy that ensures efficient implementation of the policy by providing step-by-step processes to follow.

1.2.3 Preferential Procurement Policy Framework

The objective of the Preferential Procurement Policy Framework is to address the imbalances of the past distribution of the opportunities to participate in the economy.

1.2.4 Tender Policy

The objective of the Tender Policy is to ensure compliance to the Bidding Process requirements of the municipality. These requirements are informed by the prescribed regulations and related Acts.

1.3. Banking and Investments

1.3.1 Banking and Investment Policy

The municipality shall at all times manage its banking arrangements and investments and conduct its cash management policy in compliance with the provisions of and any further prescriptions made by the Minister of Finance in terms of the Municipal Finance Management

Act No. 56 of 2003. The purpose of this policy is to provide the framework and procedures to be followed.

1.4. General

1.4.1 Budget Policy

Purpose of the policy is to set out the budgeting principles which the municipality will follow in preparing each annual budget, as well as the responsibilities of the chief financial officer in compiling such budget.

1.4.2 Fleet Management Policy

Xhariep District Municipality, its Council and Executive Management has a Legal, Moral and Financial obligation to protect municipal assets from abuse, which could result in a loss to the Municipality. It is accepted that the Council has not in the past, experienced a lot of losses in this regard. It is however advisable to introduce preventative measures before the risk occur to ensure that the Council's Insurance claims are kept at a minimum. This policy seeks to address any possible future shortcomings.

1.4.3 Cell phone Policy

In order to enable and enhance the productivity of the municipality's business units it is critical to make use of the latest means of communication technology. Based on this, cellular phones are allocated for sound business reasons, primarily for receiving business calls and making business calls when not located in the office. The objective of the Cell phone Policy is aimed at controlling the use of cell-phones by employees and Councillors of Xhariep District Municipality. The policy provides guidelines, standard and norms used on the implementation of cell-phones by employees and Councillors.

1.4.4 Laptop Policy

In order to enable and enhance the productivity of the municipality's business, as well as reduction of costs in terms of the stationery, printing and delivery costs, the council found it necessary to make use of the latest means of communication technology. Based on this, laptops are allocated to certain officials and Councillors for sound business reasons, primarily for receiving business E-Mails and sending business E-Mails, especially when not located in the office. The objective of the Laptop Policy is aimed at controlling the use of the Laptops by employees and Councillors of Xhariep District Municipality. The policy provides guidelines, standards and norms used on the implementation of cell-phones by employees and Councillors.

1.4.5 Trfers and Virement Policy

To allow limited flexibility in the use of budgeted funds to enable management to act on occasions such as disasters, unforeseen expenditure or savings, etc. as they arise to accelerate service delivery in a financially responsible manner.

1.4.6 Travelling and Subsistence Policy

It sets out a uniform basis for reimbursing official trips and accomodation also taking into consideration the prescribed rates from South African Revenue Services.

1.4.7 Credit Control and Debt Collection Policy

It ensures that all monies due and payable to the municipality are collected as enacted and it gives effect to what needs to be done in cases of people defaulting.

1.4.8 Credit Card Policy

It enhances accountability by regulating controls to guard against spending outside the scope of the policy's intended intention.

1.4.9 Fixed Asset Policy

To account for assets in a Generally Recognised Accounting Practise manner as required by legislation and to safeguard assets thereof.