

Setsoto Local Municipality

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MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT

FY 2015/2016

*To Promote Good Governance and Report on the Financial Sustainability of
the Setsoto Local Municipality*

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TO OUR STAKEHOLDERS

To Our Stakeholders

STRATEGIC HIGHLIGHTS

The municipality has undertaken a journey from Good to Great, and the strategic highlights of the period under review was achieving an unqualified report with findings from the Auditor General as well as the testing of the E-PMS system. With the system we are confident that as a municipality we will be able to generate reliable, accurate and useful performance information, moving forward.

This journey has been the most difficult one, as we have to address employee attitude so that they can embrace the new change. We have partnered with Virgin Activ to develop, configure, data capture and generate reports on the system. This is the last report that will be generated manually by the municipality. The 3rd quarter report will be generated by the system.

FINANCIAL HIGHLIGHTS

The closing balances of call investments accounts amount to R 41.489 million as at the 31 December 2015 from an opening balance of R 36.786 million. Interest accumulated on investments is R 718 thousand. The cash and cash equivalents is a positive balance of R 45.431 million, included in this balance is the primary bank account with the balance of R 3.942 million.

OPERATING HIGHLIGHTS

Institutionally the municipality is operating as planned, the only challenge is with regard to achieving all targets that it has set itself to achieve for the financial year. Council, Senior Management and Middle Management need to continuously monitor the planning, implementation and review off all municipal plans and policies to ensure that targets are met.

LOOKING AHEAD

We need to address all the challenges identified by the Auditor General in the Audit Report, take into account the Audit And Performance Audit Committee, Municipal Public Accounts Committee, Risk Management Committee, IDP/PMS Division and the Internal Audit Unit recommendations and the municipality will indeed transition from Good to Great.

MAKHELE M S
ACTING MANAGER IN THE OFFICE OF THE MUNICIPAL MANAGER
January 18, 2016

EXECUTIVE SUMMARY

Purpose

To report to Council on the Mid-Year Budget and Performance Results as at the end of the 2nd quarter of the 2015/2016 financial year as required by Section 52(d) and Section 72 of the Municipal Finance Management Act, 56 of 2003 and more detailed in the Budget and Reporting Regulations.

Strategic Objective

To promote good governance and report on the financial sustainability of the Setsoto Local Municipality.

Background

Sections 52(d) and 71 of the Municipal Finance Management Act, 56 of 2003, and in terms of section 28 of the Government Notice 32141 dated 17 April 2009, regarding the “Local Government: Municipal Finance Management Act, 32 of 2003, Municipal Budget and Reporting Regulations” necessitates that specific financial particulars be reported on and in the format prescribed, hence this report to meet legislative compliance.

“The mayor of a municipality-

52(d) must, within 30 days of the end of each quarter, submit a report to Council on the implementation of the budget and financial state of the municipality;”

In compliance with section 52(d) relating to the quarterly reporting period ended 31 December 2015, the 30 days limit expires on 30 January 2016.

Section 72 of the Municipal Finance Management Act, 56 of 2003 stated that-

“The accounting officer of a municipality must by 25 January of each year-

- (a) Assess the performance of the municipality during the first half of the financial year, taking into account-...”

This report is compiled to include the Mid-Year performance assessment of the Setsoto Local Municipality.

Further, Section 31(1) of the Government Gazette No 32141 of 17 April 2009 prescribes the following:

“31. (1) the mayor’s quarterly report on the implementation of the budget and financial state of affairs of the municipality as required by section 52(d) of the Act must be-

- (a) in the format specified in Schedule C and include all required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act; and
- (b) consistent with the monthly budget statement for September, December, March and June as applicable; and
- (c) submitted to the National Treasury and relevant Provincial Treasury within five days of tabling of the report in council.”

EXECUTIVE SUMMARY

The following annexure are provided:

Annexure A: Budget and Financial Reporting Performance Report 2015/2016

Annexure B: SDBIP Performance Assessment Report 2015/2016

FINANCIAL PERFORMANCE

Operating Revenue

The Net Operating Income for the 2nd quarter ended 31 December 2015 of R 303 159 235 is much higher than the year to date budget of R 294 903 126. The contributors to the performance for the 2nd quarter of the 2015/2016 financial year that ended 31 December 2015 are as follows:

Description	R'millio
Positive	
Property Rates	23 million (9% more than budgeted)
Water Revenue	30 million (26% more than budgeted)
Sanitation Revenue	11 million (8% more than budgeted)
Refuse Revenue	13 million (1% more than budgeted)
Investment Revenue	995 thousand (21% more than budgeted)
Negative	
Electricity Revenue	39 million (2% less than budgeted)
Other Own Revenue	9 million (22% less than budgeted)

The reason for the above negative deviation are as follows:

- The electricity revenue is 2% (39 million) below the budget income. This is due to the fact that cognisance was taken of the first two months of the financial year that still reflects the higher winter consumption from consumers. On a month to month comparison basis, the revenue reflected is higher than budgeted. Similar to the electricity revenue the material and bulk purchases is 13% less than budgeted, this gives a presumption that it ought to correct itself during the remainder of the financial year.
- Other own revenue is 24% less than budget, items like fines and all other that make up all other own income need to be looked into and adjusted accordingly.

The collection rate for the second quarter ended 31 December 2016 is 54%, which is less than the target of 80% for the second quarter target, which is also less than the annual target of 85%. The Revenue Enhancement Strategy implementation needs to be intensified and the installation of smart meters be fast-tracked in order to maximise our revenue collection.

Those areas where meter verification is done and the second reading has been captured, customers should be notified that they are going to be billed as per their consumption rate and no longer be charged a basic tariff of R100.00.

With regard to the cash and investment portion, a cash target of 55 days need to be investigated and be captured in the revised SDBIP for 2015/2016 financial year. The actual performance as at end of 31 December 2015 is not captured but assumed to be almost at 100 days.

FINANCIAL PERFORMANCE

Operating Expenditure

The Net Operating Expenditure for the 2nd quarter ended 31 December 2015 amounted to R 302 million is 25% (122 million) more than the budgeted expenditure of 180 million. The main contributors to the variance for the 2nd quarter ended 31 December 2015 is as follows:

- The actual remuneration cost for the 2nd quarter is 2% more than budgeted. Though the amount spend is significantly above the budgeted amount, the employee related cost need to be adjusted upwards as the current budget is sufficient for the current filled positions, excluding those that have been vacant from the previous financial year and those that have become vacant in the past six months.
- Depreciation and Asset Impairment amounted to R 127 million (903%) more than budgeted for. As per the intervention to correct in the Action Plan, the municipality needs to fast-track the appointment of an expert to enforce the requirements of circular 58.
- Repair and maintenance is 34% (6 million) less than budget. For the municipality to ensure that repairs and maintenance is sustained, spending needs to be increased in this regard.
- The actual cost for finance charges 37% (434 thousand) less than budgeted. This will increase as soon as the loan has been approved and interest are charged.
- Material and bulk purchases in total is R 25 million (13%) less than budgeted. This should be offset against the under collection in electricity and this matter will correct itself during the remainder of the financial year.
- The actual cost for contracted services is above R 7% less than budgeted. Spending on contract services for water due to draught need to be budgeted for during the adjustment budget as it is currently at more than R 2 million, which was not budgeted, and if the current trend continues provision for additional R 6 million should be made in the adjustment budget.
- Grants and subsidies could not be confirmed due to the fact that the equitable share expenditure is not disclosed.
- The actual expenditure for general other expenditure is 4% (R 5 million) less budget. Details of the spending per line item and spending as per different contributors is on page 18 of the Budget and Financial Report- Mid-Year (Second Quarter) attached to this report.

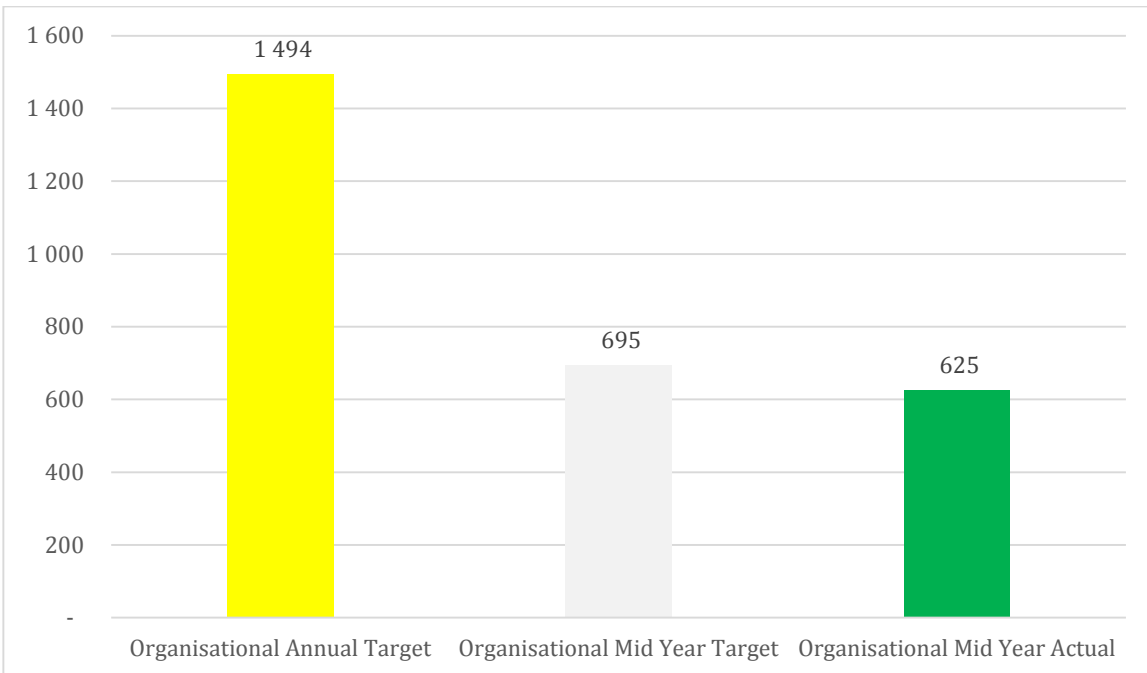
The deviation of the budgeted expenditure is discussed in more detail in the Budget and Financial Report-Mid-Year (Second Quarter).

Capital Expenditure

The actual capital expenditure for the second quarter of the 2015/2016 financial year ended 31 December 2015 is R13.018 million, which represent a spending of 26% of the total budget of R 50.515 million.

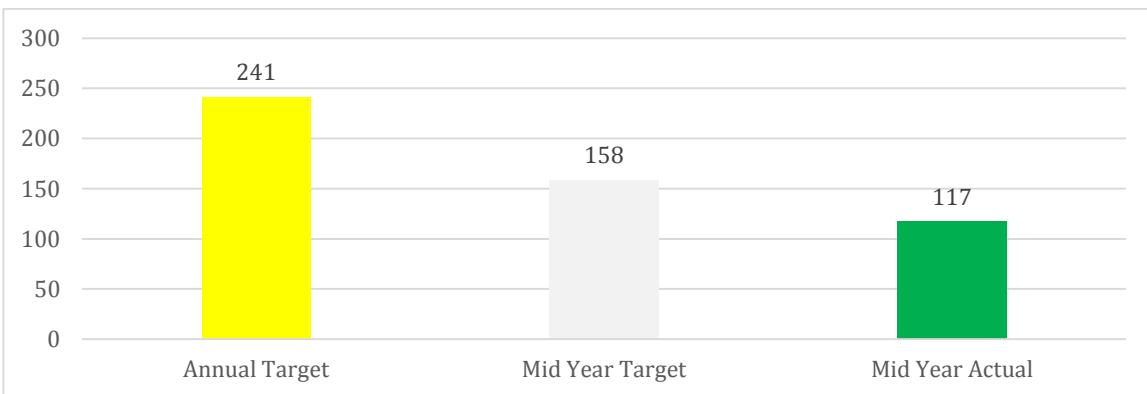
FINANCIAL PERFORMANCE

2015/2016 Mid-Year Performance



The mid-year performance for 2015/2016, indicates that of the performance planned for 1st quarter and 2nd quarter 625 (90%) of the planned targets were achieved and 70 (10%) of the planned targets were not achieved. The current organisational performance is standing at 46% which is 4% less than the year to date performance of 50%.

Department of the Office of the Municipal Manager

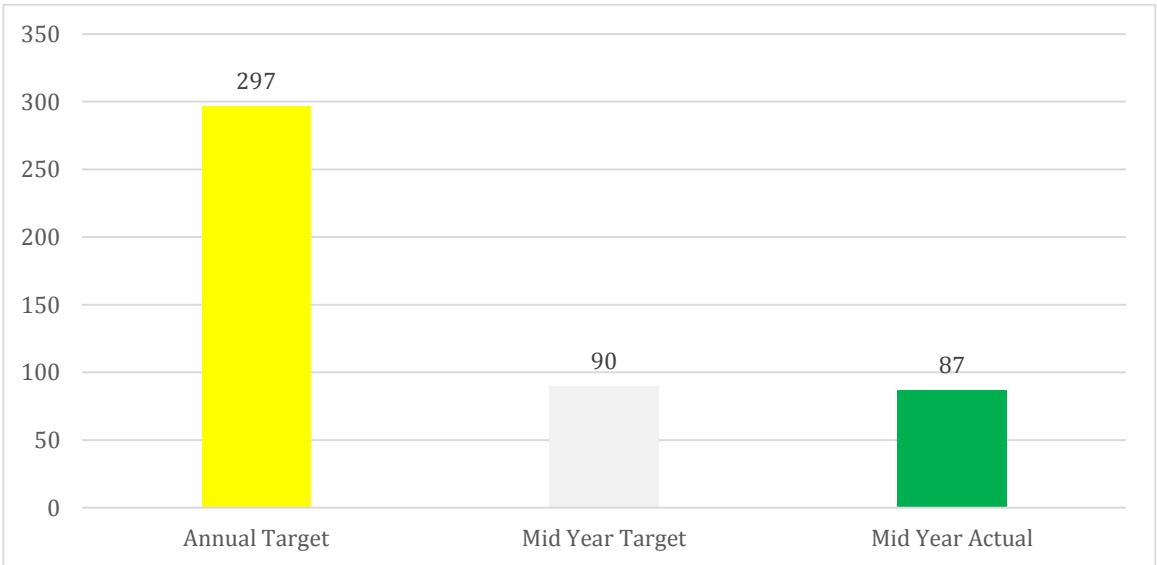


NON-FINANCIAL PERFORMANCE

A total of 241 targets were planned for the 2015/2016 financial year, of which 158 targets were planned for quarters one and two. In total 117 (74%) targets were achieved and 41 (26%) targets were not achieved. The current departmental performance is standing at 66% which is 16% higher than the year to date performance of 50%. The main reasons divisions sited for non-achievements were:

- Not all Ward Committees submitted their reports
- Ward profiling to be done in the third quarter
- COGTA was unable to conduct a workshop due to their workload
- Due to activities of the district like Men's march and World Aids Day celebrations, meetings were postponed to third quarter
- Risk Officer was hospitalized and no one performed her duties
- Treasury Services have not finalized the tender process-awaiting the appointment of the service provider
- System description not done for long overdue account as Manager Revenue indicated that it will be done as soon as the process of appointing the debt collection is completed
- Teams are on leave and it will be done before the execution phase

Department Corporate Services



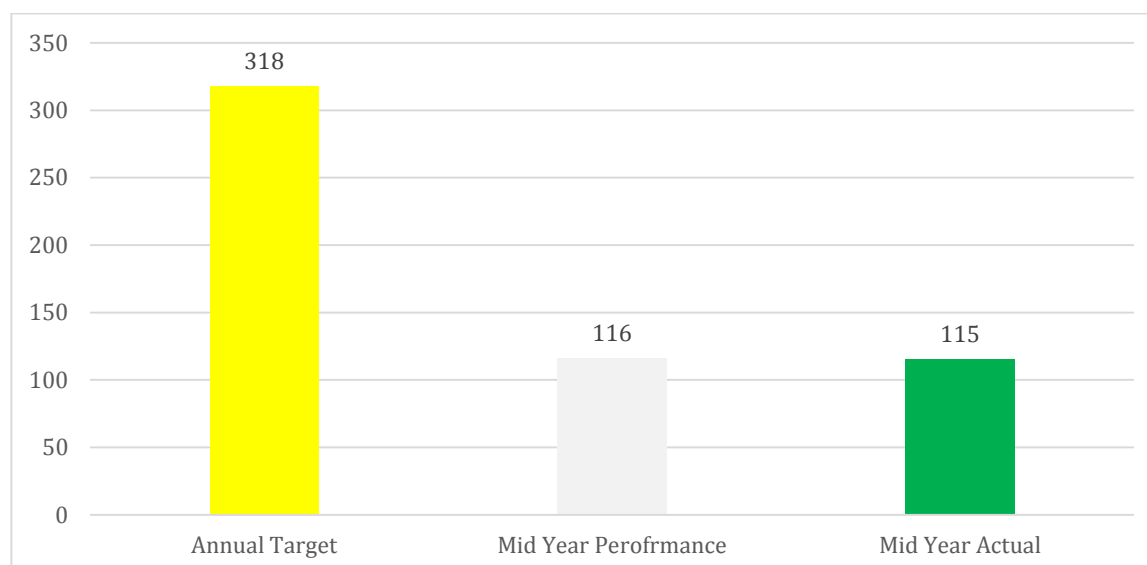
A total of 297 targets were planned for the 2015/2016 financial year, of which 90 targets were planned for quarters one and two. In total 87 (97%) targets were achieved and 3 (3%) targets were not achieved. The current departmental performance is standing at 35% which is 15% below than the year to date performance of 50%. The main reasons divisions sited for non-achievements were:

- Third quarter target, however an interim year plan was compiled in the second quarter for third quarter until the date of election is promulgated

NON-FINANCIAL PERFORMANCE

- Fourth quarter target
- Attempts were made to do transfers however firstly the employee directly involved was booked off sick for six weeks after the operation and provincial archives had indicated they first wanted to visit the office to peruse the documents to be transferred.
- The installation of lines were not finalized as we experienced a change of account executive and challenges in obtaining contact information of new account executives
- Challenges resulted due to festive season leave period whereby most of the staff were away on leave and bills were being signed for
- A challenge with the deduction list arose as well, return of bills from Managers as well as festive leave where many people were away resulted in no deductions list being processed in December 2015
- Various attempts were made to conduct meetings with Engineering Services to deal with comments on Water Services Bylaw, however after various attempts a meeting was coordinated only to find that employees present were not provided with the relevant documents for discussion by Water Services Manager and thus the meeting had to be postponed to the third quarter
- Due to management declaring a moratorium on filling of post

Department Treasury Services

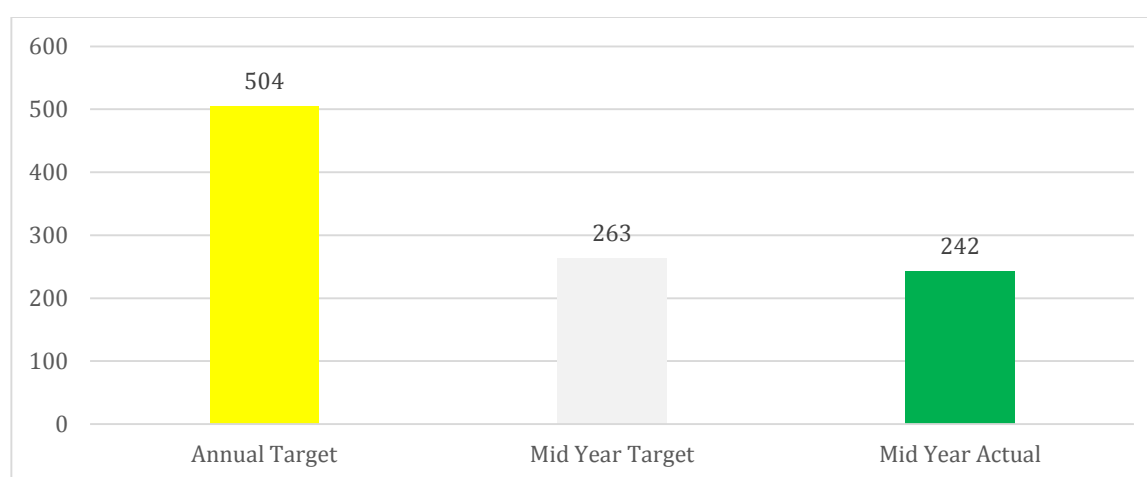


A total of 318 targets were planned for the 2015/2016 financial year, of which 116 targets were planned for quarters one and two. In total 115 (98%) targets were achieved and 1 (2%) targets was not achieved. The current departmental performance is standing at 36% which is 14% less than the year to date performance of 50%. The main reasons divisions sited for non-achievements were:

NON-FINANCIAL PERFORMANCE

- The sourcing strategy will be developed in the fourth quarter
- Variance is as a result of VAT as the Budget and Reporting Division and PMU Division include VAT in their reporting
- The activity is only due in the 3rd Quarter
- To be implemented in the 4th quarter as it forms part of the store rectification plan which is yet to be approved.
- Awaiting invitation from PROPAC

Department Engineering Services

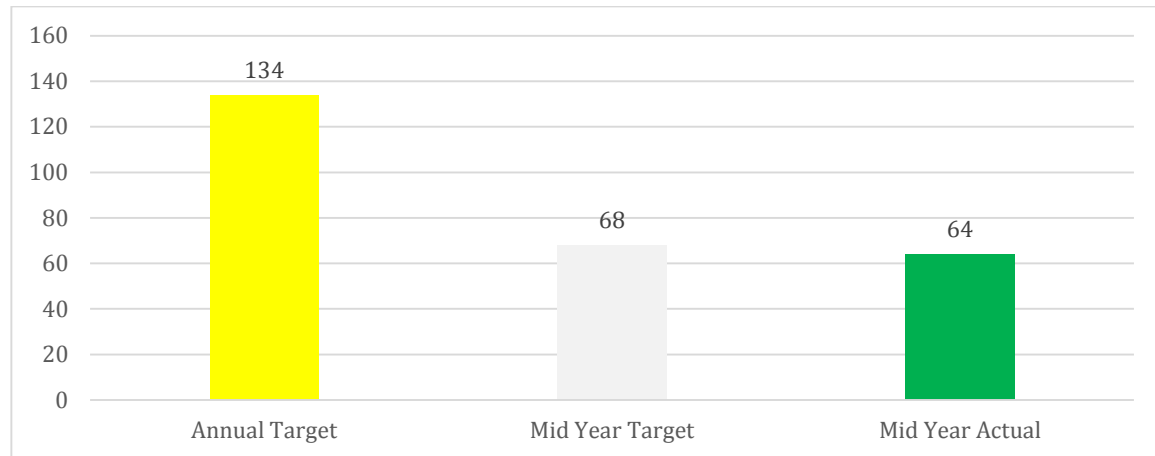


A total of 504 targets were planned for the 2015/2016 financial year, of which 263 targets were planned for quarters one and two. In total 242 (92%) targets were achieved and 21 (8%) targets were not achieved. The current departmental performance is standing at 52% which is 2% high than the year to date performance of 50%. The main reasons divisions sited for non-achievements were:

- Some people are out of town
- Others do not have authority to for collection of the deceased's title deeds
- Only one building inspector
- No meetings called
- Procurement still in progress
- Unavailability of vehicles
- Moved to the later stage as no space for the service provider
- Draught/shortage of raw water
- Job employment postponed to second and third quarter

NON-FINANCIAL PERFORMANCE

Department Development Planning and Social Security



A total of 134 targets were planned for the 2015/2016 financial year, of which 68 targets were planned for quarters one and two. In total 64 (94%) targets were achieved and 4 (6%) targets were not achieved. The current departmental performance is standing at 51% which is 1% high than the year to date performance of 50%. The main reasons divisions sited for non-achievements were:

- Vehicle breakdown
- Focus was dedicated on addressing draught effects
- Amount received exclude Senekal, magistrate on leave
- Waiting for the installation of electricity
- The tournament was postponed to the third quarter

INSTITUTIONAL IMPLICATIONS

Organisational and Human Resource Implication

- Office of the Municipal Manager for assessment of the departmental reports and compilation of the Performance Report.
- Internal Audit Unit for quality assurance
- IDP/PMS Division for assessment of the departmental reports and compilation of the Performance Report.

Legal Implication

The report is compiled in accordance with the requirement of the Municipal Finance Management Act, 56 of 2003 and the Municipal Budget and Reporting Regulations.

Communication Implication

The contents of the report must be communicated to the National Treasury, Provincial Treasury, COGTA as well as the Auditor General. The report should also be placed on the official website of the Council.

Other Departments Consulted

- Department Treasury Services for submission of non-financial performance information and recommendations are supported.
- Department Corporate Services for submission of non-financial performance information and recommendations are supported.
- Department Development Planning and Social Security for submission of non-financial performance information and recommendations are supported.
- Department Engineering Services for submission of non-financial performance information and recommendations are supported.

RECOMMENDATION

Recommendation

1. That the report on the Financial and Performance Results of the second Quarter of the 2015/2016 financial year as required by Section 52(d) of the Municipal Finance Management Act, 2003, be discussed and resolution be made as the need for the compilation of adjustment budget by the 28 February 2016.
2. That, in compliance with, Section 71 of the Municipal Finance Management Act, 56 of 2003 and in terms of Government Notice 32141 dated 17 April 2009, regarding the “Local Government: Municipal Finance Management Act, 56 of 2003 Municipal Budget and Reporting Regulations” the statement reflecting the interim financial statement for the 2nd quarter ending 31 December 2016 be submitted by the Accounting Officer to the Mayor.
3. That, in compliance with, Section 52(d) and Section 71 of the Municipal Finance Management Act, 56 of 2003 and in terms of Government Notice 32141 dated 17 April 2009, regarding the “Local Government: Municipal Finance Management Act, 56 of 2003 Municipal Budget and Reporting Regulations” the financial results regarding the operating and capital budgets for the 2nd quarter of the 2015/2016 financial year, and supporting documents as required by National Treasury (Schedule C) as at 31 December 2016, is submitted.
4. In order to comply with Section 31(1) of the Government Notice 32141 dated 17 April 2009 this report be submitted to National Treasury, Free State Provincial Treasury and COGTA within five days of tabling of the report in the Council, in both a Council approved document and in electronic format.

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**SETSOTO LOCAL
MUNICIPALITY
BUDGET & FINANCIAL
PERFORMANCE REPORT
MIDYEAR (SECOND QUARTER)
31 DECEMBER 2015**



Executive Summary

This report sets out the performance against the Integrated Development Plan and Service Delivery and Budget Implementation Plan for the Mid-year period of the 2015/2016 financial year, i.e. 01 July 2015 to 31 December 2015.

The report will furthermore provide support in terms of section 54 of the Municipal Finance Management Act, 56 of 2003, for the Mayor to take certain corrective actions on review of the contents thereof to ensure that the approved budget is implemented in accordance with the projections contained in the Service Delivery and Budget Implementation Plan 2015/2016

The importance for reporting on the Service Delivery and Budget Implementation Plan is a way of promoting accountability through enhanced oversight and monitoring of the municipal administration operations. Various reporting requirements are prescribed in the Municipal Finance Management Act, 56 of 2003; both the Mayor and the Accounting Officer have been assigned clear roles for preparing and presenting these reports. The Service Delivery and Budget Implementation Plan provide an excellent basis for generating the reports that are required by Municipal Finance Management Act, 56 of 2003.

Legislative Requirements

In terms of Section 53 (1)(c)(ii) of the Municipal Finance Management Act, 56 of 2003, the Service Delivery and Budget Implementation Plan as a detailed plan approved by the mayor of the municipality for the delivery of municipal services and rolling out of the annual budget must indicate the following:

- (a) Projections for each month of:-
 - (i) Revenue to be collected, by source
 - (ii) Operational and capital expenditure, by vote
- (b) Service delivery targets and performance indicators for each quarter; and
- (c) Other matters prescribed

Section 52 (d) of the Municipal Finance Management Act, 56 of 2003 requires the Mayor to submit a report to council on the implementation of the budget and the financial state of affairs of the municipality within thirty (30) days of the end of each quarter. The quarterly performance projections captured in the Service Delivery and Budget Implementation Plan forms the basis of the Mayor's quarterly report.

In this report a detailed analysis was conducted to assess the financial performance of the municipality of the Mid-year of financial year. There are number of issues identified and highlighted here within the report of which corrective measures to be implemented have been determined.

The actual organisational performance measured will be fully outlined within the Service Delivery and Budget Implementation Plan quarterly report, where performance has been examined against defined key performance areas and targets. Appropriate remedial action will be taken to address poor or non-performance with service delivery.

The purpose of this report is to comply with sections 52 (d) and 72(1)(a) of the Municipal Finance Management Act, 56 of 2003 and the requirements of Municipal Budget and Reporting Regulations as

promulgated in the Government Gazette No 32141 of 17 April 2009, which requires that specific financial particulars be reported on and in the formats prescribed

Section 72 (1) (a) of the Municipal Finance Management Act inter alia, states:

“The Accounting Officer of the municipality must by 25 January of each year assess the performance of the municipality during the first half of the year, and submit a report on such assessment to the Mayor, National Treasury and Provincial Treasury as per section 72(1)(b) of the Act...”

Section 52(d) of the Municipal Finance Management Act states:

“The Mayor of a municipality must within 30 days of the end of each quarter submit a report to Council on the implementation of the budget and financial state of the municipality.”

The mid-year reports and supporting tables of the Setsoto Local Municipality prepared in accordance with the Municipal Budget and Reporting Regulations are attached as pages

Financial Reporting for the period 01 July 2015 to 31 December 2015

It must be noted that the following overall position of the municipality’s operating and capital budget as provided here excludes non-cash transactions i.e. administrative recharges and depreciation, as the expenditure thereof is not accounted for on a monthly basis but at financial yearend.

The revenue performance as at the end of the 2nd Quarter is provided using the following information:

Budget for the year:

- Year to date Budget

The amount is determined using the following budget spread;

- ✓ Assessment rates: 6/12 of the budget per month as assessment rates is an annual rate spread over twelve months (i.e. the budget for the Mid-year is 50% of the annual budget)
- ✓ Electricity: the typical electricity consumption pattern (higher consumption in winter and lower consumption in summer)
- ✓ Water and Sanitation charges: Typical consumption pattern (higher consumption in winter and lower consumption in summer)
- ✓ Solid waste charges: 6/12 of the budget per month as solid waste is fixed charge per month (i.e. budget for the Mid-year is 50% of the annual budget.)
- ✓ Interest earned: based on the expected interest payments (with the largest portion of interest on investments realising in June when investments are re-valued)
- ✓ Operating Grants: based on grants disbursement schedules received from National and Provincial government
- ✓ Capital Grants: based on typical budget spending trend as revenue recognised only when expenditure is incurred.
- ✓ Other revenue sources: 6/12 per month (i.e. budget for the Mid-year is 50% of the annual budget.)

Annualised operating revenue table provides an indication of what the possible annual results would be if the same trends persist for the full financial year. This is not necessarily a prediction of the full year results and has been calculated as follows:

- Assessments rate: revenue of a quarter multiplied by four
- Electricity charges: extrapolation of quarterly revenue based on the typical electricity consumption pattern
- Water and Sanitation charges: Extrapolation of quarterly revenue based on typical water consumption pattern
- Solid Waste: Revenue of quarter multiplied by four
- Interest earned: Budgeted interest as the interest is based on investment portfolio and interest rates are known
- Operating and Capital Grants: budgeted grants as grants have been gazetted and the income to be realised
- Other revenue sources: Revenue of quarter multiplied by four

6.2 Operating Budget for the MTRF

Financial Performance	2014/15	Budget Year 2015/16				
Description	Audited Outcome	Original Budget	Year To Date actual	Year To Date budget	YTD % variance	Full Year Forecast
Total Revenue (excluding capital transfers and contributions)	394 982 657,90	411 472 900,00	303 159 235,43	294 903 126,32	0,03	428 805 737,43
Total Expenditure	616 663 195,00	405 999 425,00	301 984 055,03	179 999 690,06	0,68	633 225 909,48
Surplus/(Deficit)	-221 680 537,10	5 473 475,00	1 175 180,40	114 903 436,26	-0,99	-204 420 172,05
Transfers recognised - capital	60 660 000,00	45 155 350,00	29 162 000,00	29 162 000,00		58 324 000,00
Surplus/(Deficit) after capital transfers & contributions	-161 020 537,10	50 628 825,00	30 337 180,40	144 065 436,26	-0,79	-146 096 172,05

The above table depicts the summary of the operating financial performance of the municipality for the half year ended 31st December 2015. Comparing the total year to date operating revenue against the original budget, it is envisaged that the total revenue be adjusted upwards. This will be discussed in more detail later on in the report.

When comparing the total year to date operating expenditure against the original budget, it was realised that certain expenditure votes need to be adjusted upwards while others need to be urgently adjusted downwards. The main contributing factor to this drastic adjustment came as a result of unforeseen draught/water crises, which will also be discussed in more detail later in the report.

6.3 Operating Income

REVENUE	2014/15	Budget Year 2015/16				
Description	Audited Outcome	Original Budget	Year To Date actual	Year To Date budget	YTD % variance	Full Year Forecast
Property rates	32 146 757,00	38 500 000,00	22 804 011,80	19 250 000,04	18%	45 608 023,60
Service charges	137 434 425,00	166 662 000,00	93 758 409,32	83 391 000,12	12%	187 516 818,64
Investment revenue	2 457 920,00	1 400 000,00	995 287,43	700 000,02	42%	1 990 574,86
Transfers recognised - operational	189 935 750,00	173 678 650,00	176 688 501,00	176 688 501,00		176 688 501,00
Other own revenue	33 007 805,90	31 232 250,00	8 913 025,88	14 873 625,14	-40%	17 001 819,33
Total Revenue (excluding capital transfers and contributions)	394 982 657,90	411 472 900,00	303 159 235,43	294 903 126,32		428 805 737,43

Due to proper investment management, it is envisaged that the budget for investment revenue should be adjusted upwards to the amount of R 1,991 million. This represent an increase of 42% on the original investment revenue budget. The transfer and grants received from the National and Provincial Government are regulated and will remain the same as contained in DORA Act.

Own revenue has unfavourable variance of 40%, the highest contributor are the interest on outstanding debtors. This implies that the budgeted amount be adjusted downwards with an amount of R 12 million, this was as a result of bad debts that were written off at the end of 30 June 2015.

6.4 Service Charges

SERVICE CHARGES	2014/15	Budget Year 2015/16				
	Audited Outcome	Original Budget	Year To Date actual	Year To Date budget	YTD % variance	Full Year Forecast
Property rates	32 146 757,00	38 500 000,00	22 804 011,80	19 250 000,04	18%	45 608 023,60
Service charges - electricity revenue	64 532 419,00	81 000 000,00	38 895 935,39	40 667 500,02	-4%	77 791 870,78
Service charges - water revenue	32 982 634,00	39 500 000,00	29 989 151,66	19 762 500,06	52%	59 978 303,32
Service charges - sanitation revenue	18 109 760,00	19 800 000,00	11 431 679,17	9 902 500,02	15%	22 863 358,34
Service charges - refuse revenue	21 678 872,00	26 112 000,00	13 441 643,10	13 058 500,02	3%	26 883 286,20
Total Service Charges	169 450 442,00	204 912 000,00	116 562 421,12	102 641 000,16		233 124 842,24

Property Rates: Property rates has a favourable variance of 18% higher than the year to date budget. The increase on Property Rates are based on the outcome from the revenue enhancement and management review, where additional properties were added and some corrected on the consumer's base. This contributed to an increase of property rates revenue, thus the original budget were under estimated during the compilation of the budget. The budget need to be adjusted upwards with an amount of R 7 million to a total property rates budget of R 45 million.

Service Charges-Electricity: Electricity charges has a variance of 4% lower than the budget. Cognizance should be taken that the first two months of the financial year still reflects the higher winter consumption from the consumers. Thus the comparison on a month to month basis, the revenue reflected are higher than budgeted. During the remaining period of the financial year it ought to correct itself. The budget for electricity revenue will therefore remain unchanged.

Service Charges-Water: Water charges also represent a high variance of 52% above the budgeted amount. It should also be taken into consideration that water charges are also consumption dependent. However the drastic increase are attributed to the implementation of the R100 per month consumption levy on the non-metered consumers since implementation during June 2015. This action contributed approximately R 2.2 million additional revenue per month which was originally not taken into account with the budget during the budget process. Therefore the budget should be increased by at least R 20 million to a total of R 60 million and simultaneously the provision for debt impairment should be increased proportionally according to the collection rate.

Service charges - Sanitation: Sanitation has a favourable variance of 15% higher than the budget. The Revenue enhancement and management review contributed to the increased revenue and the rectification on the consumer base. The budget should therefore be increased by R 2 million to a total amount of R 21.8 million.

Service charges – Refuse: Refuse is in line with the original budget therefore there will be no need for any adjustment.

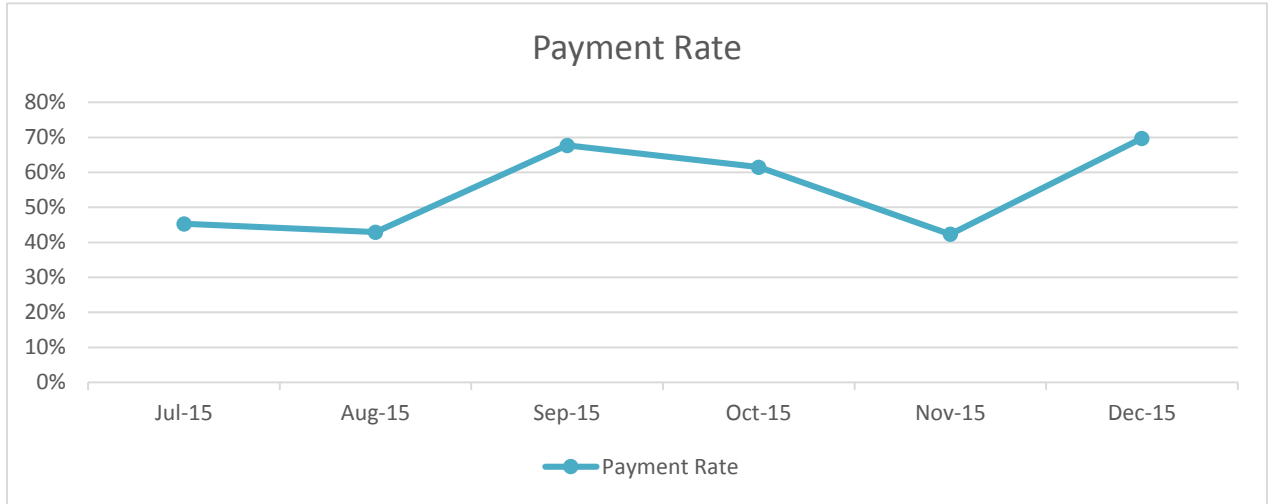
Rental of Facilities and equipment: The rental income is showing a positive variance of 31% meaning that more rentals were received than it was anticipated. Cognizance should be taken that certain rental facilities are only levied on a yearly basis and the levies was done during the first quarter of the financial year. During the remaining period of the financial year it ought to correct itself and as such there will be no need for any adjustment.

6.5 Debtors Collection Rate

Monthly Debtors Collection 2015/2016 Financial year for the period 1 July 2015 to 31 December 2015					
Months	Levied	Adjustments	Total Levied	Total Settlements	Payment Rate
Jul-15	18,933,159.90	-3,302,467.74	15,630,692.16	7,079,863.39	45%
Aug-15	29,102,515.00	-441,833.50	28,660,681.50	12,301,675.10	43%
Sep-15	23,134,356.09	-4,312,441.41	18,821,914.68	12,739,863.21	68%
Oct-15	22,115,228.00	-4,918,413.41	17,196,814.59	10,577,041.15	62%
Nov-15	23,005,953.00	-3,770,160.60	19,235,792.40	8,136,490.30	42%
Dec-15	21,136,522.07	-4,209,016.15	16,927,505.92	11,801,414.44	70%
Total	137,427,734.06	-20,954,332.81	116,473,401.25	62,636,347.59	54%

The payment rate is calculated by dividing the total settlements by the sum of total levies and total adjustment. The mid-year average payment rate is 54%. Though there is an improvement on the payment rate greater efforts and strict mechanisms still need to be implemented to improve the collection rate.

Consistant and continued debt collection measures should be implemented to enhance the collection rate. However the debt collection section encountered difficulty with the enforcement of cut-off due to outdated and old electrical vehicle equipment. (Cherry Picker)



ANNEXURE A: MID-YEAR BUDGET AND FINANCIAL PERFORMANCE REPORT 2015/2016

WARDS	Total Settlements	Total Movement	Billing	Credit Notes	Debit Notes	Other Adjustments	Payment Rate
WARD 01	432,310.91	1,780,107.70	1,787,756.31	-35,483.87	888.24	-105,548.72	24%
WARD 02	-56,503.91	990,362.57	1,130,294.07	-	-	-139,931.50	6%
WARD 03	-31,366.37	82,108.60	92,012.13	-9,735.29	114.00	-282.24	38%
WARD 04	-760,505.01	1,498,952.22	1,578,337.53	-10,025.06	1,026.00	-70,386.25	51%
WARD 05	-2,724.64	99,550.87	402,972.22	-	-	-303,421.35	3%
WARD 06	-1,062,760.99	2,151,516.36	2,216,835.32	-13,525.91	655.27	-52,448.32	49%
WARD 07	-255,724.89	971,606.80	1,038,610.17	-11,495.73	114.00	-55,621.64	26%
WARD 08	-78,411.20	740,546.50	816,582.39	-138.34	-	-75,897.55	11%
WARD 09	-1,039,189.97	1,253,743.16	1,508,961.37	-64,224.94	13,303.17	-204,296.44	83%
WARD 10	-736,513.19	1,046,166.04	1,414,801.66	-300,786.37	1,658.37	-69,507.62	70%
WARD 11	-26,970.60	726,414.72	823,067.93	-	114.00	-96,767.21	4%
WARD 12	-106,993.27	633,499.61	685,565.17	-2,899.46	-	-49,166.10	17%
WARD 13	-24,705.25	798,775.85	1,038,798.38	-	-	-240,022.53	3%
WARD 14	-15,420.21	666,060.36	703,937.79	-	-	-37,877.43	2%
WARD 15	-2,842,239.23	1,835,944.78	3,606,284.19	-1,638,778.13	5,166.35	-136,727.63	155%
WARD 16	-116,200.69	580,101.65	883,456.83	-210.72	-	-303,144.46	20%
WARD 17	-27,149.91	118,114.71	176,679.85	-	228.00	-58,793.14	23%
WARD 18	-371,001.30	-202,884.75	-205,598.72	-359,926.56	-358,604.34	-358,534.81	183%
PAYMENT ADVANCED	-2,672,796.96	-	-	-	-	-	-
Total	-11,801,414.44	16,927,505.92	21,136,522.07	-2,097,437.90	27,328.81	-2,138,907.06	70%

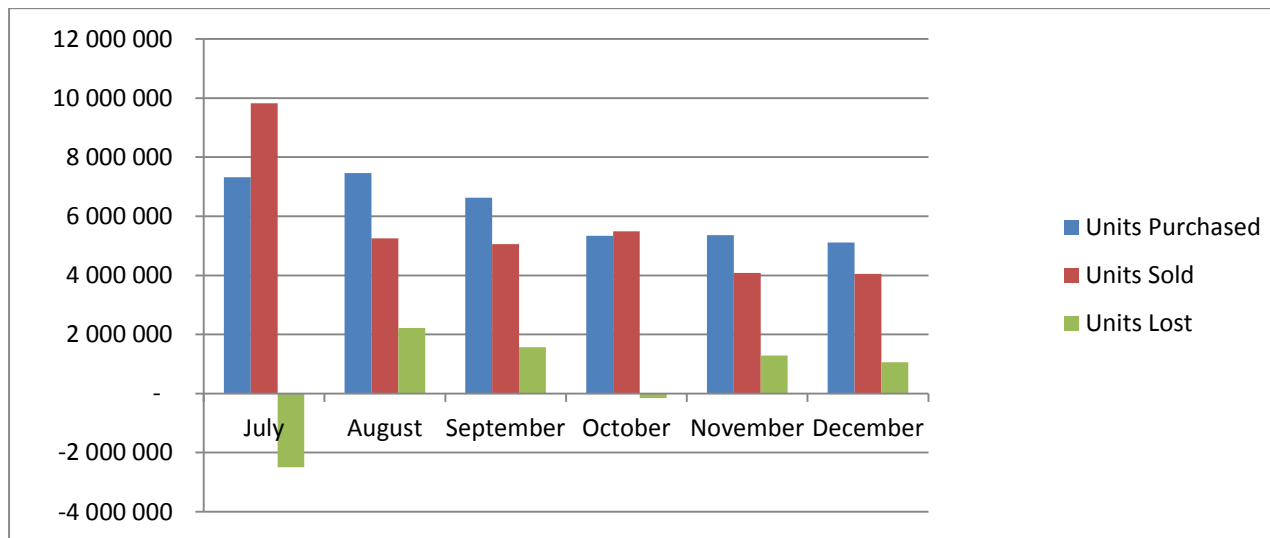
The payment rate is calculated by dividing the total settlements by the sum of total levies and total adjustment. The current month payment rate is 70%. Greater efforts and strict mechanisms still need to be implemented to improve the average collection rate.

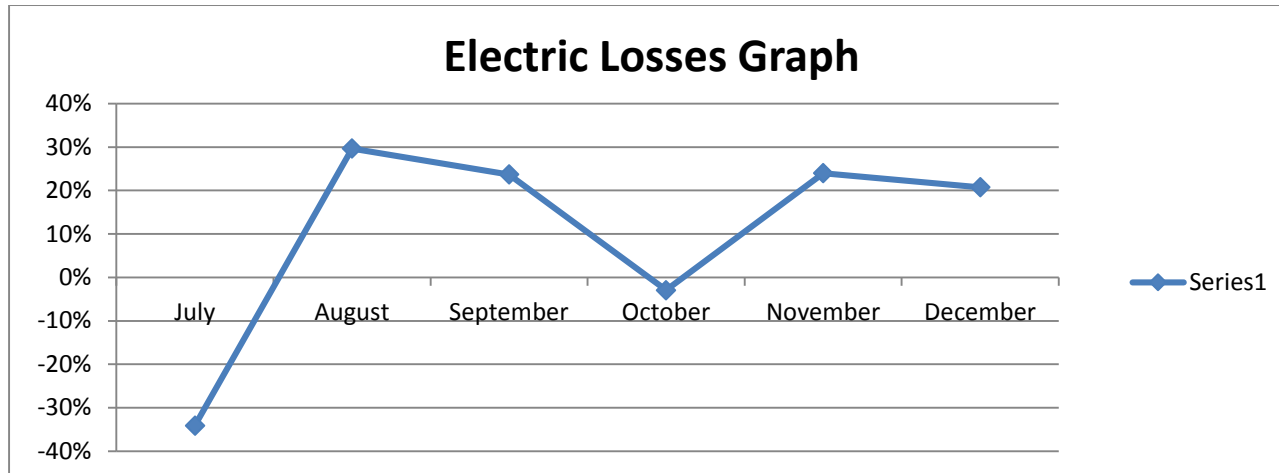
Debtors Age Analysis By Customer Group	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1Year	Total
Organs of State	2,325,289	1,747,055	1,002,276	275,075	1,330,743	1,696,133	396,376	9,295,933	18,068,880
Commercial	3,864,458	1,153,979	794,518	582,302	675,156	1,491,995	1,781,072	7,604,893	17,948,373
Households	29,580,987	11,500,737	11,053,179	10,685,031	10,341,838	8,340,224	32,244,286	129,202,578	242,948,860
Other	1,213,732	722,685	640,300	536,114	3,420,460	708,380	728,602	1,060,367	9,030,640
Total By Customer Group	36,984,466	15,124,456	13,490,273	12,078,522	15,768,197	12,236,732	35,150,336	147,163,771	287,996,753

The table above indicate the total outstanding debt per customer group. The biggest contributor to the outstanding debts is House Holds followed by Government institutions.

Water and electricity losses

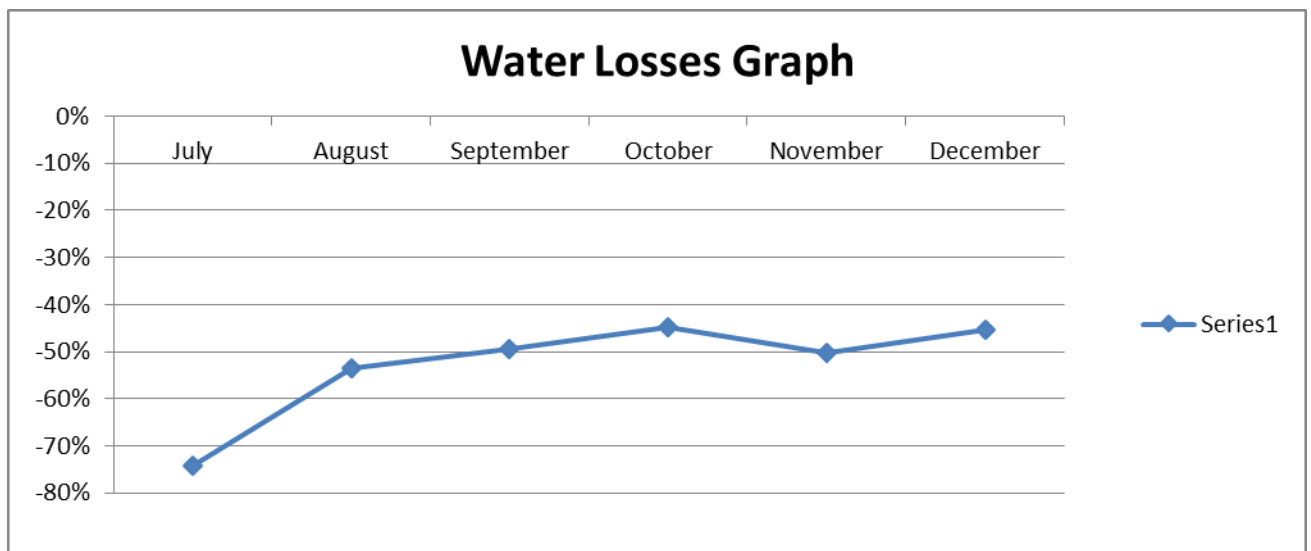
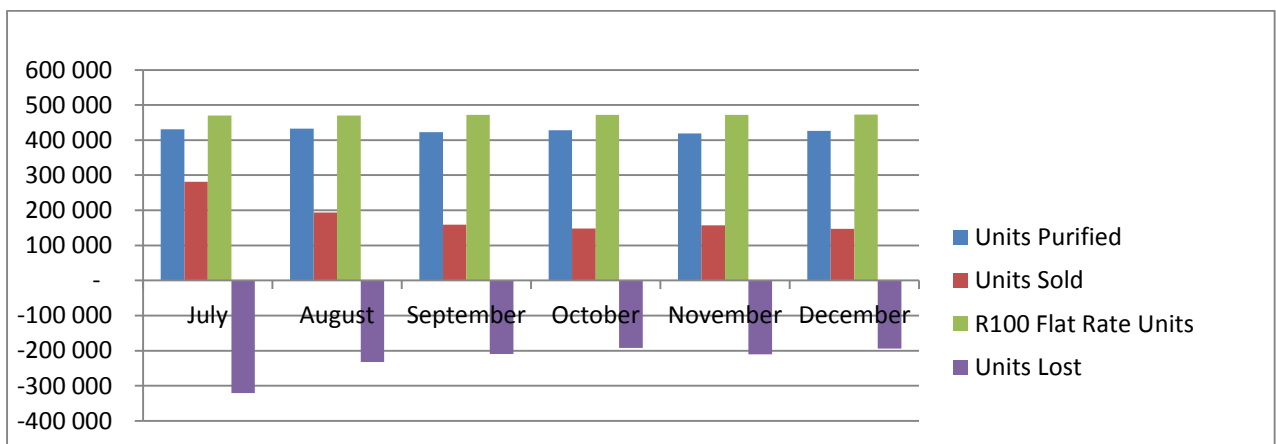
ELECTRICITY LOSSES				
Period	Units Purchased	Units Sold	Units Lost	% Losses
July	7,323,923	9,822,017	-2,498,094	-34%
August	7,465,123	5,250,202	2,214,921	30%
September	6,629,352	5,058,723	1,570,629	24%
October	5,339,218	5,495,998	-156,780	-3%
November	5,364,269	4,078,478	1,285,791	24%
December	5,111,092	4,050,428	1,060,664	21%
Total	37,232,977	33,755,846	3,477,131	9%





The total electricity losses for the 6 month period is 9%, which are within the norms set by National Treasury Circular 71 and NERSA.

WATER LOSSES					
Period	Units Purified	Units Sold	R100 Flat Rate Units	Units Lost	% Losses
July	430,720	281,001	469,832	-320,113	-74%
August	432,244	193,694	470,345	-231,795	-54%
September	422,386	159,509	471,979	-209,102	-50%
October	428,450	148,381	471,865	-191,796	-45%
November	418,939	157,312	472,302	-210,675	-50%
December	426,548	147,679	472,340	-193,471	-45%
Total	2,559,287	1,087,576	2,828,663	-1,356,952	-53%



The table and graphs above has been changed to reflect the R100.00 flat rate consumption. Taking the consumption for the flat rate into account the results show that more water units were sold than purified. This reflects that the average usage of water consumed by the effected consumers are less than originally envisaged. The average gain of water is 45% for the period under review.

6.5.1 Operational Revenue by Source

Revenue By Source	2014/15	Budget Year 2015/16				
	Audited Outcome	Original Budget	Year To Date actual	Year To Date budget	YTD % variance	Full Year Forecast
Property rates	32 146 757,00	38 500 000,00	22 804 011,80	19 250 000,04	18%	45 608 023,60
Service charges - electricity revenue	64 532 419,00	81 000 000,00	38 895 935,39	40 667 500,02	-4%	77 791 870,78
Service charges - water revenue	32 982 634,00	39 500 000,00	29 989 151,66	19 762 500,06	52%	59 978 303,32
Service charges - sanitation revenue	18 109 760,00	19 800 000,00	11 431 679,17	9 902 500,02	15%	22 863 358,34
Service charges - refuse revenue	21 678 872,00	26 112 000,00	13 441 643,10	13 058 500,02	3%	26 883 286,20
Service charges - other	130 740,00	250 000,00	-	-		-
Rental of facilities and equipment	1 298 235,00	1 264 000,00	824 232,43	627 000,12	31%	824 232,43
Interest earned - external investments	2 457 920,00	1 400 000,00	995 287,43	700 000,02	42%	1 990 574,86
Interest earned - outstanding debtors	19 993 457,00	27 000 000,00	7 275 349,29	13 500 000,00	-46%	14 550 698,58
Dividends received	32 189,16	35 000,00	36 225,71	35 000,00	4%	72 451,42
Fines	1 926 679,00	101 000,00	179 462,80	50 499,96	255%	358 925,60
Licences and permits	13 552,74	40 000,00	47 631,78	19 999,98	138%	95 263,56
Transfers recognised - operational	189 935 750,00	173 678 650,00	176 688 501,00	176 688 501,00		176 688 501,00
Other revenue	9 743 693,00	2 792 250,00	550 123,87	641 125,08	-14%	1 100 247,74
Total Revenue (excluding capital transfers)	394 982 657,90	411 472 900,00	303 159 235,43	294 903 126,32	3%	428 805 737,43

Source: C-Schedule 31 December 2015

7. Expenditure

The expenditure performance for the 2nd Quarter is provided using the following budget spread:

Budget for the year

➤ Year to date Budget

The amount is determined using the following information provided:

- ✓ Trading Services-Electricity bulk purchases: Following typical electricity consumption pattern (higher consumption in winter and lower consumption in summer)
- ✓ Trading Services-Water: Following the typical water consumption pattern (higher consumption in summer and lower consumption in winter)
- ✓ Trading Services-Sanitation: 6/12 per month as payment for fixed amount per month (i.e. the budget for the Mid-year is 50% of the annual budget)
- ✓ Interest paid: Based on the actual interest payment due per month
- ✓ Other expenditure categories: 6/12 per month (i.e. the budget for the Mid-year is 50% of the annual budget)

Expenditure	2014/15	Budget Year 2015/16				
	Audited Outcome	Original Budget	Year To Date actual	Year To Date budget	YTD % variance	Full Year Forecast
Employee costs	154 017 291,00	159 569 262,00	80 069 597,01	78 311 326,32	2%	160 139 194,02
Remuneration of Councillors	9 884 247,00	10 353 882,00	4 919 674,74	5 176 941,00	-5%	9 839 349,48
Depreciation & asset impairment	261 821 514,00	25 282 489,00	126 854 469,11	12 641 244,36	903%	253 708 938,22
Finance charges	918 796,00	3 227 000,00	434 374,96	1 613 500,02	-73%	3 227 000,00
Materials and bulk purchases	53 594 386,00	67 560 720,00	25 275 617,68	33 780 360,00	-25%	67 560 720,00
Transfers and grants	2 606 556,00	13 180 000,00	6 577 601,11	7 124 999,96	-8%	13 155 202,22
Other expenditure	133 820 405,00	126 826 072,00	57 852 720,42	41 351 318,40	40%	125 595 505,54
Total Expenditure	616 663 195,00	405 999 425,00	301 984 055,03	179 999 690,06	68%	633 225 909,48

Annualised expenditure table provides an indication of what possible annual results would be if the same trend persists for the full year. This is not necessarily a prediction of the full year results and has been calculated as follows:

- Trading Services-Electricity purchases: Extrapolation of quarterly expenditure based on the typical electricity consumption pattern
- Trading Services- Water: Extrapolation of quarterly expenditure based on the typical water consumption pattern
- Interest on external loans: budgeted interest as the interest budget is based on the external loans portfolio and interest rates are known
- Other expenditure categories: Quarterly expenditure multiplied by four.

8. Personnel Related Costs

To date the spending on employee related costs and councillors remuneration amounts to R 84 990 000 or 50% of the budget provision.

9. Capital Budget

The municipality's capital budget is financed through own income amounting to R 4 468 000 grants and subsidies R 45 155 000 and other sources to R 30 000 000. The Treasury Office must issue adjustments budget directives, where it will request that capital budget cash flows needs to be reviewed and adjusted (if need be) for the budgeted capital projects and ensure that all projects are to be completed by 30 June 2016.

10. Repairs and Maintenance

Table 7: Repairs and Maintenance

Department	Actual	Actual			Planned	Total Year	% of Budget
	Quarter 2	15-Oct	15-Nov	15-Dec	Year to Date	to Date	
Municipal Manager's Office	-	R 12,832.14	R 23,678.72	R -	R 91,750.00	R 36,510.86	40%
Corporate Services	31,905.00	R 131,341.50	R 18,509.80	R 4,799.95	R 501,500.00	R 186,556.25	37%
Financial Services	658.00	R -	R -	R -	R 32,500.00	R 658.00	2%
Economic and Community Services	225,107.00	R 272,505.42	R 53,542.42	R 77,831.75	R 2,153,876.00	R 628,986.59	29%
Technical Services	449,121.00	R 374,892.50	R 1,773,140.63	R 1,705,806.21	R 8,507,562.00	R 4,302,960.34	51%
Sub-Total	706,791.00	R 791,571.56	R 1,868,871.57	R 1,788,437.91	R 11,287,188.00	R 5,155,672.04	46%
Total	706,791.00	R 813,616.56	R 2,131,362.57	R 2,210,692.91	R 16,930,782.00	R 5,862,463.04	35%

11. Operational Expenditure by Vote

Expenditure Description	2014/15	Budget Year 2015/16				
	Audited Outcome	Original Budget	Year To Date actual	Year To Date budget	YTD % variance	Full Year Forecast
Employee costs	154 017 291,00	159 569 262,00	80 069 597,01	78 311 326,32	2%	160 139 194,02
Remuneration of Councillors	9 884 247,00	10 353 882,00	4 919 674,74	5 176 941,00	-5%	9 839 349,48
Depreciation & asset impairment	261 821 514,00	25 282 489,00	126 854 469,11	12 641 244,36	903%	253 708 938,22
Finance charges	918 796,00	3 227 000,00	434 374,96	1 613 500,02	-73%	3 227 000,00
Materials and bulk purchases	53 594 386,00	67 560 720,00	25 275 617,68	33 780 360,00	-25%	67 560 720,00
Transfers and grants	2 606 556,00	13 180 000,00	6 577 601,11	7 124 999,96	-8%	13 155 202,22
Other expenditure	133 820 405,00	126 826 072,00	57 852 720,42	41 351 318,40	40%	125 595 505,54
Total Expenditure	616 663 195,00	405 999 425,00	301 984 055,03	179 999 690,06	68%	633 225 909,48

Employee Related Costs and Councillors' Remuneration: Employee related costs has a variance of 2%. Although the amount spent is on par against the budget, the total budget need to be increased with an amount of R 2 million in order to accommodate the provisions on employee related costs. It should be noted that the current budget will be sufficient for the current employed staff and should there be additional officials appointed the budget will need to be increased accordingly.

Depreciation & Asset Impairment: Depreciation is standing at 903% higher than the budget, this is as a result of high depreciation amount on infrastructure assets. Depreciation was budgeted in terms of National Treasury's Circular 58, which indicate that depreciation based on revalued assets not being taken into account with the determination of the net surplus/deficit of the budget. Should no adherence given to the circular, the result will be that consumers being unfairly taxed to accommodate these increased depreciation. The total budget for depreciation and asset impairment need to be increased to an amount of R253, 709 million which will result in a budget deficit. This non-cash item will be financed from the accumulated surplus account to ensure that the budget is funded.

Finance Charges: Finance charges has a saving of 73% this is expected to increase when the municipality pays existing loans and once the application of the new loan has been approved. It is envisaged that the outcome of the approval of the R 30 million loan be within the next two months. The status quo on the budget will thus remain unchanged.

Materials and Bulk Purchases: Bulk purchases on electricity has a saving as the expenditure is 25% lower than the budget. The time of use and consumption practice will correct the underspending towards the year end. Thus the budget should remain as originally determined.

Transfers and grants: Grants provided is standing at 42% of the budget and the original budget should remain as determined.

Other Expenditure: There has been a variance of 40% on other expenditure. The biggest two contributors to the underspending are namely Repairs and Maintenance and Chemicals. Repairs and Maintenance underspent by R 4.0 million and Chemicals by R750 000 respectively. Repairs and Maintenance of assets and infrastructure need to be urgently done to ensure that service delivery continue.

	Budget	Actual	Spent %
	R'000	R'000	
Other Expenditure	126,826	57,853	46%
Debt Impairment	44,000	22,000	50%
Contracted Services	27,629	11,869	43%
Repairs and Maintenance	23,426	5,862	25%
Fuel and Oil	5,425	1,785	33%
Professional Fees	4,207	1,908	45%
Chemicals	4,195	1,276	30%
Audit fees	3,550	2,776	78%
Printing and Stationery	2,687	578	22%
Travelling & Subsistence	2,331	1,608	69%
Training	2,314	652	28%
General Expenditure	7,062	7,539	107%

Debt Impairment: Debt impairment expenditure is at 50% spent against the total budget and it is proposed that the budget should remain the same.

Contracted Services: Contracted Services are currently standing at 43% spent on the budget. Although the spending is below the half yearly norm an additional amount of R 6 million need to be provided for the current water crisis/drought the municipality is facing. The total amount to be provided in the adjustment budget need to be adjusted upwards to the amount of R 33,629 million.

Repairs and maintenance: Only 25% of the budget has been spent on repairs and maintenance and it is envisaged that if the current trend is continuing the repairs and maintenance vote need to be adjusted downwards to a total on R 18 million. The saving of R 5 million should be utilised to contribute to the R 6 million additional amount required for the contracted services assisting in the water crisis/drought.

Fuel and Oil: Though the expenditure on fuel and oil is only 33% a downwards adjustment to the amount of R1 million should be done and that the saving be utilised to contribute to the R 6 million additional amount required to assist in water crisis/draught.

Professional Fees: Professional Fees expenditure is at 45% against the total budget of R 4 million representing a saving of 5% however the budget will not be adjusted.

Chemicals: Though the expenditure on chemicals has a saving of 20% against the budget year to date is it advised that the budget be kept as determined.

Audit Fees: The total expenditure on the audit fees is at 78% against the budget, this was as a result of an audit that was conducted and the budget will not be changed and the remaining funds will be sufficient to cover the full financial year.

Printing and Stationery: Expenditure on printing and stationery is at 22% against the budget. It is therefore proposed that the budget be decreased by R 500 000 to R 2,1 million. The saving should then be utilised to cover travelling and subsistence.

Travelling and Subsistence: The travelling and subsistence expenditure budget should be increased with R 500 000 saved from printing and stationery. Though there is an increase in this budget strict controls must be put in practice to ensure that the expenditure is within the parameters.

Training: The expenditure on training should be kept as originally budget for in order to accommodate registrations for the 1st semester/new academic year.

General Expenditure: Included in general expenditure are various expenditure votes such as advertising, legal expenditure, cleaning materials, bank charges etc. Expenditure such as departmental electricity usage contributed to an over spending on general expenditure whereby R 1,4 million has been spent so far over a budgeted amount of R 17 000. Legal expenses will also need to be increased with an amount of R 1 million to a total budget of R 2,5 million. An additional amount of R 100 000 is needed to increase the budget on bank charges to R 360 000 which will be taken from the saving on advertisement.

Savings which will be realised from expenditures such as water research fund, collection costs, subscription costs, congress fees and etc. should be utilised to cover general expenditure to ensure that unauthorised expenditure does not result.

12. Project Expenditure per Department

Department	Original Budget	Actuals	Planned YTD	% Expenditure
Executive and Council	-	-	-	
MM	930,000	600,289	600,289	65%
Corporate	-	-	-	
Finance	1,600,000	226,940	226,940	14%
Community	-	-	-	
Technical	47,985,000	12,191,662	12,191,662	25%
TOTAL	50,515,000	13,018,891	13,018,891	26%

13. Status of Grant Income and Expenditure

GRANT	DORA ALLOCATION	ROLL-OVER	YTD RECEIPTS	OWN CONTRIBUTION	YTD EXPENDITURE	YTD BALANCE	%	FUTURE RECEIPTS
Equitable Share	R 166,309,000	R -	R 124,732,000					R 41,577,000
Sub-total	R 166,309,000	R -	R 124,732,000					R 41,577,000
MIG	R 45,953,000		R 29,162,000		R 22,235,041	R 6,926,959	76%	R 16,791,000
MSIG	R 930,000		R 930,000		R 615,789	R 314,211	66%	R -
EPWP	R 2,042,000		R 1,430,000		R 1,883,703	R -453,703	132%	R 612,000
FMG	R 1,600,000		R 1,600,000		R 468,563	R 1,131,437	29%	R -
INEP	R 1,500,000		R 1,500,000		R -	R 1,500,000	0%	R -
Sub-total	R 52,025,000		R 34,622,000	R -	R 25,203,096	R 9,418,904	73%	R 17,403,000
TOTAL	R 218,334,000	R -	R 159,354,000	R -	R 25,203,096	R 9,418,904	16%	R 58,980,000

The table above depicts grants and subsidies movements from the beginning of the financial year up to date. The year to date receipts is R159.354 million for both conditional and non-conditional grants. The year to date expenditure on conditional grants amount to R25.203 million representing 73% of the total received of R34.622 million.

The Integrated National Electrification Program/Grant expenditure will reflect once the processes of appointing the service provider has been done. It is therefore requested that the SCM division expedite to finalize the processes for appointment.

Though there are still future receipts expected on EPWP, the current trend on its expenditure shows it will exceed the annual allocation. It is thus proposed that the municipality should consider counter funding the program by allocating funds during the adjustment budget in order to avoid any unauthorised expenditure.

14. Investment Schedule**14.1 Investment balances as at the end of Quarter 2**

DESCRIPTION	CLOSING BALANCE	INTEREST-TO DATE
MONEY MARKET-A/C:62151783563	R 1,535,663	R 24,930.56
MIG-INVESTMENT-A/C:6210540465	R 8,626,653	R 204,836
BUSINESS CALL-A/C:6249046205	R 31,327,087	R 488,716
TOTAL	R 41,489,403	R 718,482

The closing balances of call investments accounts amount to R41.489 million as at the end of December 2015 from an opening balance of R36.786 million. Interest accumulated on investments is R718 thousand.

14.2 Breakdown of Bank Accounts and Bank Balances**14.2.1 Bank Balance as at the end of Quarter 2**

DESCRIPTION	CLOSING BALANCE	INTEREST-TO DATE
PRIMARY BANK A/C:62048092647	R 3,942,243	R 165,892
TOTAL	R 3,942,243	R 165,892

DESCRIPTION	CLOSING BALANCE	INTEREST-TO DATE
MONEY MARKET-A/C:62151783563	R 1,535,663	R 24,930.56
MIG-INVESTMENT-A/C:6210540465	R 8,626,653	R 204,836
BUSINESS CALL-A/C:6249046205	R 31,327,087	R 488,716
PRIMARY BANK A/C:62048092647	R 3,942,243	R 165,892
TOTAL	R 45,431,646	R 884,374

The total cash and cash equivalents is a positive balance of R45.431 million, included in that balance is the primary bank account with the balance of R3.942 million.

15. Financial Statements

Statement of Financial Performance for the period ending 31 December 2015

Description	2014/15	Budget Year 2015/16							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	32 147	38 500	-	3 956	22 804	19 250	3 554	18%	45 608
Service charges	137 434	166 662	-	14 375	93 758	83 391	10 367	12%	187 517
Investment revenue	2 458	1 400	-	193	995	700	295	42%	1 991
Transfers recognised - operational	189 936	173 679	-	-	176 689	176 689	-	-	176 689
Other own revenue	33 008	31 232	-	1 560	8 913	14 874	(5 961)	-40%	17 002
Total Revenue (excluding capital transfers and contributions)	394 983	411 473	-	20 083	303 159	294 903	8 256	3%	428 806
Employee costs	154 017	159 569	-	14 439	80 070	78 311	1 758	2%	160 139
Remuneration of Councillors	9 884	10 354	-	817	4 920	5 177	(257)	-5%	9 839
Depreciation & asset impairment	261 822	25 282	-	126 854	126 854	12 641	114 213	903%	253 709
Finance charges	919	3 227	-	430	434	1 614	(1 179)	-73%	3 227
Materials and bulk purchases	53 594	67 561	-	3 690	25 276	33 780	(8 505)	-25%	67 561
Transfers and grants	2 607	13 180	-	1 637	6 578	7 125	(547)	-8%	13 155
Other expenditure	133 820	126 826	-	30 018	57 853	41 351	16 501	40%	125 596
Total Expenditure	616 663	405 999	-	177 886	301 984	180 000	121 984	68%	633 226
Surplus/(Deficit)	(221 681)	5 473	-	(157 803)	1 175	114 903	(113 728)	-99%	(204 420)
Transfers recognised - capital	60 660	45 155	-	-	29 162	29 162	-	-	58 324
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(161 021)	50 629	-	(157 803)	30 337	144 065	(113 728)	-79%	(146 096)

Source: C-Schedule 31 December 2015

16. Statement of Financial Position

Description	Ref	2014/15	Budget Year 2015/16			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		3 702	4 035		41 432	4 035
Call investment deposits		–	3 107		–	3 107
Consumer debtors		95 674	70 000		178 373	70 000
Other debtors		73 055	70 600		101 889	70 600
Current portion of long-term receivables		–	2		–	2
Inventory		4 122	4 000		3 891	4 000
Total current assets		176 553	151 744	–	325 585	151 744
Non current assets						
Long-term receivables		–	–		3 105	–
Investments		3 105	2 000		–	2 000
Investment property		70 447	83 281		76 211	83 281
Investments in Associate		–	–		–	–
Property, plant and equipment		3 198 147	3 560 416		3 471 118	3 560 416
Agricultural		–	–		–	–
Biological assets		–	–		–	–
Intangible assets		3 477	2 693		2 962	2 693
Other non-current assets		15 386	14 507		43	14 507
Total non current assets		3 290 562	3 662 898	–	3 553 439	3 662 898
TOTAL ASSETS		3 467 115	3 814 641	–	3 879 023	3 814 641
LIABILITIES						
Current liabilities						
Bank overdraft		–	–		–	–
Borrowing		541	1 270		282	1 270
Consumer deposits		2 429	3 000		2 514	3 000
Trade and other payables		53 730	63 510		10 090	63 510
Provisions		1 207	3 807		1 168	3 807
Total current liabilities		57 907	71 587	–	14 054	71 587
Non current liabilities						
Borrowing		6 284	36 348		6 284	36 348
Provisions		60 975	60 645		61 386	60 645
Total non current liabilities		67 259	96 992	–	67 671	96 992
TOTAL LIABILITIES		125 166	168 580	–	81 724	168 580
NET ASSETS	2	3 341 949	3 646 062	–	3 797 299	3 646 062
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		3 341 949	3 646 062		3 797 299	3 646 062
Reserves		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	3 341 949	3 646 062	–	3 797 299	3 646 062

Source: C-Schedule 31 December 2015

ANNEXURE A-FINANCIAL PERFORMANCE REPORT

17. Cash Flow Statement

Description	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Ratepayers and other		200 608	167 185		8 401	82 026	103 980	(21 954)	-21%	207 959
Government - operating		189 936	173 679		-	134 500	124 406	10 093	8%	169 951
Government - capital		60 660	45 155		-	29 162	-	29 162	#DIV/0!	-
Interest		2 458	21 650		1 550	1 585	14 200	(12 615)	-89%	28 400
Dividends		32	35		-	36	35	1	4%	35
Payments										
Suppliers and employees		(381 948)	(340 360)		(17 428)	(195 213)	(158 620)	36 593	-23%	(363 240)
Finance charges		(919)	(3 227)		(430)	(434)	(1 614)	(1 179)	73%	(3 227)
Transfers and Grants		(2 607)	(13 180)		(1 637)	(6 578)	(7 125)	(547)	8%	(13 750)
NET CASH FROM/(USED) OPERATING ACTIVITIES		68 220	50 936	-	(9 544)	45 084	75 263	30 179	40%	26 128
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		(1 505)	-		-	-	-	-	#DIV/0!	-
Decrease (Increase) in non-current debtors		-	-		-	(3 105)	-	(3 105)	#DIV/0!	-
Decrease (increase) other non-current receivables		(88)	-		-	7	-	7	#DIV/0!	-
Decrease (increase) in non-current investments		(506)	-		-	2 599	-	2 599	#DIV/0!	-
Payments										
Capital assets		(74 539)	(79 624)		(1 073)	(2 758)	(2 758)	-	-	(15 910)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(76 638)	(79 624)	-	(1 073)	(3 256)	(2 758)	499	-18%	(15 910)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-		-	-	-	-	-	-
Borrowing long term/refinancing		-	30 000		-	64	30 000	(29 936)	-100%	-
Increase (decrease) in consumer deposits		-	-		7	117	-	117	#DIV/0!	-
Payments										
Repayment of borrowing		(478)	(3 920)		(260)	(260)	-	260	#DIV/0!	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		(478)	26 080	-	(253)	(79)	30 000	30 079	100%	-
NET INCREASE/ (DECREASE) IN CASH HELD		(8 896)	(2 607)	-	(10 870)	41 748	102 505			10 219
Cash/cash equivalents at beginning:		12 598	42 649			3 684	42 649			3 684
Cash/cash equivalents at month/year end:		3 702	40 041			45 432	145 154			13 902

ANNEXURE B: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

3. Administration and Council Support Services Division Policy Objectives Taken From the IDP										
FOCUS AREA	OBJECTIVE	ACTIVITY	KEY PERFORMANCE INDICATOR	BASE-LINE	ANNUAL TARGET	Q1		Q2		Comment on the Variance
						Target	Actual	Target	Actual	
Administration and Council Support	Effective Administration and Support Services System	Number (1) of Year Plan for Section 80, EXCO and Council Meetings compiled for SLM	Number (1) of Year Plan for Section 80, Exco and Council Meetings compiled for SLM	1	1	0	0	0	1	3 rd Quarter target, however and interim year was compiled in 2 nd quarter for the 3 rd quarter until a date of election is promulgated.
		Co-ordinate the Agenda of Exco Meetings for SLM	Number (12) of Agendas of Exco Meetings for SLM co-ordinated	12	12	3	3	3	5	Additional Meetings arranged
		Perform quality assurance on the compiled minutes of Exco Meetings	Number (12) of Exco Minutes that a quality assurance was performed	12	12	3	3	3	5	Additional Meetings held.
		Co-ordinate the Agenda of Council Meetings for SLM	Number (4) of Agendas of Council Meetings for SLM co-ordinated	4	4	1	1	1	2	Additional Meetings arranged
		Perform quality assurance on the compiled minutes of Council Meetings	Number (4) of Council Minutes that a quality assurance was performed	4	4	1	1	1	2	Additional Meetings held
		Prepare reports to the Speaker on Councillor's absenteeism after every Council meeting	Number (4) of absenteeism report to the Speaker prepared after every council meeting.	3	4	1	0	1	1	Target achieved
		Obtain disposal authority for records to be	Number (1) of disposal authorities obtained by SLM	0	1	0	0	0	0	3 rd Quarter target

ANNEXURE B: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

	disposed of by SLM									
	Compile a report on records disposed by SLM	Number (1) of reports of documents disposed by SLM	0	1	0	0	0	0	0	4 th Quarter target
	Compile a report of records transferred to Provincial Archives	Number (1) of reports of documents transferred by SLM	0	1	0	0	1	0	0	Attempts were made to do transfers however firstly the employee directly involved was booked of sick for 6 weeks after an operation and provincial archives had indicated they first wanted to visit the office to peruse the documents to be transferred. This will be dealt with further in the 3 rd quarter.
	Co-ordinate and Arrange presentation on Records Management Principles within SLM	Number (1) of presentations on records management principles coordinated and arranged within SLM	2	1	0	0	0	0	0	3 rd Quarter target
	Review of Remittance Register within SLM	Number (1) of Remittance Registers reviewed within SLM	1	4	1	1	1	1	1	Target achieved
	Implement Telephone Systems to offices not yet serviced within SLM	Number (2) of telephone systems to offices not yet services within SLM	2	2	0	0	1	0	0	The installation of lines were not finalized as we experienced a change of account executive and challenges in obtain contact information of new account executives. However this matter is being addressed and should be finalized in the 3 rd quarter.
	Monitor Circulations List of monthly Telephone Bills for Officials to identify	Number (12) of circulations list monitored for telephone bills for officials to identify personal calls within SLM	12	12	3	3	3	3	2	Challenges resulted due to the festive season leave period whereby most of the staff were away on leave and bills were not being signed for. This matter will be dealt with in January 2015

ANNEXURE B: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

		personal calls within SLM								
		Monitor preparation of monthly Deduction Lists for personal calls made by Officials within SLM	Number (12) of deductions lists monitored for personal calls made by officials within SLM	12	12	3	3	3	2	A challenges with the deduction lists arose as well return of bills from managers as well as the festive leave where many people were away, it result in no deduction list being processed for December 2015. This matter has already been addressed and supervisor was made aware to be more hands on in the process.
		Co-ordinate stakeholder Presentations on Bylaws as part of community participation process within SLM	Number (4) of stakeholder presentations on bylaws as part of community participation process within SLM coordinated		4	0	0	2	0	Various attempts were made to conduct meetings specifically with Engineering Services to deal with comments on the Water Services Bylaw however after various attempts a meeting was co-ordinated only to find that employees present were not provided with the relevant documents for discussion by the Water Services Manager and thus the meeting had to be postponed to 3 rd quarter.
		Process Promulgation of adopted bylaws within SLM	Number (4) of promulgated bylaws processed within SLM		4	2	2	0	1	Spluma Bylaws were finalized and promulgated.
		Conduct inspection of office cleaning services within SLM	Number (12) of inspections of office cleaning services conducted within SLM	12	12	3	3	3	3	Target achieved

ANNEXURE B: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

3. Human Resource Management Division's Policy Objectives Taken From the IDP										
FOCUS AREA	OBJECTIVE	ACTIVITY	KEY PERFORMANCE INDICATOR	BASE-LINE	ANNUAL TARGET	Q1		Q2		Comment on the Variance
						Target	Actual	Target	Actual	
Personnel Management	To render effective personnel management system	Hold regular Human Resource Management (HRM) Divisional Governance Meetings	Number (12) of Human Resource Management (HRM) Divisional Governance Meetings held	12	12	3	3	3	3	Target achieved
		Filling of critical vacant positions	Number (90) of Critical Vacant Positions filled	45	90	15	0	15	1	Due to management declaring a moratorium on filling of vacancies.
		Develop Institutional Job Descriptions	Number (56) of Institutional Job Descriptions developed	709	56	14	5	23	10	Non submission from the following departments: <ul style="list-style-type: none"> • Revenue Division, Asset Management Division, Water and Sanitation Maintenance Division, Water and Sanitation Bulk Services, Roads and Storm-water Division, Solid Waste Division, Public Safety Division, Parks, Cemeteries and Recreation Division as well as Security Services.
		Compile and Update Statistical Data Bank	Number (3) of Statistical Data Bank compiled	4	3	1	1	1	1	Target achieved
		Conduct induction workshops of new and existing employees	Number ((16) of induction workshops conducted for new and existing employees	9	16	4	4	4	0	Target not achieved
Occupational Health and Safety		Conduct Health Assessments	Number (32) of Health Assessments Conducted	29	32	8	0	16	8	Position of OHS Officer has remained vacant for a period of seven (7) months due to a moratorium on filling of vacant positions. No-one in the department has the necessary expertise to render the service.

ANNEXURE B: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

	To ensure that we have a healthy and secure workforce	Conduct health and safety awareness workshops for all SLM employees	Number (4) of Health and Safety Workshops conducted	0	4	1	0	1	3	Target over achieved
		Prepare incident reports for all injuries cases which occurred within SLM	Percentage (100%) of incidents reports prepared for all injury cases which occurred within SLM	100%	100%	100%	100%	100%	100%	100%
Employee wellness		Implementation of wellness programs for all employees	Number (25) of wellness programs implemented for all employees	32	25	5	32	5	16	Target over achieved
Employee benefits	To ensure that all employees received all benefits due to them	Processing of termination claims for the previous and current financial year	Percentage (100%) of terminations processed for the previous and current financial year	100%	100%	100%	100%	100%	100%	Target achieved
		Processing of death claims for the previous and current financial year	Percentage (100%) of death claims processed for the previous and current financial year	100%	100%	100%	100%	100%	100%	Target achieved
		Medical Aid window period presentation	Number of presentations made	4	4	0	0	4	4	Target achieved

ANNEXURE B: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

3. Division's Policy Objectives Taken From the IDP (Human Resources Development Division)										
FOCUS AREA	OBJECTIVE	ACTIVITY	KEY PERFORMANCE INDICATOR	BASE-LINE	ANNUAL TARGET	Q1		Q2		Comment on the Variance
						Target	Actual	Target	Actual	
Skill Development	To provide specialized Human Resources to meet the objectives of the Institution.	Meeting of the Training & Development Committee	No. of Meetings held	2	12	3	1	3	1	The annual target is not in line with the Training and Development Policy and must be revised to 4 per annum (1 per quarter).
		Conduct Skills Audits	Number of skills audits Programme to be implemented	1	1	0	0	0	0	3 rd Quarter target
		Compilations of a Workplace Skills Plan (WSP) and submission to Management, Council and LGSETA	No. of workplace skills plans approved and submitted	1	1	0	0	0	0	4 th Quarter target
		Implementation Reports of the Workplace Skills Plan (WSP)	Number of reports on the implementation.	12	12	3	3	3	3	Target Achieved
		Compilation of the Workplace Skills Plan(WSP) & Annual	No. of Annual Training Report (ATR) submitted	1	1	0	0	0	0	4 th Quarter target
Employment Equity	Ensure that there is equity of opportunities for all Employees.	Completion of the EEA1 Forms (Declaration)	Number of EEA1 Forms completed	1	1	0	0	1	1	Target Achieved
		Awareness Campaigns on the Employment Equity Plan (EEP)- Affirmative Action measured)	Number of Awareness Campaigns done.	1	1	0	0	0	0	Target not Achieved, the Awareness on Collective Agreements, Employment Equity and Skills Audit will be conducted collectively to all employees.
		Submission of EEA 2 & EEA 4 Forms	Number of Acknowledgement Letters signed.	1	1	0	0	0	0	3 rd Quarter target

ANNEXURE B: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

		Reports on Implementation of Employment Equity Plan (EEP)	No. of Reports on implementation of the Employment Equity Plan (EEP).	12	12	3	0	3	1	Employment Equity Plan not in line with Employment Equity Act and the division does not have capacity to develop a proper Employment Equity Plan.	
		Meetings of Employment Equity Forum (EEF)	No. of Employment Equity Forum reports.	3	4	1	0	1	0	The Employment Equity Forum was not properly constituted in line with the Employment Equity Act. As a result there are no meetings held.	
		Review of Employment Equity Plan(EEP)	Number of reviewed Employment Equity Plans.	1	1	0	0	0	0	4 th Quarter Target	
Discipline & Sound Labour Relations	To maintain discipline and sound labour relations through applicable Disciplinary Procedures.	Submission of the Reports on Disciplinary Cases to Management & Council.	No. of Reports on Disciplinary Cases to Management & Council.	12	12	3	3	3	3	Target achieved.	
		Management of Disciplinary Cases/ Tribunal, Conciliations and Arbitrations	Percentage of cases attended/resolved/ finalized.	100%	100%	100%	100%	100%	100%	Target achieved.	
		Conducting Awareness Campaign/ Workshop on the South African Local Government Bargaining Council (SALGBC) Collective Agreements	Number of Awareness Campaigns.	1	1	0	0	0	0	0	Target not Achieved, the Awareness on Collective Agreements, Employment Equity and Skills Audit will be conducted collectively to all employees.
		Local Labour Forum (LLF) Meeting.	No. of Local Labour Forum (LLF) Meetings held.	8	12	3	1	3	1	1	Meetings are called but delegates do not attend resulting in quorum not being reached.
Human Resources Development Division	To promote effectiveness and efficiency within the Human Resources Division.	Organize & hold Divisional Meetings	No. of minutes for the monthly Divisional Meetings held.	12	12	3	3	3	3	Target achieved.	

ANNEXURE B: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

FOCUS AREA	OBJECTIVE	ACTIVITY	KEY PERFORMANCE INDICATOR	BASE-LINE	ANNUAL TARGET	Target	Q1 Actual	Target	Q2 Actual	Comment on the Variance
Payment of Salaries	All employees paid correctly on the 25 th of the month.	Create a complete payroll	No of generate salary advises	731	731	731	703	731	963	The EPWP and Temporary Employees were included.
Payment of Third parties.	All third party payments are correctly paid on the 7 th of each month.	Create a third party payment file	No of third party payments made before 07 th of each month	155	155	155	155	155	155	Target achieved
Fleet Management	Develop maintenance schedule of vehicles services.	Vehicle allocation and maintenance.	No of vehicles allocated and maintained.	89	89	23	79	31	60	Target achieved. over
		Licensing of vehicles	No of vehicles licensed and registered.	89	89	30	59	40	88	Target achieved. over
		Insurance claims.	No of insurance claims processed.	0	100%	100%	100% (3 claims)	100%	100%	Target achieved
		Control of fuel,	No of fuel schedules in all units.	89	156	39	39	39	64	Target achieved
Waste Management	To continue to provide a regular, healthy and effective refuse removal services in all urban areas	Refuse collection	Number of households serviced	34687	34687	34687	33 000 (96%)	34687	33 300 (96%)	Vehicle breakdown
			Number of businesses serviced	715	715	715	715	715	715	
		Data collection of disposal of waste at the Ficksburg and Senekal landfill sites	Number of reports submitted to National Waste Information System	24	24	6	6	6	6	
		Completion of monthly reports of: -collection of waste during the	Number of Monthly Reports submitted by Supervisors	36	48	12	12	12	12	

ANNEXURE B: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

		month -corner dumping removed -litter collected -maintenance at landfill site's								
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ANNEXURE B: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

FOCUS AREA	OBJECTIVE	ACTIVITY	KEY PERFORMANCE INDICATOR	BASE-LINE	ANNUAL TARGET	Q1		Q2		Variance
						Target	Actual	Target	Actual	
Parks	To promote greening in all towns to ensure effective urban greening by means of tree planting and Landscaping to be maintained as open spaces in future.	Maintain the existing parks	Numbers of parks maintained	14	16	14	14	14	14	
			No of trees to be planted in open spaces	350	350	350	350	0	0	
		Procurement of vehicles and equipment	Number of vehicles purchased	0	11	10	0	0	0	
	To engage the community by highlighting the importance of conserving environment	Increase environmental awareness to our Community.	Number of awareness conducted	1	4	1	1	1	1	
			No of cleaning campaigns conducted	21	45	12	0	9	9	
			No of environmental calendar days to be celebrated	1	4	1	1	1	0	Focus was dedicated on addressing drought effects
Cemeteries	To provide and maintain cemeteries	Preparing and allocation of graves	No of graves allocated	1250	0	0	263	0	339	
		Maintenance of cemeteries	Number of cemeteries maintained	21	21	21	21	21	21	
		Recording of graves correctly allocated	No of Burial Registers	8	8	8	8	8	8	
		Procurement of equipment	Weed eaters	0	6	6	0	0	0	

ANNEXURE B: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

3. Public Safety Policy Objectives Taken From the IDP										
FOCUS AREA	OBJECTIVE	ACTIVITY	KEY PERFORMANCE INDICATOR	BASE-LINE	ANNUAL TARGET	Q1		Q2		Variance
						Target	Actual	Target	Actual	
Traffic Provision	To encourage compliance to National and Provincial laws and municipal by-laws	Roadblocks conducted	Number of roadblock conducted	69	30	7	10	8	20	A call by RTMC to intensify road safety
		Issuing of Traffic fines	Number of traffic fines issued	4 246	3 246	812	1 067	812	1 290	
		Amount received (fines)	Rand received from traffic fines	254 790	127 396	31 848	91 750	31 848	104 250	Amount received exclude Senekal, Magistrate on leave
		Point Duty and escorts	No of Point Duty and escort performed	127	120	30	39	30	27	As and when required
		Amount received (escort)	Rand received from escort	23 480	24 000	6 000	11 722	6 000	7 695	
Road Traffic maintenance	To ensure road visibility by traffic signs and road markings	Maintenance of traffic signs	No of traffic signs replaced and mounted	130	80	25	48	15	15	
		Maintenance of road markings	No of Road markings painted	149	80	25	199	15	139	Roads were repaired and new markings needed
Disaster Management	To provide disaster management services	Public Awareness	No of public awareness conducted	8	12	6	4	6	6	
		Management of Disaster Incidents occurred	No of incident/ Disaster reported and attended	0	0	0	0	0	1	
Fire Services	To provide an efficient and effective Fire services	Fire reported	No of fire incidents reported	137	0	0	90	0	32	
		Risk assessment conducted	No of risk assessment conducted	4	4	2	1	2	5	New events organized by external stakeholders
		Emergency incidents reported	No of emergencies / accident attended	275	0	0	41	0	90	

ANNEXURE B: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

3. Security Services and Property Maintenance Policy Objectives Taken From the IDP										
FOCUS AREA	OBJECTIVE	ACTIVITY	KEY PERFORMANCE INDICATOR	BASE-LINE	ANNUAL TARGET	Q1		Q2		Variance
						Target	Actual	Target	Actual	
Security Services										
Property Maintenance	Management of council Properties	Implementation of the Maintenance Plan	Number of municipal houses inspected to ensure safety	25	25	10	0	10	10	
			Number of municipal properties inspected to ensure safety		88	22	0	0	0	
	Accessibility of public facilities to the community	Preparing and cleaning of facilities	No of facilities prepared and cleaned: Community Halls	12	12	12	12	12	12	
			No of facilities prepared and cleaned: Sport facilities	4	4	4	4	4	4	
Security Services	To ensure safety of municipal property and personnel	CCTV Cameras at municipal properties	Number of CCTV cameras installed	34	17	0	0	0	0	Planned for third quarter
		Installation of alarm system	Number of alarm system installed	13	3	0	0	2	1	Waiting for the installation of electricity.

ANNEXURE B: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

3. LED, Tourism And Sports Development Policy Objectives Taken From the IDP										
FOCUS AREA	OBJECTIVE	ACTIVITY	KEY PERFORMANCE INDICATOR	BASE-LINE	ANNUAL TARGET	Q1		Q2		Variance
						Target	Actual	Target	Actual	
Local Economic Development	To promote of local economic development	Provide training interventions for SMMEs	Number of training interventions conducted for SMME's	0	4	1	0	1	2	
		Assist potential entrepreneurs in Development & Marketing	Number of Entrepreneurs assisted	25	50	10	18	15	25	
		Issuing of permits to hawkers	Number of permits issued	288	100	25	0	25	26	
		Issuing of trading license to businesses	Number of trading licenses issued	102	80	20	0	20	80	
		To identify and encourage potential entrepreneurs to become involved in SMME development	Number of new entrepreneurs who have started businesses. (Based on SMME Development Plan)	10	10	2	7	3	0	Three entrepreneurs have submitted their proposals and awaiting response
TOURISM	To create sustainable economic growth and alleviate poverty by maximising local agricultural, tourism and industrial opportunities and exploitation of international markets	Marketing of Tourism Activities in the Municipality	Number of promotional activities carried out	6	6	2	1	2	2	
		Development of Tourism Marketing Material	Marketing Material developed	0	1	1	0	0	0	
Sports, Arts, Culture and Recreation Development	To have a guiding tool that the municipality can work with regarding Sports, Arts and Culture and usage of the facilities	Sports Development meetings	No of meetings held with sports council	0	8	2	2	2	2	
		Mass participation programmes/ games	No of sports and Recreational activities	6	8	2	1	2	1	The tournament was postponed to the 3 rd quarter
		Establishment of Sports, Arts and Culture Councils	No of Sports, Arts and Culture Councils	4	1	1	0	0	0	

ANNEXURE B: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

KPA	Focus Area	Objective	Activity	Key Performance Indicator	Baseline Indicator	Annual Target	Performance Measure		
							Q2		Comment on the Variance
							Target	Actual	
Infrastructure Service Delivery	Infrastructure service delivery	To have adequate serviced land available through which residents can develop quality formal housing and receive security tenure	Receive building plans and processing of building plans.	Percentage of building plans approved	100	100%	100%	100%	-
			Quality control and site inspection on formal structures	No. of inspections conducted on formal structures	997	300	100	295	-
			To conduct inspections and issue notices for building plans	No. of inspections	41	80	15	9	-
			Demolition of unsafe structures	No. of demolitions	68	15	04	0	-
	New township establishment and cemeteries		Conduct a feasibility study	No. of Feasibility study report	46	02	0	0	-
			Conduct enumeration and feasibility study for informal settlements	No. of Enumeration and feasibility study report	0	02	0	0	-
			Allocation of sites	No. of sites to be allocated	34402	1000	250	80	-
	Property and facility Management		Opening of files for the allocated sites.	No. of files opened for allocated sites	0	2000	610	46	Some people are out of town, others do not have the letters of authority for collection of the deceased Title Deed Owners hence slow progress
			Issue Title Deeds	No. of Title Deeds issued	12000	300	100	121	
			Inspection of municipal houses	No. of municipal houses inspected	37	27	5	0	There is only one building inspector and additional capacity will be sourced in order to meet the KPI

ANNEXURE B: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

Municipal Planning and Land Use Management	Inspection of municipal properties	No. of municipal properties inspected	25	20	5	2	There is only one building inspector and additional capacity will be sourced in order to meet the KPI
	Leasing of Council properties.	No. of Council properties leased.	0	30	10	0	-
	Registration of council properties with Deed Office.	No. of council properties to be registered.	0	04	0	0	-
	Processing of rezoning applications	No. of Re-Zoning applications processed	4	06	02	1	-
	Processing of rezoning applications	No. of Zoning Certificate Issued	10	08	1	4	-
	Conduct land use management awareness	No. of land use management awareness campaigns conducted	0	4	3	0	There was no meeting called upon for the awareness but it will be done second quarter
	Conduct awareness campaign	No. of Public awareness campaigns attended for buildings plans	9	12	3	0	
	Functional Municipal Planning Tribunal	No. of Municipal Planning Tribunal seating's	0	4	1	0	There were no applications to be decided on
	Processing of applications received	No. of Subdivision applications processed	5	4	1	1	
		No. of Consolidation application processed	4	4	1	1	
	Processing of applications received	No. of Special Consent application processed	2	6	2	0	-
		No. liquor registration application processed	10	5	1	2	-

ANNEXURE B: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

Land Use Management		Attending meetings by invitation	No. of SPLUMA meetings attended	6	4	1	1	-
			No. HDA Forums attended	4	4	1	1	-
			No. of GIS Forum	4	2	1	1	-
Compliance	To give administrative support to council committees	Units meetings	No. of unit meetings conducted	4	12	3	1	-
		Reports on units meeting	No. of unit reports/ minutes generated	4	12	3	1	-
		Compile reports for standing committee	No. of monthly reports compiled for standing committee	12	12	3	3	-
		Compile minutes for standing committee	No. of minutes compile for standing committee	12	12	3	3	-
		Compile Reports on illegal land use	No. of illegal land use reports	0	12	3	4	-
Community participation	To enhance community participation	Consultations	No. of consultations	0	100%	100%	100%	-

ANNEXURE B: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

KPA	Focus Area	Objective	Activity	Key Performance Indicator	Baseline Indicator	Annual Target	Performance Measure		
							Q2		Comment on the Variance
							Target	Actual	
Infrastructure Service Delivery	Electricity	To ensure that electricity is made available to all residents to improve their lives	Maintenance of substations	Maintained number of substations	4	4	1	0	Procurement is still underway
			Replacing of MV switchgear Ficksburg main substation	Replace number of MV switchgear	0	11	0	0	
			Housekeeping of mini substations	Number of sub& mini substations to be cleaned and inspected	65	65	16	23	
			Servicing transformers	Number of transformers serviced	4	30	10	12	
			Replace LT panels	Number of LT panels to be replaced	0	2	1	0	Procurement underway
			Install mini substations	Install number of mini substations	1	2	0	1	
			Replace LV lines with cable	Km of LV lines to be replaced with cables	0	0.6	0	0	
			Replace MV cables	Km of MV cables replaced	0	2.1	1.2km	0	Procurement is still in progress
			Replace overheads lines	Km of overheads lines replaced	0	5km	2km	2.650km	
			Meters to be tested	%Meters to be tested	0	100%	100%	100%	
			Meters to be re-read	%Meters to be re-read	0	100%	100%	100%	
			Meters to be read for final reading	%Meters to be read for final reading	0	100%	100%	100%	
			New connections done	% of new connections	0	100%	100%	100%	

ANNEXURE B: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

Electricity	Revenue enhancement compliment with GRAP 17	Disconnection done as per the cut offs list	Percentage of disconnections done	0	100%	100%	100%	
		Reconnections done as per the reconnection list	Percentage of reconnections done	0	100%	100%	100%	
	To ensure that the effective public lighting is available to all residents	Replace of street light fittings	Percentage of fitting replaced	0	100%	100%	100%	
		Repairing streetlights	Number of street lights repaired	300	400	100	83	The target could not be reach due to the unavailability of vehicles.
		Repairing highmast lights	% of highmast light repaired	0	100%	100%	100%	
Compliance	To give administrative support to council committees	Compile reports for standing committee	No. of reports generated	12	12	3	3	
		Units meetings	No. of meetings	0	8	2	2	
		Reports on unit meetings	No. of reports/ minutes generated	0	8	2	2	
		Energy Forum	No. of meetings attended	0	4	1	1	
	To provide training for personnel	Training for trade test	No. of person done trade test	0	4	0	0	This has been moved to the later stage as no space available on the service provider.
		Training for Government Compliance Certificate	No of person trained	0	1	0	0	

ANNEXURE B: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

KPA	Focus Area	Objective	Activity	Key Performance Indicator	Baseline	Annual Target	Performance Measures		
							Quarter 2		Comments on variation
							Target	Actual	
Infrastructure Service delivery	Water	Ensure that good quality water and affordable infrastructure available and accessible to all communities and continuous maintenance thereof a high standard	Improve water quality	% of Blue Drop score			Target	Actual	
				Ficksburg	73.4%	95%	95%	99.9%	Baselines were not included on the SDBIP
				Clocolan	64.7%	95%	95%	99.9%	
				Marquard	80%	95%	95%	99.9%	
				Senekal	66%	95%	95%	99.9%	
				Number of water quality compliance monitoring reports submitted	300	300	75	131	
				No of tests of operational monitoring of water quality	3000	3000	750	871	
				No of Full SANS 241 analysis reports submitted	5	5	0	0	
			safety inspection	Number of dam inspections	48	48	12	12	
				Number of reservoir inspections	48	48	48	118	
			Conservation of natural resources	Quality of effluent discharged to source: % Green Drop Risk Rating					
				Ficksburg	33%	50%	50%	29%	Baseline not included in the SDBIP
				Clocolan	22%	50%	50%	43%	

ANNEXURE B: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

Water			Marquard	44%	50%	50%	27%				
			Senekal	66%	50%	50%	57%				
			Obtain WWTW Licences	No. of WWTW applications submitted	0	4	0	0			
			Waste water quality	Number of compliance monitoring reports	48	48	12	33			
			Purification of water	Mega litres of water to be purified	845ML	845ML	2112.75	1296	Drought/ shortage of Raw water		
			Cleaning of clarifiers overflow weirs	No of clarifiers weirs to be cleaned	48	48	12	12			
			Cleaning of Filters	No of filters boxes cleaned (Dependant on Turbidity)	0	6	1	4			
			Administrative support to Council	No of water forums	4	4	1	1			
				No of reports generated	12	12	3	3			
				No of units meeting conducted	8	12	3	3			
				No of reports/minutes generated	8	12	3	3			
				No. of By-laws meetings attended	3	1	0	1			
			Water and sewer	Water safety plan	Water safety plan 2015	No of revisions	1	4	0	0	N/A this quarter
				Wastewater risk abutment plan	Wastewater risk abutment plan 2015	No of revisions	1	4	0	0	N/A this quarter
				WSDP	Review the WSDP 2015	Number of WSDPs approved	1	1	0	0	N/A this quarter

ANNEXURE B: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

	Water and sewer	Ensure that good quality water and affordable infrastructure available and accessible	Provision of Bulk Water/Sanitation services to newly established areas	No of areas to be provided with bulk infrastructure	0	2	0	0	N/A this quarter
	water	Compliance with Blue and water Acts	Register process controllers	No. of Process Controllers Registered (Dependant on Regulation 17)	54	57	0	0	N/A this quarter
			Register inspector	No. of Inspectors Registered (Dependant on Regulation 17)	4	4	0	0	N/A this quarter
			Renew the Registering of WTW	No. of WTW Classifications (Dependant on Regulation 17)	6	6	0	0	N/A this quarter
	water	Compliance with Blue and National water Acts	Renew licenses	No. of Licences to be revised WTW (Dependant on Regulation 17)	0	6	0	0	N/A this quarter
Infrastructure Service delivery	Bulk Sanitation	Compliance with Green Drop and National Water Acts	Renew the Registering of WWTW	No. of WWTW Classifications (Dependant on Regulation 17)	4	5	0	0	N/A this quarter
			Register for licenses	No. of Licenses application WWTW (Dependant on Regulation 17)	4	5	0	0	N/A this quarter
		Cleaning of Filters	No of filters backwashed	No. of filters backwashed	5500	5500	1385	520	Drought

ANNEXURE B: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

KPA	FOCUS AREA	OBJECTIVE	ACTIVITY	KEY PERFORMANCE INDICATOR	BASE-LINE	ANNUAL TARGET	Performance measure		Comments on variation
							Q2		
							Target	Actual	
Infrastructure Service Delivery	Compliance	To ensure the alignment of the design to the specification	Developed Draft documents	No. of draft documents developed	0	2	0	1	
			Do evaluation of the design specification	No. of design report approved	0	2	0	3	
	Sport	Upgrading of Recreational and Sport Facility	Appointment of Contractor Multipurpose Sport Centre in Senekal	No. of Appointment letters issued	0	1	0	0	
			Senekal/Matwabeng: Upgrading of the Multipurpose Sport Centre	% of work completed	0	50%	0	0	
	Water	To ensure proper good quality water through the entire municipality	Appointment of Consulting Engineer for the Construction of Central WTW	No. of Appointment letters issued	0	1	0	0	
			Appointment of Consulting Engineer for installation of Bulk water meters and water level sensors in reservoirs	No. of Appointment letters issued	0	1	0	0	
	Roads	To ensure proper roads and Stormwater drainage through the entire Municipality	No. of Appointment letters issued	0	1	1	0	0	To be removed not relevant
			Senekal/ Matwabeng Construction of 3km paved road and storm water drainage	% of work completed	5%	85%	40	50	
	Water	Upgrading of Bulk Water Supply	Upgrading of the BWS pipeline from Caledon to Muelspruit Dam, Clocolan and Marquard.	% of work completed	80%	20%	20	20	
			Upgrading of the Bulk Raw Water pipeline from Muelspruit Dam to Ficksburg Water Works	% of work completed	0	50%	5	4	
		Augmentation of Bulk Water Supply	Senekal/Matwabeng: Construction of the new central Water Treatment works	% of work completed	0	10%	0	0	
		Water Cashment /Water Demand Management	Installation of Bulk Water Meters and Water Level Sensors in Reservoirs	% of work completed	0	100%	25	70	Correct Cashment to Conservation under objective
	Sanitation	To ensure access to acceptable sanitation	Clocolan/Hlohlolwane: Construction of the new sewer outfall line and the new sewer pump station 3	% of work completed	50%	50%	15	50	

ANNEXURE B: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

Infrastructure Service Delivery	Capital Project Management	Project monitoring and control	Quality control and site inspections	No. of inspections conducted	0	50	15	15	
			Site meetings	No. of meetings conducted	0	30	8	15	
			Blue and green drop supervision	No. of inspections conducted	0	32	8	8	
		Division of Revenue Act Compliance	Submission of monthly reports	No. of monthly reports submitted	0	12	3	3	
			Submission of quarterly reports	No. of quarterly reports submitted	0	4	1	1	
			Submission of annual reports	No. of annual reports submitted MIG	0	1	0	0	
			Submission of PMU business plan	No. of business plan submitted	0	2	0	2	
			Provincial capital expenditure target as per allocation	% of expenditure reached	100%	100%	44%	48%	
				PMU project expenditure reconciliation	12	12	3	3	
			Compilation of Action Plan	Draft Action 2016/17	3	3	1	0	
	Final Action plan 2015/16	1		1	0	0			
	Reporting on allocation	ACIP quarterly meeting	4	4	1	1			
		RBIG quarterly meeting	4	4	1	1			
		MIG quarterly meeting	4	4	1	1			
		Annual report to DWA	2	2	0	0			
	Update the asset register	Review of asset register	4	1	0	0			
	Environmental sector	To create Full time equivalent opportunities	Cleaning and beautification programme	No. of jobs created	1200	80	0	144	Job employment postponed to second and third quarter
OTHER ACTIVITIES (KPI) NOT INCLUDED ON THE APPROVED SDBIP 2015/2016 to be included on the revised SDBIP									
Infrastructure Service Delivery	Roads	To ensure proper roads and Stormwater drainage through the entire Municipality	Ficksburg/ Meqheleng Construction of 3km paved road and storm water drainage	% of work completed	5%	85%	40%	43%	
			Clocolan/ Hlohlohwane Construction of 3km paved road and storm water drainage	No. of appointment letters issued for Service Providers	0	2	1	1	
				% of work completed	0	30%	0	0	
			Marquard/ Moemaneng Construction of 3km paved road and storm water drainage	No. of appointment letters issued for Service Providers	0	2	1	1	
	% of work completed	0		30%	0	0			
	Sanitation	To ensure access to acceptable sanitation	Issuing of Final Completion Certificate for Upgrading of Oxidation ponds in Marquard	No. of Final Certificates issued	1	3	0	0	
	Sport	Upgrading of Recreational and Sport Facility	Issuing of Final Completion Certificate for Upgrading of Sport and Recreational	No. of Final Certificates issued	0	1	0	0	

ANNEXURE B: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

			Facility in Ficksburg/ Meqheleng						
								Target	Target
Infrastructure Service Delivery			Re-Gravelling of roads	Km of roads Re-Gravelled	0	60	15	7.0	
			Transporting of Material	m ³ of gravel material imported	0	1000	233	3681	
			Flexible Pavement/Asphalt Road Repaired	m ² and No of Potholes Repaired	0	5000	1250	4495	
			Interlocking Pavement/Blocks Road Repaired	m ² and Number of Potholes Repaired	0	50	12.5	89	
			Stormwater channel cleaned/Repaired	Km of stormwater channel cleaned/Repaired	0	150	37.5	22.0	
			Stormwater channel Constructed	Km of stormwater channel Constructed	0	3	0.75	0.026	
			Speed Calming/Hump Repaired/Erected	No of Speed Calming/Hump Repaired/Erected	0	12	3	4	
			Stormwater Kerb-Inlet/catch pits Cleaned/Repaired (No)	No of stormwater Kerb-Inlet/catchpit Cleaned/Repaired	0	475	118	145	
Infrastructure Service Delivery	Roads and stormwater drainage	To ensure a proper road and street network throughout the entire area to benefit all residents	Sidewalks Cleaned/Repaired	Km of sidewalks Cleaned/Repaired	0	5	1.5	0,034	
			Flexible Pavement/Asphalt Road Repaired	m ² of Flexible Pavement/Asphalt Road Re-Sealed	0	20 000	5000	5414	Was wrongly targeted in KM on the approved SDBIP
			Bollards Replaced/Installed	No of Bollards Replaced/Installed	0	28	7	0	This was wrongly measured as m ² used instead of No.
			Flexible Pavement/Asphalt Road Constructed	Km of Flexible Pavement/Asphalt Road Constructed	0	1.2	0.3	0	To be removed same as the two lines above
			Kerbs Repaired/Installed	Km of Kerbs Repaired/Installed	0	0.3	0.1	0	
	Compliance	To give administrative support to council committees	To do a risk Management	No. of risk progress report	0	4	1	1	
			To participate in the risk management activities	No. of risk meeting attended	0	4	1	0	No meeting called
			Compile reports for standing committee	No. of Report generated	12	12	3	3	
			Units Meetings	No. of Meetings attended	0	16	4	9	
Reports on units meetings			No. of reports/minutes	0	16	4	9		

ANNEXURE B: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

			RRAMS Forum	No. of Meetings attended	0	8	2	1	Only one meeting called	
			To register of an affiliation	Register of Professional	0	1	0	0		
			To have a public participation	No. of draft Maintenance Plan Compiled	0	1	0	0		
				No. of draft road policy Compiled	0	1	0	0		
Infrastructure Service Delivery	Compliance	To give administrative support to council committees	Compile reports for standing committee	No of reports generated	12	12	3	0	On sick leave from October to December 2015.	
			Units meeting	No of meeting attended	8	12	3	0	On sick leave from October to December 2015.	
			Reports on unit meeting	No of reports/minutes generated	8	12	3	0	On sick leave from October to December 2015.	
			Water forums	No of meeting attended	4	4	1	0	Attended by Manager Bulk for the 2 st quarter.	
	Broader public participation and plans	To have adequate communication system in place	Water services By Laws meeting	No of bylaws meeting attended	3	1	0	0		
		To ensure access to an acceptable sanitation system by all households that is affordable and within the minimum standard	And ensure adequate clean water to all	Fixing of main pipe	% of main pipes fixed	0	50%	100%	100%	
				Fixing of water meters	% of water meters fixed	0	50%	100%	100%	
				Fixing of service connections	% of service connections fixed	0	100%	100%	100%	
				Fixing of isolating valves	% of isolating valves fixed	0	100%	100%	100%	
				Fixing of fire hydrants	% of fire hydrants fixed	0	100%	100%	100%	

ANNEXURE B: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

	Water and Sanitation	residents at an affordable rate	Fixing of bulk water meters	% of bulk water meters fixed	0	100%	100%	100%	
	Sanitation	To ensure access to acceptable sanitation to comply with minimum standards	Removal of buckets	Number of buckets removed	68286	68286	17071,5	62 322	
	SANITATION		Servicing of septic tanks and VIP toilets	Number of septic tanks and VIP toilets serviced	1562	1562	390	256	
			Unblocking of sewer spillages	% of sewer unblocked	90%	100%	100%	100%	
		To ensure access to an acceptable sanitation system by all households that is affordable and within the minimum standard	Inspections on water and sewer infrastructure	No. of inspections conducted	8	12	3	4	
Infrastructure Service Delivery	Compliance	To give administrative support to council	Attending meetings	No. of Exco meetings attended	12	12	3	3	
				No. of Council Meeting attended	4	4	1	2	
				No. of Standing Committee attended	24	24	6	5	
				No. of Management meeting attended	12	12	3	2	
				No. of Departmental meeting attended	12	12	3	3	
				No. of Standing Committee minutes generated	24	24	6	6	
			Development of procurement plan	No. of procurement plan developed	1	1	0	0	
			Attendance Registers and Overtime	Submission of Attendance Register / overtime claim	100%	100%	100%	100%	
			Approval of Leaves	Approval of employees leaves	100%	100%	100%	100%	
			Capturing of Request	Capturing of requisition for SCM	100%	100%	100%	100%	
			Complaints	Attending to complaints addressed to engineering	100%	100%	100%	100%	
			Risk Committee	No. of Risk Committee meetings attended	4	4	1	1	
			Asset and Liability meetings	No. of Asset and Liability meetings attended	4	4	1	0	No meeting called by the Chairperson
			BEC/BAC	No. of BEC/BAC attended	100%	100%	100%	100%	

ANNEXURE B: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

			Internal Audit queries	Internal Audit queries attended	100%	100%	100%	100%	
			AG audit queries	AG audit queries attended	100%	100%	100%	100%	

ANNEXURE B: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

Focus	Objective	Activity	KPI	Baseline Indicator	Annual Target	QUARTER 2		Comment on variance
						Q2-Target	Q2- Actual	
Assets management	Generate Accurate & Reliable reports on the assets status	Update Financial Management system regularly	Number of reports generated	12	12	3	3	Achieved
	Regular Assets verification	Physical verification of movable assets and high value assets	Number of verification conducted	1	4	1	1	Achieved
	Safeguard all municipality's assets	Create & Update the inventory list Of all movable assets	Number of inventory list created and updated	0	4	1	1	Achieved
	Create and maintain Asset Registers	Update asset register regularly	Number of asset register updated.	12	12	3	3	Achieved
	Capital budget spending.	Spend capital expenditure as per the approved budget.	% spends on approved capital budget v/s actual spending.	0	100%	50%	49%	The variance is as result of VAT as the Budget and reporting and PMU on their report they include VAT.
	Reconciliation of assets	Prepare a monthly reconciliation reports.	Number of reconciliation reports	12	12	3	3	Achieved
Compliance	Maintain effective system of good internal controls	Monitoring Supply Chain Management for procurement of assets.	Number of reports on monitoring of assets acquisition.	0	12	3	3	Achieved
	Effective implementation of 3 Key control measures	Generate reports on 3 key control measures	Number of key controls reports generated	12	12	3	3	Achieved
	Effective asset management	Update assets register in accordance with requirements	% of GRAP standards complied with.	90%	100%	90%	100%	Achieved
	Ensure effective communication	Responding to audit queries within stipulated time period	% of audit queries answered.	70%	100%	90%	85%	The variance is caused by process that it takes to resolve the audit queries, from Municipal office, Internal Audit and then Finance.
	Guideline on planning, budgeting and	Review capital infrastructure	Approved capital infrastructure	1	0	0	0	Achieved

ANNEXURE B: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

	funding of capital infrastructure.	investment policy	investment policy					
	To implement and resolve PROPAC resolutions.	Responding and implementing resolutions taken	The number of PROPAC resolutions responded and implemented	0	1	0	0	Achieved
	Asset management policy	To review asset management policy	A Reviewed and approved asset management policy.	1	1	0	0	Achieved
	Ensure effective risk management	Reporting on risk	% of risk reported and mitigated	0	90%	0	100%	Achieved

ANNEXURE B: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

ACTIVITY	KEY PERFORMANCE INDICATOR	BASE-LINE	ANNUAL TARGET	2 nd Quarter Target	2 nd Quarter Actual	FREQUENCY OF REPORTING	RISKS	WAS THE TARGET REACHED	IF NOT THEN WHY	CORRECTIVE ACTION
				Q1	Q1					
Responding to audit queries within stipulated time period	% of audit queries resolved	70%	100%	90%	100%	Quarterly	Negative audit opinion	YES	N/A	None
To review budget related policies at least on a yearly basis for adoption.	Number of budget related policies.	5	5	0	0	Annually	Non-compliance with legislation	N/A	Not Yet Due	None
Hold senior managers' departmental meetings	Number of senior managers' departmental meetings held		24	6	6	Bi-monthly	Non implementation of strategies	YES	N/A	None
Hold staff meetings	Number of staff meetings held		24	6	6	Bi-monthly	Uninformed and demoralised staff.	YES	N/A	None
Coordinate Finance Committee meetings	Number of Finance Committee meeting held	12	12	3	3	Monthly	Non-compliance	YES	N/A	None
Attend EXCO meetings regularly	Number of EXCO meetings attended	12	12	3	3	Monthly	Non-compliance	YES	N/A	None
Attend Council meetings regularly	Number of Council meeting attended	4	4	1	1	Quarterly	Non-compliance	YES	N/A	None
Prepare and attend SCOPA meetings	Number of SCOPA meetings attended	1	2	1	0	As required	Non-compliance	N/A	No SCOPA sitting from Province	Awaiting Invitation
Report in terms of section 71 of the MFMA at least 10 working days after	Number of reports	12	12	3	3	Monthly	Noncompliance with legislation	YES	N/A	None

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the end of each month										
To establish budget steering committee that oversee the budget process and implementation.	Approved budget steering committee	0	1	1	1	Annually		YES	N/A	None
Attend Budget bilateral meetings with Provincial Treasury	Number of budget bilateral meeting attended	1	1	0	0	Annually		N/A	Not Yet Due	None
To coordinate budget steering committee meetings	Number of meetings held	0	4	1	0	Quarterly		NO	Budget Steering Committee established at FinCom 11/2015 and first meeting is planned for January 2016	The first meeting will be held in January 2016
To update Risk Register Report regularly	Number of Risks reports generated		4	1	1	Quarterly		YES	N/A	None
Report on the 5 Key Control matrix	Number of reports generated	12	12	3	3	Monthly		YES	N/A	None
Review of 5 year long term financial plan	Approved 5 year long term financial plan	0	1	0	0	Annually		N/A	Not Yet Due	None

ANNEXURE B: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

Reporting in terms of section 72 of the MFMA by the 25 of January	Number of the Mid-Year assessment report on 25 January to Council	1	1	0	0	Annually	Noncompliance with legislation	N/A	Not Yet Due	None
Reporting in terms of section 52 of the MFMA	Number of reports submitted.	4	4	1	1	Quarterly	Noncompliance with legislation	YES	N/A	None
To compile and submit AFS by 31 August	Number of AFS within the stipulated timeframe	1	1	0	0	Annually	Noncompliance with legislation	YES	N/A	None
Compile adjustment budget	Approved adjustment budget	1	1	0	0	Yearly	Noncompliance with legislation	N/A	Not Yet Due	None
Submit grants performance reports to National Treasury	Approved grants reports submitted in due date	12	12	3	3	Monthly	Noncompliance with legislation	YES	N/A	None
To compile the budget according to MFMA and other relevant legislations	Adoption of Budget	1	1	0	0	Yearly	Noncompliance with legislation	N/A	Not Yet Due	None
Meet the SCOA piloting site requirements	Met SCOA piloting site requirements by June 2016	0	1	0	0	Once off	Requirement not met on time.	N/A	Not Yet Due	None
	Number of trainings attended	0	4	1	1	Quarterly		YES	N/A	None
Upgrading of the FMS	Number of Financial systems installed	1	1	0	0	Once off		N/A	Not Yet Due	None
	Number of SCOA Compliant budget submitted	0	1	0	0	Once off		N/A	Not Yet Due	None
Develop Fund and Reserve Policy	Approved Fund and Reserved Policy	0	1	0	0	Annually		N/A	Not Yet Due	None
Review Long term Financial Policy	Approved long term Financial Policy	0	1	0	0	Annually		N/A	Not Yet Due	None

ANNEXURE B: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

3. Division's Policy Objectives Taken From the IDP								
FOCUS AREA	OBJECTIVE	ACTIVITY	KEY PERFORMANCE INDICATOR	BASE-LINE	ANNUAL TARGET	Q2		Comment on the Variance
						Target	Actual	
Compliance	Insurance Control	Report on loss of assets	Number of reports generated	12	12	3	3	Achieved
Safeguarding of documents	Effective Expenditure Management	Control of payment vouchers	% of documents filed	90%	100%	95%	95%	Achieved
Compliance	Effective Expenditure Management	Invoices to be paid within 30 days	% of suppliers paid within 30 days	80%	90%	80%	88%	Monitoring of invoice dates and ensuring payment before 30 days
Compliance	Effective Expenditure Management	Communication to suppliers	Number of communications issued	0	2	1	1	Achieved
Internal Control	Effective Expenditure Management	Regular reconciliations between suppliers statement and creditors register	% of reconciled creditors accounts	80%	90%	80%	86%	Regular communication with suppliers to submit their statements
Compliance	Effective Expenditure Management	Recording and reporting on irregular, fruitless and wasteful expenditure	Number of register generated on irregular, fruitless and wasteful expenditure	12	12	3	3	Achieved
Compliance	Effective Expenditure Management	Spend operating budget expenditure as per approved budget	% of operating budget expenditure management	0	100%	50%	82%	Actual expense divide by budget total expense: (R4 358/R5 344) x 100 = 82%
Internal Control	Effective Cash flow Management	Prepare cash flow forecast	Number of cash flow reports	12	12	3	3	Achieved

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Internal Control	Effective Cash out flow management	Review and clearing unreleased payments on the bank	Number of reports printed from on-line banking to be cleared	48	12	12	12	Achieved
Internal Control	Effective internal control systems	Report on weak internal controls	Number of reports generated on implementation of internal controls	0	12	3	3	Achieved
Compliance	Effective control system	Responding and implementation of resolutions taken	Number of PROPAC resolutions taken and implemented	0	1	0	0	The activity is only due in the third Quarter
Compliance	Ensure effective communication	Responding to audit queries	% of audit queries reported	70%	90%	90%	90%	Responding promptly to audit queries received
Compliance	To ensure effective risk management	Reporting on risk	% of risk reported and mitigated	90%	90%	80%	80%	Achieved
Compliance	To ensure effective risk management	Coordinate and attend Assets and Liability meetings	Number of Assets and Liability meetings coordinated and attended	2	4	1	0	Were only able to finalize December month with the month end closure. However the report was already forwarded to the secretary of the Asset and Liability committee for their reference

ANNEXURE B: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

						Target	Actual	Target	Actual	
Compliance	To review Revenue related policies	Consultation with relevant stakeholders	Number of revenue related policies reviewed and adopted	5	5	0	0	0	0	
Revenue	To maximize revenue billing	By billing every site with the applicable services	Percentage of sites billed with applicable services as per approved tariff	80%	100%	85%	100%	85%	90%	Verified the deviation report
Revenue	To maximize billing revenue	Ensure all meters are read monthly	% of meters read	75%	95%	80%	81%	82%	85%	Deviation report verified monthly
	To maximize revenue collection	Implementation of credit control and debt collection policy	Percentage payment rate on monthly billing	55%	80%	60%	62%	60%	65%	Done Cut off monthly
	To ensure poverty alleviation	Registration of Indigent consumers	Number of indigents registered households	5710	6000	3000	3006	2800	1084	Registrations done daily
	Poverty alleviation	Allocate 100% of basic charges	Percentage of subsidy allocated per benefit category	100%	100%	100%	100%	100%	100%	Done monthly
Compliance	To safeguard daily takings	Bank cash on daily basis	% of daily cash banked	0	100%	100%	100%	100%	100%	Make use of GIS
Compliance	To reduce electricity losses	Report to electricity division all queries on electrical meters	Number of exception reports sent to the electricity division	3	12	3	3	3	3	Regular reporting to the Electrical division

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Compliance	To compile and/ update the new valuation roll	Implement new valuation roll	% Implementation of valuation roll	100%	100%	100%	95%	0	0	Implemented
			Number of reconciliations – A & B Part ito Property Rates Act	1	3	0	0	1	1	Done
	To ensure that banking is done timeously	Review contract with Cash-in-transit Service Provider	Number of Duly signed contract in place	1	1	0	0	0	0	
	To ensure that a Revenue Protection Strategy is formulated	Formulate a Revenue Protection Strategy/	Number of Developed Revenue Protection Strategy	0	1	0	0	0	1	
	To ensure that the Revenue Enhancement Strategy is reviewed	Review Revenue Enhancement Strategy	Revenue Enhancement Strategy reviewed and adopted	0	1	0	0	0	0	
Compliance	Ensure effective risk management	Reporting on risk	% of risk reported and mitigated	0	90%	0	0	0	0	
Compliance	To resolve audit queries	Responding to internal audit queries stipulated period/time	The percentage of queries answered within 7 working days of receiving the query	80%	100 %	90%	100%	100%	100%	Queries answered as it is received
Compliance	To improve customer care relations	Implementati on of customer care complaints	Percentage of customer queries resolved within three working days			50%	65%	59%	60%	Queries be solved immediately Technical solved as they received it

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		register Relating to debtors.		20%	90%					
Compliance	To enhance relationship with public	Hold meetings with public	Number of meetings	0	4	1	14	0	1	
Compliance	To enhance relationship with public	Radio slots	Number of radio slots	0	4	1	3	0	1	

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3. Division's Policy Objectives Taken From the IDP										
FOCUS AREA	OBJECTIVE	ACTIVITY	KEY PERFORMANCE INDICATOR	BASE-LINE	ANNUAL TARGET	Q1		Q2		Comment on the Variance
						Target	Actual	Target	Actual	
Acquisition Management	To implement effective acquisition management system	Monitor and implement procurement plans	Number of report generated	1	12	3	3	3	3	Achieved
Empowerment of SMME's	Contribute towards SMME's development	Support towards SMME's	% of spending against operation expenditure on service delivery	40%	70%	50%	40%	50%	35%	35% of service providers who resides around Setsoto Local Municipality were given jobs
Demand Management	Implementation of effective demand management	Develop sourcing strategy	Approved Sourcing Strategy	0	1	0	0	0	0	Not yet achieved and the sourcing strategy will be developed in the fourth quarter.
Demand Management	Implementation of effective demand management	Monitor and implement procurement plans	Number of reports generated	1	12	3	3	3	3	Yes we do report on the progress on the procurement plans, however

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										those procurement plans have not
	To implement and maintain an effective logistic management system	Establish a system of receiving and dispatch	Number of system description developed	0	1	0	0	0	0	To be implemented in the fourth quarter as it forms part of the store rectification plan yet been approved by the Accounting Officer Achievement: Receiving and dispatch clerks have been appointed but not yet effective as office space is to be erected
	To implement and maintain an effective logistic management system	Develop a strategic inventory list	Number of approved inventory list	0	1	0	0	0	0	To be implemented in the fourth quarter as it forms part of the

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										store rectification plan
Logistic Management	To implement and maintain an effective logistic management system	Stock taking	Number of stock taking undertaken	4	4	1	1	1	1	Achieved
	To implement and maintain an effective logistic management system	Develop and implement store rectification plan	Approved number of store rectification plan	0	1	0	0	0	0	To be implemented in the fourth quarter
Compliance	To resolve audit queries	Responding to audit queries within stipulated time period	% of audit queries resolved	100%	100%	100%	100%	100%	100%	Achieved
	To implement and resolve PROPAC resolution	Responding and implementing resolution taken	The number of PROPAC resolution taken and implemented	100%	100%	0%	0%	0%	0%	Awaiting invitation from PROPAC
Internal Control	To streamline the procurement process	Review SCM Policy	Approved revised SCM Policy	1	1	0	0	0	0	A Policy in line with the Model policy have been developed and will be presented.
Capacitation	Intensive training on SCM Policy	To capacitate the SCM officials to be competitive in terms of the legislation	% of SCM staff attended competent	40%	100%	40%	40%	40%	60%	2 officials have completed, 3 have submitted the last portfolio of evidence

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										and 4 will be enrolled in the next intake 2015/2016
Internal Control	To ensure completeness of the bid register	Complete and update of the bid register	% completed bid register	80%	100%	100%	100%	100%	100%	Achieved
Compliance	Accurate reporting and feedback	Reporting monthly and quarterly	Submission of legislative report on due dates	10%	100%	100%	100%	100%	100%	Achieved
Risk management	To ensure effective risk management	Report on the risk exposure	% of risks reported and mitigated	90%	90%	80%	60%	80%	100%	Achieved

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3. Division's Policy Objectives Taken From the IDP								
FOCUS AREA	OBJECTIVE	ACTIVITY	KEY PERFORMANCE INDICATOR	BASE-LINE	ANNUAL TARGET	Q1		Comment on the Variance
						Target	Actual	
Youth Development	Lobby and advocacy for youth development programmes	Talent Search & Show	Number of events held	1	1	1	3	Dept of SARC provided platform for local artists to perform at the district level in quest to select MACUFE performers.
		Substance abuse	Number of events held	1	4	0	1	It was initiated by Youth Advisor in the office of the Premier
		Prize Giving ceremony & Gala Diner	Number of events held	0	1	0	1	This was previously identified Youth but could not benefit hence was carried this year
Gender, Women Children & support the vulnerable (Special programmes)	Coordination of Special and transversal Programmes	Golden Games (for Senior citizens)	Number of games held	0	1	1	2	Premier's office recommended that those who have participated in local games should proceed to finals
		Indigenous Games	Numbers of games held	0	1	1	1	
		Teenage Pregnancy awareness	Number of awareness held	0	4	4	0	Department of Education declined initiative citing disturbance of school hours. It will be conducted beyond the ambit of the school.
		Women in Sports	Number of sporting codes played	0	1	0	1	This had to be reviewed following the clarion call from external stakeholders.
		Cane Caring Awareness	Number of awareness conducted	0	4	4	0	South African National Council for the Blinds recommended the suspension of the activity after having realised the imminent 42 nd

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								Biennial Conference and reliance is heavily on municipality (e.g. transport for the blinds) however White cane Walk as Provincial event will unfold (in Bloemfontein)
		Meeting with Traditional Healers	Number of meetings	4	4	4	3	
		Workshop for Traditional Healers	Number of workshops held	1	4	4	3	
		Mayoral Imbizo	Number of Imbizos held	3	4	1	0	
Public Participation	Commemorati on of Global; National & Provincial events	Women’s Month Celebration	Number of activities held	1	1	1	1	

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3. Division's Policy Objectives Taken From the IDP								
FOCUS AREA	OBJECTIVE	ACTIVITY	KEY PERFORMANCE INDICATOR	BASE-LINE	ANNUAL TARGET	Q2		Comment on the Variance
						Target	Actual	
Risk management	To identify and priorities potential risk events within the municipality	To promote a risk culture in the institution	No of attendance registers		1	1	1	
		To promote zero tolerance culture to fraud & corruption	No of attendance registers		1	1	1	
		Protection of whistle blowers and anonymous	Percentage of whistle blowers protected	100%	100%	100%	100%	
		To report to the RMC on the progress of Risk management and Fraud activities	No of Risk management committees	4	4	1	0	The Risk Officer was hospitalized therefore no one executed her duties.
		Risk monitoring	No of reports	5	60	15	0	The Risk Officer was hospitalized therefore no one executed her duties.

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3. Unit's Policy Objectives Taken From the IDP											
FOCUS AREA	OBJECTIVE	ACTIVITY	KEY PERFORMANCE INDICATOR	BASE-LINE	ANNUAL TARGET	Q1		Q2		Comment on the Variance	
						Target	Actual	Target	Actual		
Financial Reporting	Ensure compliance with International standard for the Professional practice of internal auditing - performance standards and internal audit charter	Provide quality assurance on the compilation of the Annual Financial Statement(AFS)	Number of AFS report to be produced	3	1	1	2	0	0		
Risk Management System		Provide assurance on Risk Management	Number of Risk Management System report to be produced	0	3	0	0	1	1		
Financial Reporting		Provide assurance on the effectiveness and efficiency on the internal controls	Number of Expenditure report to be produced	3	4	1	0	1	2		
Human Resource and Budgeting			Number of Employees related costs report to be produced	3	4	1	0	1	2		
Revenue Management			Number of Cash and Cash Equivalent report to be produced	3	4	1	0	1	1		
			Number of Receivables report to be produced	3	4	1	0	1	1		
			Number of Credit Control report to be produced	3	4	1	0	1	1		
Assets Management			Number of property, Plant and Equipment report to be produced	3	4	1	1	1	1		
Regulatory requirement			Provide assurance on the effectiveness and efficiency on the internal controls	Number of Compliance report to be produced	3	4	1	0	1	1	

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Performance Management	Ensure compliance with International standard for the Professional practice of internal auditing - performance standards and internal audit charter		Number of performance report to be produced	2	2	0	0	1	1	
Planning			Number of Auditing IDP process including SDBIP	4	4	1	1	1	1	
Ad hoc			Number of special assignment reports	5	4	1	2	1	1	
Regulatory requirement	Ensure compliance with International standard of Professional practice for the internal auditing and legislation	Provide assurance on the effectiveness and efficiency on the internal controls	Number of system descriptions compiled	61	61	61	56	0	4	System description for long due accounts was not done as Manager Revenue indicated that it will be done as soon as the process of appointing the debt collection is completed.
			Number of Audit Program compiled	48	48	48	0	0	0	
			Number of Quarterly plans compiled	39	39	9	13	10	0	Team are on leave and it will be done before the execution phase.
			Number of membership of personnel to be renewed	6	6	0	0	0	0	
Regulatory requirement	Ensure compliance with audit and performance audit charter and internal audit charter	Adherence to legislative requirement	Number of Audit Committee meetings to be held	5	4	1	2	1	1	

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Regulatory requirement	Ensure compliance with audit and performance audit charter and internal audit charter	Adherence to legislative requirement	Number of resolution lists compiled and followed up	4	4	1	1	1	1	
			Number of notices send	15	60	15	30	15	15	
			Number of divisional meetings to be held	4	12	3	1	3	3	
Regulatory requirement	Ensure compliance with International standard for the Professional practice of internal auditing - performance standards	Adherence to legislative requirement	Number of declarations of independency and secrecy to be signed for the adoption of the standards of professional practice of internal audit.	58	48	12	12	12	12	
	Ensure compliance with section 2040 International standard for the Professional practice of internal auditing	Adherence to legislative requirement	Number of strategic and coverage plan to be compiled that will determine the focus and priority of auditable areas.	2	2	2	1	0	0	
			Number of progress report in implementation of coverage plan	4	4	1	1	1	0	
			Number of procedural manual compiled	1	1	1	1	0	0	
	Ensure compliance with section 2040 International standard for the Professional Practice of Internal Auditing	Adherence to legislative requirement	Number of memoranda written for the Municipal Manager	5	4	1	1	1	0	
Ensure compliance with International standard for the Professional practice of internal auditing, King 3	Adherence to legislative requirement	Number of audit policy inclusive of audit and performance audit committee charter and internal audit charter	1	1	1	0	0	1		

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	Report and section 165 & 166 of the MFMA.								
Regulatory requirement	To provide quality assurance on the achievement of the municipal objectives	Adherence to legislative requirement	Number of follow-ups done during the financial year on the Action Plan	4	4	1	2	1	0
Functional Ward Committees	Enhancing communication between community and council	Holding of monthly ward committee meetings	Number of ward committee meetings	47	216	54	7	Not all ward committees submitted their reports.	
		Ward profiling	Number of door-to-door campaigns	1	2	0	1	Ward profiling was supposed to be done in the 3 rd quarter but was done in the 2 nd quarter because the Department of Water & Sanitation and also Department of Home Affairs needed them before then. The profiling was done on Child headed households and People who do not have birth certificates.	
		Ward committee workshops	Number of workshops	1	4	1	0	COGTA was unable to conduct a workshop due to their workload.	
Intergovernmental relations	Enhance intergovernmental relations	Attending District Public Participation steering committee meetings	Number of meetings attended	0	4	1	0	Due to activities of the District like Men's march and World AIDS day celebration, meetings were postponed to 3 rd quarter.	
		Attending Provincial Public Participation steering committee meetings	Number of meetings attended	0	4	1	0	No meetings were scheduled for this quarter due to activities the Province had.	

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3. Division's Policy Objectives Taken From the IDP								
FOCUS AREA	OBJECTIVE	ACTIVITY	KEY PERFORMANCE INDICATOR	BASE-LINE	ANNUAL TARGET	Q2		Comment on the Variance
						Target	Actual	
Communications	To provide excellent internal & external communication	To review the municipal communication strategy	Number of strategies reviewed	1	1	0	0	
		Issue Municipal Newsletter	Number of newsletter published	0	4	1	0	The Financial Department have not concluded or finalized tender processes. Await appointment of the service provider.
		Acquire Bulk Smses system	Number of systems acquired	0	1	1	1	
	To improve media liaison	Issue Media Statements	Number of statements issued	12	12	3	3	
		Issue Notices/announcements	Percentage of notices/announcements	100%	100%	100%	100%	
		Respond to media enquiries	Percentage of media enquiries responded to	100%	100%	100%	100%	
		Schedule Monthly interviews	Number of interviews scheduled	12	12	3	3	
	To improve internal communication	Update the website	Percentage of uploads conducted	100%	100%	100%	100%	
	To promote municipal brand	Brand all municipal activities/events	Percentage of events branded	100%	100%	100%	100%	
	To create access to senior officials	Develop business cards for all senior officials	Number of cards developed	1	1	1	1	
	To improve good governance	Form part of intergovernmental programs	Percentage of programs formed part of	100%	100%	100%	100%	
		Provide support to different	Percentage of support provided	100%	100%	100%	100%	

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		departments internally	t provided to different departments internally	100%	100%	100%	100%	
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3. Division's Policy Objectives Taken From the IDP										
FOCUS AREA	OBJECTIVE	ACTIVITY	KEY PERFORMANCE INDICATOR	BASE-LINE	ANNUAL TARGET	Quarter 1		Quarter 2		Comment on the Variance
						Target	Actual	Target	Actual	
Public Participation	To ensure that communities are involved in municipal planning and budgeting processes	Adoption of the Integrated Development Plan Review Process Plan 2015/2016 with Program of action and Budgeted Costs	Number of the integrated Development Plan Review	1	1	1	1	0	0	It's done once annual and its done on the First Quarter
Strategic planning	To ensure that the municipality approves a credible integrated development plan 2016/2017	Review the Integrated development Plan 2015/2016	Number of the approved integrated Development plan 2016/2017	1	0	0	0	0	0	It's a First Quarter Target
Performance Management System	Ensure that the Organisation has adopted a performance Management Systems Policy Framework for 2016/2017	Review the Organisational Performance Management system Policy framework 2013/2014	Number of the reviewed Organisational Performance Management System Policy Framework	1	1	0	0	0	0	It is planned for the 4 th Quarter
	Ensure that the performance of the Organisation is monitored and evaluated	Development and approval of the Service Delivery and Budget Implementation Plan 2016/2017	Number of Service Delivery and Budget Implementation plans approved and implemented	1	1	1	1	0	0	It is only planned for 1 st quarter its done once Annual
		Submission of section 52 (d) of the Municipality Finance Management Act, 56 of 2003 to council	Number of Section 52 (d) reports submitted	4	4	1	1	1	1	Target Met
		Submission of the draft Annual report 2014/2015 to the Office of the Auditor General	Approved Draft section 6 of the Municipal systems Act, 46 of 2000	1	1	1	1	0	0	It's done once annual, It was done in first quarter
		Tabling of the Annual Report to Council	Number of section 121 Report to Council	1	1	0	0	0	0	Planned for 3 rd Quarter

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		Submission of the Midyear Performance Assessment report to Council	Number of section 72 Report submitted to council	1	1	0	0	0	0	Its Planned for 3 rd quarter
Ensure that Council plays its oversight role on Council and administration	Preparation Municipal Accounts committee meetings		Number of meeting held	9	12	3	2	0	0	To be Cover in the 3 rd quarter
			Number of notices send	42	180	45	0	45	0	To be Covered in 3 rd quarter
			Number of agendas compiled	9	12	3	2	3	0	To be covered in 3 rd quarter
			Number of minutes approved	9	12	3	1	3	0	To be covered in 3 rd Quarter
	Ensure that the performance of the Oranisation is monitored and evaluated	Monitor the implementation of the Back to basics Principles as approved by council	Number of performance reports submitted to council on the implementation of the back to basics principles	2	4	1	1	1	1	Target met